

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”

“Investment in capital market involves certain degree of risks. The investors are required to read the prospectus and risk factors carefully, assess their own financial conditions and risk taking ability before making their investment decisions.”

PROSPECTUS OF *NEW LINE CLOTHINGS LIMITED*

PROPOSED ISSUE SIZE

PUBLIC ISSUE OF 30,000,000 ORDINARY SHARES OF TK.10.00 EACH AT
PAR TOTALING TK.300,000,000.00

Opening and Closing date of Subscription

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MANAGERS TO THE ISSUE

BANCO FINANCE AND INVESTMENT LIMITED

SANDHANI LIFE FINANCE LIMITED

SOUTHEAST BANK CAPITAL SERVICES LTD.

ISSUE DATE OF THE PROSPECTUS: January 24, 2019

PRELIMINARY INFORMATION AND DECLARATIONS

(i) Name(s), address(s), telephone number(s), web address(s), e-mail(s), fax number(s) and contact persons of the issuer, issue managers, underwriter(s), auditors, credit rating company and valuer, where applicable;

Name & Address	Contact Person	Telephone, Fax Number, E-mail & Web Address
Issuer:		
New Line Clothings Limited Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Md. Asif Rahman Director	Tel: 02-9297403 Tel: 02-9297415 Tel: 02-9297417 Fax: 02-9297405 Website: www.newline.com.bd E-mail: info@newline.com.bd
Issue Managers:		
Banco Finance And Investment Limited Shefali Complex (4 th Floor), 218/3, A, West Kafrul, Begum Rokeya Sharani, Taltola, Sher-e-Bangla Nagar, Dhaka-1207	Mohammad Hamdul Islam Managing Director & CEO	Tel: 02-55025168 Tel: 02-55025169 Fax: 02-55025167 Website: www.bfilbd.org E-mail: banco.bd@gmail.com
Sandhani Life Finance Limited 16, Motijheel Commercial Area, (3rd Floor), Dhaka – 1000	Muhammad Nazrul Islam FCMA Managing Director & CEO	Tel: 02-9551896 Tel: 02-9575903 Fax: 02-9554847 Website: www.slflbd.com E-mail: info@slflbd.com
Southeast Bank Capital Services Ltd. Eunoos Center (Level 9) 52-53 Dilkusha C/A, Dhaka-1000	Md. Abu Bakar FCA Managing Director (CC)	Tel: 02-9574171-5 Fax: 02-9574169 Website: www.southeastbank.com.bd E-mail: mbw@southeastbank.com.bd
Underwriters:		
AIBL Capital Management Limited Peoples Insurance Bhaban (7 th Floor) 36, Dilkusha C/A, Dhaka-1000	Muhammad Husain Ahmad Faruqi Chief Executive Officer	Tel: 02-9560198 Tel: 02-7123255-7 Fax: 02-9575379 Website: www.al-arafahbank.com E-mail: cml@al-arafahbank.com
Sandhani Life Finance Limited 16, Motijheel Commercial Area, (3rd Floor), Dhaka – 1000	Muhammad Nazrul Islam FCMA Managing Director & CEO	Tel: 02-9551896 Tel: 02-9575903 Fax: 02-9554847 Website: www.slflbd.com E-mail: info@slflbd.com
Southeast Bank Capital Services Ltd. Eunoos Center (Level 9) 52-53 Dilkusha C/A, Dhaka-1000	Md. Abu Bakar FCA Managing Director (CC)	Tel: 02-9574171-5 Fax: 02-9574169 Website: www.southeastbank.com.bd E-mail: mbw@southeastbank.com.bd
Auditor:		
Shiraz Khan Basak & Co. Chartered Accountants R. K. Tower (Level-10) 86, Bir Uttam C.R. Datta Road, Dhaka-1205	Ramendra Nath Basak FCA Partner	Tel: 02-8651165 Fax: 02-8621575 Website: www.rrmarbebd.com E-mail: rnbasak@rrmarbebd.com
Valuer:		
Mohammad Ata Karim & Co. Chartered Accountants Palton Tower (7 th Floor), Suit # 706, 87, Purana Paltan Line, Dhaka	ASM Ataul Karim FCA Partner	Tel: 02-8333047 Tel: 02-9343430 E-mail: makc1941@yahoo.com

(ii) “A person interested to get a prospectus may obtain from the issuer and the issue managers.”

(iii) “If you have any query about this document, you may consult the issuer, issue managers and underwriters”

(iv) "CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE OR OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015. 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, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITOR(S), VALUER AND/OR CREDIT RATING COMPANY (IF ANY)."

(v) 'Risks in relation to the First Issue'

"This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the securities is Tk. 10.00 (Ten) and the issue price is Tk. 10.00 (Ten) i.e. the face value. The issue price has been determined and justified by the issuer and the issue manager as stated under the paragraph on "Justification of Issue Price" should not be taken to be indicative of the market price of the securities after listing. No assurance can be given regarding an active or sustained trading of the securities or the price after listing."

(vi) 'General Risk'

"Investment in securities involves a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offer. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended by the Bangladesh Securities and Exchange Commission (BSEC) nor does BSEC guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'risk factors' given on page number(s) 148-155"

(vii) New Line Clothings Limited's Absolute Responsibility'

"The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this prospectus contains all material information with regard to the issuer and the issue, that the information contained in the prospectus are true, fair and correct in all material aspects and are not misleading in any respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect."

AVAILABILITY OF PROSPECTUS

(i) Names, addresses, telephone numbers, fax numbers, website addresses and e-mail addresses and names of contact persons of the institutions where the prospectus and abridged version of prospectus are available in hard and soft forms;

The prospectus and abridged version of prospectus in hard and soft forms of New Line Clothings Limited shall be obtained from the following addresses:

Name & Address	Contact Person	Telephone, Fax Number, E-mail & Web Address
Issuer:		
New Line Clothings Limited Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Md. Asif Rahman Director	Tel: 02-9297403 Tel: 02-9297415 Tel: 02-9297417 Fax: 02-9297405 Website: www.newline.com.bd E-mail: info@newline.com.bd
Issue Managers:		
Banco Finance And Investment Limited Shefali Complex (4 th Floor), 218/3, A, West Kafrul, Begum Rokeya Sharani, Taltola, Sher-e-Bangla Nagar, Dhaka-1207	Mohammad Hamdul Islam Managing Director & CEO	Tel: 02-55025168 Tel: 02-55025169 Fax: 02-55025167 Website: www.bfilbd.org E-mail: banco.bd@gmail.com
Sandhani Life Finance Limited 16, Motijheel Commercial Area, (3rd Floor), Dhaka – 1000	Muhammad Nazrul Islam FCMA Managing Director & CEO	Tel: 02-9551896 Tel: 02-9575903 Fax: 02-9554847 Website: www.slflbd.com E-mail: info@slflbd.com
Southeast Bank Capital Services Ltd. Eunoos Center (Level 9) 52-53 Dilkusha C/A, Dhaka-1000	Md. Abu Bakar FCA Managing Director (CC)	Tel: 02-9574171-5 Fax: 02-9574169 Website: www.southeastbank.com.bd E-mail: mbw@southeastbank.com.bd
Stock Exchanges:		
Dhaka Stock Exchange Limited (DSE) DSE Library, 9/F, Motijheel C/A, Dhaka-1000	Afzalur Rahaman Manager	Tel: 02-9564601 Tel: 02-9576210-18 Fax: 02-9564727 Fax: 02-9569755 Web: www.dsebd.org E-mail: research@dsebd.org
Chittagong Stock Exchange Limited (CSE) CSE Building, 1080, Sk. Mujib Road Agrabad C/A Chittagong-4000 Dhaka Liaison Office: Eunoos Trade Center (Level-15) 52-53 Dilkusha C/A, Dhaka-1000.	Mohammed Javed Sarwar Assistant Manager	Tel: 31-714632-3 Tel: 02-9513911-15 Fax: 31-714101 Fax: 02-9513906 Web: www.cse.com.bd E-mail: javed@cse.com.bd

Prospectus would also be available on the web sites of BSEC (www.sec.gov.bd) at the Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.

ii) Names and dates of the newspaper where abridged version of Prospectus was published:

Sl. No.	Name of the Newspapers	Date of Publication
01	The Daily New Age	January 24, 2019
02	The Independent	January 24, 2019
03	The Daily Share Biz	January 24, 2019
04	The Daily Bonik Borta	January 24, 2019

(iii) Definitions and Acronyms or Elaborations:

A	
“Articles” or “Articles of Association” or “AoA”	The Articles of Association of New Line Clothings Limited, as amended
AGM	Annual General Meeting
Allotment	Letter of Allotment of Shares
B	
BAS	Bangladesh Accounting Standards
BB	Bangladesh Bank
BDT	Bangladeshi Taka
BFIL	Banco Finance And Investment Limited
BFRS	Bangladesh Financial Reporting Standards
BGMEA	Bangladesh Garments Manufacturers and Exports Association
BO A/C	Beneficiary Owner's Account
BSEC	Bangladesh Securities and Exchange Commission
BREB	Bangladesh Rural Electrification Board
C	
CDBL	Central Depository Bangladesh Limited
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Certificate	Share Certificate
CIB	Credit Information Bureau
Companies Act	Companies Act, 1994 (Act. No. XVIII of 1994)
Commission	Bangladesh Securities and Exchange Commission
CSE	Chittagong Stock Exchange Limited
D	
DSE	Dhaka Stock Exchange Limited
E	
EPB	Export Promotion Bureau
EI	Eligible Investor
EPS	Earnings Per Share
Exchanges	Stock Exchanges
F	
FC Account	Foreign Currency Account
FI	Financial Institution
G	
GOB	Government of People's Republic of Bangladesh
I	
ICAB	The Institute of Chartered Accountants of Bangladesh
ILO	International Labour Organization
IPO	Initial Public Offering
Issue	Public Issue of Shares
Issue Managers	Banco Finance And Investment Limited
	Sandhani Life Finance Limited
	Southeast Bank Capital Services Ltd.
Issuer	New Line Clothings Limited
L	
LC	Letter of Credit

M	
MD	Managing Director
“Memorandum” or “Memorandum of Association” or “MoA”	The Memorandum of Association of New Line Clothings Limited, as amended
N	
NAV	Net Asset Value
NBR	National Board of Revenue
NRB	Non-Resident Bangladeshi
NBFI	Non-Banking Financial Institution
NLCL	New Line Clothings Limited
O	
Offering Price	Price of the Securities of NLCL
Our Company	New Line Clothings Limited, A public limited company incorporated under the companies act
P	
PE	Price to Earnings
R	
Registered Office	Registered Office of NLCL
RMG	Readymade Garments
RJSC	Registrar of Joint Stock Companies and Firms
S	
SBCSL	Southeast Bank Capital Services Ltd.
SC	Share Certificate
Securities	Share of New Line Clothings Limited
Sponsors	The Sponsor Shareholders of NLCL
SLFL	Sandhani Life Finance Limited
Stockholders	Shareholders
Subscription	Application Money
T	
The Company	New Line Clothings Limited, A public limited company incorporated under the companies act
TIN	Tax Identification Number
Tk.	Taka
U	
USD	United States Dollar
V	
VAT	Value Added Tax
W	
WDV	Written Down Value
WPPF	Workers' Profit Participation Fund

TABLE OF CONTENTS

SL. NO.	PARTICULARS	PAGE NO.
CHAPTER (I)	EXECUTIVE SUMMARY	18-22
(a)	About the industry;	19
(b)	About the Issuer;	19
(c)	Financial Information;	20
(d)	Features of the issue and its objects;	20
(e)	Legal and Other Information;	21
(f)	Promoters' background;	22
(g)	Capital structure and history of capital raising;	22
(h)	Summary of Valuation Report of Securities.	22
CHAPTER (II)	CONDITIONS IMPOSED BY THE COMMISSION IN THE CONSENT LETTER	23-28
	Disclosure in respect of issuance of security in demat form:	24
	Conditions under 2CC of the Securities and Exchange Ordinance, 1969:	24-28
CHAPTER (III)	DECLARATION AND DUE DILIGENCE CERTIFICATES	29-36
Annexure-A	Declaration about the responsibility of the Director(s), including the CEO of New Line Clothings Limited in respect of Prospectus.	30
Annexure-B	Due Diligence Certificate of the Manager to the Issue.	31-33
Annexure-C	Due Diligence Certificate of the Underwriter(s).	34-36
CHAPTER (IV)	ABOUT THE ISSUER	37-39
(a)	Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, fax number, contact person, website address and e-mail address;	38
(b)	The names of the sponsors and directors of the issuer;	38
(c)	The name, logo and address of the auditors and registrar to the issue, along with their telephone numbers, fax numbers, contact persons, website and e-mail addresses;	39
(d)	The name(s) of the stock exchanges where the specified securities are proposed to be listed.	39
CHAPTER (V)	CORPORATE DIRECTORY OF THE ISSUER	40-41
CHAPTER (VI)	DESCRIPTION OF THE ISSUER	42-104
(a)	Summary	43-43
	(i) The summary of the industry and business environment of the issuer.	43
	(ii) Summary of consolidated financial, operating and other information.	43
(b)	General Information	43-46
	(i) Name and address, telephone and fax numbers of the registered office, corporate head office, other offices, factory, business premises and outlets of the issuer;	43
	(ii) The board of directors of the issuer;	44
	(iii) Names, addresses, telephone numbers, fax numbers and e-mail addresses of the chairman, managing director, whole time directors, etc. of the issuer;	44
	(iv) Names, addresses, telephone numbers, fax numbers and e-mail addresses of the CFO, company secretary, legal advisor, auditors and compliance officer;	44
	(v) Names, addresses, telephone numbers, fax numbers, contact person, website addresses and e-mail addresses of the issue manager(s), registrar to the issue etc.	45
	(vi) Details of credit rating, where applicable	45
	(vii) Following details of underwriting:	45-46
	(a) The names, addresses, telephone numbers, fax numbers, contact persons and e-mail addresses of the underwriters and the amount underwritten by them;	45
	(b) Declaration by the underwriters that they have sufficient resources as per the regulatory requirements to discharge their respective obligations;	45
	(c) Major terms and conditions of the underwriting agreements.	45-46

(c)	Capital Structure		46-49
	(i)	Authorized, issued, subscribed and paid up capital (number and class of securities, allotment dates, nominal price, issue price and form of consideration);	46
	(ii)	Size of the present issue, with break-up (number of securities, description, nominal value and issue amount);	46
	(iii)	Paid up capital before and after the present issue, after conversion of convertible instruments (if any) and share premium account (before and after the issue);	46
	(iv)	Category wise shareholding structure with percentage before and after the present issue and after conversion of convertible instruments (if any);	47
	(v)	Where shares have been issued for consideration in other than cash at any point of time, details in a separate table, indicating the date of issue, persons to whom those are issued, relationship with the issuer, issue price, consideration and valuation thereof, reasons for the issue and whether any benefits have been accrued to the issuer out of the issue;	47
	(vi)	Where shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted;	47
	(vii)	Where the issuer has issued equity shares under one or more employee stock option schemes, date-wise details of equity shares issued under the schemes, including the price at which such equity shares were issued;	47
	(viii)	If the issuer has made any issue of specified securities at a price lower than the issue price during the preceding two years, specific details of the names of the persons to whom such specified securities have been issued, relation with the issuer, reasons for such issue and the price thereof;	47
	(ix)	The decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue;	47
	(x)	The total shareholding of the sponsors and directors in a tabular form, clearly stating the names, nature of issue, date of allotment, number of shares, face value, issue price, consideration, date when the shares were made fully paid up, percentage of the total pre and post issue capital, the lock in period and the number and percentage of pledged shares, if any, held by each of them;	48
	(xi)	The details of the aggregate shareholding of the sponsors and directors, the aggregate number of specified securities purchased or sold or otherwise transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the prospectus;	49
	(xii)	The name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the amount of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership including number of equity shares which they would be entitled to upon exercise of warrant, option or right to convert any convertible instrument;	49
	(xiii)	The number of securities of the issuer owned by each of the top ten salaried officers, and all other officers or employees as group, indicating the percentage of outstanding shares represented by the securities owned.	49
(d)	Description of Business		50-55
	(i)	The date on which the issuer company was incorporated and the date on which it commenced operations and the nature of the business which the company and its subsidiaries are engaged in or propose to engage in;	50
	(ii)	Location of the project;	50
	(iii)	Plant, machinery, technology, process, etc.;	50

	(iv)	Details of the major events in the history of the issuer, including details of capacity or facility creation, launching of plant, products, marketing, change in ownership and/or key management personnel etc.;	50
	(v)	Principal products or services of the issuer and markets for such products or services. Past trends and future prospects regarding exports (if applicable) and local market, demand and supply forecasts for the sector in which the product is included with source of data;	50-51
	(vi)	If the issuer has more than one product or service, the relative contribution to sales and income of each product or service that accounts for more than 10% of the company's total revenues;	51
	(vii)	Description of associates, subsidiary and holding company of the issuer and core areas of business thereof;	51
	(viii)	How the products or services are distributed with details of the distribution channel. Export possibilities and export obligations, if any;	51
	(ix)	Competitive conditions in business with names, percentage and volume of market shares of major competitors;	51-52
	(x)	Sources and availability of raw materials, names and addresses of the principal suppliers and contingency plan in case of any disruption;	52-53
	(xi)	Sources of, and requirement for, power, gas and water or any other utilities and contingency plan in case of any disruption;	53
	(xii)	Names, address(s), telephone number, web address, e-mail and fax number of the customers who account for 10% or more of the company's products or services with amount and percentage thereof;	53
	(xiii)	Names, address(s), telephone number, web address, e-mail and fax number of the suppliers from whom the issuer purchases 10% or more of its raw material or finished goods with amount and percentage thereof;	53
	(xiv)	Description of any contract which the issuer has with its principal suppliers or customers showing the total amount and quantity of transaction for which the contract is made and the duration of the contract. If there is not any of such contract, a declaration is to be disclosed duly signed by CEO or MD, CFO and Chairman on behalf of Board of Directors;	53
	(xv)	Description of licenses, registrations, NOC and permissions obtained by the issuer with issue, renewal and expiry dates;	54
	(xvi)	Description of any material patents, trademarks, licenses or royalty agreements;	54
	(xvii)	Number of total employees and number of full-time employees;	54
	(xviii)	A brief description of business strategy;	54
	(xix)	A table containing the existing installed capacities for each product or service, capacity utilization for these products or services in the previous years, projected capacities for existing as well as proposed products or services and the assumptions for future capacity utilization for the next three years in respect of existing as well as proposed products or services. If the projected capacity utilization is higher than the actual average capacity utilization, rationale to achieve the projected levels.	54-55
(e)	Description of Property		55-68
	(i)	Location and area of the land, building, principal plants and other property of the company and the condition thereof;	55
	(ii)	Whether the property is owned by the company or taken on lease	55
	(iii)	Dates of purchase, last payment date of current rent (খাজনা) and mutation date of lands, deed value and other costs including details of land development cost, if any and current use thereof;	55
	(iv)	The names of the persons from whom the lands has been acquired or proposed to be acquired along with the cost of acquisition and relation, if any, of such persons to the issuer or any sponsor or director thereof;	56

	(v)	Details of whether the issuer has received all the approvals pertaining to use of the land, if required;	56
	(vi)	If the property is owned by the issuer, whether there is a mortgage or other type of charge on the property, with name of the mortgagee;	56
	(vii)	If the property is taken on lease, the expiration dates of the lease with name of the lessor, principal terms and conditions of the lease agreements and details of payment;	56
	(viii)	Dates of purchase of plant and machineries along with sellers name, address, years of sale, condition when purchased, country of origin, useful economic life at purchase and remaining economic life, purchase price and written down value;	56-60
	(ix)	Details of the machineries required to be bought by the issuer, cost of the machineries, name of the suppliers, date of placement of order and the date or expected date of supply, etc.;	61
	(x)	In case the machineries are yet to be delivered, the date of quotations relied upon for the cost estimates given shall also be mentioned;	61
	(xi)	If plant is purchased in brand new condition then it should be mentioned;	61
	(xii)	Details of the second hand or reconditioned machineries bought or proposed to be bought, if any, including the age of the machineries, balance estimated useful life, etc. as per PSI certificates of the said machineries as submitted to the Commission;	61
	(xiii)	A physical verification report by the issue manager(s) regarding the properties as submitted to the Commission;	62-66
	(xiv)	If the issuer is entitled to any intellectual property right or intangible asset, full description of the property, whether the same are legally held by the issuer and whether all formalities in this regard have been complied with;	66
	(xv)	Full description of other properties of the issuer.	67-68
(f)	Plan of Operation and Discussion of Financial Condition		68-104
	(i)	If the issuer has not started its commercial operation, the company's plan of operations for the period which would be required to start commercial operation which shall, among others, include:-	68
	(ii)	If the issuer had been in operation, the issuer's revenue and results from operation, financial position and changes in financial position and cash flows for the last five years or from commercial operation, which is shorter, shall be furnished in tabular form which shall, among others, include the following information:	68-104
	a)	Internal and external sources of cash;	70
	b)	Any material commitments for capital expenditure and expected sources of funds for such expenditure;	70
	c)	Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income;	71
	d)	Any seasonal aspects of the issuer's business;	71
	e)	Any known trends, events or uncertainties that may have material effect on the issuer's future business;	71
	f)	Any assets of the company used to pay off any liabilities;	71
	g)	Any loan taken from or given to any related party or connected person of the issuer with details of the same;	71
	h)	Any future contractual liabilities the issuer may enter into within next one year, and the impact, if any, on the financial fundamentals of the issuer;	71
	i)	The estimated amount, where applicable, of future capital expenditure;	72
	j)	Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the prospectus. Updated income tax status for the last 5 years or from commercial operation, which is shorter;	72

		k)	Any financial commitment, including lease commitment, the company had entered into during the past five years or from commercial operation, which is shorter, giving details as to how the liquidation was or is to be effected;	72
		l)	Details of all personnel related schemes for which the company has to make provision for in future years;	73
		m)	Break down of all expenses related to the public issue;	73-74
		n)	If the issuer has revalued any of its assets, the name, qualification and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission;	74
		o)	Where the issuer is a holding or subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary or holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or since the date of incorporation of the issuer, whichever is later, clearly indicating whether the issuer is a debtor or a creditor;	74
		p)	Financial Information of Group Companies and Companies under common ownership by more than 50%: following information for the last three years based on the audited financial statements, in respect of all the group companies of the issuer, wherever applicable, along with significant notes of auditors:	74
		q)	Where the issuer is a banking company, insurance company, non-banking financial institution or any other company which is regulated and licensed by another primary regulator, a declaration by the board of directors shall be included in the prospectus stating that all requirements of the relevant laws and regulatory requirements of its primary regulator have been adhered to by the issuer;	74
		r)	A report from the auditors regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the issuer and rationale of issue price of the shares;	75
		s)	Any material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public;	75
		t)	Business strategies and future plans - projected financial statements shall be required only for companies not started commercial operation yet and authenticated by Chairman, two Directors, Managing Director, CFO, and Company Secretary.	75
		u)	Discussion on the results of operations shall inter-alia contain the following:	75-76
		1)	A summary of the past financial results after adjustments as given in the auditor's report containing significant items of income and expenditure;	75
		2)	A summary of the past financial results after adjustments as given in the auditor's report containing significant items of income and expenditure;	75-76
		3)	The income and sales on account of major products or services;	76
		4)	In case, other income constitutes more than 10% of the total income, the breakup of the same along with the nature of the income, i.e., recurring or non-recurring;	76
		5)	If a material part of the income is dependent upon a single customer or a few major customers, disclosure of this fact along with relevant data. Similarly if any foreign	76

			customer constitutes a significant portion of the issuer's business, disclosure of the fact along with its impact on the business considering exchange rate fluctuations;	
		6)	In case the issuer has followed any unorthodox procedure for recording sales and revenues, its impact shall be analyzed and disclosed.	76
		v)	Comparison of recent financial year with the previous financial years on the major heads of the profit and loss statement, including an analysis of reasons for the changes in significant items of income and expenditure, inter-alia, containing the following:	76-78
		1)	Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.;	77
		2)	Significant economic changes that materially affect or are likely to affect income from continuing operations;	77
		3)	Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;	77
		4)	Future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known;	77
		5)	The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices;	77
		6)	Total turnover of each major industry segment in which the issuer operated;	77
		7)	Status of any publicly announced new products or business segment;	77
		8)	The extent to which the business is seasonal.	78
		w)	Defaults or rescheduling of borrowings with financial institutions or banks, conversion of loans into equity along with reasons thereof, lock out, strikes and reasons for the same etc. during the history of operation of the company;	78
		x)	Details regarding the changes in the activities of the issuer during the last five years which may had a material effect on the profits or loss, including discontinuance of lines of business, loss of agencies or markets and similar factors;	78
		y)	Injunction or restraining order, if any, with possible implications;	78
		z)	Technology, market, managerial competence and capacity built-up;	78
		aa)	Changes in accounting policies in the last three years;	78
		bb)	Significant developments subsequent to the last financial year: A statement by the directors whether in their opinion there have arisen any circumstances since the date of the last financial statements as disclosed in the prospectus and which materially and adversely affect or is likely to affect the trading or profitability of the issuer, or the value of its assets, or its ability to pay its liabilities within the next twelve months;	79
		cc)	If any quarter of the financial year of the issuer ends after the period ended in the audited financial statements as disclosed in the prospectus unaudited financial statements for each of the said quarters duly authenticated by the CEO and CFO of the issuer;	80-103
		dd)	Factors that may affect the results of operations.	104
CHAPTER (VII)	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION			105-107
(a)	Overview of business and strategies;			106
(b)	SWOT Analysis;			106
(c)	Analysis of the financial statements of last five years;			107
(d)	Known trends demands, commitments, events or uncertainties;			107

(e)	Trends or expected fluctuations in liquidity;	107
(f)	Off-balance sheet arrangements.	107
CHAPTER (VIII)	DIRECTORS AND OFFICERS	108-113
(a)	Name, Father's name, age, residential address, educational qualification, experience and position of each of the directors of the company and any person nominated or represented to be a director, showing the period for which the nomination has been made and the name of the organization which has nominated him;	109
(b)	The date on which he first became a director and the date on which his current term of office shall expire;	109
(c)	If any director has any type of interest in other businesses, names and types of business of such organizations. If any director is also a director of another company or owner or partner of any other concern, the names of such organizations;	109-110
(d)	Statement of if any of the directors of the issuer are associated with the securities market in any manner. If any director of the Issuer Company is also a director of any issuer of other listed securities during last three years then dividend payment history and market performance of that issuer;	110
(e)	Any family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers;	110
(f)	A very brief description of other businesses of the directors;	110
(g)	Short bio-data of each director;	111-112
(h)	Loan status of the issuer, its directors and shareholders who hold 10% or more shares in the paid-up capital of the issuer in terms of the CIB Report of Bangladesh Bank;	112
(i)	Name with position, educational qualification, age, date of joining in the company, overall experience (in year), previous employment, salary paid for the financial year of the Chief Executive Officer, Managing Director, Chief Financial Officer, Company Secretary, Advisers, Consultants and all Departmental Heads. If the Chairman, any director or any shareholder received any monthly salary than this information should also be included;	112
(j)	Changes in the key management persons during the last three years. Any change otherwise than by way of retirement in the normal course in the senior key management personnel particularly in charge of production, planning, finance and marketing during the last three years prior to the date of filing the information memorandum. If the turnover of key management personnel is high compared to the industry, reasons should be discussed;	112
(k)	A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position;	112
(l)	If the present directors are not the sponsors and control of the issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.;	113
(m)	If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed;	113
(n)	Interest of the key management persons;	113
(o)	All interests and facilities enjoyed by a director;	113
(p)	Number of shares held and percentage of share-holding (pre issue);	113
(q)	Change in board of directors during last three years;	113
(r)	Director's engagement with similar business.	113
CHAPTER (IX)	CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS	114-115
(a)	The prospectus shall contain a description of any transaction during the last five years, or any proposed transactions certified by the auditors, between the issuer and any of the following persons, giving the name of the persons involved in the transaction, their relationship with the issuer, the nature of their interest in the transaction and the amount of such interest, namely:	115
(i)	Any director or sponsor or executive officer of the issuer;	115
(ii)	Any person holding 5% or more of the outstanding shares of the issuer;	115
(iii)	Any related party or connected person of any of the above persons;	115

(b)	Any transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus;	115
(c)	Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan, and present outstanding of such loan;	115
CHAPTER (X)	EXECUTIVE COMPENSATION	116-117
(a)	The total amount of remuneration or salary or perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer;	117
(b)	Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year;	117
(c)	If any shareholder director received any monthly salary or perquisite or benefit it must be mentioned along with date of approval in AGM or EGM, terms thereof and payments made during the last accounting year;	117
(d)	The board meeting attendance fees received by the director including the managing director along with date of approval in AGM or EGM;	117
(e)	Any contract with any director or officer providing for the payment of future compensation;	117
(f)	If the issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto;	117
(g)	Any other benefit or facility provided to the above persons during the last accounting year.	117
CHAPTER (XI)	OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES	118-119
CHAPTER (XII)	TRANSACTION WITH THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM	120-121
(a)	The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received or to be received by the issuer from the above persons, or by the said persons, directly or indirectly, from the issuer during the last five years along with the description of assets, services or other consideration received or to be received;	121
(b)	If any assets were acquired or to be acquired within next two financial years from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within five years prior to transfer those to the issuer, the acquisition cost thereof paid by them;	121
CHAPTER (XIII)	OWNERSHIP OF THE COMPANY'S SECURITIES	122-126
(a)	The names, addresses, BO ID Number of all shareholders of the company before IPO, indicating the amount of securities owned and the percentage of the securities represented by such ownership, in tabular form;	123
(b)	There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue;	123
(c)	The average cost of acquisition of equity shares by the directors certified by the auditors;	124
(d)	A detail description of capital built up in respect of shareholding (name-wise) of the issuer's sponsors/ directors. In this connection, a statement to be included:-;	125
(e)	Detail of shares issued by the company at a price lower than the issue price;	125
(f)	History of significant (5% or more) changes in ownership of securities from inception.	126
CHAPTER (XIV)	CORPORATE GOVERNANCE	127-134
(a)	A disclosure to the effect that the issuer has complied with the requirements of Corporate Governance Guidelines;	128
(b)	A compliance report of Corporate Governance;	128-134

(c)	Details relating to the issuer's audit committee and remuneration committee.	134
CHAPTER (XV)	VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGER	135-137
(a)	The valuation report of securities to be offered shall be prepared and justified by the issue manager on the basis of the financial and all other information pertinent to the issue;	136
(b)	To prepare the valuation report, the issue manager may consider all qualitative and quantitative factors which shall be explained in details with rationale to consider such factors, the valuation methods used, sources of information and authenticity of such information;	136
(c)	While preparing the valuation report, the issue manager shall avoid exaggeration and biasness and shall exercise independence and due diligence.	136
(d)	The issue manager(s) shall, among others, consider the following methods for valuation of the securities:	136-137
	(i) net asset value at historical or current costs;	136
	(ii) earning-based-value calculated on the basis of weighted average of net profit after tax for immediate preceding five years;	136-137
	(iii) average market price per share of similar stocks for the last one year.	137
CHAPTER (XVI)	DEBT SECURITIES	138-139
CHAPTER (XVII)	PARTIES INVOLVED AND THEIR RESPONSIBILITIES	140-141
CHAPTER (XVIII)	MATERIAL CONTRACTS	142-145
CHAPTER (XIX)	OUTSTANDING LITIGATIONS, FINE OR PENALTY	146-147
CHAPTER (XX)	RISK FACTORS AND MANAGEMENT'S PERCEPTIONS ABOUT THE RISKS	148-155
(i)	Internal risk factors may include, among others	149-152
(ii)	External risk factors may include among others	153-155
CHAPTER (XXI)	DESCRIPTION OF THE ISSUE	156-157
(a)	Issue Size;	157
(b)	Number of securities to be issued;	157
(c)	Authorized capital and paid-up capital;	157
(d)	Face value, premium and offer price per unit of securities;	157
(e)	Number of securities to be entitled for each category of applicants;	157
(f)	Holding structure of different classes of securities before and after the issue;	157
(g)	Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital.	157
CHAPTER (XXII)	USE OF PROCEEDS	158-176
(a)	Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up;	159-164
(b)	Utilization of the total amount of paid-up capital and share premium, if any, including the sponsors' contribution and capital raised of the issuer at the time of submission of prospectus, in details with indication of use of such funds in the financial statements;	164
(c)	If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the issuer as a result of the investment, brief description of business and financials of such venture;	165
(d)	If IPO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds;	165
(e)	A schedule mentioning the stages of implementation and utilization of funds received through public offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman on behalf of Board of Directors of the issuer;	165

(f)	If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus;	165
(g)	If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item wise break-up of last three years working capital and next two years projection;	165
(h)	Where the issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity-wise or project wise, as the case may be;	165
(i)	Where the issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented;	165
(j)	The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies;	165
(k)	Summary of the project appraisal or feasibility report by the relevant professionals not connected with the issuer, issue manager and registrar to the issue with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal or feasibility report.	166-176
CHAPTER (XXIII)	LOCK-IN	177-178
CHAPTER (XXIV)	MARKETS FOR THE SECURITIES BEING OFFERED	179-180
CHAPTER (XXV)	DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED	181-182
(a)	Dividend, voting and preemption rights;	182
(b)	Conversion and liquidation rights;	182
(c)	Dividend policy;	182
(d)	Other rights of the securities holders.	182
CHAPTER (XXVI)	FINANCIAL STATEMENTS	183-222
(a)	The latest financial statements prepared and audited by any of the Commission's panel of auditors in adherence to the provisions of the Securities and Exchange Rules, 1987, the কোম্পানি আইন, ১৯৯৪, International Financial Reporting and Auditing Standards as adopted in Bangladesh from time to time and any other law as applicable;	184-207
(b)	Information as is required under section 186 of the কোম্পানি আইন, ১৯৯৪ relating to holding company;	208
(c)	Selected ratios as specified in Annexure-D;	208-213
(d)	Auditors report under Section 135(1), Para 24(1) of Part II of Schedule III of the কোম্পানি আইন ১৯৯৪. The report shall include comparative income statements and balance sheet and aforementioned ratios for immediate preceding five accounting years of the issuer. If the issuer has been in commercial operation for less than five years, the above mentioned inclusion and submission will have to be made for the period since commercial operation;	214-215
(e)	Financial spread sheet analysis for the latest audited financial statements;	215-216
(f)	Earnings Per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS;	217
(g)	All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share;	217
(h)	Quarterly or half-yearly EPS should not be annualized while calculating the EPS;	217
(i)	Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position;	217
(j)	The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned issuer;	217

(k)	Following statements for the last five years or any shorter period of commercial operation certified by the auditors:-		217-222
	(i)	Statement of long term and short term borrowings including borrowing from related party or connected persons with rate of interest and interest paid or accrued;	217-218
	(ii)	Statement of principal terms of secured loans and assets on which charge have been created against those loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral or other security, re-payment schedule and status;	219-220
	(iii)	Statement of unsecured loans with terms & conditions;	220
	(iv)	Statement of inventories showing amount of raw material, packing material, stock-in-process and finished goods, consumable items, store & spares parts, inventory of trading goods etc.;	220
	(v)	Statement of trade receivables showing receivable from related party and connected persons;	220
	(vi)	Statement of any loan given by the issuer including loans to related party or connected persons with rate of interest and interest realized or accrued;	221
	(vii)	Statement of other income showing interest income, dividend income, discount received, other non-operating income;	221
	(viii)	Statement of turnover showing separately in cash and through banking channel;	221
	(ix)	Statement of related party transaction;	221
	(x)	Reconciliation of business income shown in tax return with net income shown in audited financial statements;	222
	(xi)	Confirmation that all receipts and payments of the issuer above Tk.5,00,000/- (five lac) were made through banking channel;	222
	(xii)	Confirmation that Bank Statements of the issuer are in conformity with its books of accounts;	222
	(xiii)	Statement of payment status of TAX, VAT and other taxes/duties;	222
CHAPTER (XXVII)	CREDIT RATING REPORT		223-224
CHAPTER (XXVIII)	PUBLIC ISSUE APPLICATION PROCEDURE		225-230
CHAPTER (XXIX)	MANAGEMENT DECLARATION		231-259
CHAPTER (XXX)	AUDITORS ADDITIONAL DISCLOSURE		260-268

CHAPTER - I

EXECUTIVE SUMMARY

CHAPTER (II): EXECUTIVE SUMMARY

(a) About the industry:

The readymade garments industry acts as a catalyst for the development of Bangladesh. The "Made in Bangladesh" tag has also brought glory for the country, making it a prestigious brand across the globe. Bangladesh, which was once termed by cynics a "bottomless basket" has now become a "basket full of wonders." The country with its limited resources has been maintaining 6% annual average GDP growth rate and has brought about remarkable social and human development.

The industry that has been making crucial contribution to rebuilding the country and its economy is none other than the readymade garment (RMG) industry, which is now the single biggest export earner for Bangladesh. The sector accounts for 81% of total export earnings of the country. The apparel industry of Bangladesh started its journey in the 1980s and has come to the position it is in today.

The industry that has changed lives of millions of people has undergone significant transformation in terms of workplace safety and worker's rights. National and international reform platforms National Action Plan (NAP), Accord and Alliance have made visible progress to ensure workplace safety. Both Accord and Alliance have completed inspection in 100% factories and the NAP will complete 100% factory inspection by this August. We note with satisfaction that less than 2% of the inspected factories have been found vulnerable and closed down immediately. Moreover, to make our progress more transparent and credible, the inspection reports of the factories are made accessible at the Fair Factory Clearinghouse (FFC) database and the websites of the relevant government department, Accord and Alliance.

Progress has also been made in workers' rights. Minimum wages of RMG workers have been increased by 219% during the past 5 years. The Labor Law has been amended ensuring noticeable improvements in workers' rights and welfare.

The industry is making strides in terms of environmental compliance to have a sustainable footing in the global apparel market. Many RMG factories at their own are adopting green technologies and practices. They are using cleaner technologies and producing garments in a caring and responsible way that preserves the environment for future generations.

The Milestones of the RMG Industry:

Year	Milestone
1995	Realistic Solution of child labor issue with ILO, UNICEF & US Embassy
2005	Phase out of MFA Quota
2009	Successfully faced Global Recession
2010	Ranked as the 2 nd Largest Exporting Country
2013	Ensuring workplace safety

Source: www.bgmea.com.bd/home/about/AboutGarmentsIndustry

(b) About the Issuer:

New Line Clothings Ltd (here in after referred to as NLCL) was incorporated on May 23, 2000 vide Reg. no.C-40328(2296)/2000 under the Companies Act, 1994. The registered office & factory of the Company is located at its own premises at Plot No. 1945, Kauchakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.

Incorporation	Incorporated as Private Limited Company on May 23, 2000 vide Registration No. C-40328(2296)/2000
Converted Public Limited Company	September 30, 2013
Commencement of Commercial Operation	March 01, 2007
Nature of Business	The principal activities of the company is to manufacture various kinds of woven Garments for both ladies and gents including trousers, shirts, children wear, gents wear, female wear, jackets, Sportswear, denim garments and marketing.

(c) Financial Information:

Major financial information of New Line Clothings Limited is as follows.

As Per Audited Financial Statements

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Total Revenue	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471
Gross Profit/(Loss)	269,790,737	253,060,215	249,939,134	283,245,731	238,567,140
Net Profit before tax	85,611,795	65,108,307	69,410,728	151,723,817	133,192,559
Net Profit after tax	76,903,280	50,568,205	57,263,851	137,928,238	119,804,794
Total Assets	2,728,724,682	2,474,950,499	2,246,790,799	2,130,655,261	1,926,681,103
Share Capital	399,000,000	399,000,000	99,000,000	99,000,000	99,000,000
Retained Earnings	419,613,999	321,073,642	555,177,280	471,126,432	303,531,893
No. of Shares	39,900,000	39,900,000	9,000,000	9,000,000	9,000,000
Face Value	10.00	10.00	10.00	10.00	10.00
NAV per Share	31.63	29.70	123.70	118.02	104.61
Earnings per Share	1.93	1.27	5.78	13.93	12.10
Earnings per Share (Restated)	1.93	1.27	1.39	13.93	12.10

Note: Face value of company's share was Tk. 100/- each and was converted into Tk. 10/- dated 04 June, 2013

(d) Features of the issue and its objects:

The features of the issue and its objects are as follows:

Offer Price	BDT 10.00
Number of Shares	30,000,000 Ordinary Shares
Offer Size	Tk. 300,000,000.00
Purpose of Raising Fund	Net proceeds from Initial Public Offering (IPO) will be used for Acquisition of Plant & Machinery, Extension of existing Factory Building, Partial repayment of long-term loan & for IPO expenses.
Date of Implementation	Within 12 months after receiving IPO fund.

(e) Legal and other Information:

Particulars	License Issuer/Issuing Authority	Certificate/ License No.	Issue Date	Renewal Date	Expiry Date
Trade License	Mouchak Union Parishad, 4 th Union, Kaliakoir, Gazipur	106/2017-2018		09.07.2018	30.06.2019
VAT Certificate	Customs, Excise & VAT Commissionerate, Dhaka.	18081004932	20.02.2013	N/A	N/A
TIN Certificate	National Board of Revenue	656305154518	29.12.2013	N/A	N/A
Import Registration Certificate	Controller of Import & Export, Government of Bangladesh	Ba -116417	09.07.2001	01.07.2018	30.06.2019
Export Registration Certificate	Controller of Import & Export, Government of Bangladesh	Ra- 55331	24.05.2001	01.07.2018	30.06.2019
Fire License	Bangladesh Fire Services and Civil Defense	DD/Dhaka/19506/2006	10.08.2003	26.06.2018	30.06.2019
BERC License	Bangladesh Energy Regulatory Commission	LWC-2108	30.10.2017	-	29.10.2020
Membership Certificate	Bangladesh Garments Manufacturers & Export Association (BGMEA)	3427		03.01.2019	31.12.2019
Certificate of insurance	Bangladesh National Insurance Company Limited	BNIC/PB/FC-0028/04/2018	17.04.2018	17.04.2018	02.05.2019
Group Insurance Certificate	Bangladesh Garments Manufacturers & Export Association (BGMEA)	3427	-	02.01.2019	31.12.2019
Boiler Certificate	Chief Boiler Inspector's Office	7635	17.07.2017	09.07.2018	08.01.2019
Bonded Warehouse License	Customs Bond Commissionrate, Dhaka	97/CUS-SBW/2001	16.10.2001	N/A	N/A
Board of Investment	Bangladesh Investment Development Authority (BIDA)	L-62050106125-H	29.06.2014	N/A	N/A
Factory Inspection License	Deputy Chief Inspector of Factories, Govt. of the People's Republic of Bangladesh, Dhaka Division	13467	09.07.2007		30.06.2019
Environment Clearance Certificate	Department of Environment	Environment/Dhaka division/12045/Clearance-481	26.12.2006	Environment certificate is not applicable for the manufacturer of readymade garments industry in accordance with sro no. 237-law/2007 issued by Department of Environment on October 03, 2007.	
Export Promotion Bureau Enrollment Certificate	Export Promotion Bureau Enrollment Certificate	BD0414800	20.09.2017	30.07.2018	30.06.2019
Certificate of Compliance	OEKO-TEX Association	20140K0906		01.01.2019	31.12.2019
Certificate of Compliance	Business Social Compliance Initiative	7079		13.11.2017	31.10.2019

(f) Promoters' background:

When the company was incorporated, the following persons were the subscribers to the memorandum and their background is stated below:

Mrs. Rubaba Matin

Rubaba Matin is a postgraduate (MBA-Major in Marketing) from University of Dhaka (1995-96). She took various business related professional course at Home and Abroad. Mrs. Rubaba is the founder Chairman of New Line Clothings Ltd. She resigned from New Line Clothings Limited in February 2004 and transferred her entire shares.

Mr. Mainul Matin

Mr. Mainul Matin is the founder Managing Director of New Line Clothings Ltd. He is a postgraduate from National University. He is a dynamic business professional and has vast knowledge about the RMG Industry. He resigned from New Line Clothings Limited in February 2004 and transferred his entire shares.

(g) Capital structure and history of capital raising:

The Company intends to issue 30,000,000 ordinary shares of Tk. 10.00 each at par through Initial public offering (IPO) totaling to Tk. 300,000,000.00 subject to regulatory approvals.

Particulars	No. of Shares	Face Value (Tk.)	Amount in BDT
Authorized Capital	100,000,000	10.00	1,000,000,000
Before IPO:			
Paid-up Capital (A)	39,900,000	10.00	399,000,000
After IPO:			
To be issued through IPO (B)	30,000,000	10.00	300,000,000
Paid up capital (Post IPO) (A+B)	69,900,000	10.00	699,000,000

The Company has raised its paid-up capital in following phases:

Allotment Date	Basis on Shares			Paid-up Capital
	In cash (Tk.)	Other than in cash	Bonus Share	
Subscription to the Memorandum & Articles of Association at the time of Incorporation on 23-05-2000	2,000	-	-	200,000
Issued as on October 20, 2006	1,600	-	-	160,000
Issued as on June 26, 2013	9,864,000	-	-	98,640,000
Issued as on February 22, 2016	-	-	30,000,000	300,000,000
Total	9,900,000	=	30,000,000	399,000,000

A special resolution is passed and duly certified from RJSC dated 04 June, 2013 to adopt a new Articles of Association. By the said special resolution, the Company's face value of share reduced from Tk. 100 to Tk. 10 each.

(h) Summary of Valuation Report of securities:

Sl. No.	Valuation Methods	Fair Value (BDT)
Method-1	Net Asset Value per share (with revaluation reserve)	31.63
	Net Asset Value per share (without revaluation reserve)	20.52
Method-2	Earning-based value per share	28.36
Method-3	Average market price per share of similar stocks	64.02

Details Calculation available in page no. 135-137

CHAPTER - II

CONDITIONS IMPOSED BY THE COMMISSION IN THE CONSENT LETTER

DISCLOSURE IN RESPECT OF ISSUANCE OF SECURITY IN DEMAT FORM:

As per provisions of the Depository Act, 1999 and regulations made there under, share of the Company will be issued in dematerialized form only and for this purpose New Line Clothings Limited will sign an agreement with the Central Depository Bangladesh Limited (CDBL). Therefore, all transfers, transmissions, splitting or conversions will take place on the CDBL system and any further issuance of shares (including rights and bonus) will also be issued in dematerialized form only.

CONDITIONS UNDER 2CC OF THE SECURITIES AND EXCHANGE ORDINANCE, 1969:

PART-A

1. The Company shall go for Initial Public Offer (IPO) for 3,00,00,000 ordinary shares of Tk. 10.00 each at par totaling to **Tk. 30,00,00,000.00 (Taka Thirty crore) only** following the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Depository Act, 1999 and rules made there under.
2. The abridged version of the prospectus, as approved by the Commission, shall be published by the issuer in 4 (Four) national daily newspapers (two in Bangla and two in English), within **02 (two) working days** of issuance of this consent letter. The issuer shall post the full prospectus, vetted by Commission, in the issuer's website and shall also put on the websites of the Commission, stock exchanges, and the issue manager, within **3 (three) working days** from the date of issuance of this letter and shall remain posted till the closure of the subscription list. The issuer shall submit to the Commission, the stock exchanges and the issue manager a diskette containing the text of the vetted prospectus in "MS -Word" format.
3. The company shall submit **40 (Forty)** copies of the printed prospectus to the Commission for official record within **5 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspaper.
4. The issuer company and the issue manager shall ensure transmission of the prospectus and its abridged version for NRBs through email to the Bangladesh Embassies and Missions abroad within **5 (Five) working days** from the date of publication of the abridged version of the prospectus in the newspaper. A compliance report shall be submitted in this respect to the Commission jointly by the issuer and the Issue Manager within **02 (Two) working days** from the date of said transmission of the prospectus.
5. The following declaration shall be made by the company in the prospectus, namely: -

"Declaration about Listing of Shares with the stock exchange (s):

None of the stock exchange(s), if for any reason, grants listing within **75 (Seventy Five) days** from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within **15 (Fifteen) days** from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said **75 (Seventy Five) days**, as the case may be.

In case of non-refund of the subscription money within the aforesaid **15 (Fifteen) days**, the Directors of the company, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of **2% (two percent)** above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within **07 (Seven) days** of expiry of the aforesaid **15 (Fifteen) days'** time period allowed for refund of the subscription money."

6. All applicants shall apply for minimum market lot of 500 shares worth Taka 5,000/- (Taka five thousand only) or its multiples.
7. The IPO shall stand cancelled in case of under-subscription in any category above 35%. In such an event, the issuer and issue manger shall inform the Commission within **2 (two) working days** and release the subscription money within 10 (ten) working days after receiving verification report from CDBL and the information from exchanges regarding subscription.
8. 20% of the securities reserved for other general public shall be reserved for ক্ষতিগ্রস্থ ক্ষুদ্র বিনিয়োগকারী. In case of under-subscription under any of sub-categories of eligible investor's category or general public category, the unsubscribed portion shall be added to other sub-category of the same category. In case of over subscription in the general public category, the issuer and the issue manager shall jointly conduct an open lottery. In case of over subscription in the eligible investor's category, securities shall be allotted on pro-rata basis. No eligible investors shall apply for more than 2% (two percent) of the total securities reserved for the eligible investors.

9. An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case, an applicant submits more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.
10. The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money.
11. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information in the application shall make the application liable to rejection and subject to forfeiture of 25% of the application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited application money or share (unit) will be deposited in account of the Bangladesh Securities and Exchange Commission (BSEC). This is in addition to any other penalties as may be provided for by the law.
12. The company shall furnish the list of allottees to the Commission and the stock exchange(s) simultaneously in which the shares will be listed, within **24 (Twenty Four) hours** of allotment.
13. Shares not allotted at the time of according this consent, but allotted after listing, in favor of sponsors, directors or shareholders having 10% or more shares through stock dividends, shall be subject to a lock-in period of **02 (two) years** from the date of issuance of the prospectus.
14. If any share of Sponsors/Directors/Promoters is in paper format, it shall be handed over to securities custodian registered with the Commission and shall remain held till completion of lock-in period and the name of the securities custodian shall be furnished to the Commission jointly by the issuer and issue manager, along with a confirmation thereof from the custodian, within one week of listing of the shares with the stock exchange(s). Or they (shares of Sponsors/ Directors/ Promoters) can be demated and shall remain in lock-in under CDBL system and issuer shall submit a dematerialization confirmation report generated by CDBL and attested by Managing Director of the company along with the lock-in confirmation to the Commission within one week of listing of the shares with the stock exchange(s). In respect of shares other than Sponsors/Directors/Promoters the issuer will ensure their lock-in of those shares and submit a statement to this effect to the Commission.
15. The company shall not declare any dividend/bonus shares before listing of its capital with any Exchange from the date of this consent for raising of capital.
16. The company shall not engage itself into any merger/amalgamation or acquisition activities without taking "No Objection" from the Commission, on the scheme of the said merger/amalgamation or acquisition, as recommended by the Board of Directors, before approval by the shareholders in General Meeting.

PART-B

Application Process

Step-1 (Applicant)

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date), which shall be the **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
 - a) Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
 - b) Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains Foreign Currency account debiting the same account and provide the customer with a certificate mentioning the FC account number which has been debited to issue the FDD. The applicant shall also submit the certificate with their application. No banker shall issue more than two drafts from any Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.

- c) Eligible investors shall submit application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by the exchange(s).

Step-2 (Intermediary)

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
 - a) post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
 - b) accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the first banking hour of next working day of the cut-off date;
 - c) instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall prepare a list containing the draft information against the respective applicant's particulars.
6. The Stockbroker/Merchant Banker shall prepare category-wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and within 03 (three) working days from the cut-off date, send to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts and certificates received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.
7. On the next working day, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts and certificates submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. Exchanges shall verify and preserve the bankers' certificates in their custody.
8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers up to 6 months from listing of the securities with exchange.

Step-3 (Issuer)

9. The Issuer shall prepare consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website and websites of the Exchanges. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
10. On the next working day, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents Name, Joint Account and Bank Account information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the Exchanges within 10 (ten) working days from the date of receiving information from the Exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications within **03 (three) working days** from the date of reporting to the Commission and the Exchanges, if do not receive any observation from the Commission or the Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites within 06 (six) hours and on the websites of the Commission and Exchanges within 12 (twelve) hours of lottery.
14. Within 02 (two) working days of conducting lottery, the Issuer shall:
 - a) send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Exchange.
 - b) send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the Commission and Exchanges mentioning the penalty amount against each applicant.
 - c) issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Exchange in electronic form.

- d) send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

Step-4 (Intermediary)

15. On the next working day, Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
- a) remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow Account opened for subscription purpose, and unblock the amount of unsuccessful applicants;
 - b) send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
16. On the next working day of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall request its banker to:
- a) release the amount blocked for unsuccessful (other than NRB and foreign) applicants;
 - b) remit the aggregate amount of successful applicants and the penalty amount of unsuccessful applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.
17. On the next working day of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
18. Simultaneously, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.
19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account (FC account which has been debited to apply by NRB or foreign applicants) through banking channel within 10 (ten) working days from the date of lottery.

Miscellaneous:

20. The Issuer, Issue Manager, Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. Amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk.2,00,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
27. The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

PART-C

1. The issue manager shall carefully examine and compare the published prospectus and its abridged version on the date of publication with the copies vetted by the Commission. If any discrepancy is found, both the issuer and the issue manager shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to the Commission and the stock exchanges concerned. In this regard, the issue manager shall submit a compliance report to the Commission within 5 working days from the date of such publications.

2. The fund collected through Public Offering shall not be utilized prior to listing with Exchange(s) and that utilization of the said fund shall be effected through banking channel, i.e. through account payee cheque, pay order or bank drafts etc.
3. The company shall furnish status report on utilization of Public Offering proceeds audited by foreign affiliated auditors and authenticated by the board of directors to the Commission and the exchanges within 15 (Fifteen) days of the closing of each month until such fund is fully utilized, as mentioned in the schedule contained in the prospectus. The issuer shall simultaneously post the status report in its websites of the Exchanges. In the event of any irregularity or inconsistency, the Commission may employ or engage any person, at issuer's cost, to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.
4. While auditing the utilization of IPO proceeds, the auditors will perform their jobs under the following terms of reference (TOR) and confirm the same in their report/certificate:
 - a) Whether IPO proceeds have been utilized for the purposes/heads as specified in the prospectus;
 - b) Whether IPO proceeds have been utilized in line with the condition (if any) of the Commission's consent letter;
 - c) Whether utilization of IPO proceeds have been completed within the time schedule/implementation schedule as specified in the published prospectus;
 - d) Whether utilization of IPO proceeds is accurate and for the purpose of the company as mentioned/specified in the published prospectus; and
 - e) The auditors should also confirm that:(i) assets have been procured/imported/constructed maintaining proper/required procedure as well as at reasonable price; and (ii) auditors' report has been made on verification of all necessary documents/papers/vouchers in support of IPO proceeds making reconciliation with Bank Statement.
5. All transactions, excluding petty cash expenses, shall be effected by crossed cheques or bank transfers.
6. Proceeds of the public offering shall not be transferred to any other bank account before listing with the Exchange(s). The proceeds shall not be used for any purpose other than those specified in the prospectus without any valid ground. Any deviation in this respect must have prior approval of at least 51% of the public shareholders, other than sponsors and directors, in a general meeting. Before the said general meeting, such deviation as recommended by the board of directors shall be published as price-sensitive information with detailed description and reasons for such deviation. If approved by the shareholders, the meeting resolution shall be submitted to the Commission along with reasonable explanations for approval. After such approval, such decision shall be published as price-sensitive information.
7. If any quarter or half-year of the financial year ends after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the said quarterly/half yearly financial statements in accordance with the Commission's Notification SEC/CMRRCD/2008-183/admin/03-34 dated September 27, 2009 and Rules 13 of the Securities and Exchange Rules, 1987.
8. In the event of arising issues concerning Price Sensitive Information as defined under the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (সুবিধাভোগীব্যবসানিষিদ্ধকরণ) বিধিমালা ১৯৯৫ after publication of the abridged version of prospectus and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the information as price sensitive in accordance with the Commission's Notification No. SEC/SRMI/200-953/1950 dated October 24, 2000.

PART-D

1. As per provision of the Depository Act, 1999 & Regulations made there under, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of shares (Including rights/bonus) will be made in dematerialized form only.
2. The issuer and the issue manager shall ensure due compliance of all the above conditions, the 'Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015' and the listing regulations of the exchanges.
3. The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company.

CHAPTER - III

DECLARATION AND DUE DILIGENCE CERTIFICATES AS PER ANNEXURE- A, B AND C

CHAPTER (III): DECLARATION AND DUE DILIGENCE CERTIFICATES AS PER ANNEXURE- A, B AND C

Annexure-A

DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS, INCLUDING THE CEO OF NEW LINE CLOTHINGS LIMITED IN RESPECT OF THE PROSPECTUS

[Rule 4 (1)(d)]

This prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this prospectus to enable the investors to make a well informed decision for investment.

Sd/-
Osman Khadem
Chairman

Sd/-
M. Zakir Chowdhury
Managing Director & CEO

Sd/-
Md. Asif Rahman
Director

Sd/-
Mashiul Haq Chowdhury
Director

Sd/-
Maruful Haque Chowdhury
Director

Sd/-
Sigma Technologies Ltd.
Director
(Represented by Ali Mostafa)

Sd/-
Md. Saiful Islam Helaly
Independent Director

Sd/-
Syed Kamal Uddin
Independent Director

Date: January 15, 2018

DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**(BANCO FINANCE AND INVESTMENT LIMITED)****[Rule 4 (1)(d)]**

To
The Bangladesh Securities and Exchange Commission

Sub: Public issue of 30,000,000 ordinary shares of BDT 10.00 at par totaling BDT 300,000,000.00 of New Line Clothings Limited

Dear Sir,

We, the issue manager(s) to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

WE CONFIRM THAT:

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the public issue of following issuers in the last 05 (five) years:

Sl. No.	Name of the Issue	Issue Month/Year	Issue Price	Dividend Payment History		
				2017	2016	2015
01	Golden Harvest Agro Industries Limited	2012-2013	25.00	10% B	10% B	10% B
02	Familytex (BD) Limited	2012-2013	10.00	5% B	5% B	-
03	IFAD Autos Limited	2014-2015	30.00	21% C, 5% B	13% C, 4% B	7% C, 30% B
04	BBS Cables Ltd.	2016-2017	10.00	5% C, 15% B	N/A	
05	Nahee Aluminum Composite Panel Ltd.	2017-2018	10.00	5% C, 10% B	N/A	

Place: Dhaka
Date: January 14, 2017

Sd/-
Mohammad Hamdul Islam
Managing Director & CEO
Banco Finance And Investment Limited

DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER

(SANDHANI LIFE FINANCE LIMITED)

[Rule 4 (1)(d)]

**To
The Bangladesh Securities and Exchange Commission**

Sub: Public issue of 30,000,000 ordinary shares of BDT 10.00 at par totaling BDT 300,000,000.00 of New Line Clothings Limited

Dear Sir,

We, the issue manager(s) to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

WE CONFIRM THAT:

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules has been complied with and our comments, if any;
- (k) We also declare that we have not managed the public issue in the last 05 (five) years:

Place: Dhaka
Date: October 22, 2017

Sd/-
Muhammad Nazrul Islam FCMA
Managing Director & CEO
Sandhani Life Finance Limited

DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**(SOUTHEAST BANK CAPITAL SERVICES LTD.)****[Rule 4 (1)(d)]**

To
The Bangladesh Securities and Exchange Commission

Sub: Public issue of 30,000,000 ordinary shares of BDT 10.00 at par totaling BDT 300,000,000.00 of New Line Clothings Limited

Dear Sir,

We, the issue manager(s) to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above mentioned public issue, visited the premises of the issuer and interviewed the Chairperson, Directors and key management personnel of the issuer in connection with the finalization of the prospectus pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

WE CONFIRM THAT:

- (a) The prospectus filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the Government have been duly complied with;
- (c) The disclosures made in prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the prospectus are registered with the Commission and that till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfill their underwriting commitments;
- (f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;
- (g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the prospectus;
- (h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well informed decision;
- (i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the IPO for any further inspection by the Commission;
- (j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 containing details such as the rule number, its text, the status of compliance, page numbers of the prospectus where the rules has been complied with and our comments, if any;
- (k) We also declare that we have managed the public issue of following issuers in the last 05 (five) years:

Sl. No.	Name of the Issue	Issue Month/Year	Issue Price	Dividend Payment History		
				2016	2015	2014
01	Nil					

Place: Dhaka
Date: October 19, 2017

Sd/-
Md. Abu Bakar FCA
Managing Director (CC)
Southeast Bank Capital Services Ltd.

DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**(SOUTHEAST BANK CAPITAL SERVICES LIMITED)****[Rule 4 (1)(d)]**

To
The Bangladesh Securities and Exchange Commission

Sub: Public offer of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 of New Line Clothings Limited

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 550,00,00,000.00 (Taka five hundred and fifty crore) only and we have the capacity to underwrite a total amount of Tk. 2750,00,00,000.00 (Taka two thousand seven hundred and fifty crore only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 3,00,00,000.00 (Taka three crore) only for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of the Company	Amount of Underwritten (in BDT)
01	Express Insurance Limited	5,73,25,000.00
02	Bashundhara Paper Mills Limited	5,00,00,000.00
03	Dhaka Regency Hotel Limited	2,50,00,000.00
04	Esquire Knit Composite Limited	2,00,00,000.00
05	AB Bank Limited	25,00,00,000.00
Total Underwriting Obligations		40,23,25,000.00

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Sd/-

Md. Abu Bakar FCA

Managing Director (CC)

Southeast Bank Capital Services Limited

Date: October 19, 2017

DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER

(AIBL CAPITAL MANAGEMENT LIMITED)

[Rule 4 (1)(d)]

To
The Bangladesh Securities and Exchange Commission

Sub: Public offer of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 of New Line Clothings Limited

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 500,000,000 (Taka fifty crore only) and we have the capacity to underwrite a total amount of Tk. 2,500,000,000 (Taka two hundred and fifty crore only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 45,000,000 (Taka four crore fifty lac) only for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of the Company	Underwritten Amount in BDT
1	Ratanpur Steel Re-Rolling Mills Ltd.	50,000,000.00
2	Silva Pharmaceuticals Limited	25,000,000.00
3	Mohammed Elias Brothers Poly Manufacturing Plant Limited	16,000,000.00
Total Underwriting Obligations		91,000,000.00

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Sd/-

Muhammad Husain Ahmad Faruqi
Chief Executive Officer
AIBL Capital Management Limited
Date: January 8, 2018

DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER

(SANDHANI LIFE FINANCE LIMITED)

[Rule 4 (1)(d)]

To
The Bangladesh Securities and Exchange Commission

Sub: Public offer of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 of New Line Clothings Limited

Dear Sir,

We, the under-noted Underwriter(s) to the above-mentioned forthcoming issue, state individually and collectively as follows:

- (1) We, while underwriting the above mentioned issue on a firm commitment basis, have examined the draft prospectus, other documents and materials as relevant to our underwriting decision; and
- (2) On the basis of such examination and the discussions with the issuer company, its directors and officers, and other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer company.

WE CONFIRM THAT:

- (a) We are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities. Our present paid-up capital stands at Tk. 250,000,000 (Taka Twenty Five Crore only) and we have the capacity to underwrite a total amount of Tk. 1,250,000,000 (Taka One Hundred Twenty Five Crore only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 30,000,000 (Taka Three Crore only) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us:

Sl. No.	Name of the Company	Underwritten Amount in BDT
1	Shamsul Alamin Real Estate Limited	100,000,000
2	Southeast Bank Limited	953,125,000
Total		1,053,125,000

- (c) All information as are relevant to our underwriting decision have been received by us and the draft prospectus forwarded to the Commission has been approved by us;
- (d) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within 15 (fifteen) days of calling up thereof by the issuer; and
- (e) This underwriting commitment is unequivocal and irrevocable.

For the Underwriter:

Sd/-
Muhammad Nazrul Islam FCMA
Managing Director & CEO
Sandhani Life Finance Limited
Date: October 11, 2017

CHAPTER - IV

ABOUT THE ISSUER

CHAPTER (IV): ABOUT THE ISSUER

(a) Name of the issuer, dates of incorporation and commencement of its commercial operations, its logo, addresses of its registered office, other offices and plants, telephone number, fax number, contact person, website address and e-mail address;

Particulars		Description
Name of the Issuer	:	New Line Clothings Limited
Date of incorporation	:	May 23, 2000
Commencement of its commercial operations	:	March 01, 2007
Company Logo	:	
Registered Office & Factory Office	:	Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.
Telephone Number	:	02-9297403, 02-9297415, 02-9297417
Fax Number	:	02-9297405
Contact Person	:	Md. Asif Rahman, Director
Website Address	:	www.newline.com.bd
E-mail Address	:	info@newline.com.bd

(b) The names of the sponsors and directors of the issuer;

Sl. No.	Name of the Sponsors
1	Mainul Matin
2	Rubaba Matin

Sl. No.	Name of the Directors	Position
1	Osman Khadem	Chairman
2	M. Zakir Chowdhury	Managing Director & CEO
3	Md. Asif Rahman	Director
4	Mashiul Haq Chowdhury	Director
5	Maruful Haque Chowdhury	Director
6	Sigma Technologies Ltd. (Nominee of Ali Mostafa)	Director
7	Md. Saiful Islam Helaly	Independent Director
8	Syed Kamal Uddin	Independent Director

(c) The name, logo and address of the auditors and registrar to the issue, along with their telephone numbers, fax numbers, contact persons, website and e-mail addresses;

About the auditors:

Particulars		Description
Name	:	Shiraz Khan Basak & Co., Chartered Accountants
Logo	:	
Address	:	R. K. Tower (Level-10) 86, Bir Uttam C.R. Datta Road, Dhaka-1205
Telephone Number	:	02-8651165
Fax Number	:	02-8621575
Contact Person	:	Ramendra Nath Basak FCA, Partner
Website address	:	www.rrmarbebd.com
E-mail Address	:	rnbasak@rrmarbebd.com

About the registrar to the issue: Under fixed price method registrar to the issue is not applicable for the issuer.

(d) The name(s) of the stock exchanges where the specified securities are proposed to be listed.

Stock Exchanges	DHAKA STOCK EXCHANGE LIMITED 9/F Motijheel C/A, Dhaka 1000.		Tel: +88-02-9564601, 9576210-18 Fax: +88-02-9564727, 02-9569755
	CHITTAGONG STOCK EXCHANGE LTD. CSE Building, 1080, Sheikh Mujib Road, Chittagong 4100.		Tel: +880-2-9513911-15 Fax: +880-2-9513906

CHAPTER - V

CORPORATE DIRECTORY OF THE ISSUER

CHAPTER (V): CORPORATE DIRECTORY OF THE ISSUER

Particulars		Description
Name of the Issuer	:	New Line Clothings Limited
Company Logo	:	
Legal Position	:	New Line Clothings Limited was incorporated on May 23, 2000 vide registration no. C-40328(2296)/2000 as a private limited company in Bangladesh under the Companies Act, 1994. It has started its commercial production on March 01, 2007. On September 30, 2013 the Company converted itself as a Public Limited Company under the Companies Act, 1994.
Date of Incorporation	:	May 23, 2000
Registration No.	:	C-40328(2296)/2000
Commencement of Commercial Production	:	March 01, 2007
Authorized Capital	:	Tk. 1,000,000,000 divided into 100,000,000 Ordinary Shares of Tk. 10.00 each
Paid-up Capital	:	Tk. 399,000,000 divided into 39,900,000 Ordinary Shares of Tk. 10.00 each
Registered Office & Factory Office	:	Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.
Board of Directors	:	8 Directors.
Auditor	:	Shiraz Khan Basak & Co. Chartered Accountants
Tax Consultant	:	Md. Aminul Islam Hiru (Advocate)
Managers to the Issue	:	Banco Finance And Investment Limited : Shefali Complex (4th Floor), 218/3, A, West Kafrul, Begum Rokeya Sharani, Taltola, Sher-e-Bangla Nagar, Dhaka-1207
	:	Sandhani Life Finance Limited : 16, Motijheel Commercial Area, (3rd Floor), Dhaka – 1000
	:	Southeast Bank Capital Services Ltd. : Eunoos Center (Level 9), 52-53 Dilkusha C/A, Dhaka-1000
Compliance Officer	:	Md. Mozammel Hossain , Company Secretary
Banker for IPO	:	Southeast Bank Limited
Banker of the Company	:	Southeast Bank Limited IFIC Bank Ltd.

CHAPTER - VI

DESCRIPTION OF THE ISSUER

CHAPTER (VI): DESCRIPTION OF THE ISSUER

(a) Summary:

(i) The summary of the industry and business environment of the Issuer:

The readymade garments industry acts as a catalyst for the development of Bangladesh. The "Made in Bangladesh" tag has also brought glory for the country, making it a prestigious brand across the globe. Bangladesh, which was once termed by cynics a "bottomless basket" has now become a "basket full of wonders." The country with its limited resources has been maintaining 6% annual average GDP growth rate and has brought about remarkable social and human development.

The industry that has been making crucial contribution to rebuilding the country and its economy is none other than the readymade garment (RMG) industry, which is now the single biggest export earner for Bangladesh. The sector accounts for 81% of total export earnings of the country. The apparel industry of Bangladesh started its journey in the 1980s and has come to the position it is in today.

The industry that has changed lives of millions of people has undergone significant transformation in terms of workplace safety and worker's rights. National and international reform platforms National Action Plan (NAP), Accord and Alliance have made visible progress to ensure workplace safety. Both Accord and Alliance have completed inspection in 100% factories and the NAP will complete 100% factory inspection by this August. We note with satisfaction that less than 2% of the inspected factories have been found vulnerable and closed down immediately. Moreover, to make our progress more transparent and credible, the inspection reports of the factories are made accessible at the Fair Factory Clearinghouse (FFC) database and the websites of the relevant government department, Accord and Alliance.

Progress has also been made in workers' rights. Minimum wages of RMG workers have been increased by 219% during the past 5 years. The Labor Law has been amended ensuring noticeable improvements in workers' rights and welfare.

The industry is making strides in terms of environmental compliance to have a sustainable footing in the global apparel market. Many RMG factories at their own are adopting green technologies and practices. They are using cleaner technologies and producing garments in a caring and responsible way that preserves the environment for future generations.

The Milestones of the RMG Industry:

Year	Milestone
1995	Realistic Solution of child labor issue with ILO, UNICEF & US Embassy
2005	Phase out of MFA Quota
2009	Successfully faced Global Recession
2010	Ranked as the 2 nd Largest Exporting Country
2013	Ensuring workplace safety

Source: www.bgmea.com.bd/home/about/AboutGarmentsIndustry

Business environment: The Issuer's business environment is conducive to the business as we have good supply of raw materials. We have skilled labors as well. The wage of labor is reasonable also. Government policy is favorable to the sector. Overall, it is a business friendly situation.

(ii) Summary of consolidated financial, operating and other information.

This information is not applicable for New Line Clothings Limited since it has no subsidiary and associates company.

(b) General Information:

(i) Name and address, telephone and fax numbers of the registered office, corporate head office, other offices, factory, business premises and outlets of the issuer:

Registered Office & Factory Office		
Name	:	New Line Clothings Limited
Address	:	Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.
Telephone Number	:	02-9297403, 02-9297415, 02-9297417
Fax Number	:	02-9297405

Outlets of the issuer: The Company has no outlets

(ii) The board of directors of the issuer:

Sl. No.	Name of the Board of Directors	Designation
1	Osman Khadem	Chairman
2	M. Zakir Chowdhury	Managing Director & CEO
3	Md. Asif Rahman	Director
4	Mashiul Haq Chowdhury	Director
5	Maruful Haque Chowdhury	Director
6	Sigma Technologies Ltd. (Nominee of Ali Mostafa)	Director
7	Md. Saiful Islam Helaly	Independent Director
8	Syed Kamal Uddin	Independent Director

(iii) Names, addresses, telephone numbers, fax numbers and e-mail addresses of the chairman, managing director, whole time directors, etc. of the issuer:

Sl. No.	Name	Designation	Address	Telephone, fax numbers & E-mail address
1	Osman Khadem	Chairman	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: persey@newline.com.bd
2	M. Zakir Chowdhury	Managing Director & CEO	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: mzakir.ceo@newline.com.bd
3	Md. Asif Rahman	Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: asif@newline.com.bd
4	Mashiul Haq Chowdhury	Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: prince@newline.com.bd
5	Maruful Haque Chowdhury	Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: duke@newline.com.bd
6	Sigma Technologies Ltd. (Represented by Ali Mostafa)	Director	House # 03, Flat # A5, Road # 35, Sector # 7, Uttara, Dhaka-1230, Bangladesh.	Telephone: 02-7914983 Fax: 02-58953447 E-mail: info@sigmatech.com.bd
7	Md. Saiful Islam Helaly	Independent Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: saiful@newline.com.bd
8	Syed Kamal Uddin	Independent Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: skudhaka@newline.com.bd

(iv) Names, addresses, telephone numbers, fax numbers and e-mail addresses of the CFO, company secretary, legal advisor, auditors and compliance officer;

Sl. No.	Name	Position	Address	Telephone, fax numbers & E-mail address
1	Sharif Ahmed	Chief Financial Officer	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: sharif@newline.com.bd
2	Md. Mozammel Hossain	Company Secretary & Compliance Officer	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: mhossain.nlcl@gmail.com
3	Md. Aminul Islam Hiru	Legal Advisor	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	Telephone: 02-9297403 Fax: 02-9297405 E-mail: Aminul06@yahoo.com
4	Shiraz Khan Basak & Co. Chartered Accountants	Auditor	R. K. Tower (Level-10) 86, Bir Uttam C.R. Datta Road, Dhaka-1205	Tel: 02-8651165 Fax: 02-8621575 E-mail: rnbasak@rrmarbebd.com

(v) Names, addresses, telephone numbers, fax numbers, contact person, website addresses and e-mail addresses of the issue manager(s), registrar to the issue etc.;

Name & Address	Contact Person	Telephone & Fax Numbers	Website & E-mail Addresses
Banco Finance And Investment Limited Shefali Complex (4 th Floor), 218/3, A, West Kafrul, Begum Rokeya Sharani, Taltola, Sher-e-Bangla Nagar, Dhaka-1207	Mohammad Hamdul Islam Managing Director & CEO	Tel: 02-55025168 Tel: 02-55025169 Fax: 02-55025167	Website: www.bfilbd.org E-mail: banco.bd@gmail.com
Sandhani Life Finance Limited 16, Motijheel Commercial Area, (3rd Floor), Dhaka – 1000	Muhammad Nazrul Islam FCMA Managing Director & CEO	Tel: 02-9551896 Tel: 02-9575903 Fax: 02-9554847	Website: www.slflbd.com E-mail: info@slflbd.com
Southeast Bank Capital Services Ltd. Eunoos Center (Level 9) 52-53 Dilkusha C/A, Dhaka-1000	Md. Abu Bakar FCA Managing Director (CC)	Tel: 02-9574171-5 Fax: 02-9574169	Website: www.southeastbank.com.bd E-mail: mbw@southeastbank.com.bd

Registrar to the issue: Under fixed price method registrar to the issue is not applicable for the issuer.

(vi) The following details of credit rating, where applicable:

As per Section 3 of Credit Ratings Companies Rules, 1996, no credit rating report is required for the Company.

(vii) Following details of underwriting:

a) The names, addresses, telephone numbers, fax numbers, contact persons and e-mail addresses of the underwriters and the amount underwritten by them;

Name & Address	Contact Person	Telephone & Fax Numbers, Website & E-mail Addresses	Underwritten Amount in BDT
AIBL Capital Management Limited Peoples Insurance Bhaban (7 th Floor) 36, Dilkusha C/A, Dhaka-1000	Muhammad Husain Ahmad Faruqi Chief Executive Officer	Tel: 02-9560198, 7123255-7 Fax: 02-9575379 Website: www.al-arafahbank.com E-mail: cml@al-arafahbank.com	45,000,000
Sandhani Life Finance Limited 16, Motijheel Commercial Area, (3rd Floor), Dhaka – 1000	Muhammad Nazrul Islam FCMA Managing Director & CEO	Tel: 02-9551896, 02-9575903 Fax: 02-9554847 Website: www.slflbd.com E-mail: info@slflbd.com	30,000,000
Southeast Bank Capital Services Ltd. Eunoos Center (Level 9) 52-53 Dilkusha C/A, Dhaka-1000	Md. Abu Bakar FCA Managing Director (C.C.)	Tel: 02-9574171-5 Fax: 02-9574169 Website: www.southeastbank.com.bd E-mail: mbw@southeastbank.com.bd	30,000,000
Total			105,000,000

b) Declaration by the underwriters that they have sufficient resources as per the regulatory requirements to discharge their respective obligations;

As per the Declaration by the underwriters (Chapter III, Due Diligence Certificate of the Underwriters.), they are registered with the Bangladesh Securities and Exchange Commission as a merchant banker and eligible to carry out the underwriting activities and have the adequate capacity to underwrite as per relevant legal requirements.

c) Major terms and conditions of the underwriting agreements.

As per the guideline of Bangladesh Securities and Exchange Commission, 35% of Initial Public Offering (IPO) i.e. **10,500,000** ordinary shares of Tk. **10.00** per share totaling Tk. **105,000,000.00** shall have to be underwritten by the Underwriters, subject to the terms stated as follows:

- In case of under-subscription in any category by up to 35% in an Initial Public Offer, the undersubscribed portion of securities shall be taken up by the underwriter.
- The Company shall issue **30,000,000** Ordinary Shares of Tk. **10.00** per share for public subscription through publishing a Prospectus in accordance with the consent of the Bangladesh Securities and Exchange Commission and the provision of this Agreement.
- Prior to publication of the prospectus, the Company shall have obtained consent from the Bangladesh Securities and Exchange Commission permitting the issue as described in Article 2.01 and providing for payment of underwriting commission **0.50%** (zero point five zero percent) on the amount underwritten.
- If and to the extent that the shares offered to the public by 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 underwriters in writing with a copy of the said writing to the Bangladesh Securities and Exchange Commission, to subscribe the shares not so subscribed by 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. The amount so received shall be credited to the share subscription account of the Company within the said period. 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 share subscription account credited.

- (v) 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. 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.
- (vi) Notwithstanding anything contained in this Agreement, in case of any inconsistency between the provision of this Agreement and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, shall prevail.

(c) Capital Structure:

(i) Authorized, issued, subscribed and paid-up capital (number and class of securities, allotment dates, nominal price, issue price and form of consideration);

Particulars	No. of shares	Class of securities	Nominal price	Issue price	Amount in BDT
Authorized Capital	100,000,000	Ordinary Shares	10.00	10.00	1,000,000,000
Issued, Subscribed and Paid-up Capital	39,900,000	Ordinary Shares	10.00	10.00	399,000,000

The Company has raised its paid-up capital in following phases:

Allotment Date	Basis on Shares			Paid-up Capital
	In cash (Tk.)	Other than in cash	Bonus Share	
Subscription to the Memorandum & Articles of Association at the time of Incorporation on 23-05-2000	2,000	-	-	200,000
Issued as on October 20, 2006	1,600	-	-	160,000
Issued as on June 26, 2013	9,864,000	-	-	98,640,000
Issued as on February 22, 2016	-	-	30,000,000	300,000,000
Total	9,900,000	-	30,000,000	399,000,000

A special resolution is passed and duly certified from RJSC dated 04 June, 2013 to adopt a new Articles of Association. By the said special resolution, the Company's face value of share is reduced from Tk. 100 to Tk. 10.

(ii) Size of the present issue, with break-up (number of securities, description, nominal value and issue amount);

Description	Number of Securities to be Offered		Percentage	Break-up of Securities	Nominal value	Issue Amount in BDT
Offer price BDT 10.00 each at par, total size of fund to be raised BDT 300,000,000	Eligible Investor (EI)	EI excluding mutual funds and CIS	40%	12,000,000	10.00	120,000,000
		Mutual Funds and CIS	10%	3,000,000		30,000,000
	General Public (GP)	GP excluding NRB	40%	12,000,000		120,000,000
		NRB	10%	3,000,000		30,000,000
Total			100%	30,000,000	10.00	300,000,000

(iii) Paid-up capital before and after the present issue, after conversion of convertible instruments (if any) and share premium account (before and after the issue);

Particulars	No. of Securities	Issue Price	Amount in BDT
Paid-up capital before the present issue	39,900,000	10.00	399,000,000
Paid-up capital after the present issue	69,900,000	10.00	699,000,000
Paid-up capital after conversion of convertible instruments (if any)	N/A		
Share premium account before the present issue	N/A		
Share premium account after the present issue	N/A		

(iv) Category wise shareholding structure with percentage before and after the present issue and after conversion of convertible instruments (if any);

Sl. No.	Category of Shareholders		No. of Ordinary Shares Hold		Percentage of Holding	
			Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
1	Directors & Sponsors		21,546,000	21,546,000	54.00	30.82
2	Other than Directors & Sponsors		18,354,000	18,354,000	46.00	26.26
3	Eligible Investor (EI)	EI excluding mutual funds and CIS	-	12,000,000	-	17.17
		Mutual Funds and CIS	-	3,000,000	-	4.29
4	General Public (GP)	GP excluding NRB	-	12,000,000	-	17.17
		NRB	-	3,000,000	-	4.29
Total			39,900,000	69,900,000	100%	100%

The Company has no convertible instrument.

(v) Where shares have been issued for consideration in other than cash at any point of time, details in a separate table, indicating the date of issue, persons to whom those are issued, relationship with the issuer, issue price, consideration and valuation thereof, reasons for the issue and whether any benefits have been accrued to the issuer out of the issue;

The Company did not issue any of its ordinary shares for consideration in other than cash at any point of time, except bonus share to existing shareholders considering at par in the year 2016.

(vi) Where shares have been allotted in terms of any merger, amalgamation or acquisition scheme, details of such scheme and shares allotted;

The Company has not allotted any shares in terms of merger, amalgamation or acquisition scheme.

(vii) Where the issuer has issued equity shares under one or more employee stock option schemes, date-wise details of equity shares issued under the schemes, including the price at which such equity shares were issued;

The Company has not issued any equity shares under one or more employee stock option schemes.

(viii) If the issuer has made any issue of specified securities at a price lower than the issue price during the preceding two years, specific details of the names of the persons to whom such specified securities have been issued, relation with the issuer, reasons for such issue and the price thereof;

The Company has not made any issue of specified securities at a price lower than the issue price during the preceding two years.

(ix) The decision or intention, negotiation and consideration of the issuer to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue;

The Company has no such decision or intention, negotiation and consideration to alter the capital structure by way of issue of specified securities in any manner within a period of one year from the date of listing of the present issue.

(x) The total shareholding of the sponsors and directors in a tabular form, clearly stating the names, nature of issue, date of allotment, number of shares, face value, issue price, consideration, date when the shares were made fully paid up, percentage of the total pre and post issue capital, the lock in period and the number and percentage of pledged shares, if any, held by each of them;

Sl. No.	Name of Sponsors & Directors	Position	Nature of Issue	Date of allotment	No. of shares	Face value	Issue price	Consideration	Date when the shares were made fully paid up	Total	Percentage (%)		Lock-in Period	
											Pre-IPO	Post-IPO		
01	Rubaba Matin	Sponsor	Ordinary Share	MOA (23.05.2000) Transfer (15.02.2004)	5,000 (5,000)	10.00	10.00	Cash	23.05.2000 15.02.2004	Presently this sponsors do not hold any share of the company	0.00%	0.00%	N/A	
02	Mainul Matin	Sponsor	Ordinary Share	MOA (23.05.2000) Transfer (15.02.2004) Transfer (17.08.2006)	15,000 (9,400) (5,600)	10.00	10.00	Cash	23.05.2000 15.02.2004 17.08.2006		0.00%	0.00%	N/A	
03	A. N. Sharfuddin	Director	Ordinary Share	Transfer (15.02.2004) Transfer (17.08.2006) Transfer (31.12.2007) Transfer (20.07.2009) Transfer (08.03.2011)	4,800 3,200 7,200 (9,600) (5,600)	10.00	10.00	Cash	15.02.2004 17.08.2006 31.12.2007 20.07.2009 08.03.2011		Presently this directors do not hold any share of the company	0.00%	0.00%	N/A
04	M. H. Chowdhury	Director	Ordinary Share	Transfer (15.02.2004) Transfer (17.08.2006) Transfer (31.12.2007) Transfer (20.07.2009) Transfer (08.03.2011)	4,000 2,400 8,800 (9,600) (5,600)	10.00	10.00	Cash	15.02.2004 17.08.2006 31.12.2007 20.07.2009 08.03.2011			0.00%	0.00%	N/A
05	Ali Mostafa	Director	Ordinary Share	Transfer (15.02.2004) Transfer (17.08.2006)	2,800 (2,800)	10.00	10.00	Cash	15.02.2004 17.08.2006	0.00%		0.00%	N/A	
06	Granville Holdings Ltd. (Represented by Nadim Zarar)	Director	Ordinary Shares	ROA (20.10.2006) Transfer (31.12.2007)	16,000 (16,000)	10.00	10.00	Cash	20.10.2006 31.12.2007	0.00%		0.00%	N/A	
07	Tahera Khanam	Director	Ordinary Shares	Transfer (20.07.2009) Transfer (08.03.2011)	9,600 (9,600)	10.00	10.00	Cash	20.07.2009 08.03.2011	0.00%		0.00%	N/A	
08	Dewan Manira Chowdhury	Director	Ordinary Shares	Transfer (20.07.2009) Transfer (08.03.2011)	9,600 (9,600)	10.00	10.00	Cash	20.07.2009 08.03.2011	0.00%		0.00%	N/A	
09	Suman Ghose	Director	Ordinary Shares	Transfer (08.03.2011) Transfer (30.08.2012)	9,000 (9,000)	10.00	10.00	Cash	08.03.2011 30.08.2012	0.00%		0.00%	N/A	
10	Osman Khadem	Director	Ordinary Shares	Transfer (15.02.2004) Transfer (17.08.2006) Transfer (08.03.2011) Transfer (30.08.2012) Transfer (02.05.2013) ROA (26.06.2013) Transfer (05.08.2013) ROA (22.02.2016)	2,800 2,800 21,400 360 (5,040) 967,680 198,000 3,600,000	10.00	10.00	Cash Bonus	15.02.2004 17.08.2006 08.03.2011 30.08.2012 02.05.2013 26.06.2013 05.08.2013 22.02.2016	4,788,000		12.00%	6.85%	3 years
11	Md. Asif Rahman	Director	Ordinary Shares	Transfer (30.08.2012) Transfer (02.05.2013) ROA (26.06.2013) ROA (22.02.2016)	1,440 720 591,840 1,800,000	10.00	10.00	Cash Bonus	30.08.2012 02.05.2013 26.06.2013 22.02.2016	2,394,000		6.00%	3.42%	3 years
12	Maruful Haque Chowdhury	Director	Ordinary Shares	Transfer (30.08.2012) Transfer (02.05.2013) ROA (26.06.2013) ROA (22.02.2016)	1,440 720 591,840 1,800,000	10.00	10.00	Cash Bonus	30.08.2012 02.05.2013 26.06.2013 22.02.2016	2,394,000		6.00%	3.42%	3 years
13	Mashiul Haq Chowdhury	Director	Ordinary Shares	Transfer (30.08.2012) Transfer (02.05.2013) ROA (26.06.2013) Transfer (05.08.2013) ROA (22.02.2016)	1,440 720 591,840 (198,000) 1,200,000	10.00	10.00	Cash Bonus	30.08.2012 02.05.2013 26.06.2013 05.08.2013 22.02.2016	1,596,000	4.00%	2.28%	3 years	
14	M. Zakir Chowdhury	Director	Ordinary Shares	Transfer (02.05.2013) ROA (26.06.2013) ROA (22.02.2016)	2,160 591,840 1,800,000	10.00	10.00	Cash Bonus	02.05.2013 26.06.2013 22.02.2016	2,394,000	6.00%	3.42%	3 years	
15	Sigma Technologies Ltd. (Represented by Ali Mostafa)	Director	Ordinary Shares	Transfer (02.05.2013) ROA (26.06.2013) Transfer (05.08.2013) ROA (22.02.2016)	720 3,959,280 (1,980,000) 6,000,000	10.00	10.00	Cash Bonus	02.05.2013 26.06.2013 05.08.2013 22.02.2016	7,980,000	20.00%	11.42%	3 years	
Total											21,546,000	54.00%	30.27%	

Note: (i) There is no pledged shares (ii) Lock-in starts from date of issuance of Prospectus

(xi) The details of the aggregate shareholding of the sponsors and directors, the aggregate number of specified securities purchased or sold or otherwise transferred by the sponsor and/or by the directors of the issuer and their related parties within six months immediate preceding the date of filing the prospectus;

There was no such purchase or sale or otherwise transfer by the sponsor and/or by the directors of the New Line Clothings Limited and their related parties within six months immediate preceding the date of filing the prospectus.

(xii) The name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the amount of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership including number of equity shares which they would be entitled to upon exercise of warrant, option or right to convert any convertible instrument;

Name of the Shareholder	Address	Type of Ownership	Amount of Securities Owned	Shareholding by beneficially or of record ownership (%)
Sigma Technologies Ltd.	House # 03, Flat # A5, Road # 35, Sector # 7, Uttara, Dhaka-1230, Bangladesh.	Director	7,980,000	20.00%
Osman Khadem	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka-1230.	Director	4,788,000	12.00%
Mostafa Zamanul Bahar	House No.88, Road No.8A, Dhanmondi R/A, Dhaka-1209.	Shareholder	3,890,000	9.75%
Mithy Islam Khan	House No.88, Road No.8A, Dhanmondi R/A, Dhaka-1209.	Shareholder	3,890,000	9.75%
Tartila Akhter Chowdhury	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka-1230.	Shareholder	2,740,000	6.87%
Afsana Jabin	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka-1230.	Shareholder	2,740,000	6.87%
Fatema Mahbub	House No.52, Flat-F5, Road No.6A, Dhanmondi R/A, Dhaka-1209.	Shareholder	2,700,000	6.77%
M. Zakir Chowdhury	House No. 2/2, Siddeshwari Lane, Shantinagar, Ramna, Dhaka-1000.	Director	2,394,000	6.00%
Md. Asif Rahman	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka-1230.	Director	2,394,000	6.00%
Maruful Haque Chowdhury	House No.64, Block-I, Road No.1, Banani, Dhaka-1213.	Director	2,394,000	6.00%
Mohammad Lutfar Rahman	House No.63, Road No.5, DOHS, Dhaka Cantonment, Dhaka-1206	Shareholder	2,394,000	6.00%
Total			38,304,000	96.00%

**There is no event or intent of exercising warrant, option or right to convert any convertible instrument.*

(xiii) The number of securities of the issuer owned by each of the top ten salaried officers, and all other officers or employees as group, indicating the percentage of outstanding shares represented by the securities owned.

There is no officer holding any securities of the Company except the following:

Name of the Shareholder	Position	Amount of Securities Owned	Percentage of Ownership (%)
M. Zakir Chowdhury	Managing Director & CEO	2,394,000	6.00%
Osman Khadem	Director, Compliance & Ethical Standard	4,788,000	12.00%
Mashiul Haq Chowdhury	Director, IT	1,596,000	4.00%
Md. Asif Rahman	Director, Finance	2,394,000	6.00%
Maruful Haque Chowdhury	Director, Commercial	2,394,000	6.00%

(d) Description of Business:

(i) The date on which the issuer company was incorporated and the date on which it commenced operations and the nature of the business which the company and its subsidiaries are engaged in or propose to engage in;

Particulars	Description
Date of Incorporation	: May 23, 2000
Commercial Operation	: It has started its commercial production on March 01, 2007.
Nature of Business	: The principal activities of the company is to manufacture various kinds of woven Garments for both ladies and gents including trousers, shirts, children wear, gents wear, female wear, jackets, Sportswear, denim garments etc. and marketing thereof.
Subsidiary Company	: The Company has no subsidiary company.

(ii) Location of the project;

The project is situated at Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.

(iii) Plant, machinery, technology, process, etc.

New Line Clothings Limited has been using sophisticated machineries and technologies in order to produce high quality yarn dyed woven fabric. The Company to be competitive over the competitors in the market because of using the latest machineries and technologies.

(iv) Details of the major events in the history of the issuer, including details of capacity or facility creation, launching of plant, products, marketing, change in ownership and/or key management personnel etc.;

Particulars	Description
Date of Incorporation	May 23, 2000
Commercial Operation	It has started its commercial production on March 01, 2007.
Conversion of Private to Public Limited Company	On September 30, 2013 the Company was converted itself as a public limited company under the Companies Act, 1994.
Capacity	84.00 lac/Pcs (Yearly)
Products	Ladies and gents including trousers, shirts, children wear, gents wear, female wear, jackets, Sportswear, denim garments.
Launching of Plant	March 01, 2007.
Launching of Products	March 01, 2007.
Launching of Distribution Channel	June 01, 2007.
Appointment of Independent Director	Appointment of Md. Saiful Islam Helaly & Syed Kamal Uddin is approved in next AGM

(v) Principal products or services of the issuer and markets for such products or services. Past trends and future prospects regarding exports (if applicable) and local market, demand and supply forecasts for the sector in which the product is included with source of data;

The principal activities of the company are to establish a readymade garment unit in Bangladesh for the purpose of manufacturing various kinds of Garments both ladies and gent's trousers, shirts, children wear, gents wear, female wear, towel, brassier, socks, hooks, buttons etc. of standard sizes and quality made of cotton, woolen, tetron, nylon, silks, synthetic fabrics.

Area for product	Name of the Products	Market
Garments (Woven)	Ladies and Gents Trousers, Jackets & Vests, Work wear, Trekking Jeggings, Leggings uniforms, Sports wear, Jeans, Trousers, Cargo Pants Cargo Shorts, Bermuda Shorts, Skirts Trousers, Shirts and Blouse/Tunica	Germany, UK, Netherland, Canada, Spain, Australia, Denmark, Check Republic and France.

Past trends:

Last 5 years sales of New Line Clothings Limited

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Turnover	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471

Future prospect:

Bangladesh Export sector is heavily inclined to RMG. RMG and textile sector contributes maximum of national export of Bangladesh. This sector has remarkable growth and huge contribution to the overall export of the country. As an exporter of RMG sector, NLCL also has the opportunity to increase its export including developing infrastructure and skill workforce. New Line Clothings Limited is 100% export oriented woven garments industry. So future prospect of local market is not applicable for us.

(vi) If the issuer has more than one product or service, the relative contribution to sales and income of each product or service that accounts for more than 10% of the company's total revenues;

The Company has no product or service that accounts for more than 10% of the Company's total revenues.

(vii) Description of associates, subsidiary and holding company of the issuer and core areas of business thereof;

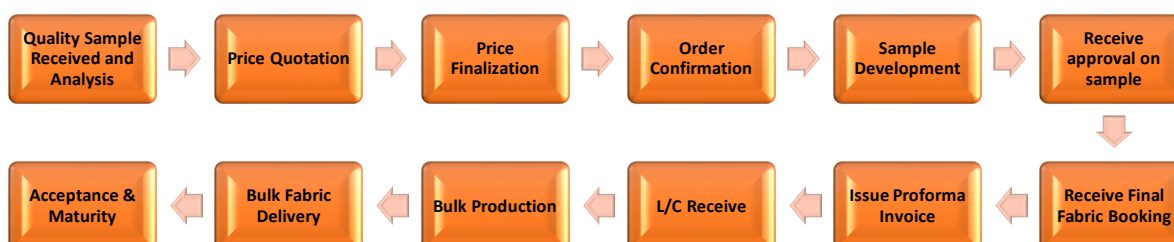
The Company has no associates/subsidiary and related holding company.

(viii) How the products or services are distributed with details of the distribution channel. Export possibilities and export obligations, if any;

On receiving the orders from its customers, New Line Clothings Limited manufactures the products and supplies them to the customer's destination as per their requirements. Since the export of the company is deemed export, it supplies the products to the local destinations. A detailed process flow is presented below:

Process Flow:

- First, New Line Clothings Ltd (NLCL) receives inquiry from clients as well as quality sample or Computer Aided Design (CAD).
- After analyzing quality sample, they offer competitive price to buyer.
- Next they negotiate with buyers and finalize the price.
- Then they get order confirmation and a tentative fabric booking.
- Next, they develop sample as per buyers' requirements and submit the same to buyer. It takes 2(two) weeks for sample yardage respectively.
- Received approval on development for bulk production.
- After getting approval, NLCL proceed final fabric booking with fabric supplier.
- Fabric suppliers issued Pro forma Invoice based on fabric booking. It contains product description, value, delivery date and terms & condition of the order.
- Next based on PI receipt and proceed for opens L/C.
- After received L/C, fabric suppliers start fabric bulk production as per approval.
- Complete fabric production and deliver the fabrics. Sometime deliver partially depends on customer requirements.
- Fabric suppliers submit documents through bank to bank against delivered fabric.
- Bank receipt the documents for acceptance and maturity purpose.

**Export Possibilities and Obligation:**

We don't have any export obligation rather there is good potential of expansion for export.

(ix) Competitive conditions in business with names, percentage and volume of market shares of major competitors;

The Textile and Apparel industry comprises of over 5000 manufacturers, most of which are Ready Made Garments manufacturers. However, among the listed & non-listed companies in textile sector, only nine companies can be considered as major competitors of NLCL. There are given below

Non-listed Companies:

Sl. No	Name of the Competitors
01	E.H Fabrics Ltd.
02	Hasan Tanvir Fashion Wear Ltd.
03	Reza Fashion Ltd.
04	Shagor Garments Ltd.
05	Nipa Fashion Wear Limited

Note: No market data regarding volume and market shares of the above-mentioned companies are available.

Listed Companies:

Sl. No.	Name of the Competitors	Turnover (Amount in BDT)	Year End
01	Hwa Well Textiles (BD) Limited	1,210,369,320	30.06.2017
02	Tosrifa Industries Limited	1,206,899,302	30.06.2017
03	Envoy Textiles Limited	6,078,738,108	30.06.2017
04	Desh Garments Limited	375,722,677	30.06.2017
05	Generation Next Fashions Limited	3,279,614,648	30.06.2017

Source of Data: Annual report

N.B. There is no entity listed with the stock exchange except the above company and there is no data available regarding market shares of the respective listed company in their annual report. Due to unavailability of information, it is not possible to input the other competitors.

(x) Sources and availability of raw materials, names and addresses of the principal suppliers and contingency plan in case of any disruption;

The names of the major suppliers and address are mentioned below:

Sl. No.	Name of Principal Suppliers	Address	Name of Raw Materials	Country of Origin
01	Shanghai Hua Shen Import & Export Co. Ltd	Building No. 9988(11 th Floor), Ping Liang Road, Shanghai, China	Fabrics	China
02	Shanghai SBS Zipper Mfg. Co. Ltd	1111 Huijin Road, Qingpu Industrial Zone, Shanghai, China, PC-201700	Zipper	China
03	Wujiang M.G Textile Co. Ltd	10 # 5 Light Textile Commercial Area, Shengze Town, Wujiang City, Jiangsu, China	Fabrics	China
04	Suzhou Laisheng Imp. & Exp. Co. Ltd	Room-502, Mingzhu Building No. 2485 South Luxiang Road, Wujiang City, Jiangsu, China	Fabrics	China
05	Abacus(China) Enterprises	Unit -1004A, 10 th Floor, CRE Centre, 889 Cheung Sha Wan Road, Lai Chi Kok, Kowloon, Hong Kong	Button	Hong Kong
06	Yester Accessories Co.(BD) Ltd	Plot # 111-114, Adamjee EPZ, Adamjee Nagar, Siddhirgonj, Narayangonj, Bangladesh	Button & Rivet	Bangladesh
07	YKK Bangladesh Pte Ltd	Plot # 06-16 (Extention Area), DEPZ, Ganakbari, Savar, Dhaka, Bangladesh	Zipper	Bangladesh
08	J.S. Trimmings Limited	417-418, Tejgaon I/A, Tejgaon, Dhaka-1208, Bangladesh.	PP Poly Bag	Bangladesh
09	Liberty Mills Limited	A-51/A, S.I.T.E, Karachi-75700, Pakistan	Fabrics	Pakistan
10	Unique Accessories Pvt. Ltd	House # 504, Road # 09, DOHS Baridhara, Dhaka-1206, Bangladesh.	Label	Bangladesh
11	Deen Paper Converting & Pack. Ltd	Painadi, Mizmizi, Siddirgonj, Narayangonj, Bangladesh	Carton	Bangladesh
12	Checkpoint System Bangladesh Ltd	Plot # 37 & 56, Adamjee EPZ, Adamjee Nagar, Narayangonj, Bangladesh	Hang tag	Bangladesh
13	CMZ Zipper(Wuxi) Co. Ltd	Qiting Town, Yixing City, Jiangsu Province 214213, China	Metal Zipper	China
14	Ha-Meem Denim Ltd	198/A, Tejgaon I/A, Dhaka-1208, Bangladesh	Fabrics	Bangladesh
15	Etafil Accessories Ltd	Plot # 129, 130 & 132, Bhadam, Nishatnagar, Tongi, Gazipur, Bangladesh	Polyster Sewing Thread	Bangladesh
16	Sanzi Textile Mills Ltd	A-23, S-6 (Part) BSCIC Industrial Estate, Kalurghat, Chittagong, Bangladesh	Polyster Sewing Thread	Bangladesh
17	High Hope(HK) Co. Ltd	Flat -1903, 19/F Great Eagle Ctr, 23 Harbour Road, Wan Chai, Hong Kong	Fabrics	Hong Kong
18	R.N. Enterprise	47/3, Arambagh(1 st Floor), Motijheel, Dhaka-1000, Bangladesh	Elastic	Bangladesh
19	Simtex Industries Ltd	Khagan, Birulia, Savar, Dhaka, Bangladesh	Polyster Sewing Thread	Bangladesh
20	Dekko Accessories Ltd	Suvastu Zenim Plaza(3 rd Floor), House # 37, Road # 16(Old 27), Dhanmondi, Dhaka-1209, Bangladesh	Button	Bangladesh
21	Shanghai East Dragon Zipper Technology Development Co. Ltd	No.-8, Nanlu Road, Nanhui Industry Zone, Pudong, Shanghai, China	Zipper	China
22	Zhong You Sourcing Co.	Flat-D1(11 Floor), Block-D, Tsim Sha Tsui	Fabrics	Hong Kong

	Limited	Mansion, 83-97 Nathan Road, Tsim Sha Tsui, Kowloon, Hongkong		
23	M/s Al-Noor Printing & Accessories Ltd.	291, Fakirapool, Dhaka-1000, Bangladesh	Hang Tag, Photo Card, Top Bottom	Bangladesh
24	Eshita Enterprise	Darus Salam Road, Shop No. 04, Mirpur Tower, Mirpur-1, Dhaka, Bangladesh	Button Ploy, Gum Tape, Lock Pin, Interlining	Bangladesh
25	M/s R.S Fabrics	House # 28, Road # 02, Block # F, Banasree, Rampura, Dhaka-1219, Bangladesh	T.C Pocketing Fabrics	Bangladesh

Contingency plan: As numbers of suppliers of raw materials are plenty in the market, if one supplier fails to provide raw material there are always other suppliers available. So there is no possibility of disruption.

(xi) Sources of, and requirement for, power, gas and water; or any other utilities and contingency plan in case of any disruption;

All required utility facilities are available at the project site and those are stated below:

Particulars	Source & Requirements
Power	The required power for production is 379 KW through Bangladesh Rural Electrification Board.
Gas	NLCL's manufacturing operation depends on Gas supply from Titas Gas Transmission & Distribution Company Ltd.
Water	The company has own deep tube well having capacity of 50,000 Liter (Hourly) to meet up the internal requirement.

Contingency plan:

In addition to the diesel generators, the company has two 400 KVA, one 350 KVA and one 100 KVA diesel generators for any kind of disruption.

(xii) Names, address(s), telephone number, web address, e-mail and fax number of the customers who account for 10% or more of the company's products or services with amount and percentage thereof;

The Company has the following customers from whom the company sales 10% or more:

Customer Name	Address	Telephone Number	Web Address	E-mail	Fax Number	Amount in BDT	Percentage (%)
G. guldenpfennig GmbH	Artlandstrasse 73, 49610 Quakenbruck, Germany	05431/188-0 05431/188-171	www.g-guldenpfennig-gmbh.com	info@guldenpfennig.de	00495431188333	918,487,865	44.12
Lidl Hong Kong Limited	Level-25, International commerce center, 1 Austin road west Kowloon, Hong Kong.	+852-3899-5128 +852-3899-5000	www.lidl.com.hk	info@lidl.com.hk	+852-3899-5796	548,552,929	26.35
Simple Approach Ltd.	7/F, Park Fook Industries Building, 615-617 Tai Nan West Street, Cheung Sha Wan, Kowloon, Hong Kong.	+85235881866	www.simple-approach.com.bd	info@simple-approach.com.bd	+85238991496	252,105,350	12.11

(xiii) Names, address(s), telephone number, web address, e-mail and fax number of the suppliers from whom the issuer purchases 10% or more of its raw material or finished goods with amount and percentage thereof;

The Company does not have any supplier, which contribute 10% or more of its raw material or finished goods.

(xiv) Description of any contract which the issuer has with its principal suppliers or customers showing the total amount and quantity of transaction for which the contract is made and the duration of the contract. If there is not any of such contract, a declaration is to be disclosed duly signed by CEO or MD, CFO and Chairman on behalf of Board of Directors;

The company has not entered into any contract with any of its suppliers or customers.

DECLARATION REGARDING CONTRACT WITH PRINCIPAL SUPPLIERS OR CUSTOMERS

We, on behalf of the Board of Directors certify that The New Line Clothings Limited did not enter into any contract with its principal suppliers or customers.

Sd/-
M. Zakir Chowdhury
Managing Director & CEO

Sd/-
Sharif Ahmed
Chief Financial Officer

Sd/-
Osman Khadem
Chairman

(xv) Description of licenses, registrations, NOC and permissions obtained by the issuer with issue, renewal and expiry dates;

The company has several regulatory licenses and certificates in order to continue its operations. The table shows list of license:

Particulars	License Issuer/Issuing Authority	Certificate/ License No.	Issue Date	Renewal Date	Expiry Date
Trade License	Mouchak Union Parishad, 4 th Union, Kaliakoir, Gazipur	106/2017-2018		09.07.2018	30.06.2019
VAT Certificate	Customs, Excise & VAT Commissionerate, Dhaka.	18081004932	20.02.2013	N/A	N/A
TIN Certificate	National Board of Revenue	656305154518	29.12.2013	N/A	N/A
Import Registration Certificate	Controller of Import & Export, Government of Bangladesh	Ba -116417	09.07.2001	01.07.2018	30.06.2019
Export Registration Certificate	Controller of Import & Export, Government of Bangladesh	Ra- 55331	24.05.2001	01.07.2018	30.06.2019
Fire License	Bangladesh Fire Services and Civil Defense	DD/Dhaka/19506/2006	10.08.2003	26.06.2018	30.06.2019
BERC License	Bangladesh Energy Regulatory Commission	LWC-2108	30.10.2017	-	29.10.2020
Membership Certificate	Bangladesh Garments Manufacturers & Export Association (BGMEA)	3427		03.01.2019	31.12.2019
Certificate of insurance	Bangladesh National Insurance Company Limited	BNIC/PB/FC-0028/04/2018	17.04.2018	17.04.2018	02.05.2019
Group Insurance Certificate	Bangladesh Garments Manufacturers & Export Association (BGMEA)	3427	-	02.01.2019	31.12.2019
Boiler Certificate	Chief Boiler Inspector's Office	7635	17.07.2017	09.07.2018	08.01.2019
Bonded Warehouse License	Customs Bond Commissionrate, Dhaka	97/CUS-SBW/2001	16.10.2001	N/A	N/A
Board of Investment	Bangladesh Investment Development Authority (BIDA)	L-62050106125-H	29.06.2014	N/A	N/A
Factory Inspection License	Deputy Chief Inspector of Factories, Govt. of the People's Republic of Bangladesh, Dhaka Division	13467	09.07.2007		30.06.2019
Environment Clearance Certificate	Department of Environment	Environment/Dhaka division/12045/Clearance-481	26.12.2006	Environment certificate is not applicable for the manufacturer of readymade garments industry in accordance with sro no. 237-law/2007 issued by Department of Environment on October 03, 2007.	
Export Promotion Bureau Enrollment Certificate	Export Promotion Bureau Enrollment Certificate	BD0414800	20.09.2017	30.07.2018	30.06.2019
Certificate of Compliance	OEKO-TEX Association	20140K0906		01.01.2019	31.12.2019
Certificate of Compliance	Business Social Compliance Initiative	7079		13.11.2017	31.10.2019

(xvi) Description of any material patents, trademarks, licenses or royalty agreements;

The Company obtained neither any material patents, trademarks, licenses nor signed any royalty agreements with any party.

(xvii) Number of total employees and number of full-time employees;

All employees are considered permanent and employee position. As per Audited Financial Statement for the year ended June 30, 2017 (Note- 28.07) is as under:

Salary (Monthly)	Employee's Position		Total Employee 2017	Total Employee 2016
	Factory	Head Office		
Below Tk. 3,000/-	Nil	Nil	Nil	Nil
Above Tk. 3,000/-	2760	79	2839	2887
Total	2760	79	2839	2887

*The Company has no part time employee.

(xviii) A brief description of business strategy;

NLCL has modern machineries and technology that ensures quality products. Quality is main concern while formulating strategy. The company tries to produce goods with cheap cost so that they can get competitive advantages over their competitors. They also believe in providing customizing products to customer as per need basis so that they can get maximum market share of products. So innovation is always there.

(xix) A table containing the existing installed capacities for each product or service, capacity utilization for these products or services in the previous years, projected capacities for existing as well as proposed products or services and the assumptions for future capacity utilization for the next three years in respect of existing as well as proposed products or services. If the projected capacity utilization is higher than the actual average capacity utilization, rationale to achieve the projected levels.

Existing Capacity Utilization:

Products	Unit	Installed Capacity (Yearly)	Actual Production (Yearly)	Capacity Utilization (%)
		30.06.2017	30.06.2017	30.06.2017
Garments (Woven)	Pcs	84.00 lac	64.42 lac	76.69

Projected Capacity Utilization:

Products	Unit	Installed Capacity			Capacity Utilization for this Products			Actual Capacity Utilization (%)		
		30.06.2018	30.06.2019	30.06.2020	30.06.2018	30.06.2019	30.06.2020	30.06.2018	30.06.2019	30.06.2020
Garments (Woven)	Pcs	96.60 lac	115.92 lac	133.30 lac	72.45 lac	86.95 lac	106.64 lac	75.00	75.00	80.00

Rationale to Achieve:

The company has projected that the capacity utilization will be increased due to installation of new machine as well as increase in the market demand for garments (Woven). The company will utilized its remaining capacity to meet the additional market demand for products.

(e) Description of Property:

The written down value of property, plant and equipment's owned by the company as per audited accounts as on 30th June, 2017 are stated below:

Particulars	Written Down Value as at June 30, 2017 (Amount in BDT)
Land & Land Development	89,900,000
Building & Civil Works	685,207,078
Plant & Machinery	135,880,109
Vehicles	2,093,581
Electric Equipment's	46,141,881
Furniture & Fixture	20,301,386
Office Equipment	13,185,187
Generator	11,163,030
Fire Equipment's	45,954,187
Computer & Accessories	1,571,371
Spares & Accessories	11,907,705
Sundry Assets	402,817
Total Fixed Assets	1,063,708,332

(i) Location and area of the land, building, principal plants and other property of the company and the condition thereof;

The entire above mentioned assets are located at the Company's factory premises at Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh. Details are as under:

Sl. No.	Particulars	Condition of the Property
01	Land & Land Development	Position hold by the company
02	Building & Civil Works	Factory Building is in good condition
03	Plant & Machinery	Working in good condition
04	Vehicle	Running
05	Electric Equipment's	Working in good condition
06	Furniture & Fixture	Good Condition
07	Office Equipment	Good Condition
08	Generator	Working in good condition
09	Fire Equipment	Working in good condition
10	Computer & Accessories	Good Condition
11	Spares & Accessories	Good Condition
12	Sundry Assets	Good Condition

(ii) Whether the property is owned by the company or taken on lease;

All the assets of the Company are in its own name. The Company's registered office & factory is located at Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.

(iii) Dates of purchase, last payment date of current rent (খাজনা) and mutation date of lands, deed value and other costs including details of land development cost, if any and current use thereof;

Deed No.	Dates of purchase	last payment date of current rent (খাজনা)	Mutation date of lands	Deed value (Tk.)	Registration & Other Cost (Tk.)	Land development cost (Tk.)	Area of Land (Decimal)	Plot No.	Current use
3481	2/6/2005	14/09/17	28/09/2005	2,500,000	375,000	438,250	112	CS & SA - 1945 and RS -3748	Factory Building & Registered Office
Total				2,500,000	375,000	438,250	112		

(iv) The names of the persons from whom the lands has been acquired or proposed to be acquired along with the cost of acquisition and relation, if any, of such persons to the issuer or any sponsor or director thereof;

Sl. No.	Names of the persons from whom the lands have been acquired	Cost of acquisition (Tk.)	Relation
1.	Begum Rawshan Matin, Road: 3/3, Asad Avenue, Mohammadpur, Dhaka	2,500,000	No relation except Buyer-Seller

(v) Details of whether the issuer has received all the approvals pertaining to use of the land, if required;
The Company has received all the approval of pertaining to use of the land.

(vi) If the property is owned by the issuer, whether there is a mortgage or other type of charge on the property, with name of the mortgagee;

Entire area of lands 112 decimals deed no. 3481 along with 5 stored building each floor 36,000 sft approximate total area 180,000 square feet. This building used for total production purpose. Total area of land Factory premises including machineries of the Company mortgaged to the Southeast Bank Limited, Banani Branch, Dhaka against Back to Back L/C, time loan, packing credit, foreign document bill purchase, export development fund, overdraft and term loan as stated in the financial statements.

(vii) If the property is taken on lease, the expiration dates of the lease with name of the lessor, principal terms and conditions of the lease agreements and details of payment;

No Property is taken by the Company under lease agreement.

(viii) Dates of purchase of plant and machineries along with sellers name, address, years of sale, condition when purchased, country of origin, useful economic life at purchase and remaining economic life, purchase price and written down value;

Details of Plant and Machinery year- : 2006-2007

Sl. No.	Name of Machinery	Qty. (Sets)	Condition when purchased	Brand	Seller Name & address	Country of origin	Date/Year of Purchase	Useful Economic life	Remaining Economic life	Purchase Value (BDT)	WDV as on 30.06.2017
1	Flat Bad Double Chainstitch	12	Brand New	Kansai	Brother International Singapore Pte Ltd, Singapore	Japan	21.08.2006	20	9	3,634,567	1,272,098
2	S/N Lock Stitch	90	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	3,314,129	1,159,945
3	S/N Lock Stitch	90	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	3,314,129	1,159,945
4	S/N Lock Stitch with Thread Trimmer	45	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	4,943,758	1,730,315
5	S/N Lock Stitch with Thread Trimmer	45	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	4,943,758	1,730,315
6	S/N Lock Stitch with Side Cutter	12	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	1,334,431	467,051
7	Over lock(Five Thread)	44	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	4,549,549	1,591,382
8	Over lock(Three Thread)	12	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	1,116,414	390,745
9	D/N Lock Stitch	14	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	3,077,823	1,077,238
10	Lock Stitcher	6	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	155,098	54,284
11	Lock Stitcher	6	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	155,098	54,284
12	Lock Stitch Pattern Tacker	1	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	Japan	21.08.2006	20	9	685,018	239,756
13	Lock Stitch Pattern Tacker	1	Brand New	Kansai	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	749,641	262,374

14	S/N Lock stitch Button Hole	3	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	1,434,659	502,131
15	S/N Button Hole	4	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	1,861,179	651,413
16	S/N Eyelet Button Hole	2	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	Japan	21.08.2006	20	9	2,254,046	788,916
17	S/N Lock Stitch Bar tacking	22	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	China	21.08.2006	20	9	7,567,626	2,648,669
18	D/N Chain Stitch Feed off the Arm	12	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	Japan	21.08.2006	20	9	2,862,002	1,001,701
19	Double Chainstitch	6	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	Japan	21.08.2006	20	9	2,326,475	814,266
20	S/N Chain Stitch Blind	4	Brand New	Brother	Brother International Singapore Pte Ltd, Singapore	Japan	21.08.2006	20	9	775,492	271,422
21	S/N Zig Zag Lock Stitch	2	Brand New	Brother	Chu Cheong Co. Pte Ltd, Singapore	China	21.08.2006	20	9	654,046	228,916
22	Elastic Inserting & Attaching	6	Brand New	Kansai	Tai Ma Sewing Machine Pte Ltd, Singapore	Japan	21.08.2006	20	9	3,268,233	1,143,881
23	Belt Loop Making	3	Brand New	Kansai	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	1,383,552	484,243
24	Steam Iron	15	Brand New	Nisho	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	899,611	314,864
25	Ironing Table with Arm	15	Brand New	Nisho	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	4,176,073	1,461,626
26	Snap Attaching	9	Brand New	PMM	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	1,111,198	388,919
27	Spot Removing	1	Brand New	Oshima	Chu Cheong Co Pte Ltd, Singapore	Taiwan	21.08.2006	20	9	108,942	38,130
28	Tread Sucking	1	Brand New	Oshima	Chu Cheong Co Pte Ltd, Singapore	China	21.08.2006	20	9	111,362	38,977
29	Gas Fired Steam Boiler with water softener	1	Brand New	Oshima	Chu Cheong Co Pte Ltd, Singapore	Taiwan	21.08.2006	20	9	2,880,886	1,008,310
30	Straping Machine	1	Brand New	Panda	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	223,934	78,377
31	Fusing Fress	1	Brand New	Hashima	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	974,418	341,046
32	Cloth Cutting	3	Brand New	KM	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	1,323,633	463,272
33	Cloth Cutting	1	Brand New	KM	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	441,211	154,424
34	Band Knife	1	Brand New	KM	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	326,824	114,388
35	End Cutter	2	Brand New	KM	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	1,105,146	386,801
36	Thread Re-winding	2	Brand New	Hashima	Chu Cheong Co Pte Ltd, Singapore	Japan	21.08.2006	20	9	109,742	38,410
Total		495								70,153,705	24,552,837

Note: Not procure machinery from local sources during the period.

Details of Plant and Machinery year- : 2007-2008

Sl. No.	Name of Machinery	Qty. (Sets)	Condition when purchased	Brand	Seller Name & address	Countr y of origin	Date/Year of Purchase	Usef ul Econo m ic life	Remain ing Econo my life	Purchase Value (BDT)	WDV as on 30.06.2017
37	S/N Lock Stitch	130	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	13.04.2008	20	11	6,366,327	3,283,964
38	S/N Lock Stitch with Thread Trimmer	130	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	13.04.2008	20	11	6,366,327	3,283,964
39	S/N Lock Stitch with Side Cutter	8	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	13.04.2008	20	11	487,206	251,317
40	Over lock(Five Thread)	15	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	13.04.2008	20	11	734,576	378,919
41	Over lock(Five Thread)	16	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	13.04.2008	20	11	783,548	404,180
42	Double Chainstitch Machine	25	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	13.04.2008	20	11	3,296,175	1,700,277
43	D/N Lock Stitch	6	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	13.04.2008	20	11	467,115	240,953
44	D/N Lock Stitch	6	Brand New	Juki	Juki Singapore Pte	Japan	13.04.2008	20	11	467,115	240,953

					Ltd,Singapore						
45	D/N Lock Stitch	6	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	640,400	330,340
46	D/N Lock Stitch	7	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	747,133	385,396
47	D/N Chain Stitch Feed off the Arm	17	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	3,522,198	1,816,867
48	Eyelet Button Hole	2	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	1,293,356	667,156
49	Eyelet Button Hole	2	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	1,293,356	667,156
50	Lock StitchButton Hole	5	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	878,980	453,407
51	Lock stitch Button	6	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	1,469,152	757,838
52	S/N Lock Stitch Bar tacking	12	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	2,109,552	1,088,177
53	Over lock(Six Thread)	5	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	13.04.2008	20	11	251,138	129,545
54	Lockstitch Zigzag and Embroidering	3	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	273,111	140,880
55	Chainstitch Machine	6	Brand New	Union	Juki Singapore Pte Ltd,Singapore	USA	13.04.2008	20	11	1,336,552	689,438
56	Blind Stitch	1	Brand New	Treasure	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	81,620	42,102
57	Double Chainstitch Machine	2	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	13.04.2008	20	11	282,530	145,738
58	Vacuum Table	14	Brand New	Toyo	Tai Ma Sewing Machine Pte Ltd, Singapore	Japan	06.05.2008	20	11	395,342	206,237
59	Strapping	1	Brand New	Toyo	Tai Ma Sewing Machine Pte Ltd, Singapore	Japan	06.05.2008	20	11	73,421	38,301
60	Snap Test Kit	1	Brand New	Safq	Tai Ma Sewing Machine Pte Ltd, Singapore	Taiwan	06.05.2008	20	11	197,671	103,118
61	Fusing Press	1	Brand New	Hashima	Tai Ma Sewing Machine Pte Ltd, Singapore	Japan	06.05.2008	20	11	517,709	270,072
62	Double Chain Stitch Waist banding	9	Brand New	Kansai	Tai Ma Sewing Machine Pte Ltd, Singapore	Japan	06.05.2008	20	11	722,910	377,118
63	Loop Making	3	Brand New	Kansai	Tai Ma Sewing Machine Pte Ltd, Singapore	Japan	06.05.2008	20	11	239,087	124,724
64	Hang Tag Attaching	1	Brand New	Dennison	Tai Ma Sewing Machine Pte Ltd, Singapore	China	06.05.2008	20	11	180,728	94,280
65	Snap Attaching	7	Brand New	Nagi sing	Kaiyu Asia Industrial Limited, Hong Kong	China	07.05.2008	20	11	410,923	214,365
66	Spot Removing	1	Brand New	Nagi sing	Kaiyu Asia Industrial Limited, Hong Kong	China	07.05.2008	20	11	62,157	32,425
67	Thread Sucking	1	Brand New	Nagi sing	Kaiyu Asia Industrial Limited, Hong Kong	China	07.05.2008	20	11	82,247	42,906
68	GSM Weight Scale	1	Brand New	Mega	Kaiyu Asia Industrial Limited, Hong Kong	China	07.05.2008	20	6	22,602	11,791
69	Steam Iron	20	Brand New	Naomoto	Kaiyu Asia Industrial Limited, Hong Kong	Japan	07.05.2008	20	11	320,200	167,038
70	Cloth Cutting	2	Brand New	KM	Kaiyu Asia Industrial Limited, Hong Kong	Japan	07.05.2008	20	11	107,989	56,334
71	Cloth Cutting	1	Brand New	KM	Kaiyu Asia Industrial Limited, Hong Kong	Japan	07.05.2008	20	11	53,367	27,840
72	Color Assessment	1	Brand New	Verivide	Kaiyu Asia Industrial Limited, Hong Kong	U.K	07.05.2008	20	11	149,426	77,951
73	Rib Cutting	1	Brand New	Cheng Fang	Kaiyu Asia Industrial Limited, Hong Kong	China	07.05.2008	20	11	36,415	18,996
	Total	475								36,719,660	18,962,063

Note: Not procure machinery from local sources during the period.

Details of Plant and Machinery year- : 2010-2011

Sl. No.	Name of Machinery	Qty. (Sets)	Condition when purchased	Brand	Seller Name & address	Country of origin	Date/Year of Purchase	Useful Economic life	Remaining Economy life	Purchase Value (BDT)	WDV as on 30.06.2017
74	S/N Lock Stitch	90	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	2,018,523	971,414
75	S/N Lock Stitch	90	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	4,859,408	2,338,590
76	Over lock(Five	24	Brand New	Juki	Juki Singapore Pte	China	22.07.2010	20	13	1,295,842	623,624

	Thread)				Ltd,Singapore						
77	D/N Lock Stitch	30	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	2,791,045	1,343,190
78	D/N Lock Stitch	15	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	2,055,903	989,403
79	D/N Chain Stitch Feed off the Arm	21	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	5,407,649	2,602,431
80	S/N Button Hole	8	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	1,827,470	879,470
81	Button Stitch	7	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	2,151,430	1,035,376
82	S/N Lock Stitch Bar tacking	21	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	4,884,328	2,350,583
83	S/N Zig Zag Lock Stitch	5	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	830,668	399,759
84	PMD	8	Brand New	Kansai	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	730,988	351,788
85	Loop Making	8	Brand New	Kansai	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	830,668	399,759
86	Snap Button	10	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	209,328	100,739
87	Cloth Cutting	2	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	149,520	71,957
88	Cloth Cutting	4	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	312,331	150,309
89	S/N Chain Stitch Blind	4	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	398,721	191,884
90	Needle Detector	1	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	747,601	359,783
91	Thread Re-winding	2	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	83,067	39,976
92	Lay Cutter	2	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	66,453	31,981
93	Over lock (Four Thread)	3	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	165,718	79,752
94	Flat Lock	25	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	22.07.2010	20	13	2,388,171	1,149,307
	Total	380								34,204,832	16,461,075

Note: Not procure machinery from local sources during the period.

Details of Plant and Machinery year- : 2012-2013

Sl. No.	Name of Machinery	Qty. (Sets)	Condition when purchased	Brand	Seller Name & address	Country of origin	Date/Year of Purchase	Useful Economic life	Remaining Economy life	Purchase Value (BDT)	WDV as on 30.06.2017
95	S/N Lock Stitch	136	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	04.05.2013	20	16	6,228,098	3,876,991
96	Over lock(Five Thread)	32	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	04.05.2013	20	16	1,722,529	1,072,274
97	Over lock(Five Thread)	24	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	04.05.2013	20	16	2,043,896	1,272,325
98	S/N Lock Stitch with Side Cutter	8	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	China	04.05.2013	20	16	629,880	392,100
99	Bartacking Machine	20	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	04.05.2013	20	16	4,306,322	2,680,685
100	Double Chainstitch Machine	8	Brand New	Kansai	Juki Singapore Pte Ltd,Singapore	Japan	04.05.2013	20	16	822,700	512,131
101	D/N Chain Stitch Feed off the Arm	12	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	04.05.2013	20	16	2,988,716	1,860,476
102	S/N Lock stitch Button Hole	4	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	04.05.2013	20	16	1,217,982	758,194
103	S/N Lock stitch Button Hole	8	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	04.05.2013	20	16	1,786,802	1,112,284
104	S/N Lock stitch Button Hole	4	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	04.05.2013	20	16	2,892,306	1,800,460
105	Steam Iron	24	Brand New	VEIT	Juki Singapore Pte Ltd,Singapore	South Korea	04.05.2013	15	11	289,231	180,046
106	Vacuum Table	24	Brand New	Cool set CST-ST	Juki Singapore Pte Ltd,Singapore	China	04.05.2013	20	16	867,692	540,138
107	Snap Button	2	Brand New	TSSM	Juki Singapore Pte Ltd,Singapore	China	04.05.2013	20	16	48,205	30,008
108	Double Chainstitch Machine	10	Brand New	Juki	Juki Singapore Pte Ltd,Singapore	Japan	04.05.2013	20	16	1,719,315	1,070,274
109	Thread Sucking	2	Brand New	Nagi sing	Juki Singapore Pte Ltd,Singapore	China	04.05.2013	20	16	224,957	140,036
	Total	318								27,788,629	17,298,422

Note: Not procure machinery from local sources during the period.

Details of Plant and Machinery year- : 2013-2014

Sl. No.	Name of Machinery	Qty. (Sets)	Condition when purchased	Brand	Seller Name & address	Country of origin	Date/Year of Purchase	Useful Economic life	Remaining Economy life	Purchase Value (BDT)	WDV as on 30.06.2017
110	Machinery Overhauling		Brand New	Local	Total Machinery Bangladesh	Bangladesh	30.08.2014	10	7	239,200	174,815
	Total									239,200	171,427

Details of Plant and Machinery year- :2015-2016

Sl. No.	Name of Machinery	Qty. (Sets)	Condition when purchased	Brand	Seller Name & address	Country of origin	Date/Year of Purchase	Useful Economic life	Remaining Economy life	Purchase Value (BDT)	WDV as on 30.06.2017
111	B/N Lockstich Sewing Machine	106	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	5,606,612	4,718,898
112	Overlock Machine	78	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	4,760,331	4,006,612
113	Inter Lock Stich Machine	15	Brand New	Siruba	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	2,062,810	1,736,198
114	Flat Bed Cover Stitching Machine	16	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	2,603,942	2,191,651
115	Flat Bed Cover Stitching Machine	14	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	1,469,600	1,236,913
116	Flat Bed Cover Stitching Machine	4	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	488,239	410,935
117	Lock Stich Button Hole	4	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	10.11.2015	20	18	1,041,577	876,660
118	Lock Stich Button Hole	4	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	10.11.2015	20	18	1,269,422	1,068,430
119	Bartacking Machine	4	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	10.11.2015	20	18	911,380	767,078
120	Double Chainstitch Machine	4	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	10.11.2015	20	18	748,633	630,100
121	Double Chainstitch Machine	8	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	10.11.2015	20	18	1,041,577	876,660
122	Safety Stich Machine	10	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	650,985	547,913
123	Bartacking Machine	6	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	10.11.2015	20	18	97,648	82,187
124	Lock Stich Button Hole	4	Brand New	Juki	Juki Singapore Pte Ltd, Singapore	Japan	10.11.2015	20	18	97,648	82,187
125	Flat Bed Chain stitch	4	Brand New	Siruba	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	358,042	301,352
126	Strip Cutting	2	Brand New	Dino	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	154,609	130,129
127	Snap Fastening	15	Brand New	UZU	Juki Singapore Pte Ltd, Singapore	Thailand	10.11.2015	20	18	1,122,950	945,149
128	Fusing Press	1	Brand New	Hashima	Juki Singapore Pte Ltd, Singapore	China	10.11.2015	20	18	1,017,165	856,114
129	Clothing Cutting	3	Brand New	KM	Juki Singapore Pte Ltd, Singapore	Japan	10.11.2015	20	18	231,914	195,194
130	Clothing Cutting	3	Brand New	KM	Juki Singapore Pte Ltd, Singapore	Japan	10.11.2015	20	18	239,237	201,358
131	Thread Sucking	4	Brand New	UZU	Juki Singapore Pte Ltd, Singapore	Thailand	10.11.2015	20	18	406,866	342,445
132	Fabric Inspection Relaxing Winding	2	Brand New	UZU	Juki Singapore Pte Ltd, Singapore	Thailand	10.11.2015	20	18	585,887	493,121
133	Fabric Spreading	1	Brand New	FK	F.K Group, Italy	Italy	22.08.2015	20	18	5,531,864	4,568,398
134	Fabric Inspection	2	Brand New	FIM	Modern Erection Limited, Tejgaon I/A, Dhaka	Bangladesh	25.02.2016	20	18	426,092	372,120
Total		314								32,925,028	27,637,804

Details of Plant and Machinery year- :2016-2017

Sl. No.	Name of Machinery	Qty. (Sets)	Condition when purchased	Brand	Seller Name & address	Country of origin	Date/Year of Purchase	Useful Economic life	Remaining Economy life	Purchase Value (BDT)	WDV as on 30.06.2017
135	Automatic Plastic Stape Machine	2	Brand New	Local	Total Machinery Bangladesh	Bangladesh	24.07.2016	15	14	428,000	399,467
136	Machinery Overhauling		Brand New	Local	Total Machinery Bangladesh	Bangladesh	03.08.2016	10	9	14,000,000	12,833,333
Total		2								14,428,000	13,232,800
Grand Total		1,984								216,459,054	118,316,427

(ix) Details of the machineries required to be bought by the issuer, cost of the machineries, name of the suppliers, date of placement of order and the date or expected date of supply, etc.

Sl. No.	Name of Machinery	Cost of the Machineries Amount in BDT	Name of the Suppliers/ Inventors	Date of Placement of Order	Expected Date of Supply
01	Needle Lockstitch Sewing Machine	18,696,000	Spark International	After receiving IPO fund	120 days from placement of order
02	Overlock Machine	8,528,000	Spark International		
03	Needle Gauge	3,960,600	Spark International		
04	Needle Lockstitch Side Cutter Sewing Machine	2,878,200	Spark International		
05	Bartacking Machine	9,913,800	Spark International		
06	Lockstitch Machine	8,068,800	Spark International		
07	Chainstitch Machine	10,758,400	Spark International		
08	Bottom Cover Stitching Machine	951,200	Spark International		
09	Lockstitch Button Sewing Machine	1,783,500	Spark International		
10	Chainstitch Machine	2,164,800	Spark International		
11	Hole Machine	2,361,600	Spark International		
12	Snap Machine	934,800	Spark International		
13	Button Hole Machine	5,166,000	Spark International		
14	Welting Machine	6,494,400	Spark International		
15	Blindstitch Sewing Machine	1,845,000	Spark International		
16	Needle Belt	577,280	Spark International		
17	Steam Iron	172,800	Wintex resources Ltd.		
18	Ironing Table	633,600	Wintex resources Ltd.		
19	Ironing Machine	8,064,000	Wintex resources Ltd.		
20	Hot Spotting Table	288,000	Wintex resources Ltd.		
21	Single Head Machine	1,512,000	Wintex resources Ltd.		
22	Fusing Machine	1,584,000	Wintex resources Ltd.		
23	Trimming Machine	1,742,400	Wintex resources Ltd.		
24	Jeans Cutter	13,692,480	Wintex resources Ltd.		
25	Spreading Machine	3,456,000	Wintex resources Ltd.		
26	Steam Boilers	1,455,000	Modern Erection Limited		
Total		117,682,660			

(x) In case the machineries are yet to be delivered, the date of quotations relied upon for the cost estimates given shall also be mentioned;

There are no such machineries which are yet to be delivered.

(xi) If plant is purchased in brand new condition then it should be mentioned;

Declaration Related to Machineries Being Brand New

We do hereby declare that all the plants and machineries of the New Line Clothings Limited as on 30 June, 2017 were purchased in brand new condition. There are no re-conditioned or second-hand machineries installed in the Company.

October 12, 2017

R. K. Tower (Level-10) 86, Bir Uttam
C.R. Datta Road, Dhaka-1205

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

(xii) Details of the second hand or reconditioned machineries bought or proposed to be bought, if any, including the age of the machineries, balance estimated useful life, etc. as per PSI certificates of the said machineries as submitted to the Commission;

The company uses no re-conditioned or second hand plant & machinery. It has also no proposal to buy second hand or reconditioned machineries.

(xiii) A physical verification report by the issue manager regarding the properties as submitted to the Commission;

**PHYSICAL VERIFICATION REPORT BY THE ISSUE MANAGERS
OF
NEW LINE CLOTHINGS LIMITED**

This is to certify that we have visited the registered office and factory of New Line Clothings Limited on September 25, 2018 and we have found the registered office and factory as details bellow:

Visited and Accompanied by:

Particulars	Name & Designation	Company
Visited by	· Mohammad Hamdul Islam · Managing Director & CEO	Banco Finance and Investment Limited
	· Muhammad Nazrul Islam FCMA · Managing Director & CEO	Sandhani Life Finance Limited
	· Md. Abu Bakar FCA · Managing Director (CC)	Southeast Bank Capital Services Ltd.
Accompanied by	· M. Zakir Chowdhury · Managing Director & CEO	New Line Clothings Limited
	· Md. Asif Rahman · Director	
	· Masunul Haque Chowdhury · Executive Director	
	· Maruful Haque Chowdhury · Director	
	· Sharif Ahmed · Chief Financial Officer	
Registered Office & Factory Office	· Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	
Nature of Business	· The principal activities of the company is to manufacture various kinds of woven Garments for both ladies and gents including trousers, shirts, children wear, gents wear, female wear, jackets, Sportswear, denim garments etc. and marketing thereof.	
Products	· Ladies and gents trousers, shirts, children wear, gents wear, female wear, towel, brassier, socks, hooks, buttons etc. of standard sizes and quality made of cotton, woolen, tetron, nylon, silks, synthetic fabrics.	
Workers'	· We have found 2744 nos. of workers are present at the time of our visit, 16 nos. of workers are in leave as per attendance record. All of the workers are full time basis and total 2760 nos. workers' are working in the factory.	

Description of Property:

We have identified the properties of New Line Clothings Limited are as follows:

Land:

We have found 112 decimals of land surrounded by boundary wall.

Factory Building:

The factory has one five storied building.

Details of the buildings status is discussed below:

No. of Buildings	Buildings Description	Type (Brick/Tin/Prefabricated Steel)	Total Building Area	Usage (sft)
Building-1	5 stored building each floor 36,000 sft	RCC-Grade Beam, RCC-Floor Slab, RCC-Pillar, RCC- Slab with Beam, RCC-Stair, RCC- Lintel, Brick Wall, Plaster, Wall Paint, Glass in window, & Grill in Window.	180,000	180,000

Floor wise details:

Floor No.	Particulars
Ground Floor	Gas Room, security office, fire control room, boiler, car parking, load un-load area, driver waiting room, child care, doctor's room, staff dining hall, medical center, fire hydrant room, worker

	dinning space, bonded warehouse, cartoon area, prayer room and sub-station.
1st Floor	Fusing area, marker table, cutting table, fabric inspection machine, Inspection room, conference room, staff room, storeroom, finished goods area, sample section, cutting office, sample office, sample machine and CAD section.
2nd Floor	Staff office, iron table, spot clean, finishing section, needle detector, packaging area, sewing section and Maintenance room.
3rd Floor	Staff office, iron table, spot clean, finishing section, needle detector, packaging area, sewing section and Maintenance room.
4th Floor	Staff office, iron table, spot clean, finishing section, needle detector, packaging area, sewing section and Maintenance room.

Plant & Machinery:

Details of Plant and Machinery year- : 2006-2007

Sl. No.	Name of Machinery	Qty. (Sets)	Condition	Country of origin
1	Flat Bad Double Chainstitch	12	Brand New	Japan
2	S/N Lock Stitch	90	Brand New	China
3	S/N Lock Stitch	90	Brand New	China
4	S/N Lock Stitch with Thread Trimmer	45	Brand New	China
5	S/N Lock Stitch with Thread Trimmer	45	Brand New	China
6	S/N Lock Stitch with Side Cutter	12	Brand New	China
7	Over lock(Five Thread)	44	Brand New	China
8	Over lock(Three Thread)	12	Brand New	China
9	D/N Lock Stitch	14	Brand New	China
10	Lock Stitcher	6	Brand New	China
11	Lock Stitcher	6	Brand New	China
12	Lock Stitch Pattern Tacker	1	Brand New	Japan
13	Lock Stitch Pattern Tacker	1	Brand New	China
14	S/N Lock stitch Button Hole	3	Brand New	China
15	S/N Button Hole	4	Brand New	China
16	S/N Eyelet Button Hole	2	Brand New	Japan
17	S/N Lock Stitch Bar tacking	22	Brand New	China
18	D/N Chain Stitch Feed off the Arm	12	Brand New	Japan
19	Double Chainstitch	6	Brand New	Japan
20	S/N Chain Stitch Blind	4	Brand New	Japan
21	S/N Zig Zag Lock Stitch	2	Brand New	China
22	Elastic Inserting & Attaching	6	Brand New	Japan
23	Belt Loop Making	3	Brand New	Japan
24	Steam Iron	15	Brand New	Japan
25	Ironing Table with Arm	15	Brand New	Japan
26	Snap Attaching	9	Brand New	Japan
27	Spot Removing	1	Brand New	Taiwan
28	Tread Sucking	1	Brand New	China
29	Gas Fired Steam Boiler with water softener	1	Brand New	Taiwan
30	Straping Machine	1	Brand New	Japan
31	Fusing Fress	1	Brand New	Japan
32	Cloth Cutting	3	Brand New	Japan
33	Cloth Cutting	1	Brand New	Japan
34	Band Knife	1	Brand New	Japan
35	End Cutter	2	Brand New	Japan
36	Thread Re-winding	2	Brand New	Japan
	Total	495		

Details of Plant and Machinery year- : 2007-2008

Sl. No.	Name of Machinery	Qty. (Sets)	Condition	Country of origin
37	S/N Lock Stitch	130	Brand New	China
38	S/N Lock Stitch with Thread Trimmer	130	Brand New	China
39	S/N Lock Stitch with Side Cutter	8	Brand New	Japan
40	Over lock(Five Thread)	15	Brand New	China
41	Over lock(Five Thread)	16	Brand New	China
42	Double Chainstitch Machine	25	Brand New	Japan
43	D/N Lock Stitch	6	Brand New	Japan

44	D/N Lock Stitch	6	Brand New	Japan
45	D/N Lock Stitch	6	Brand New	Japan
46	D/N Lock Stitch	7	Brand New	Japan
47	D/N Chain Stitch Feed off the Arm	17	Brand New	Japan
48	Eyelet Button Hole	2	Brand New	Japan
49	Eyelet Button Hole	2	Brand New	Japan
50	Lock Stitch Button Hole	5	Brand New	Japan
51	Lock stitch Button	6	Brand New	Japan
52	S/N Lock Stitch Bar tacking	12	Brand New	Japan
53	Over lock(Six Thread)	5	Brand New	China
54	Lockstitch Zigzag and Embroidering	3	Brand New	Japan
55	Chainstitch Machine	6	Brand New	USA
56	Blind Stitch	1	Brand New	Japan
57	Double Chainstitch Machine	2	Brand New	Japan
58	Vacuum Table	14	Brand New	Japan
59	Strapping	1	Brand New	Japan
60	Snap Test Kit	1	Brand New	Taiwan
61	Fusing Press	1	Brand New	Japan
62	Double Chain Stitch Waist banding	9	Brand New	Japan
63	Loop Making	3	Brand New	Japan
64	Hang Tag Attaching	1	Brand New	China
65	Snap Attaching	7	Brand New	China
66	Spot Removing	1	Brand New	China
67	Thread Sucking	1	Brand New	China
68	GSM Weight Scale	1	Brand New	China
69	Steam Iron	20	Brand New	Japan
70	Cloth Cutting	2	Brand New	Japan
71	Cloth Cutting	1	Brand New	Japan
72	Color Assessment	1	Brand New	U.K
73	Rib Cutting	1	Brand New	China
Total		475		

Details of Plant and Machinery year- : 2010-2011

Sl. No.	Name of Machinery	Qty. (Sets)	Condition	Country of origin
74	S/N Lock Stitch	90	Brand New	China
75	S/N Lock Stitch	90	Brand New	China
76	Over lock(Five Thread)	24	Brand New	China
77	D/N Lock Stitch	30	Brand New	China
78	D/N Lock Stitch	15	Brand New	China
79	D/N Chain Stitch Feed off the Arm	21	Brand New	China
80	S/N Button Hole	8	Brand New	China
81	Button Stitch	7	Brand New	China
82	S/N Lock Stitch Bar tacking	21	Brand New	China
83	S/N Zig Zag Lock Stitch	5	Brand New	China
84	PMD	8	Brand New	China
85	Loop Making	8	Brand New	China
86	Snap Button	10	Brand New	China
87	Cloth Cutting	2	Brand New	China
88	Cloth Cutting	4	Brand New	China
89	S/N Chain Stitch Blind	4	Brand New	China
90	Needle Detector	1	Brand New	China
91	Thread Re-winding	2	Brand New	China
92	Lay Cutter	2	Brand New	China
93	Over lock (Four Thread)	3	Brand New	China
94	Flat Lock	25	Brand New	China
Total		380		

Details of Plant and Machinery year- : 2012-2013

Sl. No.	Name of Machinery	Qty. (Sets)	Condition	Country of origin
95	S/N Lock Stitch	136	Brand New	China
96	Over lock(Five Thread)	32	Brand New	China
97	Over lock(Five Thread)	24	Brand New	China

98	S/N Lock Stitch with Side Cutter	8	Brand New	China
99	Bartacking Machine	20	Brand New	Japan
100	Double Chainstitch Machine	8	Brand New	Japan
101	D/N Chain Stitch Feed off the Arm	12	Brand New	Japan
102	S/N Lock stitch Button Hole	4	Brand New	Japan
103	S/N Lock stitch Button Hole	8	Brand New	Japan
104	S/N Lock stitch Button Hole	4	Brand New	Japan
105	Steam Iron	24	Brand New	South Korea
106	Vacuum Table	24	Brand New	China
107	Snap Button	2	Brand New	China
108	Double Chainstitch Machine	10	Brand New	Japan
109	Thread Sucking	2	Brand New	China
Total		318		

Details of Plant and Machinery year- :2013-2014

Sl. No.	Name of Machinery	Qty. (Sets)	Condition	Country of origin
110	Machinery Overhauling		Brand New	Bangladesh
Total				

Details of Plant and Machinery year- :2015-2016

Sl. No.	Name of Machinery	Qty. (Sets)	Condition	Country of origin
111	B/N Lockstich Sewing Machine	106	Brand New	China
112	Overlock Machine	78	Brand New	China
113	Inter Lock Stitch Machine	15	Brand New	China
114	Flat Bed Cover Stitching Machine	16	Brand New	China
115	Flat Bed Cover Stitching Machine	14	Brand New	China
116	Flat Bed Cover Stitching Machine	4	Brand New	China
117	Lock Stich Button Hole	4	Brand New	Japan
118	Lock Stich Button Hole	4	Brand New	Japan
119	Bartacking Machine	4	Brand New	Japan
120	Double Chainsttch Machine	4	Brand New	Japan
121	Double Chainsttch Machine	8	Brand New	Japan
122	Safety Stitch Machine	10	Brand New	China
123	Bartacking Machine	6	Brand New	Japan
124	Lock Stich Button Hole	4	Brand New	Japan
125	Flat Bed Chain stitch	4	Brand New	China
126	Strip Cutting	2	Brand New	China
127	Snap Fasterning	15	Brand New	Thailand
128	Fusing Press	1	Brand New	China
129	Clothing Cutting	3	Brand New	Japan
130	Clothing Cutting	3	Brand New	Japan
131	Thread Sucking	4	Brand New	Thailand
132	Fabric Inspection Relaxing Winding	2	Brand New	Thailand
133	Fabric Spreading	1	Brand New	Italy
134	Fabric Inspection	2	Brand New	Bangladesh
Total		314		

Details of Plant and Machinery year- :2016-2017

Sl. No.	Name of Machinery	Qty. (Sets)	Condition	Country of origin
135	Automatic Plastic Stape Machine	2	Brand New	Bangladesh
136	Machinery Overhauling		Brand New	Bangladesh
Total		2		
Grand Total		1,984		

Vehicles:

Sl. No.	Brand Name	Country of origin	Type of vehicle	Capacity (CC)	Quantity
01	Toyota	Japan	Refrigerator Van-Diesel	2985	01
02	TATA	India	Cover Van-Diesel	700	01

Generator:

Sl. No.	Brand Name	Type of generator	Country of origin	Capacity
01	Perkins	Diesel	United Kingdom	350
02	Perkins	Diesel	United Kingdom	400
03	Perkins	Diesel	United Kingdom	100
04	Perkins	Diesel	United Kingdom	400

Fire Extinguisher & Others:

Sl. No.	Name of Machinery	Quantity
1	ABC dry Powder fire extinguisher Capacity	320 Pcs
2	CO2 fire extinguisher Capacity	130 Pcs
3	Fire First Aid Box	22 Pcs
4	Fire Proof fire Man Dress	5 Set
5	Fire Blanket	27 Pcs
6	Fire Alarm Switch (Steel Box)	28 Pcs
7	Emergency Exit Sign	98 Pcs
8	Smoke Mask	61 Pcs
9	Emergency Fog Light (2hrs Backup)	250 Pcs
10	Torch Light	20 Pcs
11	Fire Hook	40 Pcs
12	Fire Better	16 Pcs
13	Lock Cutter	10 Pcs
14	Roop	10 Pcs
15	Strature	10 Pcs
16	Fire Bucket	32 Pcs
17	Hand Gloves	54 Pcs
18	Helmet	26 Pcs
19	Gong Bell	10 Pcs
20	Complain Box	13 Pcs
21	Siren(UL Listed)	28 Pcs
22	Fire Rated Door(UL Listed)-Double	17 No.'s
23	Fire Rated Door(UL Listed)-Single	2 No.'s
24	Fire pump set	1 Set
25	Fire Monitoring system setup	1 Lot

Besides these assets we have also found other assets like Furniture & Fixture, Electric Equipment's, Office Equipment's, Computer & Accessories, Spares & Accessories and Sundry Assets.

It is mentionable here that during our visit, we have checked inventory register and roster (Workers' duty register) and found satisfactory and all machineries are in good condition and running well. We also noticed that they have vehicle-parking zone, emergency light, Water Tank, Water Reservoir and Separate gents & ladies toilet.

Signboard:

The signboard of the Company is well displayed at the factory premises.

Sd/- Mohammad Hamdul Islam Managing Director & CEO Banco Finance and Investment Limited	Sd/- Muhammad Nazrul Islam FCMA Managing Director & CEO Sandhani Life Finance Limited	Sd/- Md. Abu Bakar FCA Managing Director (CC) Southeast Bank Capital Services Ltd.
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Dated: September 26, 2018

(xiv) If the issuer is entitled to any intellectual property right or intangible asset, full description of the property, whether the same are legally held by the issuer and whether all formalities in this regard have been complied with;

The Company has no intellectual property right or intangible asset.

(xv) Full description of other properties of the issuer.

Particulars	Written Down Value as at June 30, 2017 (Amount in BDT)
Vehicles	2,093,581
Electric Equipment's	46,141,881
Furniture & Fixture	20,301,386
Office Equipment	13,185,187
Generator	11,163,030
Fire Equipment's	45,954,187
Computer & Accessories	1,571,371
Spares & Accessories	11,907,705
Sundry Assets	402,817
Total Fixed Assets	152,721,145

Details of the Vehicle:

Sl. No.	Brand Name	Country of origin	Type of vehicle	Capacity (CC)	Quantity	W.D.V as on 30-06-2017
01	Toyota	Japan	Refrigerator Van-Diesel	2985	01	1,218,674
02	TATA	India	Cover Van-Diesel	700	01	874,907
Total						2,093,581

Details of the Electric Equipment's:

Sl. No.	Details	Quantity	W.D.V as on 30.06.2017
1	Sub Mersible Pump	1	223,110
2	Tube, PVC Board & Clam	1100	1,399,777
3	LCD TV (LG)	2	137,700
4	Micro Oven (LG)	1	9,000
5	Washing Machine (LG)	1	47,781
6	Phone Speaker	2	85,082
7	Boiler	2	781,875
8	LS Inverter (Input & Output)	2510	1,632,400
9	Ceiling Fan	58	123,003
10	Panel Box	140	1,403,936
11	Capacitor Gas Filled (5KV)	2	58,400
12	Water Pump	1	12,735
13	Base Plate, Main & Down Conductor, Earth Electrode	15	631,836
14	Led Light	6297	805,827
15	Lighting Equipment	5633	692,966
16	Shutter Fan	2	32,400
17	MCCB-ABB Board	20,695	11,434,257
18	Cercuit Breaker	2	51,133
19	Compressor	3	311,040
20	PFI Panel Board (1200 KVAR)	1	220,950
21	LP Panel Board (2500 Amp.)	1	141,030
22	Transformer	1	526,500
23	H.T Panel	24	5,512,104
24	FDB Board	16	5,276,943
25	SDB Board	22	1,353,116
26	Cable Tray	1232	1,289,600
27	Cable Lug	1540	7,980
28	Cable Marker RYBN	1660	6,270
29	Cable Ferrule	1100	9,880
30	Electric Cable	46900 Mtr	1,156,522
		96890 Mtr	1,371,468
		56450 Mtr	2,196,000
31	Accessories		7,199,260
Total			46,141,881

Details of the Furniture & Fixture:

Sl. No.	Details	Quantity	W.D.V as on 30.06.2017
1	Executive Chair	111	413,603
2	Managerial Chair	18	121,071
3	Dining Chair	220	159,754
4	Executive Table	45	2,980,177
5	Managerial Table	8	57,809
6	Dining Table	173	1,942,125
7	Conference Table	1	522,226
8	Steel File Cabinet	6	43,357
9	Wooden File Cabinet	10	142,262
10	False-ceiling (Per SFT)	3234	6,552,588
11	Thai Partition (Per SFT)	3141.32	6,993,072
12	Thai Door	25	43,154
13	Mini Chair	1460	330,188
	Total	8452	20,301,386

Details of the Generator:

Sl. No.	Brand Name	Type of generator	Country of origin	Capacity (KVA)	W.D.V as on 30-06-2017
01	Perkins	Diesel	United Kingdom	350	4,542,430
02	Perkins	Diesel	United Kingdom	400	5,456,196
03	Perkins	Diesel	United Kingdom	100	
04	Perkins	Diesel	United Kingdom	400	1,164,404
	Total				11,163,030

Details of the Computer & Accessories:

Sl. No.	Details	Quantity	W.D.V as on 30.06.2017
1	Desktop Computer	30	782,858
2	Modem	1	1,568
3	Converter	1	2,660
4	Processor Dual Core	3	29,279
5	Router	1	3,373
6	Cooling Hit Sink	1	2,375
7	USB PCI Card	1	5,558
8	Scanner	2	9,215
9	Mother Board	4	16,483
10	DVD Disc	1	4,750
11	HDD	5	30,780
12	Accessories	93	682,472
	Total		1,571,371

(f) Plan of Operation and Discussion of Financial Condition:

(i) If the issuer has not started its commercial operation, the company's plan of operations for the period which would be required to start commercial operation which shall, among others, include:

This is not applicable for this Issue

(ii) If the issuer had been in operation, the issuer's revenue and results from operation, financial position and changes in financial position and cash flows for the last five years or from commercial operation, which is shorter, shall be furnished in tabular form which shall, among others, include the following information:

The Company's Revenues and Results from Operations, Statement of Financial position, Statement of changes in Financial Position and Cash Flows for the last five years are mentioned below:

REVENUE AND RESULTS FROM OPERATIONS:

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
(A) Total Revenue	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471
(B) Cost of Goods Sold	1,812,004,060	1,354,399,960	1,486,331,422	1,694,612,436	1,434,903,331
(C) Gross Profit (A-B)	269,790,737	253,060,215	249,939,134	283,245,731	238,567,140
(D) Administrative & Selling Expenses	118,275,793	107,710,560	104,235,222	73,540,109	21,884,343
(E) Operating Profit (C-D)	151,514,944	145,349,655	145,703,911	209,705,622	216,682,797
(F) Other Income	18,109,273	1,478,322	-	-	-

(G) Loss on sale of fixed assets	-	-	-	910,762	-
(H) Financial Expenses	79,731,833	78,464,255	72,822,647	49,484,852	76,830,611
(I) Net Profit before Tax & WPPF (E+F-G-H)	89,892,385	68,363,722	72,881,264	159,310,007	139,852,186
(J) Workers' profit participation fund	4,280,590	3,255,415	3,470,536	7,586,191	6,659,628
(K) Net Profit before Tax (I-J)	85,611,795	65,108,307	69,410,728	151,723,817	133,192,558
(L) Income Tax	8,708,515	14,540,102	12,146,877	13,795,578	13,387,764
(M) Net Profit after Tax (K-L)	76,903,280	50,568,205	57,263,851	137,928,238	119,804,794

STATEMENT OF FINANCIAL POSITION:

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
NON-CURRENT ASSETS	1,063,708,332	983,752,910	955,382,612	881,841,030	904,028,434
Property, Plant & Equipment	1,063,708,332	983,752,910	955,382,612	881,841,030	904,028,434
CURRENT ASSETS	1,665,016,350	1,491,197,589	1,291,408,187	1,248,814,231	1,022,652,669
Inventories	782,404,281	694,517,208	652,609,377	546,526,460	435,514,897
Accounts Receivables	512,270,369	495,344,647	493,136,879	507,874,770	399,535,439
Advances, Deposits & Pre-payments	274,564,914	254,597,083	143,174,379	56,247,228	62,683,485
Deposit for BBL/C	-	-	-	136,092,425	97,073,674
Cash & Cash Equivalents	95,776,786	46,738,651	2,487,551	2,073,348	27,845,173
TOTAL ASSETS	2,728,724,682	2,474,950,499	2,246,790,799	2,130,655,261	1,926,681,103
EQUITY AND LIABILITIES					
EQUITY	1,261,843,854	1,184,940,574	1,134,372,369	1,168,428,247	1,035,602,033
Share Capital	399,000,000	399,000,000	99,000,000	99,000,000	99,000,000
Revaluation Surplus	443,229,856	464,866,933	485,786,156	598,301,815	633,070,140
Retained Earnings	419,613,999	321,073,642	549,586,213	471,126,432	303,531,893
LIABILITIES					
NON-CURRENT LIABILITIES	314,769,460	379,336,335	452,764,035	546,311,756	439,353,948
Long Term Loan	224,791,304	287,341,065	362,494,307	546,311,756	439,353,948
Deferred Tax Liabilities	89,978,156	91,995,270	90,269,728	-	-
CURRENT LIABILITIES & PROVISIONS	1,152,111,367	910,673,590	659,654,395	415,915,258	451,725,121
Accounts & Other Payables	1,914,563	5,595,102	3,105,032	5,633,050	8,772,379
Accrued Expenses	11,618,080	15,460,653	8,835,185	6,279,033	6,407,656
Bank Overdraft	19,075,766	27,355,511	60,299,139	80,107,501	81,925,651
Current portion of Long Term Loan	109,820,000	126,750,000	103,837,585	-	-
Short Term Bank Credits	871,588,778	614,102,557	380,601,897	198,313,073	219,487,320
Deferred L/C Liabilities	11,739,138	20,060,943	27,069,370	70,061,753	97,073,674
Provision for WPPF	25,128,577	20,847,988	17,592,572	14,122,036	6,659,628
Provision for Financial Expenses	71,398,813	61,398,813	51,398,813	41,398,813	31,398,813
Provision for Income Tax	29,827,651	19,102,022	6,914,802	-	-
TOTAL LIABILITIES	1,466,880,827	1,290,009,925	1,112,418,430	962,227,014	891,079,069
TOTAL EQUITY AND LIABILITIES	2,728,724,682	2,474,950,499	2,246,790,799	2,130,655,261	1,474,955,982

Statement of Changes in Financial Position:

Particulars	Share Capital	Retained Earnings	Revaluation Surplus	Total
For 2012-2013				
Balance at July 01, 2012	360,000	150,797,423	665,999,815	817,157,237
Net Profit for the year	-	119,804,794	-	119,804,794
Issue of Shares	98,640,000	-	-	98,640,000
Depreciation on Revaluation Surplus	-	32,929,675	(32,929,675)	-
Balance at June 30, 2013	99,000,000	303,531,892	633,070,139	1,035,602,032
For 2013-2014				
Balance at July 01, 2013	99,000,000	303,531,892	633,070,139	1,035,602,032
Net Profit for the year	-	137,928,238	-	-
Issue of Shares	-	-	-	-
Adjustment for sale of Assets (Vehicle)	-	-	(5,102,024)	(5,102,024)
Depreciation on Revaluation Surplus	-	29,666,301	(29,666,301)	-
Balance at June 30, 2014	99,000,000	471,126,431	598,301,815	1,168,428,247
For 2014-2015				
Balance at July 01, 2014	99,000,000	471,126,431	598,301,815	1,168,428,247
Net Profit for the year	-	57,263,851	-	57,263,851
Income Tax paid (Assessment year 2009-10)	-	(1,050,000)	-	(1,050,000)
Issue of Shares	-	-	-	-
Adjustment for sale of Assets (Vehicle)	-	-	-	-
Depreciation on Revaluation Surplus	-	27,836,997	(27,836,997)	-
Balance at June 30, 2015	99,000,000	555,177,278	570,464,818	1,224,642,096

For 2015-2016				
Balance at July 01, 2015	99,000,000	549,586,213	485,786,156	1,134,372,369
Net Profit for the year	-	50,568,205	-	50,568,205
Issue of Shares (Stock Dividend)	300,000,000	(300,000,000)	-	-
Depreciation on Revaluation Surplus		20,919,223	(20,919,223)	
Balance at June 30, 2016	399,000,000	321,073,642	464,866,933	1,184,940,574
For 2016-2017				
Balance at July 01, 2016	399,000,000	321,073,642	464,866,933	1,184,940,574
Net Profit for the year	-	76,903,280	-	76,903,280
Depreciation on Revaluation Surplus	-	21,637,077	(21,637,077)	-
Balance at June 30, 2017	399,000,000	419,613,999	443,229,856	1,261,843,854

Statement of Cash Flows:

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Cash Flows from Operating Activities					
Cash received from customers	2,064,869,076	1,605,252,406	1,751,008,448	1,869,518,835	1,568,203,551
Cash received from other income	18,109,273	1,478,322	-	-	-
Cash paid to suppliers	(1,850,909,198)	(1,439,329,855)	(1,542,706,426)	(1,789,418,627)	(1,511,128,250)
Cash paid for operating expenses	(124,902,065)	(106,637,116)	(121,651,356)	(137,887,551)	(78,037,071)
Income Tax Paid	(14,254,751)	(10,483,181)	(12,146,877)	(13,795,578)	(13,387,764)
Net cash inflow/(outflow) from operating activities (A)	92,912,335	50,280,576	74,503,788	(71,582,921)	(34,349,534)
Cash flows from investing activities					
Acquisition of property, plant & equipment	(143,869,083)	(85,881,428)	(105,010,542)	(6,750,271)	(53,839,189)
Proceeds on sale of fixed assets (Vehicle)	-	-	-	1,500,000	-
(Increase)/Decrease in Investment	-	-	-	-	-
Net Cash inflow/(outflow) from investing activities (B)	(143,869,083)	(85,881,428)	(105,010,542)	(5,250,271)	(53,839,189)
Cash flows from financing activities					
Long term loan	(79,479,761)	(52,240,827)	(79,979,864)	105,139,658	(18,153,402)
Bank overdraft	(8,279,745)	(32,943,627)	(19,808,363)	-	-
Cash payment for financial expenses	(69,731,833)	(68,464,255)	(51,579,640)	(32,904,042)	(66,830,611)
Share Capital	-	-	-	-	98,640,000
Short term loan received	257,486,221	233,500,660	182,288,824	(21,174,247)	47,799,923
Net Cash inflow/(outflow) from financing activities (C)	99,994,882	79,851,951	30,920,958	51,061,367	97,762,714
Net Increase of cash & cash equivalents for the year (A+B+C)	49,038,135	44,251,099	414,204	(25,771,825)	9,573,991
Cash & cash equivalents at the beginning of the year	46,738,651	2,487,551	2,073,348	27,845,173	18,271,182
Cash and cash equivalents at the end of the year	95,776,786	46,738,651	2,487,551	2,073,348	27,845,173

a) Internal and external sources of cash:

The internal sources of cash of the company are the share capital and Retained Earnings. The external sources of cash are bank loans.

(As Per Audited Financial Statements)

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Internal sources of Cash:					
Share Capital	399,000,000	399,000,000	99,000,000	99,000,000	99,000,000
Retained Earnings	419,613,999	464,866,933	555,177,280	471,126,432	303,531,893
Sub Total	818,613,999	863,866,933	654,177,280	570,126,432	402,531,893
External Sources of Cash:					
Long Term Loan	334,611,304	414,091,065	-	-	-
Bank Overdraft	19,075,766	27,355,511	60,299,139	80,107,501	81,925,651
Short Term Bank Credits	871,588,778	614,102,557	380,601,897	198,313,073	219,487,320
Sub Total	1,225,275,848	1,055,549,133	440,901,036	278,420,574	301,412,971
Grand Total	2,043,889,847	1,919,416,066	1,095,078,316	848,547,006	703,944,864

b) Any material commitments for capital expenditure and expected sources of funds for such expenditure;

The Company has not yet made any material commitment for capital expenditure other than as specified in "Utilization of IPO Proceeds" under the head Use of Proceeds & Implementation Schedule of this Prospectus.

c) Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income;

The Company's revenue and other income as well as operating expenses and net income have continued to change due to increasing business volume.

(As per Audited Financial Statements)

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Revenues	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471
Cost of goods sold	1,812,004,060	1,354,399,960	1,486,331,422	1,694,612,436	1,434,903,331
Operating expenses	118,275,793	107,710,560	104,235,222	73,540,109	21,884,343
Net income	76,903,280	50,568,205	57,263,851	137,928,238	119,804,794

Causes for any changes from period to period-in revenues, cost of goods sold, other operating expenses and net income are as under:

Year	Revenues	Cost of goods sold	Other operating expenses	Net income
June 30, 2017	Sales of the company increased by 30% from June 30, 2017 to June 30, 2016.	Costs of goods sold changed due to increase in sales revenue.	The company's administrative expenses mainly increased due to increase in salary and allowances.	Net profit mainly increased due to increase in sales.
June 30, 2016	Sales of the company decreased by 07% from June 30, 2016 to June 30, 2015.	Costs of goods sold changed due to decreased in sales revenue.	The company's administrative expenses mainly increased due to increase in salary and allowances.	Net profit mainly decreased due to decrease in sales
June 30, 2015	Sales of the company decreased by 12% from June 30, 2015 to June 30, 2014.	Costs of goods sold changed due to decreased in sales revenue.	The company's administrative expenses mainly increased due to increase in salary and allowances.	Net profit mainly decreased due to decrease in sales
June 30, 2014	Sales of the company increased by 18% from June 30, 2014 to June 30, 2013.	Costs of goods sold changed due to increase in sales revenue.	The company's administrative expenses mainly increased due to increase in salary and allowances.	Net profit mainly increased due to increase in sales.
June 30, 2013	Sales of the company increased by 60% from June 30, 2012 to June 30, 2012 due to installation of some machinery in the production line to cope up with the demand.	Costs of goods sold changed due to increase in sales revenue.	The company's administrative expenses mainly increased due to increase in salary and allowances.	Net profit mainly increased due to increase in sales.

d) Any seasonal aspects of the issuer's business;

NLCL supplies its products to its regular buyers, who provide sufficient purchase orders to work throughout the year. As a result, no seasonal aspects adversely affect the business of NLCL.

e) Any known trends, events or uncertainties that may have material effect on the issuer's future business;

Increased price of raw materials in international market, scarcity of funds (liquidity crisis), economic recession, and entrance of new technology, changes in government monetary & industrial policy, increasing competition, power supply disruption and political unrest are known events that may affect the productivity as well as growth of the company.

f) Any assets of the company used to pay off any liabilities;

The Company has not used any of its assets to pay off any liabilities.

g) Any loan taken from or given to any related party or connected person of the issuer with details of the same;

The Company has not taken any loan from or given to any related party or connected person of the issuer.

h) Any future contractual liabilities the issuer may enter into within next one year, and the impact, if any, on the financial fundamentals of the issuer;

The Company has no plan to enter into any future contractual liabilities other than normal course of business within next one year other than as specified in Use of Proceeds of this Prospectus.

i) The estimated amount, where applicable, of future capital expenditure;

The Company has not any plan to make any capital expenditure except for those mentioned in the 'Use of Proceeds' Chapter in this prospectus.

j) Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the prospectus. Updated income tax status for the last 5 years or from commercial operation, which is shorter;

Value Added Tax (VAT): The Company has VAT registration number 18081004932. It pays VAT in time and submitted return accordingly and therefore the Company has no outstanding VAT as on June 30, 2017.

Income Tax: The TIN no. of NLCL is 656305154518, Taxes Circle-69 (Company), Tax Zone-04, Dhaka. Year wise income tax status of the Company is as under:

Accounting Year	Assessment Year	Assessment Status
2016-2017	2017-2018	Income Tax Return has submitted on dated 22.02.2018 and assessment is under process. The Deputy Commissioner of Taxes has not given any demand notice yet.
2015-2016	2016-2017	Income Tax Return has submitted on dated 30.10.2017 and assessment is under process. The Deputy Commissioner of Taxes has not given any demand notice yet.
2014-2015	2015-2016	Income Tax Return has submitted on dated 30.10.2017 and assessment is under process. The Deputy Commissioner of Taxes has not given any demand notice yet.
2013-2014	2014-2015	As per Income Tax certificate issued by Deputy Commissioner of Taxes, Circle-69(Companies), Zone-4, Dhaka, dated 17.01.2017. The Company has been submitted income tax return for the assessment year 2014-2015 showing total income Tk. 13,79,28,238 and tax deducted at source Tk. 1,37,95,578/-. The assessment of the said year is under process. The Deputy Commissioner of Taxes has not given any demand notice yet.
2012-2013	2013-2014	As per Income Tax certificate issued by Deputy Commissioner of Taxes, Circle-69(Companies), Zone-4, Dhaka, dated 17.01.2017. The assessment of the company has been completed for the assessment year 2013-2014. The companies assessed income Tk. 13,38,77,640 and tax paid in Tk. 1,33,87,764.00

Customs Duty: There is no customs duty liability of the Company as on June 30, 2017

Contingent Liability: There exists no situation involving NLCL for which any liability for the company is most likely to occur or which may create any possibility of company's liability in the near future.

k) Any financial commitment, including lease commitment, the company had entered into during the past five years or from commercial operation, which is shorter, giving details as to how the liquidation was or is to be effected;

Financial (Long and Short term) during last five years:

a) Financial commitment (Long Term):

Name of Institution	Type of Loan	Amount of Loan	Interest Rate	Outstanding Balance as on June 30, 2017
Southeast Bank Ltd.	Long term	581,737,060	12.00%	334,611,604
Southeast Bank Ltd.	Bank Overdraft	74,600,000	14.00%	19,075,766
Total		656,337,060		353,687,370

b) Financial commitment (Short Term):

Name of Institution	Type of Loan	Amount of Loan	Interest Rate	Outstanding Balance as on June 30, 2017
Southeast Bank Ltd.	Time Loan	782,992,500	14.00%	746,335,036
Southeast Bank Ltd.	Packing Credit	40,887,422	7.00%	21,118,096
Southeast Bank Ltd.	FDBP	207,255	14.00%	207,359
Southeast Bank Ltd.	Forced Loan	90,876,685	13.50%	17,027,294
Southeast Bank Ltd.	Bill Import Sight	6,501,218	12.00%	6,558,104
Southeast Bank Ltd.	EDF Loan	158,235,303	3.5%	80,342,890
Total		1,079,700,383		871,588,779

l) Details of all personnel related schemes for which the company has to make provision for in future years;

The company considers its human resources as the most valuable assets and the profitability of the company largely depends on the effective and efficient use of human resources. The company provides various benefit packages to its employees in addition to monthly benefit of salary, wages and allowances. Lists of benefits are as under to employee:

Festival Bonus:	The Company pays two festival bonuses.
Yearly Increment/Promotions:	Employees awarded with a minimum increment of at least 5% of salary and promotion for extra ordinary performances.
Attendance Bonus	The company pays attendance bonus to worker monthly basis
Group Insurance:	The Company has established group insurance policy with Bangladesh Garment Manufacturers & Exporters Association (BGMEA) for its workers and employees.
Medical Treatment Facility:	Employees of New Line Clothings Limited receive medical treatment facility for any kind of injury during the course of their service in the company.
Daycare:	Women workers are entitled for daycare facilities in the factory premises while they are at work.
Leave encashment:	Employees are entitled to enjoy encashment against leave.
Contribution to Central fund (RMG)	Contributed to Central fund @ 0.03% from export proceed.

m) Break down of all expenses related to the public issue;

The following amount paid to the Issue Managers, Underwriters and other costs are as follows:

Sl. No.	Particulars	Nature of Expenditure	Amount in BDT
A.	ISSUE MANAGEMENT FEES		3,450,000
	Managers to the Issue Fee	Maximum 2% (two percent) of the public offer amount.	3,000,000
	VAT against Issue Management Fee	15% on Issue Management Fee	450,000
B.	LISTING RELATED EXPENSES		3,096,000
	Scrutiny Fees for Stock Exchanges	Tk. 50,000 for each exchanges	100,000
	Listing Fees for Stock Exchanges (DSE & CSE)	0.25% on Tk. 10 Crore and 0.15% on the rest amount of paid up capital; (minimum Tk. 50,000 and maximum Tk. 10,000,000 for each exchanges)	2,297,000
	Annual Fees for DSE & CSE	0.05% on Tk. 100 Crore of paid up capital and 0.02% on the rest amount of paid up capital; (minimum Tk. 50,000 and maximum Tk. 600,000 for each exchanges)	699,000
C.	BANGLADESH SECURITIES AND EXCHANGE COMMISSION		1,250,000
	Application Fees	-	50,000
	BSEC Consent Fees	0.40% on the public offering amount	1,200,000
D.	IPO RELATED FEES		1,125,000
	Underwriting Commission	0.50% on underwritten amount	525,000
	Auditor Certification Fees	At Actual	600,000
E.	CDBL FEES AND EXPENSES		713,350
	Security Deposit	At Actual	500,000
	Documentation Fees	At Actual	2,500
	Annual Fees	At Actual	100,000
	Connection Fees	Tk. 500 per month (12*500)	6,000
	IPO Fees	0.015% on total paid up capital after IPO	104,850
F.	PRINTING AND POST IPO EXPENSES		6,300,000
	Publication of Prospectus (About 4,000 copies)	Estimated (to be paid at actual)	800,000
	Abridged version of Prospectus and Notice in 4 daily newspaper	Estimated (to be paid at actual)	800,000
	Notice for Prospectus, Lottery, Refund etc. in 4 daily newspaper	Estimated (to be paid at actual)	200,000
	Lottery Conducting Expenses & BUET Fee	Estimated (to be paid at actual)	1,000,000
	Data Processing and Share Software Charge	Estimated (to be paid at actual)	3,000,000
	Courier Expenses	Estimated (to be paid at actual)	300,000
	Administrative & Stationary Expense	Estimated (to be paid at actual)	200,000
GRAND TOTAL (A+B+C+D+E+F)			15,934,350

N.B.: Actual costs will vary if above mentioned estimates differ and will be adjusted accordingly.

n) If the issuer has revalued any of its assets, the name, qualification and experiences of the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation separately for each asset revalued in a manner which shall facilitate comparison between the historical value and the amount after revaluation and giving a summary of the valuation report along with basis of pricing and certificates required under the revaluation guideline of the Commission;

New Line Clothings Limited has revalued its fixed assets in the financial year 2011, which has been reflected in the financial statements of the company.

Summary of Revaluation: The Company made revaluation of land, Building, Plant & Machinery, Vehicles and Generator as at 30 June 2011 to reflect fair value thereof in terms depreciated current cost, details of which are as follows:

As per revaluation								
Sl. No .	Particulars of the asset	Name of the Valuer	Qualification of the Valuer	Date of Revaluation	Net Book Value	Value of assets after revaluation	Revaluation Surplus	W.D.V as on June 30, 2017
01	Land	Mohammad Ata Karim & Co.	Chartered Accountants	June 20, 2011	3,013,250	89,600,000	86,586,750	86,586,750
02	Building				77,284,794	635,267,498	557,982,704	410,168,561
03	Plant & Machinery				112,699,399	145,748,565	33,049,166	17,563,682
04	Vehicles				5,419,878	18,252,000	12,832,122	1,274,074
05	Generator				2,824,975	13,789,150	10,964,175	4,135,134
Total					201,242,296	902,657,213	701,414,917	519,728,201

Reasons for Valuation: To determine an estimated fair market value of the Lands, Buildings, Plant and Machineries, Vehicles and Generators of New Line Clothings Limited.

Work done to date by the Valuer: The above valuer, Mohammad Ata Karim & Co., Chartered Accountants, has done valuation services to following companies:

- Shomahar Sweater Limited
- Organic Jeans Limited
- Lax Lingerie Limited

Auditor's additional disclosure on revaluation of New Line Clothings Limited

This is to certify that valuation report of New Line Clothings Limited as at 20 June 2011 has been prepared and treated in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and other applicable laws, rules, regulations and guidelines. We also certify that proper accounting treatments, including provisions, tax and other liabilities, have been made in the financial statements to consider the valuation.

Dated, Dhaka
23 November, 2017

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

o) Where the issuer is a holding or subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary or holding company, including transactions which had taken place within the last five years of the issuance of the prospectus or since the date of incorporation of the issuer, whichever is later, clearly indicating whether the issuer is a debtor or a creditor;

The Company has neither any subsidiary nor it's operates under any holding company.

p) **Financial Information of Group Companies and Companies under common ownership by more than 50%:** following information for the last three years based on the audited financial statements, in respect of all the group companies of the issuer, wherever applicable, along with significant notes of auditors:

As there are no companies under common ownership more than 50%, this section is not applicable for New Line Clothings Limited.

q) Where the issuer is a banking company, insurance company, non-banking financial institution or any other company which is regulated and licensed by another primary regulator, a declaration by the board of directors shall be included in the prospectus stating that all requirements of the relevant laws and regulatory requirements of its primary regulator have been adhered to by the issuer;

New Line Clothings Limited follows all the rules and regulations provided by Bangladesh Garments Manufacturers & Export Association (BGMEA).

r) A report from the auditors regarding any allotment of shares to any person for any consideration otherwise than cash along with relationship of that person with the issuer and rationale of issue price of the shares;

After due verification, we certify that the following shares allotted for consideration in otherwise than cash of New Line Clothings Limited as of June 30, 2017:

Date of allotment	Persons to whom those are issued	No. of shares allotted	Relationship with the issuer	Reasons for the issue	Rational of issue price
February 22, 2016	M. Zakir Chowdhury	1,800,000	Managing Director & CEO	Distribution of Accumulated profit (Bonus)	Face Value
	Mohammad Lutfar Rahman	1,800,000	Shareholder		
	Mostafa Zamanul Bahar	3,000,000	Shareholder		
	Maruful Haque Chowdhury	1,800,000	Director		
	Md. Asif Rahman	1,800,000	Director		
	Mashiul Haq Chowdhury	1,200,000	Director		
	Osman Khadem	3,600,000	Chairman		
	Afsana Jabin	3,000,000	Shareholder		
	Sigma Technologies Ltd. (Represented by Ali Mostafa)	6,000,000	Director		
	Mithy Islam Khan	3,000,000	Shareholder		
	Tartila Akhter Chowdhury	3,000,000	Shareholder		

January 15, 2018

R. K. Tower (Level-10) 86, Bir Uttam
C.R. Datta Road, Dhaka-1205

Sd/-

Shiraz Khan Basak & Co.
Chartered Accountants

s) Any material information, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public;

There is no such material information is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public

t) Business strategies and future plans - projected financial statements shall be required only for companies not started commercial operation yet and authenticated by Chairman, two Directors, Managing Director, CFO, and Company Secretary;

New Line Clothings Limited started its commercial operation in March 01, 2007.

u) Discussion on the results of operations shall inter-alia contain the following:

1) A summary of the past financial results after adjustments as given in the auditor's report containing significant items of income and expenditure;

There was no adjustment given by the auditor's during the last five year. Summary of the past financial results and operations presented below:

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Total Revenue	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471
Cost of Goods Sold	1,812,004,060	1,354,399,960	1,486,331,422	1,694,612,436	1,434,903,331
Gross Profit	269,790,737	253,060,215	249,939,134	283,245,731	238,567,140
Operating Expenses	118,275,793	107,710,560	104,235,222	73,540,109	21,884,343
Net Profit before tax	85,611,795	65,108,307	69,410,728	151,723,817	133,192,558
Income Tax Expenses	8,708,515	14,540,102	12,146,877	13,795,578	13,387,764
Net Profit after tax	76,903,280	50,568,205	57,263,851	137,928,238	119,804,794

2) A summary of major items of income and expenditure;

Major items of Income

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Total Revenue	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471

Major items of Expenditure

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Cost of Goods Sold	1,812,004,060	1,354,399,960	1,486,331,422	1,694,612,436	1,434,903,331
Operating Expenses	118,275,793	107,710,560	104,235,222	73,540,109	21,884,343
Financial Expenses	79,731,833	78,464,255	72,822,647	49,484,852	76,830,611

3) The income and sales on account of major products or services;

Sl. No.	Name of Product	Income	Percentage	Sales	Percentage
1	5 Pocket Basic Trouser (Mens)	19,067,417	21.45%	696,720,880	33.47%
2	5 Pocket Basic Trouser (Women's)	19,992,066	22.24%	409,315,975	19.66%
3	5 Pocket Basic Trouser (Kids)	17,394,176	19.35%	374,782,025	19.35%

4) In case, other income constitutes more than 10% of the total income, the breakup of the same along with the nature of the income, i.e., recurring or non-recurring;

The Company has other income but it is not more than 10%.

5) If a material part of the income is dependent upon a single customer or a few major customers, disclosure of this fact along with relevant data. Similarly if any foreign customer constitutes a significant portion of the issuer's business, disclosure of the fact along with its impact on the business considering exchange rate fluctuations;

The Company's material part of the income is not dependent upon a single customer or a few major customers. The company has five customers base and sells its products to 100% export oriented industries. Details list is given below:

Sl. No.	Name of the customer	Country
01	G. Gueldenpfenning Gmbh	Germany
02	Baumhueter	Germany
03	Simple Approach Ltd (Norwest)	Hong kong
04	Lidl Hong Kong Ltd	Hong kong

6) In case the issuer has followed any unorthodox procedure for recording sales and revenues, its impact shall be analyzed and disclosed.

The Company has not followed any unorthodox procedure for recording sales and revenues.

v) Comparison of recent financial year with the previous financial years on the major heads of the profit and loss statement, including an analysis of reasons for the changes in significant items of income and expenditure, inter-alia, containing the following:

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Total Revenue	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471
Cost of Goods Sold	1,812,004,060	1,354,399,960	1,486,331,422	1,694,612,436	1,434,903,331
Gross Profit	269,790,737	253,060,215	249,939,134	283,245,731	238,567,140
Operating Expenses	118,275,793	107,710,560	104,235,222	73,540,109	21,884,343
Operating Profit	151,514,944	145,349,655	145,703,911	209,705,622	216,682,797
Net Profit before Tax	85,611,795	65,108,307	69,410,728	151,723,817	133,192,558
Net Profit after Tax	76,903,280	50,568,205	57,263,851	137,928,238	119,804,794

Analysis of reasons for the changes in significant items of income and expenditure, inter-alia, containing the following:

Year	Total Revenue	Cost of goods sold	Gross Profit	Operating expenses	Operating Profit	Net Profit before Tax	Net Profit after Tax
June 30, 2017	Sales of the company increased by 30% from June 30, 2017 to June 30, 2016.	Costs of goods sold changed due to increase in sales revenue.	Gross Profit mainly increased due to increase in sales.	The company's administrative expenses mainly increased due to increase in salary and allowances.	Operating Profit mainly increased due to increase in sales.	Net profit before tax mainly increased due to increase in sales.	Net profit after tax mainly increased due to increase in sales.
June 30, 2016	Sales of the company decreased by 07% from June 30, 2016 to June 30, 2015.	Costs of goods sold changed due to decreased in sales revenue.	Gross Profit mainly decreased due to decrease in sales	The company's administrative expenses mainly increased due to increase in salary and allowances.	Operating Profit mainly decreased due to decrease in sales	Net profit before tax mainly decreased due to decrease in sales	Net profit after tax mainly decreased due to decrease in sales
June 30, 2015	Sales of the company decreased by 12% from June 30, 2015 to	Costs of goods sold changed due to	Gross Profit mainly decreased	The company's administrative expenses mainly	Operating Profit mainly decreased due	Net profit before tax mainly	Net profit after tax mainly decreased due

	June 30, 2014.	decreased in sales revenue.	due to decrease in sales	increased due to increase in salary and allowances.	to decrease in sales	decreased due to decrease in sales	to decrease in sales
June 30, 2014	Sales of the company increased by 18% from June 30, 2014 to June 30, 2013.	Costs of goods sold changed due to increase in sales revenue.	Gross Profit mainly increased due to increase in sales.	The company's administrative expenses mainly increased due to increase in salary and allowances.	Operating Profit mainly increased due to increase in sales.	Net profit before tax mainly increased due to increase in sales.	Net profit after tax mainly increased due to increase in sales.
June 30, 2013	Sales of the company increased by 60% from June 30, 2013 to June 30, 2012 due to installation of some machinery in the production line to cope up with the demand.	Costs of goods sold changed due to increase in sales revenue.	Gross Profit mainly increased due to increase in sales.	The company's administrative expenses mainly increased due to increase in salary and allowances.	Operating Profit mainly increased due to increase in sales.	Net profit before tax mainly increased due to increase in sales.	Net profit after tax mainly increased due to increase in sales.

1) Unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.

There is no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses etc.

2) Significant economic changes that materially affect or are likely to affect income from continuing operations;

There are no significant economic changes that materially affect or are likely to affect income from continuing operations.

3) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations;

However, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business, the business operation of the Company may be affected by the following events:

- Decrease in the demand of readymade garments products;
- Increased production cost;
- Decrease in product selling price;
- Increased Competition;
- Scarcity of Electricity and raw materials;
- Govt. Policy Changes towards the industry;
- Political unrest;
- Natural disaster.

4) Future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known;

Future is always uncertain and the company is aware of that. In future, labor price or material price may change and business may be affected. However, revenue is always adjusted with production cost. So, any change in cost factor will be reflected in sales price.

5) The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices;

After increasing the new machineries from net proceeds of IPO, sales will be increased by around 20%. This increased sale will result a positive increase in total revenue, gross profit and net profit accordingly.

6) Total turnover of each major industry segment in which the issuer operated;

Year	5 Pocket Basic Trouser(Mens)	5 Pocket Basic Trouser(Woman)	5 Pocket Basic Trouser(Kids)	Leggings	Shorts/ Bermuda	Jacket
2012-2013	696,720,880	409,315,975	374,782,025	314,154,098	241,986,590	44,835,230
2013-2014	438,934,190	512,087,465	256,905,412	71,987,320	294,812,221	32,733,566
2014-2015	406,922,507	551,056,403	291,967,224	210,670,345	258,930,887	16,723,190
2015-2016	621,720,396	387,094,068	398,976,540	187,643,207	367,922,762	14,501,193
2016-2017	475,509,322	327,650,765	352,943,660	104,235,307	400,896,147	12,235,270

7) Status of any publicly announced new products or business segment;

The Company did not announce new products or business segment.

8) The extent to which the business is seasonal.

NLCL supplies its products to its regular buyers, who provide sufficient purchase orders to work throughout the year. As a result, no seasonal aspects adversely affect the business of NLCL.

w) Defaults or rescheduling of borrowings with financial institutions or banks, conversion of loans into equity along with reasons thereof, lock out, strikes and reasons for the same etc. during the history of operation of the company;

The Company has rescheduled of its borrowing with Southeast Bank Limited dated Decemeber 30, 2010 because of change in management team of New Line Clothings Limited. There is no history of conversion of loan into equity, lock out and strikes.

x) Details regarding the changes in the activities of the issuer during the last five years which may had a material effect on the profits or loss, including discontinuance of lines of business, loss of agencies or markets and similar factors;

There were no changes in the activities of the Company during the last five years and had not any material effect on the profits or loss, including discontinuance of lines of business, loss of agencies or markets and similar factors.

y) Injunction or restraining order, if any, with possible implications;

There was no injunction or restraining order from any Court of Law or competent authority during the entire life of the Company's business.

z) Technology, market, managerial competence and capacity built-up;**Technology:**

Fabric Department: Our fabric management division is fully equipped with the following facilities for ensuring quality from the beginning:

- i) CAD CAM SYSTEM (LECTRA) for calculating fabric consumption and preparing marker for proper fabric cutting as per design of the technical packs received from the buyers;
- ii) FABRIC INSPECTION machine for detecting any fault of received fabric with branded machineries;
- iii) Fabric inspection by 4-point system and making fabric inspection report.

Sewing division: Our 24 sewing lines are all equipped with Japanese JUKI & Brother branded machinery. All machinery is risk free and carefully checked for the safety of the workers. The facilities are under cooling system, which makes the working atmosphere comfortable for the workers. Conduct process capability study of the Line by calculating C.V (Co-Efficient of variation) of hourly defect percentage.

Finishing & Packing Section: All machineries are risk free and carefully checked for the safety of the workers. 100% inspections of garments get up (Overall appearance). Segregation of non-conforming goods to QC Finishing for correction. Re inspection of non-conforming goods after correction. Fill up the hourly inspection report.

Market:

The products of company are sold in international markets. Any economic recession, changes in tastes and fashions of the consumers, national income and other related factors may cause to decline the market demand of the company products. NLCL always gives values to its customers' satisfaction and changes in tastes and fashion. Therefore, its expert team promptly dedicates their creativity and research work to respond any changes in customers demand and product diversifications. Our international Buyers are ALDI, C & A, PRIMARK, LIDL and their major market is Germany & UK.

Managerial competence:

All the members of the management team of the company are highly qualified, trained & skilled professionals, well experienced and extremely devoted. The management team is lead by Mr. M. Zakir Chowdhury, Managing Director & CEO acts for the best interest of the company.

The expert team of New Line Clothings Limited, which consists of a good number of professionals from various disciplines, is seasoned and experienced enough to use the facilities for production to fulfill the demand of target customers. Successive strong financial performance is the result of steady commitment of the promoters, management efficiency, employees' sincerity and use of appropriate technology.

Capacity build up:

NLCL always tries to enhance its Capacity with the contemporary technology and customer demand. The company is continuously investing and deploying enough resources including human resources to accelerate & retain its sustainability.

aa) Changes in accounting policies in the last three years;

The management of the Company has not change any accounting policies in the last three years.

bb) Significant developments subsequent to the last financial year: A statement by the directors whether in their opinion there have arisen any circumstances since the date of the last financial statements as disclosed in the prospectus and which materially and adversely affect or is likely to affect the trading or profitability of the issuer, or the value of its assets, or its ability to pay its liabilities within the next twelve months;

STATEMENT REGARDING SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR

This is to certify that in our opinion there have not arisen any circumstances since the date of the last financial statements as disclosed in the prospectus and which materially and adversely affect or is likely to affect the trading or profitability of the New Line Clothings Limited or the value of its assets, or its ability to pay its liabilities within the next twelve months.

Sd/-
Osman Khadem
Chairman

Sd/-
M. Zakir Chowdhury
Managing Director & CEO

Sd/-
Md. Asif Rahman
Director

Sd/-
Mashiul Haq Chowdhury
Director

Sd/-
Maruful Haque Chowdhury
Director

Sd/-
Sigma Technologies Ltd.
Director
(Represented by Ali Mostafa)

Sd/-
Md. Saiful Islam Helaly
Independent Director

Sd/-
Syed Kamal Uddin
Independent Director

Date: September 20, 2017

cc) If any quarter of the financial year of the issuer ends after the period ended in the audited financial statements as disclosed in the prospectus, unaudited financial statements for each of the said quarters duly authenticated by the CEO and CFO of the issuer;

The un-audited financial statement for the period ended September 30, 2018 is incorporated in the prospectus.

NEW LINE CLOTHINGS LIMITED
Consolidated Statement of Financial Position(Un-Audited)
As at 30th September, 2018

Sl. No.	Particulars	Notes	Amount in BDT	
			30.09.2018	30.06.2018
	ASSETS:			
A	NON- CURRENT ASSETS		1,033,711,117	1,052,473,580
	Property, Plant & Equipment	4.00	1,033,711,117	1,052,473,580
B	CURRENT ASSETS		1,993,250,707	1,877,467,074
	Inventories	5.00	839,685,647	796,506,363
	Accounts Receivables	6.00	680,512,561	654,628,905
	Advance, Deposits & Pre- Payments	7.00	389,905,935	330,991,460
	Cash & Cash Equivalents	8.00	83,146,565	95,340,346
C	TOTAL ASSETS (A + B)		3,026,961,825	2,929,940,654
	EQUITY AND LIABILITIES :			
D	SHARE HOLDER'S EQUITY		1,357,873,937	1,334,864,439
	Share Capital	9.00	399,000,000	399,000,000
	Revaluation Surplus	10.00	412,048,931	418,227,627
	Retained Earnings	11.00	546,825,006	517,636,812
	LIABILITIES:			
E	NON - CURRENT LIABILITIES:		285,736,017	284,151,902
	Long Term Loan	12.00	195,847,620	194,066,762
	Deferred Tax Liabilities	13.00	89,888,397	90,085,140
F	CURRENT LIABILITIES & PROVISIONS		1,383,351,871	1,310,924,311
	Accounts & Other Payables	14.00	1,041,622	1,386,286
	Accrued Expenses	15.00	3,858,840	11,331,601
	Bank Overdraft	16.00	175,601,481	169,993,504
	Current Portion of Long Term Loan	12.00	120,035,638	119,610,000
	Short Term Bank Credits	17.00	917,287,454	846,891,240
	Deferred L/C Liabilities	18.00	9,516,816	11,427,381
	Provision for WPPF	19.00	25,128,577	25,128,577
	Provision for Financial Expenses	20.00	83,898,813	81,398,813
	Provision for Income Tax	21.00	46,982,631	43,756,909
G	TOTAL EQUITY AND LIABILITIES (D + E + F)		3,026,961,825	2,929,940,654
	Net Asset Value		34.03	33.46

The annexed notes from 1 to 24 an intigral part of these financial statements

Sd/-	Sd/-	Sd/-	Sd/-
Managing Director & CEO	Director	Chief Financial Officer	Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka; October 22, 2018

NEW LINE CLOTHINGS LIMITED
Consolidated Statement of Comprehensive Income(Un-Audited)
For the period from 1st July 2018 to 30th September, 2018

Sl. No.	Particulars	Notes	Amount in BDT	
			30.09.2018	30.09.2017
A)	Sales Revenue	21.00	501,137,970	460,019,426
	Total Sales Revenue		501,137,970	460,019,426
B)	Cost of Goods Sold	22.00	392,735,548	376,285,138
C)	Gross Profit	(A - B)	108,402,422	83,734,287
D)	Administrative & Selling Expenses	23.00	35,550,048	31,681,456
E)	Operating Profit	(C - D)	72,852,375	52,052,831
	Add: Other Income		-	-
F)	Financial Expenses	24.00	45,971,348	26,586,353
G)	Net Profit Before Tax & WPPF	(E - F)	26,881,027	25,466,479
H)	Workers' Profit Participation Fund	5%	-	1,212,689
I)	Net Profit Before Tax	(G - H)	26,881,027	24,253,789
J)	Income Tax Expenses			
	For Current Year		3,225,723	3,061,774
	For Prior Year		-	-
	Deferred Tax Expense		645,806	933,397
			3,871,530	3,995,171
K)	Net Profit After Tax	(I - J)	23,009,497	20,258,618
	Earnings Per Share (Basic)	26.01	0.58	0.51

The annexed notes from 1 to 24 an intgral part of these financial statements.

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Dated, Dhaka; October 22, 2018

NEW LINE CLOTHINGS LIMITED

Consolidated Statement of Cash Flows(Un-Audited)

For the period from 1st July 2017 to 30th September, 2017

Particulars	Notes	Amount in BDT	Amount in BDT
		30-Sep-2018	30-Sep-2017
Cash flows from operating activities			
Cash received from customers		475,254,314	(111,598,986)
Cash paid to suppliers		(474,490,593)	45,326,683
Cash paid for operating expenses		(41,727,095)	17,624,799
Income Tax Paid		(2,685,190)	(1,688,674)
Net cash inflow/(outflow) from operating activities (A)		(43,648,564)	(50,336,179)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,373,990)	(402,336)
Net cash inflow/(outflow) from investing activities (B)		(1,373,990)	(402,336)
Cash flows from financing activities			
Long term loan		2,206,496	2,920,407
Bank Overdraft		5,607,977	76,970,162
Deferred L/C Liabilities		(1,910,565)	2,140,611
Short term loan received		70,396,213	(47,576,316)
Cash payment for financial expenses		(43,471,348)	(24,086,353)
Net cash inflow/(outflow) from financing activities (C)		32,828,773	10,368,511
Net increase of cash and cash equivalents for the year (A+B+C)		(12,193,781)	(40,370,003)
Cash and cash equivalents at the beginning of the year		95,340,346	95,776,786
Cash and cash equivalents at the end of the year		83,146,565	55,406,783

The annexed notes from 1 to 24 an integral part of these financial statements

Sd/-	Sd/-	Sd/-	Sd/-
Managing Director & CEO	Director	Chief Financial Officer	Company Secretary

Signed in terms of our separate report of even date annexed

Dated, Dhaka; October 22, 2018

NEW LINE CLOTHINGS LIMITED
Consolidated Statement of Changes in Equity(Un-Audited)
For the period from 1st July 2018 to 30th September, 2018

				Amount in BDT
Particulars	Share Capital	Retained Earnings	Revaluation Surplus	Total
For September 30, 2017				
Balance at July 01, 2017	399,000,000	419,613,998	464,866,933	1,283,480,931
Net Profit for the year	-	20,258,618	-	20,258,618
Depreciation on Revaluation Surplus	-	4,917,517	(4,917,517)	-
Balance at September 30, 2017	399,000,000	444,790,134	459,949,416	1,303,739,550
For September 30, 2018				
Balance at July 01, 2018	399,000,000	517,636,812	418,227,627	1,340,273,648
Net Profit for the year	-	23,009,497	-	23,009,497
Depreciation on Revaluation Surplus	-	6,178,696	(6,178,696)	-
Balance at September 30, 2018	399,000,000	546,825,005	412,048,930	1,363,283,145

The annexed notes form an integral part of these financial statements

Sd/-	Sd/-	Sd/-	Sd/-
Managing Director & CEO	Director	Chief Financial Officer	Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka; October 22, 2018

NEW LINE CLOTHINGS LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES

For the year ended September 30, 2018

1.00 Background and Introduction

1.01 Formation and Legal Status

New Line Clothings Ltd was incorporated on 23rd May 2000, vide Reg. No -C-40328(2296)/2000 under the Companies Act, 1994. The Company started its commercial operation on 01 March 2007.

The registered & factory office of the company is located at its own premises at Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur.

1.02 Nature of Business

The principal activities of the company is to manufacture various kinds of woven Garments for both ladies and gents including trousers, shirts, children wear, gents wear, female wear, jackets, Sportswear, denim garments etc and marketing thereof.

2.00 Basis of Preparation

2.01 Corporate Financial Statements and Reporting

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements, The Financial Statement comprises:

- (a) a statement of financial position
- (b) a statement of profit or loss and other comprehensive income
- (c) a statement of changes in equity
- (d) a statement of cash flows and
- (e) notes, comprising a summary of significant accounting policies and explanatory information.

2.02 Regulatory Compliances

The financial statements of the company under reporting have been prepared in accordance with Generally Accepted Accounting Principles and Practice in Bangladesh in compliance with The Companies Act 1994, The Securities and Exchange Rules 1987, The Listing Regulations of Dhaka Stock Exchange Ltd (DSE) & Chittagong Stock Exchange Ltd. (CSE), International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), International Financial Reporting Standards (IFRS) as adopted by the The Institute of Chartered Accountants of Bangladesh (ICAB) and other applicable laws and regulations.

2.03 Fundamental Accounting Concepts/ Assumption

The Financial Statements have been prepared based on Going Concern, Consistency and Accrual Concepts and such other convention as required by IAS-1 for Fair Presentation of Financial Statements.

2.04 Going Concern

The Company has adequate resources to continue its operation for the foreseeable future. For this reason, the Directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.05 Corporate Accounting Standards Practiced

The following IAS and IFRS is applicable to the Financial Statements for the year under review:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Cash Flow Statement
IAS 10	Events after the Balance Sheet Date
IAS 12	Income Taxes
IAS 16	Property, Plant & Equipments
IAS 18	Revenue
IAS 19	Employee Benefits
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 33	Earnings per Share
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IFRS-1	First Time Adoption of International Financial Reporting Standards
IFRS-7	Financial Instruments: Disclosures

2.06 Use of Estimates and Judgments

The preparation of these financial statements is in conformity with BFRSs requires management to make judgments, 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 on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.07 Reporting Period

The period of the Financial Statements covers from 1st July, 2018 to 30th September, 2018.

2.08 Functional and Presentational (Reporting) Currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

2.09 Foreign Currency Transactions

The transactions which are incurred in foreign currencies are converted into equivalent Bangladeshi Taka (BDT) applying the ruling rate at the date of such transactions as per IAS-21 "The Effect of Changes in Foreign Exchange Rates".

2.10 Comparative Figures Re-arrangement

Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liability as reported in the financial statement.

3.00 Significant Accounting Policies

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

3.01 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any, according to IAS 16: Property, Plant and Equipment. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. Subsequent costs are included in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

3.02 Revaluation Reserve

A number of fixed assets were revalued by the company as on June 20, 2011 which was conducted by professional valuer Mohammad Ata Karim & Co. in order to reflect the fair picture of the company in the present market condition on the basis of market availability and physical condition of those fixed assets and the gain arises due to the revaluation were transferred to the revaluation reserve account as per IAS 16 "Property, Plant and Equipment".

3.03 Depreciation of Tangible Fixed Assets

No depreciation is charged on Land & Land development. Depreciation on all other fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful life.

Depreciation has been charged on additions for the whole year when it is available for use and no depreciation is charged on retirement, irrespective of date of retirement.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which are considered reasonable by the management.

Category of Assets	Rate of Depreciation
Land & Land Development	Nil
Building	5%
Plant & Machinery	10%
Vehicles	20%
Electric Equipments	10%
Furniture & Fixture	10%
Office Equipments	10%
Generator	15%
Fire Equipments	5%
Computer & Accessories	5%
Spares & Accessories	15%
Sundry Assets	10%

3.04 Impairment of assets

All Fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the year and for this reasons, no provision has been made for impairment of assets.

3.05 Revenue Recognition

Revenue are recognised when goods are delivered from the factory godown and delivery challans are issued as per IAS-18 "Revenue".

3.06 Term loan

Term loans are non-current liabilities arising from loans taken from different banks which are repayable within more than one year.

3.07 Short term loan and bank overdraft

Short term loans are current liabilities arising from loans taken from different banks which are repayable within one year. Bank overdrafts are repayable on demand which were taken to meet up the working capital requirement.

3.08 Account Payables

Liabilities are recognised for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

3.09 Accounts receivable

Accounts receivable represent the amounts due from different customers for supplying Readymade Garments Products and includes billed portion of such services at the date of statement of financial position. Accounts receivables are stated net of provision for doubtful debts, if any.

3.10 Advances, deposits and pre-payments

Advances, deposits and pre-payments comprise advances given to and deposits made to different organization for security or other purposes and pre-payments made to receive products or services from suppliers.

3.11 Inventories

Inventories comprises of raw materials, Work-in-process, Finished goods and Materials in Transit have been valued at cost. Work-in-process have been valued at prime cost basis as required by IAS-2 with proportionate addition of Factory Overheads. Finished goods have been valued at the lower of cost and net realizable value basis. Cost is determined by weighted average method.

3.12 Cash and Cash Equivalents

Cash Flow Statement is prepared in accordance with IAS-7: Statement of Cash Flows. The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of IAS-7.

3.13 Borrowings Costs

Financial Expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with IAS-23 "Borrowings Costs".

3.14 Income Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

Current Tax

Necessary provision for tax has been made as per Income Tax Ordinance 1984. In accordance with the section 53BB of the ITO 1984, Taxes were deducted from export proceeds at the realization stage by the Company's bankers during the year at the rate of 0.70%. Provision for current income tax expense has been made at the rate of 12% as prescribed in the finance act on the accounting profit made by the company as per ITO 1984 in compliance with IAS-12 "Income Taxes".

Deferred Tax

Deferred Tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities for the year ended June 30, 2018 has been recognized in the statement of Profit or Loss and other comprehensive income as per IAS-12 "Income Taxes".

The company adopted Deferred Tax in the year ended on June 30, 2015. Before that the company did not require to provide for deferred tax as the company paid advance income tax following Sec 53 BB of Income Tax Orinance, 1984 on its export proceeds. These assessments was settled under Sec 82C (j) of Income Tax Orinance, 1984 and hence there were no taxable temporaray differences till FS 2013-2014.

After expiry of the SRO in 2015, the company recognized deferred tax as there were temporary differences due to changes in applicable tax rates on the Net profit. In this regard, WDV of the assets as on June 30, 2014 is considered as the base figure for calculating the deferred tax.

3.15 VAT

The Company's traded income is 100% export oriented, so its income is not yet subject to VAT.

3.16 Statement of Changes in Equity

Statement of changes in equity is prepared in accordance with IAS-1 "Presentation of Financial Statements". This statement reflects information about the increase or decrease in net assets or wealth.

3.17 Events after the reporting period

In compliance with the requirements of IAS 10: Events after the reporting period, post Balance Sheet events that provide additional information about the company's position at the reporting Date are reflected in the financial statements and events after the Balance Sheet date that are not adjusting events are disclosed in the notes when material.

3.18 Earnings per Share

This has been calculated in compliance with the requirements of IAS 33: Earnings Per share by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Basic Earning

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax year has been considered as fully attributable to the ordinary shareholders.

Weighted Average Number of ordinary Shares outstanding during the period.

The Basis of computation of number of shares is line with the provisions of IAS-33: Earnings per share. Therefore, the total number of shares outstanding at the year multiplied by a time-weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

SI No.	Particular's	Note	As at 30th Sep. 2018	As at 30th June 2018
4.00	PROPERTY, PLANT AND EQUIPMENT			
	Detail of fixed assets and depreciation are shown in the (Annexure - A)			
	A. Cost			
	Opening Balance as on 01 July 2018		1,496,661,726	1,452,976,966
	Addition during the period		1,373,990	59,168,436
	Retirement of Revaluation Surplus on Vehicle & Generator		-	(15,483,676)
	Total Cost		1,498,035,716	1,496,661,726
	B. Accumulated Depreciation			
	Opening Balance as on 01 July 2018		444,188,146	389,268,634
	Depreciation for the period		20,136,453	64,993,980
	Adjustment for Revaluation Surplus on Vehicle & Generator		-	(10,074,468)
	Total Accumulated Depreciation		464,324,599	444,188,146
	Written Down Value (WDV) (A - B)		1,033,711,117	1,052,473,580
	Details of Property, Plant & Equipment are shown in the " Annexure-A"			
5.00	Inventories			
	Raw Materials	Note-5.01	524,103,182	549,577,685
	Work-in-Progress		213,416,590	164,765,398
	Finished Goods		102,165,875	82,163,280
	Total		839,685,647	796,506,363
5.01	Raw Materials			
	Fabrics		326,237,690	342,138,760
	Accessories		197,865,492	207,438,925
	Total		524,103,182	549,577,685
6.00	Accounts Receivables			
	Opening Balance		654,628,905	512,270,369
	Add: Sales during the period		501,137,970	2,132,252,575
	Less: Received during the year		475,254,314	(1,989,894,039)
	Closing Balance		680,512,561	654,628,905
	i) Accounts receivables has been stated at their nominal value. Trade receivables are occurred in the ordinary course of business.			
	ii) Accounts receivable are considered as good and realizable.			
	iii) There is no such accounts receivables due by or to directors or other officers of the company.			
	iv) Management considered the account receivables are collectable and thus no provision has been made.			
7.00	Advances, Deposit and Prepayments			
	Advances	07.01	387,737,266	299,040,079
	Deposits	07.02	1,409,885	1,409,885
	Prepayments	07.03	470,384	668,056
	Deposit for BB L/C (Margin A/C)	07.04	288,400	29,873,440
	Total		389,905,935	330,991,460
	i) All the advances & deposit amount are considered good and recoverable.			
	ii) There is no amount due from any Directors or officers of the company other than advance against salary.			

7.01 Advances

Advance against Salary	762,313	381,000
Advance against Remuneration	-	-
Advance against House Rent	25,000	25,000
Advance against Purchase	346,224,912	260,594,228
TDS on Export	40,725,041	38,039,851
Total	387,737,266	299,040,079

7.02 Deposits

Security Deposit with T & T	18,400	18,400
Security Deposit with REB	779,000	779,000
Security Deposit with Titas Gas	612,485	612,485
Total	1,409,885	1,409,885

7.03 Prepayments

Factory Fire Insurance Premium	470,384	668,056
Total	470,384	668,056

7.04 Deposit for BBL/C**Branch**

Southeast Bank Limited	Banani	155-0000-0084	288,400	29,873,440
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(USD Rate,for the period from 01.07.2018 To 30.09 2018 = 3492.59 @ BDT 82.5747)

8.00 Cash and Cash Equivalents

Cash in Hand	08.01	81,225,384	93,645,816
Cash at Bank	08.02	1,921,181	1,694,530
Total		83,146,565	95,340,346

8.01 Cash in Hand

Balance in Cash	81,225,384	93,645,816
Total	81,225,384	93,645,816

8.02 Cash at Bank**Southeast Bank Limited:****Branch**

Current Account	Banani	111-0000-2613	6,506	3,975
Current Account	Banani	111-0000-7555	150,437	-
Special Notice(SND)	Banani	131-0000-1356	64,479	7,558
DAD Account	Banani	154-0000-0072	1,639,628	1,639,628
FC Account (USD)	Banani	152-0000-0010	57,215	42,092

IFIC Bank Limited:

Current Account	Konabari	1121-788456-001	2,916	1,277
Total			1,921,181	1,694,530

9.00 Share Capital**9.01 Authorized Capital**

10,00,00,000 Shares of Tk.10.00 each	1,000,000,000	1,000,000,000
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9.02 Issued, Subscribed & Paidup Capital

3,99,00,000 Shares of Tk.10.00 each

399,000,000**399,000,000**

The Shareholding position of the company are as under:

SI No.	Name of Shareholder	Position	No. of Shares	Percentage	Amount (BDT)
1	Mr. Osman Khadem	Chairman	4,788,000	12.00%	47,880,000
2	Mr. Mashiul Haq Chowdhury	Vice Chairman	1,596,000	4.00%	15,960,000
3	Mr. M. Zakir Chowdhury	MD & CEO	2,394,000	6.00%	23,940,000
4	Mr. Md. Asif Rahman	Director	2,394,000	6.00%	23,940,000
5	Mr. Maruful Haque Chowdhury	Director	2,394,000	6.00%	23,940,000
6	Mr. Mostafa Zamanul Bahar	Shareholder	3,890,000	9.75%	38,900,000
7	Mr. Md. Lutfar Rahman	Shareholder	2,394,000	6.00%	23,940,000
8	Ms. Tartila Akhter Chowdhury	Shareholder	2,740,000	6.87%	27,400,000
9	Ms. Mithy Islam Khan	Shareholder	3,890,000	9.75%	38,900,000
10	Ms. Afsana Jabin	Shareholder	2,740,000	6.87%	27,400,000
11	Ms. Fatema Mahbub	Shareholder	2,700,000	6.77%	27,000,000
12	Sigma Technologies Ltd.(Represented by Mr. Ali Mostafa)	Director	7,980,000	20.00%	79,800,000
	Total		39,900,000	100.00%	399,000,000

10.00 Revaluation Surplus**Opening Balance****Add:** Addition during the year**Less:** Adjustment for Vehicle & Generator**Less:** Adj. for Deferred Tax**Less:** Adj. for Depreciation on Revaluation Surplus**Closing Balance**

418,227,627	443,229,856
-	-
-	5,409,208
-	-
(6,178,696)	19,593,021
412,048,931	418,227,627

11.00 Retained Earnings**Opening Balance****Add:** Current year profit**Less:** Issue of Share (Bonus Share)**Add:** Adjustment for Deferred Tax on Revaluation Surplus**Add:** Adj. for Depreciation on Revaluation Surplus**Closing Balance**

517,636,812	419,613,998
23,009,497	75,758,018
-	-
-	2,671,776
6,178,696	19,593,021
546,825,006	517,636,812

12.00 Long Term Loans

1	South East Bank Limited	Banani	713-0000-0493	25,656,859	25,604,541
2	South East Bank Limited	Banani	713-0000-0501	15,660,194	15,631,006
3	South East Bank Limited	Banani	713-0000-0506	161,302,495	161,302,495
4	South East Bank Limited	Banani	713-0000-0512	9,539,449	9,529,081
5	South East Bank Limited	Banani	713-0000-0520	42,452,787	42,367,708
6	South East Bank Limited	Banani	713-0000-0525	11,980,286	11,577,847
7	South East Bank Limited	Banani	713-0000-0550	31,972,786	30,914,908
8	South East Bank Limited	Banani	713-0000-0563	17,318,403	16,749,175
Total				315,883,258	313,676,761

Current / Non- Current Classification :

Due Within One Year

Due After One Year

120,035,638	119,610,000
195,847,620	194,066,762
315,883,258	313,676,762

13.00 Deferred Tax Liabilities

Opening Deferred Tax Liabilities

Add: Charged During The Period**Less:** Adjustments for Depreciation of Revalued Portion**Total**

90,085,140	89,978,156
645,806	2,778,760
(842,550)	(2,671,776)
89,888,397	90,085,140

14.00 Accounts & Others Payables:**Opening Balance****Add:** Addition during the year**Less:** Payment during the year**Closing Balance**

1,386,286	1,914,563
55,400,287	75,632,137
(55,744,952)	76,160,414
1,041,622	1,386,286

i) All Accounts & other payable were incurred as usual in business operation & Paid regularly.

15.00 Accrued Expenses:

1 Audit Fee

2 Electricity Bill

3 Gas Bill

4 Incentive/Allowance

5 Internet Bill

6 Maternity Benefit

7 Overtime

8 Professional & Consultancy Fee

9 Staff Salary & Allowances

10 Telephone & Mobile Bill

11 Wages

Total

-	100,000
1,038,087	705,485
76,471	79,915
203,145	329,279
16,000	16,800
25,647	120,662
342,167	603,825
-	100,000
1,354,670	6,857,746
38,324	43,632
764,329	2,374,257
3,858,840	11,331,601

These are unsecured, falling due within one year.

16.00	Bank Overdraft				
	Southeast Bank Ltd.	Banani	733-0000-0182	19,239,209	19,190,167
	Southeast Bank Ltd.	Banani	733-0000-0210	156,362,272	150,803,337
				175,601,481	169,993,504

17.00 Short Term Bank Credit

Particulars of the Short Term Bank Credits (Southeast Bank Ltd., Banani Br.) are given below:

1	Time Loan	17.01	831,181,315	809,212,140
2	Packing Credit	17.02	73,637,607	27,558,362
3	Bill Purchase	17.03	6,299,026	6,081,435
4	Other Loan	17.04	5,984,126	-
5	BLC Import-Sight	17.05	-	-
6	EDF Loan	17.06	185,380	4,039,303
	Total:		917,287,454	846,891,240

17.01 Time Loan:

1	South East Bank Limited	Banani	712-0000-2930	26,905,418	25,912,120
2	South East Bank Limited	Banani	712-0000-2933	28,895,885	27,829,103
3	South East Bank Limited	Banani	712-0000-2938	26,326,721	25,354,788
4	South East Bank Limited	Banani	712-0000-2968	30,056,751	28,947,112
5	South East Bank Limited	Banani	712-0000-2974	34,829,159	33,543,331
6	South East Bank Limited	Banani	712-0000-2985	33,987,979	32,733,207
7	South East Bank Limited	Banani	712-0000-2993	34,102,149	32,843,161
8	South East Bank Limited	Banani	712-0000-3005	26,087,530	25,186,416
9	South East Bank Limited	Banani	712-0000-3015	27,422,697	26,475,464
10	South East Bank Limited	Banani	712-0000-3021	26,291,896	25,383,723
11	South East Bank Limited	Banani	712-0000-3037	27,408,141	26,461,411
12	South East Bank Limited	Banani	712-0000-3051	31,626,586	30,534,142
13	South East Bank Limited	Banani	712-0000-3057	34,295,026	33,110,409
14	South East Bank Limited	Banani	712-0000-3058	-	-
15	South East Bank Limited	Banani	712-0000-3064	31,441,667	30,280,899
16	South East Bank Limited	Banani	712-0000-3070	18,659,045	18,014,526
17	South East Bank Limited	Banani	712-0000-3071	36,098,046	34,808,209
18	South East Bank Limited	Banani	712-0000-3084	32,435,389	31,276,424
19	South East Bank Limited	Banani	712-0000-3098	16,516,229	15,926,079
20	South East Bank Limited	Banani	712-0000-3110	18,032,439	17,388,113
21	South East Bank Limited	Banani	712-0000-3118	22,606,539	21,824,495
22	South East Bank Limited	Banani	712-0000-3119	11,678,940	11,274,922
23	South East Bank Limited	Banani	712-0000-3130	28,890,655	27,891,220
24	South East Bank Limited	Banani	712-0000-3131	9,789,743	9,451,079
25	South East Bank Limited	Banani	712-0000-3144	34,267,758	33,083,196
26	South East Bank Limited	Banani	712-0000-3145	6,287,993	6,070,631
27	South East Bank Limited	Banani	712-0000-3153	33,965,843	32,792,597
28	South East Bank Limited	Banani	712-0000-3154	5,692,125	5,495,508
29	South East Bank Limited	Banani	71-20000-3166	36,427,508	35,169,231
30	South East Bank Limited	Banani	712-0000-3167	4,672,500	4,511,103
31	South East Bank Limited	Banani	712-0000-3182	33,379,317	32,226,330
32	South East Bank Limited	Banani	712-0000-3183	11,145,199	10,746,964
33	South East Bank Limited	Banani	712-0000-3185	4,438,866	4,285,539
34	South East Bank Limited	Banani	712-0000-3193	33,297,882	32,147,709
35	South East Bank Limited	Banani	712-0000-3300	-	25,203
36	South East Bank Limited	Banani	712-0000-3335	13,221,692	20,207,778
			TOTAL	831,181,315	809,212,140

17.02 Packing Credit:

1	South East Bank Limited	Banani	717-0000-5894	-	-
2	South East Bank Limited	Banani	717-0000-5895	-	-
3	South East Bank Limited	Banani	717-0000-5930	-	-
4	South East Bank Limited	Banani	717-0000-5931	-	-
5	South East Bank Limited	Banani	717-0000-5935	-	-
6	South East Bank Limited	Banani	717-0000-5937	-	-
7	South East Bank Limited	Banani	717-0000-5965	-	-
8	South East Bank Limited	Banani	717-0000-5967	-	-
9	South East Bank Limited	Banani	717-0000-5968	-	-
10	South East Bank Limited	Banani	717-0000-5969	-	-
11	South East Bank Limited	Banani	717-0000-5970	-	-
12	South East Bank Limited	Banani	717-0000-5971	-	-
13	South East Bank Limited	Banani	717-0000-5973	-	-
14	South East Bank Limited	Banani	717-0000-5997	-	-
15	South East Bank Limited	Banani	717-0000-5999	-	-
16	South East Bank Limited	Banani	717-0000-6000	-	-
17	South East Bank Limited	Banani	717-0000-6001	-	-
18	South East Bank Limited	Banani	717-0000-6002	-	-
19	South East Bank Limited	Banani	717-0000-6003	-	-
20	South East Bank Limited	Banani	717-0000-6004	-	-
21	South East Bank Limited	Banani	717-0000-6036	-	-
22	South East Bank Limited	Banani	717-0000-6037	-	-
23	South East Bank Limited	Banani	717-0000-6038	-	-
24	South East Bank Limited	Banani	717-0000-6039	-	-
25	South East Bank Limited	Banani	717-0000-6041	-	-
26	South East Bank Limited	Banani	717-0000-6042	-	-
27	South East Bank Limited	Banani	717-0000-6043	-	-
28	South East Bank Limited	Banani	717-0000-6044	-	-
29	South East Bank Limited	Banani	717-0000-6077	-	-
30	South East Bank Limited	Banani	717-0000-6078	-	-
31	South East Bank Limited	Banani	717-0000-6079	-	-
32	South East Bank Limited	Banani	717-0000-6080	-	-
33	South East Bank Limited	Banani	717-0000-6081	-	-
34	South East Bank Limited	Banani	717-0000-6082	-	-
35	South East Bank Limited	Banani	717-0000-6083	-	-
36	South East Bank Limited	Banani	717-0000-6084	-	965,286
37	South East Bank Limited	Banani	717-0000-6255	500,913	1,773,504
38	South East Bank Limited	Banani	717-0000-6323	-	21,506
39	South East Bank Limited	Banani	717-0000-6368	4,852	400,672
40	South East Bank Limited	Banani	717-0000-6369	16,490	562,709
41	South East Bank Limited	Banani	717-0000-6392	2,069	127,732
42	South East Bank Limited	Banani	717-0000-6417	38,789	1,267,739
43	South East Bank Limited	Banani	717-0000-6439	1,147	116,974
44	South East Bank Limited	Banani	717-0000-6530	528,099	518,167
45	South East Bank Limited	Banani	717-0000-6531	66,272	650,249
46	South East Bank Limited	Banani	717-0000-6532	-	233,578
47	South East Bank Limited	Banani	717-0000-6533	49,694	1,828,000
48	South East Bank Limited	Banani	717-0000-6534	4,659	507,903
49	South East Bank Limited	Banani	717-0000-6535	1,442,803	2,945,111
50	South East Bank Limited	Banani	717-0000-6541	2,586	121,782
51	South East Bank Limited	Banani	717-0000-6542	2,330	147,153
52	South East Bank Limited	Banani	717-0000-6543	-	517,338
53	South East Bank Limited	Banani	717-0000-6544	2,103	218,103

54	South East Bank Limited	Banani	717-0000-6545	2,615	395,612
55	South East Bank Limited	Banani	717-0000-6546	9,651	1,458,691
56	South East Bank Limited	Banani	717-0000-6547	6,687	725,437
57	South East Bank Limited	Banani	717-0000-6548	646,012	633,993
58	South East Bank Limited	Banani	717-0000-6549	3,436,787	3,372,843
59	South East Bank Limited	Banani	717-0000-6550		598,489
60	South East Bank Limited	Banani	717-0000-6595	1,666	398,533
61	South East Bank Limited	Banani	717-0000-6596	6,218	676,021
62	South East Bank Limited	Banani	717-0000-6597	1,579	731,485
63	South East Bank Limited	Banani	717-0000-6598	388	332,952
64	South East Bank Limited	Banani	717-0000-6599	1,592,904	1,563,864
65	South East Bank Limited	Banani	717-0000-6600	33,073	756,708
66	South East Bank Limited	Banani	717-0000-6601	2,534	232,115
67	South East Bank Limited	Banani	717-0000-6612	666,338	654,297
68	South East Bank Limited	Banani	717-0000-6613	1,517,201	1,489,784
69	South East Bank Limited	Banani	717-0000-6614	44,083	251,653
70	South East Bank Limited	Banani	717-0000-6615	5,282	362,380
71	South East Bank Limited	Banani	717-0000-6670	7,796	-
72	South East Bank Limited	Banani	717-0000-6671	406,394	-
73	South East Bank Limited	Banani	717-0000-6672	507,993	-
74	South East Bank Limited	Banani	717-0000-6673	1,219,183	-
75	South East Bank Limited	Banani	717-0000-6674	2,336,225	-
76	South East Bank Limited	Banani	717-0000-6675	1,218,900	-
77	South East Bank Limited	Banani	717-0000-6676	3,758,275	-
78	South East Bank Limited	Banani	717-0000-6677	4,063,000	-
79	South East Bank Limited	Banani	717-0000-6678	2,336,225	-
80	South East Bank Limited	Banani	717-0000-6686	4,234,456	-
81	South East Bank Limited	Banani	717-0000-6707	2,019,056	-
82	South East Bank Limited	Banani	717-0000-6708	1,615,244	-
83	South East Bank Limited	Banani	717-0000-6709	8,278,128	-
84	South East Bank Limited	Banani	717-0000-6710	4,946,686	-
85	South East Bank Limited	Banani	717-0000-6717	302,508	-
86	South East Bank Limited	Banani	717-0000-6718	605,017	-
87	South East Bank Limited	Banani	717-0000-6719	504,181	-
88	South East Bank Limited	Banani	717-0000-6720	605,017	-
89	South East Bank Limited	Banani	717-0000-6721	1,008,361	-
90	South East Bank Limited	Banani	717-0000-6722	1,008,361	-
91	South East Bank Limited	Banani	717-0000-6723	1,008,361	-
92	South East Bank Limited	Banani	717-0000-6724	2,016,722	-
93	South East Bank Limited	Banani	717-0000-6725	302,508	-
94	South East Bank Limited	Banani	717-0000-6730	830,885	-
95	South East Bank Limited	Banani	717-0000-6739	501,750	-
96	South East Bank Limited	Banani	717-0000-6740	2,508,750	-
97	South East Bank Limited	Banani	717-0000-6741	903,150	-
98	South East Bank Limited	Banani	717-0000-6742	702,450	-
99	South East Bank Limited	Banani	717-0000-6743	1,505,250	-
100	South East Bank Limited	Banani	717-0000-6744	1,806,300	-
101	South East Bank Limited	Banani	717-0000-6745	852,975	-
102	South East Bank Limited	Banani	717-0000-6746	2,508,750	-
103	South East Bank Limited	Banani	717-0000-6747	2,007,000	-
104	South East Bank Limited	Banani	717-0000-6748	903,150	-
105	South East Bank Limited	Banani	717-0000-6749	1,505,250	-
106	South East Bank Limited	Banani	717-0000-6750	2,157,525	-
TOTAL				73,637,607	27,558,362

17.03	Bill Purchase:					
1	South East Bank Limited	Banani	785-0000-4063		-	-
2	South East Bank Limited	Banani	785-0000-5281			1,584,163
3	South East Bank Limited	Banani	785-0000-5285			1,130,828
4	South East Bank Limited	Banani	785-0000-5286			891,834
5	South East Bank Limited	Banani	785-0000-5437			1,018,133
6	South East Bank Limited	Banani	785-0000-5438			1,456,477
7	South East Bank Limited	Banani	785-0000-5773		1,359,101	
8	South East Bank Limited	Banani	785-0000-5774		1,106,872	
9	South East Bank Limited	Banani	785-0000-5779		927,450	
10	South East Bank Limited	Banani	785-0000-5780		1,584,862	
11	South East Bank Limited	Banani	785-0000-5796		1,320,741	
TOTAL					6,299,026	6,081,435

17.04 Other Loan:

1	South East Bank Limited	Banani	708-0000-1065		-	-
2	South East Bank Limited	Banani	708-0000-1066		-	-
3	South East Bank Limited	Banani	708-0000-1073		-	-
4	South East Bank Limited	Banani	708-0000-1084		-	-
5	South East Bank Limited	Banani	708-0000-1107		-	-
6	South East Bank Limited	Banani	708-0000-1108		-	-
7	South East Bank Limited	Banani	708-0000-1109		-	-
8	South East Bank Limited	Banani	708-0000-1110		-	-
9	South East Bank Limited	Banani	708-0000-1307		-	-
10	South East Bank Limited	Banani	708-0000-1308		-	-
11	South East Bank Limited	Banani	708-0000-1363		-	-
12	South East Bank Limited	Banani	708-0000-1407		-	-
13	South East Bank Limited	Banani	708-0000-1409		-	-
14	South East Bank Limited	Banani	708-0000-1410		-	-
15	South East Bank Limited	Banani	708-0000-1412		-	-
16	South East Bank Limited	Banani	708-0000-1416		-	-
17	South East Bank Limited	Banani	708-0000-1417		-	-
18	South East Bank Limited	Banani	708-0000-1422		-	-
19	South East Bank Limited	Banani	708-0000-1443		-	-
20	South East Bank Limited	Banani	708-0000-1444		-	-
21	South East Bank Limited	Banani	708-0000-2027		667,251.76	-
22	South East Bank Limited	Banani	708-0000-2028		461,578.03	-
23	South East Bank Limited	Banani	708-0000-2029		618,277.40	-
24	South East Bank Limited	Banani	708-0000-2030		484,144.20	-
25	South East Bank Limited	Banani	708-0000-2032		1,035,941.78	-
26	South East Bank Limited	Banani	708-0000-2042		412,126.69	-
27	South East Bank Limited	Banani	708-0000-2043		383,237.61	-
28	South East Bank Limited	Banani	708-0000-2044		473,239.83	-
29	South East Bank Limited	Banani	708-0000-2045		1,448,328.22	-
TOTAL					5,984,126	-

17.05	BLC Import-Sight:					
1	Southeast Bank Limited	Banani	714-0000-7515		-	-
TOTAL					-	-

17.06	EDF Loan:					
1	Southeast Bank Limited	Banani	719-00000-562	-	-	
2	Southeast Bank Limited	Banani	719-00000-563	-	-	
3	Southeast Bank Limited	Banani	719-00000-567	-	-	
4	Southeast Bank Limited	Banani	719-00000-570	-	-	
5	Southeast Bank Limited	Banani	719-00000-571	-	-	
6	Southeast Bank Limited	Banani	719-00000-582	-	-	
7	Southeast Bank Limited	Banani	719-00000-595	-	-	
8	Southeast Bank Limited	Banani	719-00000-613	-	-	
9	Southeast Bank Limited	Banani	719-00000-614	-	-	
10	Southeast Bank Limited	Banani	719-00000-643	-	-	
11	Southeast Bank Limited	Banani	719-00000-647	-	-	
12	Southeast Bank Limited	Banani	719-00000-653	-	-	
13	Southeast Bank Limited	Banani	719-00000-661	-	-	
14	Southeast Bank Limited	Banani	719-00000-662	-	-	
15	Southeast Bank Limited	Banani	719-00000-663	-	-	
16	Southeast Bank Limited	Banani	719-00000-664	-	-	
17	Southeast Bank Limited	Banani	719-00000-671	-	-	
18	Southeast Bank Limited	Banani	719-00000-672	-	-	
19	Southeast Bank Limited	Banani	719-00000-676	-	-	
20	Southeast Bank Limited	Banani	719-00000-680	-	-	
21	Southeast Bank Limited	Banani	719-00000-686	-	-	
22	Southeast Bank Limited	Banani	719-00000-687	-	-	
23	Southeast Bank Limited	Banani	719-00000-692	-	-	
24	Southeast Bank Limited	Banani	719-00000-693	-	-	
25	Southeast Bank Limited	Banani	719-00000-699	-	-	
26	Southeast Bank Limited	Banani	719-00000-700	-	-	
27	Southeast Bank Limited	Banani	719-00000-701	-	-	
28	Southeast Bank Limited	Banani	719-00000-706	-	-	
29	Southeast Bank Limited	Banani	719-00000-707	-	-	
30	Southeast Bank Limited	Banani	719-00000-714	-	-	
31	Southeast Bank Limited	Banani	719-00000-726	-	-	
32	Southeast Bank Limited	Banani	719-00000-727	-	-	
33	Southeast Bank Limited	Banani	719-00000-746	-	-	
34	Southeast Bank Limited	Banani	719-00000-749	-	-	
35	Southeast Bank Limited	Banani	719-00000-750	-	-	
36	Southeast Bank Limited	Banani	719-00000-844	-	3,945,270	
37	Southeast Bank Limited	Banani	719-00000-845	-	94,033	
38	Southeast Bank Limited	Banani	719-00000-1039	185,380	-	
			TOTAL	185,380	4,039,303	
Total Short Term Loan				917,287,454	846,891,240	

18.00 Deferred L/C Liabilities

Margin Against Acceptance

9,516,81611,427,381

(USD 113,633.62 @ BDT 83.75)

19.00 Provision for WPPF

Balance as on 01.07.2018

25,128,577

25,128,577

Add: Provision for the period

-

-

Total25,128,57725,128,577

Until June 30, 2017, Provision for Workers Profit Participation Fund were made @ 5% of net profit after charging the contribution and such contribution provided as per provision of The Bangladesh Labour Act 2006. The company did not make any such provision during this year because the company started to contribute to Central Fund for welfare of employees as per notification no. 40.00.0000.015.28.002.16.484 dated December 21, 2016 by Ministry of Labor and Employment.

20.00 Provision for Financial Expenses

Balance as on 01.07.2018

81,398,813

71,398,813

Add: Provision for the period

2,500,000

10,000,000

Total83,898,81381,398,813

As per sanction letter no. SEBL/BAN/CR/2012/2205 Dated October 21, 2012 and SEBL/BAN/CR/161/2014 dated January 28, 2014 and subsequent letter no. SEBL/BAN/CR/2017/568 dated 05 October 2017, Southeast Bank Ltd will not charge further interest until the full amount of the particular loans are adjusted. However, as per conservative approach, partial amount against the blocked interest has been kept by the management as provision for blocked interest on particular loan.

Sl No.	Particular's	Note	As at 30th Sep. 2018	As at 30th Sep. 2017
21.00	Sales Revenue			
	Total Export Value for the period ended September 30, 2018 is USD 6,068,904.52@82.5747(Average) equivalent to BDT 501,137,970 and for the period ended September 30, 2017 is USD 2,635,782.74@780.44(Average) equivalent to BDT 623,622,202 when delivery challan is issued.			
	Export Sales Revenue		501,137,970	460,019,426
			-	-
	Total Sales Revenue		501,137,970	460,019,426
22.00	Cost of Goods Sold			
A)	Opening Stock of Raw Materials	Annex-B	549,577,685	294,286,102
B)	Add: Purchase during the period	22.01	335,762,440	169,051,710
C)	Less: Closing Stock of Raw Materials	5.01	524,103,182	244,375,006
D)	Materials Consumed	(A + B - C)	361,236,943	218,962,806
E)	Add: Direct Labour	22.02	54,235,749	55,876,243
F)	Prime Cost	(D - E)	415,472,692	274,839,049
G)	Add: Factory Overhead	22.03	45,916,643	41,952,739
H)	Cost of Manufacturing	(F - G)	461,389,335	316,791,787
I)	Add: Opening Work-in-Process	5.00	164,765,398	243,210,892
J)	Less: Closing Work-in-Process	5.00	213,416,590	190,421,120
K)	Cost of Goods Manufactured	(H + I - J)	412,738,143	369,581,559
L)	Add: Opening Stock of Finished Goods	5.00	82,163,280	106,544,994
M)	Less: Closing Stock of Finished Goods	5.00	102,165,875	99,841,415
N)	Cost of Goods Sold	(K + L -M)	392,735,548	376,285,138

22.01 Purchase of Raw Materials

Fabric	240,546,226	105,102,373
Accessories	95,216,214	63,949,336
Total	335,762,440	169,051,710

The details of Purchase of Raw Materials are shown in Annexure-B;

22.02 Direct Labour

Total Direct Labour	54,235,749	55,876,243
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22.03 Factory Overhead

1	C & F Charges					130,700	133,635
2	Carriage Inward					285,330	346,000
3	Cleaning Charges					18,000	19,000
4	Depreciation			Annex-A		11,795,587	11,795,587
5	Depreciation on Rev. of Fixed Assets			Annex-A		7,628,355	7,628,355
6	Diesel Expenses					923,000	572,000
7	Earn Leave Benefit (Worker)					3,692,613	3,288,214
8	Electric Goods					300,723	20,843
9	Electricity Bill					2,949,901	1,494,303
10	Entertainment					725,306	215,448
11	Factory Fire Insurance Premium					200,417	197,672
12	Factory General Expenses					38,657	9,070
13	Festival Bonus (worker)					8,096,514	12,713,227
14	Finishing & Wash Charges					20,000	10,000
15	Freight Charges					3,360,447	-
16	Garments Testing Expenses					128,453	11,582
17	Gas Bill					224,676	189,442
18	Group Insurance Premium					22,000	-
19	Inspection Fee					132,000	-
20	Machine Rent					151,650	335,940
21	Marine Insurance Premium					3,540,899	1,185,620
22	Maternity Benefit					568,099	135,465
23	Medical Expenses					8,309	9,249
24	Mould & Folder					147,100	136,960
25	Overtime					645,825	1,271,099
26	Outside Sub- Contract Bill					4,760	-
27	Repair & Maintenance at Factory					177,322	234,027
Total						45,916,643	41,952,739

23.00 Administrative & Selling Expenses

SI No.	Particular's	Note	As at 30th Sep. 2018	As at 30th Sep. 2017
1	C & F Charges		2,510,828	299,234
2	Car Rent & Other Expenses		1,011,324	1,003,029
3	Carriage Outward		380,800	112,900
4	Conveyance & Travel		150,970	136,445
5	Commercial Expenses		311,477	307,044
6	Contribution to central fund		99,666	149,242
7	Depreciation	Annex-A	1,210,775	1,210,775
8	Depreciation on Rev. of Fixed Assets	Annex-A	84,938	84,938
9	Donation, Subscription & Gift		225,500	120,000
10	Earn Leave Benefit (Staff)		714,314	495,116
11	Entertainment		615,063	457,796
12	Festival Benefit		4,273,763	4,947,023
13	Fuel, Gas & Lubricants		717,915	753,998
14	Incentive/Allowance		506,348	436,628
15	Internet Bill		54,300	35,380
16	Labor Charges		57,600	27,850
17	Land Tax		3,360	3,360
18	License Renewal & Registration Fee		245,505	159,431
19	Director's Remuneration & Benefits		2,925,000	2,925,000
20	Miscellaneous Expenses		998,947	146,394
21	Newspaper & Magazine		1,472	1,090
22	Office General Expenses		139,263	83,066
23	Phone, Fax & Mobile Bill		60,160	35,610
24	Postage & Courier		604,920	394,373
25	Printing & Stationery		313,920	108,908
26	Uniform, Lverage & Welfare		-	18,440
27	Vehicle/Car Maintenance		102,568	76,535
28	Staff Salaries		16,873,674	16,026,526
29	Tour & Travel Expenses		355,677	1,125,324
Total			35,550,048	31,681,456

24.00 Financial Expenses:

Bank Interest, Charges

Add: Provision for Blocked Interest on Long Term Loan

Total

43,471,348

2,500,000

45,971,348

24,086,353

2,500,000

26,586,353

NEW LINE CLOTHINGS LTD.
Schedule of Property, Plant & Equipment
For the period from 1st July 2018 to 30th September, 2018

A. At Cost Model

Annexure A

Particulars	C	O	S	T	Rate of Depreciation (%)	D E P R E C I A T I O N			Written down Value as on 30.09.2018
	Balance as on 01.07.2018		Addition This Period	Balance as on 30.09.2018		Balance as on 01.07.2018	Charged This Period	Balance as on 30.09.2018	
Land & Land Development	3,313,250	-	-	3,313,250	0%	-	-	-	3,313,250
Building	373,603,843	-	-	373,603,843	5%	81,671,610	4,865,537	86,537,147	287,066,696
Plant & Machinery	216,459,054	386,500	-	216,845,554	10%	109,974,270	3,562,376	113,536,646	103,308,908
Vehicles	3,525,700	-	-	3,525,700	20%	2,870,094	43,707	2,913,801	611,899
Electric Equipments	72,365,672	276,000	-	72,641,672	10%	27,406,343	1,507,844	28,914,188	43,727,484
Furniture & Fixture	31,860,401	221,800	-	32,082,201	10%	9,072,742	766,982	9,839,724	22,242,477
Office Equipments	17,515,838	180,850	-	17,696,688	10%	5,502,695	406,466	5,909,161	11,787,527
Generator	14,475,360	-	-	14,475,360	15%	8,501,648	298,686	8,800,334	5,675,026
Fire Equipments	63,112,893	9,900	-	63,122,793	5%	5,903,991	953,647	6,857,638	56,265,155
Computer & Accessories	2,271,055	5,500	-	2,276,555	5%	672,109	26,741	698,850	1,577,705
Spares & Accessories	19,777,054	293,440	-	20,070,494	15%	6,647,769	671,136	7,318,906	12,751,588
Sundry Assets	762,986	-	-	762,986	10%	400,452	12,084	412,537	350,449
Total as on 30.09.2018	819,043,106	1,373,990	1,373,990	820,417,096		258,623,724	13,115,207	271,738,930	548,678,166
Total as on 30.06.2018	759,874,670	59,168,436	-	819,043,106		215,894,539	42,729,184	258,623,724	560,419,382

B. At revalued Model

Particulars	Revaluation Reserve			Rate of Depreciation (%)	D E P R E C I A T I O N			Written down Value as on 30.09.2018
	Balance as on 01.07.2018	Addition This Period	Balance as on 30.09.2018		Balance as on 01.07.2018	Charged This Period	Balance as on 30.09.2018	
Land & Land Development	86,586,750	-	86,586,750	0%	-	-	-	86,586,750
Building	557,982,704	-	557,982,704	5%	168,322,571	6,494,336	174,816,907	383,165,797
Plant & Machinery	33,049,166	-	33,049,166	10%	17,241,852	526,910	17,768,763	15,280,403
Total as on 30.09.2018	677,618,620	-	677,618,620	-	185,564,423	7,021,246	192,585,669	485,032,951
Total as on 30.06.2018	677,618,620	-	677,618,620		163,299,627	22,264,796	185,564,423	492,054,197

C. Grand Total

Total as on 30.09.2018	1,496,661,726	1,373,990	1,498,035,716	-	444,188,147	20,136,453	464,324,600	1,033,711,116
Total as on 30.06.2018	1,437,493,290	59,168,436	1,496,661,726	-	379,194,166	64,993,980	444,188,147	1,052,473,579

Total Depreciation:

Depreciation charges on Assets, during the period.

Depreciation charge on Revaluation of Assets,during the period.

Administrative Overhead

Depreciation charges on Assets, during the period.

Depreciation charge on Revaluation of Assets,during the period.

Factory Overhead

Depreciation charges on Assets, during the period.

Depreciation charge on Revaluation of Assets,during the period.

Amount in BDT	
30.09.2018	30.06.2018
13,115,207	60,838,886
7,021,246	4,155,094
20,136,453	64,993,980
1,255,981	42,729,184
	22,264,796
1,255,981	64,993,980
11,859,226	38,574,090
7,021,246	4,155,094
18,880,472	42,729,184

dd) Factors that may affect the results of operations.

However, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business, the business operation of the Company may be affected by the following events:

- Decrease in the demand of readymade garments products;
- Increased production cost;
- Decrease in product selling price;
- Increased Competition;
- Scarcity of Electricity and raw materials;
- Govt. Policy Changes towards the industry;
- Political unrest;
- Natural disaster.

CHAPTER - VII

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION

(a) Overview of Business and Strategies;

Overview of Business:

New Line Clothings Limited (hereinafter referred to as "the Company") was incorporated on May 23, 2000 vide registration no. 40328(2296)/2000 as a private limited company in Bangladesh under the Companies Act, 1994. It has started its commercial production on March 01, 2007. On September 30, 2013, the Company was converted itself as a Public Limited Company under the Companies Act, 1994. The registered & factory office of the company is located at its own premises at Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur.

Nature of Business:

The principal activities of the company is to manufacture various kinds of woven Garments for both ladies and gents including trousers, shirts, children wear, gents wear, female wear, jackets, Sportswear, denim garments etc. and marketing thereof.

Business strategies:

NLCL has modern machineries and technology that ensures quality products. Quality is main concern while formulating our strategy. We try to produce goods with cheap cost so that we can get competitive advantages over our competitors. We also believe in providing customizing products to our customer as per need basis so that we can get maximum market share of our products. Therefore, innovation is always there.

(b) SWOT Analysis

A SWOT analysis is a structured planning method that helps to evaluate the strengths, weaknesses, opportunities and threats involved in a business venture. It identifies the internal and external factors that affect business venture. Strength and Weakness are evaluated with internal factors whereas Opportunity and Threat are evaluated by external factors. The SWOT analysis of the company is as follows:

Strengths S

- **Experience Management:** Newline has experience & skilled management in this line.
- **Brand loyalty:** The Quality of Company's products to its customers have enabled the company to capture significant market share in the sector. We have a very strong customer base and healthy business relationship and doing business for a long time.
- **Low labour cost:** Countrywide low labour cost has enabled us to compete with foreign competitors outside Bangladesh.
- **Raw material supply:** Trouble free supply of input materials for processing with a wide range of dedicated manufacturers and suppliers.
- **Supportive management:** Support from the management for the managerial decision-making.
- **High performance machineries:** NLCL has been using modern machineries that increase productivity.
- **Application of Corporate Governance Guideline:** NLCL complies with the Corporate Governance Guideline, which ensure good governance within the company.

Opportunities O

- **Market orders exports:** Huge volumes of orders from export oriented textile Industries.
- **Government policy favoring the industry:** Since Textile is the leading sector of export earning wing, Government is fully devoted to extend its cooperation so that garments industry can flourish over the years.
- **Favorable Zone:** The Company factory is located at Gazipur, which is friendly zone in terms of doing business.
- **Labor price:** The industry is labor-intensive and reasonable labor price has huge advantage for cost minimizing that helps us competitive edge over our competitor.

Weaknesses W

- **Unskilled Workers:** NLCL has unskilled worker that reduces productivity.
- **Cost of maintenance and spare parts:** High cost of new spare parts and high cost of maintenance (Consumables and technician).

Threats T

- **Intense competition:** Global competition in this sector may affect the profitability of the company.
- **Government regulation:** Governments restriction if imposed will create new complications.
- **Political unrest:** Political unrest is a big threat for any company. A sound political environment is required for a sustainable growth in this sector.
- **Exchange Rate Fluctuation:** Now taka is stronger against dollar and it is stable for past few years because of good initiatives by the central Bank.
- **Lack of Power Supply:** We have power supply shortage in our country. For business expansion, we need continuous power supply such as gas and electricity to run our operation smoothly.

(c) Analysis of the financial statements of last five years with reason(s) of fluctuating revenue or sales, other income, total income, cost of material, finance cost, depreciation and amortization expense, other expense; changes of inventories, net profit before & after tax, EPS etc.

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Total revenue	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471
Other income	18,109,273	1,478,322	-	-	-
Total income	2,099,904,071	1,608,938,496	1,736,270,556	1,977,858,166	1,673,470,471
Cost of material	1,812,004,060	1,354,399,960	1,486,331,422	1,694,612,436	1,434,903,331
Finance cost	79,731,833	78,464,255	72,822,647	49,484,852	76,830,611
Depreciation expenses	63,913,661	57,511,130	54,903,137	53,615,249	57,399,296
Amortization expenses	-	-	-	-	-
Other expenses	-	-	-	-	-
Changes of inventories	87,887,073	41,907,831	106,082,917	111,011,563	126,481,325
Net Profit before tax	85,611,795	65,108,307	69,410,728	151,723,817	133,192,558
Net Profit after tax	76,903,280	50,568,205	57,263,851	137,928,238	119,804,794
EPS	1.93	1.27	5.78	13.93	12.10

Reason of fluctuation:

Revenue:

As it can be observed from the above table, though the overall sales increased over the years as the Company's productivity increased except sales of 2014-2015 & 2015-2016 are in decline trend.

Other Income:

Other income has significantly increased in 2016 & 2017 due to cash incentive receive from bank and Foreign Currency gain.

Total Income:

Since Revenue is increased, so naturally total income is increased.

Cost of Materials:

The costs of materials to revenue are consistent over the years.

Finance Cost:

The company has taken short term and long-term loan from bank in last five years for importing raw materials, constructing factory building and procuring new machineries. So the finance cost and bank charge increased and the trend is relevant to the production and also consistent with the revenue.

Depreciation and Amortization:

The increase of depreciation is relevant with the procurement and installation of machineries. No significant changes have been occurred. The company did not amortize any of its capital expenditure during the last five years.

Other Expenses:

The company did not incur any other expenses other than regular expenses during the last five years

Changes of inventory:

There has been increasing of installed capacity and sales volume over the year. The demand for our products is also increasing. Therefore, NLCL has to maintain sufficient amount of inventory in order to meet the sales order. Thus, inventory is increasing year to year.

Net profit before and after Tax:

The growth of net profit before and after tax is consistent with the growth of the revenue. No unusual changes have been occurred during the last three years on the above matters.

Earnings per Share:

Earnings per Share are properly calculated through using weighted average number of ordinary shares for each year.

(d) Known trends demands, commitments, events or uncertainties that are likely to have an effect on the company's business;

However, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business, the business operation of the Company may be affected by the following events:

- Decrease in the demand of readymade garments products;
- Increased production cost;
- Decrease in product selling price;
- Increased Competition;
- Scarcity of Electricity and raw materials;
- Govt. Policy Changes towards the industry;
- Political unrest;
- Natural disaster.

(e) Trends or expected fluctuations in liquidity;

There are no trends of expected fluctuations in liquidity.

(f) Off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

There are no off-balance sheet arrangements those have or likely to have a current or future effect on financial condition.

CHAPTER - VIII

DIRECTORS AND OFFICERS

CHAPTER (VIII): DIRECTORS AND OFFICERS

(a) Name, Father's name, age, residential address, educational qualification, experience and position of each of the directors of the company and any person nominated or represented to be a director, showing the period for which the nomination has been made and the name of the organization which has nominated him;

Sl. No.	Name of Directors	Father's Name	Age (Years)	Residential Address	Educational Qualification	Experience	Position	Period of Nomination	Name of Nominated Organization
01	Osman Khadem	Osman Pasha	46	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka	B.A	23	Chairman	N/A	N/A
02	M. Zakir Chowdhury	Dr. A.K.M. Rafiquzzaman Chowdhury	55	House No. 2/2, Siddeshwari Lane, Shantinagar, Ramna, Dhaka	B.sc, M.sc, MBA(IBA,DU)	23	Managing Director & CEO	N/A	N/A
03	Md. Asif Rahman	Md. Motiur Rahman	31	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka	BBA	11	Director	N/A	N/A
04	Mashiul Haq Chowdhury	Matinul Haque Chowdhury	45	House No.64, Block-1, Road No.1, Banani, Dhaka	B.A	18	Director	N/A	N/A
05	Maruful Haque Chowdhury	Matinul Haque Chowdhury	32	House No.64, Block-1, Road No.1, Banani, Dhaka	BBA	8	Director	N/A	N/A
06	Ali Mostafa	Late Ali Hossain	44	House # 26, Apt.-A3, Road # 02, Sector # 04, Uttara Model Town, Dhaka-1230.	B.A	15	Director	10.12.2017	Sigma Technologies Ltd.
07	Md. Saiful Islam Helaly	Md. Hossain Ali	47	Ombor, 117/Ka, Azimpur Road, Dhaka-1205	B.Com(Hon's), M.Com, MBA	23	Independent Director	N/A	N/A
08	Syed Kamal Uddin	Syed Badsha Mia	41	House # 28, Abdullahbagh Road, P.O: Gulshan, Badda, Dhaka-1212, Bangladesh.	B.Com(Hon's), M.Com	19	Independent Director	N/A	N/A

(b) The date on which he first became a director and the date on which his current term of office shall expire;

Sl. No.	Name of Directors	Position	Date of Becoming Director for the First Time	Date of Expiration of current term
01	Osman Khadem	Chairman	15.02.2004	Next AGM
02	M. Zakir Chowdhury	Managing Director & CEO	12.05.2013	Next AGM
03	Md. Asif Rahman	Director	29.08.2012	Next AGM
04	Mashiul Haq Chowdhury	Director	29.08.2012	Next AGM
05	Maruful Haque Chowdhury	Director	29.08.2012	Next AGM
06	Ali Mostafa (Nominated by Sigma Technologies Ltd.)	Nominated Director	28.07.2013	Next AGM
07	Md. Saiful Islam Helaly	Independent Director	26.04.2017	Next AGM
08	Syed Kamal Uddin	Independent Director	26.04.2017	Next AGM

(c) If any director has any type of interest in other businesses, names and types of business of such organizations. If any director is also a director of another company or owner or partner of any other concern, the names of such organizations;

Name of Directors & Position	Directorship/Sponsorship/Ownership with other Companies	Type of Business	Position
Osman Khadem Chairman	Signal 7 Limited	Import, Export and ICT	Managing Director
M. Zakir Chowdhury Managing Director & CEO	N/A		
Md. Asif Rahman Director	Sigma Technologies Ltd.	Import, Export, ICT assembler & Supplier.	Managing Director
	Marsh Services Pvt. Limited	Import & Export	Director
Mashiul Haq Chowdhury Director	Tangent Corporation	Trading Business	Director
Maruful Haque Chowdhury	Tangent Corporation	Trading Business	Director

Director			
Ali Mostafa (Nominated by Sigma Technologies Ltd.) Nominated Director	N/A		
Md. Saiful Islam Helaly Independent Director	Nahee Aluminum Composite Panel Ltd.	Aluminum composite panel manufacturer	Independent Director
Syed Kamal Uddin Independent Director	N/A		

(d) Statement of if any of the directors of the issuer are associated with the securities market in any manner. If any director of the Issuer Company is also a director of any issuer of other listed securities during last three years then dividend payment history and market performance of that issuer;

There is no involvement of any director of the NLCL except Md. Saiful Islam Helaly of Nahee Aluminum Composite Panel Ltd. as an Independent director of an issuer of the listed securities.

Md. Saiful Islam Helaly:

Name of the Issue	Publication Date of Prospectus	Listing Year	Issue Price	Dividend Payment History		
				2018	2017	2016
Nahee Aluminum Composite Panel Ltd.	August 28, 2017	2017	10.00	7% C, 10% B	5% C, 10% B	-

Nahee Aluminum Composite Panel Ltd.:

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Turnover	749,155,485	525,890,785	400,753,353	355,674,563	45,555,670
Gross Profit	262,013,316	181,919,338	134,525,917	118,696,701	10,972,084
Net Profit after Tax	148,116,922	84,471,470	51,498,850	37,652,674	2,710,667
NAV per share	14.78	15.34	12.78	14.04	10.27
Earnings per Share	3.08	2.56	2.33	3.77	0.54

Source: www.nahee.com.bd

(e) Any family relationship (father, mother, spouse, brother, sister, son, daughter, spouse's father, spouse's mother, spouse's brother, spouse's sister) among the directors and top five officers;

Family relationship among directors:

Sl. No.	Name of Directors	Designation	Relationships
1	Osman Khadem	Chairman	Cousin of Mashiul Haq Chowdhury (Vice Chairman) & Maruful Haque Chowdhury (Director).
2	Mashiul Haq Chowdhury	Vice Chairman	Cousin of Chairman and elder brother of Maruful Haque Chowdhury (Director).
3	Maruful Haque Chowdhury	Director	Cousin of Chairman and younger brother of Mashiul Haq Chowdhury (Vice Chairman).

Family relationship among directors and top five officers of the Company:

There is no family relationship among any of the directors and any of the top five employees of the company except mentioned above.

(f) A very brief description of other businesses of the directors;

Sl. No.	Name of Companies	Date of Incorporation	Nature of Business	Legal Status	Equity Capital (Tk.)
1	Sigma Technologies Ltd.	15.12.2004	Import, Export, ICT, Supplier & Assembler.	Private Ltd.	1,200,000
2	Nahee Aluminum Composite Panel Ltd.	24.10.2010	Manufacturer of Aluminum Composite Panel (ACP)	Public Ltd.	506,333,661
3	Signal 7 Limited	28.11.2007	Import, Export and ICT	Private Ltd.	2,000,000
4	Marsh Services Pvt. Limited	17.07.2008	Import & Export	Private Ltd.	1,500,000
5	Tangent Corporation	21.09.2010	Indenting	Partnership firm	-

(g) Short bio-data of each director;

Osman Khadem

Chairman, New Line Clothings Ltd.

Mr. Osman Khadem, Honorable Chairman of New Line Clothings Ltd. completed his Bachelor Degree from National University. Mr. Khadem having long experience in the different business ventures and built a strong reputation in the textile sector of the country.

Being a passionate entrepreneur, he looks after the total financial management of the company and looks for different avenues for development as per trend of the global textile and clothing sector for continuous growth of the company.

Mashiul Haq Chowdhury

Vice Chairman, New Line Clothings Ltd.

Mr. Mashiul Haq Chowdhury, Vice Chairman of the Company completed his postgraduate from National University. In the year 1996, he started his business career. His passion for excellence and cultivating innovations has roped in professionals from different fields to join in the organizations running under his control and explore their hidden talents.

M. Zakir Chowdhury

Managing Director & CEO, New Line Clothings Ltd.

Mr. M. Zakir Chowdhury, Managing Director & CEO of the Company has 23 years' experience in business arena. He completed his business degrees from top management school (MBA in Finance & M.Sc in Economics) of the country have made Mr. Zakir well equipped for handling the top global clothing Brands.

With the experience of numerous variety of woven and knitted products with different needs and demands of buyers from different corners the world, he has become trend-efficient of the styles and fashion and is capable of meeting multifarious demands of the customers. Being the MD & CEO, presently he looks after the marketing, handling product inquires operations and overall management of the company.

Md. Asif Rahman

Director, New Line Clothings Ltd.

Md. Asif Rahman is a dynamic business entrepreneur and well-reputed business leader of the country. He has been serving in garments sector for a quite significant time in various arena of the sector. Mr. Rahman graduated from American International University in Business admiration.

Maruful Haque Chowdhury

Director, New Line Clothings Ltd.

Mr. Maruful Haque Chowdhury is a director of the company. He is pursuing a bachelor degree from UK. He is a responsible for the procurement and looks after banking matter of the company. He plays a vital role in the negotiations with the buyers.

Ali Mostafa (Nominated by Sigma Technologies Ltd.)

Nominated Director, New Line Clothings Ltd.

Mr. Ali Mostafa is nominated director of Sigma Technologies Ltd. He completed his bachelor degree from National University of Bangladesh. He has a 15 years working experience in different area of garments & trading sector.

He shares his full expertise wherever needed as well as taking care for his nominated company interest.

Md. Saiful Islam Helaly

Independent Director, New Line Clothings Ltd.

Md. Saiful Islam Helaly is presently CEO of Metrocem Group who obtained B.Com (Hon's) and M.Com from Dhaka University and obtained MBA degree with specialization in finance from International Islamic University, Chittagong (IIUC).

Before joining Metrocem as CEO, he started his career as sales officer for Nestle Bangladesh Limited in 1994 and later in these several year in his professional journey, he worked in Akij group, Shah Cement Industries Limited, Premier Cement Mills Limited, Meghna Group of Industries, Bashundhara Group and Anwar Group of industries in different management positions. In 2015, he joined Panna Group as CEO.

Syed Kamal Uddin Is a graduate and masters of Commerce (major in Accounting) from Jagannath University who later joined Shiraz Khan Basak and Co. as an article student and successfully completed CA course and articleship and graduated as a Chartered Accountant from there. During his long career of 14 years, he worked in many organizations in various management positions. Some of the note able position he held in organization he worked as follows- Joined Aamra Group in January 1999 as executive (Accounts and Finance), then promoted and transferred as Senior Executive (Accounts and Finance) at Aamra Resources Limited and later in 2004 promoted as Assistant Manager for the same. Later in his career, he was promoted as Manager at Aamra Apparels Limited and Aamra Dychem Limited. He later joined Landmark Group as Manager (Audit and Accounts) in 2009 .He then joined NZ Group as Manager (Accounts and Finance) in 2010 and the transferred as AGM (Accounts, Finance and Supply Chain) before promoted as DGM (Coordinator) for the same.

(h) Loan status of the issuer, its directors and shareholders who hold 10% or more shares in the paid-up capital of the issuer in terms of the CIB Report of Bangladesh Bank;

Neither the Company nor any of its directors and shareholders who holds 10% or more shares in the paid-up capital of the Issuer is loan defaulter as per the CIB report of the Bangladesh Bank.

(i) Name with position, educational qualification, age, date of joining in the company, overall experience (in year), previous employment, salary paid for the financial year of the Chief Executive Officer, Managing Director, Chief Financial Officer, Company Secretary, Advisers, Consultants and all Departmental Heads. If the Chairman, any director or any shareholder received any monthly salary than this information should also be included;

Sl. No.	Name of Directors/Employees	Position	Educational Qualification	Age (Year)	Date of Joining	Overall Experience	Previous Employment	Salary Paid for the Financial year
1	Osman Khadem	Chairman and Head of Compliance & Ethical Standard	B.A	46	15.02.2004	23	Vega Garments Ltd	3,180,000
2	M. Zakir Chowdhury	Managing Director & CEO	B.sc, M.sc, MBA (IBA,DU)	55	12.05.2011	23	Landmark Group	6,180,000
3	Md. Asif Rahman	Director Finance	BBA	31	29.08.2012	11	Sigma Technologies Ltd	780,000
4	Mashiul Haq Chowdhury	Head of IT	B.A	45	29.08.2012	18	Tangent Corporation	780,000
5	Maruful Haque Chowdhury	Director, Commercial	BBA	32	29.08.2012	8	Bank Asia Ltd	780,000
6	Masunul Haque Chowdhury	Director, HR & Admin	BBA	35	29.08.2012	12	Marsh Services Pvt. Ltd	1,080,000
7	Sharif Ahmed	Chief Financial Officer	M.Com	38	01.10.2013	17	Sigma Technologies Ltd	1,008,000
8	Md. Mozammel Hossain	Company Secretary	M.Com	59	01.08.2017	30	Sonali Bank Ltd	-

(j) Changes in the key management persons during the last three years. Any change otherwise than by way of retirement in the normal course in the senior key management personnel particularly in charge of production, planning, finance and marketing during the last three years prior to the date of filing the information memorandum. If the turnover of key management personnel is high compared to the industry, reasons should be discussed;

No key management person has changed during the last three years except Md. Mozammel Hossain, Company Secretary has joined 01.08.2017.

(k) A profile of the sponsors including their names, father's names, age, personal addresses, educational qualifications, and experiences in the business, positions or posts held in the past, directorship held, other ventures of each sponsor and present position;

Sl. No.	Name	Father's Name	Age (Years)	Personal Address	Educational Qualification	Experience	Position		Holding in other Venture
							Past	Present	
1	Mainul Matin	Md. Aminul Matin	57	11/18, Iqbal Road, Block-A, Mohammadpur, Dhaka	MBA	25	Managing Director	At present they have no hold in NLCL	N/A
2	Rubaba Matin	Md. Anis Dowla	45	11/18, Iqbal Road, Block-A, Mohammadpur, Dhaka	MBA	18	Chairman		N/A

(l) If the present directors are not the sponsors and control of the issuer was acquired within five years immediately preceding the date of filing prospectus details regarding the acquisition of control, date of acquisition, terms of acquisition, consideration paid for such acquisition etc.

Sl. No.	Name of Directors	Acquisition of Control	Date of Acquisition	Term of Acquisition	Consideration of Such Acquisition	Amount of Share	Consideration amount (Tk.)
1	Osman Khadem	Chairman	15.02.2004	No terms at acquisition	Cash	2,800	28,000
2	M. Zakir Chowdhury	Managing Director & CEO	02.05.2013	No terms at acquisition	Cash	2,160	21,600
3	Md. Asif Rahman	Director	30.08.2012	No terms at acquisition	Cash	1,440	14,400
4	Mashiul Haq Chowdhury	Director	30.08.2012	No terms at acquisition	Cash	1,440	14,400
5	Maruful Haque Chowdhury	Director	30.08.2012	No terms at acquisition	Cash	1,440	14,400
6	Ali Mostafa (Nominated by Sigma Technologies Ltd.)	Director	02.05.2013	No terms at acquisition	Cash	720	7,200

(m) If the sponsors or directors do not have experience in the proposed line of business, the fact explaining how the proposed activities would be carried out or managed;

The directors of the Company have experienced in the proposed line of business.

(n) Interest of the key management persons;

There is no other interest of the key management except that remuneration/salary and allowances paid to them as stated in serial (i) of this section.

(o) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary;

The directors not enjoyed any pecuniary or non-pecuniary facilities except Osman Khadem, Director, Compliance & Ethical Standard, M. Zakir Chowdhury, Managing Director & CEO, Mashiul Haq Chowdhury, Director-IT, Md. Asif Rahman, Director-Finance, and Maruful Haque Chowdhury, Director-Commercial receive salary from Company.

(p) Number of shares held and percentage of share-holding (pre issue);

Sl. No.	Name of Shareholder	Position	No. of Shares	Pre-IPO (%)
1	Sigma Technologies Ltd.	Director	7,980,000	20.00%
2	Osman Khadem	Director	4,788,000	12.00%
3	Mostafa Zamanul Bahar	Shareholder	3,890,000	9.75%
4	Mithy Islam Khan	Shareholder	3,890,000	9.75%
5	Tartila Akhter Chowdhury	Shareholder	2,740,000	6.87%
6	Afsana Jabin	Shareholder	2,740,000	6.87%
7	Fatema Mahbub	Shareholder	2,700,000	6.77%
8	M. Zakir Chowdhury	Director	2,394,000	6.00%
9	Md. Asif Rahman	Director	2,394,000	6.00%
10	Maruful Haque Chowdhury	Director	2,394,000	6.00%
11	Mohammad Lutfar Rahman	Shareholder	2,394,000	6.00%
12	Mashiul Haq Chowdhury	Director	1,596,000	4.00%
Total			39,900,000	100.00%

(q) Change in board of directors during last three years;

Sl. No.	Name of Directors	Date of Joining	Date of Retirement	Present Status
1	Md. Saiful Islam Helaly	26.04.2017	AGM 2020	Independent Director
2	Syed Kamal Uddin	26.04.2017	AGM 2020	Independent Director

(r) Director's engagement with similar business.

There is no engagement of any director with similar business.

CHAPTER - IX

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

CHAPTER (IX): CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

(a) The prospectus shall contain a description of any transaction during the last five years, or any proposed transactions certified by the auditors, between the issuer and any of the following persons, giving the name of the persons involved in the transaction, their relationship with the issuer, the nature of their interest in the transaction and the amount of such interest, namely:-

- (i) Any director or sponsor or executive officer of the issuer;
- (ii) Any person holding 5% or more of the outstanding shares of the issuer;
- (iii) Any related party or connected person of any of the above persons;

TO WHOM IT MAY CONCERN

This is to certify that the company does not have any transaction during the last five years, or any proposed transaction, between the issuer and any of the following persons:

- (i) Any director or sponsor or executive officer of the issuer;
- (ii) Any person holding 5% or more of the outstanding shares of the issuer;
- (iii) Any related party or connected person of any of the above persons;

Except the transactions described in the following table:

(i) Director Remuneration & Benefits:

Related Parties	Type of Transaction	Amount in BDT				
		June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Mr. Osman Khadem	Remuneration and Benefits	3,180,000	3,000,000	7,600,000	6,000,000	400,000
Mr. Mashiul Haq Chowdhury	Remuneration and Benefits	780,000	720,000	1,850,000	1,800,000	75,000
Mr. M. Zakir Chowdhury	Remuneration and Benefits	6,180,000	6,000,000	6,000,000	6,000,000	1,200,000
Mr. Md. Asif Rahman	Remuneration and Benefits	780,000	720,000	1,800,000	650,000	25,000
Mr. Maruful Haque Chowdhury	Remuneration and Benefits	780,000	720,000	1,800,000	650,000	25,000
Total		11,700,000	11,160,000	19,050,000	15,100,000	1,725,000

October 12, 2017

R. K. Tower (Level-10) 86, Bir Uttam
C.R. Datta Road, Dhaka-1205

Sd/-

Shiraz Khan Basak & CO.
Chartered Accountants

(b) Any transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus;

There is no transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries or holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus except the transaction mentioned in CHAPTER (IX) (a).

(c) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the prospectus, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan, and present outstanding of such loan.

There were no loans either taken or given from or to any director or any person connected with the director.

CHAPTER - X

EXECUTIVE COMPENSATION

CHAPTER (X): EXECUTIVE COMPENSATION

(a) The total amount of remuneration or salary or perquisites paid to the top five salaried officers of the issuer in the last accounting year and the name and designation of each such officer;

Sl. No.	Name	Designation	Salaries for last accounting year June 30, 2017 (Taka)
1	M. Zakir Chowdhury	Managing Director & CEO	6,180,000
2	Osman Khadem	Chairman & Head of Compliance & Ethical Standard	3,180,000
3	Md. Asif Rahman	Director Finance	780,000
4	Mashiul Haq Chowdhury	Head of IT	780,000
5	Maruful Haque Chowdhury	Director, Commercial	780,000
6	Masunul Haque Chowdhury	Director, HR & Admin	1,080,000
7	Sharif Ahmed	Chief Financial Officer	1,008,000

(b) Aggregate amount of remuneration paid to all directors and officers as a group during the last accounting year;

Sl. No.	Particulars	Nature of Payments	Salaries for last accounting year June 30, 2017 (Taka)
1	Directors	Salary & Allowances	11,700,000
2	Officers	Salary & Allowances	73,327,786

(c) If any shareholder director received any monthly salary or perquisite or benefit it must be mentioned along with date of approval in AGM or EGM, terms thereof and payments made during the last accounting year;

Sl. No.	Name of Directors	Designation	Salaries for last accounting year June 30, 2017 (Taka)	Approval
1	M. Zakir Chowdhury	Managing Director & CEO	6,180,000	EGM- June 05, 2011
2	Osman Khadem	Chairman & Head of Compliance & Ethical Standard	3,180,000	
3	Md. Asif Rahman	Director Finance	780,000	EGM - July 17, 2012
4	Mashiul Haq Chowdhury	Head of IT	780,000	
5	Maruful Haque Chowdhury	Director, Commercial	780,000	
6	Masunul Haque Chowdhury	Director, HR & Admin	1,080,000	

(d) The board meeting attendance fees received by the director including the managing director along with date of approval in AGM or EGM;

The Board of Directors did not receive any board meeting attendance fees.

(e) Any contract with any director or officer providing for the payment of future compensation;

The Company has not entered into any contract with any of its Directors or Officers for any future compensation packages.

(f) If the issuer intends to substantially increase the remuneration paid to its directors and officers in the current year, appropriate information regarding thereto;

The Company has no plan for substantially increasing remuneration to its directors or officers except for those that are paid as annual increment to their salaries.

(g) Any other benefit or facility provided to the above persons during the last accounting year.

No other benefit/facility provided to the above persons during the last accounting year.

CHAPTER - XI

OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES

CHAPTER (XI): OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES

The Company has no options granted to Directors, Officers or any other employees of the Company or to any other person who was not involved in the Company.

CHAPTER - XII

TRANSACTION WITH THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM

CHAPTER (XII): TRANSACTION WITH THE DIRECTORS AND SUBSCRIBERS TO THE

(a) The names of the directors and subscribers to the memorandum, the nature and amount of anything of value received or to be received by the issuer from the above persons, or by the said persons, directly or indirectly, from the issuer during the last five years along with the description of assets, services or other consideration received or to be received:

The Directors and Subscribers to the Memorandum have not received any benefit except remuneration received by the directors, directly or indirectly during the last five years, details of which is given below. The issuer has not received or to be received any assets, services or other consideration from its Directors and Subscribers to the Memorandum except allotment of share against cash and other than cash as stated in Section i(g) of the prospectus

Name	Position	Nature of Transaction	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Mr. Osman Khadem	Chairman	Remuneration and Benefits	3,180,000	3,000,000	7,600,000	6,000,000	400,000
Mr. Mashiul Haq Chowdhury	Director	Remuneration and Benefits	780,000	720,000	1,850,000	1,800,000	75,000
Mr. M. Zakir Chowdhury	Managing Director & CEO	Remuneration and Benefits	6,180,000	6,000,000	6,000,000	6,000,000	1,200,000
Mr. Md. Asif Rahman	Director	Remuneration and Benefits	780,000	720,000	1,800,000	650,000	25,000
Mr. Maruful Haque Chowdhury	Director	Remuneration and Benefits	780,000	720,000	1,800,000	650,000	25,000
Total			11,700,000	11,160,000	19,050,000	15,100,000	1,725,000

(b) If any assets were acquired or to be acquired within next two financial years from the aforesaid persons, the amount paid for such assets and the method used to determine the price shall be mentioned in the prospectus, and if the assets were acquired by the said persons within five years prior to transfer those to the issuer, the acquisition cost thereof paid by them.

Directors and subscribers to the memorandum have not transferred any asset to the Company. Besides, the issuer Company has not received any assets or other considerations from its Directors and subscribers to the memorandum except fund against allotment of shares.

CHAPTER - XIII

OWNERSHIP OF THE COMPANY'S SECURITIES

CHAPTER (XIII): OWNERSHIP OF THE COMPANY'S SECURITIES

(a) The names, addresses, BO ID Number of all shareholders of the company before IPO, indicating the amount of securities owned and the percentage of the securities represented by such ownership, in tabular form;

Sl. No.	Name of Shareholder	Address	BO IDs	Position	No. of Shares	Pre-IPO (%)
1	Osman Khadem	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka	1201930063817117	Chairman	4,788,000	12.00%
2	M. Zakir Chowdhury	House No. 2/2, Siddeshwari Lane, Shantinagar, Ramna, Dhaka	1201930063817109	Managing Director & CEO	2,394,000	6.00%
3	Md. Asif Rahman	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka	1201930043898803	Director	2,394,000	6.00%
4	Maruful Haque Chowdhury	House No.64, Block-I, Road No.1, Banani, Dhaka	1201930063816941	Director	2,394,000	6.00%
5	Sigma Technologies Ltd. Represented by Ali Mostafa	House # 03, Flat # A5, Road # 35, Sector # 7, Uttara, Dhaka-1230, Bangladesh.	1201930063817141	Director	7,980,000	20.00%
6	Mashiul Haq Chowdhury	House No.64, Block-I, Road No.1, Banani, Dhaka	1201930063816677	Director	1,596,000	4.00%
7	Mostafa Zamanul Bahar	House No.88, Road No.8A, Dhanmondi R/A, Dhaka-1209, Dhaka	1201930028726841	Shareholder	3,890,000	9.75%
8	Tartila Akhter Chowdhury	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka	1201930063816626	Shareholder	2,740,000	6.87%
9	Mithy Islam Khan	House No.88, Road No.8A, Dhanmondi R/A, Dhaka-1209, Dhaka	1201930058174029	Shareholder	3,890,000	9.75%
10	Afsana Jabin	House No.11, Road No.3/B, Sector-9, Uttara Model Town, Dhaka	1201930063816776	Shareholder	2,740,000	6.87%
11	Md. Lutfar Rahman	House No.63, Road No.5, DOSH, Dhaka Cantonment, Dhaka-1206, Dhaka	1201930063891352	Shareholder	2,394,000	6.00%
12	Fatema Mahbub	House No.52, Flat-F5, Road No.6A, Dhanmondi R/A, Dhaka-1209, Dhaka	1201930028828007	Shareholder	2,700,000	6.77%
Total					39,900,000	100.00%

(b) There shall also be a table showing the name and address, age, experience, BO ID Number, TIN number, numbers of shares held including percentage, position held in other companies of all the directors before the public issue;

Sl. No.	Name of Directors	Address	Age (Years)	Experience	BO ID	E-TIN No.	No. of Shares	Pre-Issue [%]	Position held in other companies	
									Other companies	Position
1	Osman Khadem	Plot No # 1945, Kauchukuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	46	23	1201930063817117	788611910636	4,788,000	12.00%	Signal 7 Limited	Managing Director
2	M. Zakir Chowdhury	Plot No # 1945, Kauchukuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	55	23	1201930063817109	236590111215	2,394,000	6.00%	N/A	
3	Md. Asif Rahman	Plot No # 1945, Kauchukuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	31	11	1201930043898803	554911973220	2,394,000	6.00%	Sigma Technologies Ltd.	Managing Director
									Marsh Services Pvt. Limited	Director
4	Maruful Haque Chowdhury	Plot No # 1945, Kauchukuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	32	08	1201930063816941	443818172084	2,394,000	6.00%	Tangent Corporation	Director
5	Ali Mostafa Nominated by Sigma Technologies Ltd.	House # 03, Flat # A5, Road # 35, Sector # 7, Uttara, Dhaka-1230, Bangladesh.	44	15	1201930063817141	183737787428	7,980,000	20.00%	N/A	
6	Mashiul Haq Chowdhury	Plot No # 1945, Kauchukuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.	45	18	1201930063816677	387390984531	1,596,000	4.00%	Tangent Corporation	Director
7	Md. Saiful Islam Helaly	Ombor, 117/Ka, Azimpur Road, Dhaka-1205	47	23	-	171712850951	-	-	Nahee Aluminum Composite Panel Ltd.	Independent Director
8	Syed Kamal Uddin	House # 28, Abdullahbagh Road, P.O: Gulshan, Badda, Dhaka-1212, Bangladesh.	41	19	-	859551323081	-	-	N/A	

(c) The average cost of acquisition of equity shares by the directors certified by the auditors;

Auditors' Certificate regarding Average Cost of Acquisition of Equity Shares by the Directors

This is to certify that the shares in the equity of New Line Clothings Limited has been allotted at face value in cash and other than cash and the average cost of acquisition of equity by the directors is Tk. 10.00 each. Name wise shareholding position, allotment date and consideration given below:

Date of Allotment	Nature of Transaction	Mainul Matin	Rubaba Matin	Dewan Manira Chowdhury	M. H. Chowdhury	A. N. Sharfuddin	Tahera Khanam	Suman Ghose	Ali Mostafa	Mithy Islam Khan	Tartila Akhter Chowdhury	Afsan Jabin	Osman Khadem	Mashiul Haq Chowdhury	M. Zakir Chowdhury	Md. Asif Rahman	Maruful Haque Chowdhury	Granville Holdings Ltd.	Mohammad Lutfar Rahman	Mostafa Zamanul Bahar	Sigma Technologies Ltd.	Falema Mahbub	Consideration	Face value of Share (Tk.)
23.05.2000	By Subscription to the MoA	15,000	5,000																				Cash	10.00
15.02.2004	By Transfer	(9,400)	(5,000)		4,000	4,800			2,800				2,800											
17.08.2006	By Transfer	(5,600)			2,400	3,200			(2,800)				2,800											
20.10.2006	By Allotment																	16,000						
31.12.2007	By Transfer				8,800	7,200												(16,000)						
20.07.2009	By Transfer			9,600	(9,600)	(9,600)	9,600																	
08.03.2011	By Transfer			(9,600)	(5,600)	(5,600)	(9,600)	9,000					21,400											
30.08.2012	By Transfer							(9,000)					360	1,440		1,440	1,440		2,160	2,160				
02.05.2013	By Transfer												(5,040)	720	2,160	720	720				720			
26.06.2013	ROA												967,680	591,840	591,840	591,840	591,840		591,840	1,977,840	3,959,280			
05.08.2013	By Transfer									990,000	990,000	990,000	198,000	(198,000)						(990,000)	(1,980,000)			
22.02.2016	ROA									3,000,000	3,000,000	3,000,000	3,600,000	1,200,000	1,800,000	1,800,000	1,800,000		1,800,000	3,000,000	6,000,000		Other than cash	
24.12.2017	By Transfer									(100,000)	(1,250,000)	(1,250,000)								(100,000)		2,700,000	Cash	
Total		0	0	0	0	0	0	0	0	3,890,000	2,740,000	2,740,000	4,788,000	1,596,000	2,394,000	2,394,000	2,394,000	0	2,394,000	3,890,000	7,980,000	2,700,000		

***Face value of company's share was Tk. 100/- each and was converted in to Tk. 10/- dated 04 June, 2013; Face value of shares on the above table was considered as Tk. 10/- for better presentation.**

January 15, 2018

R. K. Tower (Level-10) 86, Bir Uttam

C.R. Datta Road, Dhaka-1205

Sd/-

**Shiraz Khan Basak & Co.
Chartered Accountants**

(d) A detail description of capital built up in respect of shareholding (name-wise) of the issuer's sponsors/ directors. In this connection, a statement to be included:-

Osman Khadem, Chairman

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
Transfer (15.02.2004)	Cash	Ordinary Shares	2,800	10.00	10.00	2,800	12.00%	6.85%	Own
Transfer (17.08.2006)			2,800			5,600			
Transfer (08.03.2011)			21,400			27,000			
Transfer (30.08.2012)			360			27,360			
Transfer (02.05.2013)			(5,040)			22,320			
ROA (26.06.2013)			967,680			990,000			
Transfer (05.08.2013)	Other than cash	Bonus	198,000			1,188,000			
ROA (22.02.2016)			3,600,000			4,788,000			

M. Zakir Chowdhury, Managing Director & CEO

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
Transfer (02.05.2013)	Cash	Ordinary Shares	2,160	10.00	10.00	2,160	6.00%	3.42%	Own
ROA (26.06.2013)			591,840			594,000			
ROA (22.02.2016)	Other than cash	Bonus	1,800,000			2,394,000			

Md. Asif Rahman, Director

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
Transfer (30.08.2012)	Cash	Ordinary Shares	1,440	10.00	10.00	1,440	6.00%	3.42%	Own
Transfer (02.05.2013)			720			2,160			
ROA (26.06.2013)			591,840			594,000			
ROA (22.02.2016)	Other than cash	Bonus	1,800,000			2,394,000			

Maruful Haque Chowdhury, Director

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
Transfer (30.08.2012)	Cash	Ordinary Shares	1,440	10.00	10.00	1,440	6.00%	3.42%	Own
Transfer (02.05.2013)			720			2,160			
ROA (26.06.2013)			591,840			594,000			
ROA (22.02.2016)	Other than cash	Bonus	1,800,000			2,394,000			

Mashiul Haq Chowdhury, Director

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
Transfer (30.08.2012)	Cash	Ordinary Shares	1,440	10.00	10.00	1,440	4.00%	2.28%	Own
Transfer (02.05.2013)			720			2,160			
ROA (26.06.2013)			591,840			594,000			
Transfer (05.08.2013)			(198,000)			396,000			
ROA (22.02.2016)	Other than cash	Bonus	1,200,000			1,596,000			

Sigma Technologies Ltd., Represented by Ali Mostafa

Date of Allotment/Transfer of fully paid-up shares	Consideration	Nature of issue	No of Equity shares	Face value	Issue Price/ Acquisition Price/ Transfer Prices	Cumulative no. of Equity shares	% pre- issue paid up capital	% Post issue paid up capital	Sources of fund
Transfer (02.05.2013)	Cash	Ordinary Shares	720	10.00	10.00	720	20.00%	11.42%	Own
ROA (26.06.2013)			3,959,280			3,960,000			
Transfer (05.08.2013)			(1,980,000)			1,980,000			
ROA (22.02.2016)	Other than cash	Bonus	6,000,000			7,980,000			

*Face value of company's share was Tk. 100/- each and was converted in to Tk. 10/- dated 04 June, 2013; Face value of shares on the above table was considered as Tk. 10/- for better presentation.

(e) Detail of shares issued by the company at a price lower than the issue price;

The Company has not issued any share at a price lower than the issue price.

(f) History of significant (5% or more) changes in ownership of securities from inception.

No other significant (5% or more) changes in ownership of securities except mentioned below:

Date of Allotment	Nature of Transaction	Mainul Matin	Rubaba Matin	Dewan Manira Chowdhury	M. H. Chowdhury	A. N. Sharfuddin	Tahera Khanam	Suman Ghose	Ali Mostafa	Mithy Islam Khan	Tartila Akhter Chowdhury	Afsan Jabin	Osman Khadem	Mashitul Haq Chowdhury	M. Zakir Chowdhury	Md. Asif Rahman	Maruful Haque Chowdhury	Granville Holdings Ltd.	Mohammad Lutfar Rahman	Mostafa Zamanul Bahar	Sigma Technologies Ltd.	Fatema Mahbub	Consideration	Face value of Share (Tk.)
23.05.2000	By Subscription to the MoA	15,000	5,000																				Cash	10.00
15.02.2004	By Transfer	(9,400)	(5,000)		4,000	4,800			2,800				2,800											
17.08.2006	By Transfer	(5,600)			2,400	3,200			(2,800)				2,800											
20.10.2006	By Allotment																	16,000						
31.12.2007	By Transfer				8,800	7,200												(16,000)						
20.07.2009	By Transfer			9,600	(9,600)	(9,600)	9,600																	
08.03.2011	By Transfer			(9,600)	(5,600)	(5,600)	(9,600)	9,000					21,400											
30.08.2012	By Transfer							(9,000)					360	1,440		1,440	1,440		2,160	2,160				
02.05.2013	By Transfer												(5,040)	720	2,160	720	720				720			
26.06.2013	ROA												967,680	591,840	591,840	591,840	591,840		591,840	1,977,840	3,959,280			
05.08.2013	By Transfer									990,000	990,000	990,000	198,000	(198,000)						(990,000)	(1,980,000)		Other than cash	
22.02.2016	ROA									3,000,000	3,000,000	3,000,000	3,600,000	1,200,000	1,800,000	1,800,000	1,800,000		1,800,000	3,000,000	6,000,000			
24.12.2017	By Transfer									(100,000)	(1,250,000)	(1,250,000)								(100,000)		2,700,000	Cash	
Total		0	0	0	0	0	0	0	0	3,890,000	2,740,000	2,740,000	4,788,000	1,596,000	2,394,000	2,394,000	2,394,000	0	2,394,000	3,890,000	7,980,000	2,700,000		

***Face value of company's share was Tk. 100/- each and was converted in to Tk. 10/- dated 04 June, 2013; Face value of shares on the above table was considered as Tk. 10/- for better presentation.**

CHAPTER - XIV

CORPORATE GOVERNANCE

CHAPTER (XIV): CORPORATE GOVERNANCE

(a) Management disclosure regarding compliance with the requirements of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC);

The Company declares that it has been complied with the requirements of the applicable regulations of Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission (BSEC) and accordingly constitutes several committees under the board for good governance. A certificate of compliance from competent authority has been incorporated accordingly.

Sd/-

M. Zakir Chowdhury

Managing Director & CEO

New Line Clothings Limited

(b) A compliance report of Corporate Governance requirements certified by competent authority;

Compliance Certificate

On

CORPORATE GOVERNANCE

To the Shareholders of

NEW LINE CLOTHINGS LIMITED

We have examined the compliance to the BSEC guidelines on Corporate Governance by **New Line Clothings Limited**, for the period from 01 July, 2016 to 30 June, 2017. These guidelines relate to the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012, as amended vide notification dated 21 July, 2013 of Bangladesh Securities and Exchange Commission (BSEC) on Corporate Governance.

Such compliance to the codes of Corporate Governance is the responsibility of the company. Our examination for the purpose of issuing this certificate was limited to the procedures including implementation thereof as adopted by the Company for ensuring the compliance on the attached statement on the basis of evidence gathered and representation received.

In our opinion and to the best of our information and according to the explanations provided to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned guidelines is issued by BSEC.

Sd/-

Podder & Associates

Joyanta Kumer Podder

Cost and Management Accountant

Date: 18 October, 2017

Place: Dhaka,
Bangladesh

STATUS OF COMPLIANCE REPORT ON CORPORATE GOVERNANCE:

COMPLIANCE REPORT ON BSEC'S NOTIFICATION NEW LINE CLOTHINGS LIMITED

Status of compliance with the conditions of Corporate Governance Guidelines as set by Bangladesh Securities and Exchange Commission (BSEC) by the Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 and subsequently amended through their notification no. SEC/CMRRCD/2006-158/147/Admin/48 dated July 21, 2013 issued under section 2CC of The Securities and Exchange Ordinance, 1969.

(Report under Condition No.7.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.00	Board of Directors			
1.1	Board's Size:			
	The number of the Board members of the company shall not be less than 5 (five) and more than 20 (twenty).	✓		The NLCL Board is comprised of 8 Directors.
1.2	Independent Directors:			
1.2 (i)	At least one-fifth (1/5) of the total number of directors in the company's board shall be independent directors.	✓		There are two Independent Directors in the NLCL Board, namely Syed Kamal Uddin and Md. Saiful Islam Helaly and their appointment date as on 26.04.2017
1.2 (ii) a)	The independent director does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓		
1.2 (ii) b)	The independent director is not a sponsor of the company and is not connected with the company's any sponsor/director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company based on family relationship. His/her family members also should not hold above mentioned shares in the company: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members.	✓		
1.2 (ii) c)	The independent director does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/associated companies.	✓		
1.2 (ii) d)	The independent director is not a member, director or officer of any stock exchange.	✓		
1.2 (ii) e)	The independent director is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market.	✓		
1.2 (ii) f)	The independent director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm.	✓		
1.2 (ii) g)	The independent director shall not be an independent director in more than 3 (three) listed companies.	✓		
1.2 (ii) h)	The independent director has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI).	✓		
1.2 (ii) i)	The independent director has not been convicted for a criminal offence involving moral turpitude.	✓		
1.2 (iii)	The independent director(s) shall be appointed by the board of	✓		Appointed by the

	directors and approved by the shareholders in the Annual General Meeting (AGM).			Board of Directors. Will be placed to next AGM for approval.
1.2 (iv)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days.	√		
1.2 (v)	The Board shall lay down, a code of conduct of all Board members and annual compliance of the code to be recorded.	√		
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only.	√		
1.3	Qualification of Independent Director (ID):			
1.3 (i)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financials, regulatory and corporate laws and can make meaningful contribution to business.	√		
1.3 (ii)	The person should be a Business Leader/Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants and Chartered Secretaries. The independent director must have a least 12 (twelve) years of corporate management /professional experiences.	√		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	-	-	N/A
1.4	Chairman of the Board and Chief Executive Officer:			
	The positions of the Chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	√		
1.5	The Director's Report to Shareholders			
	The directors of the companies shall include the following additional statements in the Directors' Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):			
1.5 (i)	Industry outlook and possible future developments in the industry	√		
1.5 (ii)	Segment-wise or product-wise performance			N/A
1.5 (iii)	Risks and concerns	√		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	√		
1.5 (vi)	Basis for related party transactions- a statement of all related party transactions should be disclosed in the Annual Report.			N/A
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.			N/A
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Offer, Direct Listing etc.			N/A
1.5 (ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.			N/A
1.5 (x)	Remuneration to directors including independent directors.	√		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
1.5 (xii)	Proper books of accounts of the issuer company have been maintained.	√		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.	√		
1.5 (xiv)	International Accounting Standards (IAS)/ Bangladesh	√		

	Accounting Standards (BAS)/ International Financial Reporting Standard (IFRS)/ Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.			
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5 (xvi)	There are no significant doubts upon the issuer company's ability to continue as a going concern. If the issuer company is not considered to be a going concern, the fact along with reasons thereof should be disclosed.	√		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.			N/A
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	√		Due to business expansion dividend has not declared.
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
1.5 (xxi)	The pattern of shareholding shall be reported to disclosed the aggregate number of shares (along with name wise details where stated below):			
1.5 (xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details).			N/A
1.5 (xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details).	√		Only directors hold share of the company.
1.5 (xxi) c)	Executives.	√		
1.5 (xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		
1.5 (xxii)	In case of appointment/re-appointment of a Director the company shall disclose the following information to the shareholders:			
1.5 (xxii) a)	a brief resume of the director;	√		
1.5 (xxii) b)	Nature of his/her expertise in specific functional areas;	√		
1.5 (xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
2.00	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS)			
2.1	Appointment			
	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of internal Audit and the CS.	√		The Company has appointed Sharif Ahmed as Chief Financial Officer (CFO), Mozammel Hossain as Head of Internal Audit & Company Secretary (CS).
2.2	Requirement to attend the Board Meetings:			
	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors provided that the CFO and /or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating of their personal matters.	√		
3.00	AUDIT COMMITTEE			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
3 (ii)	The Audit Committee shall assist the Board of Directors in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good	√		

	monitoring system within the business.			
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	√		
3.1	Constitution of the Audit Committee:			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	√		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	√		
3.1 (iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board of Directors shall appoint the new Committee member(s) to fill up the vacancy (i.e.) immediately or not later than 1 (one) month from the date of vacancy (i.e.) in the Committee to ensure continuity of the performance of work of the Audit Committee.	-	-	N/A
3.1 (v)	The company secretary shall act as the secretary of the Committee.	√		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
3.2	Chairman of the Audit Committee:			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	Role of Audit Committee shall include the following:			
3.3 (i)	Oversee the financial reporting process.	√		
3.3 (ii)	Monitor choice of accounting policies and principles.	√		
3.3 (iii)	Monitor Internal Control Risk management process.	√		
3.3 (iv)	Oversee hiring and performance of external auditors.	√		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	√		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
3.3 (vii)	Review the adequacy of internal audit function.	√		
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	√		
3.3 (ix)	Review Management Letters / Letter of Internal Control weakness issued by statutory auditors.	√		
3.3 (x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis and annual basis.	-	-	N/A
3.4	Reporting to the Audit Committee:			
3.4.1	Reporting to the Board of Directors:			
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the followings, if any:	-	-	N/A
3.4.1 (ii) a)	Report on conflicts of interests;	-	-	N/A
3.4.1 (ii) b)	Suspected or presumed fraud or irregularity or material defect in the internal control system;	-	-	N/A
3.4.1 (ii) c)	Suspected infringement of laws, including securities related laws, rules and regulations; and	-	-	N/A
3.4.1 (ii)	Any other matter which shall be disclosed to the Board of	-	-	N/A

d)	Directors immediately			
3.4.2	Reporting to the Authorities			
	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board of Directors for three times or completion of the period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	-	-	N/A
3.5	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1(ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company	√		
4.0	EXTERNAL/STATUTORY AUDITORS			
4 (i)	Non-engagement in Appraisal or valuation services or fairness opinions	√		
4 (ii)	Non-engagement in designing and implementation of Financial Information System	√		
4 (iii)	Non-engagement Book-keeping or accounting	√		
4 (iv)	Non-engagement Broker-dealer services			N/A
4 (v)	Non-engagement in Actuarial services			N/A
4 (vi)	Non-engagement in Internal audit services	√		
4 (vii)	Non-engagement in any other service determined by the Audit Committee	√		
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	√		
4 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 7.	√		
5.00	SUBSIDIARY COMPANY:			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	-	-	N/A
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	-	-	N/A
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	-	-	N/A
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	-	-	N/A
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
6.00	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO):			
6 (i)	The CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief;	√		
6 (i) a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.	√		
6 (i) b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	√		
7.00	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE:			

7 (i)	The company shall obtain a certificate from a practicing Professional Accountant / Secretary (Chartered Accountant / Cost and Management Accountant / Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		
7 (ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	√		

(c) Details relating to the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committees operate.

In accordance with the currently accepted Best Practice and Corporate Governance Guidelines adopted by Bangladesh Securities and Exchange Commission (BSEC), the Board appointed Audit Committee and remuneration committee comprises of the following:

Audit Committee Members

Sl. No.	Name & Position
1	Md. Saiful Islam Helaly (Independent Director), Chairman of the Committee
2	Maruful Haque Chowdhury, Director
3	Md. Asif Rahman, Director

*** The company secretary shall act as the secretary of the Committee.**

Remuneration Committee Members

Sl. No.	Name & Position
1	Syed Kamal Uddin (Independent Director), Chairman of the Committee
2	M. Zakir Chowdhury, Managing Director & CEO
3	Md. Asif Rahman, Director
4	Sharif Ahmed, CFO

*** The company secretary shall act as the secretary of the Committee.**

The terms of reference of the audit committee has been agreed upon as follows:

- To review all internal and external audit report.
- To recommend the statutory annual audited financial statements to the Board of Directors for approval.
- To review the finding of the internal and external auditors.
- To review and approve the Annual "Audit Plan" of the Internal Audit Department.
- To monitor the implementation of the recommendations of the Internal and External auditors.
- To review the performance of the external auditors and make recommendations to the Board regarding their appointment and fees.
- To review the quarterly, half-yearly and annual financial statements before submission to the Board, focusing particularly on.
- To review the company's statement on internal control systems prior to endorsement by the Board.
- The company secretary shall be the secretary of the audit committee.

The terms of reference of the Remuneration committee has been agreed upon as follows:

- To assist the Board in developing and administering a fair and transparent procedure for setting policy on the remuneration of directors and senior management of the Company
- Determining the remuneration packages
- Review the Annual Confidential Report (ACR) of senior management of the company
- Review and oversee the Company's overall human resources strategy.

CHAPTER - XV

VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGER

(a) The valuation report of securities offered is prepared and justified by the issue manager on the basis of the financial and all other information pertinent to the issue

The valuation report of securities offered of New Line Clothings Limited prepared by Issue managers (Banco Finance and Investment Limited, Sandhani Life Finance Limited, Southeast Bank Capital Services Ltd.) based on financial and all other pertinent to the issue.

(b) To prepare the valuation report, the issue manager may consider all qualitative and quantitative factors which shall be explained in details with rationale to consider such factors, the valuation methods used, sources of information and authenticity of such information;

Qualitative and Quantitative factors for valuation:

Qualitative Justification:

1. Quality Products: The Company has to maintain producing quality products that increase sales volume over the years.

2. Modern Machineries: NLCL has been using modern machineries that increase productivity.

3. Market Share: NLCL market share has been increasing rapidly.

4. Management: Management is highly experience and they are leading persons in their arena.

Quantitative Justification:

Primary Valuation method for the Company is considered on the basis of Net Assets Value based valuation and Earnings based valuation per share.

(c) While preparing the valuation report, the issue manager shall avoid exaggeration and biasness and shall exercise independence and due diligence;

The Issue Managers while preparing the valuation report avoid exaggeration, biasness and independence and due diligence.

(d) The issue manager shall, among others, consider the following methods for valuation of the securities:

The fair value is determined under different valuation methods referred in Clause No. Annexure-E (B) (14) of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015. The following table illustrates the calculation of fair value of New Line Clothings Limited under different methods:

Sl. No.	Valuation Methods	Fair Value (BDT)
Method-1	Net Asset Value per share (with revaluation reserve)	31.63
	Net Asset Value per share (without revaluation reserve)	20.52
Method-2	Earning-based value per share	28.36
Method-3	Average market price per share of similar stocks	64.02

The detailed valuation workings under the above-mentioned methods are furnished under the head of “Valuation under different methods as prescribed in clause no. Annexure-E(B)(14) of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015” described in this section.

VALUATION UNDER DIFFERENT METHODS AS PRESCRIBED IN CLAUSE NO. ANNEXURE-E (B) (14) OF BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015

Method 1: Net Asset value (NAV) at historical or current cost per share

Sl. No.	Particulars	Amount in BDT (As per June 30, 2017)
a)	Share Capital	399,000,000
b)	Revaluation Surplus	443,229,856
c)	Retained Earnings	419,613,999
	Total Shareholders' Equity (with revaluation reserve)	1,261,843,854
	Total Shareholders' Equity (without revaluation reserve)	818,613,999
	Number of Shares	39,900,000
	Net Asset Value per share (with revaluation reserve)	31.63
	Net Asset Value per share (without revaluation reserve)	20.52

Method 2: Earning-based-value calculated on the basis of weighted average of net profit after tax for immediate preceding five years or such shorter period during which the issuer was in commercial operation;

Average Price Earnings of Market & Sector		
Month	Sector	Market
May-2018	16.98	14.48
June-2018	17.58	14.97
July-2018	19.61	15.17
August-2018	19.41	15.74

September-2018	17.99	15.17
October-2018	18.26	15.06
Average	18.30	15.10
Considering Lower P/E of 18.30 & 15.10 is 15.10		

Source: DSE Monthly Review.

Year	No. of Share	Net Profit after tax	Weight of No. of Shares	Weighted Average of Net Profit after tax
30-Jun-17	39,900,000	76,903,280	0.3644	28,022,291.07
30-Jun-16	39,900,000	50,568,205	0.3644	18,426,222.64
30-Jun-15	9,900,000	57,263,851	0.0904	5,177,279.68
30-Jun-14	9,900,000	137,928,238	0.0904	12,470,224.26
30-Jun-13	9,900,000	119,804,794	0.0904	10,831,666.31
	109,500,000	442,468,368	1.0000	74,927,683.96
No. of Shares outstanding (Before IPO))				39,900,000
EPS Based on Weighted Average of Net Profit after Tax				1.8779
Present Market P/E of DSE (Considering Lower P/E of 18.30 & 15.10 is 15.10)				15.10
Earnings Based Value per Share (1.8779 x 15.10)				28.36

Method 3: Average market price per share of similar stocks for the last one year immediately prior to the offer for common stocks with reference and explanation of the similarities or in case of repeat public offering, market price per share of common stock of the issuer for the aforesaid period.

Last One Year (Month ended) Closing Share Price of Similar Stocks:

Sl. No.	Date	Generation Next Fashions Ltd.	Desh Garments Ltd.	Envoy Textiles Limited	Hwa Well Textiles (BD) Limited	Tosrifa Industries Limited
01	Dec 28, 2017	9.40	238.90	34.80	37.10	25.50
02	Jan 31, 2018	9.30	205.40	32.50	38.10	22.50
03	Feb 28, 2018	9.20	217.20	32.20	38.10	21.50
04	Mar 29, 2018	8.40	208.00	30.20	37.70	21.00
05	April 30, 2018	8.90	220.30	29.90	37.20	18.80
06	May 31, 2018	8.40	204.60	30.70	37.40	17.90
07	Jun 28, 2018	8.10	256.40	34.70	39.80	17.80
08	Jul 31, 2018	8.20	239.70	37.50	39.30	21.60
09	Aug 30, 2018	8.30	222.40	36.40	39.90	25.30
10	Sep 30, 2018	7.30	217.30	34.60	38.00	21.00
11	Oct 31, 2018	6.80	188.90	37.10	38.80	22.80
12	Nov 29, 2018	6.00	204.00	34.60	37.70	20.10
Average		8.19	218.59	33.76	38.26	21.32
Average price of these 5 (Five) similar stocks						64.02

Sources of Information:

1. Annual Report of Issuer Company
2. Monthly review published by Dhaka Stock Exchange Ltd.

Reference and explanation of similarities:

In textile sector, total companies are 52, but we considering 05 because this five companies nature of business are similar to us. Generation Next Fashions Ltd., Desh Garments Ltd., Envoy Textiles Limited, Hwa Well Textiles (BD) Limited and Tosrifa Industries Limited are the listed company engaged in manufacturer of readymade Garments Company and the business nature of New Line Clothings Limited is almost similar to these said companies. Thus, we have considered these companies to calculate average market price.

Offer Price:

Based on the above-mentioned valuation methodologies as per Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the management of the company in consultation with the Issue Managers has set the issue price at BDT 10.00 each at par value.

Conclusion:

Therefore, the issue managers and management of the company believes that the offering price of Tk.10.00 per share is justified.

CHAPTER - XVI

DEBT SECURITIES

CHAPTER (XVI): DEBT SECURITIES

(a) The terms and conditions of any debt securities that the issuer company may have issued or is planning to issue within next six months, including their date of redemption or conversion, conversion or redemption features and sinking fund requirements, rate of interest payable, Yield to Maturity, encumbrance of any assets of the issuer against such securities and any other rights the holders of such securities may have;

The Company has not issued or is planning to issue any debt security within six months.

(b) All other material provisions giving or limiting the rights of holders of each class of debt securities outstanding or being offered, for example subordination provisions, limitations on the declaration of dividends, restrictions on the issuance of additional debt or maintenance of asset ratios;

The Company has not issue any debt security.

(c) Name of the trustee(s) designated by the indenture for each class of debt securities outstanding or being offered and describe the circumstances under which the trustee must act on behalf of the debt holders;

The Company has not issue any debt security. Therefore, there is no trustee for this issue.

(d) Repayment or redemption or conversion status of such securities.

The Company has not issue any debt security. Therefore, there is no repayment or redemption or conversion status of such securities.

CHAPTER - XVII

PARTIES INVOLVED AND THEIR RESPONSIBILITIES

CHAPTER (XVII): PARTIES INVOLVED AND THEIR RESPONSIBILITIES

(a) Issue managers;

Sl. No.	Name of the Issue Managers	Responsibilities of the Issue Managers
1	Banco Finance And Investment Limited	The Issue Manager will act as the manager to the issue for the public issue as described in the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.
2	Southeast Bank Capital Services Ltd.	
3	Sandhani Life Finance Limited	

(b) Underwriters;

Sl. No.	Name of the Underwriters	Responsibilities of the Underwriters
1	AIBL Capital Management Limited	The Underwriter(s) is responsible to underwrite the public offering on a firm- commitment basis as per requirement of Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015. In case of under-subscription in any category by up to 35% in an initial public offer, the unsubscribed portion of securities shall be taken up by the underwriter(s).
2	Southeast Bank Capital Services Ltd.	
3	Sandhani Life Finance Limited	

(c) Statutory Auditor;

Sl. No.	Name of the Auditor	Responsibilities of the Auditor
1	Shiraz Khan Basak & Co. Chartered Accountants	Auditor's responsibility is to express an opinion on the financial statements based on their audit. An Auditor will conduct the audit in accordance with Bangladesh Standards on Auditing (BSA) is responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud and error. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the BSAs.

(d) Cost Auditor;

The cost and management accountants is not applicable for this issue.

(e) Valuer;

Sl. No.	Name of the Valuer	Responsibilities of the Valuer
1	Mohammad Ata Karim & Co. Chartered Accountants	The valuer's responsibility is to conduct and prepare an appraisal of valuation of land, building, plant & machinery, Vehicles and Generator as owned by the company. The purpose of the valuation is to identify the fair value of the assets & restate accordingly in the books of account. Accordingly, valuers' have performed the necessary inspection, made relevant enquiries and obtained such further information available for the purpose of providing the opinion on the value of the land, building, plant & machinery, Vehicles and Generator.

(f) Credit rating Company.

The credit rating is not applicable for this issue.

CHAPTER - XVIII

MATERIAL CONTRACTS

CHAPTER (XVIII): MATERIAL CONTRACTS

(a) Major agreements entered into by the issuer;

- i) Underwriting Agreement between the Company and the Underwriters.
- ii) Issue Management Agreement between the Company and the Managers to the Issue.

(b) Material parts of the agreements;

Underwriter:

Contract	Material parts of the agreements	
Underwriting agreements with: 1. AIBL Capital Management Limited 2. Southeast Bank Capital Services Ltd. 3. Sandhani Life Finance Limited	Signing Date:	October 11, 2017
	Tenure:	This Agreement shall be valid until completion of subscription of shares and unless this Agreement is extended or earlier terminated in accordance with the terms of this Agreement.
	Principal Terms and Condition:	- The Company shall issue 30,000,000 ordinary shares of BDT 10.00 at par totaling BDT 300,000,000.00 through General Public subscription through publishing a prospectus in accordance with the consent of the Bangladesh Securities and Exchange Commission (BSEC) and the provision of this Agreement. - Prior to the publication of the Prospectus, the Company shall obtain a consent from the Bangladesh Securities and Exchange Commission permitting the issue as described in No. 1 terms and condition and provide for payment of initial underwriting commission not exceeding 0.50% (zero point five zero percent) on the amount underwritten. - The Company shall make media campaign and publicity of the offer for subscription to the extent as may be reasonably requested by the Issue Manager prior to opening and during offer period of subscription list with publicity material as approved by the BSEC. - The Company shall comply with any other formalities required under law of the land, for raising fund publicly. If and to the extent that the shares offered to the public by a prospectus authorised hereunder shall not have been subscribed and paid for in cash in full by the Closing Date of subscription, the Company shall within 10 (Ten) days of the closure of subscription call upon the underwriter in writing with a copy of the said writing to the Bangladesh Securities and Exchange Commission, to subscribe the shares not subscribed by 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 underwriter to the Commission. In the case of failure by the underwriter to pay for 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 may

		be imposed. 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 Bangladesh Securities and Exchange Commission under the law. 5. That the signatories to this Agreement have duly been authorised 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. The liability of the underwriter under this clause shall be in proportion to but not exceeding the shares agreed to be underwritten by it; provided that the aforementioned request of the Company shall be supported by official certificates and other documents of subscription obtained from the Stockbrokers and Merchant Bankers and a declaration of the Company as to the final result of the Public subscription. 7. The Company shall pay to the underwriter an underwriting commission at the rate of 0.50% (zero point five zero percent) of the amount underwritten hereby agreed to be underwritten by it.
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Issue Managers:

Contract	Material parts of the agreements	
Issue Management Agreement with: 1. Banco Finance And Investment Limited 2. Southeast Bank Capital Services Ltd. 3. Sandhani Life Finance Limited	Signing Date:	September 18, 2017
	Tenure:	This Agreement shall be valid until completion of subscription of shares and unless this Agreement is extended or earlier terminated in accordance with the terms of this Agreement.
	Principal Terms and Condition:	1. ISSUE MANAGER 1.1 Subject to the terms and conditions hereunder, the ISSUER upon undertaking the PUBLIC ISSUE shall engage the ISSUE MANAGER for rendering the services to be performed under this agreement. 1.2 That the ISSUE MANAGER shall act as the Manager to the Issue and render financial consultancy services to the PUBLIC ISSUE as described hereunder in Clause 2. 2. SCOPE OF SERVICES The scope of the services to be rendered by the ISSUE MANAGER to the ISSUER under this agreement shall be as detailed hereunder: 2.1 ISSUE MANAGEMENT SERVICES 2.1.1 Regulatory Compliance a) Collect all necessary documents/information from the issuer as required by the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015; b) Preparing the Red-Herring Prospectus as required by the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015; c) Assist the Issuer for conducting the Road Show to facilitate Eligible Investors (EIs) to know about the company and all aspect of offering; d) Finalization of the Red-herring Prospectus based on the observations by the EIs;

		e) Assist the Issuer to prepare all related necessary documents for submission and filing of application of the PUBLIC ISSUE to the Bangladesh Securities and Exchange Commission (BSEC) and Stock Exchanges; f) Incorporation of modification suggested by BSEC and Stock Exchanges; g) Assist the Issuer in obtaining approval from the BSEC to commence bidding by the EIs; h) Assist Registrar to the Issue in the bidding process along with the Stock Exchanges and EIs; i) Assist the Issuer to determine the Cut-off price for EIs and Public Offering Price for General Public; j) Submission of draft Prospectus to BSEC and Stock Exchanges along with the cut-off Price, public offering price, total issue size and necessary documents after completion of bidding; k) Assist the Issuer in obtaining approval from the BSEC; l) Assist Registrar to the Issue in conducting lottery if there is any over-subscription; m) Prepare the abridged version of the approved Prospectus. 2.1.2 Underwriting Co-operation a) Preparation of Information Memorandum for the Underwriters b) Documentation/preparation of underwriting agreement etc. c) Placing of underwriting proposals d) Selection of Underwriter(s) in consultation with the ISSUER 2.1.3 Issue Arrangements a) Selection of Lead Banker for IPO in consultation with the ISSUER b) Filing of application for listing on Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited c) Filing of the BSEC approved Prospectus with Registrar of Joint Stock Companies and Firms (RJSC&F) 2.1 The ISSUE MANAGER shall assist the Registrar to the Issue in taking such steps as are necessary to ensure completion of allotment and dispatch of letters of allotment and refund warrants to the applicants according to the basis of allotment approved by the Bangladesh Securities and Exchange Commission. The ISSUER undertakes to bear all the PUBLIC ISSUE related expenses including road show, share application processing, lottery conduction, allotment and dispatch of letters of allotment and refund warrant. The ISSUER shall also bear all expenses related to printing and issuance of share certificate and connected government stamps and hologram expenses. 2.2 The ISSUE MANAGER will also co-operate the Registrar to the Issue. 2.3 Notwithstanding the above, if any other services required but not listed herein above for the effective PUBLIC ISSUE shall perform the same.
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(c) Fees payable to different parties.

(i) Commission for Underwriters:

The Company shall pay to the underwriters an underwriting commission at the rate of **0.50%** of 35% of the total IPO amount (i.e. Tk. 105,000,000) of the issue value of shares underwritten by them.

(ii) Fees for the issue management services:

Sl. No.	Name of Issue Managers	Amount in BDT
1	Banco Finance And Investment Limited	1,800,000
2	Sandhani Life Finance Limited	1,000,000
3	Southeast Bank Capital Services Ltd.	200,000

CHAPTER - XIX

LITIGATIONS, FINE OR PENALTY

CHAPTER (XIX): LITIGATIONS, FINE OR PENALTY

a) The following litigations including outstanding litigations against the issuer or any of its directors and fine or penalty imposed by any authority:

The Issuer or directors of New Line Clothings Limited were not involved in any of the following types of legal proceedings except the mentioned below:

(i) Litigation involving Civil Laws	:	There is no conviction of the Issuer or director(s) in a civil proceeding
(ii) Litigation involving Criminal Laws	:	There is no conviction of the Issuer or director(s) in a criminal proceeding
(iii) Litigation involving Securities, Finance and Economic Laws	:	There is no order, judgment or decree of any court of competent jurisdiction against the Issuer or director(s) permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director(s) or officer in any type of Securities, Finance and Economic Laws
(iv) Litigation involving Labor Laws	:	There is no conviction of the Issuer or director(s) in connection to applicable Labor Laws
(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties)	:	There is no conviction of the Issuer or director(s) in connection to taxation (Income tax, VAT, Customs Duty and any other taxes or duties)
(vi) Litigation involving any other Laws	:	There is no litigation involving any other Laws.

b) Outstanding cases filed by the company or any of its directors:

There is no outstanding cases filed by the Issuer or any of its directors to any of the following types of legal proceedings except income tax. The details of which is as follows:

(i) Litigation involving Civil Laws	:	There is no litigation involving Civil Laws
(ii) Litigation involving Criminal Laws	:	There is no litigation involving Criminal Laws
(iii) Litigation involving Securities, Finance and Economic Laws	:	There is no litigation involving Securities, Finance and Economic Laws
(iv) Litigation involving Labor Laws	:	There is no litigation involving Labor Laws
(v) Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties)	:	There are no litigation involving Taxation. The assessment year 2014-2015, 2015-2016, 2016-2017 and 2017-2018 which are under process.
(vi) Litigation involving any other Laws	:	There is no litigation involving any other Laws

CHAPTER - XX

RISK FACTORS AND MANAGEMENT'S PERCEPTIONS ABOUT THE RISKS

The disclosures of Risk factors shall include, where applicable, the following:

- (i) Internal risk factors;
- (ii) External risk factors.

(i) Internal risk factors may include, among others:

a) Credit Risk;

This is the risk of default on a debt that may arise because of default by the borrower to pay the loan. In operating any business there is always credit risk lies in the business. As there is always lending and borrowing between parties in the form of money and goods.

Management Perception

Management has credit policy in place and exposure to credit risk is well-monitored. In order to control the credit risk the management ensure strong credit control and collection policies. We have highly dedicated team to maintain credit policy.

b) Liquidity Risk;

The risk that a company may be unable to meet short-term financial requirements. This usually occurs due to the inability to convert its current assets to cash without a loss of capital or income. Liquidity is a common phenomenon of the business.

Management Perception

New Line Clothings Limited is doing its level best to manage working capital management in efficient way to maintain liquidity risk. Management is dealing with accounts payable, inventory and accounts receivable efficiently.

c) Risk associated with the issuer's interest in subsidiaries, joint ventures and associates;

Right now, New Line Clothings Limited has no subsidiaries, joint ventures and associates concern.

Management Perception

Since NLCL has no subsidiaries, joint ventures and associates concern. So, this risk is not applicable for this Company.

d) Significant revenue generated from limited number of customers, losing any one or more of which would have a material adverse effect on the issuer;

There is risk involved in having limited number of customer and losing of that particular customer has negative impact on company's sales and cash flow as well.

Management Perception

Our management is always keen to find out new buyers to boost up the sales. So we are not dependent on any particular or limited number of customers to operate our business. Moreover our reputation in the market always gives us an extra cushion, we would also like to inform the investors we there is huge demand and supply gap in this industry.

e) Dependency on a single or few suppliers of raw materials, failure of which may affect production adversely;

There is also risk involved in having limited number of suppliers as well. Single or few suppliers may exploit the company by price hike, untimely delivery and low quality of product.

Management Perception

We are not depended on a single or few suppliers of raw materials. NLCL has a good number of vendors for each ingredient and services, the company has more than one approved vendors. It uses to conduct vendor audit and its concerned professionals are very conscious regarding the vendor issue. Further, we assume that sourcing of raw material would be comparatively easier in times to come as due to globalization, the world economy opened much more than it was in older days and world is becoming like a global village. Hence, the risk is not applicable for us.

f) More than 20% revenue of the issuer comes from sister concern or associate or subsidiary;

Having 20% revenue generation from sister concern or associate or subsidiary makes issuer dependent on others companies. Hence, there is dependency risk.

Management Perception

We do not have sister concerns, associate or subsidiary.

g) Negative earnings, negative cash flows from operating activities, declining turnover or profitability, during last five years, if any;

Negative earning and negative operating cash flow is risk the going concern risk for the entity.

Management Perception

The company doesn't have any negative earnings and declining turnover or profitability during last 5 years hence the company has only negative cash flows from operating activities in 2013-2014 & 2012-2013. So there is no threat for going concern.

h) Loss making associate or subsidiary or group companies of the issuer;

Subsidiary/group companies of the issuer are loss making, it affect the issuer and there is negative impact on cash flow of issuer and Balance Sheet as well.

Management Perception:

We do not have any investment in subsidiary, associates or group companies.

i) Financial weakness and poor performance of the issuer or any of its subsidiary or associates;

Any kind of financial weakness and poor performance of the issuer or any of its subsidiary or associates.

Management Perception

Sales is one of the key indicators of success of a business, there is good margin of profit NLCL has been experiencing with increasing sales growth which is boosting up the profitability for last five years. Current and quick ratios are also in favor of the company. The decreasing trend of Debt to Equity ratio means that company is reducing its dependency on debt capital.

j) Decline in value of any investment;

The value of any type of investment may decline.

Management Perception:

We do not have any investment.

k) Risk associated with useful economic life of plant and machinery, if purchased in second hand or reconditioned;

There is obsolescence risk relating to plant and machinery If the machinery is purchased in second hand or reconditioned, there high risk of repair and maintenance which has impact on profitability of the company.

Management Perception

NLCL does not purchase or use any second hand or recondition plant and machinery. Therefore, it is not applicable for us.

l) Adverse effect on future cash flow if interest free loan given to related party or such loans taken from directors may recalled;

It is loan given and taken from related party and directors as well. If company gives such loan without interest to related party, there is interest burden for the company if the money was taken as loan. On the other hand, if such loan are taken from directors, it will have an impact on the cash flow to pay off the loan to the Directors.

Management Perception

NLCL did not provide any loan to its related party. As such, this risk is not applicable.

m) Potential conflict of interest, if the sponsors or directors of the issuer are involved with one or more ventures which are in the same line of activity or business as that of the issuer and if any supplier of raw materials or major customer is related to the same sponsors or directors;

In these cases there is high chance of compromise among the related companies because of conflict of Interest.

Management Perception

No NLCL's sponsor or director is engaged in same line of business of the issuer Company. No supplier of raw materials or major customer is related to the same sponsors or directors. Therefore, such risk is not relevant to NLCL.

n) Related party transactions entered into by the company those may adversely affect competitive edge;

Related party transaction of the issuer creates conflict of interest which reduces the competitive advantage of the issuer.

Management Perception

NLCL did not engage any such transaction, which may adversely affect competitive edge.

o) Any restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement for debt or preference shares or any restrictive covenants of banks in respect of the loan or credit limit and other banking facilities;

All information must be known to the potential investor so that investor's interest may not be hampered in future. So, any restrictive covenants, if it goes against potential investors, will make investors in threat.

Management Perception:

There are no restrictive covenants in any shareholders' agreement, sponsors' agreement or any agreement relating to debt or preference shares or any restrictive covenants of Banks in respect of loan or credit limit and other banking facilities.

p) Business operations may be adversely affected by strikes, work stoppages or increase in wage demands by employees;

In such case, company's business operation will be hampered.

Management Perception:

Employee unrest is part of business and it is important to deal with labor unrest efficiently. NLCL has different incentive packages for their employees so that they can be beneficial to such package. Because they believe that employees are very important part of the business.

q) Seasonality of the business of the issuer;

It is the risk involving that company is not doing business round the year.

Management Perception:

There are no seasonal risk for this kind of business.

r) Expiry of any revenue generating contract that may adversely affect the business;

This is the risk of losing customers affecting future sales.

Management Perception

NLCL has no fixed-term revenue-generating contract with any parties the expiry of which may adversely affect the business of the company. The nature of the business of the company is that its production is a continuous process based on the orders from different customers under confirmed letter of credit s and not on any fixed term contract basis. Hence, there is no question of affecting the business NLCL due to expiry of revenue generating contract.

s) Excessive dependence on debt financing which may adversely affect the cash flow;

Excessive dependence on debt causes huge interest burden of the company and high risk of insolvency that may result in bankruptcy.

Management Perception:

The Company is more focused on equity financing and has been reducing debt dependency. The company raised its paid up capital recently and paid off substantial amount of debt. For last five years we have been reducing our dependence on debt financing and it is now less than 1 in comparison with debt to equity ratio.

t) Excessive dependence on any key management personnel absence of whom may have adverse effect on the issuer's business performance;

Excessive dependence on key management affects the business if the management is changed in future, which will create vacuum. Besides, if the key management personnel is of bad intention, excessive dependence will also affect the business.

Management Perception:

Corporate Governance Guideline is well practiced in NLCL. The company also has a well-placed structure. So any change in the key management can be replaced with capable professionals.

u) Enforcement of contingent liabilities which may adversely affect financial condition;

It is the future burden of liabilities that the investors will take on their shoulders. Contingent liabilities reduced the assets or create obligation to pay the liabilities.

Management Perception:

The Company does not have any contingent liabilities, which may adversely affect financial condition.

v) Insurance coverage not adequately protect against certain risks of damages;

Insurance ensures and protects to deal with uncertainty of future material loss/damage. Therefore, insurance coverage is important for the business.

Management Perception:

We have different insurance coverage for all the relating issues that are risky to operating our business.

w) Absence of assurance that directors will continue its engagement with Company after expiry of lock in period;

Directors run the company with the accumulated finance from public and other financing source. If directors discontinue running the business, there will be negative impact on business and share price as well.

Management Perception

Our directors are involved in the business and they will continue the business after expiry of lock in period as per the company act.

x) Ability to pay any dividends in future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditure;

Dividend payment is highly dependent on company's ability to generate positive cash flow from operating profit of the business. If company cannot earn good amount of profit from operation, it is unlikely to pay dividend.

Management Perception:

We have been a profitable entity over a long time and the profit is on the uptrend. So we are in belief that we will be able to pay dividend from our earning profit.

y) History of non-operation, if any and short operational history of the issuer and lack of adequate background and experience of the sponsors;

History of non-operation indicates weak operational management of the Company. Non-operation leads to negative cash flow, incurring of losses and bankruptcy in worst-case scenario.

Management Perception:

Such case did not happen in the history of our company.

z) Risks related to engagement in new type of business, if any;

If it is new business, there is risk of viability of the new business.

Management Perception

Right now, NLCL has no plan to engage in new type of business.

aa) Risk in investing the securities being offered with comparison to other available investment options;

If the issue price goes down after floating, there is investment risk for the potential investors.

Management Perception:

We are profitable entity over long time and we have been operating our business efficiently. Therefore, it is not risky in investing securities in comparison with other available investment option.

bb) Any penalty or action taken by any regulatory authorities for non-compliance with provisions of any law;

It creates a negative impression on the issuer.

Management Perception

No penalty or action taken by any regulatory authorities for non-compliance with provisions of any law against the company;

cc) Litigations against the issuer for Tax and VAT related matters and other government claims, along with the disclosures of amount, period for which such demands or claims are outstanding, financial implications and the status of the case;

If any kind of Litigations against the issuer for Tax and VAT related matters and other government claims, along with the disclosures of amount, period for which such demands or claims are outstanding, financial implications and the status of the case.

Management Perception:

There are no litigation involving Taxation. The assessment year 2014-2015, 2015-2016, 2016-2017 and 2017-2018 which are under process.

dd) Registered office or factory building or place of operation is not owned by the issuer;

The company should own factory building. Otherwise, there is risk of hike in factory rent in the years to come and threat of shifting the factory as well.

Management Perception:

The Company owns the registered & factory office building. Therefore, it is not a risk.

ee) Lack of renewal of existing regulatory permissions or licenses;

In this case, company is not following the law to renew its all licenses.

Management Perception

A dedicated team supervises renewal processes of all the regularity permission/licenses. Therefore, risk with regard to lack of renewal of existing regulatory permissions/licenses is very remote.

ff) Failure in holding AGM or declaring dividend or payment of interest by any listed securities of the issuer or any of its subsidiaries or associates;

Failure in holding AGM or declaring dividend indicates the lack of compliance to the regulatory rules. Failure of payment of interest indicate the poor cash generation to the company to pay interest and debt service. The overall impression will be negative for the company.

Management Perception

We do not have any listed securities and we do not have any subsidiary or associates.

gg) Issuances of securities at lower than the IPO offer price within one year;

The management ultimate goal is to maximize the wealth of the company. If share price goes up, it maximizes wealth of the company. On the other hand, if share price goes down, it minimizes the wealth of the company.

Management Perception

NLCL has no plan to issue any sort of securities within one year of IPO. As such, this issue is not applicable for the Company.

hh) Refusal of application for public issue of any securities of the issuer or any of its subsidiaries or associates at any time by the Commission.

If any refusal happened in the above cases, it will create negative impression to the issuer.

Management Perception

NLCL has no subsidiary or associates. No refusal of application for public issue of any securities of the NLCL at any time by the commission.

(ii) External risk factors may include among others:

a) Interest rate risks;

Interest rate risk is the risk that company faces due to unfavorable movement in the interest rates. Changes in the government's monetary policy along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management perception

The Management of NLCL always emphasizes on the management of its finance to an optimum capital structure of the company, so that the cost of capital remains minimum. The management prefers to procure long-term loan with minimum interest rate and the short-term fund with reasonable competitive rate. Moreover, the company has been repaying borrowed funds on a continuous basis. Additionally, the management of the Company emphasizes on equity base financing to reduce the dependency on borrowing, suggesting the management perception for interest rate risk to have a minimal impact on the company's profitability and viability.

b) Exchange rate risks;

Exchange rate risk occurs due to changes in foreign currency exchange rates. As the company imports equipment from abroad and earns revenue in local currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If exchange rate is decreased against local currency opportunity will be created for generating more profit.

Management perception

The company receives the entire export proceeds in foreign currency and makes majority of the import payments in foreign currency as well. For a given depreciation of Taka against a particular foreign currency like US Dollar, the import payment and export proceeds will both be higher in terms of Taka. In case of an appreciation of Taka against the same currency, the opposite will occur. Hence, the company has a natural hedge against exchange rate risk.

c) Industry risks;

The Company is operating in an industry where there is a gap between demand and supply. Although garments business has a huge demanding in the international market, chances are there that excessive competition may hamper the company's business. Increasing competition may force New Line Clothings Limited to reduce prices of their products which may cause dropping of their revenue and margin, and/or decrease its market share, either of which could have an adverse effect on their business, financial condition and results of operation.

Management Perception

New Line Clothings Limited is engaged in different types of garments products. The business has a huge demand. Moreover, NLCL is still concerned about the market competition and its highly competent research team always working for the development of products. In addition, there are only few recognized competitors of similar size in the country, which allows the benefit of economics of scale when competing with new entrants.

d) Economic and political risks;

Bangladesh is prone to serious unrest in the political condition, which produces Hartal, Road-Block and many other barriers to the business. This could also propel the cost of the product upwards.

Management Perception

Although the country has passed through political turmoil in past few years, a sound political atmosphere is prevailing these days and expected to be continued in future.

e) Market and technology-related risks;

Market risks refer to the risk of the adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service, which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company to increase their customer base. Technology always plays a vital role for any business for ensuring better product quality, for providing better services to the customers and for minimizing costs. NLCL a technology based industry and continuous technological improvement is an integral part of this business. Obsolete technology or machineries will make it difficult for any company to sustain in such a competitive industry.

Management Perception

Strong brand loyalty of the company's products to its customers has enabled the company to capture significant market share in the sector. In addition, the company is continuously penetrating into the market and upgrading the quality of the products to minimize the market risks. New Line Clothings Limited is always aware of technological advancement in the industry and adopt very timely to keep the operational efficiency at the highest achievable level. The management frequently visit the other foreign factories with similar line of business and technological fair in abroad for up-gradation of technological and/or software.

f) Potential or existing government regulations;

The company operates under Companies Act 1994, Customs Act 1969, and Labor Law 2006, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991, Value Added Tax (VAT) Rules 1991 and other related regulations. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company.

Management Perception

RMG export is a vital sector for the growth of the economy of Bangladesh. Government incentives and subsidies are crucial to maintain the sustainability and growth of this sector. The Government is aware of this fact. Hence, it is rationally expected that any undue tax or duty will not be imposed that may adversely affect the sector's sustainability. Rather, the Government is keen to support the industry. Finally, any changes in VAT, tax, or duty structure will affect all the operators in the industry. However, NLCL has the greater resistance ability due to its cost-efficient operation process.

g) Potential or existing changes in global or national policies;

Changes in the existing global or national policies can have either positive or negative impact on the Company's profitability. The performance of the Company may be affected due to unavoidable circumstances in Bangladesh, as such any structural change in textile industry, war, terrorism, political unrest, natural and man-made disasters like the one happened with 'Rana Plaza' in Savar and 'Tazrin Garments' in Savar in the country which may adversely affect the economy in general.

Management Perception

As a least developed country, Bangladesh enjoys GSP facilities from EU countries. Withdrawal of this facility in the near future is least likely. The organization's management is always conscious about full compliance of the buyer specific requirements on a continuous basis. The company is striving to diversify its international client base through greater marketing initiatives. This will provide the company with greater sustainability against changes in buyer specific policy changes.

h) Statutory clearances and approvals those are yet to be received by the issuer;

If any kind of statutory clearances and approvals those are yet to be received by the issuer.

Management Perception:

The company has collected all the statutory clearance and approval to operate the business. The necessary update and renewal is a continuous process. Hence, there is a limited degree of such risk associated with the company.

i) Competitive condition of the business;

NLCL is operating in a free market economy regime. The company might have to face stiff competition from its competitors. Easily availability of global products in the local markets adds to the competition, challenging the profitability of the business.

Management Perception:

Bangladesh is the prime source of cheapest labor in the world, gaining comparative advantages for its industries over their global competitors. Other overhead costs are also low in Bangladesh. As a result, the company has been able to maintain its cost of products most competitive. Moreover, over the last few years the company has built a trustworthy relationship with its customers, which helps the company avoid competition with others.

j) Complementary and supplementary products or services which may have an impact on business of the issuer;

If any kind of complementary and supplementary products or services which may have an impact on business of the issuer.

Management perception

The Company has not faced any challenges relating to supplementary and complementary products and Management are concerned with the issue. In future, if necessary, management may diversify the product to be competitive over the competitors.

k) Revenue generated from limited number of customers, losing any one or more of which would have a material adverse effect on the issuer;

There is risk involved in having limited number of customer and losing of that particular customer has negative impact on company's sales and cash flow as well.

Management perception

New Line Clothings has five customers. The management team of the company are highly qualified, trained & skilled professionals, well experienced and extremely devoted. The management team always looking for customer so five customers is not a problem for the company.

l) Dependence on debt financing and highly leveraged which may adversely affect the cash flow;

Dependence on debt and highly leveraged causes huge interest burden of the company and high risk of insolvency that may result in bankruptcy.

Management perception

Though financial position of the company is highly leveraged, most of its loan facilities were availed to meet short-term working capital requirements. From the financial statements, we can see that, more than 60% of the total loan is Time Loan. So this liability position does not pose any threat to future stability of the company.

m) Risk related to approval of extension of factory building:

The Company required to approval from Deputy Chief Inspector of Factories, Govt. of the People's Republic of Bangladesh, Dhaka Division for extension of factory building.

Management perception

The company has machinery layout and permission of extension of factory building. When we got the IPO approval then we apply for necessary permission from regulatory authority.

n) Risk related to compliance factor

There is risk involved in having limited number of customer and all customers are related compliance with Accord/ Alliance. If the Company not full fill the compliance factor in accordance with Accord/ Alliance, the Company may loss all the customers.

Management perception

The Company full fill all requirements of Accord/ Alliance within the time, so this risk is not a threat for us.

o) Risk related to Blocked Interest

Southeast Bank Limited blocked interest on the specific term loans and overdraft facilities provided to New Line Clothings Limited. If it was not blocked there could be significant risks such as the sufficiency of cash could have been limited, profitability would also be hampered as financial expenditure would have been higher and EPS would have been fallen down. On the other hand, profitability and EPS could have been affected significantly if the provisions were to be made for the full blocked interest.

Management perception

The company maintains a provision for partial amount for the interest, which would have been charged in the blocked accounts. Moreover, Southeast Bank Limited provided a letter bearing reference no. SEBL/BAN/CR/2017/568 dated October 05, 2017 stating that the Bank would consider waiver of full or partial amount of blocked interest upon payment of liabilities in blocked accounts. Furthermore, SEBL did not books the interest on the blocked account as their income, so if the interest were to be waived fully it would have positive impact on retained earnings of the company.

CHAPTER - XXI

DESCRIPTION OF THE ISSUE

CHAPTER (XXI): DESCRIPTION OF THE ISSUE

(a) Issue Size:

Total issue size of 30,000,000 Ordinary Shares of Tk. 10.00 each at par totaling Tk. 300,000,000.00

(b) Number of securities to be issued;

Sl. No.	No. of Shares	Face Value	Amount in BDT
1	30,000,000	10.00	300,000,000.00

Public Offering of 30,000,000 Ordinary Shares of Tk. 10.00 each at par totaling Tk. 300,000,000.00

(c) Authorized capital and paid-up capital;

Sl. No.	Particulars	Amount in BDT
1	Authorized Capital	1,000,000,000.00
2	Paid-up Capital	399,000,000.00

(d) Face value, premium and offer price per unit of securities;

Sl. No.	Particulars	Amount in BDT
1	Face Value of securities	10.00
2	Premium of securities	N/A
3	Offer Price per unit of securities	10.00

(e) Number of securities to be entitled for each category of applicants;

Category	Particulars	No. of Shares	Issue Price per share	Amount in BDT
Eligible Investor (EI)	10% of IPO i.e. 3,000,000 Ordinary Shares shall be reserved for Mutual Funds and CIS	3,000,000	10.00	30,000,000
	40% of IPO i.e. 12,000,000 Ordinary Shares shall be reserved for EI excluding mutual funds and CIS	12,000,000		120,000,000
General Public (GP)	10% of IPO i.e. 3,000,000 Ordinary Shares shall be reserved for Non Resident Bangladeshis (NRBs)	3,000,000		30,000,000
	40% of IPO i.e. 12,000,000 Ordinary Shares shall be reserved for General Public excluding NRB	12,000,000		120,000,000
Total		30,000,000		300,000,000

(f) Holding structure of different classes of securities before and after the issue;

The Company has issued only ordinary shares. Holding structure of different classes of securities before and after the issue are as follows:

Issue are as follows:								
Sl. No.	Category of Shareholders		No. of Ordinary Shares Hold		Percentage of Holding		After conversion	
			Pre-IPO	Post-IPO	Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
1	Directors & Sponsors		21,546,000	21,546,000	54.00	30.82	N/A	N/A
2	Other than Directors & Sponsors		18,354,000	18,354,000	46.00	26.26		
3	Eligible Investor (EI)	EI excluding mutual funds and CIS	-	12,000,000	-	17.17		
		Mutual Funds and CIS	-	3,000,000	-	4.29		
4	General Public (GP)	GP excluding NRB	-	12,000,000	-	17.17		
		NRB	-	3,000,000	-	4.29		
Total			39,900,000	69,900,000	100%	100%		

(g) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital:

Net proceeds from Initial Public Offering (IPO) will be used for Acquisition of Plant & Machinery, Civil Construction, Long-term loan repayment and for IPO expenses.

Sl. No.	Particulars	Amount in Tk.
01	Acquisition of Plant & Machinery	117,682,660
02	Civil Construction	76,382,990
03	Long-term loan repayment	90,000,000
Total		284,065,650
04	IPO Expenses	15,934,350
Grand Total		300,000,000

Apart from above Tk. 15,934,350 will be used for IPO expenses out of total IPO proceeds. The feasibility report in respect enhances paid up capital as prepared Jayanta Kumer Podder FCMA, Podder & Associates, Cost & Management Accountants is enclosed paragraph (k) in Chapter (XXII) use of proceeds of the prospectus.

CHAPTER - XXII

USE OF PROCEEDS

CHAPTER (XXII): USE OF PROCEEDS

a) Use of net proceeds of the offer indicating the amount to be used for each purpose with head-wise break-up;

Sources of Fund:

Issue Size (Number of share to be issued)	Issue price	Amount in Taka
30,000,000 Shares	10.00	300,000,000
Less: IPO Expenses		15,934,350
Net IPO Proceeds		284,065,650

Use of the net proceeds from the IPO

Net proceeds from Initial Public Offering (IPO) will be used for Acquisition of Plant & Machinery, Extension of Factory Building and Long-term loan repayment.

The details of which is given below:

Sl. No.	Particulars	Amount in Tk.
01	Business expansion:	
	Acquisition of Plant & Machinery	117,682,660
	Extension of Factory Building	76,382,990
	Sub-Total	194,065,650
02	Loan Repayment (Partial):	
	Long term loan repayment (Southeast Bank Ltd, Banani Branch)	90,000,000
	Total	284,065,650

01. Acquisition of Plant & Machinery:

Sl. No.	Name of Supplier	Country of Origin	Description of Machine	Brand	Model	Qty.	Unit Price in USD	Total Amount in USD	Exchange Rate*	Total Amount in BDT
01	Spark International	China	Needle Lockstitch Sewing Machine	Juki	DDL8100BM7WBL	304 Sets	750.00	228,000	82.00	18,696,000
02	Spark International	China	Overlock Machine	Juki	MO6816SFH650H	104 Sets	1,000	104,000		8,528,000
03	Spark International	Japan	Needle Gauge	Kansai	DFB1411PXP	23 Sets	2100	48,300		3,960,600
04	Spark International	Vietnam	Needle Lockstitch Side Cutter Sewing Machine	Juki	DLM5200ND	26 Sets	1,350	35,100		2,878,200
05	Spark International	Japan	Bartacking Machine	Juki	LK1900BHS	39 Sets	3,100	120,900		9,913,800
06	Spark International	China	Lockstitch Machine	Juki	LH3528AGFA00S	48 Sets	2,050	98,400		8,068,800
07	Spark International	Japan	Chain stitch Machine	Juki	MS1261F	32 Sets	4,100	131,200		10,758,400
08	Spark International	China	Bottom Cover Stitching Machine	Juki	MF7523U11B56	8 Sets	1,450	11,600		951,200
09	Spark International	Japan	Lockstitch Button Sewing Machine	Juki	LK1903BSS301	5 Sets	4,350	21,750		1,783,500
10	Spark International	China	Chainstitch Machine	Siruba	L382-64	16 Sets	1,650	26,400		2,164,800
11	Spark International	China	Hole Machine	Juki	LBH781U	8 Sets	3,600	28,800		2,361,600
12	Spark International	Thailand	Snap Machine	Uzu	UZ-7EA	12 Sets	950	11,400		934,800
13	Spark International	Japan	Button Hole Machine	Juki	MEB3200JSKA	6 Sets	10,500	63,000		5,166,000
14	Spark International	Japan	Welting Machine	Juki	APW895NS12ZLOK	4 Sets	19,800	79,200		6,494,400
15	Spark International	Germany	Blindstitch Sewing Machine	Maier	250-32	5 Sets	4,500	22,500		1,845,000
16	Spark International	Japan	Needle Belt	Kansai	B2000C	4 Sets	1,760	7,040		577,280
	Sub-Total									85,082,380

Sl. No.	Name of Supplier	Country of Origin	Description of Machine	Brand	Model	Qty.	Unit Price in BDT	Total Amount in BDT
01	Modern Erection Limited	Bangladesh	Steam Boilers	Local	MEL 500-A-TL-DF-EB	01	1,455,000	1,455,000
	Sub-Total							1,455,000

Sl. No.	Name of Supplier	Country of Origin	Description of Machine	Brand	Model	Qty.	Unit Price in EURO	Total Amount in EURO	Exchange Rate *	Total Amount in BDT
01	Wintex resources Ltd.	Italy	Steam Iron	FK	LG-300	12	150	1800	96.00	172,800

02	Wintex resources Ltd.	Italy	Ironing Table	FK	1980/A	12	550	6600		633,600
03	Wintex resources Ltd.	Italy	Ironing Machine	FK	R002	8	10,500	84,000		8,064,000
04	Wintex resources Ltd.	Italy	Hot Spotting Table	FK	EC-72	2	1,500	3,000		288,000
05	Wintex resources Ltd.	Italy	Single Head Machine	FK	AG-01	15	1,050	15,750		1,512,000
06	Wintex resources Ltd.	Italy	Fusing Machine	FK	MG-100	1	16,500	16,500		1,584,000
07	Wintex resources Ltd.	Italy	Trimming Machine	FK	WI-52	33	550	18,150		1,742,400
08	Wintex resources Ltd.	Italy	Jeans Cutter	FK	FK-180x170	1	142,630	142,630		13,692,480
09	Wintex resources Ltd.	Italy	Spreading Machine	FK	SM-180 Cm	1	36,000	36,000		3,456,000
Sub-Total										31,145,280
Grand Total										117,682,660

* Exchange rate may be fluctuated.

02. Extension of Factory Building:

SUMMARY OF ESTIMATED 5TH FLOOR CIVIL, ELECTRIFICATION, FURNITURE & FIRE PROTECTION WORK OF FACTORY BUILDING

Particulars				Amount in BDT
Budgeted Fund				76,382,990
Part-A	Civil			55,567,990
Part-B	Electrification			10,693,800
Part-C	Furniture & Fixtures			2,190,000
Part-D	Fire Protection & Detection System			7,931,200
Total				76,382,990

DETAILS ESTIMATION OF 5TH FLOOR CIVIL, ELECTRIFICATION, FURNITURE & FIRE PROTECTION WORK OF FACTORY BUILDING

PART-A: CIVIL WORKS

1 Mobilization

Mobilization and cleaning site before commencing actual physical work and during contract period and demobilization after completion of the Works. This work shall also covers Surface cleaning and clearing, removing paten stone concrete from existing top surface area.	Quantity	Tk/s ft	Amount (Tk)
	36,000	50	1,800,000

2 Column Casting

Mark	Lenth (ft)	width(ft)	Height(ft)	No. of Col	Volume (cft)	TK/c ft	Amount (Tk)
C-1	0.83	1.67	10	8	111.11	260	28,889
C-2	1.25	2.92	10	8	291.67	260	75,833
C-3	0.83	4.17	10	4	138.89	260	36,111
C-4	1.25	2.92	10	18	656.25	260	170,625
C-5	1.25	2.92	10	20	729.17	260	189,583
C-6	1.25	2.92	10	20	729.17	260	189,583
C-7	1.25	2.92	10	20	729.17	260	189,583
C-8	1.25	1.67	10	10	208.33	260	54,167
				108	Sub Total		934,375

3 Floor Beam Casting

Mark	Beam Size (ft)		Lenth (ft)	No of Beam	Volume (cft)	Tk/c ft	Amount (Tk)
B-1	1	1.75	336	8	4,704	260	1,223,040
B-2	1	1.75	108	10	1,890	260	491,400
						Sub Total	1,714,440

4 Floor Slab Casting

	Lenth (ft)	width(ft)	Area (sft)	Thickness (mm)	Volume (cft)	Tk/c ft	Amount (Tk)
	336	108	36288	0.583	21168	260	5,503,680
						Sub Total	5,503,680

5 Column Work (ROD)

Mark	Rod	Dia (mm)	Lengt h (ft)	Column size(ft x ft)	No. of Rod	kg/ft	wt(k g)	No. of column	Total Wt (kg)	Tk/k g	Amount (Tk)
c-1	Main	25	14	0.83	12	1.17	197	8	1,572	65	102,211
	Tie	10	10		20	0.19	38	8	304	65	19,760
C-2	Main	25	14	0.83	18	1.17	295	8	2,359	65	153,317
	Tie	10	15		17	0.19	48.45	8	388	65	25,194
C-3	Main	25	14	1.25	18	1.17	295	4	1,179	65	76,658
	Tie	10	10		17	0.19	32.3	4	129	65	8,398
C-4	Main	25	14	0.83	28	1.17	459	18	8,256	65	536,609
	Tie	10	12		17	0.19	38.76	18	698	65	45,349

c-5	Main	25	14	1.25	2.92	22	1.17	360	20	7,207	65	468,468
	Tie	10	12			17	0.19	38.76	20	775	65	50,388
C-6	Main	25	14	1.25	2.92	28	1.17	459	20	9,173	65	596,232
	Tie	10	12			17	0.19	38.76	20	775	65	50,388
C-7	Main	25	14	1.25	2.92	26	1.17	426	20	8,518	65	553,644
	Tie	10	12			17	0.19	38.76	20	775	65	50,388
C-8	Main	25	14	1.25	2.92	10	1.17	164	10	1,638	65	106,470
	Tie	10	10			17	0.19	32.3	10	323	65	20,995
Sub Total												2,864,469

6 Beam Work (ROD)											
Mark	Long (ft)				Extra Top (ft)			No of Beam	Wt (kg)	Tk/kg	Amount (Tk)
	Rod	Rod Dia(m m)	No. of Rod	Length (ft)	Rod Dia (mm)	No. of Rod	Length (ft)				
FB 1	Main	25	3	336	25	3	268.8	8	18,144	65	1,179,360
		20	3	336				8	6,048	65	393,120
	Tie	10	270	5.5				8	2,257	65	146,718
FB 1	Main	25	3	336	25	3	268.8	10	22,680	65	1,474,200
		20	3	336				10	7,560	65	491,400
	Tie	10	270	5.5				10	2,822	65	183,398
								Sub Total		3,868,196	

7 Slab Work (ROD)												
Lengt h (ft)	width(ft)	No. of Rod along width	No. of Rod along long	kg/ft main rod	Extra top length(ft)	No. of Rod along width h	Extra top length(ft)	No. of Rod along long	kg/ft main rod	Wt (kg)	TK/kg	Amount (Tk)
336	108	1008	324	0.19	252	2016	81	648	0.19	141,998	65	9,229,896
Sub Total												9,229,896

8 5" Brick Work					Sub Total	3,220,380
Lenth (ft)	width(ft)	Height (ft)	Wall Width (ft)	Area(sft)	Tk/s ft	Amount (Tk)
336	108	12	0.5	5328	70	372,960
336	108	3.5	0.5	1554	70	108,780
					Sub Total	481,740

9 Plaster Work												
Ceiling Plaster			Column, etc			Wall Plaster				Area (sft)	Tk/s ft	Amount (Tk)
Lenth (ft)	width(ft)	Area (sft)	Lenth (ft)	width(ft)	Area (sft)	Lent h (ft)	width(f t)	Heig ht (ft)	Area (sft)			
336	108	36288			15000	308	108	12	13,764	65,052	25	1,626,300

10 Internal Paint												
Ceiling Paint			Column, etc			Inside Wall				Area (sft)	Tk/s ft	Amount (Tk)
Lenth (ft)	width(ft)	Area (sft)	Lenth (ft)	width(ft)	Area (sft)	Lent h (ft)	width(f t)	Heig ht (ft)	Area (sft)			
336	108	36288			15000	308	108	12	6882	58,170	35	2,035,950

11 Epoxy Coating												
Ceiling Paint										Area (sft)	TK/s ft	Amount (Tk)
Lenth (ft)	width(ft)	Area (sft)	Lenth (ft)	width(ft)	Area (sft)	Lent h (ft)	width(f t)	Heig ht (ft)	Area (sft)			
336	108	36288								36,288	18	653,184

12 Exterior Weather Coat						
Lenth (ft)	width(ft)	Height (ft)	Wall Width (ft)	Area(sft)	TK/s ft	Amount (Tk)
336	108	12		5328	25	133,200

13 Wall Tiles (Toilet)						
Lenth (ft)	width(ft)	Area (sft)	Thickness (mm)	Quantity	TK/s ft	Amount (Tk)
50	30	1500	6	1	120	180,000

14 Floor Tiles						
Lenth (ft)	width(ft)	Area (sft)	Thickness (mm)	Quantity	TK/s ft	Amount (Tk)
336	108	36288	6	1	150	5,443,200

500	100	50200	5	1	100	5,140,200
15 Stair Tiles						
Lenth (ft)	width(ft)	Area (sft)	Thickness	Quantity	TK/s	Amount (Tk)

			(mm)		ft		
20	100	2000	6	1	100	200,000	
16 Window Grill							
	Lenth (ft)	width(ft)	Height (ft)	Quantity	Area (sft)	TK/s ft	Amount (Tk)
	8	5	5	50	2,000	250	500,000
17 Aluminium Window							
	Lenth (ft)	width(ft)	Height (ft)	Quantity	Area (sft)	Tk/s ft	Amount (Tk)
	8	5	5	50	2,000	350	700,000
18	Water Proof Membrene				35,000	145	5,075,000
19	100 mm inside diameter best quality uPVC rain water down pipe fitting,Local				2,000	120	240,000
20	Standard quality plumbing and sanitary items for all bath rooms (commod, basin, bib cock, towel rail, soap case, push shower, etc all are local brand)						550,000
21	One Cargo lift of capacity 1500 kg(Brand: Sword, Origin: China)						4,000,000
22	Civil Sub- Contractor's charge including VAT/Tax etc. It included all labour charges;				36,000	218	7,834,360
Grand Total							55,567,990

PART-B: INTERNAL ELECTRIFICATION INCLUDING LINE CONVERSION WORKS

Sl. No.	Description of Items	Quantity	Unit	Rate in Taka	Amount in Taka
1	1×300,RM (NYY)Power Cable, Brand: Citizen	400	Mtr	3,513	1,405,200
2	150,RM Cable(NYY)ECC, Brand: Citizen	120	Mtr	1,777	213,240
3	35,RM Cable (NYY), Brand: Citizen	680	Mtr	443	301,240
4	25,RM Cable (NYY), Brand: Citizen	440	Mtr	332	146,080
5	16,RM Cable (NYY), Brand: Citizen	500	Mtr	220	110,000
6	10,RM Cable(BYA), Brand: Citizen	15	Coil	11,016	165,246
7	6,RM Cable (BYA), Brand: Citizen	140	Coil	6,950	973,000
8	4,RM Cable (BYA), Brand: Citizen	18	Coil	4,650	83,700
9	2.5,RM Cable (BYA), Brand: Citizen	28	Coil	2,995	83,860
10	1.5,RM Cable (BYA), Brand: Citizen	40	Coil	1,880	75,200
11	2×40/0.76,RM (BYA), Brand: Citizen	15	Coil	3,030	45,450
12	3×40/0.76,RM (BYA), Brand: Citizen	12	Coil	4,558	54,696
13	4×40/0.76,RM (BYA), Brand: Citizen	16	Coil	6,963	111,408
14	Cable Lug-300 RM	24	Pcs	300	7,200
15	Cable Lug-150 RM	24	Pcs	150	3,600
16	Cable Lug-70 RM	24	Pcs	120	2,880
17	Cable Lug-35 RM	36	Pcs	120	4,320
18	Cable Lug-25 RM	36	Pcs	70	2,520
19	Cable Lug-16 RM	100	Pcs	20	2,000
20	Cable Lug-10 RM	100	Pcs	15	1,500
21	Cable Lug-6 RM	1,000	Pcs	7	7,000
22	Cable Lug-2.5 RM	500	Pcs	5	2,500
23	Cable Ferul-300 RM	24	Pcs	300	7,200
24	Cable Ferul-150 RM	24	Pcs	150	3,600
25	Cable Ferul-70 RM	24	Pcs	120	2,880
26	Cable Ferul-35 RM	36	Pcs	120	4,320
27	Cable Ferul-25 RM	36	Pcs	70	2,520
28	Cable Ferul-16 RM	50	Pcs	15	750
29	Cable Ferul-10 RM	50	Pcs	10	500
30	Cable Ferul-6 RM	500	Pcs	6	3,000
31	Cable Ferul-2.5 RM	500	Pcs	4	2,000
32	Cable Galon-38 mm	24	Pcs	50	1,200
33	Cable Galon-34 mm	24	Pcs	50	1,200
34	Cable Galon-29 mm	24	Pcs	45	1,080
35	Cable Galon-24 mm	50	Pcs	40	2,000
36	Cable Galon-20 mm	50	Pcs	35	1,750
37	Cable Marker-300 RM	24	Pcs	40	960
38	Cable Marker-150 RM	12	Pcs	30	360
39	Cable Marker-70 RM	12	Pcs	25	300
40	Cable Marker-35 RM	20	Pcs	15	300
41	Cable Marker-25 RM	20	Pcs	15	300
42	Cable Marker-16 RM	50	Pcs	14	700
43	Cable Marker-10 RM	50	Pcs	12	600
44	Cable Marker-6 RM	500	Pcs	6	3,000
45	Cable Marker-2.5 RM	100	Pcs	4	400
46	Cable Marker-1.5 RM	200	Pcs	3	600
47	FDB(Brand: Satco, Origin: Local)	2	Pcs	50,000	100,000
48	SDB (Brand: Satco, Origin: Local)	6	Pcs	30,000	180,000
49	LT Panel (Brand: Satco, Origin: Local)	1	Pc	160,000	160,000

50	PFI Plant 200 KVA (Brand: Satco, Origin: Local)	1	Job	550,000	550,000
51	Tube Light(Double Shade) 4 Feet LED	850	Pcs	1,400	1,190,000
52	3 Pin Socket 13 A MK	1,000	Pcs	380	380,000
53	3 Pin Plug 13 A MK	950	Pcs	220	209,000
54	PVC Tape	50	Dzn	220	11,000
55	PIB Tape	30	Pcs	300	9,000
56	Cable Tray with Cover 8×10×8×0.5	130	Rft	300	39,000
57	Cable Tray with Cover 3×4×3×0.5	2,000	Rft	220	440,000
58	Cable Tray with Cover 4×5×4×0.5	200	Rft	200	40,000
59	Cable Tray with Cover 2×2×2×0.5	4,200	Rft	125	525,000
60	Cable Tray Hanger	1,000	Pcs	150	150,000
61	XCC Bolt	1,000	Pcs	50	50,000
62	Clam	2,000	Pcs	60	120,000
63	Angle(1.5×1.5)	300	Kg	60	18,000
64	Flat Bar (1×1")	100	Kg	60	6,000
65	MCCB 400 A ABB	4	Pcs	45,000	180,000
66	MCCB 160 A ABB	4	Pcs	12,500	50,000
67	MCCB 40 A ABB	8	Pcs	8,200	65,600
68	MCCB 80 A ABB	2	Pcs	8,200	16,400
69	MCCB 60 A ABB	2	Pcs	8,200	16,400
70	MCBSP 25 A ABB	70	Pcs	520	36,400
71	MCBSP 32 A ABB	24	Pcs	520	12,480
72	MCBSP 20 A ABB	24	Pcs	520	12,480
73	MCBSP 16 A ABB	24	Pcs	520	12,480
74	MCBSP 10 A ABB	36	Pcs	520	18,720
75	MCBSP 6 A ABB	24	Pcs	520	12,480
76	MCBTP 40 A ABB	6	Pcs	4,500	27,000
77	MCBTP 32 A ABB	8	Pcs	28,500	228,000
78	MCBTP 16 A ABB	8	Pcs	28,500	228,000
79	MCBTP 10 A ABB	6	Pcs	28,500	171,000
80	MCBTP 6 A ABB	16	Pcs	28,500	456,000
81	Exhaust Fan 56"	20	Pcs	20,000	400,000
82	Cooling Pad (Width: 6'×2', Thickness: 6")	50	Pcs	4,000	200,000
83	Cooling Motor 4HP(Brand: Pedrollo, Origin: Italy)	2	Pcs	30,000	60,000
84	Cooling Water Line Installation			-	200,000
85	Celling Fan(BRB)	60	Pcs	2,500	150,000
86	Compressor 10 HP(Brand: Fini; Origin: Italy)	1	Pc	120,000	120,000
	Total				10,693,800

PART-C: FURNITURE & FIXTURES

Sl. No.	Description of Items	Quantity	Unit	Rate in Taka	Amount in Taka
1	Chair	700	Pcs	1,000	700,000
2	Quality Inspection Table	40	Pcs	12,000	480,000
3	Plate	40	Pcs	8,000	320,000
4	Busket	40	Pcs	6,000	240,000
5	Staff Chair/Table(Brand: Local, Origin: Local)	30	Set	15,000	450,000
	Total				2,190,000

PART-D: FIRE PROTECTION & DETECTION SYSTEM(EXTENSION-5TH FLOOR)

Sl. No.	Description of Items	Quantity	Unit	Rate in Taka	Amount in Taka
	Fire Hydrant/Protection System:				
i)	Simless MM Pipe				
	a) 200 MM Dia Simless MS Pipe	1,500	Feet	620	930,000
	b) 150 MM Dia Simless MS Pipe	1,200	Feet	480	576,000
	c) 100 MM Dia Simless MS Pipe	1,200	Feet	380	456,000
	d) 65 MM Dia Simless MS Pipe	1,200	Feet	350	420,000
	e) 40 MM Dia Simless MS Pipe	1,000	Feet	350	350,000
ii)	Hose Cabinet(Cabinet shall be complete with swing type door with glass and shall be made locally with 18 SWG MS sheet & door 16 SWG, painted with docu paint(red color).Brand: Techno; Origin: Local;	4	No.'s	7,000	28,000
iii)	Hose Real(100 Feet, Dia: 1.5"), Brand: Bristol, Origin: UAE	4	No.'s	8,000	32,000
iv)	Various Pipe Fittings, Gasket, Wrapping, Tap, Nut, Bolt, Washer, Angle, C Chanel, U Clamp, Paint, Thinner etc.	1	Lot	300,000	300,000
v)	Testing, Commission and Balancing after proper installation the system shall be tested, commissioned and balanced as per direction and recommendation	1	Job	200,000	200,000
vi)	As build Design for fire hydrant system	1	Job	150,000	150,000
	Fire Detection System:				

i)	Cable 2 x 1.5 rm, Brand: Tianjle, UL Listed for Detection System	6,000	Rft	260	1,560,000
ii)	Cable 2 x 2.5 rm, Brand: Tianjle, UL Listed for Detection System	1,500	Rft	280	420,000
iii)	PVC Conduit Item	8,000	Rft	40	320,000
iv)	Device Installation	60	No.'s	500	30,000
v)	Cabling Installing Charge	8,000	Rft	40	320,000
vi)	As build Design for fire Detection system	1	Lot	200,000	200,000
vii)	Fire Monitoring system setup	1	Lot	50,000	50,000
viii)	System Design and Documentation as per Accord Guideline	1	1 Lot	70,000	70,000
ix)	Fire Detector with base and Module EN54 standard, Brand: Seconet, Origin: Germany	40	Pcs	4,800	192,000
x)	Fire & Smoke Detector with Base and Module EN54 standard, Brand: Seconet, Origin: Germany	20	Pcs	5,200	104,000
Fire Extinguisher & Others:					
i)	ABC dry Powder fire extinguisher Capacity, Brand: ANS, Origin: China	70	Pcs	800	56,000
ii)	CO2 fire extinguisher Capacity, Brand: ANS, Origin: China	30	Pcs	650	19,500
iii)	Fire First Aid Box	10	Pcs	450	4,500
iv)	Fire Proof fire Man Dress	40	Pcs	13,000	520,000
v)	Fire Blanket	10	Pcs	200	2,000
vi)	Fire Alarm Switch (Steel Box), EN54 Standard, Brand: Seconet, Origin: Germany	15	Pcs	800	12,000
vii)	Emergency Exit Sign	20	Pcs	2,500	50,000
viii)	Smoke Mask	12	Pcs	1,400	16,800
ix)	Emergency Fog Light (2Hrs Backup)	50	Pcs	2,600	130,000
x)	Fire Evacuation Plan	4	Pcs	3,000	12,000
xi)	Fire Hook	8	Pcs	1,200	9,600
xii)	Fire Better	8	Pcs	1,500	12,000
xiii)	Lock Cutter	4	Pcs	2,000	8,000
xiv)	Roof	2	Pcs	3,000	6,000
xv)	Strature	2	Pcs	5,000	10,000
xvi)	Fire Bucket	8	Pcs	600	4,800
xvii)	Water Drum	2	Pcs	1,000	2,000
xviii)	Bucket Stand	2	Pcs	1,500	3,000
xix)	Fire Rated Door(UL Listed)-Double(With Installation), Rating: 1.5 Hrs, Origin: China	3	No.'s	95,000	285,000
xx)	Fire Rated Door(UL Listed)-Single(With Installation), Rating: 1.5 Hrs, Origin: China	1	No.	60,000	60,000
Total					7,931,200

03. Long term loan Repayment:

Sl. No.	Particulars	Amount in Tk.
01	Long-term loan repayment of Southeast Bank Limited, Banani Branch, Dhaka.	90,000,000

b) Utilization of the total amount of paid-up capital and share premium, if any, including the sponsors' contribution and capital raised of the issuer at the time of submission of prospectus, in details with indication of use of such funds in the financial statements;

Indication of use of fund in the statement of cash flows:

Tk. 200,000 (Two Lac) and Tk. 160,000 (One Lac Sixty Thousand) has been raised prior to the public issue on dated 23.05.2000 and 20.10.2006 respectively and Tk. 98,640,000 has been raised through cash from the existing shareholders & 300,000,000 has been raised through bonus shares with the approval of Bangladesh Securities and Exchange Commission no: BSEC/CI/CPLC (pvt)-658/2015/77, dated February 07, 2016 prior to the public issue on June 30, 2017. This fund has already deployed by the issuer in the following manner:

Accounting Years	Item	Amount in Tk.	Reflected in Cash Flow Statement
1999-2000	Working Capital	200,000	In the statement of Cash Flows, this figure is included as Payment to suppliers Tk. 200,000 under the head of operating Activities.
2006-2007	Working Capital	160,000	In the statement of Cash Flows, this figure is included as Payment to suppliers Tk. 160,000 under the head of operating Activities.
2012-2013	Acquisition of Property, Plant & Equipment	42,785,629	In the Statement of Cash flows, the figure is included in total amount of fixed asset acquisition such as Plant and Machinery Tk.27,785,629; Building Tk.15,000,000 under the head of investing activities.
2013-2014	Working Capital	55,854,371	In the statement of Cash Flows, this figure is included as Payment to suppliers Tk. 55,854,371 under the head of operating Activities.
2015-2016	Capital raised through bonus share	300,000,000	N/A
Total		399,000,000	

c) If one of the objects is an investment in a joint venture, a subsidiary, an associate or any acquisition, details of the form of investment, nature of benefit expected to accrue to the issuer as a result of the investment, brief description of business and financials of such venture;

The issuer has no objects to investment in a joint venture, a subsidiary, an associate or any acquisition.

d) If IPO proceeds are not sufficient to complete the project, then source of additional fund must be mentioned. In this connection, copies of contract to meet the additional funds are required to be submitted to the Commission. The means and source of financing, including details of bridge loan or other financial arrangement, which may be repaid from the proceeds of the issue along with utilization of such funds:

IPO proceeds are sufficient to complete the expansion.

e) A schedule mentioning the stages of implementation and utilization of funds received through public offer in a tabular form, progress made so far, giving details of land acquisition, civil works, installation of plant and machinery, the approximate date of completion of the project and the projected date of full commercial operation etc. The schedule shall be signed by the Chief Executive Officer or Managing Director, Chief Financial Officer and Chairman on behalf of Board of Directors of the issuer;

Utilization of Fund	Progress made so far	Approximate date of Completion of the projects	Projected date of full commercial operation
Plant & Machinery	Purchase of Plant & Machinery will be started after receiving of IPO fund	Within 06 Months after receiving the IPO fund	After 3 months of the completion of the project
Civil Construction	Civil construction will be started after receiving of IPO fund.	Within 12 Months after receiving the IPO fund	After 3 months of the completion of the project
Loan repayment	N/A	Within 01 month after receiving the IPO fund	N/A

Sd/-
M. Zakir Chowdhury
Managing Director & CEO

Sd/-
Sharif Ahmed
Chief Financial Officer

Sd/-
Osman Khadem
Chairman
(On behalf of Board)

f) If there are contracts covering any of the activities of the issuer for which the proceeds of sale of securities are to be used, such as contracts for the purchase of land or contracts for the construction of buildings, the issuer shall disclose the terms of such contracts, and copies of the contracts shall be enclosed as annexure to the prospectus:

There is no such contract yet to be engaged by the Company.

g) If one of the objects of the issue is utilization of the issue proceeds for working capital, basis of estimation of working capital requirement along with the relevant assumptions, reasons for raising additional working capital substantiating the same with relevant facts and figures and also the reasons for financing short with long term investments and an item wise break-up of last three years working capital and next two years projection:

No objects of the issue are utilization of the issue proceeds for working capital.

h) Where the issuer proposes to undertake one or more activities like diversification, modernization, expansion, etc., the total project cost activity-wise or project wise, as the case may be:

The Company has a plan to implement the expansion by using IPO proceeds, which have been mentioned in use of IPO Proceeds and project implementation schedule.

i) Where the issuer is implementing the project in a phased manner, the cost of each phase, including the phases, if any, which have already been implemented:

The Company has a plan to implement the expansion by using IPO proceeds, which have been mentioned in use of IPO Proceeds and project implementation schedule.

j) The details of all existing or anticipated material transactions in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies:

There is no existing or anticipated material transaction in relation to utilization of the issue proceeds or project cost with sponsors, directors, key management personnel, associates and group companies.

(k) Summary of the project appraisal or feasibility report by the relevant professionals not connected with the issuer, issue manager and registrar to the issue with cost of the project and means of finance, weaknesses and threats, if any, as given in the appraisal or feasibility report.

**FEASIBILITY STUDY REPORT
OF
NEW LINE CLOTHINGS LIMITED**

Executive Summary

New Line Clothings Limited (hereinafter referred to as "the Company") was incorporated on May 23, 2000 vide registration no. 40328(2296)/2000 as a private limited company in Bangladesh under the Companies Act, 1994. It has started its commercial production on March 01, 2007. On September 30, 2013, the Company was converted itself as a Public Limited Company under the Companies Act, 1994. The registered & factory office of the company is located at its own premises at Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur.

Introduction:

New Line Clothings Limited (hereinafter referred to as "the Company") was incorporated on May 23, 2000 vide registration no. 40328(2296)/2000 as a private limited company in Bangladesh under the Companies Act, 1994. It has started its commercial production on March 01, 2007. On September 30, 2013, the Company was converted itself as a Public Limited Company under the Companies Act, 1994. The company existing installed capacity is 84 lac pcs oven garments where by achieving 77% company produced 65 lac pcs. The company planned to produce 1.0 crore pcs oven garments per year by June 2020.

Business Expansion at a glance:

Total cost of the project: TK. 284,065,650

Product to be produced: Various kinds of woven Garments for both ladies and gents including trousers, shirts, children wear, gents wear, female wear, jackets, Sportswear, denim garments etc.

Cost of the Project:

Sl. No.	Particulars	Amount in Tk.
01	Acquisition of Plant & Machinery	117,682,660
02	Extension of Factory Building	76,382,990
03	Long term loan repayment	90,000,000
Total		284,065,650

01. Acquisition of Plant & Machinery:

Sl. No.	Name of Supplier	Country of Origin	Description of Machine	Brand	Model	Qty.	Unit Price in USD	Total Amount in USD	Excha nge Rate*	Total Amount in BDT
01	Spark International	China	Needle Lockstitch Sewing Machine	Juki	DDL8100BM7WBL	304 Sets	750.00	228,000	82.00	18,696,000
02	Spark International	China	Overlock Machine	Juki	MO6816SFH650H	104 Sets	1,000	104,000		8,528,000
03	Spark International	Japan	Needle Gauge	Kansai	DFB1411PXP	23 Sets	2100	48,300		3,960,600
04	Spark International	Vietnam	Needle Lockstitch Side Cutter Sewing Machine	Juki	DLM5200ND	26 Sets	1,350	35,100		2,878,200
05	Spark International	Japan	Bartacking Machine	Juki	LK1900BHS	39 Sets	3,100	120,900		9,913,800
06	Spark International	China	Lockstitch Machine	Juki	LH3528AGFA00S	48 Sets	2,050	98,400		8,068,800
07	Spark International	Japan	Chain stitch Machine	Juki	MS1261F	32 Sets	4,100	131,200		10,758,400
08	Spark International	China	Bottom Cover Stitching Machine	Juki	MF7523U11B56	8 Sets	1,450	11,600		951,200
09	Spark International	Japan	Lockstitch Button Sewing Machine	Juki	LK1903BSS301	5 Sets	4,350	21,750		1,783,500
10	Spark International	China	Chainstitch Machine	Siruba	L382-64	16 Sets	1,650	26,400		2,164,800
11	Spark International	China	Hole Machine	Juki	LBH781U	8 Sets	3,600	28,800		2,361,600
12	Spark International	Thailand	Snap Machine	Uzu	UZ-7EA	12 Sets	950	11,400		934,800
13	Spark International	Japan	Button Hole Machine	Juki	MEB3200JSKA	6 Sets	10,500	63,000		5,166,000
14	Spark International	Japan	Welting Machine	Juki	APW895NS12ZLOK	4 Sets	19,800	79,200		6,494,400
15	Spark International	Germany	Blindstitch Sewing Machine	Maier	250-32	5 Sets	4,500	22,500		1,845,000

16	Spark International	Japan	Needle Belt	Kansai	B2000C	4 Sets	1,760	7,040		577,280
Sub-Total										85,082,380

Sl. No.	Name of Supplier	Country of Origin	Description of Machine	Brand	Model	Qty.	Unit Price in BDT	Total Amount in BDT
01	Modern Erection Limited	Bangladesh	Steam Boilers	Local	MEL 500-A-TL-DF-EB	01	1,455,000	1,455,000
Sub-Total								1,455,000

Sl. No.	Name of Supplier	Country of Origin	Description of Machine	Brand	Model	Qty.	Unit Price in EURO	Total Amount in EURO	Exchange Rate *	Total Amount in BDT
01	Wintex resources Ltd.	Italy	Steam Iron	FK	LG-300	12	150	1800	96.00	172,800
02	Wintex resources Ltd.	Italy	Ironing Table	FK	1980/A	12	550	6600		633,600
03	Wintex resources Ltd.	Italy	Ironing Machine	FK	R002	8	10,500	84,000		8,064,000
04	Wintex resources Ltd.	Italy	Hot Spotting Table	FK	EC-72	2	1,500	3,000		288,000
05	Wintex resources Ltd.	Italy	Single Head Machine	FK	AG-01	15	1,050	15,750		1,512,000
06	Wintex resources Ltd.	Italy	Fusing Machine	FK	MG-100	1	16,500	16,500		1,584,000
07	Wintex resources Ltd.	Italy	Trimming Machine	FK	WI-52	33	550	18,150		1,742,400
08	Wintex resources Ltd.	Italy	Jeans Cutter	FK	FK-180x170	1	142,630	142,630		13,692,480
09	Wintex resources Ltd.	Italy	Spreading Machine	FK	SM-180 Cm	1	36,000	36,000		3,456,000
Sub-Total										31,145,280
Grand Total										117,682,660

* Exchange rate may be fluctuated.

02. Extension of Factory Building:

SUMMARY OF ESTIMATED 5TH FLOOR CIVIL, ELECTRIFICATION, FURNITURE & FIRE PROTECTION WORK OF FACTORY BUILDING

Particulars			Amount in BDT
Budgeted Fund			76,382,990
Part-A	Civil		55,567,990
Part-B	Electrification		10,693,800
Part-C	Furniture & Fixtures		2,190,000
Part-D	Fire Protection & Detection System		7,931,200
Total			76,382,990

DETAILS ESTIMATION OF 5TH FLOOR CIVIL, ELECTRIFICATION, FURNITURE & FIRE PROTECTION WORK OF FACTORY BUILDING

PART-A: CIVIL WORKS

1 Mobilization

Mobilization and cleaning site before commencing actual physical work and during contract period and demobilization after completion of the Works. This work shall also covers Surface cleaning and clearing, removing paten stone concrete from existing top surface area.	Quantity	Tk/sf t	Amount (Tk)
	36,000	50	1,800,000

2 Column Casting

Mark	Lenth (ft)	width(ft)	Height(ft)	No. of Col	Volume (cft)	TK/cf t	Amount (Tk)
C-1	0.83	1.67	10	8	111.11	260	28,889
C-2	1.25	2.92	10	8	291.67	260	75,833
C-3	0.83	4.17	10	4	138.89	260	36,111
C-4	1.25	2.92	10	18	656.25	260	170,625
C-5	1.25	2.92	10	20	729.17	260	189,583
C-6	1.25	2.92	10	20	729.17	260	189,583
C-7	1.25	2.92	10	20	729.17	260	189,583
C-8	1.25	1.67	10	10	208.33	260	54,167
108					Sub Total		934,375

3 Floor Beam Casting

Mark	Beam Size (ft)		Lenth (ft)	No of Beam	Volume (cft)	Tk/cf t	Amount (Tk)
B-1	1	1.75	336	8	4,704	260	1,223,040
B-2	1	1.75	108	10	1,890	260	491,400
Sub Total							1,714,440

4 Floor Slab Casting

	Lenth (ft)	width(ft)	Area (sft)	Thickness (mm)	Volume (cft)	Tk/cf t	Amount (Tk)
	336	108	36288	0.583	21168	260	5,503,680

									Sub Total			5,503,680
5 Column Work (ROD)												
Mark	Rod	Dia (mm)	Length (ft)	Column size(ft x ft)		No. of Rod	kg/ft	wt(kg)	No. of column	Total Wt (kg)	Tk/kg	Amount (Tk)
C-1	Main	25	14	0.83	1.67	12	1.17	197	8	1,572	65	102,211
	Tie	10	10			20	0.19	38	8	304	65	19,760
C-2	Main	25	14	0.83	2.92	18	1.17	295	8	2,359	65	153,317
	Tie	10	15			17	0.19	48.45	8	388	65	25,194
C-3	Main	25	14	1.25	1.67	18	1.17	295	4	1,179	65	76,658
	Tie	10	10			17	0.19	32.3	4	129	65	8,398
C-4	Main	25	14	0.83	4.17	28	1.17	459	18	8,256	65	536,609
	Tie	10	12			17	0.19	38.76	18	698	65	45,349
C-5	Main	25	14	1.25	2.92	22	1.17	360	20	7,207	65	468,468
	Tie	10	12			17	0.19	38.76	20	775	65	50,388
C-6	Main	25	14	1.25	2.92	28	1.17	459	20	9,173	65	596,232
	Tie	10	12			17	0.19	38.76	20	775	65	50,388
C-7	Main	25	14	1.25	2.92	26	1.17	426	20	8,518	65	553,644
	Tie	10	12			17	0.19	38.76	20	775	65	50,388
C-8	Main	25	14	1.25	2.92	10	1.17	164	10	1,638	65	106,470
	Tie	10	10			17	0.19	32.3	10	323	65	20,995
									Sub Total			2,864,469

6 Beam Work (ROD)											
Mark	Long (ft)				Extra Top (ft)			No of Beam	Wt (kg)	Tk/kg g	Amount (Tk)
	Rod	Rod Dia(m m)	No. of Rod	Length (ft)	Rod Dia (mm)	No. of Rod	Length (ft)				
FB 1	Main	25	3	336	25	3	268.8	8	18,144	65	1,179,360
		20	3	336				8	6,048	65	393,120
	Tie	10	270	5.5				8	2,257	65	146,718
FB 1	Main	25	3	336	25	3	268.8	10	22,680	65	1,474,200
		20	3	336				10	7,560	65	491,400
	Tie	10	270	5.5				10	2,822	65	183,398
									Sub Total		3,868,196

7 Slab Work (ROD)												
Length (ft)	width(ft)	No. of Rod along width	No. of Rod along long	kg/ft main rod	Extra top length(ft)	No. of Rod along width	Extra top length(ft)	No. of Rod along long	kg/ft main rod	Wt (kg)	TK/kg	Amount (Tk)
336	108	1008	324	0.19	252	2016	81	648	0.19	141,998	65	9,229,896
										Sub Total		9,229,896

8 5" Brick Work							
Lenth (ft)	width(ft)	Height (ft)	Wall Width (ft)	Area(sft)	Tk/sf t	Amount (Tk)	
336	108	12	0.5	5328	70	372,960	
336	108	3.5	0.5	1554	70	108,780	
				Sub Total		481,740	

9 Plaster Work												
Ceiling Plaster			Column, etc			Wall Plaster				Area (sft)	Tk/sft	Amount (Tk)
Length (ft)	width(ft)	Area (sft)	Length (ft)	width(ft)	Area (sft)	Length (ft)	width(ft)	Height (ft)	Area (sft)			
336	108	36288			15000	308	108	12	13,764	65,052	25	1,626,300

10 Internal Paint												
Ceiling Paint			Column, etc			Inside Wall				Area (sft)	Tk/sft	Amount (Tk)
Length (ft)	width(ft)	Area (sft)	Length (ft)	width(ft)	Area (sft)	Length (ft)	width(ft)	Height (ft)	Area (sft)			
336	108	36288			15000	308	108	12	6882	58,170	35	2,035,950

11 Epoxy Coating												
Ceiling Paint										Area (sft)	TK/sft	Amount (Tk)
Length (ft)	width(ft)	Area (sft)	Length (ft)	width(ft)	Area (sft)	Length (ft)	width(ft)	Height (ft)	Area (sft)			
336	108	36288								36,288	18	653,184

12 Exterior Weather Coat						
Lenth (ft)	width(ft)	Height (ft)	Wall Width (ft)	Area(sft)	TK/sf t	Amount (Tk)
336	108	12		5328	25	133,200

13 Wall Tiles (Toilet)

Lenth (ft)	width(ft)	Area (sft)	Thickness (mm)	Quantity	TK/sf t	Amount (Tk)
50	30	1500	6	1	120	180,000

14 Floor Tiles

Lenth (ft)	width(ft)	Area (sft)	Thickness (mm)	Quantity	TK/sf t	Amount (Tk)
336	108	36288	6	1	150	5,443,200

15 Stair Tiles

Lenth (ft)	width(ft)	Area (sft)	Thickness (mm)	Quantity	TK/sf t	Amount (Tk)
20	100	2000	6	1	100	200,000

16 Window Grill

Lenth (ft)	width(ft)	Height (ft)	Quantity	Area (sft)	TK/sf t	Amount (Tk)
8	5	5	50	2,000	250	500,000

17 Aluminium Window

Lenth (ft)	width(ft)	Height (ft)	Quantity	Area (sft)	Tk/sf t	Amount (Tk)
8	5	5	50	2,000	350	700,000

18	Water Proof Membrane				35,000	145	5,075,000
19	100 mm inside diameter best quality uPVC rain water down pipe fitting, Local				2,000	120	240,000
20	Standard quality plumbing and sanitary items for all bath rooms (commod, basin, bib cock, towel rail, soap case, push shower, etc all are local brand)						550,000
21	One Cargo lift of capacity 1500 kg (Brand: Sword, Origin: China)						4,000,000
22	Civil Sub- Contractor's charge including VAT/Tax etc. It included all labour charges;				36,000	218	7,834,360

Grand Total
55,567,990
PART-B: INTERNAL ELECTRIFICATION INCLUDING LINE CONVERSION WORKS

Sl. No.	Description of Items	Quantity	Unit	Rate in Taka	Amount in Taka
1	1×300, RM (NYY) Power Cable, Brand: Citizen	400	Mtr	3,513	1,405,200
2	150, RM Cable (NYY) ECC, Brand: Citizen	120	Mtr	1,777	213,240
3	35, RM Cable (NYY), Brand: Citizen	680	Mtr	443	301,240
4	25, RM Cable (NYY), Brand: Citizen	440	Mtr	332	146,080
5	16, RM Cable (NYY), Brand: Citizen	500	Mtr	220	110,000
6	10, RM Cable (BYA), Brand: Citizen	15	Coil	11,016	165,246
7	6, RM Cable (BYA), Brand: Citizen	140	Coil	6,950	973,000
8	4, RM Cable (BYA), Brand: Citizen	18	Coil	4,650	83,700
9	2.5, RM Cable (BYA), Brand: Citizen	28	Coil	2,995	83,860
10	1.5, RM Cable (BYA), Brand: Citizen	40	Coil	1,880	75,200
11	2×40/0.76, RM (BYA), Brand: Citizen	15	Coil	3,030	45,450
12	3×40/0.76, RM (BYA), Brand: Citizen	12	Coil	4,558	54,696
13	4×40/0.76, RM (BYA), Brand: Citizen	16	Coil	6,963	111,408
14	Cable Lug-300 RM	24	Pcs	300	7,200
15	Cable Lug-150 RM	24	Pcs	150	3,600
16	Cable Lug-70 RM	24	Pcs	120	2,880
17	Cable Lug-35 RM	36	Pcs	120	4,320
18	Cable Lug-25 RM	36	Pcs	70	2,520
19	Cable Lug-16 RM	100	Pcs	20	2,000
20	Cable Lug-10 RM	100	Pcs	15	1,500
21	Cable Lug-6 RM	1,000	Pcs	7	7,000
22	Cable Lug-2.5 RM	500	Pcs	5	2,500
23	Cable Ferul-300 RM	24	Pcs	300	7,200
24	Cable Ferul-150 RM	24	Pcs	150	3,600
25	Cable Ferul-70 RM	24	Pcs	120	2,880
26	Cable Ferul-35 RM	36	Pcs	120	4,320
27	Cable Ferul-25 RM	36	Pcs	70	2,520
28	Cable Ferul-16 RM	50	Pcs	15	750
29	Cable Ferul-10 RM	50	Pcs	10	500
30	Cable Ferul-6 RM	500	Pcs	6	3,000
31	Cable Ferul-2.5 RM	500	Pcs	4	2,000
32	Cable Galon-38 mm	24	Pcs	50	1,200
33	Cable Galon-34 mm	24	Pcs	50	1,200
34	Cable Galon-29 mm	24	Pcs	45	1,080
35	Cable Galon-24 mm	50	Pcs	40	2,000
36	Cable Galon-20 mm	50	Pcs	35	1,750

37	Cable Marker-300 RM	24	Pcs	40	960
38	Cable Marker-150 RM	12	Pcs	30	360
39	Cable Marker-70 RM	12	Pcs	25	300
40	Cable Marker-35 RM	20	Pcs	15	300
41	Cable Marker-25 RM	20	Pcs	15	300
42	Cable Marker-16 RM	50	Pcs	14	700
43	Cable Marker-10 RM	50	Pcs	12	600
44	Cable Marker-6 RM	500	Pcs	6	3,000
45	Cable Marker-2.5 RM	100	Pcs	4	400
46	Cable Marker-1.5 RM	200	Pcs	3	600
47	FDB(Brand: Satco, Origin: Local)	2	Pcs	50,000	100,000
48	SDB (Brand: Satco, Origin: Local)	6	Pcs	30,000	180,000
49	LT Panel (Brand: Satco, Origin: Local)	1	Pc	160,000	160,000
50	PFI Plant 200 KVA (Brand: Satco, Origin: Local)	1	Job	550,000	550,000
51	Tube Light(Double Shade) 4 Feet LED	850	Pcs	1,400	1,190,000
52	3 Pin Socket 13 A MK	1,000	Pcs	380	380,000
53	3 Pin Plug 13 A MK	950	Pcs	220	209,000
54	PVC Tape	50	Dzn	220	11,000
55	PIB Tape	30	Pcs	300	9,000
56	Cable Tray with Cover 8×10×8×0.5	130	Rft	300	39,000
57	Cable Tray with Cover 3×4×3×0.5	2,000	Rft	220	440,000
58	Cable Tray with Cover 4×5×4×0.5	200	Rft	200	40,000
59	Cable Tray with Cover 2×2×2×0.5	4,200	Rft	125	525,000
60	Cable Tray Hanger	1,000	Pcs	150	150,000
61	XCC Bolt	1,000	Pcs	50	50,000
62	Clam	2,000	Pcs	60	120,000
63	Angle(1.5×1.5)	300	Kg	60	18,000
64	Flat Bar (1×1")	100	Kg	60	6,000
65	MCCB 400 A ABB	4	Pcs	45,000	180,000
66	MCCB 160 A ABB	4	Pcs	12,500	50,000
67	MCCB 40 A ABB	8	Pcs	8,200	65,600
68	MCCB 80 A ABB	2	Pcs	8,200	16,400
69	MCCB 60 A ABB	2	Pcs	8,200	16,400
70	MCBSP 25 A ABB	70	Pcs	520	36,400
71	MCBSP 32 A ABB	24	Pcs	520	12,480
72	MCBSP 20 A ABB	24	Pcs	520	12,480
73	MCBSP 16 A ABB	24	Pcs	520	12,480
74	MCBSP 10 A ABB	36	Pcs	520	18,720
75	MCBSP 6 A ABB	24	Pcs	520	12,480
76	MCBTP 40 A ABB	6	Pcs	4,500	27,000
77	MCBTP 32 A ABB	8	Pcs	28,500	228,000
78	MCBTP 16 A ABB	8	Pcs	28,500	228,000
79	MCBTP 10 A ABB	6	Pcs	28,500	171,000
80	MCBTP 6 A ABB	16	Pcs	28,500	456,000
81	Exhaust Fan 56"	20	Pcs	20,000	400,000
82	Cooling Pad (Width: 6'×2', Thickness: 6")	50	Pcs	4,000	200,000
83	Cooling Motor 4HP(Brand: Pedrollo, Origin: Italy)	2	Pcs	30,000	60,000
84	Cooling Water Line Installation			-	200,000
85	Celling Fan(BRB)	60	Pcs	2,500	150,000
86	Compressor 10 HP(Brand: Fini; Origin: Italy)	1	Pc	120,000	120,000
Total					10,693,800

PART-C: FURNITURE & FIXTURES

Sl. No.	Description of Items	Quantity	Unit	Rate in Taka	Amount in Taka
1	Chair	700	Pcs	1,000	700,000
2	Quality Inspection Table	40	Pcs	12,000	480,000
3	Plate	40	Pcs	8,000	320,000
4	Busket	40	Pcs	6,000	240,000
5	Staff Chair/Table(Brand: Local, Origin: Local)	30	Set	15,000	450,000
Total					2,190,000

PART-D: FIRE PROTECTION & DETECTION SYSTEM(EXTENSION-5TH FLOOR)

Sl. No.	Description of Items	Quantity	Unit	Rate in Taka	Amount in Taka
Fire Hydrant/Protection System:					
i)	Simless MM Pipe				
a)	200 MM Dia Simless MS Pipe	1,500	Feet	620	930,000

	b) 150 MM Dia Simpless MS Pipe	1,200	Feet	480	576,000
	c) 100 MM Dia Simpless MS Pipe	1,200	Feet	380	456,000
	d) 65 MM Dia Simpless MS Pipe	1,200	Feet	350	420,000
	e) 40 MM Dia Simpless MS Pipe	1,000	Feet	350	350,000
ii)	Hose Cabinet(Cabinet shall be complete with swing type door with glass and shall be made locally with 18 SWG MS sheet & door 16 SWG, painted with docu paint(red color).Brand: Techno; Origin: Local;	4	No.'s	7,000	28,000
iii)	Hose Reel(100 Feet, Dia: 1.5"), Brand: Bristol, Origin: UAE	4	No.'s	8,000	32,000
iv)	Various Pipe Fittings, Gasket, Wrapping, Tap, Nut, Bolt, Washer, Angle, C Chancel, U Clamp, Paint, Thinner etc.	1	Lot	300,000	300,000
v)	Testing, Commission and Balancing after proper installation the system shall be tested, commissioned and balanced as per direction and recommendation	1	Job	200,000	200,000
vi)	As build Design for fire hydrant system	1	Job	150,000	150,000
	Fire Detection System:				
i)	Cable 2 x 1.5 rm, Brand: Tianjle, UL Listed for Detection System	6,000	Rft	260	1,560,000
ii)	Cable 2 x 2.5 rm, Brand: Tianjle, UL Listed for Detection System	1,500	Rft	280	420,000
iii)	PVC Conduit Item	8,000	Rft	40	320,000
iv)	Device Installation	60	No.'s	500	30,000
v)	Cabling Installing Charge	8,000	Rft	40	320,000
vi)	As build Design for fire Detection system	1	Lot	200,000	200,000
vii)	Fire Monitoring system setup	1	Lot	50,000	50,000
viii)	System Design and Documentation as per Accord Guideline	1	1 Lot	70,000	70,000
ix)	Fire Detector with base and Module EN54 standard, Brand: Seconet, Origin: Germany	40	Pcs	4,800	192,000
x)	Fire & Smoke Detector with Base and Module EN54 standard, Brand: Seconet, Origin: Germany	20	Pcs	5,200	104,000
	Fire Extinguisher & Others:				
i)	ABC dry Powder fire extinguisher Capacity, Brand: ANS, Origin: China	70	Pcs	800	56,000
ii)	CO2 fire extinguisher Capacity, Brand: ANS, Origin: China	30	Pcs	650	19,500
iii)	Fire First Aid Box	10	Pcs	450	4,500
iv)	Fire Proof fire Man Dress	40	Pcs	13,000	520,000
v)	Fire Blanket	10	Pcs	200	2,000
vi)	Fire Alarm Switch (Steel Box), EN54 Standard, Brand: Seconet, Origin: Germany	15	Pcs	800	12,000
vii)	Emergency Exit Sign	20	Pcs	2,500	50,000
viii)	Smoke Mask	12	Pcs	1,400	16,800
ix)	Emergency Fog Light (2Hrs Backup)	50	Pcs	2,600	130,000
x)	Fire Evacuation Plan	4	Pcs	3,000	12,000
xi)	Fire Hook	8	Pcs	1,200	9,600
xii)	Fire Better	8	Pcs	1,500	12,000
xiii)	Lock Cutter	4	Pcs	2,000	8,000
xiv)	Roof	2	Pcs	3,000	6,000
xv)	Strature	2	Pcs	5,000	10,000
xvi)	Fire Bucket	8	Pcs	600	4,800
xvii)	Water Drum	2	Pcs	1,000	2,000
xviii)	Bucket Stand	2	Pcs	1,500	3,000
xix)	Fire Rated Door(UL Listed)-Double(With Installation), Rating: 1.5 Hrs, Origin: China	3	No.'s	95,000	285,000
xx)	Fire Rated Door(UL Listed)-Single(With Installation), Rating: 1.5 Hrs, Origin: China	1	No.	60,000	60,000
	Total				7,931,200

03. Long term loan Repayment:

Sl. No.	Particulars	Amount in Tk.
01	Long-term loan repayment of Southeast Bank Limited, Banani Branch, Dhaka.	90,000,000

Means of Finance:

Issue Size (Number of share to be issued)	Issue price	Amount in Taka
30,000,000 Shares	10.00	300,000,000
Less: IPO Expenses		15,934,350
Net IPO Proceeds		284,065,650

Weaknesses:

- **Unskilled Workers:** NLCL has unskilled worker that reduces productivity.
- **Cost of maintenance and spare parts:** High cost of new spare parts and high cost of maintenance (Consumables and technician).

Threats:

- **Intense competition:** Global competition in this sector may affect the profitability of the company.
- **Government regulation:** Governments restriction if imposed will create new complications.
- **Political unrest:** Political unrest is a big threat for any company. A sound political environment is required for a sustainable growth in this sector.
- **Exchange Rate Fluctuation:** Now taka is stronger against dollar and it is stable for past few years because of good initiatives by the central Bank.
- **Lack of Power Supply:** We have power supply shortage in our country. For business expansion, we need continuous power supply such as gas and electricity to run our operation smoothly.

PROJECT : New Line Clothing's Limited

Registered Office :Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.

PRODUCT TO BE PRODUCED: Readymade Garments

ORGANIZATION SET-UP:

The overall management of the Company's business will be vested in its Board of Directors. The Managing Director will be the CEO of the Company who will assume overall responsibility of day-to-day affairs of the Company. He will be closely assisted by the other Directors of the Company for efficient management of the Company.

The organization structure of the Company will be based on line and staff method. The job responsibility of the management and technical personnel will be clearly defined by the Managing Director and also board of Directors of the Company.

Directors and their backgrounds:

Sl. No.	Name	Designation	Address
1	Osman Khadem	Chairman	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.
2	M. Zakir Chowdhury	Managing Director & CEO	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.
3	Md. Asif Rahman	Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.
4	Mashiul Haq Chowdhury	Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.
5	Maruful Haque Chowdhury	Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.
6	Sigma Technologies Ltd. (Represented by Ali Mostafa)	Director	House # 03, Flat # A5, Road # 35, Sector # 7, Uttara, Dhaka-1230, Bangladesh.
7	Md. Saiful Islam Helaly	Independent Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.
8	Syed Kamal Uddin	Independent Director	Plot No # 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur, Bangladesh.

Osman Khadem

Chairman, New Line Clothings Ltd.

Mr. Osman Khadem, Honorable Chairman of New Line Clothings Ltd. completed his Bachelor Degree from National University. Mr. Khadem having long experience in the different business ventures and built a strong reputation in the textile sector of the country.

Being a passionate entrepreneur, he looks after the total financial management of the company and looks for different avenues for development as per trend of the global textile and clothing sector for continuous growth of the company.

Mashiul Haq Chowdhury

Vice Chairman, New Line Clothings Ltd.

Mr. Mashiul Haq Chowdhury, Vice Chairman of the Company completed his postgraduate from National University. In the year 1996, he started his business career. His passion for excellence and cultivating innovations has roped in professionals from different fields to join in the organizations running under his control and explore their hidden talents.

M. Zakir Chowdhury*Managing Director & CEO, New Line Clothings Ltd.*

Mr. M. Zakir Chowdhury, Managing Director & CEO of the Company has 23 years' experience in business arena. He completed his business degrees from top management school (MBA in Finance & M.Sc in Economics) of the country have made Mr. Zakir well equipped for handling the top global clothing Brands.

With the experience of numerous variety of woven and knitted products with different needs and demands of buyers from different corners the world, he has become trend-efficient of the styles and fashion and is capable of meeting multifarious demands of the customers. Being the MD & CEO, presently he looks after the marketing, handling product inquires operations and overall management of the company.

Md. Asif Rahman*Director, New Line Clothings Ltd.*

Md. Asif Rahman is a dynamic business entrepreneur and well-reputed business leader of the country. He has been serving in garments sector for a quite significant time in various arena of the sector. Mr. Rahman graduated from American International University in Business admiration.

Maruful Haque Chowdhury*Director, New Line Clothings Ltd.*

Mr. Maruful Haque Chowdhury is a director of the company. He is pursuing a bachelor degree from UK. He is a responsible for the procurement and looks after banking matter of the company. He plays a vital role in the negotiations with the buyers.

Ali Mostafa (Nominated by Sigma Technologies Ltd.)*Nominated Director, New Line Clothings Ltd.*

Mr. Ali Mostafa is nominated director of Sigma Technologies Ltd. He completed his bachelor degree from National University of Bangladesh. He has a 15 years working experience in different area of garments & trading sector.

He shares his full expertise wherever needed as well as taking care for his nominated company interest.

Md. Saiful Islam Helaly*Independent Director, New Line Clothings Ltd.*

Mr. Md. Saiful Islam Helaly is presently CEO of Metrocem Group who obtained B.Com (Hon's) and M.Com from Dhaka University and obtained MBA degree with specialization in finance from International Islamic University, Chittagong (IIUC).

Before joining Metrocem as CEO, he started his career as sales officer for Nestle Bangladesh Limited in 1994 and later in these several year in his professional journey, he worked in Akij group, Shah Cement Industries Limited, Premier Cement Mills Limited, Meghna Group of Industries, Bashundhara Group and Anwar Group of industries in different management positions. In 2015, he joined Panna Group as CEO.

Syed Kamal Uddin*Independent Director, New Line Clothings Ltd.*

Syed Kamal Uddin Is a graduate and masters of Commerce (major in Accounting) from Jagannath University who later joined Shiraz Khan Basak and Co. as an article student and successfully completed CA course and articleship and graduated as a Chartered Accountant from there. During his long career of 14 years, he worked in many organizations in various management positions. Some of the note able position he held in organization he worked as follows- Joined Aamra Group in January 1999 as Executive (Accounts and Finance), then promoted and transferred as Senior Executive (Accounts and Finance) at Aamra Resources Limited and later in 2004 promoted as Assistant Manager for the same. Later in his career, he was promoted as Manager at Aamra Apparels Limited and Aamra Dychem Limited. He later joined Landmark Group as Manager (Audit and Accounts) in 2009 .He then joined NZ Group as Manager (accounts and Finance) in 2010 and the transferred as AGM (Accounts, Finance and Supply Chain) before promoted as DGM (Coordinator) for the same.

MARKET STUDY

Principal products or services of the Company and markets for such products or services. Past trends and future prospects regarding exports and local market, demand and supply forecasts for the sector in which the product is included with source of data;

The principal activities of the company are to establish a Readymade Garment Unit in Bangladesh for the purpose of manufacturing various kinds of Garments both ladies and gents trousers, shirts, children wear, gents wear, female wear, towel, brassier, socks, hooks, buttons etc. of standard sizes and quality made of cotton, woolen, tetron, nylon, silks, synthetic fabrics

Area for product	Name of the Products	Market
Garments (Woven)	Ladies and Gents Trousers, Jackets & Vests, Work wear, Trekking, Jeggings, Leggings uniforms, Sports wear, Jeans Trousers, Cargo Pants, Cargo Shorts, Bermuda Shorts, Skirts Trousers, Shirts, Blouse/Tunica	Germany, UK, Netherland, Canada, Spain, Australia, Denmark, Check Republic and France,

Past trends: Last 5 years sales of New Line Clothings Limited

Particulars	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Turnover	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471

Future prospect:

Bangladesh Export sector is heavily inclined to RMG. RMG and textile sector contributes maximum of national export of Bangladesh. This sector has remarkable growth and huge contribution to the overall export of the country. As an exporter of RMG sector, NLCL also has the opportunity to increase its export including developing infrastructure and skill workforce.

Financial Projections:

The financial projections for New Line Clothing's Limited (NLCL) are highlighted in the table below. These figures account for projected productions, sales and additional staffing requirements. There are many ways to present these projections.

The assumptions for these projections are as follows:

(Each year calculation is made comparing with respective previous year)

Projected Financial Statements Has Been Prepared on Underlying Assumptions				
Assumption indicator	Assumption's Basis	Assumption Years		
		Year -1	Year-2	Year-3
Capacity Increase	Capacity will be increased as new machinery will be installed.	15%	20%	15%
Capacity Utilization	Capacity utilization will be around same throughout the year on year basis	75-80%	75-80%	75-80%
Sales Revenue Increase	Sales will be increased for qualitative products by the increase of sales volume and unit price. Company will also gain efficiency in the process	15%	18%	11%
Operating Expenses Increase/(Decrease)	Operating expenses will be increased due to increase of production and sales. IPO expenses will lead to the higher increase of operating expenses in the year 2017 and negative for 2018. Increased efficiency will also have an impact overall cost management of cost	15%	10%	6%
Property Plant and Equipment Addition	Property, Plant and Equipment will be increased in every year for the purpose of production increased.	194,065,650	142,601,665	92,495,085
Long Term Loan Repayment	Current portion of long term loan and IPO portion will be paid in 2017. Long term loan is expected to be paid fully in 2018.	197,167,804	39,746,200	43,485,350
Dividend	Dividend is not considered here as the decision is not predetermined.	-	-	-

New Line Clothings Limited
Statements of Financial Position(Projected)

Particulars	Amount in Taka			
	Projected			Audited
	3rd Year	2nd Year	1st Year	June 30, 2017
APPLICATION OF FUND				
Property, Plant & Equipment	1,043,178,421	1,072,472,353	1,083,457,730	1,063,708,332
Other Non Current Assets	-	-	-	-
Total Non-Current Assets	1,043,178,421	1,072,472,353	1,083,457,730	1,063,708,332
Current Assets				
Accounts Receivable	631,238,116	602,065,594	538,018,650	512,270,369
Inventories	761,445,754	753,839,939	776,596,114	782,404,281
Investment	15,000,000	15,000,000	-	-
Advances, Deposits & Prepayments	287,450,360	279,750,600	268,760,213	274,564,914
Cash and Cash Equivalents	87,890,350	45,045,750	69,450,750	95,776,786
Total Current Assets	1,783,024,580	1,695,701,883	1,652,825,727	1,665,016,350
Total Assets	2,826,203,001	2,768,174,236	2,736,283,457	2,728,724,682
SOURCES OF FUND				
Share Holders Equity				
Existing Share Capital	399,000,000	399,000,000	399,000,000	399,000,000
Initial Public Offering	300,000,000	300,000,000	-	-
Revaluation Reserve	385,609,707	403,687,319	422,866,760	443,229,856
Retained Earning	758,747,792	621,721,776	576,591,799	419,613,999
Total Shareholder Equity	1,843,357,499	1,724,409,095	1,398,458,559	1,261,843,855
Non-Current Liabilities				
Long Term Loan	42,315,450	103,050,000	193,050,000	224,791,304
Deferred Tax	94,937,152	93,593,621	92,858,248	89,978,156
Total Non-Current Liabilities	137,252,602	196,643,621	285,908,248	314,769,460
Current Liabilities				
Current portion of Term Loan	34,595,500	49,040,600	34,393,500	109,820,000
Liabilities for Expenses/Accrued Expenses	10,174,980	13,143,750	13,575,350	11,618,080
Accounts Payable	7,296,650	5,305,750	5,016,248	1,914,563
Bank Overdraft	37,665,870	106,877,630	157,750,900	19,075,766
Short Term Loan	538,971,986	474,416,995	672,937,619	871,588,778
Provision for Tax	46,748,187	50,127,870	41,149,387	29,827,651
Provision for Financial Expenses	101,398,813	91,398,813	81,398,813	71,398,813
Provision for WPPF	50,850,415	40,626,613	31,848,883	25,128,577
Deferred L/C Liabilities	17,890,500	16,183,500	13,845,950	11,739,138
Total Current Liabilities	845,592,900	847,121,520	1,051,916,650	1,152,111,367
Total Equities & Laibilities	2,826,203,001	2,768,174,236	2,736,283,457	2,728,724,682

New Line Clothings Limited
Statements of Profit or Loss and other Comprehensive Income (Projected)

Particulars	Amount in Taka			
	Projected			Audited
	3rd Year	2nd Year	1st Year	June 30, 2017
Sales Revenue	3,135,745,050	2,824,995,541	2,394,064,018	2,081,794,798
Less: Cost of Goods Sold	2,659,111,803	2,388,533,730	2,029,208,661	1,812,004,060
Gross Profit	476,633,248	436,461,811	364,855,356	269,790,738
Less: Selling & Administrative Expenses	175,601,723	163,849,741	131,673,521	118,275,793
Profit from Operation	301,031,525	272,612,070	233,181,835	151,514,945
Add: Other Income	11,125,000	9,094,000	17,245,000	18,109,273
Add: Non-operating Income/(Expenses)	1,177,438	260,755	898,945	-
Less: Financial Expenses	98,634,120	97,634,500	110,199,358	79,731,833
Net Profit before Tax, Reserve & WPPF	214,699,843	184,332,325	141,126,422	89,892,385
Less: Workers Profit Participation Fund & Welfare Fund	10,223,802	8,777,730	6,720,306	4,280,590
Net Profit before Tax, Reserved	204,476,041	175,554,595	134,406,116	85,611,795
Reserve for investment in publicly traded co.	10,223,802	8,777,730	6,720,306	-
Net Profit before Tax	194,252,239	166,776,865	127,685,811	85,611,795
Income Tax Expenses				
For Current year	23,582,483	21,165,704	18,236,538	10,725,628
Deferred Tax Expenses	(1,343,531)	(735,372)	(2,880,092)	(2,017,114)
Net Profit after Tax	172,013,287	146,346,533	112,329,365	76,903,281
Total Comprehensive Income	172,013,287	146,346,533	112,329,365	76,903,281

Pay-Back Period:

The Pay Back period of the project is calculated to determine the period required to recuperate the original investment outlay through the profits earned by the project. The calculated payback period of the project is 1.75 years.

Conclusion:

The feasibility of the project has been conducted and analyzed from the viewpoint of marketing, financial, management & economic aspects and found to be worthwhile. The projected financial results and the profitability estimated based on historical data shows that the project is viable and lucrative. This projection will help the interested parties to have an idea over the New Line Clothing's Limited (NLCL).

Sd/-

Jayanta Kumer Podder

M.Com., MCA, FCS, FCMA

CEO & Principal

Podder & Associates

Professional Accountants & Business Advisor

CHAPTER - XXIII

LOCK - IN

CHAPTER (XXIII): LOCK-IN

(a) Provisions for lock in as per these Rules;

Ordinary shares of the issuer shall be subject to lock-in, from the date of issuance of prospectus or commercial operation, whichever comes later, in the following manner:

- (1) All shares held, at the time of according consent to the public offer, by sponsors, directors and shareholders holding ten percent (10%) or more shares, other than alternative investment funds, for 03(three) years.
- (2) In case any existing sponsor or director of the issuer transfers any share to any person, other than existing shareholders, all shares held by those transferee shareholders, at the time of according consent to the public offer, for 03 (three) years.
- (3) Twenty five percent (25%) of the shares allotted to eligible investors, for 06 (six) months and other twenty five percent (25%) of the shares allotted to them, for 09 (nine) months.
- (4) All shares held by alternative investment funds, at the time of according consent to the public offer, for 01 (one) year.
- (5) All shares held, at the time of according consent to the public offer, by any person other than the persons mentioned in sub-rules (1), (2) and (3) above, for 01 (one) year.

Provided that ordinary shares converted from any other type of securities shall also be subject to lock-in as mentioned above.”.

(b) Statement of securities to be locked in for each shareholder along with BO account number, lock-in period and number of securities to be locked-in.

The following table indicates the Lock-In status of the shareholders of New Line Clothings Limited:

Sl. No.	Name of Shareholder	BO IDs	Position	No. of Shares	Holding %	Lock-in Period*
1	Osman Khadem	1201930063817117	Chairman	4,788,000	12.00%	3 years
2	M. Zakir Chowdhury	1201930063817109	Managing Director & CEO	2,394,000	6.00%	
3	Md. Asif Rahman	1201930043898803	Director	2,394,000	6.00%	
4	Maruful Haque Chowdhury	1201930063816941	Director	2,394,000	6.00%	
5	Sigma Technologies Ltd. Represented by Ali Mostafa	1201930063817141	Director	7,980,000	20.00%	
6	Mashiul Haq Chowdhury	1201930063816677	Director	1,596,000	4.00%	
7	Mostafa Zamanul Bahar	1201930028726841	Shareholder	3,890,000	9.75%	1 year
8	Tartila Akhter Chowdhury	1201930063816626	Shareholder	2,740,000	6.87%	
9	Mithy Islam Khan	1201930058174029	Shareholder	3,890,000	9.75%	
10	Afsana Jabin	1201930063816776	Shareholder	2,740,000	6.87%	
11	Md. Lutfar Rahman	1201930063891352	Shareholder	2,394,000	6.00%	
12	Fatema Mahbub	1201930028828007	Shareholder	2,700,000	6.77%	
Total				39,900,000	100.00%	

* From the issue date of Prospectus

CHAPTER - XXIV

MARKETS FOR THE SECURITIES BEING OFFERED

CHAPTER (XXIV): MARKETS FOR THE SECURITIES BEING OFFERED

The issuer shall apply to all the relevant exchanges in Bangladesh within seven working days from the date of consent for public offer accorded by the Commission.

The issuer will apply at:



Dhaka Stock Exchange Limited (DSE)

9/F, Motijheel C/A, Dhaka-1000

And



Chittagong Stock Exchange Limited (CSE)

CSE Building, 1080 Sk. Mojib Road, Agrabad, Chittagong

Declaration about Listing of Shares with Stock Exchanges:

None of the Stock Exchanges, if for any reason, grant listing within 75 days from the closure of subscription, any allotment in terms of this prospectus shall be void and the Company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchange, or from the date of expiry of the said 75 (seventy five) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen days, the Company directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer Company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within seven days of expiry of the aforesaid fifteen days' time period allowed for refund of the subscription money.

Trading and Settlement;

Trading and Settlement Regulation of the stock exchanges will apply in respect of trading and settlement of the shares of the Company.

THE ISSUE SHALL BE PLACED IN "N" CATEGORY

CHAPTER - XXV

DESCRIPTION OF SECURITIES BEING OFFERED

CHAPTER (XXV): DESCRIPTION OF SECURITIES BEING OFFERED

(a) Dividend, Voting, and Preemption Rights;

The Share Capital of the company is divided into Ordinary Shares, carrying equal rights to vote and receive dividend in terms of the relevant provisions of the Companies Act 1994 and the Articles of Association of the company. All Shareholders shall have the usual voting right in person or by proxy in connection with, among others, election of Directors & Auditors and other usual agenda of General Meeting – Ordinary or Extra-ordinary. On a show of hand, every shareholder presents 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 or by proxy shall have one vote for every share held by him or her.

In case of any additional issue of shares for raising further capital the existing shareholders shall be entitled to Right Issue of shares in terms of the guidelines issued by the BSEC from time to time.

(b) Conversion and Liquidation Rights;

If the Company at any time issues convertible preference shares or debenture with the consent of BSEC, such holders of Securities shall be entitled to convert such securities into ordinary shares if it is so determined by the Company.

Subject to the provisions of the Companies Act, 1994, Articles of Association of the Company and other relevant rules in force, the shares, if any, 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, minors or persons of unsound mental health

(c) Dividend Policy;

- i. The profit of the company, subject to any special right relating thereto created or authorized to be created by the Memorandum of Association subject to the provision of the Articles of Association, shall be divisible among the members in proportion to the capital paid up on the Shares held by them respectively.
- ii. No larger dividend shall be declared than is recommended by the Directors, but the Company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of net Profit of the Company shall be conclusive.
- iii. 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.
- iv. The Directors may, from time to time, pay the members such interim dividend as in their judgment the financial position of the Company may justify.
- v. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- vi. No limitation in payment of dividend is stipulated in any debt instrument or otherwise.

(d) Other Rights of the securities holders.

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 transferable. The Company shall not charge any fee, other than Government duties for registering transfer of shares. No transfer shall be made to a minor or person of unsound mind.

The Directors shall present the financial statements as required under the law & International Accounting Standard. Financial statements will be prepared in accordance with the International Accounting Standards consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standard to the shareholders regarding the financial and operational position of the company. The shareholders shall have the right to receive all periodical statement and reports, audited as well as unaudited, published by the company from time to time.

The shareholder holding minimum of 10% shares of paid-up capital of the company shall have the right to requisition extra ordinary General Meeting of the company as provided for the section 84 of the Companies Act 1994.

CHAPTER - XXVI

FINANCIAL STATEMENTS

CHAPTER (XXVI): FINANCIAL STATEMENTS

(a) The latest financial statements prepared and audited by any of the Commission's panel of auditors in adherence to the provisions of the Securities and Exchange Rules, 1987, the কোম্পানি আইন, 1994, International Financial Reporting and Auditing Standards as adopted in Bangladesh from time to time and any other law as applicable;

Auditors' Report To NEW LINE CLOTHINGS LIMITED

We have audited the accompanying Financial Statements of **NEW LINE CLOTHINGS LIMITED**, ("the company") which comprise the Statement of Financial Position as at June 30, 2017 and the Statement of Profit or Loss and Other 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 disclosed in note.

Management's Responsibility for the Financial Statements

Management of the company is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994 and other applicable laws and regulations 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 our audit. We conducted our audit in accordance with the Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management of the company, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of **NEW LINE CLOTHINGS LIMITED** as at 30 June, 2017 and its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and comply with the applicable sections of the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- (c) The Company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of account and returns.
- (d) The expenditure incurred was for the purpose of the company's business.

Dated: October 12, 2017
Place: Dhaka

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30th June, 2017

Particulars	Notes	Amount in BDT	
		30.06.2017	30.06.2016
ASSETS			
NON- CURRENT ASSETS:		1,063,708,332	983,752,910
Property, Plant & Equipment	4.00	1,063,708,332	983,752,910
CURRENT ASSETS		1,665,016,350	1,491,197,589
Inventories	5.00	782,404,281	694,517,208
Accounts Receivables	6.00	512,270,369	495,344,647
Advance, Deposits & Pre- Payments	7.00	274,564,914	254,597,083
Cash & Cash Equivalents	8.00	95,776,786	46,738,651
TOTAL ASSETS		2,728,724,682	2,474,950,499
EQUITY AND LIABILITIES			
EQUITY:		1,261,843,854	1,184,940,574
Share Capital	9.00	399,000,000	399,000,000
Revaluation Surplus	10.00	443,229,856	464,866,933
Retained Earnings	11.00	419,613,998	321,073,642
LIABILITIES:			
NON- CURRENT LIABILITIES:		314,769,460	379,336,335
Long Term Loan	12.00	224,791,304	287,341,065
Deferred Tax Liabilities	13.00	89,978,156	91,995,270
CURRENT LIABILITIES & PROVISIONS		1,152,111,367	910,673,590
Accounts & Other Payables	14.00	1,914,563	5,595,102
Accrued Expenses	15.00	11,618,080	15,460,653
Bank Overdraft	16.00	19,075,766	27,355,511
Current portion of Long Term Loan	12.00	109,820,000	126,750,000
Short Term Bank Credits	17.00	871,588,778	614,102,557
Deferred L/C Liabilities	18.00	11,739,138	20,060,943
Provision for WPPF	19.00	25,128,577	20,847,988
Provision for Financial Expenses	20.00	71,398,813	61,398,813
Provision for Income Tax	21.00	29,827,651	19,102,022
TOTAL LIABILITIES		1,466,880,827	1,290,009,925
TOTAL EQUITY AND LIABILITIES		2,728,724,682	2,474,950,499
Net Asset Value	27.03	31.63	29.70

The annexed notes from 1 to 30 an integral part of these financial statements

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated: Dhaka, October 12, 2017

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended June 30, 2017

Particulars	Notes	Amount in BDT	
		30.06.2017	30.06.2016
Sales Revenue	22.00	2,081,794,798	1,607,460,174
Total Revenue		2,081,794,798	1,607,460,174
Less: Cost of Goods Sold	23.00	1,812,004,060	1,354,399,960
Gross Profit		269,790,737	253,060,215
Less: Administrative & Selling Expenses	24.00	118,275,793	107,710,560
Operating Profit		151,514,944	145,349,655
Add: Other Income	25.00	18,109,273	1,478,322
Less: Financial Expenses	26.00	79,731,833	78,464,255
Net Profit Before Tax & WPPF		89,892,385	68,363,722
Less: Workers' Profit Participation Fund		4,280,590	3,255,415
Net Profit Before Tax		85,611,795	65,108,307
Income Tax Expenses			
for Current year	21.00	10,725,628	12,187,221
for prior year		-	627,339
Deferred Tax Expense	13.00	(2,017,114)	1,725,542
Net Profit After Tax		76,903,280	50,568,205
Other Comprehensive Income		-	-
Total Comprehensive Income		76,903,280	50,568,205
Earning Per Share (Basic)		1.93	1.27

The annexed notes from 1 to 30 an integral part of these financial statements

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

Dated: Dhaka, October 12, 2017

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended June 30, 2017

				Amount in BDT
Particulars	Share Capital	Retained Earnings	Revaluation Surplus	Total
Balance at 01 July 2015, as previously reported	99,000,000	549,586,213	485,786,156	1,134,372,369
Deferred Tax on Revalued Asset			-	-
Opening Balance	99,000,000	549,586,213	485,786,156	1,134,372,369
Net Profit for the year	-	50,568,205	-	50,568,205
Issue of Shares (Stock Dividend)	300,000,000	(300,000,000)	-	-
Depreciation on Revaluation Surplus	-	20,919,223	(20,919,223)	-
Balance at June 30, 2016	399,000,000	321,073,642	464,866,933	1,184,940,574
For 2017				
Balance at July 01, 2016	399,000,000	321,073,642	464,866,933	1,184,940,574
Net Profit for the year	-	76,903,280	-	76,903,280
Depreciation on Revaluation Surplus	-	21,637,077	(21,637,077)	-
Balance at June 30, 2017	399,000,000	419,613,999	443,229,856	1,261,843,854

The annexed notes from 1 to 30 an integral part of these financial statements

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated: Dhaka, October 12, 2017

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
STATEMENT OF CASH FLOWS
For the year ended 30th June, 2017

	30-Jun-2017 Taka	30-Jun-2016 Taka
Cash flows from operating activities		
Cash received from customers	2,064,869,076	1,605,252,406
Cash received from other income	18,109,273	1,478,322
Cash paid to suppliers	(1,850,909,198)	(1,439,329,855)
Cash paid for operating expenses	(124,902,065)	(106,637,116)
Income Tax Paid	(14,254,751)	(10,483,181)
Net cash inflow/(outflow) from operating activities (A)	92,912,335	50,280,576
Cash flows from investing activities		
Acquisition of property, plant and equipment	(143,869,083)	(85,881,428)
Net cash inflow/(outflow) from investing activities (B)	(143,869,083)	(85,881,428)
Cash flows from financing activities		
Long term loan	(79,479,761)	(52,240,826)
Bank Overdraft	(8,279,745)	(32,943,627)
Cash payment for financial expenses	(69,731,833)	(68,464,255)
Short term loan received	257,486,221	233,500,660
Net cash inflow/(outflow) from financing activities (C)	99,994,882	79,851,952
Net increase of cash and cash equivalents for the year (A+B+C)	49,038,134	44,251,100
Cash and cash equivalents at the beginning of the year	46,738,651	2,487,551
Cash and cash equivalents at the end of the year	95,776,786	46,738,651

The annexed notes from 1 to 30 an integral part of these financial statements

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated: Dhaka, October 12, 2017

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES

For the year ended June 30, 2017

1.00 Background and Introduction

1.01 Formation and Legal Status

New Line Clothings Ltd was incorporated on 23rd May 2000, vide Reg. No -C-40328(2296)/2000 under the Companies Act, 1994. The Company started its commercial operation on 01 March 2007.

The registered & factory office of the company is located at its own premises at Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur.

1.02 Nature of Business

The principal activities of the company is to manufacture various kinds of woven Garments for both ladies and gents including trousers, shirts, children wear, gents wear, female wear, jackets, Sportswear, denim garments etc. and marketing thereof.

2.00 Basis of Preparation

2.01 Corporate Financial Statements and Reporting

The presentation of these financial statements is in accordance with the guidelines provided by BAS 1: Presentation of Financial Statements, The Financial Statement comprises:

- (a) a statement of financial position
- (b) a statement of profit or loss and other comprehensive income
- (c) a statement of changes in equity
- (d) a statement of cash flows and
- (e) notes, comprising a summary of significant accounting policies and explanatory information.

2.02 Regulatory Compliances

The financial statements of the company under reporting have been prepared in accordance with Generally Accepted Accounting Principles and Practice in Bangladesh in compliance with The Companies Act 1994, The Securities and Exchange Rules 1987, The Listing Regulations of Dhaka Stock Exchange Ltd (DSE) & Chittagong Stock Exchange Ltd. (CSE), International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standards (BAS), International Financial Reporting Standards (IFRS) as adopted by the The Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations.

2.03 Fundamental Accounting Concepts/ Assumption

The Financial Statements have been prepared based on Going Concern, Consistency and Accrual Concepts and such other convention as required by BAS-1 for Fair Presentation of Financial Statements.

2.04 Going Concern

The Company has adequate resources to continue its operation for the foreseeable future. For this reason, the Directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.05 Corporate Accounting Standards Practiced

The following BAS and BFRS is applicable to the Financial Statements for the year under review:

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Cash Flow Statement
BAS 10	Events after the Balance Sheet Date
BAS 12	Income Taxes
BAS 16	Property, Plant & Equipment's
BAS 18	Revenue
BAS 19	Employee Benefits
BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 33	Earnings per Share
BAS 34	Interim Financial Reporting
BAS 36	Impairment of Assets
BAS 37	Provisions, Contingent Liabilities and Contingent Assets
BFRS-1	First Time Adoption of International Financial Reporting Standards
BFRS-7	Financial Instruments: Disclosures

2.06 Use of Estimates and Judgments

The preparation of these financial statements is in conformity with BFRSs requires management to make judgments, 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 on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.07 Reporting Period

The period of the Financial Statements covers from 1st July, 2016 to 30th June, 2017.

2.08 Functional and Presentational (Reporting) Currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

2.09

Foreign Currency Transactions

The transactions which are incurred in foreign currencies are converted into equivalent Bangladeshi Taka (BDT) applying the ruling rate at the date of such transactions as per BAS-21 "The Effect of Changes in Foreign Exchange Rates".

2.10 Comparative Figures

Re-arrangement

Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liability as reported in the financial statement.

3.00

Significant Accounting Policies

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the BAS-1 "Presentation of Financial Statements". The recommendations of BAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

3.01 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any, according to BAS 16: Property, Plant and Equipment. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. Subsequent costs are included in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

3.02 Revaluation Reserve

A number of fixed assets were revalued by the company as on June 20, 2011 which was conducted by professional valuer Mohammad Ata Karim & Co. in order to reflect the fair picture of the company in the present market condition on the basis of market availability and physical condition of those fixed assets and the gain arises due to the revaluation were transferred to the revaluation reserve account as per BAS 16 "Property, Plant and Equipment".

3.03 Depreciation of Tangible Fixed Assets

No depreciation is charged on Land & Land development. Depreciation on all other fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful life.

Depreciation has been charged on additions for the whole year when it is available for use and no depreciation is charged on retirement, irrespective of date of retirement.

After considering the useful life of assets as per BAS-16, the annual depreciation rates have been applied as under which are considered reasonable by the management.

Category of Assets

Rate of Depreciation

Land & Land Development	Nil
Building	5%
Plant & Machinery	10%
Vehicles	20%
Electric Equipment's	10%
Furniture & Fixture	10%
Office Equipment's	10%
Generator	15%
Fire Equipment's	5%
Computer & Accessories	5%
Spares & Accessories	15%
Sundry Assets	10%

3.04 Impairment of assets

All Fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the year and for this reasons, no provision has been made for impairment of assets.

3.05 Revenue Recognition

Revenue are recognized when goods are delivered from the factory godown and delivery challans are issued as per BAS-18 "Revenue".

3.06 Term loan

Term loans are non-current liabilities arising from loans taken from different banks which are repayable within more than one year.

3.07 Short term loan and bank overdraft

Short term loans are current liabilities arising from loans taken from different banks which are repayable within one year. Bank overdrafts are repayable on demand which were taken to meet up the working capital requirement.

3.08 Account Payables

Liabilities are recognized for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

3.09 Accounts receivable

Accounts receivable represent the amounts due from different customers for supplying Readymade Garments Products and includes billed portion of such services at the date of statement of financial position. Accounts receivables are stated net of provision for doubtful debts, if any.

3.10 Advances, deposits and pre-payments

Advances, deposits and pre-payments comprise advances given to and deposits made to different organization for security or other purposes and pre-payments made to receive products or services from suppliers.

3.11 Inventories

Inventories comprises of raw materials, Work-in-process, Finished goods and Materials in Transit have been valued at cost. Work-in-process have been valued at prime cost basis as required by BAS-2 with proportionate addition of Factory Overheads. Finished goods have been valued at the lower of cost and net realizable value basis. Cost is determined by weighted average method.

3.12 Cash and Cash Equivalents

Cash Flow Statement is prepared in accordance with BAS-7: Statement of Cash Flows. The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of BAS-7.

3.13 Borrowings Costs

Financial Expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with BAS-23 "Borrowings Costs".

3.14 Income Tax

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized other comprehensive income or directly in equity. In this case, the tax is recognized in other comprehensive income or directly in equity, respectively.

Current Tax

Necessary provision for tax has been made as per Income Tax Ordinance 1984. In accordance with the section 53BB of the ITO 1984, Taxes were deducted from export proceeds at the realization stage by the Company's bankers during the year at the rate of 0.70%. Provision for current income tax expense has been made at the rate of 12% as prescribed in the finance act on the accounting profit made by the company as per ITO 1984 in compliance with BAS-12 "Income Taxes".

Deferred Tax

Deferred Tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities for the year ended June 30, 2017 has been recognized in the statement of Profit or Loss and other comprehensive income as per BAS-12 "Income Taxes".

The company adopted Deferred Tax in the year ended on June 30, 2015. Before that the company did not require to provide for deferred tax as the company paid advance income tax following Sec 53 BB of Income Tax Ordinance, 1984 on its export proceeds. These assessments was settled under Sec 82C (j) of Income Tax Ordinance, 1984 and hence there were no taxable temporary differences till FS 2013-2014. After expiry of the SRO in 2015, the company recognized deferred tax as there were temporary differences due to changes in applicable tax rates on the Net profit. In this regard, WDV of the assets as on June 30, 2014 is considered as the base figure for calculating the deferred tax.

3.15 VAT

The Company's traded income is 100% export oriented, so its income is not yet subject to VAT.

3.16 Statement of Changes in Equity

Statement of changes in equity is prepared in accordance with BAS-1 "Presentation of Financial Statements". This statement reflects information about the increase or decrease in net assets or wealth.

3.17 Events after the reporting period

In compliance with the requirements of BAS 10: Events after the reporting period, post Balance Sheet events that provide additional information about the company's position at the reporting Date are reflected in the financial statements and events after the Balance Sheet date that are not adjusting events are disclosed in the notes when material.

3.18 Earnings per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per share by dividing the basic earnings by the weighted average number of ordinary shares outstanding's during the year.

Basic Earning

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax year has been considered as fully attributable to the ordinary shareholders.

Weighted Average Number of ordinary Shares outstanding during the period.

The Basis of computation of number of shares is line with the provisions of BAS-33: Earnings per share. Therefore, the total number of shares outstanding at the year multiplied by a time-weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

NEW LINE CLOTHINGS LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
For the year ended June 30, 2017

		30-Jun-2017 Taka	30-Jun-2016 Taka			
4.00	PROPERTY, PLANT AND EQUIPMENT					
	A. Cost					
	Opening Balance	1,309,107,883	1,223,226,455			
	Addition during the year	143,869,083	85,881,428			
	Total Cost	1,452,976,966	1,309,107,883			
	B. Accumulated Depreciation					
	Opening Balance	325,354,973	267,843,842			
	Depreciation during the year	63,913,661	57,511,130			
	Total Accumulated Depreciation	389,268,634	325,354,973			
	Written Down Value (WDV) (A-B)	1,063,708,332	983,752,910			
i)	The company revalued its Land, Building, Plant & Machinery, Vehicle and Generator on 20.06.2011 by Mohammad Ata Karim & Co., Chartered Accountants to reflect the up to date value of these existing assets in the financial statements as at June 30, 2011.					
ii)	Details of Property, Plant & Equipment are shown in the "Annexure - A"					
5.00	Inventories					
	Raw Materials (Note-5.01)	491,448,361	330,660,332			
	Work-in-Progress (Note-23.00)	205,425,680	259,363,103			
	Finished Goods (Note-23.00)	85,530,240	104,493,773			
	Total	782,404,281	694,517,208			
5.01	Raw Materials (Note-23.01)					
	Fabrics	319,994,361	207,471,530			
	Accessories	171,454,000	123,188,802			
	Total	491,448,361	330,660,332			
	Details of Inventories are shown in Annexure-B					
6.00	Accounts Receivables					
	Opening Balance	495,344,647	493,136,879			
	Add: Addition during the year	2,081,794,798	1,607,460,174			
	Less: Received during the year	2,064,869,076	1,605,252,406			
	Closing Balance	512,270,369	495,344,647			
i)	Accounts receivables has been stated at their nominal value. Trade receivables are occurred in the ordinary course of business.					
ii)	Account receivable are considered as good and realizable.					
iii)	There is no such account receivables due by or to directors or other officers of the company.					
iv)	Management considered the account receivables are collectable and thus no provision has been made.					
v)	Ageing of Accounts Receivable.					
	Buyer	Up to 1 Month	1-3 Months	3-6 Months	Above 6 Months	Total(BDT)
	G. Gueldenpfenning GmbH	183,241,609	165,904,332	113,546,349	-	462,692,290
	Simple Approach Ltd (Norwest)	32,452,286	1,847,690	-	-	34,299,976
	Baumhueter	-	342,150	-	-	342,150
	Lidl Hong Kong Ltd	-	14,104,760	-	-	14,104,760
	R. R Fashion Ltd.	753,249	45,372	32,572	-	831,193
	Total	216,447,144	182,244,304	113,578,921	-	512,270,369

7.00 Advances, Deposit and Prepayments

Advances (Note: 7.01)	190,073,286	195,441,011
Deposits (Note: 7.02)	1,409,885	1,624,885
Prepayments (Note: 7.03)	668,056	1,106,263
Deposit For BBL/C (Note 7.04)	82,413,686	56,424,925
Total	274,564,914	254,597,083

- i) All the advances & deposit amount are considered good and recoverable.
ii) There is no amount due from directors or officers of the company other than advance against salary.

7.01 Advances

Advance against Salary	714,500	1,478,500
Advance against House Rent	25,000	25,000
Advance against Purchase [Note-7.01(a)]	165,223,193	184,081,669
TDS on export sale [Note-7.01(b)]	24,110,593	9,855,842
Total	190,073,286	195,441,011

7.01 (a) Advance against Purchase

A.N.S Poly & Accessories	25,139	23,777
Eshita Enterprise	2,145,791	3,178,305
Banga Plastic Int'l Ltd	3,347,205	1,782,783
M/s Imam Brothers	544,321	1,209,750
Modern Plastic & Acc. Ltd	4,030,450	1,927,488
M/s R.S Fabrics	5,412,906	4,171,622
Ko Ko Packaging	-	2,125,892
AJ International	1,683,250	2,308,462
Link Accessories Ltd	2,634,965	1,305,688
The Best Packaging Ind. Ltd	3,428,912	4,375,656
Tahsin Knit Fabrics	23,458	1,540,000
Maa Traders	4,755,330	5,924,833
Euro Trade Accessories	20,567	1,824,694
R.M Trading	5,907,629	3,850,000
Angel Button Ltd	-	934,931
Borak Washing Ltd	-	231,000
Biswas Printing & Trading	3,245,378	924,000
M/s Al- Noor Printing & Accessories	5,267,587	3,117,606
M/s Mukti Accessories	-	449,910
Mymensingh Agro Ltd	-	1,190,297
M/s Amber Denim Mills Ltd	-	1,959,766
Perfect Sourcing BD. Ltd	5,050,743	3,741,618
Deen Paper Converting & Pack	2,218,307	249,028
M/s Gazi Printex World	656,140	1,267,860
A.H Trading	485,329	364,009
Atlantic Industries Ltd	23,000	542,142
Poly Bag Mfg. Co. Ltd	-	909,394
Quality Lace Industries Pvt. Ltd	394,156	1,394,156
Twist Accessories	348,520	348,520
Hussein Tex	-	1,417,313
Ha-Meem Denim Ltd	2,650,705	17,710,000
Shanghai Hua Shen Import & Export Co. Ltd	5,059,213	10,085,340
Shanghai SBS Zipper Mfg Co. Ltd	7,438,901	9,832,713
Suzhou Mainland Imp & Exp Co. Ltd,	2,765,404	17,705,275
MAS Trading Int'l	795,439	1,161,229
Sanim Enterprise	432,107	934,033
High Hope(H.K) Co. Ltd	9,105,667	18,046,073
Yogotex Fabrics Co. Ltd	-	527,465
Yester Accessories(BD) Ltd	3,765,490	507,367
Haining Zhuangchen Import & Export Co. Ltd	-	308,246
Web Coast Ltd	34,267	80,230
Wujiang M.G Textile Co. Ltd	9,003,275	-
Abacus(China) Enterprise	7,478,690	5,467,761
Mullar Tex Ltd	6,130,553	6,537,500
Adwin Piece Goods Co. Ltd	3,535,412	-
S.S Trade Point	245,179	525,256
Guangzhou Textiles Holdings Ltd	3,959,232	-
J.S Trimmings Limited	456,370	-

	Jiangsu King Base Textile Corp. Ltd	7,643,246	-
	JS Tex Wintex Co. Ltd	7,026,340	12,009,763
	Suzhou Laisheng Co. Ltd	8,675,490	-
	Lanxi Yongxin Weave Co. Ltd	7,528,090	-
	Shaoxing Bowarm Textile Co. Ltd	3,090,314	-
	R.S Fabrics	7,654,322	5,363,500
	Epyllion Limited	1,231,560	-
	M/s Parentex	-	462,500
	Mahmud Indigo Ltd	2,530,700	-
	Purba Textile Mills Ltd	-	2,369,933
	R.N. Enterprise	1,278,782	7,809,916
	Siddiqsons Ltd	-	3,441,191
	Fardin Accessories Ltd	2,270,873	1,270,873
	Aksa International	736,587	6,682,951
	Changzhou Dahua Imp & Exp (Group) Corp. Ltd	432,769	-
	Artistic Fabric & Garments Ltd	43,260	-
	Akij Textile Mills Ltd	231,676	-
	Anik Enterprise	344,198	652,054
	Total	165,223,193	184,081,669
7.01	(b) TDS on export sale		
	Opening Balance	9,855,842	-
	Add: Addition during the year	14,254,751	9,855,842
		24,110,593	9,855,842
	Less: Adjusted during the year	-	-
	Total	24,110,593	9,855,842
7.02	Deposits		
	Security Deposit with T & T	18,400	18,400
	Security Deposit with REB	779,000	779,000
	Security Deposit with Titas Gas	612,485	612,485
	Deposit against Cover Van	-	215,000
	Total	1,409,885	1,624,885
7.03	Prepayments		
	Factory Fire Insurance Premium	668,056	987,929
	Group Insurance Premium	-	118,333
	Total	668,056	1,106,263
7.04	Deposit For BBL/C		
	Margin Against Acceptance	82,413,686	56,424,925
	(A/C- 1550000084, SEBL, Banani Br)		
	(USD 1,030,171.08 @ BDT 80.00)		
8.00	Cash and Cash Equivalents		
	Cash in Hand (Note- 8.01)	94,445,167	45,925,834
	Cash at Bank (Note- 8.02)	1,331,619	812,817
	Total	95,776,786	46,738,651
8.01	Cash in Hand		
	Balance in Factory Cash	94,445,167	45,925,834
	Total	94,445,167	45,925,834
8.02	Cash at Bank		
	Bank Name	A/C No	Branch
	IFIC Bank Limited	1121788456001	Konabari
	Southeast Bank Limited		Banani
	CD Account	11100002613	-
	CD Account	11100007555	562,925
	STD Account	13100001356	756,601
	DAD Account (USD 25.05 @ BDT 77.00)	15200000010	9,151
	Total	1,331,619	812,817
	The above balances are reconciled with Bank Statements and Ledger Balances.		
9.00	Share Capital		
9.01	Authorized Capital		
	10,00,00,000 Shares of Tk.10.00 each	1,000,000,000	1,000,000,000
9.02	Issued, Subscribed & Paid-up Capital		
	39,900,000 Shares of Tk.10.00 each	399,000,000	399,000,000
	The Shareholding position of the company are as under:		

Name of Shareholder	Position	No. of Shares	%	Amount (BDT)
Mr. Osman Khadem	Chairman	4,788,000	12.00%	47,880,000
Mr. Mashiul Haq Chowdhury	Vice Chairman	1,596,000	4.00%	15,960,000
Mr. M. Zakir Chowdhury	MD & CEO	2,394,000	6.00%	23,940,000
Mr. Md. Asif Rahman	Director	2,394,000	6.00%	23,940,000
Mr. Maruful Haque Chowdhury	Director	2,394,000	6.00%	23,940,000
Mr. Mostafa Zamanul Bahar	Shareholder	3,990,000	10.00%	39,900,000
Mr. Md. Lutfar Rahman	Shareholder	2,394,000	6.00%	23,940,000
Ms. Tartila Akhter Chowdhury	Shareholder	3,990,000	10.00%	39,900,000
Ms. Mithy Islam Khan	Shareholder	3,990,000	10.00%	39,900,000
Ms. Afsana Jabin	Shareholder	3,990,000	10.00%	39,900,000
Sigma Technologies Ltd. (Nominee of Mrs. Sharna Islam Khan)	Director	7,980,000	20.00%	79,800,000
Total		39,900,000	100.00%	399,000,000

The company has raised its paid up capital by BDT 300,000,000 through issuance of 30,000,000 ordinary shares at taka 10/- each as stock dividend, based on 30th June 2014 accounts, through approval by the Bangladesh Securities and Exchange Commission (BSEC) vide consent Letter no. BSEC/CI/CPLC (Pvt)- 658/2015/77 Dated 07-02-2016.

10.00 Revaluation Surplus

Opening Balance

Add: Addition during the year

Less: Adj. for

Deferred Tax

Less: Adj. for Depreciation on Revaluation Surplus

Closing Balance

464,866,933

485,786,156

-

-

-

-

21,637,077

20,919,223

443,229,856

464,866,933

11.00 Retained Earnings

Opening Balance

Add: Current year profit

Less: Issue of Shares (Bonus Shares)

Add: Adj. for Depreciation on Revaluation Surplus

Closing Balance

321,073,642

549,586,213

76,903,280

50,568,205

-

(300,000,000)

21,637,077

20,919,223

419,613,998

321,073,642

12.00 Long Term Loans

Particulars

Bank Name

Branch

A/C No- 71300000550

SEBL

Banani

30,123,063

34,573,754

A/C No- 71300000563

SEBL

Banani

8,864,978

-

A/C No- 71300000493

SEBL

Banani

31,135,611

41,200,496

A/C No- 71300000501

SEBL

Banani

17,839,210

22,365,466

A/C No- 71300000506

SEBL

Banani

174,240,826

209,469,325

A/C No- 71300000508

SEBL

Banani

-

6,712,689

A/C No- 71300000512

SEBL

Banani

10,496,464

12,367,948

A/C No- 71300000516

SEBL

Banani

-

-

A/C No- 71300000519

SEBL

Banani

-

6,322,968

A/C No- 71300000520

SEBL

Banani

50,137,861

67,512,090

A/C No- 71300000525

SEBL

Banani

11,773,291

13,566,329

Total

334,611,304

414,091,065

Current/Non-current Classification

Due within one year

109,820,000

126,750,000

Due after one year

224,791,304

287,341,065

Total

334,611,304

414,091,065

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 334,611,304
Type of Facility	Term Loan
Repayment	Monthly
Interest Rate	12.00%
Securities	i) Registered Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	To facilitate smooth adjustment, Construction and local purchase/import of Machinery, Compliance Equipment & Up gradation of Compliance of the factory;

13.00 Deferred Tax Liabilities

Deferred Tax Liabilities Beginning	91,995,270	90,269,728
Charged During The Period	933,397	6,955,348
Deferred Tax for Revalued Asset	-	-
Less: Adjustments for Depreciation of Revalued Portion	(2,950,510)	(5,229,806)
Deferred Tax Liabilities Closing Balance	89,978,156	91,995,270

As on 30 June 2017

Particulars	WDV As per Accounts	WDV As per Tax Base	Temporary Difference
Property Plant & Equipment (Except Land)	540,666,881	428,335,129	112,331,753
Applicable Tax Rate			12%
Deferred Tax Liabilities			13,479,810

As on 30 June 2016

Particulars	WDV As per Accounts	Tax Base	Temporary Difference
Property Plant & Equipment (Except Land)	436,123,872	373,391,804	62,732,068
Total Temporary Difference			62,732,068
Applicable Tax Rate			20%

14.00 Accounts & Others Payables:

Opening Balance	5,595,102	3,105,032
Add: Addition during the year	74,321,790	70,820,721
Less: Payment during the year	78,002,329	68,330,651
Closing Balance	1,914,563	5,595,102

i) All accounts & other payable were incurred as usual in business operation & paid regularly.

ii) Ageing of the above Accounts & Others Payables are given below:

Suppliers	Up to 1 Month	1-3 Months	3-6 Months	Above 6 Months	Total
A.H Engineering	-	-	29,792	-	29,792
Akota Traders	-	-	-	13,640	13,640
All in One International(Nurjahan Sewing)	-	-	14,416	-	14,416
Always on Network	-	-	-	14,250	14,250
Bangladesh Online Ltd(BOL)	-	-	52,400	-	52,400
Bright Future Travels	-	40,671	-	-	40,671
Development Design Group	-	-	-	11,389	11,389
Dhaka Bakery	-	34,883	-	-	34,883
Dhaka Traders	-	-	-	50,450	50,450
DHL Express Bangladesh	-	65,876	-	-	65,876
Era Filling Station	-	29,600	-	-	29,600
FIT Logistics Ltd	43,784	-	-	-	43,784
ID Automation	-	20,333	-	-	20,333
J.K Computers & Printing Press	-	-	31,774	-	31,774
M/s J.R Paribahan Sangstha	-	141,142	-	-	141,142
New Adhunic General Hospital	4,140	-	-	-	4,140
New Tex Fire Fighting	-	-	62,320	-	62,320

N.S Engineering	-	22,500	-	-	22,500
Overseas Packers & Shippers	-	209,508	-	-	209,508
Parcel Force Worldwide	-	91,752	-	-	91,752
Radiant Cleaning	-	20,789	-	-	20,789
Rakib Electronics	-	-	21,000	-	21,000
Shamoli Enterprise	-	108,980	-	-	108,980
Sharif Engineering	-	116,687	-	-	116,687
Shova Sewing	-	90,249	-	-	90,249
Sufia Rent A Car	-	184,370	-	-	184,370
TNT Express	-	-	186,746	-	186,746
Trade Abroad	-	-	201,121	-	201,121
Grand Total	47,924	1,177,340	599,569	89,729	1,914,563

15.00 Accrued Expenses:

Audit Fee	100,000	100,000
Gas Bill	278,016	140,647
Electric Bill	912,962	1,343,250
Telephone & Mobile Bill	40,688	35,559
Staff Salary & Allowances	6,595,382	8,611,492
Incentive/Allowance	328,440	659,100
Wages	2,142,122	2,930,181
Overtime	977,000	989,728
Professional & Consultancy fee	100,000	355,000
Internet Bill	52,400	98,600
Maternity Benefit	91,070	197,096
Total	11,618,080	15,460,653

i) These are unsecured, falling due within one year.

16.00 Bank Overdraft

Bank Name	Branch		
Southeast Bank Ltd.	Banani	19,075,766	27,355,511
(Account No- 0024-733-0000-0182)			
Total		19,075,766	27,355,511

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 19,075,766
Type of Facility	Bank Overdraft
Disbursement	25.11.2009
Repayment	Monthly
Interest Rate	14.00%
Maturity	31.12.2017
Securities	i) Registered Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	For working capital requirement;

17.00 Short Term Bank Credits

Particulars of the Short Term Bank Credits (Southeast Bank Ltd., Banani Br.) are given below:

Time Loan (Note-17.01)	746,335,036	540,606,784
Packing Credit (Note-17.02)	21,118,096	45,222,411
Bill Purchase (Note-17.03)	207,359	16,382,718
Other Loan (Note-17.04)	17,027,294	11,890,644
BLC Import-Sight(Note-17.05)	6,558,104	-
EDF Loan(Note-17.06)	80,342,890	-
Total:	871,588,778	614,102,557

17.01 Time Loan:

A/C NO- 71200002930	24,244,555	-
A/C NO- 71200002933	26,043,063	-
A/C NO- 71200002938	23,749,349	-
A/C NO- 71200002968	28,061,407	26,096,089
A/C NO- 71200002974	32,424,732	29,069,821
A/C NO- 71200002985	31,559,333	28,293,775
A/C NO- 71200002993	31,656,792	28,381,170
A/C NO- 71200003005	24,063,281	31,150,936
A/C NO- 71200003014	-	2,891,096
A/C NO- 71200003015	25,331,169	30,236,860
A/C NO- 71200003021	24,511,680	29,859,528
A/C NO- 71200003022	-	10,205,781
A/C NO- 71200003036	-	10,977,331
A/C NO- 71200003037	25,539,149	29,035,167
A/C NO- 71200003051	28,657,822	30,205,833
A/C NO- 71200003052	-	11,729,932
A/C NO- 71200003057	31,095,502	32,010,667
A/C NO- 71200003058	660,880	16,005,333
A/C NO- 71200003064	28,316,768	-
A/C NO- 71200003070	17,447,771	-
A/C NO- 71200003071	32,563,563	-
A/C NO- 71200003084	29,241,361	-
A/C NO- 71200003098	14,867,607	-
A/C NO- 71200003110	16,211,792	-
A/C NO- 71200003118	20,370,615	-
A/C NO- 71200003119	10,545,758	-
A/C NO- 71200003130	26,032,391	-
A/C NO- 71200003131	8,845,525	-
A/C NO- 71200003144	30,947,396	-
A/C NO- 71200003145	5,673,536	-
A/C NO- 71200003153	30,961,667	-
A/C NO- 71200003154	5,162,982	-
A/C NO- 71200003166	32,960,417	-
A/C NO- 71200003167	4,243,840	-
A/C NO- 71200003182	30,166,667	-
A/C NO- 71200003183	10,055,556	-
A/C NO- 71200003185	4,021,111	-
A/C NO- 71200003193	30,100,000	194,457,466
	746,335,036	540,606,784

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 746,335,036
Type of Facility	Time Loan
Disbursement	2015/2016/2017
Repayment	Monthly
Interest Rate	14.00%
Maturity	10.06.2018
Securities	i) Registered Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	Working Capital Requirement;

17.02 Packing Credit:

A/C No- 71700005894	902,365	-
A/C No- 71700005895	272,730	-
A/C No- 71700005930	984,338	-
A/C No- 71700005931	108,923	-
A/C No- 71700005935	1,389,542	-
A/C No- 71700005936	-	-
A/C No- 71700005937	1,145,205	-

A/C No- 71700005965	1,238,774	-
A/C No- 71700005967	365,012	-
A/C No- 71700005968	462,525	-
A/C No- 71700005969	227,119	-
A/C No- 71700005970	-	-
A/C No- 71700005971	2,611,865	-
A/C No- 71700005972	-	-
A/C No- 71700005973	1,070,411	-
A/C No- 71700005997	97,297	-
A/C No- 71700005999	162,004	-
A/C No- 71700006000	1,175,232	-
A/C No- 71700006001	433,537	-
A/C No- 71700006002	607,431	-
A/C No- 71700006003	1,361,109	-
A/C No- 71700006004	267,357	-
A/C No- 71700006036	31,388	-
A/C No- 71700006037	85,142	-
A/C No- 71700006038	137,815	-
A/C No- 71700006039	283,736	-
A/C No- 71700006040	-	-
A/C No- 71700006041	1,081,838	-
A/C No- 71700006042	356,269	-
A/C No- 71700006043	647,708	-
A/C No- 71700006044	757,892	-
A/C No- 71700006077	137,471	-
A/C No- 71700006078	299,067	-
A/C No- 71700006079	153,674	-
A/C No- 71700006080	590,050	-
A/C No- 71700006081	194,104	-
A/C No- 71700006082	800,205	-
A/C No- 71700006083	678,962	-
A/C No- 71700006084	-	-
A/C No- 71700005567	-	1,703,003
A/C No- 71700005570	-	920,535
A/C No- 71700005588	-	225,102
A/C No- 71700005591	-	2,426,771
A/C No- 71700005592	-	2,861,009
A/C No- 71700005593	-	4,098,837
A/C No- 71700005594	-	530,163
A/C No- 71700005624	-	363,311
A/C No- 71700005625	-	909,219
A/C No- 71700005626	-	5,256,564
A/C No- 71700005627	-	1,121,863
A/C No- 71700005628	-	1,103,754
A/C No- 71700005629	-	325,669
A/C No- 71700005631	-	455,393
A/C No- 71700005655	-	687,309
A/C No- 71700005656	-	527,060
A/C No- 71700005657	-	1,567,456
A/C No- 71700005659	-	2,839,008
A/C No- 71700005660	-	358,540
A/C No- 71700005661	-	2,782,576
A/C No- 71700005662	-	764,013
A/C No- 71700005663	-	385,655
A/C No- 71700005695	-	1,458,912
A/C No- 71700005696	-	2,174,810
A/C No- 71700005697	-	835,980
A/C No- 71700005698	-	1,799,175
A/C No- 71700005699	-	989,648
A/C No- 71700005700	-	2,571,526
A/C No- 71700005701	-	897,690
A/C No- 71700005702	-	1,480,576
A/C No- 71700005717	-	801,286
	21,118,096	45,222,411

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 21,118,096
Type of Facility	Revolving Packing Credit(PC)
Disbursement	2017
Repayment	From export proceed and cash from own sources
Interest Rate	7.00%
Maturity	11.08.2017
Securities	Lien on Master / Export L/C
Purpose	Payment of Manufacturing Expenses

17.03 Bill Purchase:

A/C No- 78500003217
A/C No- 78500003292
A/C No- 78500004063

	9,350,790
	7,031,929
207,359	-
207,359	16,382,718

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 207,359
Type of Facility	Bill Purchase
Disbursement	2017
Repayment	From realization of bills or cash generate from own sources;
Interest Rate	14% p.a. on quarterly rest for overdue period counting after 21 days from the date of negotiation;
Maturity	13.06.2017
Securities	Lien on Master / Export L/C;
Purpose	To negotiate export bills drawn under documentary export letter of credit kept as lien.

17.04 Other Loan:

A/C No- 70800000874
A/C No- 70800001057
A/C No- 70800001065
A/C No- 70800001066
A/C No- 70800001073
A/C No- 70800001084
A/C No- 70800001086
A/C No- 70800001096
A/C No- 70800001097
A/C No- 70800001107
A/C No- 70800001108
A/C No- 70800001109
A/C No- 70800001110
A/C No- 70800001307
A/C No- 70800001308
A/C No- 70800001327
A/C No- 70800001346
A/C No- 70800001363
A/C No- 70800001364
A/C No- 70800001370
A/C No- 70800001389
A/C No- 70800001398
A/C No- 70800001405
A/C No- 70800001407
A/C No- 70800001409
A/C No- 70800001410
A/C No- 70800001412
A/C No- 70800001416
A/C No- 70800001417
A/C No- 70800001421
A/C No- 70800001422
A/C No- 70800001431
A/C No- 70800001441
A/C No- 70800001443
A/C No- 70800001444

	11,890,644
122,569	
428,309	
331,047	
471,893	
622,042	
730,015	
1,840,807	
935,624	
1,920,364	
1,792,535	
1,559,982	
199,096	
192,469	
704,154	
496,577	
379,251	
1,600,936	
490,590	
1,190,682	
1,018,352	
17,027,294	11,890,644

Nature of Security of Loans:

Particulars	Details
Name of Banks	Southeast Bank Limited
Amount	BDT 17,027,294
Type of Facility	Forced Loan
Disbursement	2016/2017
Repayment	From export proceed and cash from own sources
Interest Rate	13.50%
Maturity	29.06.2017
Securities	i) Registered Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	For payment to suppliers due to expire maturity date;

17.05 BLC Import-Sight:

A/C No- 71400007515

6,558,104	-
6,558,104	-

Nature of Security of Loans:

Particulars	Details
Name of Banks	Southeast Bank Limited
Amount	BDT 6,558,104
Type of Facility	BLC Import(Sight)
Disbursement	05.06.2017
Repayment	From export proceed and cash from own sources
Interest Rate	12.00%
Maturity	25.06.2017
Securities	Fully Secured by First charge on the Fixed Assets of the company
Purpose	For payment to suppliers due to expire maturity date;

17.06EDF Loan:

A/C No- 71900000562
 A/C No- 71900000563
 A/C No- 71900000567
 A/C No- 71900000570
 A/C No- 71900000571
 A/C No- 71900000582
 A/C No- 71900000595
 A/C No- 71900000613
 A/C No- 71900000614
 A/C No- 71900000615
 A/C No- 71900000643
 A/C No- 71900000647
 A/C No- 71900000653
 A/C No- 71900000661
 A/C No- 71900000662
 A/C No- 71900000663
 A/C No- 71900000664
 A/C No- 71900000671
 A/C No- 71900000672
 A/C No- 71900000676
 A/C No- 71900000680
 A/C No- 71900000686
 A/C No- 71900000687
 A/C No- 71900000692
 A/C No- 71900000693
 A/C No- 71900000699
 A/C No- 71900000700
 A/C No- 71900000701
 A/C No- 71900000706
 A/C No- 71900000707

439,759	-
2,632,673	-
4,066,539	-
2,085,511	-
6,583,986	-
1,070,982	-
445,680	-
11,110,870	-
3,076,539	-
-	-
10,064,275	-
453,291	-
4,293,655	-
767,921	-
1,672,747	-
3,302,906	-
483,649	-
1,006,117	-
929,879	-
8,672,510	-
777,742	-
8,157,709	-
-	-
1,386,214	-
2,414,671	-
-	-
-	-
1,317,233	-
1,776,719	-
1,353,111	-
80,342,890	-

Nature of Security of Loans:

Particulars	Details
Name of Banks	Southeast Bank Limited
Amount	BDT 80,342,890
Type of Facility	EDF Loan
Disbursement	2017
Repayment	From export proceed and cash from own sources
Interest Rate	3.5%(Average)
Maturity	11.12.2017
Securities	i) Registered Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	For payment to suppliers due to expire maturity date;

	Total Short Term Loan	871,588,778	614,102,557
18.00	Deferred L/C Liabilities		
	Margin Against Acceptance	11,739,138	20,060,943
	(USD 146,739.23@ BDT 80.00)		
19.00	Provision for WPPF		
	Balance as on 01.07.2016	20,847,988	17,592,572
	Add: Provision for the year	4,280,590	3,255,415
	Total	25,128,577	20,847,988
	Provision for Workers Profit Participation Fund has been made @ 5% of net profit after charging the contribution and such contribution provided as per provision of The Bangladesh Labour Act 2006.		
20.00	Provision for Financial Expenses		
	Balance as on 01.07.2016	61,398,813	51,398,813
	Add: Provision for the year	10,000,000	10,000,000
	Total	71,398,813	61,398,813
	As per sanction letter no. SEBL/BAN/CR/2012/2205 dated October 21, 2012 and SEBL/BAN/CR/161/2014 dated January 28, 2014 and subsequent letter no. SEBL/BAN/CR/2017/568 dated 05 October 2017, Southeast Bank Ltd will not charge further interest until the full amount of the particular loans are adjusted. However, as per conservative approach, partial amount against the blocked interest has been kept by the management as provision for blocked interest on particular Loan.		
21.00	Provision for Income Tax		
	Balance as on 01.07.2016	19,102,022	6,914,802
	Add: Provision for the year	10,725,628	12,187,221
		29,827,651	19,102,022
	Less: Adjusted during the year	-	-
	Total	29,827,651	19,102,022
22.00	Sales Revenue		
	Export sales Revenue	2,081,794,798	1,607,460,174
	Total Export Value for the year ended June 30, 2017 USD 26,519,678.95 @ 78.50 (Average) equivalent to BDT 208,17,94,797.57 and for the year ended June 30, 2016 USD 207,62,854.23 @ 77.42 (Average) equivalent to BDT 1,607,460,174.48;		
23.00	Cost of Goods Sold		
	Opening Stock of Raw Materials	330,660,332	291,511,871
	Add: Purchase (Note- 23.01)	1,563,178,713	1,095,505,284
	Less: Closing Stock of Raw Materials	491,448,361	330,660,332
	Materials Consumed	1,402,390,683	1,056,356,824
	Add: Direct Labour	222,024,718	195,579,541
	Prime Cost	1,624,415,401	1,251,936,365
	Add: Factory Overhead (Note- 23.02)	114,687,703	105,222,965
	Cost of Manufacturing	1,739,103,104	1,357,159,330
	Add: Opening Work-in-Process	259,363,103	266,268,014
	Less: Closing Work-in-Process	205,425,680	259,363,103
	Cost of Goods Manufactured	1,793,040,527	1,364,064,241
	Add: Opening Stock of Finished Goods	104,493,773	94,829,492
	Less: Closing Stock of Finished Goods	85,530,240	104,493,773
	Cost of Goods Sold	1,812,004,060	1,354,399,960

23.01 Purchase of Raw Materials

Fabric	1,154,566,992	881,448,328
Accessories	408,611,721	214,056,957
Total	1,563,178,713	1,095,505,284

Details of Purchase of Raw Materials are shown in Annexure-B

23.02 Factory Overhead

Carriage Inward	287,052	276,640
Cutting & Sewing Charge	1,115,231	-
Inspection Fee	606,569	761,739
C & F Charges	1,089,436	721,112
Machine Rent	665,220	425,430
Repair & Maintenance at Factory	1,302,979	1,168,115
Marine Insurance Premium	6,777,742	6,391,118
Factory Fire Insurance Premium	1,121,540	1,322,299
Electricity Bill	10,953,196	8,298,117
Gas Bill	828,690	689,322
Cleaning Charges	113,800	908,006
Diesel Expenses	5,062,850	5,627,200
Electric Goods	196,867	1,766,221
Electric Work	-	225,400
Factory General Expenses	72,005	899,252
Festival Bonus (worker)	9,330,186	7,859,236
Earn Leave Benefit (Worker)	2,441,630	2,821,944
Finishing Charges	651,808	662,069
Garments Testing Expenses	96,306	50,728
Group Insurance Premium	118,333	142,000
Maternity Benefit	319,199	365,506
Medical Expenses	79,064	258,321
Mould & Folder	661,590	568,260
Overtime	7,363,657	6,174,610
Miscellaneous Expenses	265,789	-
Freight Charges	2,633,441	1,883,340
Entertainment	740,762	768,016
Depreciation	59,792,760	54,188,965
Total	114,687,703	105,222,965

24.00 Administrative & Selling Expenses

Director's Remuneration & Benefits	11,700,000	11,160,000
Salary & Allowances	73,327,786	61,380,642
Entertainment	953,178	1,016,038
Conveyance & Travel	494,767	508,480
Carriage Outward	497,700	542,240
C & F Charges	236,369	532,544
Consent fee for Capital Raising	-	100,000
Printing & Stationery	726,064	592,073
Phone, Fax & Mobile Bill	231,615	308,646
Audit Fee	100,000	100,000
Professional & Consultancy Fee	100,000	200,000
Fuel, Gas & Lubricants	2,777,501	2,526,683
Car Rent & Other Expenses	3,555,596	3,231,809
License Renewal & Registration Fee	379,873	331,220
Postage, Stamp & Courier	2,274,563	1,640,090
Newspaper & Magazine	12,570	8,000
Miscellaneous Expenses	2,169,419	2,045,662
Advertisement & Publicity	30,800	204,240
Donation, Subscription & Gift	422,000	818,500
Earn Leave Benefit (Staff)	1,022,051	2,684,619
Festival Benefit	8,062,843	9,619,574
Incentive/Allowance	2,069,935	1,941,771
Internet Bill	223,409	306,514
Labour Charges	35,815	604,190
Legal Fees	23,000	80,000
VAT Expenses	627,424	229,978
Office General Expenses	1,566,247	1,275,927
Office Rent	-	150,000

	House Rent for S.G	300,000	-
	Service Charges	10,000	26,500
	Software Modification Charges	-	20,000
	Uniform, Leverage & Welfare	19,655	18,210
	Transport Bill	32,800	68,600
	Vehicle/Car Maintenance	171,912	115,645
	Depreciation	4,120,901	3,322,165
	Total	118,275,793	107,710,560
25.00	Other Income		
	Foreign Currency Gain/(Loss)	13,744,722	63,017
	Cash Incentive	3,314,965	1,415,305
	Other Income	1,049,586	-
		18,109,273	1,478,322
26.00	Financial Expenses		
	Bank Interest, Charges	69,731,833	68,464,255
	Add: Provision for Blocked Interest on Long Term Loan	10,000,000	10,000,000
	Total	79,731,833	78,464,255
27.00	INFORMATION BASED ON PER SHARE		
27.01	Earning per share (EPS)		
	Basic EPS		
	Earnings attributable to the ordinary shareholders (Net Profit After Tax)	76,903,280	50,568,205
	Weighted average number of ordinary shares outstanding at the end of the period	39,900,000	39,900,000
	Earnings Per Share	1.93	1.27
	Diluted EPS		
	No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.		
	Earnings per share has been calculated in accordance with BAS -33 "Earnings Per Share (EPS)".		
27.02	NET ASSET VALUE PER SHARE (NAV) WITHOUT REVALUATION		
	Net Assets Value Per Share		
	Shareholders' Equity with Revaluation Reserve	1,261,843,854	1,184,940,574
	Less: Revaluation Surplus	443,229,856	464,866,933
	Net Asset Value without Revaluation	818,613,999	720,073,642
	Number of ordinary shares outstanding during the year	39,900,000	39,900,000
	Net Assets Value Per Share Before Revaluation	20.52	18.05
27.03	NET ASSET VALUE PER SHARE (NAV) WITH REVALUATION		
	Shareholders' Equity with Revaluation Reserve	1,261,843,854	1,184,940,574
	Number of ordinary shares outstanding during the year	39,900,000	39,900,000
	Net Assets Value Per Share After Revaluation	31.63	29.70
28.00	OTHER COMMITMENTS, CONTINGENCIES AND RELEVANT INFORMATION		
28.01	Contingencies		
	There is no contingent event that may require recognition of contingent liabilities for the year ended June 30, 2017.		
28.02	Capital expenditure commitment		
	There was no capital expenditure commitment or contract at June 30, 2017. There was no material capital expenditure authorized by the Board but not contracted for as at June 30, 2017.		
28.03	Directors' interest in contracts with the company		
	There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to the Directors.		
28.04	Segment Reporting		
	As there is a single business and geographic segment within the company operates as such no segment reporting is felt necessary.		
28.05	Credit Facility Not Availed		
	There was no credit facility available to the company under any contract, but not availed as on June 30, 2017 other than trade credit available in the ordinary course of business.		

28.06 Attendance Status of Board Meeting of Directors

During the year ended June 30, 2017, there were eight Board Meetings were held. The attendance status of all the meetings is as follows:

Name of the Directors	Position	Meeting held	Attendance
Mr. Osman Khadem	Chairman	8	4
Mr. Mashiul Haq Chowdhury	Vice Chairman	8	7
Mr. M. Zakir Chowdhury	MD & CEO	8	8
Mr. Md. Asif Rahman	Director	8	8
Mr. Maruful Haque Chowdhury	Director	8	8
Mr. Mostafa Zamanul Bahar	Shareholder	8	7
Mr. Md. Lutfar Rahman	Shareholder	8	7
Ms. Tartila Akhter Chowdhury	Shareholder	8	6
Ms. Mithy Islam Khan	Shareholder	8	6
Ms. Afsana Jabin	Shareholder	8	6
Ms. Sharna Islam Khan (Nominee of Sigma Technologies Ltd)	Director	8	5

The directors of the Company were not paid any fee for attending board meeting during the year.

28.07 Related Parties Transactions

Related parties transactions during the period given below.

Sl. No.	Name of the related Parties	Relationship		Nature of Transaction	Balance as at 30.06.2017		Balance as at 30.06.2016
1	Mr. Osman Khadem	Chairman & Director (Compliance & Ethical standard)		Remuneration	1,440,000		1,440,000
				Benefits	1,740,000		1,560,000
2	Mr. Mashiul Haq Chowdhury	VC & Director, IT		Remuneration	600,000		600,000
				Benefits	180,000		120,000
3	M. Zakir Chowdhury	MD & CEO		Remuneration	2,400,000		2,400,000
				Benefits	3,780,000		3,600,000
4	Md. Asif Rahman	Director, Finance		Remuneration	600,000		600,000
				Benefits	180,000		120,000
5	Mr. Maruful Haque Chowdhury	Director, Commercial		Remuneration	600,000		600,000
				Benefits	180,000		120,000
	Total				11,700,000		11,160,000

28.08 Employee's Position as on 30.06.2017

Monthly Salary Range	Employee's Position		Total Employee 2017	Total Employee 2016
	Factory	Head Office		
Below 3000	Nil	Nil	Nil	Nil
Above 3000	2760	79	2839	2887
Total	2760	79	2839	2887

28.09 Capacity Utilization (Yearly)

Particulars	Capacity	Actual Production	Percentage
Garments (Woven)	84.00 lac/Pcs	64.42 lac/Pcs	76.69%

29.00 General

All the figures in the financial statements represent Bangladeshi taka currency (BDT) rounded off to the nearest figure.

The comparative information has been disclosed of 2015-2016 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current years financial statements.

To facilitate comparison, certain relevance balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform to current year presentation.

30.00 Events after the reporting period

No material events had occurred from the Financial Position date to the date of issue of this Financial Position, which could materially affect the values stated in the Financial Position.

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

NEW LINE CLOTHINGS LTD.
Schedule of Property, Plant and Equipment
As at June 30, 2017

A. At Cost Model:

Annexure -A

Particulars	Balance as on 01.07.2016	Addition during the year	Balance as on 30.06.2017	Rate of Dep.(%)	Depreciation			Written down value as on 30.06.2017
					Balance as on 01.07.2016	Charged during the year	Balance as on 30.06.2017	
Land & Land Development	3,313,250	-	3,313,250		-	-	-	3,313,250
Building & Civil Works	300,449,711	40,895,562	341,345,273	5%	52,369,144	13,937,612	66,306,756	275,038,517
Plant & Machinery	202,031,054	14,428,000	216,459,054	10%	85,797,913	12,344,714	98,142,627	118,316,427
Vehicles	3,525,700	-	3,525,700	20%	2,501,316	204,877	2,706,193	819,507
Electric Equipment's	48,316,634	20,236,110	68,552,744	10%	17,846,101	4,564,762	22,410,863	46,141,881
Furniture & Fixture	17,817,465	9,024,700	26,842,165	10%	4,535,756	2,005,023	6,540,779	20,301,386
Office Equipment's	12,213,638	5,139,450	17,353,088	10%	2,702,880	1,465,021	4,167,901	13,185,187
Generator	11,475,360	3,000,000	14,475,360	15%	6,339,600	1,107,864	7,447,464	7,027,896
Fire Equipment's	6,727,802	42,119,381	48,847,183	5%	1,028,557	1,864,439	2,892,996	45,954,187
Computer & Accessories	2,133,445	25,880	2,159,325	5%	505,250	82,704	587,954	1,571,371
Spares & Accessories	7,238,542	9,000,000	16,238,542	15%	2,626,536	1,704,301	4,330,837	11,907,705
Sundry Assets	762,986	-	762,986	10%	315,412	44,757	360,169	402,817
Total as on 30.06.2017	616,005,587	143,869,083	759,874,670		176,568,465	39,326,074	215,894,539	543,980,131

B. At revalued Model:

Particulars	Balance as on 01.07.2016	Addition during the year	Balance as on 30.06.2017	Rate of Dep.(%)	Depreciation			Written down value as on 30.06.2017
					Balance as on 01.07.2016	Charged during the year	Balance as on 30.06.2017	
Land & Land Development	86,586,750	-	86,586,750		-	-	-	86,586,750
Building	557,982,704	-	557,982,704	5%	126,226,324	21,587,819	147,814,143	410,168,561
Plant & Machinery	33,049,166	-	33,049,166	10%	13,533,964	1,951,520	15,485,484	17,563,682
Vehicles	4,519,501	-	4,519,501	20%	2,926,908	318,519	3,245,427	1,274,074
Generator	10,964,175	-	10,964,175	15%	6,099,312	729,729	6,829,041	4,135,134
Total	693,102,296	-	693,102,296		148,786,508	24,587,587	173,374,095	519,728,201

Total as on 30.06.2017 (A+B)	1,309,107,883	143,869,083	1,452,976,966		325,354,973	63,913,661	389,268,634	1,063,708,332
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Total as on 30.06.2016	1,223,226,455	85,881,428	1,309,107,883		267,843,842	57,511,130	325,354,972	983,752,911
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Depreciation allocated to:

Factory Overhead
Administrative Overhead

Particulars

Depreciation charges during the year
Depreciation charge on Revaluation of Assets

Head of Accounts:

Factory Overhead
Administrative Overhead

Depreciation on Revaluation of Assets:

Factory Overhead
Administrative Overhead

Amount in BDT	
30.06.2017	30.06.2016
59,792,760	31,362,101
4,120,901	26,149,029
63,913,661	57,511,130
Amount in BDT	
30.06.2017	30.06.2016
39,326,074	31,362,101
24,587,587	26,149,029
63,913,661	57,511,130
Amount in BDT	
35,523,692	28,438,084
3,802,382	2,924,017
39,326,074	31,362,101
Amount in BDT	
24,269,069	25,750,881
318,519	398,148
24,587,587	26,149,029

NEW LINE CLOTHINGS LIMITED
Quantity wise schedule of Inventory - Para 3 of Schedule XI, Part II
Annexure-B
**a) Movement of Raw Materials
Opening Raw Materials**

Sl. No.	Name of Items	Unit	Opening		Purchase		Material Available		Closing Stock		Consumption	
			30.06.2016						30.06.2017			
			Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka
Fabrics												
01	100% Cotton flannel fabric	mtr	55,710	6,305,815	1,765,091	198,307,974	1,820,801	204,613,789	85,710	9,631,721	1,735,091	194,982,067
02	Dtm Tc pocketing fabric	mtr	90,470	6,405,099	748,651	53,408,745	839,121	59,813,844	90,470	6,448,846	748,651	53,364,998
03	Knitted denim fabric	mtr	110,985	23,415,615	884,810	186,305,547	995,795	209,721,163	674,393	142,031,842	321,401	67,689,320
04	Cordroy fabric	mtr	85,379	18,008,996	1,589,635	339,100,938	1,675,014	357,109,934	144,247	30,753,296	1,530,767	326,356,638
05	PFD Twill fabric	mtr	443,286	79,596,459	626,963	113,430,146	1,070,249	193,026,605	298,495	53,835,581	771,754	139,191,024
06	Popline fabric	mtr	16,754	2,554,315	90,305	13,839,241	107,059	16,393,556	36,754	5,628,007	70,305	10,765,549
07	polyester fabric	mtr	156,678	34,986,197	540,042	121,061,215	696,720	156,047,413	158,678	35,539,803	538,042	120,507,610
08	Polyester tricot fabric	kg	60,155	21,300,230	184,393	65,610,717	244,548	86,910,947	60,155	21,378,740	184,393	65,532,208
09	Single jersey fabric	kg	43,327	14,898,804	187,025	63,502,469	230,352	78,401,273	43,327	14,746,527	187,025	63,654,746
	Total:		1,062,744	207,471,530	6,616,915	1,154,566,992	7,679,659	1,362,038,523	1,592,230	319,994,361	6,087,429	1,042,044,161
Accessories												
01	Sewing thread	cone	112,345	5,492,859	1,894,629	93,272,586	2,006,974	98,765,445	112,345	5,528,624	1,894,629	93,236,821
02	Zipper	Pc	997,775	11,598,619	7,326,540	88,724,399	8,324,315	100,323,018	925,775	11,157,259	7,398,540	89,165,759
03	Metal Button & Revit	grs	247,264	7,314,236	1,015,238	30,304,854	1,262,502	37,619,090	247,264	7,367,788	1,015,238	30,251,303
04	Others Accessories	yds/kg/grs	2,050,718	98,783,088	3,906,664	196,309,882	5,957,382	295,092,970	2,975,741	147,400,329	2,981,642	147,692,641
	Total:		3,408,102	123,188,802	14,143,071	408,611,721	17,551,173	531,800,523	2,975,741	171,454,000	13,290,049	360,346,523
			330,660,332		1,563,178,713		1,893,839,046		491,448,361		1,402,390,684	

b) Work-in-Process
work-in-process

Sl. No.	Name of Items	Unit	30.06.2016		30.06.207	
			Quantity	Taka	Quantity	Taka
01	Fabrics	mtr/kg	699,862	159,073,872	493,931	111,979,090
02	Accessories	yds/kg/grs	824,956	100,289,231	789,645	93,446,589
Total:			1,524,818	259,363,103	1,283,576	205,425,680

c) Movement of Finished Goods
Finished Goods

Sl. No.	Name of Items	Unit	Opening		Closing Finished Goods	
			30.06.2016		30.06.2017	
			Quantity	Taka	Quantity	Taka
01	Finished Goods(RMG)	Pcs	330,724	104,493,773	268,862	85,530,240
	Total:		330,724	104,493,773	268,862	85,530,240

(b) Information as is required under section 186 of the কোম্পানি আইন, ১৯৯৪ relating to holding company;

The Company has no holding Company. So this is not applicable for the issuer.

(c) Selected ratios as specified in Annexure-D;

New Line Clothings Limited
Statement of Ratio Analysis
For the year from 01 July 2012 to 30 June, 2017

The following ratios has been computed from the audited financial statements of New Line Clothings Ltd for the year ended June 30, 2017, 2016, 2015, 2014, and 2013:

Name of Ratios	Years				
	2017	2016	2015	2014	2013
			Re-Stated		
I. Liquidity Ratios:					
(i) Current Ratio	1.45	1.64	1.96	3.00	2.26
(ii) Quick Ratio	0.77	0.87	0.97	1.69	1.30
II. Operating Ratios:					
(i) Accounts Receivable Turnover Ratio	4.13	3.25	3.47	4.36	4.82
(ii) Inventory Turnover Ratio	2.45	2.01	2.47	3.45	3.85
(iii) Assets Turnover Ratio	0.80	0.68	0.79	0.97	0.94
III. Profitability Ratios:					
(i) Gross Margin Ratio	12.96	15.74	14.71	14.32	14.26
(ii) Operating Profit Ratio	7.28	9.05	8.71	10.60	12.95
(iii) Net Profit Ratio	3.55	2.83	2.92	6.97	7.16
(iv) Return on Assets Ratio	2.84	1.92	2.31	6.80	6.74
(v) Return on Equity Ratio	5.86	3.83	4.46	11.80	11.57
(vi) Earnings per Share Ratio (EPS)	1.85	1.14	1.27	13.93	12.10
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	0.11	0.13	0.12	0.13	0.16
IV. Solvency Ratios:					
(i) Debt to total Assets Ratio	0.45	0.43	0.42	0.42	0.43
(ii) Debt to Equity Ratio	0.98	0.91	0.82	0.77	0.81
(iii) Times Interest Earned Ratio	1.90	1.85	1.93	4.24	2.82
(iv) Debt Service Coverage Ratio	1.90	1.85	1.93	4.24	2.82
V. Cash Flow Ratios:					
(i) Net Operating Cash Flow per Share (NOCFPS)	2.33	1.26	0.57	(10.55)	(10.22)
(ii) NOCFPS to EPS Ratio	1.26	1.11	0.45	(0.76)	(0.84)

September 13, 2018

R. K. Tower (Level-10) 86, Bir Uttam
C.R. Datta Road, Dhaka-1205

Sd/-
Shiraz Khan Basak & CO.
Chartered Accountants

Industry Average compare with New Line Clothings Limited:

Comparison with the industry average ratios of same periods:

FOR THE YEAR ENDED JUNE 30, 2017

Name of Ratios	NLCL	Industry Average	Remark/Explanation
	June 30, 2017 (Ratio)	June 30, 2017 (Ratio)	
<u>I. Liquidity Ratios:</u>			
(i) Current Ratio	1.45	2.28	NLCL's Current Ratio is satisfactory with the industry average current ratio.
(ii) Quick Ratio	0.77	1.81	NLCL's Current Ratio is satisfactory with the industry average quick ratio.
<u>II. Operating Ratios:</u>			
(i) Accounts Receivable Turnover Ratio	4.13	2.94	NLCL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	2.45	5.06	NLCL's Ratio is satisfactory as inventory sold in shorter time.
(iii) Asset Turnover Ratio	0.80	0.71	NLCL's Ratio is satisfactory with the average industry.
<u>III. Profitability Ratios:</u>			
(i) Gross Margin Ratio	12.96	13.42	NLCL's Ratio is satisfactory with the average industry.
(ii) Operating income Ratio	7.28	8.41	NLCL's Ratio is satisfactory with the average industry.
(iii) Net income Ratio	3.55	6.23	NLCL's Ratio is satisfactory
(iv) Return on Assets Ratio	2.84	5.13	NLCL's Ratio is satisfactory with the average industry.
(v) Return on Equity Ratio	5.86	10.80	NLCL's Ratio is satisfactory with the average industry.
(vi) Earnings per Share Ratio (EPS)	1.85	2.52	NLCL's Ratio is satisfactory with the average industry.
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	0.11	14.08	NLCL's Ratio is satisfactory with the average industry.
<u>IV. Solvency Ratios:</u>			
(i) Debt to total Assets Ratio	0.45	0.51	NLCL's Ratio is satisfactory with the average industry.
(ii) Debt to Equity Ratio	0.98	1.01	NLCL's Ratio is satisfactory with the average industry.
(iii) Times Interest Earned Ratio	1.90	12.69	NLCL's Ratio is satisfactory with the average industry.
(iv) Debt Service Coverage Ratio	1.90	0.68	NLCL's Ratio is satisfactory with the average industry.
<u>V. Cash Flow Ratios:</u>			
(i) Net Operating Cash Flow per Share (NOCFPS)	2.33	1.58	NLCL's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii) NOCFPS to EPS Ratio	1.26	0.97	NLCL's Ratio is satisfactory as Net Operating Cash Flow is positive.

**** The Industry average ratio is calculated through using the ratio of 5 listed similar companies namely Hwa Well Textiles (BD) Limited, Tosrifa Industries Limited, Generation Next Fashions Limited, Desh Garments Ltd. and Envoy Textiles Limited for the year ended June 30, 2017.**

FOR THE YEAR ENDED JUNE 30, 2016

Name of Ratios	NLCL	Industry Average	Remark/Explanation
	June 30, 2016 (Ratio)	June 30, 2016 (Ratio)	
<u>I. Liquidity Ratios:</u>			
(i) Current Ratio	1.64	2.30	NLCL's Current Ratio is satisfactory with the industry average current ratio.
(ii) Quick Ratio	0.77	1.78	NLCL's Current Ratio is satisfactory with the industry average quick ratio.
<u>II. Operating Ratios:</u>			
(i) Accounts Receivable Turnover Ratio	3.25	2.94	NLCL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	2.01	6.21	NLCL's Ratio is satisfactory as inventory sold in shorter time.
(iii) Asset Turnover Ratio	0.68	0.72	NLCL's Ratio is satisfactory with the average industry.
<u>III. Profitability Ratios:</u>			
(i) Gross Margin Ratio	15.74	13.2	NLCL's Ratio is satisfactory with the average industry.
(ii) Operating income Ratio	9.05	8.2	NLCL's Ratio is satisfactory with the average industry.
(iii) Net income Ratio	2.83	4.5	NLCL's Ratio is satisfactory
(iv) Return on Assets Ratio	1.92	4.3	NLCL's Ratio is satisfactory with the average industry.
(v) Return on Equity Ratio	3.83	11.6	NLCL's Ratio is satisfactory with the average industry.
(vi) Earnings per Share Ratio (EPS)	1.14	2.6	NLCL's Ratio is satisfactory with the average industry.
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	0.13	13.5	NLCL's Ratio is satisfactory with the average industry.
<u>IV. Solvency Ratios:</u>			
(i) Debt to total Assets Ratio	0.43	0.37	NLCL's Ratio is satisfactory with the average industry.
(ii) Debt to Equity Ratio	0.91	1.00	NLCL's Ratio is satisfactory with the average industry.
(iii) Times Interest Earned Ratio	1.85	14.20	NLCL's Ratio is satisfactory with the average industry.
(iv) Debt Service Coverage Ratio	1.85	2.26	NLCL's Ratio is satisfactory with the average industry.
<u>V. Cash Flow Ratios:</u>			
(i) Net Operating Cash Flow per Share (NOCFPS)	1.26	1.42	NLCL's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii) NOCFPS to EPS Ratio	1.11	1.12	NLCL's Ratio is satisfactory as Net Operating Cash Flow is positive.

**** The Industry average ratio is calculated through using the ratio of 5 listed similar companies namely Hwa Well Textiles (BD) Limited, Tosrifa Industries Limited, Generation Next Fashions Limited, Desh Garments Ltd. and Envoy Textiles Limited for the year ended June 30, 2016.**

FOR THE YEAR ENDED JUNE 30, 2015

Name of Ratios	NLCL	Industry Average	Remark/Explanation
	June 30, 2015 (Ratio)	June 30, 2015 (Ratio)	
<u>I. Liquidity Ratios:</u>			
(i) Current Ratio	1.96	2.93	NLCL's Current Ratio is satisfactory with the industry average current ratio.
(ii) Quick Ratio	0.97	2.35	NLCL's Current Ratio is satisfactory with the industry average quick ratio.
<u>II. Operating Ratios:</u>			
(i) Accounts Receivable Turnover Ratio	3.47	4.06	NLCL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	2.47	5.36	NLCL's Ratio is satisfactory as inventory sold in shorter time.
(iii) Asset Turnover Ratio	0.79	0.97	NLCL's Ratio is satisfactory with the average industry.
<u>III. Profitability Ratios:</u>			
(i) Gross Margin Ratio	14.71	15.45	NLCL's Ratio is satisfactory with the average industry.
(ii) Operating income Ratio	8.71	9.75	NLCL's Ratio is satisfactory with the average industry.
(iii) Net income Ratio	2.92	7.46	NLCL's Ratio is satisfactory
(iv) Return on Assets Ratio	2.31	5.15	NLCL's Ratio is satisfactory with the average industry.
(v) Return on Equity Ratio	4.46	12.29	NLCL's Ratio is satisfactory with the average industry.
(vi) Earnings per Share Ratio (EPS)	1.27	2.66	NLCL's Ratio is satisfactory with the average industry.
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	0.12	12.54	NLCL's Ratio is satisfactory with the average industry.
<u>IV. Solvency Ratios:</u>			
(i) Debt to total Assets Ratio	0.42	0.41	NLCL's Ratio is satisfactory with the average industry.
(ii) Debt to Equity Ratio	0.82	1.99	NLCL's Ratio is satisfactory with the average industry.
(iii) Times Interest Earned Ratio	1.93	15.94	NLCL's Ratio is satisfactory with the average industry.
(iv) Debt Service Coverage Ratio	1.93	1.20	NLCL's Ratio is satisfactory with the average industry.
<u>V. Cash Flow Ratios:</u>			
(i) Net Operating Cash Flow per Share (NOCFPS)	0.57	8.01	NLCL's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii) NOCFPS to EPS Ratio	0.45	3.35	NLCL's Ratio is satisfactory as Net Operating Cash Flow is positive.

**** The Industry average ratio is calculated through using the ratio of 4 listed similar companies namely Hwa Well Textiles (BD) Limited, Tosrifa Industries Limited, Desh Garments Ltd. and Envoy Textiles Limited for the year ended June 30, 2015.**

FOR THE YEAR ENDED JUNE 30, 2014

Name of Ratios	NLCL	Industry Average	Remark/Explanation
	June 30, 2014 (Ratio)	June 30, 2014 (Ratio)	
<u>I. Liquidity Ratios:</u>			
(i) Current Ratio	3.00	2.17	NLCL's Current Ratio is satisfactory with the industry average current ratio.
(ii) Quick Ratio	1.69	1.47	NLCL's Current Ratio is satisfactory with the industry average quick ratio.
<u>II. Operating Ratios:</u>			
(i) Accounts Receivable Turnover Ratio	4.36	3.68	NLCL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	3.45	5.10	NLCL's Ratio is satisfactory as inventory sold in shorter time.
(iii) Asset Turnover Ratio	0.97	0.77	NLCL's Ratio is satisfactory with the average industry.
<u>III. Profitability Ratios:</u>			
(i) Gross Margin Ratio	14.32	12.27	NLCL's Ratio is satisfactory with the average industry.
(ii) Operating income Ratio	10.60	6.98	NLCL's Ratio is satisfactory with the average industry.
(iii) Net income Ratio	6.97	4.77	NLCL's Ratio is satisfactory
(iv) Return on Assets Ratio	6.80	4.09	NLCL's Ratio is satisfactory with the average industry.
(v) Return on Equity Ratio	11.80	6.80	NLCL's Ratio is satisfactory with the average industry.
(vi) Earnings per Share Ratio (EPS)	13.93	2.13	NLCL's Ratio is satisfactory with the average industry.
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	0.13	13.84	NLCL's Ratio is satisfactory with the average industry.
<u>IV. Solvency Ratios:</u>			
(i) Debt to total Assets Ratio	0.42	0.37	NLCL's Ratio is satisfactory with the average industry.
(ii) Debt to Equity Ratio	0.77	1.16	NLCL's Ratio is satisfactory with the average industry.
(iii) Times Interest Earned Ratio	4.24	14.52	NLCL's Ratio is satisfactory with the average industry.
(iv) Debt Service Coverage Ratio	4.24	0.53	NLCL's Ratio is satisfactory with the average industry.
<u>V. Cash Flow Ratios:</u>			
(i) Net Operating Cash Flow per Share (NOCFPS)	(10.55)	1.73	NLCL's Ratio is not satisfactory as Net Operating Cash Flow is negative.
(ii) NOCFPS to EPS Ratio	(0.76)	0.84	NLCL's Ratio is not satisfactory as Net Operating Cash Flow is negative.

**** The Industry average ratio is calculated through using the ratio of 5 listed similar companies namely Hwa Well Textiles (BD) Limited, Tosrifa Industries Limited, Generation Next Fashions Limited, Desh Garments Ltd. and Envoy Textiles Limited for the year ended June 30, 2014.**

For the year ended June 30, 2013

Name of Ratios	NLCL	Industry Average	Remark/Explanation
	June 30, 2013 (Ratio)	June 30, 2013 (Ratio)	
<u>I. Liquidity Ratios:</u>			
(i) Current Ratio	2.26	0.83	NLCL's Current Ratio is satisfactory with the industry average current ratio.
(ii) Quick Ratio	1.30	0.57	NLCL's Current Ratio is satisfactory with the industry average quick ratio.
<u>II. Operating Ratios:</u>			
(i) Accounts Receivable Turnover Ratio	4.82	2.42	NLCL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	3.85	10.21	NLCL's Ratio is satisfactory as inventory sold in shorter time.
(iii) Asset Turnover Ratio	0.94	0.85	NLCL's Ratio is satisfactory with the average industry.
<u>III. Profitability Ratios:</u>			
(i) Gross Margin Ratio	14.26	9.76	NLCL's Ratio is satisfactory with the average industry.
(ii) Operating income Ratio	12.95	6.04	NLCL's Ratio is satisfactory with the average industry.
(iii) Net income Ratio	7.16	4.08	NLCL's Ratio is satisfactory
(iv) Return on Assets Ratio	6.74	2.21	NLCL's Ratio is satisfactory with the average industry.
(v) Return on Equity Ratio	11.57	5.17	NLCL's Ratio is satisfactory with the average industry.
(vi) Earnings per Share Ratio (EPS)	12.10	2.07	NLCL's Ratio is satisfactory with the average industry.
(vii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	0.16	16.19	NLCL's Ratio is satisfactory with the average industry.
<u>IV. Solvency Ratios:</u>			
(i) Debt to total Assets Ratio	0.43	0.49	NLCL's Ratio is satisfactory with the average industry.
(ii) Debt to Equity Ratio	0.81	1.49	NLCL's Ratio is satisfactory with the average industry.
(iii) Times Interest Earned Ratio	2.82	2.51	NLCL's Ratio is satisfactory with the average industry.
(iv) Debt Service Coverage Ratio	2.82	0.53	NLCL's Ratio is satisfactory with the average industry.
<u>V. Cash Flow Ratios:</u>			
(i) Net Operating Cash Flow per Share (NOCFPS)	(10.22)	4.38	NLCL's Ratio is not satisfactory as Net Operating Cash Flow is negative.
(ii) NOCFPS to EPS Ratio	(0.84)	2.09	NLCL's Ratio is not satisfactory as Net Operating Cash Flow is negative.

**** The Industry average ratio is calculated through using the ratio of 5 listed similar companies namely Generation Next Fashions Limited, Desh Garments Ltd. and Envoy Textiles Limited for the year ended June 30, 2013.**

(d) Auditors report under Section 135(1), Para 24(1) of Part II of Schedule III of the কোম্পানি আইন, 1994. The report shall include comparative income statements and balance sheet and aforementioned ratios for immediate preceding five accounting years of the issuer. If the issuer has been in commercial operation for less than five years, the above mentioned inclusion and submission will have to be made for the period since commercial operation;

New Line Clothings 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 New Line Clothings Limited for the year ended 30th June 2013, 2014, 2015, 2016 & 2017. Financial statements for the year ended 30th June 2013, 2014, 2015, 2016 & 2017 were audited by us. 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:

A. Statement of Assets and Liabilities:

	30.06.2017	30.06.2016	30.06.2015	30.06.2014	30.06.2013
			Re- Stated		
Assets					
Property, Plant & Equipment	1,063,708,332	983,752,910	955,382,612	881,841,030	904,028,434
Total non-current assets	1,063,708,332	983,752,910	955,382,612	881,841,030	904,028,434
Current Assets					
Advances, deposits & prepayments	274,564,914	254,597,083	143,174,379	56,247,228	62,683,485
Cash and Cash Equivalents	95,776,786	46,738,651	2,487,551	2,073,348	27,845,173
Inventories	782,404,281	694,517,208	652,609,377	546,526,460	435,514,897
Deposit for BB L/C	-	-	-	136,092,425	97,073,674
Accounts receivable	512,270,369	495,344,647	493,136,879	507,874,770	399,535,439
Total Current Assts	1,665,016,350	1,491,197,589	1,291,408,186	1,248,814,231	1,022,652,669
Total Assets	2,728,724,682	2,474,950,499	2,246,790,799	2,130,655,261	1,926,681,103
Equity and Liabilities					
Share Holder's Equity					
Share Capital	399,000,000	399,000,000	99,000,000	99,000,000	99,000,000
Revaluation reserve	443,229,856	464,866,933	485,786,156	598,301,815	633,070,140
Retained earning	419,613,999	321,073,642	549,586,213	471,126,432	303,531,893
Total Shareholder Equity	1,261,843,854	1,184,940,574	1,134,372,369	1,168,428,247	1,035,602,033
Non-Current Liabilities					
Long Term Loan	224,791,304	287,341,065	362,494,307	546,311,756	439,353,948
Deferred Tax Liabilities	89,978,156	91,995,270	90,269,728	-	-
Total Non- Current Liabilities	314,769,460	379,336,335	452,764,035	546,311,756	439,353,948
Current Liabilities					
Current Portion of Term Loan	109,820,000	126,750,000	103,837,585	-	-
Liabilities for Expenses / Accrued Expenses	11,618,080	15,460,653	8,835,185	6,279,033	6,407,656
Accounts payable	1,914,563	5,595,102	3,105,032	5,633,050	8,772,379
Bank Overdraft	19,075,766	27,355,511	60,299,138	80,107,500	81,925,651
Short term Loan	871,588,778	614,102,557	380,601,897	198,313,073	219,487,320
Provision for Tax	29,827,651	19,102,022	6,914,802	-	-
Provision for Financial Expenses	71,398,813	61,398,813	51,398,813	41,398,813	31,398,813
Provision for WPPF	25,128,577	20,847,988	17,592,572	14,122,036	6,659,628
Deferred L/C Liabilities	11,739,138	20,060,943	27,069,370	70,061,753	97,073,674
Total Current Liabilities	1,152,111,367	910,673,590	659,654,395	415,915,258	451,725,121
Total Equities & Liabilities	2,728,724,682	2,474,950,499	2,246,790,799	2,130,655,261	1,926,681,103

Net Assets Value Per Share (NAVPS)	31.63	29.70	28.43	118.02	104.61
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B. Statement of Operating Results:

Particulars	30.06.2017	30.06.2016	30.06.2015	30.06.2014	30.06.2013
			Re- Stated		
Sales Revenue	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471
Cost of Goods Sold	(1,812,004,060)	(1,354,399,960)	(1,480,795,116)	(1,694,612,436)	(1,434,903,331)
Gross profit	269,790,737	253,060,215	255,475,440	283,245,730	238,567,140
Selling & Administrative Expenses	(118,275,793)	(107,610,560)	(104,235,222)	(73,540,109)	(21,884,343)
Profit from operation	151,514,944	145,449,655	151,240,218	209,705,621	216,682,797
Non-operating income/ (Expenses)	-	-	-	(910,762)	-
Add: Other Income	18,109,273	1,478,322	-	-	-
Financial expenses	(79,731,833)	(78,464,255)	(78,358,953)	(49,484,852)	(76,830,611)
Net Profit before Tax & WPPF	89,892,385	68,463,722	72,881,265	159,310,007	139,852,186
Workers Profit Participation Fund & Welfare Fund	(4,280,590)	(3,255,415)	(3,470,536)	(7,586,191)	(6,659,628)
Net Profit before Tax	85,611,795	65,208,307	69,410,728	151,723,816	133,192,558
Income Tax Expenses	(11,659,025)	(19,769,908)	(18,787,943)	(13,795,578)	(13,387,764)
For Current Year	(10,725,628)	(12,187,221)	(13,196,877)	(13,795,578)	(13,387,764)
Prior year tax		(627,339)			
Deferred Tax	(933,397)	(6,955,348)	(5,591,066)	-	-

Net Profit after tax	73,952,770	45,438,399	50,622,785	137,928,238	119,804,794
Total Comprehensive Income	73,952,770	45,438,399	50,622,785	137,928,238	119,804,794
Earnings Per Share	1.85	1.14	1.27	13.93	12.10

C. Dividend:

The Company's data relating to dividend is as under:

Cash Dividend	Nil	Nil	Nil	Nil	Nil
Stock Dividend (Bonus shares)	Nil	303.03%	Nil	Nil	Nil

- D.** New Line Clothings Limited (hereinafter referred to as "the Company") was incorporated on 23 May, 2000 vide registration no.C-40328(2296)/2000 under the Companies Act, 1994. It has started its commercial operation on 01 March, 2007. On 30th September, 2013 the Company converted itself as a Public Limited Company under the Companies Act, 1994.;
- E.** The Statement of Assets and Liabilities (Statement of Financial Position) as at 30th June, 2017 & 2016 of the Company has been duly certified by us;
- F.** We also certify the Statement of Operating Results (Statement of Profit or Loss and Other Comprehensive Income) for the year ended 30th June, 2017 & 2016 of the Company;
- G.** The Company has no subsidiaries;
- H.** No proceeds or part of proceeds of the issue of shares were applied directly or indirectly by the Company in the purchase of any other business;
- I.** The Company did not prepare any financial statements for any year subsequent to 30th June, 2017; and
- J.** Figures related to previous years have been rearranged wherever considered necessary.

September 13, 2018

R. K. Tower (Level-10) 86, Bir Uttam
C.R. Datta Road, Dhaka-1205

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

(e) Financial spread sheet analysis for the latest audited financial statements;

Financial spread sheet analysis for the latest audited financial statements;

New Line Clothings Limited
Statement of Financial Position
As at June 30, 2017

Particulars	Amount	Percentage (%)	Grand Total
ASSETS			
NON-CURRENT ASSETS	1,063,708,332		39.00%
Property, Plant & Equipment	1,063,708,332	39.00%	
Land & Land Development	89,900,000	3.29	
Building & Civil Works	685,207,078	25.11	
Plant & Machinery	135,880,109	4.98	
Vehicles	2,093,581	0.08	
Electric Equipment's	46,141,881	1.69	
Furniture & Fixture	20,301,386	0.74	
Office Equipment	13,185,187	0.48	
Generator	11,163,030	0.41	
Fire Equipment's	45,954,187	1.68	
Computer & Accessories	1,571,371	0.06	
Spares & Accessories	11,907,705	0.44	
Sundry Assets	402,817	0.01	
CURRENT ASSETS	1,665,016,350		61.00%
Inventories	782,404,281	28.67	
Raw Materials	491,448,361	18.01	
Work-in-Progress	205,425,680	7.53	
Finished Goods	85,530,240	3.13	
Accounts Receivable	512,270,369	18.77	
Advances, Deposits & Pre-payments	274,564,914	10.06	
Advance against salary	714,500	0.03	
Advance against house rent	25,000	0.00	
Advance against purchase	165,223,193	6.05	
TDS on export sale	24,110,593	0.88	
Security deposits with T&T	18,400	0.00	
Security deposits with REB	779,000	0.03	

Security deposits with Titas Gas	612,485	0.02	
Factory fire insurance premium	668,056	0.02	
Deposit for BBL/C	82,413,686	3.02	
Cash & Cash Equivalents	95,776,786	3.51	
Total Assets	2,728,724,682		100.00%
EQUITY & LIABILITY			
SHAREHOLDERS' EQUITY	1,261,843,854		46.24%
Share Capital	399,000,000	14.62	
Revaluation surplus	443,229,856	16.24	
Retained Earnings	419,613,999	15.38	
NON- CURRENT LIABILITIES	314,769,460		11.54%
Long-Term Loan	224,791,304	8.24	
Deferred Tax Liabilities	89,978,156	3.30	
CURRENT LIABILITIES & PROVISIONS	1,152,111,367		42.22%
Accounts & Other payables	1,914,563	0.07	
Accrued expenses	11,618,080	0.43	
Bank overdraft	19,075,766	0.70	
Current portion of long term loan	109,820,000	4.02	
Short term bank credits	871,588,778	31.94	
Deferred L/C liabilities	11,739,138	0.43	
Provision for WPPF	25,128,577	0.92	
Provision for financial expenses	71,398,813	2.62	
Provision for income tax	29,827,651	1.09	
TOTAL LIABILITIES	1,466,880,827		53.76%
TOTAL EQUITY & LIABILITIES	2,728,724,682		100.00%

New Line Clothings Limited
Statement of Profit and Loss and Other Comprehensive Income
For the Year Ended June 30, 2017

Particulars	Year Ended June 30, 2017	Percentage on Total Turnover	Grand Percentage
Sales Revenue	2,081,794,798		100.00%
Total Revenue	2,081,794,798	100.00	
Less: Cost of Goods Sold	1,812,004,060		87.04%
Opening Stock of Raw Materials	330,660,332	15.88	
Add: Purchase	1,563,178,713	75.09	
Less: Closing stock of raw material	491,448,361	23.61	
Materials Consumed	1,402,390,683		67.36%
Add: Direct labour	222,024,718	10.67	
Prime cost	1,624,415,401		78.03%
Add: Factory overhead	114,687,703	5.51	
Cost of manufacturing	1,739,103,104		83.54%
Add: Opening work-in-process	259,363,103	12.46	
Less: Closing work-in-process	205,425,680	9.87	
Cost of goods manufactured	1,793,040,527		86.13%
Add: Opening stock of finished goods	104,493,773	5.02	
Less: Closing stock of finished goods	85,530,240	4.11	
Gross profit	269,790,737		12.96%
Less: Administrative & selling expenses	118,275,793	5.68	
Operating profit	151,514,944		7.28%
Add: Other income	18,109,273	0.87	
Less: Financial Expenses	79,731,833	3.83	
Net Profit before tax & WPPF	89,892,385		4.32%
Less: WPPF	4,280,590	0.21	
Net Profit before Tax	85,611,795		4.11%
Less: Income Tax Expenses	8,708,514		0.42%
For current year	10,725,628	0.52	
Deferred Tax expenses	(2,017,114)	-0.10	
Net Profit after Tax	76,903,280		3.69%

Sd/-
M. Zakir Chowdhury
Managing Director & CEO

Sd/-
Sharif Ahmed
Chief Financial Officer

(f) Earnings Per Share (EPS) on fully diluted basis (with the total existing number of shares) in addition to the weighted average number of shares basis. Future projected Net Income should not be considered while calculating the weighted average EPS;

Particulars	Amount in BDT
Net profit after Tax	76,903,280
No. of shares before IPO	39,900,000
Earnings per Share	1.93

(g) All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share;

Particulars	Amount in BDT
Net profit after Tax	76,903,280
Less: Other Income	18,109,273
Net profit excluding Other Income	58,794,007
No. of shares	39,900,000
Earnings per Share (EPS)	1.47

(h) Quarterly or half-yearly EPS should not be annualized while calculating the EPS;
This information is not applicable for us.

(i) Net asset value (with and without considering revaluation surplus or reserve) per unit of the securities being offered at the date of the latest audited statement of financial position.

Particulars	Amount in BDT
Share Capital	399,000,000
Revaluation Surplus	443,229,856
Retained Earnings	419,613,999
Total Shareholders' Equity (with revaluation reserve)	1,261,843,854
Total Shareholders' Equity (without revaluation reserve)	818,613,999
Number of Shares	39,900,000
Net Asset Value per share (with revaluation reserve) as per Audited Report as on June 30, 2017	31.63
Net Asset Value per share (without revaluation reserve) as per Audited Report as on June 30, 2017	20.52

(j) The Commission may require the issuer to re-audit the audited financial statements, if any deficiency or anomaly is found in the financial statements. In such a case, cost of audit should be borne by the concerned issuer.

This information is not applicable for us.

(k) Following statements for the last five years or any shorter period of commercial operation certified by the auditors:

(i) Statement of long term and short term borrowings including borrowing from related party or connected persons with rate of interest and interest paid/accrued;

Certification on Statement of Long Term and Short Term Borrowings Including Borrowing from Related Party or Connected Persons with rate of interest paid or accrued

For the year ended June 30, 2017:

Name of the Parties	Nature of Relationship	Nature of Borrowings	Balance as on June 30, 2017	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Southeast Bank Ltd	Lender	Long term	224,791,304	12.00%	6,448,274	10,000,000
Sub Total			224,791,304		6,448,274	10,000,000
Southeast Bank Ltd	Lender	Current Portion of Long term loan	109,820,000	12.00%		
Southeast Bank Ltd	Lender	Bank Overdraft	19,075,766	14.00%	45,184	
Southeast Bank Ltd	Lender	Time Loan	746,335,036	14.00%	42,356,006	
Southeast Bank Ltd	Lender	Packing Credit	21,118,096	7.00%	879,855	
Southeast Bank Ltd	Lender	FDBP	207,359	14.00%		
Southeast Bank Ltd	Lender	Forced Loan	17,027,294	13.50%	484,162	
Southeast Bank Ltd	Lender	Bill Import Sight	6,558,104	12.00%	56,885.65	
Southeast Bank Ltd	Lender	EDF Loan	80,342,890	3.5%		
Sub Total			1,000,484,545		43,822,093	
Grand Total			1,225,275,849		50,270,367	10,000,000

For the year ended June 30, 2016:

Name of the Parties	Nature of Relationship	Nature of Borrowings	Balance as on June 30, 2016	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Southeast Bank Ltd.	Lender	Long term	287,341,065	15.50%	3,180,597	10,000,000
Sub Total			287,341,065		3,180,597	10,000,000
Southeast Bank Ltd.	Lender	Current Portion of Long term loan	126,750,000	15.50%		
Southeast Bank Ltd.	Lender	Bank Overdraft	27,355,511	14.00%	96,373	
Southeast Bank Ltd.	Lender	Time loan	540,606,784	13.00%	41,863,583	
Southeast Bank Ltd.	Lender	Packing Credit	45,222,411	7.00%	689,759	
Southeast Bank Ltd.	Lender	FDBP	16,382,718	14.00%	-	
Southeast Bank Ltd.	Lender	Forced Loan	11,890,644	16.50%	129,050	
Sub Total			641,458,068		42,778,765	
Grand Total			1,055,549,133		45,959,362	10,000,000

For the year ended June 30, 2015:

Name of the Parties	Nature of Relationship	Nature of Borrowings	Balance as on June 30, 2015	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Southeast Bank Ltd.	Lender	Long term	466,331,892	15.50%	4,033,087	10,000,000
Sub Total			466,331,892		4,033,087	10,000,000
Southeast Bank Ltd.	Lender	Bank Overdraft	60,299,139	14.00%	260,703	-
Southeast Bank Ltd.	Lender	Time loan	305,741,257	14.00%	39,787,155	-
Southeast Bank Ltd.	Lender	Packing Credit	43,650,067	7.00%	4,870,733	-
Southeast Bank Ltd.	Lender	FDBP	29,290,313	14.00%	-	-
Southeast Bank Ltd.	Lender	Forced Loan	1,920,260	16.50%	4,222,736	-
Sub Total			440,901,036		49,141,327	-
Grand Total			907,232,928		53,174,414	10,000,000

For the year ended June 30, 2014:

Name of the Parties	Nature of Relationship	Nature of Borrowings	Balance as on June 30, 2014	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Southeast Bank Ltd.	Lender	Long term	546,311,756	15.50%	11,311,982	10,000,000
Sub Total			546,311,756		11,311,982	10,000,000
Southeast Bank Ltd.	Lender	Bank Overdraft	80,107,501	18.00%	290,550	-
Southeast Bank Ltd.	Lender	Time loan	141,485,760	14.00%	8,848,394	-
Southeast Bank Ltd.	Lender	Packing Credit	41,035,667	7.00%	758,415	-
Southeast Bank Ltd.	Lender	FDBP	10,343,120	18.00%	-	-
Southeast Bank Ltd.	Lender	Forced Loan	5,448,526	18.00%	62,376	-
Sub Total			278,420,574		9,959,735	-
Grand Total			824,732,330		21,271,717	10,000,000

For the year ended June 30, 2013:

Name of the Parties	Nature of Relationship	Nature of Borrowings	Balance as on June 30, 2013	Interest Rate (%)	Interest Paid (BDT)	Interest Accrued (BDT)
Southeast Bank Ltd.	Lender	Long term	439,353,948	15.50%	18,730,207	10,000,000
Sub Total			439,353,948		18,730,207	10,000,000
Southeast Bank Ltd.	Lender	Bank Overdraft	81,925,651	16.00%	5,175,509	-
Southeast Bank Ltd.	Lender	Time loan	127,126,556	15.50%	14,302,410	-
Southeast Bank Ltd.	Lender	Packing Credit	61,000,219	7.00%	1,667,418	-
Southeast Bank Ltd.	Lender	FDBP	16,819,367	17.00%	-	-
Southeast Bank Ltd.	Lender	Forced Loan	14,541,178	18.00%	3,153,975	-
Sub Total			301,412,971		24,299,312	-
Grand Total			740,766,919		43,029,519	10,000,000

The company does not have any long term and short-term borrowings from related party or connected persons for the period from July 01, 2012 to June 30, 2017.

October 12, 2017

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(ii) Statement of principal terms of secured loans and assets on which charge have been created against those loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral/other security, re-payment schedule and status;

Certification on Statement of Principal Terms of Secured Loans and Assets on which Charge have been Created Against Those Loans with names of lenders, purpose, sanctioned amount, rate of interest, primary security, collateral or other security, re-payment schedule and status

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Names of lenders	Southeast Bank Limited				
Purpose	Meet Pre-shipment expenses(Revolving Packing Credit)				
Status of Asset Charged	112 decimal project land with 5 storied building(180,000 sft)				
Sanctioned Amount	BDT 650.00 lac				
Rate of Interest	7.00%	7.00%	7.00%	7.00%	7.00%
Primary Security/ Collateral/Other Security	Lien on irrevocable Export L/C's or confirmed sales contract, Postdated cheque covering the limit, Personal Guarantee of all the Directors, Usual charge documents, Hypothecation of all stocks, receivables & Plant and Machinery				
Re-payment schedule	Monthly(From export proceed or cash generated from own sources);				
Status (Current Balance)	21,118,096	45,222,411	43,650,067	41,035,667	61,000,219

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Names of lenders	Southeast Bank Limited				
Purpose	To negotiate documentary export bills(Revolving FDBP) drawn under documentary export L/C kept as lien				
Status of Asset Charged	112 decimal project land with 5 storied building(180,000 sft)				
Sanctioned Amount	BDT 500.00 lac				
Rate of Interest	14.00%	14.00%	14.00%	18.00%	17.00%
	14% p.a on quarterly, rest for overdue period counting after 21 days from the date of negotiations.				
Primary Security/ Collateral/Other Security	Lien on Master/ Export L/C, Post-dated cheque covering the limit, Personal Guarantee of all the Directors, Usual charge documents, Hypothecation of all stocks, receivables & Plant and Machinery.				
Re-payment schedule	Monthly (From realization of bills or cash generated from own sources);				
Status (Current Balance)	207,359	16,382,718	29,290,313	10,343,120	16,819,367

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Names of lenders	Southeast Bank Limited				
Purpose	To meet up the working capital(Revolving Overdraft)				
Status of Asset Charged	112 decimal project land with 5 storied building(180,000 sft)				
Sanctioned Amount	BDT 456.94 lac	BDT 456.94 lac	BDT 746.00 lac	BDT 819.26 lac	BDT 33.00 lac
Rate of Interest	14.00%	14.00%	14.00%	18.00%	16.00%
Primary Security/ Collateral/Other Security	Registered mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; 2) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of South East Bank Ltd; Banani Branch;3) Undated cheque of entire facility amount;4) Personal guarantee of all the directors of the company.				
Re-payment schedule	Monthly				
Status (Current Balance)	19,075,766	27,355,511	60,299,139	80,107,501	81,925,651

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Names of lenders	Southeast Bank Limited				
Purpose	For meet up overhead expenses (Revolving Time Loan)				
Status of Asset Charged	112 decimal project land with 5 storied building(180,000 sft)				
Sanctioned Amount	BDT 360.00 lac	BDT 360.00 lac	BDT360.00 lac	BDT 360.00 lac	BDT360.00 lac
Rate of Interest	13.00%	13.00%	14.00%	14.00%	15.50%
Primary Security/ Collateral/Other Security	Registered mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; 2) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of South East Bank Ltd; Banani Branch;3) Undated cheque of entire facility amount;4) Personal guarantee of all the directors of the company.				
Re-payment schedule	Monthly(From export proceed or cash generated from own sources);				
Status (Current Balance)	746,335,036	540,606,784	305,741,257	141,485,760	127,126,556

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Names of lenders	Southeast Bank Limited				
Purpose	To facilitate smooth adjustment, construction and local purchase/ import of Machinery, Compliance Equipment and Up gradation of Compliance of the factory;				
Status of Asset Charged	112 decimal project land with 5 storied building(180,000 sft)				

Sanctioned Amount	BDT180.00 lac	BDT 325.00 lac	-	-	BDT 851.00 lac
Rate of Interest	12.00%	14.00%	14.00%	16.50%	18.00%
Primary Security/ Collateral/Other Security	1) Registered mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; 2) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of South East Bank Ltd; Banani Branch; 3) Undated cheque of entire facility amount; 4) Personal guarantee of all the directors of the company.				
Re-payment schedule	Monthly				
Status(Current Balance)	334,611,304	414,091,065	466,331,892	546,311,756	439,353,948

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(iii) Statement of unsecured loans with terms & conditions;

Certification on unsecured loan with terms and conditions of New Line Clothings Limited

This is to certify that New Line Clothings Limited has not taken any unsecured loan from any person/body/related party from July 01, 2012 to June 30, 2017.

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(iv) Statement of inventories showing amount of raw material, packing material, stock-in-process and finished goods, consumable items, store & spares parts, inventory of trading goods etc.;

Certification on Statement of Inventories raw material, packing material, stock-in process and finished goods, consumable items, store & spare parts, inventory of trading goods etc.

After due verification, we certify that the statement of inventories showing amount of Finished goods, raw material, Materials in transit & Work-in-process of New Line Clothings Limited for the last five years were as follows;

Particulars	Amount in BDT				
	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Finished Goods	85,530,240	104,493,773	94,829,492	77,646,922	73,282,523
Raw Materials	491,448,361	330,660,332	291,511,871	189,155,711	86,458,669
Materials in Transit	-	-	-	-	40,498,237
Work-In-Process	205,425,680	259,363,103	266,268,014	279,723,827	235,275,469
Total	782,404,281	694,517,208	652,609,377	546,526,460	435,514,897

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(v) Statement of trade receivables showing receivable from related party and connected persons;

Certification on Statement of Trade Receivables showing receivable from related party and connected persons of New Line Clothings Limited

After due verification, we certify that Statement of trade receivables showing receivables from related party and connected persons of New Line Clothings Limited for last five years were as follows:

Particulars	Amount in BDT				
	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
General	512,270,369	495,344,647	493,136,879	507,874,770	399,535,439
From Related Party	-	-	-	-	-
From Connected persons	-	-	-	-	-
Total	512,270,369	495,344,647	493,136,879	507,874,770	399,535,439

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(vi) Statement of any loan given by the issuer including loans to related party or connected persons with rate of interest and interest realized or accrued;

Certification on Statement of any Loan Given by the issuer including loan to Related Party or Connected Persons with rate of interest and interest realized/accrued by the New Line Clothings Limited

There is no such loan given by the New Line Clothings Limited including loan to related party or connected persons hence there is no interest realized or accrued for the period from July 01, 2012 to June 30, 2017.

October 10, 2017

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(vii) Statement of other income showing interest income, dividend income, discount received, other non-operating income;

Certification on Statement of Other Income showing interest income, dividend income, discount received, other non-operating income of New Line Clothings Limited

After due verification, we certify that the other income showing other income of New Line Clothings Limited for the last five years were as follows;

Particulars	Amount in BDT				
	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Interest income	-	-	-	-	-
Dividend income	-	-	-	-	-
Discount received	-	-	-	-	-
Other non-operating income	18,109,273	1,478,322	-	-	-
Total	18,109,273	1,478,322	-	-	-

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(viii) Statement of turnover showing separately in cash and through banking channel;

Certification on Statement of Turnover showing separately in cash and through banking channel of New Line Clothings Limited

After due verification, we certify that the turnover showing separately in cash and through banking channel of New Line Clothings Limited during last five years were as follows;

Particulars of turnover	Amount in BDT				
	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
In cash	-	-	-	-	-
Through banking channel	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471
Total	2,081,794,798	1,607,460,174	1,736,270,556	1,977,858,166	1,673,470,471

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(ix) Statement of related party transaction;

Certification on Statement of Related Party Transaction of New Line Clothings Limited

Statement of related party transactions is as follows:

(i) Director Remuneration and Benefits:

Related Parties	Type of Transaction	Amount in BDT				
		June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Mr. Osman Khadem	Remuneration and Benefits	3,180,000	3,000,000	7,600,000	6,000,000	400,000
Mr. Mashiul Haq Chowdhury	Remuneration and Benefits	780,000	720,000	1,850,000	1,800,000	75,000
Mr. M. Zakir Chowdhury	Remuneration and Benefits	6,180,000	6,000,000	6,000,000	6,000,000	1,200,000
Mr. Md. Asif Rahman	Remuneration and Benefits	780,000	720,000	1,800,000	650,000	25,000
Mr. Maruful Haque Chowdhury	Remuneration and Benefits	780,000	720,000	1,800,000	650,000	25,000
Total		11,700,000	11,160,000	19,050,000	15,100,000	1,725,000

October 12, 2017

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(x) Reconciliation of business income shown in tax return with net income shown in audited financial statements;

Certification regarding Reconciliation of Business Income Shown in Tax Return with Net Income Shown in Audited Financial Statements of New Line Clothings Limited for the last five years.

Particulars	Amount in BDT				
	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Net Income Shown in Audited Financial Statements	85,611,795	65,108,307	69,410,728	151,723,817	133,192,558
Business Income shown in tax return	85,611,795	65,108,307	69,410,728	151,723,817	133,192,558

January 15, 2018

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(xi) Confirmation that all receipts and payments of the issuer above Tk.5,00,000/- (five lac) were made through banking channel;

Certification on receipts and payments above Tk. 500,000 (Five lac) were made through banking channel of New Line Clothings Limited

After due verification we confirm that all receipts and payments above Tk. 500,000/- (five lac) were made through banking channel by New Line Clothings Limited for the period from 01 July, 2012 to 30 June, 2017.

October 12, 2017

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(xii) Confirmation that Bank Statements of the issuer are in conformity with its books of accounts;

Certification on books of accounts of New Line Clothings Limited are in conformity with bank statements

After due verification, we confirm that the bank statements of New Line Clothings Limited are in conformity with its books of accounts for the period from 01 July, 2012 to 30 June, 2017.

October 12, 2017

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(xiii) Statement of payment status of TAX, VAT and other taxes/duties; and

Certification on status of payment of TAX, VAT and other Taxes/Duties of New Line Clothings Limited

Particulars	Amount in BDT				
	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
TAX	14,254,751	10,483,181	6,282,076	13,795,578	13,387,764
VAT	627,424	229,978	-	-	-
Other taxes/duties	-	-	-	-	-

October 12, 2017

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CHAPTER - XXVII

CREDIT RATING REPORT

CHAPTER (XXVII): CREDIT RATING REPORT

The company is issuing share at par. Thus, Credit rating report is not required.

CHAPTER - XXVIII

PUBLIC ISSUE APPLICATION PROCEDURE

CHAPTER (XXVIII): PUBLIC ISSUE APPLICATION PROCEDURE

Step-1 (Applicant)

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date), which shall be the **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
 - a) Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
 - b) Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains Foreign Currency account debiting the same account and provide the customer with a certificate mentioning the FC account number which has been debited to issue the FDD. The applicant shall also submit the certificate with their application. No banker shall issue more than two drafts from any Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.
 - c) Eligible investors shall submit application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by the exchange(s).

Step-2 (Intermediary)

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
 - a. post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
 - b. accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the first banking hour of next working day of the cut-off date;
 - c. instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall prepare a list containing the draft information against the respective applicant's particulars.
6. The Stockbroker/Merchant Banker shall prepare category-wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and within 03 (three) working days from the cut-off date, send to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts and certificates received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.
7. On the next working day, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts and certificates submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. Exchanges shall verify and preserve the bankers' certificates in their custody.
8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers up to 6 months from listing of the securities with exchange.

Step-3 (Issuer)

9. The Issuer shall prepare consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website and websites of the Exchanges. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
10. On the next working day, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents Name, Joint Account and Bank Account information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the Exchanges within 10 (ten) working days from the date of receiving information from the Exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications within 03 (three) working days from the date of reporting to the Commission and the Exchanges, if do not receive any observation from the Commission or the Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites within 06 (six) hours and on the websites of the Commission and Exchanges within 12 (twelve) hours of lottery.
14. Within 02 (two) working days of conducting lottery, the Issuer shall:
 - a) send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Exchange.
 - b) send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the Commission and Exchanges mentioning the penalty amount against each applicant.
 - c) issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Exchange in electronic form.
 - d) send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

Step-4 (Intermediary)

15. On the next working day, Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
 - a) remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow Account opened for subscription purpose, and unblock the amount of unsuccessful applicants;
 - b) send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
16. On the next working day of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall request its banker to:
 - a) release the amount blocked for unsuccessful (other than NRB and foreign) applicants;
 - b) remit the aggregate amount of successful applicants and the penalty amount of unsuccessful applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.
17. On the next working day of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
18. Simultaneously, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.

19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account (FC account which has been debited to apply by NRB or foreign applicants) through banking channel within 10 (ten) working days from the date of lottery.

Miscellaneous:

20. The Issuer, Issue Manager, Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. Amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk.2,00,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
27. The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

All eligible Stock Brokers and Merchant Bankers shall receive the IPO Subscription.

The IPO subscription money collected from Non-Resident Bangladeshis in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the Company for IPO purposes are as follows:

Sl. No.	Name of the FC Accounts	Currency	Account No.	Bank
1.	New Line Clothings Ltd	BDT	0024-11100007817	Southeast Bank Limited Banani Branch
2.		US Dollar	0024-15100000701	
3.		GB Pound	0024-16200000001	
4.		EURO	0024-17100000728	

“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন”



NEW LINE CLOTHINGS LIMITED

APPLICATION FOR PUBLIC ISSUE

Date	:																					
Name of applicant	:																					
Client Code	:																					
BO ID No.	:	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>																				
Category of applicant	:																					
Name of the Company	:																					
Number of Shares	:	Shares of Tk. each																				
Total amount in Tk.	:																					
Amount in word	:																					

Applicants

Authorized Officer

CHAPTER - XXIX

MANAGEMENT DECLARATION

CHAPTER (XXIX): MANAGEMENT DECLARATION

STATEMENT REGARDING COST AUDIT

This is to certify that, as per provision of the Companies Act, 1994, Cost Audit by Professional Accountant is not applicable for “New Line Clothings Limited”.

Sd/-
M. Zakir Chowdhury
Managing Director & CEO
New Line Clothings Limited

Sd/-
Mohammad Hamdul Islam
Managing Director & CEO
Banco Finance And Investment Limited

Sd/-
Muhammad Nazrul Islam FCMA
Managing Director & CEO
Sandhani Life Finance Limited

Sd/-
Md. Abu Bakar FCA
Managing Director (CC)
Southeast Bank Capital Services Ltd.

MANAGEMENT DECLARATION

We the management of New Line Clothings Limited, declared that our company is regular in holding of Annual General Meeting (AGM).

Sd/-
M. Zakir Chowdhury
Managing Director & CEO

Sd/-
Osman Khadem
Chairman

MANAGEMENT DECLARATION

We the management of New Line Clothings Limited, declared that our company has not made any material change including raising of paid-up capital after the date of audited financial statements as included in the prospectus.

Sd/-
M. Zakir Chowdhury
Managing Director & CEO

Sd/-
Osman Khadem
Chairman

MANAGEMENT DECLARATION

CONSENT OF DIRECTORS TO SERVE AS DIRECTORS

We hereby agree that we have been serving as Directors of New Line Clothings Limited and will continue to act as Directors of the Company.

Sd/-
Osman Khadem
Chairman

Sd/-
M. Zakir Chowdhury
Managing Director & CEO

Sd/-
Md. Asif Rahman
Director

Sd/-
Mashiul Haq Chowdhury
Director

Sd/-
Maruful Haque Chowdhury
Director

Sd/-
Sigma Technologies Ltd.
Director
(Represented by Ali Mostafa)

Sd/-
Md. Saiful Islam Helaly
Independent Director

Sd/-
Syed Kamal Uddin
Independent Director

Date: January 15, 2018

01. Explanation regarding Environment clearance certificate:

As per SRO no. 237-Law/2007 dated October 01, 2007 of Department of Environment, Peoples Republic of Bangladesh Government and subsequent Circular no. BGE/Environment/2007/133 dated December 27, 2007 of Bangladesh Garments Manufacturers and Exporters Association (BGMEA) not required environment clearance certificate for woven garments industry.

02. Explanation regarding remuneration of Related Party Transaction:

We, the management of New Line Clothings Limited hereby confirm that, the auditor's certificate of related party transaction regarding remuneration for the year ended on June 30, 2013 & 2014 is correct because while preparing the aforesaid financial statements, we have consider the paid directors salary in the director's remuneration who is not shareholder directors of the company. Details allocation of remunerations and salaries are given below:

Related Parties	Type of Transaction	June 30,2014	June 30,2013
Mr. Osman Khadem	Remuneration and Benefits	6,000,000	400,000
Mr. Mashiul Haq Chowdhury	Remuneration and Benefits	1,800,000	75,000
Mr. M. Zakir Chowdhury	Remuneration and Benefits	6,000,000	1,200,000
Mr. Md. Asif Rahman	Remuneration and Benefits	650,000	25,000
Mr. Maruful Haque Chowdhury	Remuneration and Benefits	650,000	25,000
Sub-Total		15,100,000	1,725,000

Paid Directors	Type of Transaction	June 30,2014	June 30,2013
Mr. Suman Ghose	Salary & Allowances	1,533,500	285,000
Mr. Masunul Haque Chowdhury	Salary & Allowances	540,000	90,000
Sub-Total		2,073,500	375,000

Grand Total		17,173,500	2,100,000
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03. Explanation regarding factory address in BOI certificate:

We, the management of New Line Clothings Limited are and hereby confirm that, when the company received BOI certificate, at that time the factory was located at rental places and after the year 2006, the company has shifted to its own premises i.e. present location.

04. Explanation regarding director's salaries which approved in EGM and also permitted by the Articles of Association:

We here by confirm that, director's salary which has been approved by the shareholders in the general meeting and also permitted by Articles of Association of the company under clause 114.

05. Revaluation of Assets:

The company revalued its assets on 30 June 2011, which was conducted by the valuer Mohammad Ata Karim & Co. The revaluation was done considering the depreciated value and remaining life of the assets.

As a result, we fell that no overstate of the NAV was reflected on the company's shares.

06. Justification for increase in Cost of Goods Sold:

In the year 2017, sales revenue of the company increased by around 30% according to the year 2016. The sales revenue for the year 2016 is BDT1,607,460,174 and for the year 2017 is BDT 2,081,794,798. It is mentionable here that since sales revenue of the company has been increased significantly from the year 2016 to 2017, the Cost of Goods Sold, raw material consumption, factory overhead expenses and cost of production also increased proportionately according to sales. However, we have presented the cost of goods sold Tk. 1,812,004,060 in 2017 and Tk. 1,354,399,960 in 2016 in the financial statement, it is mentionable here that the payment is raw materials are included in the payment to suppliers an amount of Tk. 1,850,909,198 in the financial statement of 2017.

07. Justification for increase in Administrative Expenses:

New Line Clothings Limited (NLCL) is a 100% export oriented company. Last few years' internationally demand of garments products were increased significantly that's why sales revenue of the company increased around 25% compare to the year of 2013. It is mentionable here that since sales revenue of the company increased significantly from the year 2013 to 2017, So, the administrative expenses and other related expenses for the administrative purpose also increased proportionately.

Administrative Expenses of the company have been increasing because of increasing salary & allowances and other related expenses for the administrative purpose, as the company needed to hire qualified professionals for the betterment of the company.

08. Utilization of IPO fund for reduce bank loan:

According to the financial statements the current portion of long term loan is Tk. 109,820,000 and the long term loan is BDT 334,611,304.

According to the IPO utilization as mentioned in the draft prospectus we have repayment the bank loan an amount of BDT 90,000,000 of the total IPO proceeds as decided by the management. It is mentionable here that the current portion of long term loan Tk. 109,820,000 will be paid by the company from its own fund.

09. Justification for highly leveraged position:

Though financial position of the company is highly leveraged, most of its loan facilities were availed to meet short term working capital requirements. From the financial statements, we can see that, more than 60% of the total loan is Time Loan. So, this liability position does not pose any threat to future stability of the company.

10. Explanation regarding Sales Revenue:

New Line Clothings Limited (NLCL) is a 100% export oriented company. Last year's internationally demand of garments products were increased significantly that's why sales revenue of the company increased by 30% compare to last year sales. It is mentionable here that the export proceeds have been realized through bank as well as the certificates regarding sales revenue for the year 2016 and 2017 issued by Southeast Bank Limited which are attached herewith for your kind consideration.

11. Information regarding Raw materials:

We have shown the closing balance of raw materials such as fabrics and accessories, details statements regarding the aforesaid raw materials are given at Annexure-B (Movement of Raw Materials) in the financial statements for the year ended June 30, 2017.

12. Detail Calculation of TDS:

The bank has been deducted tax at source an amount of Tk. 14,254,751 on the total export proceeds at the time of crediting the proceeds as specified rate in accordance with the Income Tax ordinance 1984. In this regard, the bank has issued a certificate No. SEBL/BAN/EXP/2016/955 dated August 13, 2017. The details calculation of TDS is given below:

Opening Balance (01.07.16)	98,55,842.00
Add: Addition during the year	1,42,54,751.00
Less: Adjusted during the year	-
Total:	2,41,10,593.00

13. Reason of keeping Tk. 9,44,45,167/- cash in hand as on 30.06.2017:

The management kept cash in hand as on June 30, 2017 due to payment of Workers and staff's One-month full salary, 20 days' advance salary for the purpose of Eid ul fitr as per Government & BGMEA circular and Festival Bonus for Eid ul fitr and earn leave benefits. The Cash in Hand as on June 30, 2017, an amount of BDT 9,44,45,167 which were verified and reconciled with cash book and bank statements.

14. Explanation regarding utilized of factory production capacity

Currently our factory attained 76% capacity level and new automated machineries are required to factory balancing, increase the capacity and increase export volume. Our main business activities to produce readymade garments as per reputed buyer requirements and export directly in the international markets.

To think a constant business growth, our management has decided to install upgraded new automated machines to utilize the IPO fund. After installed the said machinery, we will be able to take all type of order from the buyers in a bundle form and that will optimize our capacity.

Since, we produce goods as per buyer's demand in that circumstances the management of New Line Clothings Ltd. believes that the optimum production capacity can be attain 90 to 92%.

15. Management declaration regarding rescheduled loan with bank

We the management of New Line Clothings Ltd. hereby confirm that, we had rescheduled loan liability with Southeast Bank Limited, Banani Branch, Dhaka.

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED JUNE 30, 2018**

AUDITORS' REPORT
To
NEW LINE CLOTHINGS LIMITED

We have audited the accompanying Financial Statements of **NEW LINE CLOTHINGS LIMITED**, ("the company") which comprise the Statement of Financial Position as at June 30, 2018 and the Statement of Profit or Loss and Other 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 disclosed in note.

Management's Responsibility for the Financial Statements

Management of the company is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994 and other applicable laws and regulations 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 our audit. We conducted our audit in accordance with the Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management of the company, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of **NEW LINE CLOTHINGS LIMITED** as at 30 June, 2018 and its financial performance for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and comply with the applicable sections of the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books; and
- (c) The Company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of account and returns.

Dated, Dhaka; October 14, 2018

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30th June, 2018

Particulars	Notes	Amount in BDT	Amount in BDT
		30.06.2018	30.06.2017
ASSETS			
NON- CURRENT ASSETS:		1,052,473,579	1,063,708,332
Property, Plant & Equipment	4.00	1,052,473,579	1,063,708,332
CURRENT ASSETS		1,877,467,074	1,665,016,350
Inventories	5.00	796,506,363	782,404,281
Accounts Receivables	6.00	654,628,905	512,270,369
Advance, Deposits & Pre- Payments	7.00	330,991,460	274,564,914
Cash & Cash Equivalents	8.00	95,340,346	95,776,786
TOTAL ASSETS		2,929,940,653	2,728,724,682
EQUITY AND LIABILITIES			
EQUITY:		1,334,864,440	1,261,843,854
Share Capital	9.00	399,000,000	399,000,000
Revaluation Surplus	10.00	418,227,627	443,229,856
Retained Earnings	11.00	517,636,812	419,613,998
LIABILITIES:			
NON- CURRENT LIABILITIES:		284,151,902	314,769,460
Long Term Loan	12.00	194,066,762	224,791,304
Deferred Tax Liabilities	13.00	90,085,140	89,978,156
CURRENT LIABILITIES & PROVISIONS		1,310,924,312	1,152,111,367
Accounts & Other Payables	14.00	1,386,286	1,914,563
Accrued Expenses	15.00	11,331,601	11,618,080
Bank Overdraft	16.00	169,993,504	19,075,766
Current portion of Long Term Loan	12.00	119,610,000	109,820,000
Short Term Bank Credits	17.00	846,891,240	871,588,778
Deferred L/C Liabilities	18.00	11,427,381	11,739,138
Provision for WPPF	19.00	25,128,577	25,128,577
Provision for Financial Expenses	20.00	81,398,813	71,398,813
Provision for Income Tax	21.00	43,756,909	29,827,651
TOTAL LIABILITIES		1,595,076,214	1,466,880,827
TOTAL EQUITY AND LIABILITIES		2,929,940,653	2,728,724,682
Net Asset Value	27.03	33.46	31.63

The annexed notes from 1 to 30 an integral part of these financial statements

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka; October 14, 2018

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended June 30, 2018

Particulars	Notes	Amount in BDT	
		30.06.2018	30.06.2017
Sales Revenue	22.00	2,132,252,575	2,081,794,798
Total Revenue		2,132,252,575	2,081,794,798
Less: Cost of Goods Sold	23.00	1,790,330,972	1,812,004,060
Gross Profit		341,921,603	269,790,737
Less: Administrative & Selling Expenses	24.00	119,118,287	118,275,793
Operating Profit		222,803,316	151,514,944
Add: Other Income	25.00	6,006,166	18,109,273
Less: Financial Expenses	26.00	136,343,446	79,731,833
Net Profit Before Tax & WPPF		92,466,036	89,892,385
Less: Workers' Profit Participation Fund		-	4,280,590
Net Profit Before Tax		92,466,036	85,611,795
Income Tax Expenses			
for Current year	21.00	13,929,258	10,725,628
for prior year		-	-
Deferred Tax Expense	13.00	2,778,760	933,397
Net Profit After Tax		75,758,018	73,952,770
Other Comprehensive Income			
Deferred Tax on Revaluation Surplus portion		2,671,776	2,950,510
Total Comprehensive Income		78,429,794	76,903,280
Earning Per Share (Basic)	27.01	1.90	1.85

The annexed notes from 1 to 30 an integral part of these financial statements

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka; October 14, 2018

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
STATEMENT OF CHANGES IN EQUITY
For the year ended June 30, 2018

Amount in BDT				
Particulars	Share Capital	Retained Earnings	Revaluation Surplus	Total
Balance at 01 July 2016,				
Opening Balance	399,000,000	321,073,642	464,866,933	1,184,940,575
Net Profit for the year	-	73,952,770	-	73,952,770
Deferred Tax Adjustment on Revaluation Surplus	-	2,950,510	-	2,950,510
Depreciation on Revaluation Surplus	-	21,637,077	(21,637,077)	-
Balance at June 30, 2017	399,000,000	419,613,998	443,229,856	1,261,843,855
For 2018				
Balance at July 01, 2017	399,000,000	419,613,999	443,229,856	1,261,843,854
Net Profit for the year	-	75,758,018	-	75,758,018
Deferred Tax Adjustment on Revaluation Surplus	-	2,671,776	-	2,671,776
Less: Adjustment for revaluation surplus of Vehicle & Generator			(5,409,208)	
Depreciation on Revaluation Surplus	-	19,593,021	(19,593,021)	-
Balance at June 30, 2018	399,000,000	517,636,812	418,227,627	1,340,273,648

The annexed notes from 1 to 30 an integral part of these financial statements

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka; October 14, 2018

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE, 2018

	30-Jun-2018 Taka	30-Jun-2017 Taka
Cash flows from operating activities		
Cash received from customers	1,989,894,039	2,064,869,076
Cash received from other income	6,004,821	18,109,273
Cash paid to suppliers	(1,786,953,233)	(1,850,909,198)
Cash paid for operating expenses	(115,227,929)	(124,902,065)
Income Tax Paid	(13,929,258)	(14,254,751)
Net cash inflow/(outflow) from operating activities (A)	79,788,440	92,912,335
Cash flows from investing activities		
Acquisition of property, plant and equipment	(59,168,436)	(143,869,083)
Net cash inflow/(outflow) from investing activities (B)	(59,168,436)	(143,869,083)
Cash flows from financing activities		
Long term loan	(20,934,542)	(79,479,761)
Bank Overdraft	150,917,738	(8,279,745)
Cash payment for financial expenses	(126,343,446)	(69,731,833)
Short term loan received	(24,697,539)	257,486,221
Net cash inflow/(outflow) from financing activities (C)	(21,057,788)	99,994,882
Net increase of cash and cash equivalents for the year (A+B+C)	(437,784)	49,038,135
Adjustment for Unrealized Foreign Exchange Gain/Loss	1,345	-
Cash and cash equivalents at the beginning of the year	95,776,786	46,738,651
Cash and cash equivalents at the end of the year	95,340,346	95,776,786
Net Operating Cash Flows per Share(NOCFPS)	2.00	2.33

The annexed notes from 1 to 30 an integral part of these financial statements

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka; October 14, 2018

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

NEW LINE CLOTHINGS LIMITED
ACCOUNTING POLICIES AND EXPLANATORY NOTES
For the year ended June 30, 2018

1.00 Background and Introduction

1.01 Formation and Legal Status

New Line Clothings Ltd was incorporated on 23rd May 2000, vide Reg. No -C-40328(2296)/2000 under the Companies Act, 1994. The Company started its commercial operation on 01 March 2007.

The registered & factory office of the company is located at its own premises at Plot No. 1945, Kauchuakuri, Kamrangachala, Mouchak, Kaliakair, Gazipur.

1.02 Nature of Business

The principal activities of the company is to manufacture various kinds of woven Garments for both ladies and gents including trousers, shirts, children wear, gents wear, female wear, jackets, Sportswear, denim garments etc and marketing thereof.

2.00 Basis of Preparation

2.01 Corporate Financial Statements and Reporting

The presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements, The Financial Statement comprises:

- (a) a statement of financial position
- (b) a statement of profit or loss and other comprehensive income
- (c) a statement of changes in equity
- (d) a statement of cash flows and
- (e) notes, comprising a summary of significant accounting policies and explanatory information.

2.02 Regulatory Compliances

The financial statements of the company under reporting have been prepared in accordance with Generally Accepted Accounting Principles and Practice in Bangladesh in compliance with The Companies Act 1994, The Securities and Exchange Rules 1987, The Listing Regulations of Dhaka Stock Exchange Ltd (DSE) & Chittagong Stock Exchange Ltd. (CSE), International Accounting Standards (IAS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB), International Financial Reporting Standards (IFRS) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and other applicable laws and regulations.

2.03 Fundamental Accounting Concepts/ Assumption

The Financial Statements have been prepared based on Going Concern, Consistency and Accrual Concepts and such other convention as required by IAS-1 for Fair Presentation of Financial Statements.

2.04 Going Concern

The Company has adequate resources to continue its operation for the foreseeable future. For this reason, the Directors continue to adopt going concern basis in preparing the accounts. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

2.05 Corporate Accounting Standards Practiced

The following IAS and IFRS is applicable to the Financial Statements for the year under review:

IAS 1	Presentation of Financial Statements
IAS 2	Inventories
IAS 7	Cash Flow Statement
IAS 10	Events after the Balance Sheet Date
IAS 12	Income Taxes
IAS 16	Property, Plant & Equipments
IAS 18	Revenue
IAS 19	Employee Benefits
IAS 23	Borrowing Costs
IAS 24	Related Party Disclosures
IAS 33	Earnings per Share
IAS 34	Interim Financial Reporting
IAS 36	Impairment of Assets
IAS 37	Provisions, Contingent Liabilities and Contingent Assets
IFRS-1	First Time Adoption of International Financial Reporting Standards
IFRS-7	Financial Instruments: Disclosures

2.06 Use of Estimates and Judgments

The preparation of these financial statements is in conformity with BFRSs requires management to make judgments, 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 on going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

2.07 Reporting Period

The period of the Financial Statements covers from 1st July, 2017 to 30th June, 2018.

2.08 Functional and Presentational (Reporting) Currency

The financial statements are prepared and presented in Bangladesh Currency (Taka), which is the company's functional currency. All financial information presented have been rounded off to the nearest Taka except where indicated otherwise.

2.09 Foreign Currency Transactions

The transactions which are incurred in foreign currencies are converted into equivalent Bangladeshi Taka (BDT) applying the ruling rate at the date of such transactions as per IAS-21 "The Effect of Changes in Foreign Exchange Rates".

2.10 Comparative Figures Re-arrangement

Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liability as reported in the financial statement.

3.00 Significant Accounting Policies

For a proper understanding of the financial statements, these accounting policies are set out below in one place as prescribed by the IAS-1 "Presentation of Financial Statements". The recommendations of IAS-1 relating the format of financial statements were also taken into full consideration for fair presentation.

3.01 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any, according to IAS 16: Property, Plant and Equipment. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. Subsequent costs are included in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

3.02 Revaluation Reserve

A number of fixed assets were revalued by the company as on June 20, 2011 which was conducted by professional valuer Mohammad Ata Karim & Co. in order to reflect the fair picture of the company in the present market condition on the basis of market availability and physical condition of those fixed assets and the gain arises due to the revaluation were transferred to the revaluation reserve account as per IAS 16 "Property, Plant and Equipment".

3.03 Depreciation of Tangible Fixed Assets

No depreciation is charged on Land & Land development. Depreciation on all other fixed assets is computed using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on additions for the whole year when it is available for use and no depreciation is charged on retirement, irrespective of date of retirement.

After considering the useful life of assets as per IAS-16, the annual depreciation rates have been applied as under which are considered reasonable by the management.

Category of Assets	Rate of Depreciation
Land & Land Development	Nil
Building	5%
Plant & Machinery	10%
Vehicles	20%
Electric Equipments	10%
Furniture & Fixture	10%
Office Equipments	10%
Generator	15%
Fire Equipments	5%
Computer & Accessories	5%
Spares & Accessories	15%
Sundry Assets	10%

3.04 Impairment of assets

All Fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the year and for this reasons, no provision has been made for impairment of assets.

3.05 Revenue Recognition

Revenue are recognised when goods are delivered from the factory godown and delivery challans are issued as per IAS-18 "Revenue".

3.06 Term loan

Term loans are non-current liabilities arising from loans taken from different banks which are repayable within more than one year.

3.07 Short term loan and bank overdraft

Short term loans are current liabilities arising from loans taken from different banks which are repayable within one year. Bank overdrafts are repayable on demand which were taken to meet up the working capital requirement.

3.08 Account Payables

Liabilities are recognised for the goods and services received, whether paid or not for those goods and services. Payables are not interest bearing and are stated at their nominal value.

3.09 Accounts receivable

Accounts receivable represent the amounts due from different customers for supplying Readymade Garments Products and includes billed portion of such services at the date of statement of financial position. Accounts receivables are stated net of provision for doubtful debts, if any.

3.10 Advances, deposits and pre-payments

Advances, deposits and pre-payments comprise advances given to and deposits made to different organization for security or other purposes and pre-payments made to receive products or services from suppliers.

3.11 Inventories

Inventories comprises of raw materials, Work-in-process, Finished goods and Materials in Transit have been valued at cost. Work-in-process have been valued at prime cost basis as required by IAS-2 with proportionate addition of Factory Overheads. Finished goods have been valued at the lower of cost and net realizable value basis. Cost is determined by weighted average method.

3.12 Cash and Cash Equivalents

Cash Flow Statement is prepared in accordance with IAS-7: Statement of Cash Flows. The cash flow from the operating activities have been presented under Direct Method as prescribed by the Securities and Exchange Rules 1987 and considering the provisions of Paragraph 18(b) of IAS-7.

3.13 Borrowings Costs

Financial Expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with IAS-23 "Borrowings Costs".

3.14 Income Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

Current Tax

Necessary provision for tax has been made as per Income Tax Ordinance 1984. In accordance with the section 53BB of the ITO 1984, Taxes were deducted from export proceeds at the realization stage by the Company's bankers during the year at the rate of 0.70%. Provision for current income tax expense has been made at the rate of 12% as prescribed in the finance act on the accounting profit made by the company as per ITO 1984 in compliance with IAS-12 "Income Taxes".

Deferred Tax

Deferred Tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities for the year ended June 30, 2018 has been recognized in the statement of Profit or Loss and other comprehensive income as per IAS-12 "Income Taxes".

The company adopted Deferred Tax in the year ended on June 30, 2015. Before that the company did not require to provide for deferred tax as the company paid advance income tax following Sec 53 BB of Income Tax Ordinance, 1984 on its export proceeds. These assessments was settled under Sec 82C (j) of Income Tax Ordinance, 1984 and hence there were no taxable temporary differences till FY 2013-2014. After expiry of the SRO in 2015, the company recognized deferred tax as there were temporary differences due to changes in applicable tax rates on the Net profit. In this regard, WDV of the assets as on June 30, 2014 is considered as the base figure for calculating the deferred tax.

3.15 VAT

The Company's traded income is 100% export oriented, so its income is not yet subject to VAT.

3.16 Statement of Changes in Equity

Statement of changes in equity is prepared in accordance with IAS-1 "Presentation of Financial Statements". This statement reflects information about the increase or decrease in net assets or wealth.

3.17 Events after the reporting period

In compliance with the requirements of IAS 10: Events after the reporting period, post Balance Sheet events that provide additional information about the company's position at the reporting Date are reflected in the financial statements and events after the Balance Sheet date that are not adjusting events are disclosed in the notes when material.

3.18 Earnings per Share

This has been calculated in compliance with the requirements of IAS 33: Earnings Per share by dividing the basic earnings by the weighted average number of ordinary shares outstandings during the year.

Basic Earning

This represents earnings for the period attributable to ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax year has been considered as fully attributable to the ordinary shareholders.

Weighted Average Number of ordinary Shares outstanding during the period.

The Basis of computation of number of shares is line with the provisions of IAS-33: Earnings per share. Therefore, the total number of shares outstanding at the year multiplied by a time-weighting factor which is the number of days the specific shares were outstanding as a proportion of total number of days in the period.

	30-Jun-2018 Taka	30-Jun-2017 Taka
4.00 PROPERTY, PLANT AND EQUIPMENT		
A. Cost		
Opening Balance	1,452,976,966	1,309,107,883
Addition during the year	59,168,436	143,869,083
Retirement of Revaluation Surplus on Vehicle & Generator	(15,483,676)	-
Total Cost	1,496,661,726	1,452,976,966
B. Accumulated Depreciation		
Opening Balance	389,268,634	325,354,973
Depreciation during the year	64,993,980	63,913,661
Adjustment for Revaluation Surplus on Vehicle & Generator	(10,074,468)	-
Total Accumulated Depreciation	444,188,146	389,268,634
Written Down Value (WDV) (A-B)	1,052,473,579	1,063,708,332

i) Details of Property, Plant & Equipment are shown in the "Annexure - A"

5.00 Inventories		
Raw Materials (Note-5.01)	549,577,685	491,448,361
Work-in-Progress (Note-22.00)	164,765,398	205,425,680
Finished Goods (Note-22.00)	82,163,280	85,530,240
Total	796,506,363	782,404,281

5.01 Raw Materials (Note-22.00)		
Fabrics	342,138,760	319,994,361
Accessories	207,438,925	171,454,000
Total	549,577,685	491,448,361

Details of Inventories are shown in Annexure-B

6.00 Accounts Receivables		
Opening Balance	512,270,369	495,344,647
Add: Addition during the year	2,132,252,575	2,081,794,798
Less: Received during the year	1,989,894,039	2,064,869,076
Closing Balance	654,628,905	512,270,369

- Accounts receivables has been stated at their nominal value. Trade receivables are occurred in the ordinary course of business.
- Account receivable are considered as good and realizable.
- There is no such account receivables due by or to directors or other officers of the company.
- Management considered the account receivables are collectable and thus no provision has been made.
- Ageing of Accounts Receivable.

Buyer	Up to 1 Month	1-3 Months	3-6 Months	Above 6 Months	Total(BDT)
G. Gueldenpfenning GmbH	206,213,072	186,028,755	166,710,376	70,970,110	629,922,313
Simple Approach Ltd (Norwest)	1,563,149	-	-	-	1,563,149
Creative Garments Pvt. Ltd	-	23,143,443	-	-	23,143,443
Total	207,776,221	209,172,198	166,710,376	70,970,110	654,628,905

7.00 Advances, Deposit and Prepayments

Advances (Note: 7.01)	299,040,079	190,073,286
Deposits (Note: 7.02)	1,409,885	1,409,885
Prepayments (Note: 7.03)	668,056	668,056
Deposit for BBL/C (Note 7.04)	29,873,440	82,413,686
Total	330,991,460	274,564,914

- All the advances & deposit amount are considered good and recoverable.
- There is no amount due from directors or officers of the company other than advance against salary.

7.01 Advances

Advance against Salary
Advance against House Rent
Advance against Purchase [Note-7.01(a)]
TDS on export sale [Note-7.01(b)]
Total

381,000
25,000
260,594,228
38,039,851
299,040,079

714,500
25,000
165,223,193
24,110,593
190,073,286

7.01 (a) Advance against Purchase

A.N.S Poly & Accessories
Aleya Embroidery
Eshita Enterprise
Esquire Accessories Ltd
Enam Labels Ltd
Faiza Button and Zipper
Foshan Blue Denim Textile Import
Gex Garments (HK) Co. Ltd
Getech Industries Ltd
Green Touch Fashion
G & F Group Inc
Global Accessories
Banga Plastic Int'l Ltd
Bang Jin Padding & Quilting Ltd
Bengal Plastics Ltd
Best Thread & Elastic
M/s Imam Brothers
Modern Plastic & Acc. Ltd
Montrims Ltd
M/s R.S Fabrics
AJ International
Link Accessories Ltd
The Best Packaging Ind. Ltd
Tahsin Knit Fabrics
Maa Traders
Maa Knitting & Dying Industries
Needle Art Embroidery Ltd
Nice Packaging & Accessories Ltd
Euro Trade Accessories
R.M Trading
Angel Button Ltd
Biswas Printing & Trading
M/s Al- Noor Printing & Accessories
Panna Textile Industries Pvt. Ltd
Pacific Button Industries Ltd
Perfect Sourcing BD. Ltd
Prime Accessories
PQS Textile
Deen Paper Converting & Packaging
Denim Processing Plant
M/s Gazi Printex World
A.H Trading
A.R. Enterprise
Atlantic Industries Ltd
Quality Lace Industries Pvt. Ltd
Tak Sang(SZE's) Co. Ltd
Twist Accessories
Top Enterprise
Ha-Meem Denim Ltd
Shanghai East Dragon Zipper Mfg Co. Ltd
Shanghai Hua Shen Import & Export Co. Ltd
Shanghai SBS Zipper Mfg Co. Ltd
Suzhou Mainland Imp & Exp Co. Ltd,
MAS Trading Int'l
Maxim Label & Packaging Industries

-
633,211
679,605
694,186
2,934,971
267,800
2,088,515
498,946
845,206
816,582
1,236,286
4,395,999
816,473
3,881,899
1,350,944
569,385
-
-
602,831
808,354
-
-
-
2,607,925
-
1,321,846
3,322,634
3,508,516
648,960
2,813,478
96,599
282,881
4,422,318
7,161,793
1,382,585
3,373,537
1,998,075
2,832,416
-
1,038,552
-
-
1,048,871
-
-
6,732,567
-
1,344,080
6,809,435
1,207,930
14,758,345
1,864,848
-
-
1,231,380

25,139
-
2,145,791
-
-
-
-
-
-
-
-
3,347,205
-
-
-
544,321
4,030,450
-
5,412,906
1,683,250
2,634,965
3,428,912
23,458
4,755,330
-
-
-
-
20,567
5,907,629
-
3,245,378
5,267,587
-
-
5,050,743
-
-
2,218,307
-
656,140
485,329
-
23,000
394,156
-
348,520
-
2,650,705
-
5,059,213
7,438,901
2,765,404
795,439
-

Mark up Accessories	1,213,225	-
Mark Printing	1,291,186	-
Minerva Offset Printing Press Ltd	2,742,540	-
Sanim Enterprise	-	432,107
High Hope(H.K) Co. Ltd	31,635,739	9,105,667
Hope Packaging Ltd	1,920,483	-
Hoptack Design & Packaging	673,710	-
Huzhou Xinding Import & Export Co. Ltd	9,287,428	-
Yester Accessories(BD) Ltd	1,429,329	3,765,490
YKK Bangladesh Pte Ltd	1,891,398	-
Young Label & Accessories	1,825,650	-
Web Coast Ltd	-	34,267
Wujiang M.G Textile Co. Ltd	-	9,003,275
WU XI No 9 Wving Mill Co. Ltd	1,168,923	-
Abacus(China) Enterprise	1,247,640	7,478,690
Anhui Technology Imp. & Exp. Co.	1,943,962	-
Mullar Tex Ltd	-	6,130,553
Adwin Piece Goods Co. Ltd	-	3,535,412
Anirban Textiles and Accessories	1,437,992	-
Simple Approach Ltd	2,747,247	-
S.S Trade Point	957,645	245,179
Shingmon Trims	1,800,566	-
SRT Fabrics	4,345,102	-
SAS Packaging Industries	1,045,585	-
Guangzhou Textiles Holdings Ltd	1,471,337	3,959,232
J.S Trimmings Limited	-	456,370
Jiangsu King Base Textile Corp. Ltd	6,759,134	7,643,246
Jiangsu Sanfangxiang	10,471,787	-
Jiangsy Skyrin International	1,871,120	-
Jiangsu CMZ Zipper Sci. & Tech Co. Ltd	683,765	-
JS Tex Wintex Co. Ltd	12,279,963	7,026,340
Inter Labels Robust Bangladesh Pvt. Ltd	669,150	-
Suzhou Laisheng Co. Ltd	18,818,371	8,675,490
M/s Shoa Tex Ltd	2,403,703	-
Lanxi Yongxin Weave Co. Ltd	-	7,528,090
Shaoxing Bowarm Textile Co. Ltd	-	3,090,314
Shaoxing Cardina Textile Co. Ltd	2,311,732	-
Shaoxing Subo Textile Co. Ltd	2,041,754	-
R.S Fabrics	-	7,654,322
Epyllion Limited	655,713	1,231,560
Envoy Textiles Ltd	6,588,567	-
Etafil Accessories Ltd	913,455	-
M/s Parentex	1,340,129	-
Mahmud Indigo Ltd	-	2,530,700
Osman Interlining Ltd	1,348,447	-
Ocean Accessories	1,535,612	-
R.N. Enterprise	1,666,293	1,278,782
Rushdi Enterprise	2,005,652	-
Fardin Accessories Ltd	817,022	2,270,873
Aksa International	3,129,526	736,587
Changzhou Dahua Imp & Exp(Group) Corp. Ltd	-	432,769
Changzhou Henglun Textiles	10,347,211	-
Active Poly Industries Ltd	400,476	-
Artistic Fabric & Garments Ltd	-	43,260
Akij Textile Mills Ltd	4,528,195	231,676
Anik Enterprise	-	344,198
Total	260,594,228	165,223,193

7.01 (b) TDS on export sale

Opening Balance	24,110,593	9,855,842
Add: Addition during the year	13,929,258	14,254,751
	38,039,851	24,110,593
Less: Adjusted during the year	-	-
Total	38,039,851	24,110,593

7.02	Deposits								
	Security Deposit with T & T					18,400		18,400	
	Security Deposit with REB					779,000		779,000	
	Security Deposit with Titas Gas					612,485		612,485	
	Total					1,409,885		1,409,885	
7.03	Prepayments								
	Factory Fire Insurance Premium					668,056		668,056	
	Total					668,056		668,056	
7.04	Deposit For BBL/C								
	Margin Against Acceptance					29,873,440		82,413,686	
	(A/C- 1550000084, SEBL, Banani Br)								
	(USD 361,774.73 @ BDT 82.5747)								
8.00	Cash and Cash Equivalents								
	Cash in Hand (Note- 8.01)					93,645,816		94,445,167	
	Cash at Bank (Note- 8.02)					1,694,530		1,331,619	
	Total					95,340,346		95,776,786	
8.01	Cash in Hand								
	Balance in Factory Cash					93,645,816		94,445,167	
	Total					93,645,816		94,445,167	
8.02	Cash at Bank								
	Bank Name		A/C No		Branch				
	IFIC Bank Limited		1121788456001		Konabari	1,277		2,942	
	Southeast Bank Limited				Banani				
	CD Account		11100002613			3,975		-	
	CD Account		11100007555			-		562,925	
	STD Account		13100001356			7,558		756,601	
	DAD Account		15400000072			1,639,628		-	
	ERQ Account (USD 539.71 @ BDT 77.99)		15200000010			42,092		9,151	
	Total					1,694,530		1,331,619	
	The above balances are reconciled with Bank Statements and Ledger Balances.								
9.00	Share Capital								
9.01	Authorised Capital								
	10,00,00,000 Shares of Tk.10.00 each					1,000,000,000		1,000,000,000	
9.02	Issued, Subscribed & Paidup Capital								
	39,900,000 Shares of Tk.10.00 each					399,000,000		399,000,000	
	The Shareholding position of the company are as under:								
	Name of Shareholder	Position	No. of Shares	%	Amount (BDT)				
	Mr. Osman Khadem	Chairman	4,788,000	12.00%	47,880,000				
	Mr. Mashiul Haq Chowdhury	Vice Chairman	1,596,000	4.00%	15,960,000				
	Mr. M. Zakir Chowdhury	MD & CEO	2,394,000	6.00%	23,940,000				
	Mr. Md. Asif Rahman	Director	2,394,000	6.00%	23,940,000				
	Mr. Maruful Haque Chowdhury	Director	2,394,000	6.00%	23,940,000				
	Mr. Mostafa Zamanul Bahar	Shareholder	3,890,000	9.75%	38,900,000				
	Mr. Md. Lutfar Rahman	Shareholder	2,394,000	6.00%	23,940,000				
	Ms. Tartila Akhter Chowdhury	Shareholder	2,740,000	6.87%	27,400,000				
	Ms. Mithy Islam Khan	Shareholder	3,890,000	9.75%	38,900,000				
	Ms. Afsana Jabin	Shareholder	2,740,000	6.87%	27,400,000				
	Ms. Fatema Mahbub	Shareholder	2,700,000	6.77%	27,000,000				
	Sigma Technologies Ltd.(Nominee of Mr. Ali Mostafa)	Director	7,980,000	20.00%	79,800,000				
	Total		39,900,000	100.00%	399,000,000				
	The company has raised its paid up capital by BDT 300,000,000 through issuance of 30,000,000 ordinary shares at taka 10/- each as stock dividend, based on 30th June 2014 accounts, through approval by the Bangladesh Securities and Exchange Commission (BSEC) vide consent Letter no. BSEC/CI/CPLC (Pvt)-658/2015/77 Dated 07-02-2016.								
10.00	Revaluation Surplus								
	Opening Balance					443,229,856		464,866,933	
	Less: Adjustment for Vehicle & Generator					5,409,208		-	
	Less: Adj. for Deferred Tax					-		-	
	Less: Adj. for Depreciation on Revaluation Surplus					19,593,021		21,637,077	
	Closing Balance					418,227,627		443,229,856	

11.00 Retained Earnings

Opening Balance	419,613,998	321,073,642
Add: Current year profit	75,758,018	73,952,770
Less: Issue of Shares (Bonus Shares)	-	-
Add: Adj. for Depreciation on Revaluation Surplus	19,593,021	21,637,077
Add: Adjustment for Deferred Tax on Revaluation Surplus	2,671,776	2,950,510
Closing Balance	517,636,812	419,613,998

12.00 Long Term Loans

Particulars	Bank Name	Branch		
A/C No- 71300000493	SEBL	Banani	25,604,541	31,135,611
A/C No- 71300000501	SEBL	Banani	15,631,006	17,839,210
A/C No- 71300000506	SEBL	Banani	161,302,495	174,240,826
A/C No- 71300000512	SEBL	Banani	9,529,081	10,496,464
A/C No- 71300000520	SEBL	Banani	42,367,708	50,137,861
A/C No- 71300000525	SEBL	Banani	11,577,847	11,773,291
A/C No- 71300000550	SEBL	Banani	30,914,908	30,123,063
A/C No- 71300000563	SEBL	Banani	16,749,175	8,864,978
Total			313,676,762	334,611,304
Current/Non-current Classification				
Due within one year			119,610,000	109,820,000
Due after one year			194,066,762	224,791,304
Total			313,676,762	334,611,304

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 313,676,762
Type of Facility	Term Loan
Repayment	Monthly
Interest Rate	12.00%
Securities	i) Registered Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast Bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	To facilitate smooth adjustment, Construction and local purchase/import of Machinery, Compliance Equipment & Up gradation of Compliance of the factory;

13.00 Deferred Tax Liabilities

Deferred Tax Liabilities Beginning	89,978,156	91,995,270
Charged During The Period	2,778,760	933,397
Deferred Tax for Revalued Asset	-	-
Less: Adjustments for Depreciation of Revalued Portion	(2,671,776)	(2,950,510)
Deferred Tax Liabilities Closing Balance	90,085,140	89,978,156

As on 30 June 2018

Particulars	WDV As per Accounts	WDV As per Tax Base	Temporary Difference
Property Plant & Equipment (Except Land)	557,106,132	421,618,049	135,488,083
Applicable Tax Rate			12%
Deferred Tax Liabilities Cost Portion			16,258,570

As on 30 June 2017

Particulars	WDV As per Accounts	WDV As per Tax Base	Temporary Difference
Property Plant & Equipment (Except Land)	540,666,881	428,335,129	112,331,753
Applicable Tax Rate			12%
Deferred Tax Liabilities			13,479,810

14.00 Accounts & Others Payables:

Opening Balance	1,914,563	5,595,102
Add: Addition during the year	75,632,137	74,321,790
Less: Payment during the year	76,160,414	78,002,329
Closing Balance	1,386,286	1,914,563

- i) All accounts & other payable were incurred as usual in business operation & paid regularly.
ii) Ageing of the above Accounts & Others Payables are given below:

Suppliers	Up to 1 Month	1-3 Months	3-6 Months	Above 6 Months	Total(BDT)
A.H Engineering	-	-	9,869	-	9,869
Akota Traders	-	3,640	-	-	3,640
All in One International(Nurjahan Sewing)	-	5,723	-	-	5,723
Al Zadid Electric	9,010	-	-	-	9,010
Bangladesh Online Ltd(BOL)	-	16,000	-	-	16,000
Bright Future Travels	-	274,000	-	-	274,000
Development Design Group	-	-	-	11,389	11,389
Dhaka Bakery	-	-	44,360	-	44,360
Dhaka Traders	-	-	-	111,525	111,525
DHL Express Bangladesh	-	-	-	265,877	265,877
Era Filling Station	65,000	-	-	-	65,000
FIT Logistics Ltd	-	98,284	-	-	98,284
ID Automation	-	-	5,333	-	5,333
J.K Computers & Printing Press	-	2,683	-	-	2,683
M/s J.R Paribahan Sangstha	-	87,090	-	-	87,090
New Adhunic General Hospital	8,000	-	-	-	8,000
New Tex Fire Fighting	-	-	-	17,320	17,320
Iport Logistics Ltd	-	43,629	-	-	43,629
Overseas Packers & Shippers	138,203	-	-	-	138,203
Parcel Force Worldwide	-	7,452	-	-	7,452
Radiant Cleaning	-	18,100	-	-	18,100
Rakib Electronics	-	-	-	11,000	11,000
Shamoli Enterprise	-	-	17,980	-	17,980
Sharif Engineering	6,687	-	-	-	6,687
Shova Sewing	-	5,730	-	-	5,730
Sufia Rent A Car	-	30,000	-	-	30,000
TNT Express	-	-	5,352	-	5,352
Square Syndicate	-	67,050	-	-	67,050
Grand Total	226,900	659,381	82,894	417,111	1,386,286

15.00 Accrued Expenses:

Audit Fee	100,000	100,000
Gas Bill	79,915	278,016
Electricity Bill	705,485	912,962
Telephone & Mobile Bill	43,632	40,688
Staff Salary & Allowances	6,857,746	6,595,382
Incentive/Allowance	329,279	328,440
Wages	2,374,257	2,142,122
Overtime	603,825	977,000
Professional & Consultancy fee	100,000	100,000
Internet Bill	16,800	52,400
Maternity Benefit	120,662	91,070
Total	11,331,601	11,618,080

- i) These are unsecured, falling due within one year.

16.00 Bank Overdraft

Bank Name	Branch	Account No.		
Southeast Bank Ltd.	Banani	002473300000182	19,190,167	19,075,766
Southeast Bank Ltd.	Banani	002473300000210	150,803,337	-
Total			169,993,504	19,075,766

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 169,993,504
Type of Facility	Bank Overdraft
Repayment	Monthly
Inerest Rate	10.00%
Maturity	16.07.2018
Securities	i) Registerd Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak,Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast Bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	For working capital requirement;

17.00 Short Term Bank Credits

Particulars of the Short Term Bank Credits (Southeast Bank Ltd., Banani Br.) are given below:

Time Loan (Note-17.01)	809,212,140	746,335,036
Packing Credit (Note-17.02)	27,558,362	21,118,096
Bill Purchase (Note-17.03)	6,081,434	207,359
Other Loan (Note-17.04)	-	17,027,294
BLC Import-Sight(Note-17.05)	-	6,558,104
EDF Loan(Note-17.06)	4,039,303	80,342,890
Total:	846,891,240	871,588,778

17.01 Time Loan:

A/C NO- 71200002930	25,912,120	24,244,555
A/C NO- 71200002933	27,829,103	26,043,063
A/C NO- 71200002938	25,354,788	23,749,349
A/C NO- 71200002968	28,947,112	28,061,407
A/C NO- 71200002974	33,543,331	32,424,732
A/C NO- 71200002985	32,733,207	31,559,333
A/C NO- 71200002993	32,843,161	31,656,792
A/C NO- 71200003005	25,186,416	24,063,281
A/C NO- 71200003015	26,475,464	25,331,169
A/C NO- 71200003021	25,383,723	24,511,680
A/C NO- 71200003037	26,461,411	25,539,149
A/C NO- 71200003051	30,534,142	28,657,822
A/C NO- 71200003057	33,110,409	31,095,502
A/C NO- 71200003058	-	660,880
A/C NO- 71200003064	30,280,899	28,316,768
A/C NO- 71200003070	18,014,526	17,447,771
A/C NO- 71200003071	34,808,209	32,563,563
A/C NO- 71200003084	31,276,424	29,241,361
A/C NO- 71200003098	15,926,079	14,867,607
A/C NO- 71200003110	17,388,113	16,211,792
A/C NO- 71200003118	21,824,495	20,370,615
A/C NO- 71200003119	11,274,922	10,545,758
A/C NO- 71200003130	27,891,220	26,032,391
A/C NO- 71200003131	9,451,079	8,845,525
A/C NO- 71200003144	33,083,196	30,947,396
A/C NO- 71200003145	6,070,631	5,673,536
A/C NO- 71200003153	32,792,597	30,961,667
A/C NO- 71200003154	5,495,508	5,162,982
A/C NO- 71200003166	35,169,231	32,960,417
A/C NO- 71200003167	4,511,103	4,243,840
A/C NO- 71200003182	32,226,330	30,166,667
A/C NO- 71200003183	10,746,964	10,055,556
A/C NO- 71200003185	4,285,539	4,021,111
A/C NO- 71200003193	32,147,709	30,100,000
A/C NO- 71200003300	25,203	-
A/C NO- 71200003335	20,207,778	-
	809,212,140	746,335,036

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 809,212,140
Type of Facility	Time Loan
Repayment	Monthly
Inerest Rate	10.00%
Securities	i) Registerd Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak,Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast Bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	Working Capital Requirement;

17.02 Packing Credit:

A/C No- 71700005894	-	902,365
A/C No- 71700005895	-	272,730
A/C No- 71700005930	-	984,338
A/C No- 71700005931	-	108,923
A/C No- 71700005935	-	1,389,542
A/C No- 71700005937	-	1,145,205
A/C No- 71700005965	-	1,238,774
A/C No- 71700005967	-	365,012
A/C No- 71700005968	-	462,525
A/C No- 71700005969	-	227,119
A/C No- 71700005971	-	2,611,865
A/C No- 71700005973	-	1,070,411
A/C No- 71700005997	-	97,297
A/C No- 71700005999	-	162,004
A/C No- 71700006000	-	1,175,232
A/C No- 71700006001	-	433,537
A/C No- 71700006002	-	607,431
A/C No- 71700006003	-	1,361,109
A/C No- 71700006004	-	267,357
A/C No- 71700006036	-	31,388
A/C No- 71700006037	-	85,142
A/C No- 71700006038	-	137,815
A/C No- 71700006039	-	283,736
A/C No- 71700006041	-	1,081,838
A/C No- 71700006042	-	356,269
A/C No- 71700006043	-	647,708
A/C No- 71700006044	-	757,892
A/C No- 71700006077	-	137,471
A/C No- 71700006078	-	299,067
A/C No- 71700006079	-	153,674
A/C No- 71700006080	-	590,050
A/C No- 71700006081	-	194,104
A/C No- 71700006082	-	800,205
A/C No- 71700006083	-	678,962
A/C No- 71700006084	965,286	-
A/C No- 71700006255	1,773,504	-
A/C No- 71700006323	21,506	-
A/C No- 71700006368	400,672	-
A/C No- 71700006369	562,709	-
A/C No- 71700006392	127,732	-
A/C No- 71700006417	1,267,739	-
A/C No- 71700006439	116,974	-
A/C No- 71700006530	518,167	-
A/C No- 71700006531	650,249	-
A/C No- 71700006532	233,578	-
A/C No- 71700006533	1,828,000	-
A/C No- 71700006534	507,903	-

A/C No- 71700006535	2,945,111	-
A/C No- 71700006541	121,782	-
A/C No- 71700006542	47,153	-
A/C No- 71700006543	517,338	-
A/C No- 71700006544	218,103	-
A/C No- 71700006545	395,612	-
A/C No- 71700006546	1,458,691	-
A/C No- 71700006547	725,437	-
A/C No- 71700006548	633,993	-
A/C No- 71700006549	3,372,843	-
A/C No- 71700006550	598,489	-
A/C No- 71700006595	398,533	-
A/C No- 71700006596	676,021	-
A/C No- 71700006597	731,485	-
A/C No- 71700006598	332,952	-
A/C No- 71700006599	1,563,864	-
A/C No- 71700006600	756,708	-
A/C No- 71700006601	232,115	-
A/C No- 71700006612	654,297	-
A/C No- 71700006613	1,489,784	-
A/C No- 71700006614	251,653	-
A/C No- 71700006615	362,380	-
	27,558,362	21,118,096

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 27,558,362
Type of Facility	Revolving Packing Credit(PC)
Repayment	From export proceed and cash from own sources
Inerest Rate	7.00%
Securities	Lien on Master / Export L/C
Purpose	Payment of Manufacturing Expenses

17.03 Bill Purchase:

A/C No- 78500004063	-	207,359
A/C No- 78500005281	1,584,163	-
A/C No- 78500005285	1,130,828	-
A/C No- 78500005286	891,834	-
A/C No- 78500005437	1,018,133	-
A/C No- 78500005438	1,456,477	-
	6,081,434	207,359

Nature of Security of Loans:

Particulars	Details
Name of Bank	Southeast Bank Limited
Amount	BDT 6,081,434
Type of Facility	Bill Purchase
Repayment	From realization of bills or cash generate from own sources;
Inerest Rate	14% p.a. on quarterly rest for overdue period counting after 21 days from the date of negotiation;
Securities	Lien on Master / Export L/C;
Purpose	To negotiate export bills drawn under documentary export letter of credit kept as lien.

17.04 Other Loan:

A/C No- 70800001065	-	122,569
A/C No- 70800001066	-	428,309
A/C No- 70800001073	-	331,047
A/C No- 70800001084	-	471,893
A/C No- 70800001107	-	622,042
A/C No- 70800001108	-	730,015
A/C No- 70800001109	-	1,840,807
A/C No- 70800001110	-	935,624
A/C No- 70800001307	-	1,920,364
A/C No- 70800001308	-	1,792,535
A/C No- 70800001363	-	1,559,982
A/C No- 70800001407	-	199,096

A/C No- 70800001409	-	192,469
A/C No- 70800001410	-	704,154
A/C No- 70800001412	-	496,577
A/C No- 70800001416	-	379,251
A/C No- 70800001417	-	1,600,936
A/C No- 70800001422	-	490,590
A/C No- 70800001443	-	1,190,682
A/C No- 70800001444	-	1,018,352
	-	17,027,294

Nature of Security of Loans:

Particulars	Details
Name of Banks	Southeast Bank Limited
Amount	BDT 0
Type of Facility	Forced Loan
Repayment	From export proceed and cash from own sources
Inerest Rate	13.50%
Securities	i) Registered Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast Bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	For payment to suppliers due to expire maturity date;

17.05 BLC Import-Sight:

A/C No- 71400007515	-	6,558,104
	-	6,558,104

Nature of Security of Loans:

Particulars	Details
Name of Banks	Southeast Bank Limited
Amount	BDT 0
Type of Facility	BLC Import(Sight)
Repayment	From export proceed and cash from own sources
Inerest Rate	12.00%
Securities	Fully Secured by First charge on the Fixed Assets of the company.
Purpose	For payment to suppliers due to expire maturity date;

17.06 EDF Loan:

A/C No- 71900000562	-	439,759
A/C No- 71900000563	-	2,632,673
A/C No- 71900000567	-	4,066,539
A/C No- 71900000570	-	2,085,511
A/C No- 71900000571	-	6,583,986
A/C No- 71900000582	-	1,070,982
A/C No- 71900000595	-	445,680
A/C No- 71900000613	-	11,110,870
A/C No- 71900000614	-	3,076,539
A/C No- 71900000643	-	10,064,275
A/C No- 71900000647	-	453,291
A/C No- 71900000653	-	4,293,655
A/C No- 71900000661	-	767,921
A/C No- 71900000662	-	1,672,747
A/C No- 71900000663	-	3,302,906
A/C No- 71900000664	-	483,649
A/C No- 71900000671	-	1,006,117
A/C No- 71900000672	-	929,879
A/C No- 71900000676	-	8,672,510
A/C No- 71900000680	-	777,742
A/C No- 71900000686	-	8,157,709
A/C No- 71900000692	-	1,386,214
A/C No- 71900000693	-	2,414,671
A/C No- 71900000701	-	1,317,233
A/C No- 71900000706	-	1,776,719

A/C No- 71900000707
A/C No- 71900000844
A/C No- 71900000845

-	1,353,111
3,945,270	-
94,033	-
4,039,303	80,342,890

Nature of Security of Loans:

Particulars	Details
Name of Banks	Southeast Bank Limited
Amount	BDT 4,039,303
Type of Facility	EDF Loan
Repayment	From export proceed and cash from own sources
Inerest Rate	3.5%(Average)
Securities	i) Registerd Mortgage with registered IGPA of 112 decimal project land with 5 storied factory building located at Kamrangachala, Mouchak, Kaliakair, Gazipur; ii) First charge on fixed and floating assets including book debts & receivables of the company both existing and future with RJSC in favor of Southeast Bank Ltd, Banani Branch; iii) Undated cheque of entire facility amount; iv) Personal Guarantee of all the directors of the company;
Purpose	For payment to suppliers due to expire maturity date;

Total Short Term Loan

846,891,240	871,588,778
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18.00 Deferred L/C Liabilities

Margin Against Acceptance

11,427,381	11,739,138
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(USD 136,838.48@ BDT 83.51)

19.00 Provision for WPPF

Balance as on 01.07.2017

25,128,577	20,847,988
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Add: Provision for the year

-	4,280,590
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Total

25,128,577	25,128,577
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Until June 30, 2017, Provision for Workers Profit Participation Fund were made @ 5% of net profit after charging the contribution and such contribution provided as per provision of The Bangladesh Labour Act 2006. The company did not make any such provision during this year because the company started to contribute to Central Fund for welfare of employees as per notification no. 40.00.0000.015.28.002.16.484 dated December 21, 2016 by Ministry of Labor and Employment.

20.00 Provision for Financial Expenses

Balance as on 01.07.2017

71,398,813	61,398,813
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Add: Provision for the year

10,000,000	10,000,000
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Total

81,398,813	71,398,813
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As per sanction letter no. SEBL/BAN/CR/2012/2205 dated October 21, 2012 and SEBL/BAN/CR/161/2014 dated January 28, 2014 and subsequent letter no. SEBL/BAN/CR/2017/568 dated 05 October 2017, Southeast Bank Ltd will not charge further interest until the full amount of the particular loans are adjusted.

However, as per conservative approach, partial amount against the blocked interest has been kept by the management as provision for blocked interest on particular Loan.

21.00 Provision for Income Tax

Balance as on 01.07.2017

29,827,651	19,102,022
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Add: Provision for the year

13,929,258	10,725,628
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43,756,909	29,827,651
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Less: Adjusted during the year

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Total

43,756,909	29,827,651
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22.00 Sales Revenue

Export Sales Revenue

2,132,252,575	2,081,794,798
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Total Export Value for the year ended June 30, 2018 USD 25,892,563.15 @ 82.35(Average) equivalent to BDT 213,22,52,575.40 and for the year ended June 30, 2017 USD 26,519,678.95 @ 78.50(Average) equivalent to BDT 2,081,794,797.57;

23.00 Cost of Goods Sold

Opening Stock of Raw Materials

491,448,361	330,660,332
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Add: Purchase (Note- 23.01)

1,460,976,873	1,563,178,713
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Less: Closing Stock of Raw Materials

549,577,685	491,448,361
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Materials Consumed

1,402,847,549	1,402,390,683
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Add: Direct Labour

226,310,841	222,024,718
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Prime Cost

1,629,158,390	1,624,415,401
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Add: Factory Overhead (Note- 23.02)

117,145,340	114,687,703
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Cost of Manufacturing

1,746,303,730	1,739,103,104
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	Add: Opening Work-in-Process	205,425,680	259,363,103
	Less: Closing Work-in-Process	164,765,398	205,425,680
	Cost of Goods Manufactured	1,786,964,012	1,793,040,527
	Add: Opening Stock of Finished Goods	85,530,240	104,493,773
	Less: Closing Stock of Finished Goods	82,163,280	85,530,240
	Cost of Goods Sold	1,790,330,972	1,812,004,060
23.01	Purchase of Raw Materials		
	Fabric	1,036,914,234	1,154,566,992
	Accessories	424,062,639	408,611,721
	Total	1,460,976,873	1,563,178,713
	Details of Purchase of Raw Materials are shown in Annexure-B		
23.02	Factory Overhead		
	Carriage Inward	960,700	287,052
	Cutting & Sewing Charge	175,835	1,115,231
	Inspection Fee	613,000	606,569
	C & F Charges	1,133,971	1,089,436
	Machine Rent	661,030	665,220
	Repair & Maintenance at Factory	1,551,514	1,302,979
	Marine Insurance Premium	7,491,776	6,777,742
	Factory Fire Insurance Premium	1,103,996	1,121,540
	Electricity Bill	7,695,911	10,953,196
	Gas Bill	777,508	828,690
	Cleaning Charges	123,000	113,800
	Diesel Expenses	5,302,000	5,062,850
	Electric Goods	221,014	196,867
	Factory General Expenses	79,518	72,005
	Festival Bonus (worker)	11,713,227	9,330,186
	Earn Leave Benefit (Worker)	2,988,214	2,441,630
	Finishing Charges	687,998	651,808
	Garments Testing Expenses	68,417	96,306
	Group Insurance Premium	40,000	118,333
	Maternity Benefit	358,621	319,199
	Medical Expenses	101,896	79,064
	Mould & Folder	777,115	661,590
	Overtime	7,808,301	7,363,657
	Miscellaneous Expenses	342,190	265,789
	Freight Charges	2,775,456	2,633,441
	Entertainment	754,246	740,762
	Depreciation	60,838,886	59,792,760
	Total	117,145,340	114,687,703
24.00	Administrative & Selling Expenses		
	Director's Remuneration & Benefits	11,700,000	11,700,000
	Salary & Allowances	74,233,139	73,327,786
	Entertainment	74,570	953,178
	Conveyance & Travel	516,392	494,767
	Contribution to Central Fund	596,968	619,461
	Carriage Outward	557,900	497,700
	C & F Charges	460,015	236,369
	Printing & Stationery	870,069	726,064
	Phone, Fax & Mobile Bill	310,310	231,615
	Audit Fee	100,000	100,000
	Professional & Consultancy Fee	100,000	100,000
	Fuel, Gas & Lubricants	3,219,077	2,777,501
	Car Rent & Other Expenses	3,738,692	3,555,596
	Licence Renewal & Registration Fee	360,221	379,873
	Postage, Stamp & Courier	2,650,923	2,274,563
	Newspaper & Magazine	16,560	12,570
	Miscellaneous Expenses	1,103,097	1,549,958
	Advertisement & Publicity	5,739	30,800
	Donation, Subscription & Gift	434,300	422,000
	Earn Leave Benefit (Staff)	1,195,116	1,022,051
	Festival Benefit	8,909,523	8,062,843
	Incentive/Allowance	793,040	2,069,935
	Internet Bill	224,800	223,409

	Labour Charges	58,180	35,815
	Legal Fees	15,000	23,000
	VAT Expenses	31,328	627,424
	Office General Expenses	1,208,783	1,566,247
	House Rent for S.G	300,000	300,000
	Service Charges	10,000	10,000
	Uniform, Liverage & Welfare	40,240	19,655
	Transport Bill	64,800	32,800
	Vehicle/Car Maintenance	164,411	171,912
	Depreciation	4,155,094	4,120,901
	Total	119,118,287	118,275,793
25.00	Other Income		
	Foreign Currency Gain/(Loss) {Realized Portion}	6,013	13,744,722
	Foreign Currency Gain/(Loss) {Un-realized Portion}	2,647	-
	Cash Incentive	-	3,314,965
	Other Income	5,997,506	1,049,586
		6,006,166	18,109,273
26.00	Financial Expenses		
	Bank Interest, Charges	126,343,446	69,731,833
	Add: Provision for Blocked Interest on Long Term Loan	10,000,000	10,000,000
	Total	136,343,446	79,731,833
27.00	INFORMATION BASED ON PER SHARE		
27.01	Earning per share (EPS)		
	Basic EPS		
	Earnings attributable to the ordinary shareholders (Net Profit After Tax)	75,758,018	73,952,770
	Weighted average number of ordinary shares outstanding at the end of the period	39,900,000	39,900,000
	Earnings Per Share	1.90	1.85
	Diluted EPS		
	No diluted EPS was required to be calculated for the year since there was no scope for dilution of share during the year under review.		
	Earnings per share has been calculated in accordance with BAS -33 "Earnings Per Share (EPS)".		
27.02	NET ASSET VALUE PER SHARE (NAV) WITHOUT REVALUATION		
	Net Assets Value Per Share		
	Shareholders' Equity with Revaluation Reserve	1,334,864,440	1,261,843,854
	Less: Revaluation Surplus	418,227,627	443,229,856
	Net Asset Value without Revaluation	916,636,812	818,613,998
	Number of ordinary shares outstanding during the year	39,900,000	39,900,000
	Net Assets Value Per Share Before Revaluation	22.97	20.52
27.03	NET ASSET VALUE PER SHARE (NAV) WITH REVALUATION		
	Shareholders' Equity with Revaluation Reserve	1,334,864,440	1,261,843,854
	Number of ordinary shares outstanding during the year	39,900,000	39,900,000
	Net Assets Value Per Share After Revaluation	33.46	31.63
27.04	NET OPERATING CASH FLOW PER SHARE (NOCFPS) WITH REVALUATION		
	Net Operating Cash Flow	79,788,440	92,912,335
	Number of ordinary shares outstanding during the year	39,900,000	39,900,000
	Net Assets Value Per Share After Revaluation	2.00	2.33
28.00	OTHER COMMITMENTS, CONTINGENCIES AND RELEVANT INFORMATION		
28.01	Contingencies		
	There is no contingent event that may require recognition of contingent liabilities for the year ended June 30, 2018.		
28.02	Capital expenditure commitment		
	There was no capital expenditure commitment or contract at June 30, 2018. There was no material capital expenditure authorized by the Board but not contracted as at June 30, 2018.		
28.03	Directors' interest in contracts with the company		
	There was no transaction resulting in Directors' interest with the company and no leasing facilities have been made available to the Directors.		
28.04	Segment Reporting		
	As there is a single business and geographic segment within the company operates as such no segment reporting is felt necessary.		
28.05	Credit Facility Not Availed		
	There was no credit facility available to the company under any contract, but not availed as on June 30, 2018 other than trade credit available in the ordinary course of business.		

28.06 Attendance Status of Board Meeting of Directors

During the year ended June 30, 2018, there were eight Board Meetings were held. The attendance status of all the meetings is as follows:

Name of the Directors	Position	Meeting held	Attendance
Mr. Osman Khadem	Chairman	8	5
Mr. Mashiul Haq Chowdhury	Vice Chairman	8	7
Mr. M. Zakir Chowdhury	MD & CEO	8	8
Mr. Md. Asif Rahman	Director	8	8
Mr. Maruful Haque Chowdhury	Director	8	8
Mr. Mostafa Zamanul Bahar	Shareholder	8	7
Mr. Md. Lutfar Rahman	Shareholder	8	7
Ms. Tartila Akhter Chowdhury	Shareholder	8	5
Ms. Mithy Islam Khan	Shareholder	8	5
Ms. Afsana Jabin	Shareholder	8	5
Ms. Fatema Mahbub	Shareholder	8	3
Mr. Ali Mostafa (Nominee of Sigma Technologies Ltd)	Director	8	7

The directors of the Company were not paid any fee for attending board meeting during the year.

28.07 Related Parties Transactions

Related parties transactions during the period given below.

Sl. No.	Name of the related Parties	Relationship	Nature of Transaction	Balance as at 30.06.2018	Balance as at 30.06.2017
1	Mr. Osman Khadem	Chairman & Director(Compliance & Ethical Standard)	Remuneration	1,440,000	1,440,000
			Benefits	1,740,000	1,740,000
2	Mr. Mashiul Haq Chowdhury	VC & Director(IT)	Remuneration	600,000	600,000
			Benefits	180,000	180,000
3	Mr. M. Zakir Chowdhury	MD & CEO	Remuneration	2,400,000	2,400,000
			Benefits	3,780,000	3,780,000
4	Mr. Md. Asif Rahman	Director(Finance)	Remuneration	600,000	600,000
			Benefits	180,000	180,000
5	Mr. Maruful Haque Chowdhury	Director(Commercial)	Remuneration	600,000	600,000
			Benefits	180,000	180,000
	Total			11,700,000	11,700,000

28.08 Employee's Position as on 30.06.2018

Monthly Salary Range	Employee's Position		Total Employee 2018	Total Employee 2017
	Factory	Head Office		
Below 3000	Nil	Nil	Nil	Nil
Above 3000	2745	45	2790	2839
Total	2745	45	2790	2839

28.09 Capacity Utilization (Yearly)

Particulars	Capacity	Actual Production	Percentage
Garments (Woven)	84.00 lac/Pcs	64.72 lac/Pcs	77.05%

29.00 General

All the figures in the financial statements represent Bangladeshi taka currency (BDT) rounded off to the nearest figure.

The comparative information has been disclosed of 2016-2017 for all numerical information in the financial statements and also the narrative and descriptive information as found relevant for understanding of the current years financial statements.

To facilitate comparison, certain relevance balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform to current year presentation.

30.00 Events after the reporting period

No material events had occurred from the Financial Position date to the date of issue of this Financial Position, which could materially affect the values stated in the Financial Position.

Sd/-
Managing Director & CEO

Sd/-
Director

Sd/-
Company Secretary

Dated, Dhaka; October 14, 2018

NEW LINE CLOTHINGS LTD.
Schedule of Property, Plant and Equipment
As at June 30, 2018

A. At Cost Model:

Annexure -A

Particulars	Balance as on 01.07.2017	Addition during the year	Balance as on 30.06.2018	Rate of Dep.	Depreciation			Written down value as on 30.06.2018
					Balance as on 01.07.2017	Charged during the year	Balance as on 30.06.2018	
Land & Land Development	3,313,250	-	3,313,250	0%	-	-	-	3,313,250
Building & Civil Works	341,345,273	32,258,570	373,603,843	5%	66,306,756	15,364,854	81,671,610	291,932,233
Plant & Machinery	216,459,054	-	216,459,054	10%	98,142,627	11,831,643	109,974,270	106,484,784
Vehicles	3,525,700	-	3,525,700	20%	2,706,193	163,901	2,870,094	655,606
Electric Equipments	68,552,744	3,812,928	72,365,672	10%	22,410,863	4,995,481	27,406,343	44,959,329
Furniture & Fixture	26,842,165	5,018,236	31,860,401	10%	6,540,779	2,531,962	9,072,742	22,787,659
Office Equipments	17,353,088	162,750	17,515,838	10%	4,167,901	1,334,794	5,502,695	12,013,143
Generator	14,475,360	-	14,475,360	15%	7,447,464	1,054,184	8,501,648	5,973,712
Fire Equipments	48,847,183	14,265,710	63,112,893	5%	2,892,996	3,010,995	5,903,991	57,208,902
Computer & Accessories	2,159,325	111,730	2,271,055	5%	587,954	84,155	672,109	1,598,946
Spares & Accessories	16,238,542	3,538,512	19,777,054	15%	4,330,837	2,316,933	6,647,769	13,129,285
Sundry Assets	762,986	-	762,986	10%	360,169	40,282	400,452	362,534
Total as on 30.06.2018	759,874,670	59,168,436	819,043,106		215,894,539	42,729,184	258,623,724	560,419,382
Total as on 30.06.2017	616,005,587	143,869,083	759,874,670		176,568,465	39,326,074	215,894,539	543,980,131

B. At revalued Model:

Particulars	Balance as on 01.07.2017	Addition during the year	Balance as on 30.06.2018	Rate of Dep.	Depreciation			Written down value as on 30.06.2018
					Balance as on 01.07.2017	Charged during the year	Balance as on 30.06.2018	
Land & Land Development	86,586,750	-	86,586,750	0%	-	-	-	86,586,750
Building	557,982,704	-	557,982,704	5%	147,814,143	20,508,428	168,322,571	389,660,133
Plant & Machinery	33,049,166	-	33,049,166	10%	15,485,484	1,756,368	17,241,852	15,807,314
Total	677,618,620	-	677,618,620		163,299,627	22,264,796	185,564,423	492,054,197
Total as on 30.06.2018 (A+B)	1,437,493,290	59,168,436	1,496,661,726		379,194,166	64,993,980	444,188,147	1,052,473,579
Total as on 30.06.2017	1,309,107,883	143,869,083	1,452,976,966		325,354,973	63,913,661	389,268,634	1,063,708,332

Depreciation allocated to:

Factory Overhead
Administrative Overhead

Particulars

Depreciation charges during the year
Depreciation charge on Revaluation of Assets

Head of Accounts:

Factory Overhead
Administrative Overhead

Depreciation on Revaluation of Assets:

Factory Overhead
Administrative Overhead

Amount in BDT	
30.06.2018	30.06.2017
60,838,886	59,792,760
4,155,094	4,120,901
64,993,980	63,913,661
Amount in BDT	
30.06.2018	30.06.2017
42,729,184	39,326,074
22,264,796	24,587,587
64,993,980	63,913,661
Amount in BDT	
30.06.2018	30.06.2017
38,574,090	35,523,692
4,155,094	3,802,382
42,729,184	39,326,074
Amount in BDT	
30.06.2018	30.06.2017
22,264,796	24,269,069
-	318,519
22,264,796	24,587,587

Quantity wise schedule of Inventory - Para 3 of Schedule XI, Part II

Annexure-B

a) Movement of Raw Materials

Opening Raw Materials

Opening Raw Materials			Opening		Purchase		Material Available		Closing Stock		Consumption	
Sl. No.	Name of Items	Unit	01.07.2017						30.06.2018			
			Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka
Fabrics												
01	100% Cotton flannel fabric	mtr	85,710	9,631,721	1,431,071	160,780,827	1,516,781	170,412,548	92,540	10,397,003	1,424,241	160,015,544
02	Dtm Tc pocketing fabric	mtr	90,470	6,448,846	1,942,464	138,575,385	2,032,934	145,024,231	272,134	19,413,332	1,760,800	125,610,899
03	Knitted denim fabric	mtr	674,393	142,031,842	906,762	190,927,807	1,581,155	332,959,649	689,562	145,207,942	891,593	187,751,707
04	Cordroy fabric	mtr	144,247	30,753,296	826,635	176,337,778	970,882	207,091,074	234,670	50,055,557	736,212	157,035,517
05	PFD Twill fabric	mtr	298,495	53,835,581	546,141	98,807,830	844,636	152,643,410	233,289	42,160,207	611,347	110,483,203
06	Popline fabric	mtr	36,754	5,628,007	110,455	16,927,229	147,209	22,555,235	31,932	4,892,540	115,277	17,662,695
07	polyester fabric	mtr	158,678	35,539,803	547,034	122,628,612	705,712	158,168,414	167,459	37,531,917	538,253	120,636,497
08	Polyester tricot fabric	kg	60,155	21,378,740	185,121	65,869,754	245,276	87,248,494	60,231	21,425,105	185,045	65,823,389
09	Single jersey fabric	kg	43,327	14,746,527	194,554	66,059,013	237,881	80,805,540	32,545	11,055,156	205,336	69,750,384
	Total:		1,592,230	319,994,361	6,690,237	1,036,914,234	8,282,467	1,356,908,595	1,814,362	342,138,760	6,468,106	1,014,769,836
Accessories												
01	Sewing thread	cone	112,345	5,528,624	2,121,629	104,447,796	2,233,974	109,976,420	322,934	15,897,734	1,911,040	94,078,685
02	Zipper	Pc	925,775	11,157,259	7,562,109	91,577,140	8,487,884	102,734,399	967,542	11,710,792	7,520,342	91,023,607
03	Metal Button & Revit	grs	247,264	7,367,788	1,023,454	30,550,102	1,270,718	37,917,890	465,201	13,881,475	805,517	24,036,415
04	Others Accessories	yds/kg/grs	2,975,741	147,400,329	3,930,102	197,487,602	6,905,842	344,887,931	3,322,966	165,948,923	3,582,876	178,939,007
	Total:		4,261,125	171,454,000	14,637,294	424,062,639	18,898,418	595,516,639	5,078,643	207,438,925	13,819,775	388,077,713
			491,448,361		1,460,976,873		1,952,425,234		549,577,685		1,402,847,549	

b) Work-in-Process

work-in-process

			01.07.2017		30.06.2018	
Sl. No.	Name of Items	Unit	Quantity	Taka	Quantity	Taka
01	Fabrics	mtr/kg	493,931	111,979,090	501,345	103,633,025
02	Accessories	yds/kg/grs	789,645	93,446,589	516,582	61,132,373
	Total:		1,283,576	205,425,680	1,017,927	164,765,398

c) Movement of Finished Goods

Finished Goods

Sl. No.	Name of Items	Unit	Opening		Closing Finished Goods	
			01.07.2017		30.06.2018	
			Quantity	Taka	Quantity	Taka
01	Finished Goods(RMG)	Pcs	268,862	85,530,240	258,278	82,163,280
	Total:		268,862	85,530,240	258,278	82,163,280

CHAPTER - XXX

AUDITORS ADDITIONAL DISCLOSURE

01. Justification for increase in Cost of Goods Sold:

In the year 2017, sales revenue of the company increased by around 30% according to the year 2016. The sales revenue for the year 2016 is BDT1,607,460,174 and for the year 2017 is BDT 2,081,794,798. It is mentionable here that since sales revenue of the company has been increased significantly from the year 2016 to 2017, the Cost of Goods Sold, raw material consumption, factory overhead expenses and cost of production also increased proportionately according to sales as mentioned in the note No. 23.00 of notes to the financial statements for the year ended June 30, 2017.

02. Justification for decrease in Operating Profit Margin between the year 2013 and 2017:

The main reason for decrease profit margin is increasing salary & allowances and other related administrative expenses for hiring qualified professionals for the betterment of the company. Moreover, prices of raw materials have increased in recent years.

03. Justification for increase in Administrative Expenses between the year 2013 and 2017:

Administrative Expenses of the company have been increasing because of increasing salary & allowances and other related expenses for the administrative purpose, as the company needed to hire qualified professionals for the betterment of the company. The comparative statement of Administrative Expenses between the year 2013 and 2017 as follows:

Particulars	June 30, 2017	June 30, 2013
Administrative & Selling Expenses	118,275,793	21,884,343

04. Justification for decrease in Net Profit Margin between the year 2013 and 2017:

This is caused mainly because of increasing salary & allowances and other related expenses, as the company needed to hire qualified professionals for the betterment of the Company. Moreover, prices of raw materials of the company have increased in recent years.

05. Justification for highly leveraged position:

Though financial position of the company is highly leveraged, most of its loan facilities were availed to meet short term working capital requirements. From the financial statements we can see that, more than 60% of the total loan is Time Loan. So this liability position does not pose any threat to future stability of the company.

06. Justification for increase in Sales Revenue from the year 2016 to 2017

Last year's internationally demand of garments products were increased significantly that's why sales revenue of the company increased by 30% compare to last year sales.

A certificate regarding sales revenue for the period from July 01, 2016 to June 30, 2017 issued by Southeast Bank Limited vide ref. no. SEBL/BAN/EXP/2017/1388 dated November 14, 2017.

07. Justification of Cash received from customers:

A certificate regarding cash received from the customer's/proceeds realization certificate for the period from July 01, 2016 to June 30, 2017 issued by Southeast Bank Limited vide ref. No. SEBL/BAN/EXP/2017/1391 dated November 14, 2017 which in agreement with the statement of Cash Flows.

08. Cash in Hand on June 30, 2017

The management kept cash in hand as on June 30, 2017 due to payment of Workers and staff's One-month full salary, 20 days' advance salary for the purpose of Eid ul fitr as per Government & BGMEA circular and Festival Bonus for Eid ul fitr and earn leave benefits. The Cash in Hand as on June 30, 2017, an amount of BDT 9,44,45,167 which were not physically verified but reconciled with cash book and bank statements and found in order.

09. Justification for Re-statements and Re-arrangements

The company restated and rearranged its financial position of June 30, 2015 in the financial statements prepared for the year ended June 30, 2016 according to BAS-8.

Reasons for Restatements are:

- To implement the impact of 'Deferred Tax' calculation
- To charge the 'Income Tax Expense for prior year' in the Income Statements which were charged in the Changes in Equity Statements.

Reasons for Rearrangements are:

- To Present the **Assets and Liabilities** in Separate section of Balance Sheet.
- To Separate the **Current Portion of Long Term Loan** from Long Term Loan.

Impact of Restatement in NAV and EPS

Particulars	Restate 2015	2015
NAV	114.58	123.70
EPS	5.60	5.78

10. Details calculation regarding depreciation on revaluation assets

As per annexure-A, depreciation on revalued assets were Tk.24,587,587. From the said amount of Tk. 21,637,077 were transferred to Retained Earnings as mentioned in the Note-10.00 and Note-11.00. The remaining amount of Tk. 2,950,510 were adjusted to show the impact on deferred tax as mention in the Note-13.00.

Particulars	Amount in BDT
Depreciation on revaluation assets	24,587,587
Adjustment with Deferred Tax Liabilities (12%)	(2,950,510)
Adjustment with retained earnings (Remaining)	(21,637,077)

11. Justification regarding different rate charged on depreciation of revaluation assets

The company charged 12% tax rate in 2017 whereas 20% tax rate in 2016. The company charged above mentioned rate on depreciation on revaluation surplus portion as per S.R.O respectively 2016 & 2017. Tax rate as per S.R.O for both years in Knitwear and Woven Garments sectors are mentioned below:

Reference	Tax rate
এস, আর, ওনং২৫৫-আইন/আয়কর/২০১৭	12%
এস, আর, ওনং২০৮-আইন/আয়কর/২০১৬	20%

12. Details calculation of foreign currency gain/loss

Details disclosure regarding calculation of foreign currency gain/ (loss) of Tk. 13,744,722 in 2017 and Tk. 63,017 in 2016 is provided below-

Particulars	Realized/Paid, Book Value	Realized/Paid Actual	Foreign Ex Gain (30.06.2017)	Foreign Ex Gain (30.06.2016)
Sales in 2017	2,064,869,076	2,080,647,438	15,778,362	-
Sales in 2016	1,605,252,406	1,612,911,349	-	7,658,943
Deferred LC Liabilities in 2017	1,905,605,313	1,907,638,953	(2,033,640)	-
Deferred LC Liabilities in 2016	1,364,518,646	1,372,114,572	-	(7,595,936)
			13,744,722	63,017

13. Details calculation regarding interest of blocked loan

- The Company has taken loan from SEBL vide sanction ref- SEBL/BAN/CR/3343/2010 dated December 30, 2010;
- The company has taken the loan from bank for long term investment to procure capital machineries and run the operation smoothly for better development of the company;
- The company repays loan installments regularly as per repayment schedule of bank and will be settled within March 06, 2020;
- Southeast Bank Ltd has blocked the company's particular loan account dated December 30, 2010;
- Southeast Bank Ltd has not charged further interest since January 2011;
- After getting loan, the following amount of interest has been charged and create provisions in the income statement by the company:

Financial year	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	Total
Amount in BDT	17,540,011	3,858,802	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	71,398,813

- The company has not paid any amount of interest against the said loans because of the interest has been blocked by the bank vide a letter No. SEBL/BAN/CR/2017/568 dated October 05, 2017.
- The company has used conservative approach to charge the interest because the conservatism principle of accounting is the general concept of recognizing expenses and liabilities as soon as possible when there is any uncertainty about the outcomes. It is mentionable here that the principle of conservatism also applies to estimates and when estimating allowance for doubtful accounts or other unknown future events.
- The company has recognized provision on blocked interest on the basis of conservatism principle of accounting and in accordance with para 48 of BAS-37;
- According to the sanction letter the bank has been freezing for charging interest, which shall neither be charged nor be taken into income account until the adjustment of the principal amount of loan. However, the management of New Line Clothings limited may not get information regarding actual amount of interest on that particular blocked term loans. Moreover, no interest shall be charged on or before adjustment of the blocked term loans and OD liabilities, the bank will consider the waiver of interest fully/partly after full adjustment of the blocked amount according to the letter No. SEBL/BAN/CR/2017/568 dated October 05, 2017.

14. Justification regarding depreciation charged on retirement assets

Depreciation is charged on addition of the assets as per the company policy but no depreciation is on retirement, irrespective of date of retirement. Now that the company had no retirement of assets during last year, there was no impact of this policy on financial position of the company. Moreover, the company plans to adopt the policy regarding depreciation on retirement assets to comply the BAS requirement.

15. Details calculation of month-wise gross sales & amount of VAT

The New Line Clothings Limited has the VAT registration No. 18081004932, area code-180203. Since the company is a 100% export oriented, it does not have to pay VAT.

16. Accounts receivable balance confirmation certificates:

New Line Clothings Limited is a 100% Export oriented industry. The Company sells its products through Letter of Credit (L/C). We have checked the Letter of Credit (L/C) and found in agreement. However, we were not sent any letter regarding balance confirmation. The receivables are confirmed by the Letter of Credit (L/C).

17. Details list of the machineries & equipment for the year 2017:

Details list of the machineries & equipment which purchased during the year 2017 are enumerated below:

Sl. No.	Particulars	Amount Tk.
1.	Automatic Plastic Staple Machine	428,000
2.	Machinery Overhauling	14,000,000
Total		14,428,000

18. Justification regarding factory overhead increased from the year 2016 to 2017:

Total factory overhead is shown Tk. 114,687,703 in 2017 whereas it was tk. 105,222,465 in 2016 by the changing only 9% increase than previous year. This is the cause of increasing mainly electricity bill for increasing total units of production and freight charges, C&F charges which is relevant comparatively acquiring raw materials and others related to factory overhead increased than previous year. Acquiring raw materials increased cause to increasing turnover by 30% than last year.

19. Detail name-wise schedule of advance to employees

Name wise schedule of advance to employees are given below:

Sl. No.	Name of Employee	Designation	Date of Advance	Amount of Advance	Mode of Adjustment	Realization Status	Balance as on 30.06.2017	Subsequent Balance as on 31.12.2017
01	Mr. Md. Obaidur Rahman	AGM(Store)	15.07.2016	700,000	Cash	Good	550,000	324,000
02	Mr. Md. Monirul Islam	Deputy Manager (Commercial)	01.09.2016	50,000	Cash	Good	36,500	-
03	Mr. Md. Miron Ali	Engineer(Electrical)	02.10.2016	60,000	Cash	Good	20,000	-
04	Mr. Golam Nasim Kibria	AGM(Admin)	10.12.2016	100,000	Cash	Good	65,000	35,000
05	Mr. Askir Mia	Car Driver(Admin)	22.12.2016	20,000	Cash	Good	13,000	7,000
06	Mr. Khairuzzaman	Asst. Executive(M.S)	20.02.2017	20,000	Cash	Good	10,000	-
07	Mr. Md. Jashim Uddin	Sr. Executive (Commercial)	11.04.2017	24,000	Cash	Good	20,000	-
Total				974,000			714,500	366,000

20. Detailed information regarding accounts receivable as per requirement of schedule XI of the Companies Act, 1994

Detailed information regarding accounts receivable as per requirement of schedule XI of the companies act, 1994 were presented in the financial statements and is also provided below-

Sl. No.	Particulars	Amount in BDT
01	Receivable considered good in respect of which the company is fully secured.	512,270,369
02	Receivables considered good in respect of which the company holds no security other than the debtor personal security.	-
03	Receivable considered doubtful or bad.	-
04	Accounts Receivable due by any director or other officer of the company or any of them either severally or jointly with any other person or debts due firm or private companies respectively in which any director is a partner or a director or a member to be separately stated.	-
05	Receivables due by companies under the same management to be disclosed	-

	with the names of the companies;	
06	The maximum amount of receivable due by any director or other officer of the company at any time during the year to be shown by way of a note.	-

21. Details of land and land development expenses

Breakup regarding land and land development expenses

Sl. No.	Nature of expenses	Area (if required)	Amount Tk.
1.	Deed value of land Add: Registration & Other Cost Add: Development & Other Cost	112 Decimal	2,500,000 375,000 438,250
	Total Cost of Land Assets		3,313,250

22. Full description regarding land and land development expenses

Details of land and land development expenses are as follows:

Sl. No.	Particulars	Amount in BDT
1.	Earth Filling:	
	Earth filling and entire factory premises development cost by local sand, soil with labour and carrying including ditch area filling 24,460.00 cft. @ Tk 15.613/CFT;	381,900
2.	Other Expenses (Brokerage, Transportation, Labour and other expenses like supervision, storage;	56,350
	Total	438,250

23. Addresses of parties regarding advance against purchase

Details disclosure regarding address of advance payment to suppliers against purchase with subsequent balance are as follows:

Sl. No.	Name of the Party	Address	Reasons of Advances	Balance as on 30-06-2017	Subsequent balance as on 31-12-2017
1.	A.N.S Poly & Accessories	Tanim Market(1 st Floor), Shop No. 24-26, Chunkutia,Keranigonj	Raw Material purchase purpose.	25,139	Nil
2.	Eshita Enterprise	Darus Salam Road, Shop No. 04, Mirpur Tower, Mirpur-1,Dhaka-1216.	Accessories purchase purpose.	2,145,791	834,129
3.	Banga Plastic Int'l Ltd	Property Heights, 12 R K Mission Road, GPO Box:83, Dhaka-1203, Bangladesh.	Accessories purchase purpose.	3,347,205	1,703,952
4.	M/s Imam Brothers	House # 43, Road # 12, Bashundhara Link Road, Dhaka.	Imported material releasing purpose.	544,321	Nil
5.	Modern Plastic & Acc. Ltd	112/1, Lalbagh Road, Dhaka-1211.	Accessories purchase purpose.	4,030,450	Nil
6.	M/s R.S Fabrics	Birampur, Madabdi, Narshingdi.	Raw Material purchase purpose.	5,412,906	3,401,831
7.	AJ International	Trimohiny Road, Khilgaon Road, Dhaka.	Imported material carrying purpose.	1,683,250	1,034,526
8.	Link Accessories Ltd	BSCIC I/A, Patiya, Chittagong	Accessories purchase purpose.	2,634,965	Nil
9.	The Best Packaging Ind. Ltd	Road No. 02, House # 198-200(3 rd Floor), DOHS, Mirpur-12, Dhaka-1216.	Accessories purchase purpose.	3,428,912	Nil
10.	Tahsin Knit Fabrics	House # 38, Shah Makdum Avenue, Sector-13, Uttara Model Town, Dhaka-1230.	Raw Material purchase purpose.	23,458	1,083,931
11.	Maa Traders	House # 6,Road # 2, Sector # 12, Uttara, Dhaka-1230.	Accessories purchase purpose.	4,755,330	Nil
12.	Euro Trade Accessories	Holding No.131, Safiuddin Sarker Academy Road, Auchpara, Nishat Nagar, Tongi, Gazipur.	Accessories purchase purpose.	20,567	Nil
13.	R.M Trading	152, Aram bagh (1 st Floor), Motijheel C/A,Dhaka-1000.	Accessories purchase purpose.	5,907,629	Nil
14.	Biswas Printing & Trading	F-3, 292 Shatabdi Center, Inner Circular Road, Fakirapool, Dhaka-1000.	Accessories purchase purpose.	3,245,378	962,722
15.	M/s Al-Noor Printing & Acc.	291, Fakirapool, Dhaka-1000.	Accessories purchase purpose.	5,267,587	2,403,212
16.	Perfect Sourcing BD. Ltd	House # 21, Block # E, Road # 6, Niketon, Gulshan-1, Dhaka-1212.	Accessories purchase purpose.	5,050,743	3,315,890
17.	Deen Paper Converting & Packaging	Painadi, Mizmizi, Siddirgonj, Narayangonj	Accessories purchase purpose.	2,218,307	1,388,393
18.	M/s Gazi Printex World	D.M Plaza, 1 st Floor, Konabari,	Printing Material	656,140	Nil

		Kashimpur, Gazipur.	purchase purpose		
19.	A.H Trading	Hazi Shamshuddin Khan Machine Market, Rokeya Sarani School Road, Board Bazar, Gazipur.	Accessories purchase purpose.	485,329	53,210
20.	Atlantic Industries Ltd	House # 197/A, 2 nd Floor, Room No. 01, New DOHS, Mohakhali, Dhaka-1206.	Raw Material purchase purpose.	23,000	Nil
21.	Quality Lace Industries Pvt. Ltd	Shop No. 33, Mokim Market, Sarulia Road, Demra.	Accessories purchase purpose.	394,156	Nil
22.	Twist Accessories	Mofiz Mension, Shop No. 04, Kashimpur Road, Konabari Gazipur.	Accessories purchase purpose.	348,520	123,675
23.	Ha-Meem Denim Ltd	198/A, Tejgaon I/A, Dhaka-1208.	Raw Material purchase purpose.	2,650,705	Nil
24.	Shanghai Hua Shen Imp. & Exp. Co. Ltd	11 th Floor, Building No. 9988, Ping Liang Road, Shanghai, China-200082	Raw Material purchase purpose.	5,059,213	12,467,890
25.	Shanghai SBS Zipper Mfg. Co. Ltd	No. 1111, Huijin Road Qingpu Industrial Zone, Shanghai, China, PC.201700.	Accessories purchase purpose.	7,438,901	2,314,679
26.	Suzhou Mainland Imp. & Exp. Co. Ltd	9/F-C, Mension 263, Huanghe Road, Changhse, Jianghu, China.	Raw Material purchase purpose.	2,765,404	534,190
27.	MAS Trading Int'l	Cadet College R/A, Police Line, Joydevpur, Gazipur.	Accessories purchase purpose.	795,439	Nil
28.	Sanim Enterprise	Uzampur, Uttarkhan, Dhaka.	Accessories purchase purpose.	432,107	Nil
29.	High Hope (H.K) Co. Ltd	Flat 1903, 19/F, Great Eagle Ctr 23 Harbour RD, Wan Chai, Hong Kong.	Raw Material purchase purpose.	9,105,667	22,167,903
30.	Yester Accessories(BD) Ltd	Plot # 111-114, Adamjee EPZ, Adamjee Nagar, Siddirgonj, Narayanganj.	Accessories purchase purpose.	3,765,490	1,091,871
31.	Web Coast Ltd	Hazi Rahim Market, Ruhitpur, Keranigonj	Accessories purchase purpose.	34,267	34,267
32.	Wujiang M.G Textile Co. Ltd	Room No. 107-110, No.1188 West Second Ring Road, Shenghong Textile Science and Technology, Shengze Town, Wujiang City, Giangshou, China.	Raw Material purchase purpose.	9,003,275	4,031,549
33.	Abacus(China) Enterprise	Unit-1004A, 10 th Floor, CRE Centre, 889 Cheung Sha Wan Road, Lai Chi Kok, Kowloon, Hong Kong	Accessories purchase purpose.	7,478,690	4,659,876
34.	Mullar Tex Ltd	62-63, Motijheel C/A, Amin Court (8th Floor), Suite-806, Dhaka-1000.	Raw Material purchase purpose.	6,130,553	1,254,897
35.	Adwin Piece Goods Co. Ltd	Unit-1027, 5 th Floor, CRE Centre, 889 Cheung Sha Wan Road, Lai Chi Kok, Kowloon, Hong Kong	Accessories purchase purpose.	3,535,412	543,765
36.	S.S Trade Point	House # 6, Road # 2, Sector # 12, Uttara, Dhaka-1230.	Accessories purchase purpose.	245,179	Nil
37.	Guangzhou Textile Holdings Ltd	Guangtex Building, Dong Feng Road(C), 438, Guangzhou, China.	Raw Material purchase purpose.	3,959,232	Nil
38.	J.S Trimmings Limited	417-418, Tejgaon Industrial Area, Tejgaon, Dhaka-1208.	Accessories purchase purpose.	456,370	Nil
39.	Jiangsu King Base Textile Corp. Ltd	Room No. 4603, Block -A, New Century Plaza, 288, East Zhongshan Road, Nanjin, China.	Raw Material purchase purpose.	7,643,246	Nil
40.	JS Tex Wintex Co. Ltd	15, Hubustr, Nanjin, China.	Raw Material purchase purpose.	7,026,340	9,613,531
41.	Suzhou Laisheng Weave Co Ltd	Room No. 502, Mingzhu Building, No. 2485, South Luxiang Road, Wujianmg City, Jiangshu, China.	Raw Material purchase purpose.	8,675,490	Nil
42.	Shaoxing Bowarm Textile Co. Ltd	RM 802-6, Jing Gong Building 1, Shaoxing, Zhejiang, China	Raw Material purchase purpose.	3,090,314	4,178,146
43.	R.S Fabrics	House # 28, Road # 02, Block # F, Banasree, Rampura, Dhaka-1219;	Raw Material purchase purpose.	7,654,322	501,831
44.	Epyllion Limited	227/A, Tejgaon-Gulshan Link Road, Tejgaon, Dhaka-1208;	Raw Material purchase purpose.	1,231,560	Nil
45.	Mahmud Indigo Ltd	House-25, Road-10, Sector-6, Uttara Model Town, Dhaka-1230.	Raw Material purchase purpose.	2,530,700	Nil
46.	R.N Enterprise	47/3, Arambagh (1st Floor), Motijheel, Dhaka-1000.	Accessories purchase purpose.	1,278,782	Nil
47.	Fardin Accessories Ltd	Plot No. 01 & 22, Sector-3, Uttara Export Processing Zone, Shangalshi, Nilphamari.	Accessories purchase purpose.	2,270,873	Nil
48.	Aksa International	Plot-67, Section-2, Road-4, Rupnagar Industrial Area, Mirpur, Dhaka, Bangladesh.	Accessories purchase purpose.	736,587	2,560,213
49.	Changzhou Dahua Imp. & Exp.(Group) Corp. Ltd	No.180, Guanhewest Road, Changzhou, Jiangsu, China.	Raw Material purchase purpose.	432,769	14,090,950
50.	CHTC Dayao Textile Mills Ltd	Building No. 30, Zhonghui Avenue, 1588 Huishan District, Wuxi, Jiangsu, China.	Raw Material purchase purpose.	Nil	15,294,765

51.	Huzhou Xinding Imp. & Exp. Ltd	Lianshi Industrial Zone, Huzhou, Zhejiang, China.	Raw Material purchase purpose.	Nil	22,852,904
52.	Hotex Industrial Co. Ltd	Room # 1016, Liao Mansion, 323, Zhongyang Road, Nanjing, Jiangsu, China.	Raw Material purchase purpose.	Nil	15,144,117
53.	Artistic Fabric & Garments Ltd	39/A, Block- 6, P.E.C.H.S, Shahrach-E-Faisal, Karachi-75400. Pakistan.	Raw Material purchase purpose.	43,260	Nil
54.	Jiangsu Sanfangxiang Co. Ltd	No.222, South Luxiang Road, Changzhou, Jiangsu, China.	Raw Material purchase purpose.	Nil	25,104,954
55.	Akij Textile Mills Ltd	Akij Chamber, 73 Dilkusha C/A, Dhaka-1000.	Raw Material purchase purpose.	231,676	Nil
56.	Anik Enterprise	Gasha Road, Bangabandhu College, PO: Gasha, P.S: Gazipur Sadar, Gazipur.	Accessories purchase purpose.	344,198	Nil
Total				165,223,193	174,747,769

24. Subsequent status of utility payable

Particulars	Amount as of 30.06.2017	Subsequent position as on December 31, 2017
Electricity Bill	912,962	Nil(Paid dated 2 nd July,2017)
Gas Bill	278,016	Nil(Paid dated 2 nd August, 2017)

25. Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994:

a) Details of quantity wise information of sales for the year ended June 30, 2017:

Item(s):	Qty.(Pcs)	Average rate in BDT	Amount in BDT
5 Pocket Basic Trouser (Mens)	21,88,556	318.34	696,720,880
5 Pocket Basic Trouser (Woman)	12,77,994	320.28	409,315,975
5 Pocket Basic Trouser (Kids)	12,08,701	310.07	374,782,025
Leggings	11,49,989	273.18	314,154,098
Shorts/Bermuda	9,34,131	259.04	241,986,590
Jacket (Mens/Woman/ Kids)	65,499	684.52	44,835,230
Total	68,24,870		2,081,794,798

- b) The company does not pay any commission to selling agents
c) The company does not give any brokerage and discount on sales
d) Quantity-wise breakup of inventory for the year ended June 30, 2017 are as follows:

Quantity wise schedule of Inventory - Para 3 of Schedule XI, Part II

Annexure-B

a) Movement of Raw Materials

Opening Raw Materials

Opening Raw Materials			Opening		Purchase		Material Available		Closing Stock		Consumption	
Sl. No.	Name of Items	Unit	01.07.2017						30.06.2018			
			Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka	Quantity	Taka
Fabrics												
01	100% Cotton flannel fabric	mtr	85,710	9,631,721	1,431,071	160,780,827	1,516,781	170,412,548	92,540	10,397,003	1,424,241	160,015,544
02	Dtm Tc pocketing fabric	mtr	90,470	6,448,846	1,942,464	138,575,385	2,032,934	145,024,231	272,134	19,413,332	1,760,800	125,610,899
03	Knitted denim fabric	mtr	674,393	142,031,842	906,762	190,927,807	1,581,155	332,959,649	689,562	145,207,942	891,593	187,751,707
04	Cordroy fabric	mtr	144,247	30,753,296	826,635	176,337,778	970,882	207,091,074	234,670	50,055,557	736,212	157,035,517
05	PFD Twill fabric	mtr	298,495	53,835,581	546,141	98,807,830	844,636	152,643,410	233,289	42,160,207	611,347	110,483,203
06	Popline fabric	mtr	36,754	5,628,007	110,455	16,927,229	147,209	22,555,235	31,932	4,892,540	115,277	17,662,695
07	polyester fabric	mtr	158,678	35,539,803	547,034	122,628,612	705,712	158,168,414	167,459	37,531,917	538,253	120,636,497
08	Polyester tricot fabric	kg	60,155	21,378,740	185,121	65,869,754	245,276	87,248,494	60,231	21,425,105	185,045	65,823,389
09	Single jersey fabric	kg	43,327	14,746,527	194,554	66,059,013	237,881	80,805,540	32,545	11,055,156	205,336	69,750,384
	Total:		1,592,230	319,994,361	6,690,237	1,036,914,234	8,282,467	1,356,908,595	1,814,362	342,138,760	6,468,106	1,014,769,836
Accessories												
01	Sewing thread	cone	112,345	5,528,624	2,121,629	104,447,796	2,233,974	109,976,420	322,934	15,897,734	1,911,040	94,078,685
02	Zipper	Pc	925,775	11,157,259	7,562,109	91,577,140	8,487,884	102,734,399	967,542	11,710,792	7,520,342	91,023,607
03	Metal Button & Revit	grs	247,264	7,367,788	1,023,454	30,550,102	1,270,718	37,917,890	465,201	13,881,475	805,517	24,036,415
04	Others Accessories	yds/kg/grs	2,975,741	147,400,329	3,930,102	197,487,602	6,905,842	344,887,931	3,322,966	165,948,923	3,582,876	178,939,007
	Total:		4,261,125	171,454,000	14,637,294	424,062,639	18,898,418	595,516,639	5,078,643	207,438,925	13,819,775	388,077,713
			491,448,361		1,460,976,873		1,952,425,234		549,577,685		1,402,847,549	

b) Work-in-Process

work-in-process

Sl. No.	Name of Items	Unit	01.07.2017		30.06.2018	
			Quantity	Taka	Quantity	Taka
01	Fabrics	mtr/kg	493,931	111,979,090	501,345	103,633,025
02	Accessories	yds/kg/grs	789,645	93,446,589	516,582	61,132,373
	Total:		1,283,576	205,425,680	1,017,927	164,765,398

c) Movement of Finished Goods

Finished Goods

Sl. No.	Name of Items	Unit	Opening		Closing Finished Goods	
			01.07.2017		30.06.2018	
			Quantity	Taka	Quantity	Taka
01	Finished Goods(RMG)	Pcs	268,862	85,530,240	258,278	82,163,280
	Total:		268,862	85,530,240	258,278	82,163,280

26. Disclosure as per requirement of Schedule XI, Part II, Para 8:

- a) CIF value of import of raw materials; components and spare parts; and capital goods and percentage of components in consumption as per (a) and (c) of Para 8

For the year from 01 July 2016 to 30 June 2017:

Items	Total purchase	Consumption	% of Consumption
Raw Materials:			
Fabrics	1,154,566,992	1,042,044,161	74%
Accessories	408,611,721	360,346,522	26%
Spare parts	-	-	-
Capital goods	-	-	-
Total	1,563,178,713	1,402,390,683	100%

Value of export:

Particulars	In foreign currencies (USD)	Value In BDT
Export	26,519,678.95	2,081,794,798
Total	26,519,678.95	2,081,794,798

- b) Expenditure for royalty, know-how, professional consultancy, interest in foreign currency as per (b) of Para 8

The Company has not incurred any expenditure in foreign currencies for the period from 01 July, 2016 to 30 June, 2017 on account of royalty, know-how, professional fees, consultancy fees and interest;

- c) Amount remitted in foreign currency on account of Dividends to non-resident shareholders as per (d) of Para 8

No amount was remitted as dividend to the non-resident shareholders during the year.

- d) Earnings in foreign currency under the following heads as per (e) of Para 8

The company has not earned any foreign exchanges for royalty, know-how, professional fees, consultancy fees dividend and interest;

27. Quantitative information of production capacity for the year from 01 July 2016 to 30 June 2017 as per requirement of schedule XI, part II, Para 7:

Particulars	License Capacity	Installed Capacity (Pcs)	Actual Production (Pcs)	Capacity Utilization in %
Annual Production Capacity	Not Available	84.00 lac	64.42 lac	76.69%

28. Payment information to Directors as per requirement of schedule XI, part II, Para 4 - note 28.07:

Remuneration & Benefits		Amount in Taka 2016-2017
Name of the Directors	Position	
Mr. Osman Khadem	Chairman	3,180,000
Mr. Mashiul Haq Chowdhury	Vice Chairman	780,000
Mr. M. Zakir Chowdhury	MD & CEO	6,180,000
Mr. Md. Asif Rahman	Director	780,000
Mr. Maruful Haque Chowdhury	Director	780,000
Total:		11,700,000

29. Allocation of Item wise Inventory-Finished Goods-June 30, 2017

Allocation of Item wise Inventory-Finished Goods-June 30, 2017

		30-Jun-17
Finished Goods-RMG(BDT):		85,530,240
Qty (Pcs):		268,862
Item(s):	Qty (Pcs)	Value(BDT)
5 Pocket Basic Trouser(Mens)	115,611	36,778,003
5 Pocket Basic Trouser(Woman)	69,904	22,237,862
5 Pocket Basic Trouser(Kids)	32,263	10,263,629
Leggings	18,820	5,987,117
Shorts/Bermuda	29,575	9,408,326
Jacket	2,689	855,302
Total	268,862	85,530,240

30. Auditor's disclosure regarding contribution to central fund (RMG).

As per notification no. 40.00.0000.015.28.002.16.484 dated December 21, 2016 issued by Ministry of Labor and Employment, an amount of Tk. 619,461.00 were contributed by the company to Central Fund for welfare of employees during the year ended June 30, 2017 which were automatically deducted by bank from export proceeds realization. This expense was charged in the Administrative & Selling Expenses under miscellaneous expense heading in the financial statements for the year ended June 30, 2017.