

**ABRIDGED VERSION OF PROSPECTUS
OF
KATTALI TEXTILE LIMITED**

1) Name(s), address(s), telephone number(s), web address(s), e-mail(s), fax number(s) and contact persons of the issuer, issue manager(s), underwriter(s);

ISSUER:		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
Kattali Textile Limited Chowdhury Bari, Kornel Jones Road, North Kattali, Pahartoli, Chittagong -4217	Md. Emdadul Hoque Chowdhury Managing Director	Tel: +88-031-2511654 Fax: +88-031-2770044 E-mail: info@kattalitextileltd.com Web: www.kattalitextileltd.com

ISSUE MANAGER:		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
NRB Equity Management Ltd. Al-Raji Complex, Suite# G-602, 603 (6 th Floor) 166-167, Shaheed Syed Nazrul Islam Sarani, Purana Paltan, Dhaka-1000.	Md. Muslahuddin Chowdhury Chief Executive Officer	Tel: +88 02 9585326 Fax: +88 02 9585281 E-mail: ceo@nrbequity.com Web: www.nrbequity.com

UNDERWRITERS:		
Name & Address	Contact Person	Phone & Fax Number, E-mail, Web Address
CAPM Advisory Limited Tower Hamlet (9 th floor), 16 Kamal Ataturk Avenue, Banani C/A, Dhaka-1213	Mufakhkharul Islam Managing Director & CEO	Phone: +88-02-9856271, 9822391-2 Fax: +88-02-9822393 E-mail: ceo@capmadvisorybd.com Web: www.capmadvisorybd.com
Beta One Investment Limited Level 4, Green Delta AIMS Tower, 51-52 Mohakhali C/A, Dhaka-1212 Bangladesh	Mohammed Atiquzzaman Managing Director	Phone: +88-029887337 Fax: +88-02-9880733 E-mail: info@betaone.com.bd Web: betaone.com.bd
AIBL capital Management Limited Peoples Insurance Bhaban (7 th Floor) 36 Dilkusha C/A, Dhaka-1000.	Muhammad Husain Ahmad Chief Executive Officer (CC)	Phone: 9551962 PABX-7123255-7 Fax: +88-02-9575379 E-mail: cml@al-arafahbank.com Web: al-arafahbank.com
Citizen Securities & Investment Limited Al-Raji complex (Suite-G#802), 166-167 Shaheed Syed Nazrul Islam Sarani, Purana Paltan, Dhaka-1000	Tahid Ahmed Chowdhury, FCCA Managing Director & CEO	Phone: 02-9514542, 02-9515439 Fax: +88-02-9570546 E-mail: ceo@citizenscurities.com Web: www.citizenscurities.com

2) Amount, type and offering price of the securities on a per unit and aggregate basis of securities being issued;
Public Issue of **34,000,000** (Three Crore Forty Lac) Ordinary of Tk. 10.00 each at par of totaling Tk. **3,400,000,000.00** (Thirty Four Crore) Only.

3) Opening and Closing date of subscription:

Opening date of Subscription: **August 28, 2018**

Closing date of Subscription: **September 13, 2018**

4) **Availability of Prospectus**

The Prospectus and Abridge Version of the Prospectus in hard and soft forms of Kattali Textile Limited shall be obtained from the following address:

ISSUER		
Name & Address	Contact Persons	Telephone & Fax Number, E-mail, Web Address
Kattali Textile Limited Chowdhury Bari, Kornel Jones Road, North Kattali, Pahartoli, Chittagong - 4217	Md. Emdadul Hoque Chowdhury Managing Director	Tel: +88-031-2511654 Fax: +88-031-2770044 E-mail: info@kattalitextileltd.com Web: www.kattalitextileltd.com

ISSUE MANAGER		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
NRB Equity Management Ltd. Al-Raji Complex, Suite# G-602, 603 (6 th Floor) 166-167, Shaheed Syed Nazrul Islam Sarani, Purana Paltan, Dhaka-1000.	Md. Muslahuddin Chowdhury Chief Executive Officer	Tel: +88 02 9585326 Fax: +88 02 9585281 E-mail: ceo@nrbequity.com Web: www.nrbequity.com

STOCK EXCHANGES		
Name & Address	Contact person	Telephone & Fax Number, E-mail, Web Address
Dhaka Stock Exchange Limited DSE Library, 9/F Motijheel C/A, Dhaka-1000.	Afzalur Rahaman Manager	Tel:+88-02-9564601,9576210-18 Fax: +88-02-9564727, +88-02- 9569755 E-mail: research@dsebd.org Web: www.dsebd.org
Chittagong Stock Exchange Limited CSE Library, CSE Building, 1080, Sheikh Mujib Road Agrabad, Chittagong- 4100.	Mohammed Javed Sarwar Assistant Manager	Tel: 031-714632-3 Fax: 031-714101 E-mail: javed@cse.com.bd Web: www.cse.com.bd

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

5) **Name of the Credit Rating Company (if any) along with rating assigned with date of validity;**

Not applicable for Kattali Textile Limited.

6) **Name of the Valuer, if any and the auditors;**

Valuer: Not applicable for Kattali Textile Limited.

AUDITOR:		
Name & Address	Contact Person	Telephone & Fax Number, E-mail, Web Address
Shiraz Khan Basak & Co. Chartered Accountants R.K Tower(Level-10) 86,Bir Uttam C.R Datta Road (312, Sonargaon), Dhaka-1205	Ramendra Nath Basak, FCA Partner	Tel:+88-02-9635139 Fax: +88-02-8621575 Email:shirazkhanbasak@yahoo.com

7) **“A person interested to get a prospectus may obtain from the issuer and the issue manager”**

8) **“If you have any query about this document, you may consult the issuer, issue manager and underwriter”**

- 9) “CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/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, MANAGING DIRECTOR, UNDERWRITERS, AUDITOR(S), VALUER AND/OR CREDIT RATING COMPANY (IF ANY).”

10)


“পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।”

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

11) Summary of use of Proceeds of the Offer;

SI No.	Particulars	Amount in TK
1	Construction of Factory Building Expansion Unit	172,779,916
2	Construction of Dormitory for employee	25,312,794
3	Acquisition of New Machinery for Expansion Unit	89,787,540
4	Electric Installation of Transformer & Generator	7,995,750
5	Bank Loan Repayment (One Bank Limited)	25,000,000
6	IPO Expenses	19,124,000
Total		340,000,000

12) Brief corporate directory of the Issuer;

Name of the Company	Kattali Textile Limited
Date of Incorporation as Private Limited	June 26, 2002 Reg. No:C- 4364
Converted Public Limited Company	October 17, 2016
Date of Commercial Operation	March 01, 2004
The Logo of the Issuer	
Factory Location	Chowdhury Bari, Kornel Jones Road, North Kattali, Pahartoli, Chittagong -4217
Telephone & fax Number	Tel: +88-031-2511654, Fax: +88-031-2770044
E-mail Address	info@kattalitextileltd.com
Registered Office, Other offices and plants	Chowdhury Bari, Kornel Jones Road, North Kattali, Pahartoli, Chittagong -4217
Telephone & fax Number	Tel: +88-031-2511654, Fax: +88-031-2770044
E-mail Address	info@kattalitextileltd.com
Auditor’s to the Company with Address	Shiraz Khan Basak & Co. Chartered Accountants R.K Tower(Level-10), 86, Bir Uttam C.R Datta Road (312, Sonargaon), Dhaka-1205 Tel:+88-02-9635139, Fax: +88-02-8621575 E-mail: shirazkhanbasak@yahoo.com
Bankers for the IPO	BRAC BANK LIMITED
Banker to the Company	Islami Bank Bangladesh Limited, One Bank Limited, Sahajalal Islami Bank Limited
Lawyer to the Company	Hasan Mohammed Reyad (LL.B & LL.M) Advocate (Supreme Court of Bangladesh) 35, Purana palton Lane (2 nd & 3 rd Floor), Dhaka-1000 Tel: 9340920, Mob: 01819-547362 E-mail: adv_reyad@yahoo.com
Compliance Officer	Sifat Sabrina, Director

13) Location of the Project;

KTL’s registered office & factory is situated at Chowdhury Bari, Kornel Jones Road, North Kattali, Pahartoli, Chittagong -4217, Bangladesh.

14) Principal Products or Services of the Issuer

The principal product of the company is 100% export oriented woven garments in different constructions. The products are exported to European countries. It is concentrated in Manufacturing, Cutting, Sewing & Finishing of 100% woven garments and exporting the same to European Countries. The principal activities of the company are to produce and export different types of garment products like Men's Long Shirt, Boys Pant, and Ladies shirt, Boy's Polo Shirt, Boys Long Pant, Boys Jacket, Men's Flt Front Short, Ladies Shorts, Boy's Trouser, Girl's Pant, Girl's Skirts, Girl's Top and Man's Top etc. It is serving many international buyers in the North American and the European markets. The principal buyers of the company are Wal-mart, GRAN INC (USA), Regatta Limited, Kohls, JC Penney, Target, K-mart, Mango, Calvin Klein, At-Last, Weatherproof, ENYCE, Kenneth Cole, Nautica, etc. The company won many awards for its quality products and compliance with economy standards.

15) Name of associates, subsidiary/ related & holding of the issuer Company;

There is no subsidiary, associates, subsidiary and holding company of Kattali Textile Limited.

16) Name, address and short description of each of the directors;

NASREEN HOQUE, CHAIRMAN

Nasreen Hoque aged 53; Chairman of the Company was born in a well-known Muslim family of Chittagong on 15 July, 1964. Her father's name is Late Syed S.M. Mowlana Abul Kashem & mother's name is Late Khursida Begum. After completion of her HSC she engaged herself in business. She is involved in many social activities and related works. She became a successful business person in short time of her business career with her sincerity, honesty and conceptual problem-solving ability. Her interpersonal skills, leadership behavior, high analytical ability and hardworking nature made her worth as a business leader and she is Director of Takaful Islami Insurance Limited.

MD. EMDADUL HOQUE CHOWDHURY, MANAGING DIRECTOR:

Md. Emdadul Hoque Chowdhury, Managing Director of the Company was born on February 23, 1957 in a well known Muslim Family in Chittagong. His Father name is Late Al-Haj Md. Anwar Chowdhury and mother is Late Salema Khatun. After completion of his Bachelors of Arts he engages himself in business since 1971. He became a successful businessman in short time of his business career with his sincerity, honesty, conceptual and practical problem-solving ability. During his tenure of a business career, he gained business knowledge in Textile, agro-based and readymade garments industries. At present, he is Vice Chairman of Takaful Islami Insurance Limited, Elected President (2018-2019) of Rotary Club of Chittagong Pearl, Ex-Director Chittagong Chamber of Commerce and Industry also Ex. Director of BGMEA, Ex- MIC of Chittagong Club Limited, and lifetime member of Chittagong Rifle Club, Chittagong Press Club, Bhatiary Golf and Country Club, Chittagong Boat Club & Chittagong Ma-O-Shishu Hospital.

MD. ANWARUL HAQUE CHOWDHURY, DIRECTOR:

Md. Anwarul Haque Chowdhury, Director of Kattali Textile Limited. He is the elder son of Md. Emdadul Hoque Chowdhury & Nasreen Hoque Chowdhury. He was born on October 8th 1988. He completed his O level in 2005 from International School of Dhaka (ISD). International Baccalaureate Diploma in 2007 from International School of Dhaka (ISD). Bachelor of Business Administration (Intl. Business & Major International Logistics) from Queensland University of Technology (QUT) Australia in 2011 & Masters of Business Administration in Finance from Independent University Bangladesh(IUB) 2016. He joined the company on a full-time basis immediately after his graduation. He is the head of Business Development. He worked as Customer Service Nominee Director at Yum Inc. Melbourne Central and worked as Admin Assistant at Service Stream Communications, Geebung, QLD. At present, he is the key management personnel of the company.

MD. MOKARROM ANOWER CHOWDHURY, DIRECTOR:

Md. Mokarrom Anower Chowdhury, Director of the Kattali Textile Limited. He is the younger son of Emdadul Hoque Chowdhury & Nasreen Hoque Chowdhury. He was born on May 21, 1991. He completed his O-level in 2008 and A- level in 2010. He completed his Bachelor of Arts (Major in Communication & Public Relation) from Simon Frezere University. He has vast experience in Financial and Corporate Management. He is responsible for the Merchandising function of the company and therefore plays a vital role in the negotiations with the buyers.

WADUDA SABRINA (NOMINEE OF EIAN APPARELS LTD.) DIRECTOR:

Waduda Sabrina (Nominee Director of Eian Apparels Ltd., Director of the Kattali Textile Limited. She is the elder daughter of Md. Emdadul Hoque Chowdhury & Nasreen Hoque Chowdhury. She was born in 1984. She completed her BBA from The Independent University of Bangladesh in 2007; Diploma in Business Administration from Brisbane North Institute of TAFE in 2008. She has wide experience in Management, Procurement, HR and Internal Audit in the Garments and Textile sector. She is responsible for the procurement and internal audit section. She also holds shares of several organizations. She is associated with various cultural and humanitarian organizations.

SIFAT SABRINA (NOMINEE OF LUCKY CORNER) DIRECTOR:

Mrs. Sifat Sabrina (Nominee of Lucky Corner) Director of the Kattali Textile Limited. She is the younger daughter of Md. Emdadul Hoque Chowdhury & Nasreen Hoque Chowdhury. She was born on September 10, 1985. She completed her BBA & MBA from North South University in 2008 & 2010. She has wide experience in HR and Internal Audit in the Garments and Textile sector. She is responsible for the Human Resource Section of the company and therefore plays a vital role in the Organization.

SYED MANZUR QUADER, INDEPENDENT DIRECTOR:

Syed Manzur Quader, Independent Director of the Kattali Textile Limited. He is the Son of Late Syed Fazlul Quader & Miss Halima Quader. He was born on 16 March, 1980. He completed his SSC and HSC from Chittagong Public School and college and BSS in Economics from Dhaka University and also completed his M.Sc in Finance and Business Economics from the University of Essex (United Kingdom). Then he took Ph.D. in Economics from University of Sheffield (United Kingdom). He has an interest in the teaching profession, as a result, he joins in Independent University as a Lecturer in Economics, School of Business. But at present, he is an Associate Professor of Chittagong Independent University.

MOHAMMED NURUL ALAM, INDEPENDENT DIRECTOR:

Mohammed Nurul Alam, Independent Director of the Kattali Textile Limited. He is the Son of Late Eyakub Ali & Late Morium Khatun. He was born on 15 February, 1947. He completed his S.S.C and H.S.C. from Ishamati Yakub Maryam High School and College and BSS in Economics from Chittagong University. He is the president of Southland Center, Agrabad and also a member of Lions Club, Chittagong. He has an interest to the business professionals. He is well experienced in Business Planning, Formation & Corporate Advisory.

17) Comparative financial Statements and NAV, EPS and financial ratios for the last five years or from commercial operation, which is short

Auditors' Report under Section-135 (1) and Para-24(1) of Part-II of Schedule-III of the Companies Act 1994.

We have compiled the accompanying statements of KATTALI TEXTILE LIMITED U/S 135 (1) and Para 24 (1) Part II of the Third Schedule of Companies Act 1994. The statement comprises of the financial information for the period ended November 30, 2016 audited by Shiraz Khan Basak & Co., Chartered Accountants and for the year June 30, 2016 & 2017, August 31, 2015, 2014, 2013 audited by Shiraz Khan Basak & Co. Chartered Accountants.

A. Statement of Comprehensive Income of the company is as under;

**Kattali Textile Limited
Statement of Financial Position**

Particulars	For the year ended(Amounts in Taka)				
	30-Jun-17	30-Jun-16	31-Aug-15	31-Aug-14	31-Aug-13
ASSETS					
NON CURRENT ASSETS	776,871,445	594,139,198	571,368,939	559,363,389	433,167,264
Property, Plant & Equipment	711,455,829	568,412,333	571,368,939	559,363,389	433,167,264
Capital Work-in Process	65,415,616	25,726,865	-	-	-
CURRENT ASSETS	485,151,282	442,827,429	319,308,170	270,586,744	236,063,680
Advances, Deposits and Prepayments	68,992,696	78,500,735	27,679,545	235,342,39	17,966,970
Inventory	161,083,792	137,696,337	96,685,367	92,388,247	75,308,855
Trade Receivables	254,730,081	224,525,934	193,118,326	151,457,364	132,595,601
Cash and Cash Equivalents	344,712	2,104,423	1,824,932	3,206,894	10,192,254
TOTAL ASSETS	1,262,022,726	1,036,966,627	890,677,109	829,950,133	669,230,944
EQUITY & LIABILITIES					
SHAREHOLDERS' EQUITY	1,126,437,056	543,501,980	457,697,354	390,219,218	321,995,458
Share Capital	550,000,000	99,999,000	5,000,000	5,000,000	5,000,000
Retained Earnings	576,437,056	443,502,980	452,697,354	385,219,218	316,995,458
NON CURRENT LIABILITIES	33,137,855	306,642,267	232,487,730	223,130,839	171,633,555
Share Money deposit	-	264,393,559	203,610,628	203,610,628	161,880,628
Deferred Tax	30,884,274	39,596,774	25,737,537	19,520,211	9,752,927
Long term loan (Non-Current Portion)	2,253,581	2,651,934	3,139,565	-	-
CURRENT LIABILITIES	102,447,815	186,822,380	200,492,025	216,600,076	175,601,931
Accounts Payable	3,932,481	3,371,290	4,852,000	6,009,707	6,426,731
Liabilities for expense	39,357,976	37,894,874	27,194,093	21,035,624	12,809,164
Long Term Loan (Current Portion)	398,325	396,197	-	-	-
Short Term Loan	26,440,767	117,250,613	145,232,108	163,311,641	150,559,799
Bank Overdraft	32,318,266	27,909,406	23,213,824	26,243,105	5,806,237
Total Liabilities	135,585,670	493,464,647	432,979,755	439,730,915	347,235,486
TOTAL EQUITY & LIABILITIES	1,262,022,726	1,036,966,627	890,677,109	829,950,133	669,230,944

B. Statement of Operating Results:

Kattali Textile Limited
Comparative Statements of Comprehensive Income

Particulars	For the year ended (Amounts In Taka)				
	30-06-2017	30-06-2016	31-08-2015	31-08-2014	31-08-2013
Net Turnover	595,295,265	486,266,104	564,388,585	561,642,281	517,506,289
Cost of Sales	(459,349,206)	(376,508,354)	(459,020,362)	(451,141,557)	(422,660,550)
Gross Profit/ (Loss)	135,946,059	109,757,750	105,368,223	110,500,724	94,845,739
Operating Expenses	(24,402,563)	(19,313,534)	(23,587,108)	(24,118,222)	(21,827,263)
Operating Profit / (Loss)	111,543,496	90,444,216	81,781,114	86,382,502	73,018,476
Financial Expenses	(5,820,380)	(8,785,948)	(4,478,121)	(3,043,215)	(886,476)
Profit Before Non Operating Income	105,723,116	81,658,268	77,302,993	83,339,287	72,132,000
Non- Operating Income	1,291,552	1,402,113	2,083,049	2,660,976	2,661,563
Profit Before Income Tax	107,014,668	83,060,381	79,386,042	86,000,263	74,793,563
Provision For Income Tax	(128,840)	(25,191,255)	(11,907,906)	(17,776,503)	(7,479,356)
Current Tax	(8,841,340)	(11,332,017)	(5,690,581)	(8,009,219)	(5,081,190)
Differed Tax	8,712,500	(13,859,238)	(6,217,325)	(9,767,284)	(2,398,166)
Profit available for appropriation	106,885,828	57,869,126	67,478,136	68,223,760	67,314,207
Earnings Per Share (Basic)	2.07	1.99	2.45	2.73	3.04
Earnings Per Share (Diluted)	1.94	1.05	1.23	1.24	1.22

** Diluted Earnings per Share (EPS) for all the years is calculated considering the latest number of Shares i.e., 55,000,000

C. Dividend declared

Particulars	For the year ended				
	30-06-2017	30-06-2016	31-08-2015	31-08-2014	31-08-2013
Cash Dividend	Nil	Nil	Nil	Nil	Nil
Stock Dividend (Bonus Share)	Nil	Nil	204%	Nil	Nil

Note

- D. Kattali Textile Limited (KTL) was incorporated in Bangladesh as a Private Limited Company with the issuance of Certificate of incorporation bearing no. C-No. 4364 dated June 26, 2002 by the Registrar of Joint Stock Companies & Firms.
- E. The Company started its commercial operation on 1st March, 2004
- F. The Company Converted into Public Limited Company as on 17th October, 2016 and split of Share value from Tk. 100.00 to Tk. 10.00 dated January 22, 2014.
- G. The company had no subsidiary company as on the Financial Statements date.
- H. No proceeds or part of the proceeds of the issue of shares would be applied directly by the company in the purchase of any business.

Dated: November 25, 2017
Place: Dhaka

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

KATTALI TEXTILE LIMITED**Statement of Ratio Analysis**

For the year(s) & Period ended 30 June 2016 & 2017, 31 August 2015, 2014 & 2013

Name of Ratio		For the year ended				
		30-Jun-17	30-Jun-16	31-Aug-15	31-Aug-14	31-Aug-13
I.	Liquidity Ratios					
i)	Current Ratio	4.74	2.37	1.59	1.25	1.34
ii)	Quick Ratio	2.49	1.21	0.97	0.71	0.81
II.	Operating Efficiency Ratios					
i)	Accounts Receivable Turnover Ratio	3.98	4.15	5.97	6.70	8.02
ii)	Inventory Turnover Ratio	3.07	3.21	4.86	5.38	6.55
iii)	Assets Turnover Ratio	0.52	0.50	0.66	0.75	0.87
III.	Profitability Ratios					
i)	Gross Margin Ratio	22.8%	22.60%	18.70%	19.67%	18.33%
ii)	Operating Income Ratio	18.7%	18.60%	14.50%	15.38%	14.11%
iii)	Net Income Ratio	18.0%	11.90%	11.96%	12.15%	13.01%
iv)	Return on Assets Ratio	9.3%	6.00%	7.84%	9.10%	11.33%
v)	Return on Equity Ratio	9.5%	10.60%	14.74%	17.48%	20.91%
vi)	Earnings Per Share (Basic)	2.07	1.99	2.45	2.73	3.04
vii)	EBITDA Margin	28.0%	26.30%	22.82%	23.90%	21.30%
IV.	Solvency Ratios					
i)	Debt to Total Asset Ratio	0.11	0.48	0.49	0.53	0.52
ii)	Debt to Equity Ratio	0.12	0.91	0.95	1.13	1.08
iii)	Times Interest Earned Ratio	19.16	10.29	18.26	28.39	82.37
iv)	Debt Service Coverage Ratio	1.82	0.22	0.22	0.22	0.23
V.	Cash Flow Ratios					
i)	Net operating Cash Flow Per Share	2.25	0.08	2.83	3.72	2.32
ii)	Net operating Cash Flow Per Share to EPS	1.09	0.04	1.16	1.36	0.76

Dated: November 25, 2017
Place: Dhaka

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

18) Public Issue application Process;

STEP-1 (APPLICANT)

1. An applicant for public issue of securities shall submit an 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 an 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), 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 the 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 NITA/Foreign Currency account debiting the same account. No banker shall issue more than two drafts from any NITA/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 the 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. In case of an application submitted by the Stock-dealer or the Merchant Banker’s own portfolio, the application amount should also be transferred to the “Public Issue Application Account”;
 - 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 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 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 the exchange.

STEP-3 (ISSUER)

9. The Issuer shall prepare a consolidated list of the applications and send the applicants’ BOIDs in the 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 a report of the 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 to post the lottery result on their websites within **06 (six) hours** and on the websites of the Commission and Exchanges **within 12 (twelve) hours** of the 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 a number 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 a 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 amount 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 through banking channel within 10 (ten) working days from the date of lottery.

MISCELLANEOUS:

20. The Issuer, Issue Manager(s), Stockbrokers and Merchant Bankers shall ensure compliance with the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of **Sonali Bank Limited** on the date of publication of an abridged version of Prospectus.
22. The amount deposited and blocked in the "Public Issue Application Account" shall not be withdrawn or transferred during the blocking period. The 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 an 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 is authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in the case of violation of any provision of the public issue application process with intimation to the Commission.

“All eligible Stock Broker and Merchant Banker shall receive the IPO Subscription”

The IPO subscription money collected from the successful application (other than NRB application) by the Stockbroker/ Merchant Bankers will be remitted to the Company’s **Account No. 1501203618441001** with **BRAC Bank Limited, 1 Gulshan Avenue, Gulshan-1, Dhaka-1212, Bangladesh for this purpose.**

The IPO subscription money collected from successful NRB applicants in US Dollar or UK Pound Sterling or EURO shall be deposited to three FC accounts opened by the Company for IPO purpose are as follows:

SL No	Name of the A/C	Account Number	Type of A/C	Currency	Bank & Branch
1	Kattali Textile Limited	1501203618441001	Current Account	BDT	BRAC Bank Limited, 1 Gulshan Avenue, Gulshan-1
2		1501203618441002	FC Account	USD	
3		1501203618441003		GBP	
4		1501203618441004		EURO	