

“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.”

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**PROSPECTUS**

**Name of Issuer:**



**Name of Issue Managers:**



**Imperial Capital Limited**



**CAPM Advisory Limited**



**Rupali Investment Limited**

(a) 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 manager(s), underwriter(s), auditors, credit rating company and valuer, where applicable;

<b>Issuer</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
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<b>Auditor</b>		
<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
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The Company has no involvement with Valuer; Credit rating is not applicable for the issuer.

(ii) A person interested to get a prospectus may obtain from the issuer and the issue manager(s).

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

(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, 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) 164-172"

(vii) *'Anik Trims Ltd.'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."

(b) **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 prospectus in hard and soft forms of the Company shall be obtained from the following addresses:

<b>Issuer</b>					
<b>Name &amp; Address</b>		<b>Telephone &amp; Fax Number, E-mail, Web Address</b>		<b>Contact Person</b>	
<b>Anik Trims Ltd. (ATL)</b> House # 04, Road # 08, Sector # 03, Uttara, Dhaka-1230		Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) Email: info@aniktrims.com Web: www.aniktrims.com		<b>Foyzal Ahmad</b> Chief Financial Officer	
<b>Issue Managers</b>					
<b>Name &amp; Address</b>		<b>Telephone &amp; Fax Number, E-mail, Web Address</b>		<b>Contact Person</b>	
<b>Imperial Capital Limited</b> Saiham Sky View Tower (3rd Floor), 45 Bijoy Nagar, Dhaka-1000.		Tel: +88-02-48316870 Fax: +88-02-48316870 (Ext.-102) E-mail: imperialcapltd@gmail.com Web: www.imperialcapital.org		<b>Md. Salauddin Sikder FCMA</b> CEO & Managing Director	
<b>CAPM Advisory Limited</b> Tower Hamlet (9th Floor) 16, Kemal Ataturk Avenue Banani C/A, Dhaka-1213.		Tel: +88-02-9822391-2 Fax: +88-02-9822393 E-mail: contact@capmadvisorybd.com Web: www.capmadvisorybd.com		<b>Tania Sharmin</b> Managing Director & CEO	
<b>Rupali Investment Limited</b> Shadharan Bima Tower 37-A Dilkusha C/A (7th Floor), Dhaka-1000.		Tel: +88-02-7124488 Fax: +88-02-47118073 E-mail: rilbd.info@gmail.com Web: www.riltd.org		<b>Parsoma Alam</b> Chief Executive Officer	
<b>Stock Exchanges</b>					
<b>Name &amp; Address</b>		<b>Telephone &amp; Fax Number, E-mail, Web Address</b>		<b>Contact Person</b>	
<b>Dhaka Stock Exchange Limited</b> DSE Library, 9/F Motijheel C/A, Dhaka-1000		Tel: +88-02-9564601, 9576210-18 Fax: +88-02-9564727, +88-02-9569755 E-mail: reasearch@dsebd.org Web: www.dsebd.org		<b>Afzalur Rahaman</b> Manager	
<b>Chittagong Stock Exchange Limited</b> CSE Library, CSE Building, 1080, Sheikh Mujib Road Agrabad, Chittagong- 4100.		Tel: 031-714632-3 Fax: 031-714101 E-mail: habib.ullah@cse.com.bd Web: www.cse.com.bd		<b>Mohammad Habib Ullah</b> Deputy Manager	

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

(ii) **Names and dates of the newspapers where abridged version of prospectus was published.**

Names and dates of the newspapers where abridged version of prospectus was published:

<b>Sl. No.</b>	<b>Name of the Newspaper</b>	<b>Date of Publication</b>
1		
2		
3		
4		

### (iii) Definitions and Acronyms or Elaborations

#### Acronyms or Elaborations:

#### **A**

"Articles" or "Articles of Association" or "AoA"	The Articles of Association of Anik Trims Ltd., as amended
AGM	Annual General Meeting
Allotment	Letter of Allotment of shares
ATL	Anik Trims Ltd.

#### **B**

"Board" or "Board of Directors" or "our Board"	The Board of Directors of Anik Trims Ltd., as duly constituted from time to time including any committees thereof
B. A.	Bachelor of Arts
B.Com	Bachelor of Commerce
BAS	Bangladesh Accounting Standards
BB	Bangladesh Bank
BBA	Bachelor of Business Administration
BDT	Bangladeshi Taka
BFRS	Bangladesh Financial Reporting Standards
BGAPMEA	Bangladesh Garments Accessories & Packaging Manufacturers & Exporters Association
BIDA	Bangladesh Investment Development Authority
BO A/C	Beneficiary Owner's Account
BSEC	Bangladesh Securities and Exchange Commission

#### **C**

CAPMAL	CAPM Advisory Limited
CDBL	Central Depository Bangladesh Limited
Certificate	Share Certificate
CFO	Chief Financial Officer
CIB	Credit Information Bureau
CIS	Collective Investment Scheme
Commission	Bangladesh Securities and Exchange Commission
CS	Company Secretary
CSE	Chittagong Stock Exchange Limited

#### **D**

DSE	Dhaka Stock Exchange Limited
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#### **E**

EI	Eligible Investor
E-Mail	Electronic Mail
EPS	Earnings Per Share
Exchanges	Stock Exchanges

#### **F**

FC A/C	Foreign Currency Account
FDR	Fixed Deposit Receipt
FY	Fiscal Year
FCA	Fellow Chartered Accountants

#### **G**

GBP	Great Britain Pound
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GP	General Public
<b>H</b>	
H.S.C	Higher Secondary School Certificate
<b>I</b>	
ICL	Imperial Capital Limited
IPO	Initial Public Offering
Issue	Public Issue of shares
Issue Managers	Imperial Capital Limited, CAPM Advisory Limited & Rupali Investment Limited
Issuer	Anik Trims Ltd.
<b>L</b>	
L/C	Letter of Credit
LLB	Bachelor of Laws
LLDPE	Linear low-density polyethylene
<b>M</b>	
“Memorandum” or “Memorandum of Association” or “MoA”	The Memorandum of Association of Anik Trims Ltd., as amended
MS-Word	Microsoft word
<b>N</b>	
NAV	Net Asset Value
NBFI	Non-Banking Financial Institution
NBR	National Board of Revenue
NRB	Non Resident Bangladeshi
<b>O</b>	
“Our Company”	Anik Trims Ltd., a public limited company incorporated under the Companies Act
Offering Price	Price of the Securities of ATL
<b>P</b>	
PB	Photo Box
PE	Price to Earnings
<b>R</b>	
RIL	Rupali Investment Limited
RJSC	Registrar of Joint Stock Companies and Firms
<b>S</b>	
S.S.C	Secondary School Certificate
Securities	Share of Anik Trims Ltd.
Securities Market	The Share Market of Bangladesh
Sponsors	The sponsor shareholders of Anik Trims Ltd.
Subscription	Application Money
<b>T</b>	
The Company/Issuer	Anik Trims Ltd., a public limited company incorporated under the Companies Act
<b>U</b>	
UK Pound	United Kingdom Pound
USD	United States Dollar
<b>V</b>	
VAT	Value Added Tax



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# CHAPTER (I)

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## **EXECUTIVE SUMMARY**

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**(a) About the industry:**

Garments Accessories & Packaging Industry is the backward linkage industry for RMG sector. The product lines are Sewing Thread, Button, Bag, Elastic, Ribbon, Cartoon, Gum Tape, Tissue Paper, Tag, Labels, Polly, Photo Card, Back Board, Drawstring, Zipper and Hanger. More than 400,000 (four lac) people work in this sector. This sector has immense contribution to our economy in terms of employment and foreign exchange earnings. In the financial year 2016-17, this sector generates USD 6.70 billion. If the sector gets policy support and cooperation from government, the earning of this sector is likely to increase up to US\$ 12 billion by the end of 2018, and to US\$ 18 billion by the end of the year 2025. Total investment of this sector is about US\$ 30 billion & value addition is near about 40 percent.

(Data source: <http://www.redcarpet365.com/image/3p/industry.html>)

Indirect contributions have always made up 15–20 per cent of the net export earnings of the RMG sector. Export earnings from the RMG sector in FY2017–18 totaled USD 30.61 billion. This includes approximately USD 7.10 billion from accessory items used in the RMG, leather, pharmaceutical and other export-oriented sectors.

Currently, the export contribution of accessory items is USD 7.10 billion, among which USD 1.42 billion comes from direct exports to the Middle-East, South Africa, Sri Lanka, Malaysia, Europe, Vietnam, Cambodia, and Laos.

(Data Source: <http://www.theindependentbd.com/post/205893>)

**(b) About the Issuer:**

<b>Incorporation</b>	Incorporated as Private Limited Company on October 10, 2017 & vide reg. no. C-140396/2017
<b>Converted Public Limited Company</b>	January 25, 2019
<b>Commencement of Commercial Operation</b>	October 10, 2017
<b>Registered &amp; Head Office</b>	House # 04, Road # 08, Sector # 03, Uttara, Dhaka-1230
<b>Factory</b>	Golora Charkhanda, Jagir, Manikganj
<b>Nature of Business</b>	The principal activities of the company are to carry on the business of manufacturing of all kinds of Carton, Photo Box, Photo Card, Photo Inlay, Back Board, Bar Code, Hangtag, Price Tag, Size Tag, Care Label, Size Label, Main Label, Inter Lining, Tissue Paper, Twill Tape etc. for export-oriented garments industry.
<b>Back ground of the Company</b>	Anik Trims Ltd. was incorporated on October 10, 2017 as a private limited company. Previously it was a sole proprietorship. On the very date of incorporation, a vendor's agreement was signed between S. M Malek, the proprietor and Anik Trims Ltd. for taking all assets (excluding land) and liabilities of the proprietorship in consideration of issuance of 16,400,000 Ordinary Shares of Tk. 164,000,000 in favor of S. M Malek. Subsequently, the Company converted to public limited company on January 25, 2019.

**(c) Financial Information:**

Major financial information of Anik Trims Ltd. (ATL) is as follows:

<b>Sl. No.</b>	<b>Particulars</b>	<b>30-Jun-19</b>	<b>30-Jun-18</b>
1	Revenue	505,890,406	166,612,865
2	Gross Profit	109,424,095	35,994,292
3	Profit before Tax	78,167,172	21,478,244
4	Profit after Tax	64,279,432	17,694,525
5	Total Assets	790,468,037	251,637,646
6	Share Capital	610,000,000	1,000,000
7	Retained Earnings	81,973,957	17,694,525
8	Net Asset Value (NAV) per Share	11.34	186.95
9	Earnings Per Share (EPS)	2.09	1.02

**(d) Features of the issue and its objects:**

<b>Offer Price</b>	Tk. 10.00
<b>Number of Shares</b>	30,000,000
<b>Offer Size</b>	Tk. 30,000,000.00
<b>Purpose of Raising Fund</b>	Proceeds from Initial Public Offering (IPO) will be used for acquisition of machinery, construction of building and other civil works and for IPO Expenses.
<b>Date of Implementation</b>	Within 21 months after receiving IPO fund

**(e) Legal and other Information:**

SL	Name of Certificate/license/Registration	License Issuer/Issuing Authority	Certificate/License No.	Validity/Current Status
1	Incorporation	Registrar of Joint Stock Companies & Firms (RJSC)	Private Limited Company dated October 10, 2017 & C-140396/2017	N/A
2	Certificate of Commencement of Business	Registrar of Joint Stock Companies & Firms (RJSC)	N/A	Incorporated as a private limited company
3	Trade License	Manikganj Sadar	1483/1298	30-Jun-20
4	TIN Certificate	National Board of Revenue	850972985274	N/A
5	VAT Reg. No.	Customs, Excise & VAT Commissionerate, Dhaka	001461946	N/A
6	Import Registration Certificate (IRC)	Controller of Import & Export, Government of Bangladesh	Ba 0222735	30-Jun-20
7	Export Registration Certificate (ERC)		Ra 0112322	
8	Fire License	Bangladesh Fire Services and Civil Defense	AD/Dhaka-40729/18	30-Jun-20
9	Factory License	Factory and Organization Inspection Authority, Tangail	17336/Manikganj	30-Jun-20
10	Bonded Warehouse License	Customs Bond Commissionerate, Dhaka	979/KAS-PBW/2015	4-Mar-2021
11	Environment Clearance Certificate	Department of Environment, Manikganj	19-20141	27-Feb-20 (Applied for renewal)
12	BGAPMEA	Bangladesh Garments Accessories & Packaging Manufacturers & Exporters Association	1074	31-Dec-20

**(f) Promoters' background:**

At the time of incorporation following persons were the subscribers to the memorandum:

Sl. No.	Name of Promoter	Current Status
1	Rubina	Chairman
2	S.M Malek	Managing Director
3	Shekh Md. Rubel Hossain	Director

Their background is stated below:

**Rubina, Chairman**

Rubina was born in 01 February, 1982 in an illustrious family of Magura. Her father is Golam Mostafa, mother is Sufia Begum and spouse is S. M Malek. Her residence address: House: 28/B, Road: 18, Sector: 08, Uttara, Dhaka.

Rubina completed her H.S.C from Magura Degree College, Magura. She has vast experience of garments accessories business.

Rubina is the Chairman of Anik Trims Ltd.

**S. M Malek, Managing Director**

S. M Malek was born in 15 February, 1975 in an illustrious family of Manikganj. His father is Shekh Mottaleb, mother is Lata Begum and spouse is Rubina. His residence address: House: 28/B, Road: 18, Sector: 08, Uttara, Dhaka.

S. M Malek obtained his B.A. from Kouri Degree College, Manikganj. He has vast experience of garments accessories business.

S. M Malek is the Managing Director of Anik Trims Ltd., 100% deemed export oriented ready-made garments back-ward linkage industry of RMG sector.

**Shekh Md. Rubel Hossain, Director**

Shekh Md. Rubel Hossain was born in 01 January, 1993 in an illustrious family of Manikganj. His father is Md. Mozaffar Hossain, mother is Alaya Begum and spouse is Shamima Ara Nupur. His residence address: House: 46, Road: Zindabazar 1<sup>st</sup> Lane, Zindabazar, P.O: Babubazar, - 1100, Kotwali, Dhaka.

Shekh Md. Rubel Hossain obtained his BBA from Jagannath University, Dhaka. He has vast experience of garments accessories business and has been working in this field for about 10 years.

Shekh Md. Rubel Hossain is the Director of Anik Trims Ltd.

**(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.)	Issue Price (Tk.)	Amount in Taka
Authorized Capital	150,000,000	10.00	10.00	1,500,000,000
<b>Before IPO:</b>				
Paid up capital	61,000,000	10.00	10.00	610,000,000
<b>After IPO:</b>				
To be issued as IPO	30,000,000	10.00	10.00	300,000,000
<b>Paid up capital (Post IPO)</b>	<b>91,000,000</b>	<b>10.00</b>	<b>10.00</b>	<b>910,000,000</b>

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

Particulars of Allotment	Date of Allotment	Form of Consideration (No. of Shares)			Face Value of Share (Tk.)	Paid-up Capital
		In cash	Other than in cash	Bonus		
1 <sup>st</sup> (subscriber to the Memorandum & Articles of Association at the time of incorporation)	10-Oct-17	10,000	-	-	100.00	1,000,000
2 <sup>nd</sup>	12-Aug-18	-	642,600	-	100.00	64,260,000
3 <sup>rd</sup>	13-Aug-18	333,300	-	-	100.00	33,330,000
4 <sup>th</sup>	15-Aug-18	13,100	-	-	100.00	1,310,000
5 <sup>th</sup>	10-Mar-19	-	7,000,000	-	10.00	70,000,000
6 <sup>th</sup>	11-Mar-19	44,010,000	-	-	10.00	440,100,000
<b>Total</b>					<b>10.00</b>	<b>610,000,000</b>

Notes: The Company has changed the face value of its ordinary share from Tk. 100.00 to Tk. 10.00 by passing a special resolution in its extraordinary general meeting held on September 25, 2018 and necessary amendments in capital clause of the Memorandum and Articles of Association were made accordingly.

**(h) Summary of Valuation Report of securities:**

Particulars	Amount (in Tk.)
Method 1: Net Asset Value (NAV) per share/Equity based valuation	11.34
Method 2: Historical Earnings based valuation	11.75
Method 3: Average market price of similar stock based valuation	32.52

**(i) Others:**

- a) Declaration by the issuer as required by Rule 3 (2) (c) of the Bangladesh Securities & Exchange Commission (Public Issue) Rules, 2015:

**DECLARATION OF MATERIAL CHANGES**

We, the Issuer, declare that we did not make any material changes including raising of paid-up capital after the date of audited financial statements as included in the prospectus.

Sd/-

**S.M Malek**

Managing Director

- b) Declaration by the issue manager as required by Rule 3 (2) (d) of the Bangladesh Securities & Exchange Commission (Public Issue) Rules, 2015:

**ISSUE MANAGERS DECLARATION IN CONNECTION WITH ISSUER**

We, the Issue Managers, declare that we do not have any connection with the Issuer, nor any connected persons of us are connected with the Issuer. Moreover, we do not have any connection with the connected persons of the Issuer nor hold any securities thereof.

Sd/-

**Md. Salauddin Sikder FCMA**

CEO & Managing Director

**Imperial Capital Limited**

Sd/-

**Tania Sharmin**

Managing Director & CEO

**CAPM Advisory Limited**

Sd/-

**Parsoma Alam**

Chief Executive Officer

**Rupali Investment Limited**

- c) Summary of vendor's agreement against which 13,426,000 ordinary shares of Tk. 10.00 each (totaling Tk. 134,260,000) and cash Tk. 29,740,000 totaling Tk. 164,000,000 was issued in favor of the Managing Director:

There was an agreement between S.M Malek and Anik Trims Ltd. In the agreement, S.M Malek offered to sell the Property & Liabilities in consideration of total sales price of Tk. 164,118,833/- (Sixteen Crore Forty-One Lac Eighteen Thousand Thirty Three) only and Anik Trims Ltd., as per valuation made on 9<sup>th</sup> October, 2017 by the MOHAMMAD ATA KARIM & CO., Chartered Accountants, agreed to purchase the assets and liabilities amounting to Tk. 164,000,000 (Sixteen Crore Forty Lac) only. Finally, Anik Trims Ltd. has bought the said assets and liabilities except land by issuing 13,426,000 ordinary shares at par Tk. 10.00 each (totaling Tk. 134,260,000) and cash Tk. 29,740,000 totaling Tk. 164,000,000 in favor of S.M Malek. The particulars of assets and liabilities are as follows.

<b>Particulars</b>	<b>Amount</b>
Assets	186,216,654
Liabilities	22,216,654
<b>Net Worth</b>	<b>164,000,000</b>

## CHAPTER (II)

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# **CONDITIONS IMPOSED BY THE COMMISSION**

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#### **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 Anik Trims Ltd. 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 **2 (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 **2 (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 **7 (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 collectively 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, other than alternative investment fund, 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.
17. The company shall submit environment clearance certificate for proposed increased production capacity and proposed expansion of its infrastructures before utilization of IPO proceeds.

## 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 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 respect of time or purpose of utilization must have prior approval of the shareholders in the general meeting through a Board approved agenda thereon and due notification to the shareholders and if approved by the shareholders, the meeting resolution shall be submitted to the Commission and the Exchanges along with reasonable explanations.**

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 thereunder, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Ltd. (CDBL) 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)

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# **DECLARATION AND DUE DILIGENCE CERTIFICATES**

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**DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS, INCLUDING THE CEO OF THE ISSUER 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/-  
**Rubina**  
Chairman

Sd/-  
**S. M Malek**  
Managing Director

Sd/-  
**Shekh Md. Rubel Hossain**  
Director

Sd/-  
**Md. Anik**  
Director

Sd/-  
**Sathi Begum**  
Director

Sd/-  
**Md. Mozaffar Hossain**  
Director

Sd/-  
**Md. Kamal Hossain**  
Director

Sd/-  
**Kazi Opi**  
Director

Sd/-  
**Fahima Begum**  
Director

Sd/-  
**Gopal Saha**  
Independent Director

Sd/-  
**Md. Shofikul Islam Khan**  
Independent Director

Sd/-  
**Md. Azharul Islam Sohel**  
Independent Director

Date: September 15, 2019

**DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**  
**(IMPERIAL CAPITAL LIMITED)**

**[Rule 4 (1) (d)]**

**To**

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Issue of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 by Anik Trims Ltd.

**Dear Sir,**

We, the issue manager 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:

<u>Serial No</u>	<u>Issue Month/Year</u>	<u>Issue Price</u>	<u>Dividend Payment History</u>
1	Simtex Industries Limited (July-2015)	20.00	20% 2016 C, 2% 2016 B, 2% 2017 C, 10% 2017 B, 5% 2018 C, 15% 2018 B
2	Yeakin Polymer Limited (June-2016)	10.00	10% 2016 B, 5% 2017 B, 3% 2018 B
3	Fortune Shoes Limited (July-2016)	10.00	12% 2017 B, 15% 2018 B
4	Nurani Dyeing & Sweater Limited (March-2017)	10.00	10% 2017 B, 2% 2018 C, 11% 2018 B
5	Advent Pharma Limited (January-2018)	10.00	2% 2018 C, 10% 2018 B
6	SK Trims & Industries Limited (April-2018)	10.00	2% 2018 C, 10% 2018 B
7	Silva Pharmaceuticals Limited (July-2018)	10.00	N/A
8	Genex Infosys Limited (October-2018)	10.00	N/A

For the Issue Manager

Sd/-

**Md. Salauddin Sikder FCMA**  
CEO & Managing Director  
Imperial Capital Limited

**Place:** Dhaka  
**Date:** September 15, 2019

**DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**  
**(CAPM ADVISORY LIMITED)**

**[Rule 4 (1) (d)]**

**To**

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Issue of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 by Anik Trims Ltd.

**Dear Sir,**

We, the issue manager 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:

<u>Serial No</u>	<u>Issue Month/Year</u>	<u>Issue Price</u>	<u>Dividend Payment History</u>	
1	Olympic Accessories Limited (February/2015)	10.00	Cash Dividend	5% 2015
			Stock Dividend	7% 2015, 12% 2016, 10% 2017, 10% 2018
2	Nurani Dyeing & Sweater Limited (March/2017)	10.00	Cash Dividend	2% 2018
			Stock Dividend	10% 2017, 11% 2018
3	Advent Pharma Limited (January/2018)	10.00	Cash Dividend	2% 2018
			Stock Dividend	10% 2018
4	Indo-Bangla Pharmaceuticals Limited (March/2018)	10.00	Cash Dividend	-
			Stock Dividend	10% 2018
5	Ring Shine Textiles Limited (July/2019)	10.00	Cash Dividend	-
			Stock Dividend	-

**Place:** Dhaka  
**Date:** September 15, 2019

Sd/-  
**Tania Sharmin**  
 Managing Director & CEO  
**CAPM Advisory Limited**

**DUE DILIGENCE CERTIFICATE BY ISSUE MANAGER**  
**(RUPALI INVESTMENT LIMITED)**

**[Rule 4 (1) (d)]**

**To**

**The Bangladesh Securities and Exchange Commission**

**Sub:** Public Issue of 30,000,000 Ordinary Shares of Tk. 300,000,000.00 by Anik Trims Ltd.

**Dear Sir,**

We, the issue manager 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:

<u>Serial No</u>	<u>Issue Month/Year</u>	<u>Issue Price</u>	<u>Dividend Payment History</u>	
1	M.L. Dyeing Limited (2018)	10.00	Cash Dividend	-
			Stock Dividend	20% 2018

For the Issue Manager

Sd/-

**Parsoma Alam**

Chief Executive Officer

**Rupali Investment Limited**

**Place:** Dhaka

**Date:** September 15, 2019

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(CAPM ADVISORY 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 by Anik Trims Ltd.

**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. 100,000,000.00 (One Hundred Million Only) and we have the capacity to underwrite a total amount of Tk. 500,000,000.00 (Five Hundred Million Only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 35,000,000.00 (Three Crore Fifty Lac Only) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

Sl.	Name of the Company	Amount Underwritten (in Tk.)
1	Bonito Accessories Industries Limited	35,000,000
2	Dragon Sweater and Spinning Limited	30,000,000
3	Ratanpur Steel Re-Rolling Mills Limited	37,500,000
4	AFC Health Limited	20,000,000
5	Delta Hospital Limited	8,000,000
6	Golden Harvest Agro Industries Limited	37,500,000
<b>Total</b>		<b>168,000,000</b>

- (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/-

**Tania Sharmin**

Managing Director & CEO

**CAPM Advisory Limited**

Place: Dhaka;

Date: September 15, 2019



**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(RUPALI INVESTMENT 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 by Anik Trims Ltd.

**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. 1,000,000,000.00 (Taka One Hundred Crore Only) and we have the capacity to underwrite a total amount of Tk. 5,000,000,000.00 (Taka Five Hundred Crore Only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 35,000,000.00 (Three Crore Fifty Lac) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

Sl.	Name of the company	Amount Underwritten (In Tk.)
1	Modern Steel Mills Limited (Book Building)	50,000,000.00
2	Dragon Sweater & Spinning Limited	20,000,000.00
3	Ashuganj Power Station Company Limited	50,000,000.00
	<b>Total</b>	<b>120,000,000.00</b>

- (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/-

**Parsoma Alam**

Chief Executive Officer

**Rupali Investment Limited**

Place: Dhaka;

Date: September 15, 2019

**DUE DILIGENCE CERTIFICATE BY THE UNDERWRITER**  
**(BMSL INVESTMENT 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 by Anik Trims Ltd.

**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. 42,00,00,000 (Forty Two Crore Only) and we have the capacity to underwrite a total amount of Tk. 210,00,00,000 (Two Hundred Ten Crore Only) as per relevant legal requirements. We have committed to underwrite for up to Tk. 35,000,000 (Three Crore Fifty Lac only) for the upcoming issue.
- (b) At present, the following underwriting obligations are pending for us: (Name of issue and amount underwritten)

SI	Name of the company	Amount Underwritten (In Tk.)
1	Delta Hospital Ltd.	8,000,000.00
2	Ashuganj Power Station Co. Ltd. (Bond)	5,000,000.00
3	Lub-rref (Bangladesh) Ltd.	30,000,000.00
4	Md. Elias Brothers Poy Manufacturing Ltd.	3,500,000.00
5	Al-Faruque Bags Ltd.	35,000,000.00
6	Bonito Accessories Industries Ltd.	35,000,000.00
7	Oryza Agro Industries Limited	21,875,000.00
8	Anik Trims Ltd.	35,000,000.00
9	AB Bank Ltd.	50,000,000.00
10	Ratanpur Steel Re-Rolling Mills Ltd.	37,500,000.00
11	Western Marine Shipyard Ltd.	70,000,000.00
12	Dragon Sweater and Spinning Ltd.	200,000,000.00
<b>Total</b>		<b>530,875,000.00</b>

- (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 Underwriter(s):**

Sd/-

**Md. Riyad Matin**  
Managing Director  
**BMSL Investment Limited**

Place: Dhaka

Date: September 16, 2019

## CHAPTER (IV)


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# **ABOUT THE ISSUER**

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- (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 of the Company:**

<b>Particulars</b>	<b>Description</b>
Name of the Issuer	: Anik Trims Ltd. (ATL)
Dates of Incorporation	: October 10, 2017
Commencement of its Commercial Operations	: October 10, 2017
Logo	: 
Registered & Head office	: House # 04, Road # 08, Sector # 03, Uttara, Dhaka-1230 Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101)
Factory	: Golora Charkhanda, Jagir, Manikganj Cell: +8801763253589
Contact Person	: Foyzal Ahmad Chief Financial Officer
Website Address	: Web: www.aniktrims.com
E-mail Address	: Email: info@aniktrims.com

- (b) **The names of the sponsors and directors of the issuer:**

**Name of the Sponsors and Directors:**

**Sponsors:**

<b>Sl.</b>	<b>Sponsors</b>
1	Rubina
2	S.M Malek
3	Shekh Md. Rubel Hossain

**Directors:**

<b>Sl.</b>	<b>Name</b>	<b>Designation</b>
1	Rubina	Chairman
2	S. M Malek	Managing Director
3	Shekh Md. Rubel Hossain	Director
4	Md. Anik	Director
5	Sathi Begum	Director
6	Md. Mozaffar Hossain	Director
7	Md. Kamal Hossain	Director
8	Kazi Opi	Director
9	Fahima Begum	Director
10	Gopal Saha	Independent Director
11	Md. Shofikul Islam Khan	Independent Director
12	Md. Azharul Islam Sohel	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:**

**Particulars of Auditor and Registrar to the Issue:**



**Auditor:**

Particulars	Description
Name	: <b>ARTISAN</b> Chartered Accountants
Logo	: 
Address	: 33 Shah Ali Tower, (5th & 6th Floor), Kawran Bazar Dhaka-1215.
Telephone Number	: Tel: +88-02-8189883-7
Fax Number	: Fax: +88-02-8180187
Contact Person & Signing Partner	: <b>AFM Alamgir</b> Chief Executive Partner
Website Address	: <a href="http://www.artisan-ca.com">www.artisan-ca.com</a>
E-mail Address	: <a href="mailto:info@artisan-ca.com">info@artisan-ca.com</a>

Registrar to the Issue is not applicable for Anik Trims Ltd.

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

**Name of the Stock Exchanges where the Securities to be listed:**


Stock Exchanges	<b>Dhaka Stock Exchange Limited</b> 9/F Motijheel C/A, Dhaka 1000.		Tel: +88-02-9564601, 9576210-18 Fax: +88-02-9564727, +88-02-9569755
	<b>Chittagong Stock Exchange Ltd.</b> CSE Building, 1080, Sheikh Mujib Road Chittagong 4100.		Tel: +880-2-9513911-15 Fax: +880-2-9513906

## CHAPTER (V)

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# **CORPORATE DIRECTORY OF THE ISSUER**

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Name of the Company	:	Anik Trims Ltd. (ATL)
Logo	:	
Background of the Company	:	Anik Trims Ltd. was incorporated as a Private Limited Company under the Companies Act-1994 on 10th October, 2017 vide registration no. C-140396/2017. The Company took over the assets & liabilities except land of Anik Enterprise, a proprietorship business through a vendor agreement.
Nature of Business	:	The principal activities of the company are to carry on the business of manufacturing of all kinds of Carton, Photo Box, Photo Card, Photo Inlay, Back Board, Bar Code, Hangtag, Price Tag, Size Tag, Care Label, Size Label, Main Label, Inter Lining, Tissue Paper, Twill Tape etc. for export-oriented garments industry.
Date of Incorporation	:	October 10, 2017
Commencement of its Commercial Operations	:	October 10, 2017
Authorized Capital	:	Tk. 1,500,000,000 divided into 150,000,000 Ordinary Share of Tk. 10.00 each
Paid up Capital	:	Tk. 610,000,000 divided into 61,000,000 Ordinary Share of Tk. 10.00 each
Registered & Head Office	:	House # 04, Road # 08, Sector # 03, Uttara, Dhaka-1230 Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) Email: info@aniktrims.com Web: www.aniktrims.com
Factory	:	Golora Charkhanda, Jagir, Manikganj
Board of Directors	:	Cell: +8801973040773 12 Directors.
Auditors	:	ARTISAN Chartered Accountants Signing Partner: AFM Alamgir 33 Shah Ali Tower, (5th & 6th Floor), Kawran Bazar Dhaka-1215. Tel: +88-02-8189883-7 Fax: +88-02-8180187 E-mail: info@artisan-ca.com web: www.artisan-ca.com
Tax Consultants	:	Salena Akhter & Associates 48-49, Kakrail, Dhaka-1000 Tel: +88-02-9352096 E-mail: salenaaktherpoly@gmail.com
Legal Advisors	:	ISRS & Associates 17-K, Shatabdi Centre, 292 Inner Circular Road, Fakirapool, Motijheel, Dhaka-1000 Tel: +88-02-7193388 E-mail: isrs.associates@gmail.com
Banker for IPO	:	One Bank Limited
Banker of the Company	:	First Security Islami Bank Limited, One Bank Limited, Jamuna Bank Limited & Social Islami Bank Limited.
Head of Internal Audit and Compliance Officer	:	Ashok Shikder



## CHAPTER (VI)

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# **DESCRIPTION OF THE ISSUER**

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**(a) Summary:**

- (i) **The summary of the industry and business environment of the issuer. The summary shall not be one-sided or biased to highlight the issuer or the issue;**

**Summary of the industry:**

Garments Accessories & Packaging Industry is the backward linkage industry for RMG sector. The product lines are Sewing Thread, Button, Bag, Elastic, Ribbon, Cartoon, Gum Tape, Tissue Paper, Tag, Labels, Polly, Photo Card, Back Board, Drawstring, Zipper and Hanger. More than 400,000 (four lac) people work in this sector. This sector has immense contribution to our economy in terms of employment and foreign exchange earnings. In the financial year 2016-17, this sector generates USD 6.70 billion. If the sector gets policy support and cooperation from government, the earning of this sector is likely to increase up to US\$ 12 billion by the end of 2018, and to US\$ 18 billion by the end of the year 2025. Total investment of this sector is about US\$ 30 billion & value addition is near about 40 percent.

(Data source: <http://www.redcarpet365.com/image/3p/industry.html>)

Indirect contributions have always made up 15–20 per cent of the net export earnings of the RMG sector. Export earnings from the RMG sector in FY2017–18 totaled USD 30.61 billion. This includes approximately USD 7.10 billion from accessory items used in the RMG, leather, pharmaceutical and other export-oriented sectors.

Currently, the export contribution of accessory items is USD 7.10 billion, among which USD 1.42 billion comes from direct exports to the Middle-East, South Africa, Sri Lanka, Malaysia, Europe, Vietnam, Cambodia, and Laos.

(Data Source: <http://www.theindependentbd.com/post/205893>)

**Business environment:**

The Issuer's business environment is conducive to the business as we have good supply of raw materials. The Company has 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 Anik Trims Ltd. since it has no subsidiary company nor does operate under any holding 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;**

Particulars	Description
Name	: Anik Trims Ltd. (ATL)
Registered & Head Office	: House # 04, Road # 08, Sector # 03, Uttara, Dhaka-1230 Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) Email: info@aniktrims.com Web: www.aniktrims.com
Factory	: Golora Charkhanda, Jagir, Manikganj Cell: +8801763253589
Outlets of the issuer	: The issuer company has no outlets.

(ii) **The board of directors of the issuer;**

Sl. No.	Board of Director	Designation
1	Rubina	Chairman
2	S. M Malek	Managing Director
3	Shekh Md. Rubel Hossain	Director
4	Md. Anik	Director
5	Sathi Begum	Director
6	Md. Mozaffar Hossain	Director
7	Md. Kamal Hossain	Director
8	Kazi Opi	Director
9	Fahima Begum	Director
10	Gopal Saha	Independent Director
11	Md. Shofikul Islam Khan	Independent Director
12	Md. Azharul Islam Sohel	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.	Name & Address	Telephone and Fax No. & E-mail Address
1	Name: <b>Rubina</b> Position: Chairman House: 28/B, Road: 18, Sector- 08, P.O: Address: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: chairman@aniktrims.com
2	Name: <b>S. M Malek</b> Position: Managing Director House: 28/B, Road: 18, Sector- 08, P.O: Address: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: md@aniktrims.com
3	Name: <b>Shekh Md. Rubel Hossain</b> Position: Director House: 46, Road: Zindabahar 1st Lane, Address: Zindabahar, P.O: Babubazar - 1100, Kotwali, Dhaka South City Corporation, Dhaka.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: rubelhossain@aniktrims.com
4	Name: <b>Md. Anik</b> Position: Director House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Address: Uttara, Dhaka North City Corporation, Dhaka.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: anik@aniktrims.com
5	Name: <b>Sathi Begum</b> Position: Director House: 5, Road: Purana Moghaltuly, P.O: Dhaka Address: Sadar Prodhan - 1100, P.S: Kotwali, Dhaka South City Corporation, Dhaka.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: sathi@aniktrims.com
6	Name: <b>Md. Mozaffar Hossain</b> Position: Director House: 46, Road: Zindabahar, P.O: Address: Babubazar - 1100, P.S: Kotwali, Dhaka South City Corporation, Dhaka.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: mozaffar@aniktrims.com
7	Name: <b>Md. Kamal Hossain</b> Position: Director Address: 7/1, K P Ghose Street Nayabazar Dhaka.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: kamal@aniktrims.com
8	Name: <b>Kazi Opi</b> Position: Director Address: House 35, Road: 10, Sector: 10, Uttara.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: opi@aniktrims.com

9	Name: <b>Fahima Begum</b> Position: Director Address: 7/1, K P Ghose Street Nayabazar Dhaka.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: fatima@aniktrims.com
10	Name: <b>Gopal Saha</b> Position: Independent Director Address: House: 12, Road: K M Das Lane, P.O.: Wari, Sutrapur, Dhaka-1203	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: gsaha@aniktrims.com
11	Name: <b>Md. Shofikul Islam Khan</b> Position: Independent Director Address: House 26, Road: 13, Sector: 12, Uttara.	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: shofikul@aniktrims.com
12	Name: <b>Md. Azharul Islam Sohel</b> Position: Independent Director Address: House-15, Road-11, Sector-03, Uttara, Uttara West, Dhaka-1230	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: sohel@aniktrims.com

\* S. M Malek, Managing Director and Shekh Md. Rubel Hossain, Director are the only whole time Director who receive remuneration from the Company.

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

Sl.	Name & Address	Telephone and Fax No. & E-mail Address
1	<b>Foyzal Ahmad</b> Chief Financial Officer House # 04, Road # 08, Sector # 03, Uttara, Dhaka-1230	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: cfo@aniktrims.com
2	<b>Md. Saiful Islam</b> Company Secretary House # 04, Road # 08, Sector # 03, Uttara, Dhaka-1230	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: cs@aniktrims.com
3	<b>Salena Akhter &amp; Associates</b> Tax Consultants 48-49, Kakrail, Dhaka-1000	Tel: +88-02-9352096 Fax: No Fax Number E-mail: salenaaktherpoly@gmail.com
4	<b>ISRS &amp; Associates</b> legal advisor 17-K, Shatabdi Centre, 292 Inner Circular Road, Fakirapool, Motijheel, Dhaka-1000	Tel: +88-02-7193388 Fax: No Fax Number E-mail: isrs.associates@gmail.com
5	<b>ARTISAN</b> Chartered Accountants 33 Shah Ali Tower, (5th & 6th Floor), Kawran Bazar Dhaka-1215.	Tel: +88-02-8189883-7 Fax: +88-02-8180187 E-mail: info@artisan-ca.com
6	<b>Ashok Shikder</b> Head of Internal Audit and Compliance Officer House # 04, Road # 08, Sector # 03, Uttara, Dhaka-1230	Tel: +88-02-48950812 Fax: +88-02-48950812 (Ext.-101) E-mail: <a href="mailto:ashok@aniktrims.com">ashok@aniktrims.com</a>

- 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.;**

<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>
<b>Imperial Capital Limited</b> Saiham Sky View Tower (3rd Floor), 45 Bijoy Nagar, Dhaka-1000.	Tel: +88-02-48316870 Fax: +88-02-48316870 (Ext.-102) E-mail: imperialcapltd@gmail.com Web: www.imperialcapital.org	<b>Md. Salauddin Sikder FCMA</b> CEO & Managing Director
<b>CAPM Advisory Limited</b> Tower Hamlet (9th Floor) 16, Kemal Ataturk Avenue Banani C/A, Dhaka-1213.	Tel: +88-02-9822391-2 Fax: +88-02-9822393 E-mail: contact@capmadvisorybd.com Web: www.capmadvisorybd.com	<b>Tania Sharmin</b> Managing Director & CEO
<b>Rupali Investment Limited</b> Shadharan Bima Tower 37-A Dilkusha C/A (7th Floor), Dhaka-1000.	Tel: +88-02-7124488 Fax: +88-02-47118073 E-mail: rilbd.info@gmail.com Web: www.rilfd.org	<b>Parsoma Alam</b> Chief Executive Officer

**Registrar to the issue:**

The Company is going to IPO under Fixed Price Method. So, no registrar to the issue is required as per amendments to the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015.

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

- The names of all the credit rating agencies from which credit rating has been obtained;**
- The details of all the credit ratings obtained for the issue and the issuer;**
- The rationale or description of the ratings (s) so obtained, as furnished by the credit rating agency(s);**
- Observations and risk factors as stated in the credit rating report.**

As per Section 3 of Credit Ratings Companies Rules, 1996, no credit rating report is required by the Company. Moreover, as per Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the issuer/issue has been rated by a credit rating company registered with the Commission for book-building method only.

(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;**

<b>Name &amp; Address</b>	<b>Telephone &amp; Fax Number, E-mail, Web Address</b>	<b>Contact Person</b>	<b>Amount Underwritten</b>
<b>CAPM Advisory Limited</b> Tower Hamlet (9th Floor) 16, Kemal Ataturk Avenue Banani C/A, Dhaka-1213.	Tel: +88-02-9822391-2 Fax: +88-02-9822393 E-mail: contact@capmadvisorybd.com Web: www.capmadvisorybd.com	<b>Tania Sharmin</b> Managing Director & CEO	35,000,000
<b>Rupali Investment Limited</b> Shadharan Bima Tower 37-A Dilkusha C/A (7th Floor), Dhaka-1000.	Tel: +88-02-7124488 Fax: +88-02-47118073 E-mail: rilbd.info@gmail.com Web: www.riltd.org	<b>Parsoma Alam</b> Chief Executive Officer	35,000,000
<b>BMSL Investment Limited</b> Shareef Mansion (4th Floor) 56-57 Motijheel C/A Dhaka-1000.	Tel: +88-02-9577651, +88-02-9570624, +88-02-9565183 Fax: +88-02-47117218 E-mail: info@bmslinvestment.com Web: www.bmslinvestment.com	<b>Md. Riyad Matin</b> Managing Director	35,000,000
<b>Total</b>			<b>105,000,000</b>

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

**Declaration by the Underwriter(s)**

We are one of the underwriters of the Initial Public Offering (IPO) of Anik Trims Ltd. We will underwrite BDT 35,000,000 for the upcoming issue on a firm commitment basis.

In this connection, we hereby declare that: We have sufficient resources as per the regulatory requirements to discharge our respective obligations.

For the Underwriter(s):

Sd/-

**Tania Sharmin**  
Managing Director & CEO  
**CAPM Advisory Limited**

Sd/-

**Parsoma Alam**  
Chief Executive Officer  
**Rupali Investment Limited**

Sd/-

**Md. Riyad Matin**  
Managing Director  
**BMSL Investment Limited**

**c) Major terms and conditions of the underwriting agreements.**

As per guideline of Bangladesh Securities and Exchanges Commission, 35% of total securities shall have to be underwritten on a firm commitment basis by the underwriter(s), subject to the major terms stated below:

- (i) The IPO shall stand cancelled if at least 65% of the IPO is not subscribed.
- (ii) In case of under subscription, underwriters shall take the under-subscribed securities up to 35% of the IPO.
- (iii) Notwithstanding anything contained in the agreement in case of inconsistency between the provision of the agreement and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Public Issue Rules shall prevail.
- (iv) 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.
- (v) The Issuer shall **within 10 (Ten) days** of the closure of subscription call upon the underwriter in writing with a copy of said writing to the Bangladesh Securities and Exchange Commission, to subscribe for the shares not subscribed by the closing date and to pay for in cash in full for such unsubscribed shares **within 15 (Fifteen) days** of the date of said notice and the said amount shall have to be credited into shares subscription account within the said period.
- (vi) 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.

**(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 Securities	Class of Securities	Allotment		Nominal & Issue Price (Tk.)	Form of Consideration	Amount in Taka
			Dates	Amount			
Authorized Capital	100,000,000	Ordinary Share	-	-	10.00	-	1,000,000,000
<b>Before IPO:</b>							
Issued, Subscribed and paid up capital	61,000,000	Ordinary Share	10-Oct-17	1,000,000	100.00	Cash	610,000,000
			12-Aug-18	64,260,000	100.00	Other than in cash	
			13-Aug-18	33,330,000	100.00	Cash	
			15-Aug-18	1,310,000	100.00	Cash	
			10-Mar-19	70,000,000	10.00	Other than in cash	
			11-Mar-19	440,100,000	10.00	Cash	
<b>After IPO:</b>							
To be issued as IPO	30,000,000	Ordinary Share	-	-	10.00	Cash	300,000,000
<b>Paid up capital (Post IPO)</b>	<b>91,000,000</b>	<b>Ordinary Share</b>	<b>-</b>	<b>-</b>	<b>10.00</b>	<b>Cash</b>	<b>910,000,000</b>

Notes: The Company has changed the face value of its ordinary share from Tk. 100.00 to Tk. 10.00 by passing a special resolution in its extraordinary general meeting held on September 25, 2018 and necessary amendments in capital clause of the Memorandum and Articles of Association were made accordingly.

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

Particulars		Percentage	No. of Ordinary Shares	Nominal Value	Issue price	Issue Amount (Taka)	
Initial Public Offering through Fixed Price Method	Eligible investors (EI)	EI excluding mutual funds and CIS	30%	9,000,000	10.00	10.00	90,000,000
		Mutual Funds and CIS	10%	3,000,000			30,000,000
	General public (GP)	GP excluding NRB*	50%	15,000,000			150,000,000
		NRB	10%	3,000,000			30,000,000
<b>Total</b>		<b>100%</b>	<b>30,000,000</b>			<b>300,000,000</b>	

**GP excluding NRB\*:** 15,000,000 Ordinary shares will be reserved for General Public and Small Affected Investors.



(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);**

The Company has no convertible instruments and share premium account.

Particulars	Amount in BDT
Paid up capital before the present issue	610,000,000
Paid up capital after the present issue	910,000,000
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);**

The paid-up capital of the Company is Tk. 610,000,000.00. The Company intends to issue 30,000,000 ordinary shares of Tk. 10.00 each at an issue price of Tk. 10.00 through Initial public offering (IPO) totaling to Tk. 300,000,000.00 under Fixed Price Method subject to regulatory approvals. The Company has no convertible instrument.

**Category wise shareholding structure with percentage before and after the present issue is as follows:**

Sl.	Category of Shareholders	No. of Ordinary Shares Hold		Percentage of Holding	
		Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
1	Director & Sponsor	35,320,000	35,320,000	57.90%	38.81%
2	Institutional	500,000	9,500,000	0.82%	10.44%
3	Mutual Funds and CIS	-	3,000,000	0.00%	3.30%
4	Individual	25,180,000	40,180,000	41.28%	44.15%
5	Non Resident Bangladeshis (NRBs)	-	3,000,000	0.00%	3.30%
<b>Total</b>		<b>61,000,000</b>	<b>91,000,000</b>	<b>100.00%</b>	<b>100.00%</b>

(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 issued following allotment for consideration in other than cash:

Allotment		Persons to whom those are issued	Relationship with the issuer	Issue Price (Tk.)	Form of Consideration & valuation	Reason	Remarks
Date	Amount						
12-Aug-18	64,260,000	S. M Malek	Managing Director	10.00	All assets and liabilities of Anik Enterprise excluding land and issued at per	For business expansion	No benefits have been accrued to the issuer out of the issue
10-Mar-19	70,000,000						

Notes: The Company has changed the face value of its ordinary share from Tk. 100.00 to Tk. 10.00 by passing a special resolution in its extraordinary general meeting held on September 25, 2018 and necessary amendments in capital clause of the Memorandum and Articles of Association were made accordingly.

- (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 any 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 issuer has not issued 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 issuer 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 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;

Name & Position	Nature of Issue	Date of Allotment and Acquisition & date of shares fully paid-up	No. of shares	Face Value & Issue Price	Consideration	Pre IPO %	Post IPO %	Lock in Period*	Number & % of pledge of shares
<b>Name: Rubina</b> <b>Position: Chairman</b>	Ordinary	10-Oct-17	10,000	10.00	Cash	3.64%	2.44%	3 Yrs	No Pledge
		11-Mar-19	1,510,000		Cash				
		12-Jun-19	700,000		Cash				
		<b>Total</b>	<b>2,220,000</b>						
<b>Name: S. M Malek</b> <b>Position: Managing Director</b>	Ordinary	10-Oct-17	80,000	10.00	Cash	26.26%	17.60%	3 Yrs	No Pledge
		12-Aug-18	6,426,000		Other than in cash				
		10-Feb-19	(1,500,000)		Cash				
		10-Mar-19	7,000,000		Other than in cash				
		11-Mar-19	6,334,000		Cash				
		12-Jun-19	(2,320,000)		Cash				
		<b>Total</b>	<b>16,020,000</b>						
<b>Name: Shekh Md. Rubel Hossain</b> <b>Position: Director</b>	Ordinary	10-Oct-17	10,000	10.00	Cash	3.64%	2.44%	3 Yrs	No Pledge
		11-Mar-19	1,510,000		Cash				
		12-Jun-19	700,000		Cash				
		<b>Total</b>	<b>2,220,000</b>						
<b>Name: Md. Anik</b> <b>Position: Director</b>	Ordinary	13-Aug-18	40,000	10.00	Cash	3.64%	2.44%	3 Yrs	No Pledge
		11-Mar-19	1,480,000		Cash				
		12-Jun-19	700,000		Cash				
		<b>Total</b>	<b>2,220,000</b>						
<b>Name: Sathi Begum</b> <b>Position: Director</b>	Ordinary	13-Aug-18	1,000	10.00	Cash	3.93%	2.64%	3 Yrs	No Pledge
		11-Mar-19	2,399,000		Cash				
		<b>Total</b>	<b>2,400,000</b>						

<b>Name:</b> Md. Mozaffar Hossain <b>Position:</b> Director	Ordinary	13-Aug-18	1,000	10.00	Cash	3.64%	2.44%	3 Yrs	No Pledge
		11-Mar-19	1,999,000		Cash				
		12-Jun-19	220,000		Cash				
		<b>Total</b>	<b>2,220,000</b>						
<b>Name:</b> Md. Kamal Hossain <b>Position:</b> Director	Ordinary	13-Aug-18	1,000	10.00	Cash	4.67%	3.13%	3 Yrs	No Pledge
		11-Mar-19	2,849,000		Cash				
		<b>Total</b>	<b>2,850,000</b>						
<b>Name:</b> Kazi Opi <b>Position:</b> Director	Ordinary	13-Aug-18	1,000	10.00	Cash	3.97%	2.66%	3 Yrs	No Pledge
		11-Mar-19	2,419,000		Cash				
		<b>Total</b>	<b>2,420,000</b>						
<b>Name:</b> Fahima Begum <b>Position:</b> Director	Ordinary	13-Aug-18	1,000	10.00	Cash	4.51%	3.02%	3 Yrs	No Pledge
		11-Mar-19	2,749,000		Cash				
		<b>Total</b>	<b>2,750,000</b>						
<b>Name:</b> Gopal Saha <b>Position:</b> Independent Director	Ordinary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Name:</b> Md. Shofikul Islam Khan <b>Position:</b> Independent Director	Ordinary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Name:</b> Md. Azharul Islam Sohel <b>Position:</b> Independent Director	Ordinary	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The Company split its share from Tk. 100.00 to Tk. 10.00 on September 25, 2018.

[\*From the first trading day of the securities]

\*Independent Directors Gopal Saha, Md. Shofikul Islam Khan and Md. Azharul Islam Sohel do not hold any share of the Company.

- (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;**

**Aggregate shareholding of the Sponsors and Directors:**

Sl.	Name of Sponsor & Director	Number of Ordinary Shares Held	Face Value & Issue Price	Date of acquisition	Percentage	
					Pre-IPO	Post-IPO
1	Rubina	2,220,000	10.00	10-Oct-17	3.64%	2.00%
2	S. M Malek	16,020,000	10.00	10-Oct-17	26.26%	14.43%
3	Shekh Md. Rubel Hossain	2,220,000	10.00	10-Oct-17	3.64%	2.00%
4	Md. Anik	2,220,000	10.00	13-Aug-18	3.64%	2.00%
5	Sathi Begum	2,400,000	10.00	13-Aug-18	3.93%	2.16%
6	Md. Mozaffar Hossain	2,220,000	10.00	13-Aug-18	3.64%	2.00%
7	Md. Kamal Hossain	2,850,000	10.00	13-Aug-18	4.67%	2.57%
8	Kazi Opi	2,420,000	10.00	13-Aug-18	3.97%	2.18%
9	Fahima Begum	2,750,000	10.00	13-Aug-18	4.51%	2.48%
10	Gopal Saha	-	10.00	-	0.00%	0.00%
11	Md. Shofikul Islam Khan	-	10.00	-	0.00%	0.00%
12	Md. Azharul Islam Sohel	-	10.00	-	0.00%	0.00%
<b>Total</b>		<b>35,320,000</b>			<b>57.90%</b>	<b>31.82%</b>

**Transfer of specified securities by the sponsor or by the directors of the issuer:**

The following shares are transferred by the sponsor and/or by the directors of the Anik Trims Ltd. and their related parties within six months immediate preceding the date of filing the prospectus:

Transferor	No. of Shares	Date of Transfer	Transferee	No. of Shares
S. M Malek	(1,500,000)	10-Feb-19	Bikrampur Potato Flakes Industries Ltd.	1,000,000
			Bengal Assets Holdings Limited	500,000
	(2,320,000)	13-Aug-18	Rubina	700,000
			Shekh Md. Rubel Hossain	700,000
			Md. Anik	700,000
			Md. Mozaffar Hossain	220,000

- (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;**

Sl.	Name of the Shareholders	Relationship	Number of Shares Held	Pre IPO %
1	S. M Malek	Managing Director	16,020,000	26.26%
2	SK Trims & Industries Ltd.	Shareholder	4,100,000	6.72%

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 employee in Anik Trims Ltd. who holds any shares of the Company except the following:

Sl.	Name of the Shareholders	Position	Number of Shares Held	Pre IPO %
1	S. M Malek	Managing Director	16,020,000	26.26%
2	Shekh Md. Rubel Hossain	Director	2,220,000	3.64%
3	Ashok Sikder	Shareholder	200,000	0.33%
4	Md. Shahajul Islam Ansari	Shareholder	60,000	0.10%
5	Md. Samsul Alam Vuiya	Shareholder	40,000	0.07%

**(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;**

Anik Trims Ltd. was incorporated as a Private Limited Company on October 10, 2017. The Company converted into a Public Limited Company on January 25, 2019 under Companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh under the Companies Act, 1994. The Certificate of Incorporation number is C-140396/2017.

The Company took over the Assets & Liabilities of Anik Enterprise, a proprietorship business through a vendor agreement.

The Company started its commercial operation on October 10, 2017.

The registered office of the Company is located at House # 04, Road # 08, Sector # 03, Uttara-1230, Dhaka, Bangladesh. The factory of the Company is located at Golora Charkhanda, Jagir, Manikganj, Bangladesh.

The principal activities of the Company are to carry on the business of manufacturing of all kinds of Carton, Photo Box, Photo Card, Hang Tag, Price Tag, Size Tag, Bar Code, Back Board, Care Label, Size Label, Main Label, Heat Seal Label, Pocket Flasher, Twill Tape, Elastic, Poly, Others etc. for export oriented garments industry.

There is no subsidiary company of ATL.

- (ii) **Location of the project;**

ATL's factory is situated at Golora Charkhanda, Jagir, Manikganj.

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

**Plant & Machinery:** Anik Trims Ltd. has been using modern machineries in order to manufacture of all kinds of Carton, Photo Box, Photo Card, Hang Tag, Price Tag, Size Tag, Bar Code, Back Board, Care Label, Size Label, Main Label, Heat Seal Label, Pocket Flasher, Twill Tape, Elastic, Poly, Others etc. for export oriented garments industry.

The technology and process to produce the products are as follows.

Product	Technology	Process
Carton	Corrugation - Semi-auto Creasing- Semi Auto Slotting – Semi Auto Pasting – Semi Auto Cutting – Semi Auto Printing – Manual	Creasing – Slotting – Pasting – Cutting - Printing - Packing
Photo Box	Full auto printing	Cutting – Printing – Cutting – Packing
Photo Card	Full auto printing	Cutting – Printing – Cutting – Packing
Tag & Bar Code	Full-auto	Cutting – Printing – Cutting – Packing
Back Board	Full-auto	Cutting – Packing
Label	Full-auto	Cutting – Packing
Pocket Flasher	Fully automatic	Cutting – Packing
Twill Tape	Fully automatic	Weaving – Finishing - Packing
Elastic	Plain –Auto Jaccard -Auto	Weaving – Finishing - Packing
Poly	PLC Control machine (Fully automatic)	LDP/PP/ HDP- Poly – Cutting- Add Printing – Holing – Packing.

**(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.:**

Background of the Company	Anik Trims Ltd. was incorporated as a Private Limited Company under the Companies Act-1994 on 10th October, 2017 vide registration no. C-140396/2017. The Company took over the assets & liabilities except land of Anik Enterprise, a proprietorship business through a vendor agreement.		
	Converted into a Public Limited Company on January 25, 2019.		
Launching of plant	On October 10, 2017		
Capacity (Quantity)	<b>Product</b>	<b>Unit</b>	<b>Installed Capacity</b>
	Carton	Pcs	26,434
	Photo Box	Dz	1,629,773
	Photo Card	Dz	24,004
	Tag & Bar Code	Dz	10,089,055
	Back Board	Dz	88,350
	Label	Dz	1,131,066
	Pocket Flasher	Dz	31,327
	Twill Tape	Gross yards	3,249
	Elastic	Gross yards	430,324

	Poly	Dz	200,795
	Others	Dz	120,477
Capital raise (Last)	Tk. 440,100,000 (Cash consideration) and Tk. 70,000,000 (Other than cash consideration) totaling Tk. 510,100,000 on March 11, 2019.		
Products	All kinds of Carton, Photo Box, Photo Card, Hang Tag, Price Tag, Size Tag, Bar Code, Back Board, Care Label, Size Label, Main Label, Heat Seal Label, Pocket Flasher, Twill Tape, Elastic, Poly, Others etc. for export oriented garments industry		
Market for the product	Overseas Market		
Change in ownership/key management personnel	<p>The following ownership/key management personnel has been appointed;</p> <ol style="list-style-type: none"> <li>1. On 15-Oct-17, Shekh Md. Rubel Hossain appointed as Operation Manager and Md. Shamsul Alam Bhuiyan appointed as Factory Manager (Production)</li> <li>2. On 15-Mar-18, Md. Saiful Islam appointed as Company Secretary;</li> <li>3. On 01-Apr-18, Foysal Ahmad appointed as Chief Financial Officer;</li> <li>4. On 13-Aug-18, Md. Anik appointed as Director;</li> <li>5. On 01-Jan-19, Md. Zahirul Islam appointed as Admin;</li> <li>6. On 12-Jun-19, Sathi Begum, Md. Mozaffar Hossain, Md. Kamal Hossain, Kazi Opi, Fahima Begum appointed as Director and Md. Shofikul Islam Khan &amp; Md. Azharul Islam Sohel appointed as Independent Director;</li> <li>7. On 26-Jun-19, Gopal Saha appointed as Independent Director.</li> </ol> <p>The following ownership/key management personnel has been resigned;</p> <ol style="list-style-type: none"> <li>1. On 26-Jun-19, Mohammad Ebadat Hossain Bhuiyan resigned from the post of Independent Director.</li> </ol>		

- (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;**

**Principal products:**

Products of ATL: The Company has following products:

1. Carton
2. Photo Box
3. Photo Card
4. Tag & Bar Code
5. Back Board
6. Label
7. Pocket Flasher
8. Twill Tape
9. Elastic
10. Poly
11. Others



**Market for such Products:**

Anik Trims Ltd. is a 100% deemed export oriented accessories industry. Its products are marketed based on buyer's requirement. It supplies garment accessories to export oriented garments industry against Back to Back L/C and operated as deemed exporter.

**Past trends and future prospects regarding exports:**

Last 2 years sales of Anik Trims Ltd. (ATL):

(Amount in BDT)

Particulars	30-Jun-19	30-Jun-18
Revenue	505,890,406	166,612,865

**Local market, demand and supply forecasts for the sector:**

In the financial year 2016-17, this sector generates USD 6.70 billion. If the sector gets policy support and cooperation from government, the earning of this sector is likely to increase up to US\$ 12 billion by the end of 2018, and to US\$ 18 billion by the end of the year 2025. Total investment of this sector is about US\$ 30 billion & value addition is near about 40 percent.

(Data source: <http://www.redcarpet365.com/image/3p/industry.html>)

Indirect contributions have always made up 15–20 per cent of the net export earnings of the RMG sector. Export earnings from the RMG sector in FY2017–18 totaled USD 30.61 billion. This includes approximately USD 7.10 billion from accessory items used in the RMG, leather, pharmaceutical and other export-oriented sectors.

Currently, the export contribution of accessory items is USD 7.10 billion, among which USD 1.42 billion comes from direct exports to the Middle-East, South Africa, Sri Lanka, Malaysia, Europe, Vietnam, Cambodia, and Laos.

(Data Source: <http://www.theindependentbd.com/post/205893>)

- (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;**

Sl. No.	Name of Products	For the year ended Jun 30, 2019	
		Revenue (Tk.)	Percentage
1	Photo Box	457,474,179	90.43%

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

Anik Trims Ltd. has no associates, subsidiary and holding company.

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

Anik Trims Ltd. is a 100% deemed export oriented garments industry. Its products are marketed based on buyer's requirement. It supplies garment accessories to export oriented garments industry against Back to Back L/C.

The distribution process may demonstrate as follows:



Product delivered directly to 100% export oriented garments.

**Export possibilities and export obligations:**

ATL does not 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;**

ATL has a number of competitors and these as follows:

Sl. No.	Name of the Company		Core area of work
1	Olympic Accessories Limited	Listed in the Exchanges	To manufacture, process, print cut, seal and assemble of all kinds of Carton, Photo Box, Photo Card, Photo Inlay, Back Board, Bar Code, Hangtag, Price Tag, Size Tag, Care Label, Size Label, Main Label, Inter Lining, Tissue Paper, Twill Tape etc.
2	KDS Accessories Limited		
3	SK Trims & Industries Limited		
4	Imam Button Industries Limited		
5	Montrims Accessories Limited	Non-listed in the Exchanges	
6	Daffodil Accessories Limited		
7	MJ Accessories Limited		
8	Zarif International Accessories Limited		
9	Selina Accessories Limited		
10	Markup Accessories Limited		

Apart from this, as per annual report of the listed companies and audited financial statements of Anik Trims Ltd., the sales amounts are presented below:

*Amount in BDT (Million)*

Sl.	Name of the Company	Turnover	Period/Year	Year End
1	Anik Trims Ltd.	505.89	From 01.07.18 to 30.06.19	30 Jun
2	Olympic Accessories Limited	1,103.80	From 01.07.18 to 30.06.19	30 Jun
3	KDS Accessories Limited	2,302.16	From 01.07.18 to 30.06.19	30 Jun
4	SK Trims & Industries Limited	1,146.71	From 01.07.18 to 30.06.19	30 Jun
5	Imam Button Industries Limited	43.18	From 01.07.18 to 30.06.19	30 Jun

*There is no data available regarding market shares of the respective listed company in their annual report and elsewhere.*

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

The major raw materials being used by the Anik Trims Ltd. are listed below which the company procures from overseas market. The Company has some trusted suppliers for its raw materials as under:

<b>Name of Suppliers</b>	<b>Address</b>	<b>Raw Materials</b>	<b>Country of Origin</b>
Harbis Co. Ltd.	B 518-4, 230, Pangyoyeok-Ro, Bundang-Gu, Seongnam-St. Gyeonggi-Do, 13493, South Korea	Duplex Board	Republic of Korea
		Art Card	
Pointer Investment (H.K) Ltd.	RM.3408, China Merchants Tower, Shun Tak Center,168-200 Connaught Road Central, Hong Kong.	Duplex Board	China
		Art Card	
N.R. Agarwal Industries Ltd.	Unit III and IV, Plot No -901/p 3rd Phase, G.I.D.C, Vapis, Gujarat 396195 India.	Duplex Board	India
Daihan Ink Co. Ltd.	615, Bakdal-Dong, Manan-Gu, Anyang-City, Kyonggi-Do, Korea.	Printing Ink	Republic of Korea
Tricell Publishing and Marketing Co. Ltd.	Room-803, Chevalier House 45-51Chatham Road South Thimsha Tsui, Kowloon Hongkong.	Art Card	China
Rubberflex SDN BHD	21st Floor, U.B.N Tower, Box No. 48, No-10, Jalan p. Ramlee, 50250, Kuala Lumpur, Malaysia.	Rubber Thread	Malaysia
Indorama Polyester Industries Public Co. Ltd.	75/92 Ocean Tower 2, 35th Floor SOI Sukhumvit 19 Khat Wattana, Bangkok 10110, Thailand.	Polyester Textured	Thailand
Ningbo HI-Boer Import and Export Co. Ltd.	1705 Yaojiangxindu, Hongtang Mid Road, Hongtang, Ningbo, China.	Satin Ribbon	China
NCT Middle East FZE	P.O Box 17071, Jebel ALI, Dubai United Arab Emirates	LLDPE	UAE

**Contingency Plan in case of any disruption:**

As number of suppliers of raw materials are plenty in the market, if one supplier fails to provide raw material there are always other suppliers available. Therefore, 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;**

**Power:**

Electricity connection has been taken from Manikganj Palli Bidyut Samity, Manikganj having a capacity of 33 KVA transformer having sanction load 3,000 KW. A diesel generator having capacity of 200 KVA will act as alternative power supply.

**Gas & Water:**

The Company does not require gas and water for manufacturing operation in any of the production line.

**Contingency Plan in case of any disruption:**

To tackle the disruption of utilities, Company has installed generator as mentioned in above.

**(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 who contribute 10% or more of the total revenue:

Customer Name & Address	Telephone Number	Web Address	E-mail	Fax Number	Amount (in Tk.)	%
<b>Name:</b> Murad Apparels Ltd. <b>Address:</b> South Gouripur, Ashulia, Savar, Dhaka, BD.	+88027101052	-	mhd@sirusbb.com	27100268	177,794,761	35.13 %
<b>Name:</b> The Cloth & Fashion Ltd. <b>Address:</b> Rajaghat, Rajfulbaria, Savar, Dhaka, BD.	277414189	www.clothandfashion.com	cfl@dhi-bd.com	27743129	66,486,049	13.15 %
<b>Name:</b> Fashion Point Ltd. <b>Address:</b> Plot no- s-41-42, BISCIC I/A, Konabari, Gazipur, BD.	29298830	www.fpl-bd.com	enayet@fpl-bd.com	29298830	72,198,780	14.26 %

**(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 has the following suppliers from whom the Company purchases 10% or more of its raw material or Finished goods:

Suppliers Name & Address	Telephone Number	Web address	E-mail	Fax Number	Total	%
<b>Name:</b> HARBIS CO. LTD.  <b>Address:</b> B 518- 4,230, Pangyoyeok-ro, Bundang- gu, Seongnam-si, Gyeonggi- do, 13493, South Korea	+91 (22) 67317500	www.hoovers.com	-	+91 (22) 26730227 / 26736953	173,108,238	45.48 %
<b>Name:</b> POINTER INVESTMENT (H.K.) LTD.  <b>Address:</b> 16/F Xiamen Intl Trade, Bldg Hubin South Road, Xiamen 361000 China	86592-5167956	www.china-pointer.com	-	86592-5167955	110,784,831	29.89 %

**(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;**

**Contract with principal suppliers:**

The Company has no contract with principal suppliers.

**Declaration regarding contract with principal suppliers:**

We, on behalf of the Board of Directors certify that Anik Trims Ltd. did not enter into any contract with its principal suppliers.

Sd/-  
**S.M Malek**  
Managing Director

Sd/-  
**Foyzal Ahmad**  
Chief Financial Officer

Sd/-  
**Rubina**  
Chairman

on behalf of Board of Directors

Dated: August 9, 2020  
Dhaka

**Contract with principal customers:**

The Company has contract with the following customer:

Name of the Customer	Address	Agreed Amount Q.ty (pieces)	Deed Duration
Fair Electronics Ltd.	76/B, Khawaja Palace (2 <sup>nd</sup> & 3 <sup>rd</sup> Floor), Road-11, Banani, Dhaka-1213.	As per requirement of the customer	3 Years

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

The Company neither obtained any Patent Right/Trademarks nor signed any royalty agreement with any party. However, ATL has several regulatory licenses and certificates in order to continue its operations. The table shows list of licenses:

SL	Name of Certificate/license/Registration	License Issuer/Issuing Authority	Certificate/License No.	Validity/Current Status
1	Incorporation	Registrar of Joint Stock Companies & Firms (RJSC)	Private Limited Company dated October 10, 2017 & C-140396/2017	N/A
2	Certificate of Commencement of Business	Registrar of Joint Stock Companies & Firms (RJSC)	N/A	Incorporated as a private limited company
3	Trade License	Manikganj Sadar	1483/1298	30-Jun-20
4	TIN Certificate	National Board of Revenue	850972985274	N/A
5	VAT Reg. No.	Customs, Excise & VAT Commissionerate, Dhaka	001461946	N/A
6	Import Registration Certificate (IRC)	Controller of Import & Export, Government of Bangladesh	Ba 0222735	30-Jun-20
7	Export Registration Certificate (ERC)		Ra 0112322	
8	Fire License	Bangladesh Fire Services and Civil Defense	AD/Dhaka-40729/18	30-Jun-20
9	Factory License	Factory and Organization Inspection Authority, Tangail	17336/Manikganj	30-Jun-20
10	Bonded Warehouse License	Customs Bond Commissionerate, Dhaka	979/KAS-PBW/2015	4-Mar-2021
11	Environment Clearance Certificate	Department of Environment, Manikganj	19-20141	27-Feb-20 (Applied for renewal)
12	BGAPMEA	Bangladesh Garments Accessories & Packaging Manufacturers & Exporters Association	1074	31-Dec-20

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

The Company neither obtained any Patent Right/Trademarks nor signed any royalty agreement with any party. However, it has several regulatory licenses and certificate in order to continue its operation.

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

Employee position of the company as at June 30, 2019:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office		
Number of employees whose salary below Tk. 3,000 per month	-	-	-	-
Number of employees whose salary above Tk. 3,000 per month	10	18	82	110
<b>Total:</b>	<b>10</b>	<b>18</b>	<b>82</b>	<b>110</b>

ATL has no part-time employee.

**(xviii) A brief description of business strategy;**

A business strategy sets out to achieve the desired goals. Business strategy is defined as long-term business planning which is concerned with the scope of a business' activities. The company strategies are as follows.

1. **Increase Fixed Assets:** The Company is in planning to invest in fixed assets in order to expand its existing business.
2. **Economic Scale:** With a view to spreading the fixed cost over more units company is trying to increase economic of scale
3. **Cost Minimizing:** In a competitive market, the company is in effort to minimize the cost so that profit can be maximized.
4. **Market Penetration:** In order to get more market share, the Company is trying to be cost effective to grab more market share.

(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.

With regard to above, a table is presented in the following page:

**Total actual capacity and its utilization:**

Product	Unit	Installed Capacity		Capacity utilization for this Products		Actual Capacity Utilization (%)	
		Jul'17 to Jun'18	Jul'18 to Jun'19	Jul'17 to Jun'18	Jul'18 to Jun'19	Jul'17 to Jun'18	Jul'18 to Jun'19
Carton	Pcs	16,189	26,434	12,156	15,171	75.09%	57.39%
Photo Box	Dz	618,158	1,629,773	508,387	1,334,409	82.24%	81.88%
Photo Card	Dz	13,995	24,004	10,243	14,591	73.19%	60.79%
Tag & Bar Code	Dz	6,589,371	10,089,055	4,889,553	5,310,671	74.20%	52.64%
Back Board	Dz	48,157	88,350	33,862	43,863	70.32%	49.65%
Label	Dz	631,428	1,131,066	478,954	579,833	75.85%	51.26%
Pocket Flasher	Dz	19,435	31,327	14,138	16,507	72.75%	52.69%
Twill Tape	Gross yards	1,394	3,249	846	2,131	60.69%	65.60%
Elastic	Gross yards	285,132	430,324	148,645	182,573	52.13%	42.43%
Poly	Dz	-	200,795	-	118,074	0.00%	58.80%
Others	Dz	72,584	120,477	49,814	17,832	68.63%	14.80%



**Projected capacity and its utilization:**

Product	Unit	Installed Capacity			Capacity utilization for this Products			Actual Capacity Utilization (%)		
		Jul'19 to Jun'20	Jul'20 to Jun'21	Jul'21 to Jun'22	Jul'19 to Jun'20	Jul'20 to Jun'21	Jul'21 to Jun'22	Jul'19 to Jun'20	Jul'20 to Jun'21	Jul'21 to Jun'22
Carton	Pcs	27,253	52,675	59,755	16,352	34,239	41,829	60.00%	65.00%	70.00%
Photo Box	Dz	1,680,296	3,247,676	3,684,164	1,008,178	2,110,989	2,578,915	60.00%	65.00%	70.00%
Photo Card	Dz	24,748	47,833	54,262	14,849	31,092	37,983	60.00%	65.00%	70.00%
Tag & Bar Code	Dz	10,401,816	20,104,630	22,806,692	6,241,090	13,068,009	15,964,685	60.00%	65.00%	70.00%
Back Board	Dz	91,089	176,056	199,718	54,653	114,436	139,803	60.00%	65.00%	70.00%
Label	Dz	1,166,129	2,253,894	2,556,818	699,678	1,465,031	1,789,773	60.00%	65.00%	70.00%
Pocket Flasher	Dz	32,298	62,426	70,816	19,379	40,577	49,571	60.00%	65.00%	70.00%
Twill Tape	Gross yards	3,350	6,474	7,344	2,010	4,208	5,141	60.00%	65.00%	70.00%
Elastic	Gross yards	443,664	857,513	972,763	266,198	557,384	680,934	60.00%	65.00%	70.00%
Poly	Dz	207,020	400,128	453,905	124,212	260,083	317,733	60.00%	65.00%	70.00%
Others	Dz	124,212	240,077	272,343	74,527	156,050	190,640	60.00%	65.00%	70.00%

**Assumptions for future capacity utilization:**

The capacity and its utilization have been prepared on underlying assumption				
Assumption indicator	Assumption's Basis	Assumptions Years		
		30-June-20	30-June-21	30-June-22
Capacity Increase	Capacity will be increased as new machineries will be introduced.	3.10%	93.28%	13.44%

**Rationale to achieve the projected levels:**

The Company has projected that the capacity utilization will increase. As the total market is increased day by day and market share of the company is increasing. Hence, the management of the Company thinks that the projected capacity is attainable.

**(e) Description of Property:**

The written down value of Property, Plant & Equipment's owned by the company as per audited accounts as on 30 June, 2019 are stated below:

<b>Particulars</b>	<b>Written Down Value as at 30 June 2019</b>
Land	237,776,630
Buildings and Civil Construction	56,165,223
Plant & Machinery	180,600,583
Furniture and Fixture	947,331
Electrical Equipment and Installation	40,389,870
Office Equipment	644,678
Fire Equipment	507,087
<b>Total</b>	<b>517,031,402</b>

**(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 Registered Office: House # 04, Road # 08, Sector # 03, Uttara-1230, Dhaka & Factory Office: Golra Charkhanda, Jagir, Manikganj, Bangladesh. The Company has 426.50 decimal lands, surrounded by boundary wall and fence. One Storied Substation Building (RCC-Footing & Short Column, RCC-Grade Beam, RCC-Floor Slab, RCC-Pillar, RCC- Slab with Beam, RCC- Lintel, Brick Wall Plaster, Wall Paint, Inside side, Plastic Paint, Outside Wall- Weather Coat, Thai Aluminum & 5mm Glass in window, Industrial Door, M.S Grill in Window) measuring 750 sft. and Factory Shed (RCC-Grade Beam, RCC-Floor Slab, RCC-Pillar, RCC- Slab with Beam, RCC-Stair, RCC-Lintel, Brick Wall, Fabrication and Supply of pre-fabricated steel structure building) measuring 47,000 sft. located at Golra Charkhanda, Jagir, Manikganj, Bangladesh. All of the above-mentioned Property, Plant & Equipment's are in working good condition.

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

All the above-mentioned assets of the Company are in its own name.

(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;

Land:

Deed No.	Date of purchase	Mutation date	Last payment date of current rent (খাজনা)	R. S Dag No.	Deed Value in Tk.	Registration & Other Cost in Tk.	Area of Land (decimal)	Current use
26	Jan 02, 2019	Jan 21, 2019	Feb 19, 2017	351	75,00,000	8,62,740	15.00	Factory Shed, substation room & area and developed open field
27	Jan 02, 2019			349 & 122	2,05,00,000	7,93,500	41.00	
28	Jan 02, 2019			349 & 122	4,05,00,000	46,57,740	81.00	
29	Jan 02, 2019			353	12,50,000	1,43,990	2.50	
30	Jan 02, 2019			349	4,20,00,000	48,30,240	84.00	
31	Jan 02, 2019			351	50,00,000	5,75,240	10.00	
32	Jan 02, 2019			351	2,15,00,000	24,72,740	43.00	
1390	Feb 04, 2019	Mar 24, 2019	Mar 28, 2019	355	75,00,000	8,62,740	15.00	
1393	Feb 04, 2019			356, 461, 402	3,25,00,000	37,37,740	65.00	
1392	Feb 04, 2019			456	95,00,000	10,92,740	19.00	
1391	Feb 04, 2019			433	2,10,00,000	24,15,240	42.00	
1394	Feb 04, 2019			433	45,00,000	5,17,740	9.00	

- (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;**

<b>Deed No.</b>	<b>Name of the persons from whom the land has been acquired</b>	<b>Cost of acquisition</b>	<b>Relations</b>
26	S. M Malek	7,500,000	Sponsor Director & Managing Director
27		20,500,000	
28		40,500,000	
29		1,250,000	
30		42,000,000	
31		5,000,000	
1394	Md. Sukuar Ali	4,500,000	No relation
1390	Md. Osman Goni	7,500,000	
1393	Md. Kusum Ali	32,500,000	
1392	Suzzo Khatun	9,500,000	
1391	Monoyara, Saleha, Mukta, Zohura Khatun	21,000,000	
32	Chawdury, Ziaur, Md. Rahman	21,500,000	

**Proposed to be acquired:**

The Company has no plan to acquire any land.

- (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 approvals pertaining to use of the land from Jagir Union Parishad.

- (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;**

There is no property as mentioned above has been mortgaged. But machineries have been hypothecated against HPSM loan and imported LC documents of imported goods have been hypothecated against short term loan to First Security Islami Bank Limited.

- (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;**

Date of Purchase	Sellers Name	Address	Years of Sale	Condition when Purchased	Name of Machinery	Country of Origin	Useful Economic Life at Purchase	Remaining Economic Life	Purchase Price	W.D.V as at 30-06-19
2015	RUIAN MINGDE MACHINERY CO. LTD.	Room 101, Building 7, Machinery Industrial zone, Yunjiang Standard Factory no 1555, songpu East road, Nanbin street, Ruian, wenzhou, Zhejiang, China	N/A	Brand New Capital Machineries	Corugation Machine	China	10 Years	5 Years 9 Month	4,563,916	2,925,607
2015	AGM ANWAR GRAPHICS MACHINE	Friedenstr. 1, D-38259, Salzgitter-Bed, Germany	N/A		Offset Print Machine	Germany	10 Years	5 Years 9 Month	3,665,177	2,349,490
	DAITSU MACHINERY CO. LTD.	Nagata Heisei Bldg 2-1-33, Nagatahigashi, Higashiosaka-city, Osaka 577-0012, Japan.	N/A		Lemeration	India	10 Years	5 Years 9 Month	347,589	222,815
2015	AET ELECTRIC PTE LTD.	18 Kaki Bukit Road 3#01-05 Entreprencur Business Centre, Singapore, 415978	N/A		Offset Print Machine		10 Years	6 Years 8 Month	14,867,492	10,498,949
2016	AGM ANWAR GRAPHICS MACHINE	Friedenstr. 1, D-38259, Salzgitter-Bed, Germany	N/A		Polar Paper Cutting Machine	Germany	10 Years	6 Years 8 Month	2,868,289	2,025,494
2016	RUIAN MINGDE MACHINERY CO. LTD.	Room 101, Building 7, Machinery Industrial zone, Yunjiang Standard Factory no 1555, songpu East road, Nanbin street, Ruian, wenzhou, Zhejiang, China	N/A		Heat Transfer Print Machine	China	10 Years	6 Years 8 Month	803,121	567,138
2016			N/A		Needle Loom Knitting Machine		10 Years	6 Years 8 Month	1,835,705	1,296,316
2016			N/A		Needle Loom Raping Machine		10 Years	6 Years 8 Month	344,195	243,060
2016			N/A		Needle Loom Quning Machine		10 Years	6 Years 8 Month	229,463	162,040
2016			N/A		Label Printing Machine		10 Years	6 Years 8 Month	573,658	405,099
2016			N/A		Interlining Machine		10 Years	6 Years 8 Month	917,853	648,158
2016	AGM ANWAR GRAPHICS MACHINE	Friedenstr. 1, D-38259, Salzgitter-Bed, Germany	N/A			Germany	10 Years	6 Years 8 Month	917,853	648,158

2016	RUIAN MINGDE MACHINERY CO. LTD.	Room 101, Building 7, Machinery Industrial zone, Yunjiang Standard Factory no 1555, songpu East road, Nanbin street, Ruian, wenzhou, Zhejiang, China	N/A		Barcode Redding Machine	China	10 Years	6 Years 8 Month	688,389	486,119
2016	AGM ANWAR GRAPHICS MACHINE	Friedenstr. 1, D-38259, Salzgitter-Bed, Germany	N/A		Eire Collar Machine	Germany	10 Years	6 Years 8 Month	917,853	648,158
2016	RUIAN MINGDE MACHINERY CO. LTD.	Room 101, Building 7, Machinery Industrial zone, Yunjiang Standard Factory no 1555, songpu East road, Nanbin street, Ruian, wenzhou, Zhejiang, China	N/A		Die Cutting Machine	China	10 Years	6 Years 8 Month	2,868,289	2,025,494
2016			N/A		Paper Cutting Machine		10 Years	6 Years 8 Month	344,195	243,060
2017	RUIAN MINGDE MACHINERY CO. LTD.	Room 101, Building 7, Machinery Industrial zone, Yunjiang Standard Factory no 1555, songpu East road, Nanbin street, Ruian, wenzhou, Zhejiang, China	N/A		Corugation Machine	China	10 Years	7 Years	11,632,195	8,576,218
2017	AGM ANWAR GRAPHICS MACHINE	Friedenstr. 1, D-38259, Salzgitter-Bed, Germany	N/A		Offset Print Machine		10 Years	7 Years 1 Month	9,240,117	6,812,579
2017	DONGGUANG COUNTY XINHUA PACKING MACHINERY CO. LTD.	Zhuwo Industry District, Dongguang Country, Hebei, China.	N/A		UV Colour Machine	China	10 Years	7 Years 1 Month	1,252,707	923,600
2018	DAH HEER INDUSTRIAL CO. LTD.	No.10-1 Yuanchu Rd Fuffng Li Erlin Town Chanhua County Taiwan 52654	N/A		Yarn, Lace & Embroidery Machine	New Taiwan	10 Years	9 Years 6 Month	2,800,067	2,660,064
2018	TAIWAN GIU CHUN IND. CO. LTD.	No.112 Toulong Road Da Shin Lii Pei Tow Town Chang Hwa County Taiwan 521 R.O.C	N/A		Yarn, Lace & Embroidery Machine	New Taiwan	10 Years	9 Years 6 Month	1,884,489	1,790,265
					B.N. Wrapping Machine		10 Years	9 Years 6 Month	871,132	827,575
2018	HYPLUS MACINERYCO. LTD.	12F, No. 65, Sec. 2, Dunhua S. RD., Taipei, Taiwan	N/A		Flexo Printing Machine	Taiwan	10 Years	9 Years 6 Month	8,077,117	7,673,261

2018	HYPLUS MACINERYCO. LTD.	12F, No. 65, Sec. 2, Dunhua S. RD., Taipei, Taiwan	N/A		B.N.PP Film Blowing Machine	Taiwan	10 Years	9 Years 6 Month	22,360,620	21,242,589
					B.N Side Sealing Bag Making Machine		10 Years	9 Years 6 Month	6,158,284	5,850,370
					B.N Bottom Cutting Bag Making Machine		10 Years	9 Years 6 Month	5,951,425	5,653,854
					B.N Water Cooling Plastic Recycling Machine		10 Years	9 Years 6 Month	3,606,925	3,426,579
					B.N Plastic Ceusher Machine		10 Years	9 Years 6 Month	901,731	856,644
					B.N Zipper Bag Making Machine		10 Years	9 Years 6 Month	3,606,925	3,426,579
					B.N Hanger Sealing Device & Hanger Hole Puncher		10 Years	9 Years 6 Month	721,385	685,316
					B.N Plastic Zipper Extruder Machine		10 Years	9 Years 6 Month	2,705,193	2,569,933
2018	HYPLUS MACINERYCO. LTD.	12F, No. 65, Sec. 2, Dunhua S. RD., Taipei, Taiwan	N/A		B.N.PE Film Blowing Machine	Taiwan	10 Years	9 Years 6 Month	10,666,923	10,133,577
2018	HYPLUS MACINERYCO. LTD.	12F, No. 65, Sec. 2, Dunhua S. RD., Taipei, Taiwan	N/A		Color Flexo Label Printing Machine	Taiwan	10 Years	9 Years 6.5 Month	6,586,817	6,284,921
					B.N Water Wash Block Making Machine		10 Years	9 Years 6.5 Month	1,372,253	1,309,358
					B.N Ultrasonic Digital Label Cutter		10 Years	9 Years 6.5 Month	1,646,704	1,571,230
					B.N Multi Function Label Cutting And Folding Machine		10 Years	9 Years 6.5 Month	2,744,507	2,618,717
					B.N 3 Colors Flexo Label Printing Machine		10 Years	9 Years 6.5 Month	1,986,082	1,895,053
					B.N Screen Printing Machine		10 Years	9 Years 6.5 Month	2,527,740	2,411,885
2018	HYPLUS MACINERYCO. LTD.	12F, No. 65, Sec. 2, Dunhua S. RD., Taipei, Taiwan	N/A		Gravure Printing Machine	Taiwan	10 Years	9 Years 7.5 Month	22,884,470	22,026,302
					B.N High Speed Dry Lamination Machine		10 Years	9 Years 7.5 Month	8,169,808	7,863,440
					B.N Ver Auto Slitting ang Rewinding Machine		10 Years	9 Years 7.5 Month	4,084,904	3,931,720
2018	ZHEJIANG CHOVYTING MACHINERY CO. LTD.	No. 518 Yuanhang Road, Gexiang New Area, Nanbin Street, Ruian City, Zhejiang Province, China	N/A		B.N. HE. MULL. LA. Bag Making Machine	China	10 Years	9 Years	11,964,209	10,767,788
2019	HYPLUS MACINERYCO. LTD.	12F, No. 65, Sec. 2, Dunhua S. RD., Taipei, Taiwan	N/A		B.N. HE. MULL. LA. Bag Making Machine	Taiwan	10 Years	9 Years 7 Month	12,588,697	12,064,168

**(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.**

No machineries are required to be bought by the issuer except machineries to be bought from IPO proceeds, the details of which are below:

Sl.	Name of Supplier	Country of Origin	Machine Model	Description	Qty (Pcs)	Date of Placement of Order	Date or Expected Date of Supply
1	Wenzhou Kingsun Machinery Industrial Co., Ltd.	China	ASY-EI 000	High Speed 8 Color Computerized Rotogravure Printing Machine	1	After receiving IPO Fund	Within 18 Months After receiving IPO Fund
			QDF- 000H	High Speed Dry Lamination Machine	1		
			QFJ -1300	High Speed Automatic Sliding and Rewinding Machine	1		
2	Ming Wei Paperware Machinery Co. Ltd.	Taiwan	MW-220-1800D Max paper width: 1800mm. MAX	11.8M Double Wall Corrugated Cardboard Making Machine	1		



- (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 machineries which are yet to be delivered.

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

All plants and machineries of the Company were purchased in brand new condition.

**AUDITOR'S CERTIFICATE REGARDING PURCHASED IN BRAND NEW CONDITION OF MACHINERIES**

We do hereby declare that all the plants and machineries of ANIK TRIMS LTD. were purchased in brand new condition. There are no re-conditioned or second-hand machineries installed in the Company.

Place: Dhaka;

Dated: September 05, 2019

Sd/-

**ARTISAN**

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 neither purchased any second hand or reconditioned machineries nor any plan to purchase in future.

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

**PHYSICAL VERIFICATION REPORT  
of  
ANIK TRIMS LTD.**

This is to certify that we have visited the factory of Anik Trims Ltd. on September 18, 2019 and we have found the registered office and factory as details below:

**Visited and Accompanied by:**

Particulars	Name & Designation	Company
Visited by	: <b>Md. Salauddin Sikder FCMA</b> <i>CEO &amp; Managing Director</i>	Imperial Capital Limited
	: <b>Tania Sharmin</b> <i>Managing Director &amp; CEO</i>	CAPM Advisory Limited
	: <b>Parsoma Alam</b> <i>Chief Executive Officer</i>	Rupali Investment Limited
Accompanied by	: <b>S. M Malek</b> <i>Managing Director</i>	Anik Trims Ltd.
	: <b>Shekh Md. Rubel Hossain</b> <i>Operation Manager</i>	

**Company Overview:**

Anik Trims Ltd. was incorporated as a Private Limited Company on October 10, 2017. The Company converted into a Public Limited Company on January 25, 2019 under Companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh under the Companies Act, 1994. The Certificate of Incorporation number is C-140396/2017.

The Company took over the Assets & Liabilities of Anik Enterprise, a proprietorship business through a vendor agreement.

The Company started its commercial operation on October 10, 2017.

There is no subsidiary company of ATL.

The capital structure of the company is as follows:

Authorized Capital : Tk. 1,500,000,000.00  
Paid up Capital : Tk. 610,000,000.00  
Proposed IPO Size : Tk. 300,000,000.00 (3.00 Crore Shares @ Tk. 10.00 each)  
IPO Size (in share) : 30,000,000 Shares

**Registered Office & Factory:**

ATL's registered office is situated at House # 04, Road # 08, Sector # 03, Uttara, Dhaka-1230 and factory is situated at Golora Charkhanda, Jagir, Manikganj respectively.

**Nature of Business**

The principal activities of the Company are to carry on the business of manufacturing of all kinds of Carton, Photo Box, Photo Card, Hang Tag, Price Tag, Size Tag, Bar Code, Back Board, Care Label, Size Label, Main Label, Heat Seal Label, Pocket Flasher, Twill Tape, Elastic, Poly, Others etc. for export oriented garments industry.

**Principal products:**

Products of ATL: The Company has following products:

1. Carton
2. Photo Box
3. Photo Card
4. Tag & Bar Code
5. Back Board
6. Label
7. Pocket Flasher
8. Twill Tape
9. Elastic
10. Poly
11. Others

**DESCRIPTION OF PROPERTY**

We have identified the properties of ANIK TRIMS LTD. are as follows:

- 1) **Land:** We have found that 426.50 decimals of land, located at Golora Charkhanda, Jagir, Manikganj. The said land surrounded by boundary wall and fence.

2) **Building:** Details of the buildings are discussed below:

No. of Buildings	Buildings Description	Type (Brick/Tin/Prefabricated Steel)	Building Area Each floor (sft)	Usage (sft)
Building	One Storied Substation Building	RCC-Footing & Short Column, RCC-Grade Beam, RCC-Floor Slab, RCC-Pillar, RCC- Slab with Beam, RCC-Lintel, Brick Wall Plaster, Wall Paint, Inside side, Plastic Paint, Outside Wall-Weather Coat, Thai Aluminum & 5mm Glass in window, Industrial Door, M.S Grill in Window.	750	750
Factory Shed	Factory Shed	RCC-Grade Beam, RCC-Floor Slab, RCC-Pillar, RCC- Slab with Beam, RCC-Stair, RCC-Lintel, Brick Wall, Fabrication and Supply of pre-fabricated steel structure building.	47,000	47,000

We have found that an under-construction office rooms, top floor of the factory shed, (1st Floor adjacent to entrance) which is approximately 15,476 sft (as per Factory layout plan). These under constructed rooms will be used for office and administrative purpose.

3) **Machinery:**

Name of Machinery	No. of Set
Corrugation Machine	4
Offset Print Machine	11
Lamination	1
Die Cutting Machine	3
Paper Cutting Machine	1
Polar Paper Cutting Machine	1
Heat Transfer Print Machine	1
Needle Loom Knitting Machine	4
Needle Loom Raping Machine	1
Needle Loom Quning Machine	1
Label Printing Machine	1
Interlining Machine	1
Barcode Redding Machine	1
Eire Collar Machine	8
UV Color Machine	2
Yarn, Lace & Embroidery Machine	5
B.N. Wrapping Machine	2
Flexo Printing Machine	1
B.N.PP Film Blowing Machine	2
B.N Side Sealing Bag Making Machine	2
B.N Bottom Cutting Bag Making Machine	2
B.N Water Cooling Plastic Recycling Machine	1
B.N Plastic Crusher Machine	1
B.N Zipper Bag Making Machine	1
B.N Hanger Sealing Device & Hanger Hole Puncher	1
B.N Plastic Zipper Extruder Machine	1
B.N.PE Film Blowing Machine	1
Color Flexo Label Printing Machine	2
B.N Water Wash Block Making Machine	1

B.N Ultrasonic Digital Label Cutter	1
B.N Multi-Function Label Cutting And Folding Machine	1
B.N 3 Colors Flexo Label Printing Machine	1
B.N Screen Printing Machine	1
B.N. HE. MULL. LA. Bag Making Machine	3
Gravure Printing Machine	1
B.N High Speed Dry Lamination Machine	1
B.N Ver Auto Slitting ang Rewinding Machine	1

Besides these assets, we have also found other assets like Furniture and Fixture, Electrical Equipment and Installation, Office Equipment, Fire Equipment.

It is also mentionable here that during our visit, we also checked Inventory register and roster (Workers' duty register) and found satisfactory. We also noticed that all machineries of ATL are in good condition and running well.

**Signboard:**

The signboard of the Company is well displayed at the registered office and factory premises and there is no other Office or Factory within the said factory premises.

Sd/-  
**Md. Salauddin Sikder FCMA**  
 CEO & Managing Director  
**Imperial Capital Limited**

Sd/-  
**Tania Sharmin**  
 Managing Director & CEO  
**CAPM Advisory Limited**

Sd/-  
**Parsoma Alam**  
 Chief Executive Officer  
**Rupali Investment Limited**

**(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 30 June 2019
Furniture and Fixture	947,331
Electrical Equipment and Installation	40,389,870
Office Equipment	644,678
Fire Equipment	507,087
Capital Work in Progress*	40,541,450

\*An under-construction office rooms, top floor of the factory shed, (1st Floor adjacent to entrance) which is approximately 15,476 sft (as per Factory layout plan). These under constructed rooms will be used for office and administrative purpose.

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

The issuer's revenue and results from operation, financial position and changes in financial position and cash flows for the last three years:

Particulars	30-Jun-19	30-Jun-18
<b>RESULTS FROM OPERATION</b>		
Revenue	505,890,406	166,612,865
Cost of Goods Sold	(396,466,311)	(130,618,573)
<b>Gross Profit</b>	<b>109,424,095</b>	<b>35,994,292</b>
Operating Expenses	(17,024,045)	(12,209,970)
<b>Profit from Operation</b>	<b>92,400,050</b>	<b>23,784,322</b>
Add: Other Income	1,191,342	143,013
Less: Financial Expense	(11,515,861)	(2,449,091)
<b>Profit before Contribution to WPPF</b>	<b>82,075,531</b>	<b>21,478,244</b>
Less: Contribution to WPPF	(3,908,359)	-
<b>Profit before Income Tax</b>	<b>78,167,172</b>	<b>21,478,244</b>
Less: Income Tax Expense	(13,887,740)	(3,783,719)
<b>Net Profit after Tax</b>	<b>64,279,432</b>	<b>17,694,525</b>

Particulars	30-Jun-19	30-Jun-18
<b>CHANGES IN FINANCIAL POSITION</b>		
Non-Current Assets	557,572,852	102,969,292
Current Assets	232,895,185	148,668,354
<b>Total Assets</b>	<b>790,468,037</b>	<b>251,637,646</b>
Shareholders' Equity	691,973,957	18,694,525
Non-Current Liabilities	42,739,154	203,515,059
Current Liabilities	55,754,926	29,428,062
<b>Total Shareholders' Equity and Liabilities</b>	<b>790,468,037</b>	<b>251,637,646</b>

Particulars	30-Jun-19	30-Jun-18
<b>CHANGES IN CASH FLOWS</b>		
Net cash generated from operating activities	2,737,223	34,745,604
Net cash used in investing activities	(481,343,503)	(64,896,251)
Net cash provided by financing activities	479,476,366	35,083,568

(a) Internal and external sources of cash;

Particulars	30-Jun-19	30-Jun-18
<b>Internal Sources of Cash</b>		
Share Capital	610,000,000	1,000,000
Retained Earnings	81,973,957	17,694,525
<b>Sub-Total</b>	<b>691,973,957</b>	<b>18,694,525</b>
<b>External Sources of Cash</b>		
Lease Finance	-	83,353
Long Term Loan Net-off Current Maturity	34,614,753	-
Share Money Deposit	-	38,668,000
Current Maturity of Long Term Loan	10,031,168	-
Short Term Loan	26,186,887	19,109,247
<b>Sub-Total</b>	<b>70,832,808</b>	<b>57,860,600</b>
<b>Grand Total</b>	<b>762,806,765</b>	<b>76,555,125</b>

(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 except for those that are mentioned in Chapter (XXII) under the head 'Use of Proceeds' from IPO fund.

(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 production by adding new machine and increase sales volume.

Particular	30-Jun-19	30-Jun-18
Revenue	505,890,406	166,612,865
Cost of Goods Sold	396,466,311	130,618,573
Operating Expenses	17,024,045	12,209,970
Net Profit after Tax	64,279,432	17,694,525

**Causes for changes:**

**Revenues:**

The company has installed new machineries in order to increase production capacity. As a result, production increased as well as turnover increased. Through installation of new different types of machineries, the company has been able to produce different products as well as to create the market of new products. So, increase of turnover of the company is relevant.

**Cost of goods sold:**

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

**Other operating expenses:**

The company revenue is increasing day by day, as a result the other expenses are increasing also.

**Net income:**

The company thinks that 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.

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

ATL 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 ATL.

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

At present, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business except for those which are naturally beyond control of human being.

The business operation of the Company may be affected by the following uncertainties:

- I. Political unrest
- II. Natural disaster.

- (f) **Any assets of the company used to pay off any liabilities;**  
None of the assets of the company has been used to pay off any liabilities of the company.
- (g) **Any loan taken from or given to any related party or connected person of the issuer with details of the same;**  
The Company did not take or give any loan from or to any related party or connected person of the issuer from its inception.
- (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 contractual liability within next one year which may affect financial fundamentals of the issuer.
- (i) **The estimated amount, where applicable, of future capital expenditure;**  
The Company has no plan for capital expenditure except for those mentioned in the 'Use of Proceeds' in Chapter (XXII) of 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;**

**VAT:** There is no VAT liability of the Company as on 30 June, 2019.

**Customs Duty or other tax liabilities:** There is no customs duty Liability of the Company as on 30 June, 2019.

**Income Tax:** The TIN number of the company is 8509-7298-5274/Circle-1 (Companies), Taxes Zone-01, Dhaka. Following are the details of income tax related information of the Company:

Accounting year	Assessment Year	Assessment Status
30-Jun-18	2018-2019	As per certificate given by DCT dated 27.01.11, the assessee Company has submitted the return for the assessment year 2018-2019 under universal-self scheme & assessment of the assessee Company has been completed under section 82BB.
30-Jun-19	2019-2020	Under process

(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 affected;**

The Company has no operating/financial lease obligation with anyone. However, the Company has taken loan from First Security Islami Bank Limited which is as follows:

**Loans:**

Name of Bank	Sanction Amount	Purpose of Loan	Sanction Date	Expiry Date	Installment-Monthly	Outstanding at 30 June, 2019	Hypothecation
First Security Islami Bank Ltd.	5.00 Crore	HPSM	Jul 03, 2018	Jul 02, 2023	1,441,980	44,645,921	Imported machineries and Post dated 51 Signed Cheque
	10.00 Crore	Loan at sight	Jul 03, 2018	Jul 31, 2019	-	-	10% cash margin and LC documents of imported goods
	7.00 crore	TR	Jul 03, 2018	-	-	15,112,450	LC documents of imported goods



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

**Employees' Benefit**

The Company's employee benefits include the following:

**a) Short Term Employee Benefits:**

Short-term employee benefits include wages, salaries, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

**b) Contribution to Workers' Profit Participation and Welfare Funds:**

This represents 5% of net profit before tax, contributed by the Company as per provisions of the Bangladesh Labor Act, 2006 (Amendment 2013). The Company recognizes contribution to Workers Profit Participation and Welfare Fund in the accounts from the year 2019. The fund transfer is under process and will be paid after completion of necessary legal process.

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

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

Sl. No.	Particulars	Basis	Amount in BDT (approx.)	
<b>A.</b>	<b>MANAGERS TO THE ISSUE FEES</b>			3,450,000
1	Managers to the Issue fee	Maximum 2% (two percent) of the public offer amount	3,000,000	
2	VAT against Issue Management Fees	15% of issue management fees	450,000	
<b>B.</b>	<b>FEES RELATED TO LISTING WITH THE STOCK EXCHANGES</b>			4,340,000
3	Draft prospectus scrutiny fee for DSE & CSE	Fixed	100,000	
4	DSE and CSE Annual Fee	@ 0.05% on Tk. 100 Crore of paid-up capital and 0.02% on the rest amount of paid-up capital; (minimum Tk. 50 thousand and Maximum Tk. 6 lacs for each exchange	910,000	
5	Fees related to Listing with the stock exchanges	@ 0.25% on Tk. 10 Crore and 0.15% on the rest amount of paid up capital range; (minimum 50 thousand and maximum Tk. 1 crore for each exchanges)	2,930,000	
6	Data Transmission Fee for DSE & CSE	Fixed	400,000	
<b>C.</b>	<b>BSEC FEES</b>			1,250,000
7	Application fee	Fixed	50,000	
8	Consent fee	fee @ 0.40% on entire offer	1,200,000	
<b>D.</b>	<b>IPO RELATED FEES</b>			803,750
9	Underwriting Commission (0.50%)	Commission @ 0.50% on Underwritten Amount	525,000	
10	VAT against Underwriting Commission	15% of Underwriting Commission	78,750	
11	Auditors Certification fees	At Actual	200,000	
<b>E.</b>	<b>CDBL FEES AND EXPENSES</b>			745,000
12	Security Deposit	At Actual	500,000	
13	Documentation fee	At Actual	2,500	
14	Annual fee	At Actual	100,000	
15	Connection Fee (TK. 500 per month* 12)	At Actual	6,000	
16	Initial Public Offering fee	@.015% of issue size+.015% of Pre-IPO paid up capital	136,500	

<b>F.</b>	<b>PRINTING AND POST PUBLIC OFFER EXPENSES</b>			8,444,750
17	Publication of prospectus	Estimated (to be paid at actual)	650,000	
18	Abridge Version of Prospectus and Notice in 4 daily news paper	Estimated (to be paid at actual)	600,000	
19	Notice for prospectus, Lottery, Refund etc. in 4 daily news paper	Estimated (to be paid at actual)	250,000	
20	Lottery related expenses including BUET fee	Estimated (to be paid at actual)	800,000	
21	Data Processing and Share Software Charge	Estimated (to be paid at actual)	5,890,000	
22	Stationary & Other Expenses	Estimated (to be paid at actual)	254,750	
<b>Grand Total</b>				<b>19,033,500</b>

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;**

Anik Trims Ltd. has not made any revaluation of its asset.

- (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 no subsidiary nor it is operated under a holding company nor does it has any associate company. Hence, no transaction has taken place.

(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:**

Particulars	Name of Companies
(1) Date of Incorporation	There is no Group Companies and Companies under common ownership by more than 50%
(2) Nature of Business	
(3) Equity Capital	
(4) Reserves (In Crore)	
(5) Sales (In Crore)	
(6) Profit after Tax (In Crore)	
(7) Earnings Per Share & Diluted Earnings Per Share	
(8) Net Asset Value	
(9) The highest and lowest market price of shares during the preceding six months with disclosures for changes in capital structure during the period, if any securities of the group are listed with any exchange	
(10) Information regarding significant adverse factors relating to the group	
(11) Any of the group companies has become sick or is under winding up	
(12) The related business transactions within the group and their significance on the financial performance of the issuer	
13) Sales or purchase between group companies or subsidiaries or associate companies when such sales or purchases exceed in value in the aggregate ten percent of the total sales or purchases of the issuer and also material items of income or expenditure arising out of such transactions	

(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;

Not applicable.

(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;

**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 have been allotted for consideration in otherwise than cash of Anik Trims Ltd. as of 30 June 2019:

Date of allotment	Persons to whom those are issued	No. of shares allotted	Consideration	Relationship with the Issuer	Reasons for the issue	Rational of Issue Price
12-Aug-18	S.M Malek	6,426,000	All assets and liabilities of Anik Enterprise excluding land	Director & Managing Director	All assets and liabilities of Anik Enterprise excluding land	Face Value
10-Mar-19		7,000,000				

Place: Dhaka;  
Date: September 05, 2019

Sd/-  
**ARTISAN**  
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 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

- (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;**

#### **Business strategies**

A business strategy sets out to achieve the desired goals. Business strategy is defined as long-term business planning which is concerned with the scope of a business' activities. The company strategies are as follows.

1. **Increase Fixed Assets:** The Company is in planning to invest in fixed assets in order to expand its existing business.
2. **Economic Scale:** With a view to spreading the fixed cost over more units company is trying to increase economic of scale
3. **Cost Minimizing:** In a competitive market, the company is in effort to minimize the cost so that profit can be maximized.
4. **Market Penetration:** In order to get more market share, the Company is trying to be cost effective to grab more market share.

#### **Future plans**

In persuasion of aforesaid Strategies ATL and its experienced team have been working insistently keeping in consideration future as well ATL has a planned for acquisition of Machinery, Construction of Building and other civil works by using IPO proceeds.

(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;**

Particulars	30-Jun-19	30-Jun-18
Non-Current Assets	557,572,852	102,969,292
Current Assets	232,895,185	148,668,354
Shareholders' Equity	691,973,957	18,694,525
Non-Current Liabilities	42,739,154	203,515,059
Current Liabilities	55,754,926	29,428,062
Revenue	505,890,406	166,612,865
Gross Profit	109,424,095	35,994,292
Profit before Income Tax	78,167,172	21,478,244
Net Profit after Tax	64,279,432	17,694,525

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

**Major items of income:**

Particulars	30-Jun-19	30-Jun-18
Revenue	505,890,406	166,612,865
Other Income	1,191,342	143,013

**Major items of Expenditure:**

Particulars	30-Jun-19	30-Jun-18
Cost of Goods Sold	396,466,311	130,618,573
Operating Expenses	17,024,045	12,209,970
Financial Expenses	11,515,861	2,449,091

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

The income and sales on account of major products or services are as follows:

Sl. No.	Name of Products	For the year ended Jun 30, 2019	
		Revenue (Tk.)	Percentage
1	Photo Box	457,474,179	90.43%

- 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's other income is not more than 10% of the total income.

- 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 income is not dependent upon a single customer or a few major customers nor foreign customer.

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

The issuer 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:**

<b>Particular</b>	<b>30-Jun-19</b>	<b>30-Jun-18</b>
Revenue	505,890,406	166,612,865
Cost of Goods Sold	396,466,311	130,618,573
Operating Expenses	17,024,045	12,209,970
Net Profit after Tax	64,279,432	17,694,525

**Analysis of reasons for the changes in significant items of income and expenditure:**

**Revenues:**

The company has installed new machineries in order to increase production capacity. As a result, production increased as well as turnover increased. Through installation of new different types of machineries, the company has been able to produce different products as well as to create the market of new products. So, increase of turnover of the company is relevant.

**Cost of goods sold:**

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

**Other operating expenses:**

The company revenue is increasing day by day, as a result the other expenses are increasing also.

**Net income:**

The company thinks that 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.

- 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;**

At present, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business except for those which are naturally beyond control of human being.

The business operation of the Company may be affected by the following uncertainties:

- i. Political unrest
- ii. 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;**

We are aware of the fact that future is always uncertain that affect business. It is expected that labor and material price will go up in future because of inflation and other factors. However, revenue is always adjusted and follows the trend in line with production cost. Hence, any change in cost 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;**

There is no material increase in sales volume or revenue due to increased sales volume, introduction of new products or services or increased sales prices.

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

Considering the business nature of ATL, the Company is assumed to operate in Engineering & Miscellaneous sector.

<b>From 01-Jul-18 to 30-Jun-19</b>	<b>Industry Segment- Engineering &amp; Miscellaneous Sector (Amount in million Tk.)</b>
Olympic Accessories Limited	1,103.80
KDS Accessories Limited	2,302.16
SK Trims & Industries Limited	1,146.71
Imam Button Industries Limited	43.18
<b>Total</b>	<b>4,595.85</b>

*Note: The turnover mentioned above are consist of the turnover of 4 listed similar companies namely Olympic Accessories Limited, KDS Accessories Limited, SK Trims & Industries Limited and Imam Button Industries Limited for the year ended 30 June, 2019.*

*(Source: DSE Review)*

- 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.**

ATL 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 ATL.

- (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 did not reschedule of its borrowing with financial institutions or banks.

- (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 two 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.

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

Anik Trims Ltd. has been using modern inviter sophisticated machineries and modern technology in order to manufacture, process, print, cut, seal and assemble of all kinds of Elastic, Poly Bag, Sticker, Carton, Thread, Photo inlay, Bar code, Hangtag, Hanger, Twill tape, Back board, Tissue paper, Gum tape, Interlining, Label etc. Market has been growing up and the Company has good opportunity to maximize market share.

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

The management of the Company has introduced WPPF in 2019.

- (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;**

**A statement by the directors:**

In our opinion, there have no such circumstances arisen since the date of the last financial statements as disclosed in the prospectus which materially and adversely affect or is likely to affect the trading or profitability of the Anik Trims Ltd. or the value of its assets, or its ability to pay its liabilities within the next twelve months.

Sd/-  
**Rubina**  
Chairman

Sd/-  
**S. M Malek**  
Managing Director

Sd/-  
**Shekh Md. Rubel Hossain**  
Director

Sd/-  
**Md. Anik**  
Director

Sd/-  
**Sathi Begum**  
Director

Sd/-  
**Md. Mozaffar Hossain**  
Director

Sd/-  
**Md. Kamal Hossain**  
Director

Sd/-  
**Kazi Opi**  
Director

Sd/-  
**Fahima Begum**  
Director

Sd/-  
**Gopal Saha**  
Independent Director

Sd/-  
**Md. Shofikul Islam Khan**  
Independent Director

Sd/-  
**Md. Azharul Islam Sohel**  
Independent Director

- (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;**

Audited financial statements for the year end June 30, 2019 are incorporated in the prospectus.

- (dd) **Factors that may affect the results of operations.**

There are no such factors that may affect the results of operations.

## CHAPTER (VII)

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# **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

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(a) **Overview of business and strategies:**

**Overview of business:**

Anik Trims Ltd. was incorporated as a Private Limited Company on October 10, 2017. The Company converted into a Public Limited Company on January 25, 2019 under Companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh under the Companies Act, 1994. The Certificate of Incorporation number is C-140396/2017.

The Company took over the Assets & Liabilities of Anik Enterprise, a proprietorship business through a vendor agreement.

The Company started its commercial operation on October 10, 2017.

The registered office of the Company is located at House # 04, Road # 08, Sector # 03, Uttara-1230, Dhaka, Bangladesh. The factory of the Company is located at Golora Charkhanda, Jagir, Manikganj, Bangladesh.

The principal activities of the Company are to carry on the business of manufacturing of all kinds of Carton, Photo Box, Photo Card, Hang Tag, Price Tag, Size Tag, Bar Code, Back Board, Care Label, Size Label, Main Label, Heat Seal Label, Pocket Flasher, Twill Tape, Elastic, Poly, Others etc. for export oriented garments industry.

There is no subsidiary company of ATL.

**Strategies:**

A business strategy sets out to achieve the desired goals. Business strategy is defined as long-term business planning which is concerned with the scope of a business' activities. The company strategies are as follows.

1. **Increase Fixed Assets:** The Company is in planning to invest in fixed assets in order to expand its existing business.
2. **Economic Scale:** With a view to spreading the fixed cost over more units company is trying to increase economic of scale
3. **Cost Minimizing:** In a competitive market, the company is in effort to minimize the cost so that profit can be maximized.
4. **Market Penetration:** In order to get more market share, the Company is trying to be cost effective to grab more market share.

(b) **SWOT ANALYSIS:**

**Strengths:**

1. **Product line variety:** The Company has various product line varieties. The company sells different line of products.
2. **Modern Machineries:** The Company has been using modern machineries that smooth the operation of the Company.
3. **Technology:** The Company has latest tools and technologies to support production.
4. **Dedicated Workforce:** The Company has dedicated human resources.

**Weaknesses:**

1. **Lack of Supply:** There is huge demand in the international market. The Company, however, is not yet capable to fulfill the demand.
2. **Innovation:** Innovative effectiveness is low due to skilled manpower.
3. **Slim Profit:** Since the Company is at early stage of production, the profit margin is slim.
4. **Short operational History:** The Company was incorporated and started its commercial production on October 10, 2017. Hence, the operational history is short.

**Opportunity:**

1. **Demand:** The product demand is high and vibrant.
2. **Labor's wage:** Labor wages is favorable comparing to that of other countries.

**Threat:**

1. **Shortage of Power:** Lack of opportunity to supply emergency power.
2. **Foreign Exchange Risk:** There is foreign exchange risk because of deem export and import of raw materials.
3. **Backward Linkage:** Anik Trims Ltd. is a backward linkage company. Hence, there is chance of having own backward linkage by the garments companies.

- (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	30-Jun-19	30-Jun-18
Revenue	505,890,406	166,612,865
Other Income	1,191,342	143,013
<b>Total Income</b>	<b>507,081,748</b>	<b>166,755,878</b>
Cost of Materials	396,466,311	130,618,573
Financial Expenses	11,515,861	2,449,091
Depreciation Expense	15,864,341	4,392,891
Amortization Expense	-	-
Others Expense	17,024,045	12,209,970
Changes of Inventories	5,070,579	-
Profit before Income Tax	78,167,172	21,478,244
Net Profit after Tax	64,279,432	17,694,525
EPS	2.09	1.02

**Reason of Fluctuation:****Revenue:**

The company has installed new machineries in order to increase production capacity. As a result, production increased as well as turnover increased. Through installation of new different types of machineries, the company has been able to produce different products as well as to create the market of new products. So, increase of turnover of the company is relevant.

**Other Income:**

Other income has been generated from interest on Savings Account and Foreign Currency Fluctuation Gain/(Loss)

**Total Income:**

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

**Cost of Materials:**

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

**Finance Cost and Bank Charge:**

The company has taken short term & long term loan from bank for importing raw materials and new machineries. During the year company repay most of the short-term loan fully that is why interest expenses have been decreased.

**Depreciation and Amortization:**

The company has increased their capacity installing new machineries; build up factory building and other assets. So, depreciation has been charged / increased accordingly.

**Other Expenses:**

The company revenue is increasing day by day, as a result the other expenses are increasing also.

**Changes of inventory:**

There has been increasing of installed capacity and sales volume over the year. The demand for our products is also increasing. So, we have 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 and Earnings per Share**

The company thinks that 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 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:**

At present, there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business except for those which are naturally beyond control of human being.

The business operation of the Company may be affected by the following uncertainties:

- i. Political unrest
- ii. Natural disaster

**(e) Trends or expected fluctuations in liquidity:**

There are no trends or 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)

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# **DIRECTORS AND OFFICERS**

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(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	Name of Director, Father's Name, Age & Experience		Residential Address	Educational Qualification	Name of the Institutions and Duration for Nominated Director
1	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Rubina</b>  Chairman  Golam Mostafa  37 Years  3 Years	House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.	H.S.C	-
2	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>S. M Malek</b>  Managing Director  Shekh Mottaleb  44 Years  20 Years	House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.	B.A.	-
3	<b>Name:</b> <b>Position:</b> <b>Father's Name:</b> <b>Age:</b> <b>Experience:</b>	<b>Shekh Md. Rubel Hossain</b>  Director  Md. Mozaffar Hossain  26 Years  10 Years	House: 46, Road: Zindabahr 1st Lane, Zindabahr, P.O: Babubazar - 1100, Kotwali, Dhaka South City Corporation, Dhaka.	BBA	-

4	<b>Name:</b>	<b>Md. Anik</b>	House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.	H.S.C	-
	<b>Position:</b>	Director			
	<b>Father's Name:</b>	S. M Malek			
	<b>Age:</b>	19 Years			
	<b>Experience:</b>	1 Year			
5	<b>Name:</b>	<b>Sathi Begum</b>	House: 5, Road: Purana Moghaltuly, P.O: Dhaka Sadar Prophan - 1100, P.S: Kotwali, Dhaka South City Corporation, Dhaka.	H.S.C	-
	<b>Position:</b>	Director			
	<b>Father's Name:</b>	Jahangir Alam			
	<b>Age:</b>	29 Years			
	<b>Experience:</b>	1 Year			
6	<b>Name:</b>	<b>Md. Mozaffar Hossain</b>	House: 46, Road: Zindabahr, P.O: Babubazar - 1100, P.S: Kotwali, Dhaka South City Corporation, Dhaka.	H.S.C	-
	<b>Position:</b>	Director			
	<b>Father's Name:</b>	Shekh Aslam Hossain			
	<b>Age:</b>	61 Years			
	<b>Experience:</b>	20 Years			
7	<b>Name:</b>	<b>Md. Kamal Hossain</b>	7/1, K P Ghose Street Nayabazar Dhaka.	S.S.C	-
	<b>Position:</b>	Director			
	<b>Father's Name:</b>	Shekh Aslam Hossain			
	<b>Age:</b>	42 Years			
	<b>Experience:</b>	10 Years			

8	<b>Name:</b>	<b>Kazi Opi</b>			
	<b>Position:</b>	Director			
	<b>Father's Name:</b>	Kazi Abdul Khalek	House 35, Road: 10, Sector: 10, Uttara.	S.S.C	-
	<b>Age:</b>	31 Years			
	<b>Experience:</b>	1 Year			
9	<b>Name:</b>	<b>Fahima Begum</b>			
	<b>Position:</b>	Director			
	<b>Father's Name:</b>	Shekh Mottaleb	7/1, K P Ghose Streat Nayabazar Dhaka.	S.S.C	-
	<b>Age:</b>	38 Years			
	<b>Experience:</b>	1 Year			
10	<b>Name:</b>	<b>Gopal Saha</b>			
	<b>Position:</b>	Independent Director			
	<b>Father's Name:</b>	Sushil Saha	House: 12, Road: K M Das Lane, P.O.: Wari, Sutrapur, Dhaka-1203	B.Com	3 Years (From 26-Jun-19 to 25-Jun-22)
	<b>Age:</b>	35 Years			
	<b>Experience:</b>	12 Years			
11	<b>Name:</b>	<b>Md. Shofikul Islam Khan</b>			
	<b>Position:</b>	Independent Director			
	<b>Father's Name:</b>	Late Mahtab Uddain Khan	House 26, Road: 13, Sector: 12, Uttara.	B.Com	3 Years (From 12-Jun-19 to 11-Jun-22)
	<b>Age:</b>	53 Years			
	<b>Experience:</b>	15 Years			

12	<b>Name:</b>	<b>Md. Azharul Islam Sohel</b>			
	<b>Position:</b>	Independent Director			
	<b>Father's Name:</b>	Md. Intaj Ali	House-15, Road-11, Sector-03, Uttara, Uttara West, Dhaka-1230	LLB	3 Years (From 12-Jun-19 to 11-Jun-22)
	<b>Age:</b>	35 Years			
	<b>Experience:</b>	13 Years			

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

SL.	Name of the Director	Position	Date of first Directorship	Date of Expiration of Current term
1	Rubina	Chairman	10-Oct-17	4th AGM in 2021
2	S. M Malek	Managing Director	10-Oct-17	4th AGM in 2021
3	Shekh Md. Rubel Hossain	Director	10-Oct-17	4th AGM in 2021
4	Md. Anik	Director	13-Aug-18	5th AGM in 2022
5	Sathi Begum	Director	12-Jun-19	3rd AGM in 2020
6	Md. Mozaffar Hossain	Director	12-Jun-19	3rd AGM in 2020
7	Md. Kamal Hossain	Director	12-Jun-19	3rd AGM in 2020
8	Kazi Opi	Director	12-Jun-19	3rd AGM in 2020
9	Fahima Begum	Director	12-Jun-19	4th AGM in 2021
10	Gopal Saha	Independent Director	26-Jun-19	5th AGM in 2022
11	Md. Shofikul Islam Khan	Independent Director	12-Jun-19	5th AGM in 2022
12	Md. Azharul Islam Sohel	Independent Director	12-Jun-19	5th AGM in 2022

(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:**

Sl.	Name of Director	Designation in ATL	Directorship/Ownership with Other Companies	
			Companies	Position
1	Rubina	Chairman	Not involved in other organization	-
2	S. M Malek	Managing Director		
3	Shekh Md. Rubel Hossain	Director		
4	Md. Anik	Director		
5	Sathi Begum	Director		
6	Md. Mozaffar Hossain	Director		
7	Md. Kamal Hossain	Director		
8	Kazi Opi	Director		
9	Fahima Begum	Director		
10	Gopal Saha	Independent Director		
11	Md. Shofikul Islam Khan	Independent Director		
12	Md. Azharul Islam Sohel	Independent Director		

(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:**

Any of the directors of the Company are neither involve in securities market in any manner nor is a director of the Issuer company of other listed securities during last three years.

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

**i. Family relationship among directors**

Sl.	Name of Director	Designation	Relationship
1	Rubina	Chairman	Wife of S. M Malek and mother of Md. Anik.
2	S. M Malek	Managing Director	Husband of Rubina, brother of Fahima Begum, father of Md. Anik, cousin of Sathi Begum & Kazi Opi and uncle of Shekh Md. Rubel Hossain.
3	Shekh Md. Rubel Hossain	Director	Son of Md. Mozaffar Hossain and nephew of S. M Malek.
4	Md. Anik	Director	Son of S. M Malek and Rubina.
5	Sathi Begum	Director	Cousin of S. M Malek and Kazi Opi.
6	Md. Mozaffar Hossain	Director	Brother of Md. Kamal Hossain and father of Shekh Md. Rubel Hossain.
7	Md. Kamal Hossain	Director	Brother of Md. Mozaffar Hossain and husband of Fahima Begum.
8	Kazi Opi	Director	Cousin of S. M Malek and Sathi Begum.
9	Fahima Begum	Director	Sister of S. M Malek and wife of Md. Kamal Hossain.
10	Gopal Saha	Independent Director	No family relation
11	Md. Shofikul Islam Khan	Independent Director	No family relation
12	Md. Azharul Islam Sohel	Independent Director	No family relation

**ii. Family relationship among directors and top five officers of the company:**

There is no family relationship exist between directors and top five management officers except mentioned above.

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

None of the directors are engaged in other organization.

**(g) Short bio-data of each director:**

**Rubina, Chairman**

Rubina was born in 01 February, 1982 in an illustrious family of Magura. Her father is Golam Mostafa, mother is Sufia Begum and spouse is S. M Malek. Her residence address: House: 28/B, Road: 18, Sector: 08, Uttara, Dhaka.

Rubina completed her H.S.C from Magura Degree College, Magura. She has vast experience of garments accessories business.

Rubina is the Chairman of Anik Trims Ltd.

**S. M Malek, Managing Director**

S. M Malek was born in 15 February, 1975 in an illustrious family of Manikganj. His father is Shekh Mottaleb, mother is Lata Begum and spouse is Rubina. His residence address: House: 28/B, Road: 18, Sector: 08, Uttara, Dhaka.

S. M Malek obtained his B.A. from Kouri Degree College, Manikganj. He has vast experience of garments accessories business.

S. M Malek is the Managing Director of Anik Trims Ltd., 100% deemed export oriented ready-made garments back-ward linkage industry of RMG sector.

**Shekh Md. Rubel Hossain, Director**

Shekh Md. Rubel Hossain was born in 01 January, 1993 in an illustrious family of Manikganj. His father is Md. Mozaffar Hossain, mother is Alaya Begum and spouse is Shamima Ara Nupur. His residence address: House: 46, Road: Zindabahr 1<sup>st</sup> Lane, Zindabahr, P.O: Babubazar, - 1100, Kotwali, Dhaka.

Shekh Md. Rubel Hossain obtained his BBA from Jagannath University, Dhaka. He has vast experience of garments accessories business and has been working in this field for about 10 years.

Shekh Md. Rubel Hossain is the Director of Anik Trims Ltd.

**Md. Anik, Director**

Md. Anik was born in 05 May, 2000 in an illustrious family of Manikganj. His father is S.M Malek, mother is Rubina. His residence address: House: 28/B, Road: 18, Sector: 08, Uttara, Dhaka.

Md. Anik passed his S.S.C from Uttara High School.

Md. Anik is the Director of Anik Trims Ltd.

**Sathi Begum, Director**

Sathi Begum was born in 25 March, 1990 in an illustrious family of Dhaka. His father is Jahangir Alam, mother is Runa Begum and cousin is S.M Malek. His residence address: House: 5, Road: Purana Moghaltuly, P.O: Dhaka Sadar Prodhana – 1100, P.S: Kotwali, Dhaka.

Sathi Begum completed her H.S.C from Fazlul Haque Mohila College, Dhaka.

Sathi Begum is the Director of Anik Trims Ltd.

**Md. Mozaffar Hossain, Director**

Md. Mozaffar Hossain was born in 15 February, 1958 in an illustrious family of Manikganj. His father is Sheikh Aslam Hossain, mother is Lal Bibi and spouse is Alaya Begum. His residence address: House: 46, Road: Zindabahr 1<sup>st</sup> Lane, Zindabahr, P.O: Babubazar, - 1100, Kotwali, Dhaka.

Md. Mozaffar Hossain obtained his H.S.C from Kouri Degree College, Manikganj. He has vast experience of garments accessories business and has been working in this field for about 20 years.

Md. Mozaffar Hossain is the Director of Anik Trims Ltd.



**Md. Kamal Hossain, Director**

Md. Kamal Hossain was born in 15 October, 1977 in an illustrious family of Manikganj. His father is Sheikh Aslam Hossain, mother is Lal Bibi and spouse is Fahima Begum. His residence address: 7/1, K P Ghose Street, Nayabazar, Dhaka.

Md. Kamal Hossain obtained his S.S.C from Manikganj Govt. High School, Manikganj. He has vast experience of garments accessories business and has been working in this field for about 10 years.

Md. Kamal Hossain is the Director of Anik Trims Ltd.

**Kazi Opi, Director**

Kazi Opi was born in 01 January, 1988 in an illustrious family of Dhaka. His father is Kazi Abdul Khalek, mother is Moriom Begum and cousin is S.M Malek. His residence address: House: 35, Road: 10, Sector: 10, Uttara, Dhaka.

Kazi Opi completed her S.S.C from Uttara High School.

Kazi Opi is the Director of Anik Trims Ltd.

**Fahima Begum, Director**

Fahima Begum was born in 10 June, 1981 in an illustrious family of Manikganj. His father is Shekh Mottaleb, mother is Lata Begum and spouse is Md. Kamal Hossain. His residence address: 7/1, K P Ghose Street, Nayabazar, Dhaka.

Fahima Begum completed her S.S.C from Manikganj Govt. High School, Manikganj.

Fahima Begum is the Director of Anik Trims Ltd.

**Gopal Saha, Independent Director**

Gopal Saha was born in 20 June, 1984 in an illustrious family of Kishoregonj. His father Sushil Saha, mother is Kanan Bala Saha. His residence address: House: 12, Road: K M Das Lane, P.O: Wari, Sutrapur, Dhaka – 1203. Gopal Saha obtained his B.Com from Kobi Nazrul Govt. College. Now Gopal Saha has been appointed as the Independent Director of Anik Trims Ltd.

**Md. Shofikul Islam Khan, Independent Director**

Md. Shofikul Islam Khan was born in 02 October, 1966 in an illustrious family of Rajshahi. His father Late. Mahtab Uddin Khan, mother is Amena Begum. His residence address: House: 26, Road: 13, Sector: 12, Uttara, Dhaka. Md. Shofikul Islam Khan obtained his B.Com from Shah Doula Degree College, Rajshahi. Now Md. Shofikul Islam Khan has been appointed as the Independent Director of Anik Trims Ltd.

**Md. Azharul Islam Sohel, Independent Director**

Md. Azharul Islam Sohel was born in 13 December, 1984 in an illustrious family of Tangail. His father Md. Intaz Ali, mother is Monoara Begum. His residence address: House: 15, Road: 11, Sector: 03, Uttara, Uttara West, Dhaka - 1230. Md. Azharul Islam Sohel obtained his LLB (Hon's), LLM from Chittagong University and lawyer in Supreme Court of Bangladesh. Now Md. Azharul Islam Sohel has been appointed as the Independent Director of Anik Trims Ltd.

**(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 or shareholders who hold 10% or more shares in the paid-up capital of the issuer is loan defaulter in terms of the CIB report of 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:

Name & Designation	Educational Qualification	Age (Years)	Date of Joining	Overall experience (Years)	Previous Employment	Salary/remuneration paid for the financial year
S. M Malek <i>Managing Director</i>	B.A.	44	10-Oct-17	20	Sole Proprietorship Business	600,000
Foyzal Ahmad <i>Chief Financial Officer</i>	B.B.S (Hon's), M.B.S, CA (CC)	30	01-Apr-18	4	Shafiq Basak & Co.	360,000
Md. Saiful Islam <i>Company Secretary</i>	LLB	33	15-Mar-18	3	Rupayan Housing State Ltd.	240,000
Shekh Md. Rubel Hossain <i>Operation Manager</i>	BBA	28	15-Oct-17	10	Sole Proprietorship Business	480,000
Md. Kaioum <i>Head of Marketing &amp; Sales.</i>	B.A.	40	15-Oct-17	15	Sole Proprietorship Business	360,000
Md. Rabbi Alam <i>AGM Marketing</i>	BBA	33	01-Dec-17	2	-	300,000
Ashok Shikder <i>Head of Internal Audit and Compliance Officer</i>	M.Com	42	15-Oct-17	18	Hafiz Group	420,000
Md. Zahirul Islam <i>Admin</i>	BBA	25	01-Jan-19	3	Delta Brac Housing Finance Corporation Ltd.	300,000
Md. Shamsul Alam Bhuiyan <i>Factory Manager (Production)</i>	S.S.C	46	15-Oct-17	15	Square pharmaceuticals packaging Ltd.	420,000

The Company has no permanent advisor and consultant.

- (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:**

The following changes have been made in the senior key management personnel during the last three years:

<b>Name of the employee</b>	<b>Position/Designation</b>	<b>Date of Joining/Resigned</b>	<b>Remarks</b>
S. M Malek	Managing Director	10-Oct-17	Newly appointed
Rubina	Chairman	10-Oct-17	Newly appointed
Shekh Md. Rubel Hossain	Director & Operation Manager	10-Oct-17	Newly appointed
Md. Kaioum	Head of Marketing & Sales.	15-Oct-17	Newly appointed
Ashok Shikder	<i>Head of Internal Audit and Compliance Officer</i>	15-Oct-17	Newly appointed
Md. Shamsul Alam Bhuiyan	Factory Manager (Production)	15-Oct-17	Newly appointed
Md. Rabbi Alam	AGM Marketing	01-Dec-17	Newly appointed
Md. Saiful Islam	Company Secretary	15-Mar-18	Newly appointed
Foyzal Ahmad	Chief Financial Officer	01-Apr-18	Newly appointed
Md. Anik	Director	13-Aug-18	Newly appointed
Md. Zahirul Islam	Admin	01-Jan-19	Newly appointed
Sathi Begum	Director	12-Jun-19	Newly appointed
Md. Mozaffar Hossain	Director	12-Jun-19	Newly appointed
Md. Kamal Hossain	Director	12-Jun-19	Newly appointed
Kazi Opi	Director	12-Jun-19	Newly appointed
Fahima Begum	Director	12-Jun-19	Newly appointed
Md. Shofikul Islam Khan	Independent Director	12-Jun-19	Newly appointed
Md. Azharul Islam Sohel	Independent Director	12-Jun-19	Newly appointed
Gopal Saha	Independent Director	26-Jun-19	Newly appointed
Mohammad Ebadat Hossain Bhuiyan	Independent Director	26-Jun-19	Resigned

(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:

Name, Father's Name, Age & Personal Address		Educational Qualification	Experience (Years)	Position/Post		Holding in other Venture
				Past	Present	
<b>Name:</b>	<b>Rubina</b>	H.S.C	3 Years	Sponsor & Chairman	Sponsor & Chairman	Not involved in other organization
<b>Father's Name:</b>	Golam Mostafa					
<b>Age:</b>	37 Years					
<b>Personal Address:</b>	House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.					
<b>Name:</b>	<b>S. M Malek</b>	B.A.	20 Years	Sponsor & Managing Director	Sponsor & Managing Director	Not involved in other organization
<b>Father's Name:</b>	Shekh Mottaleb					
<b>Age:</b>	44 Years					
<b>Personal Address:</b>	House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.					
<b>Name:</b>	<b>Shekh Md. Rubel Hossain</b>	BBA	10 Years	Sponsor & Director	Sponsor & Director	Not involved in other organization
<b>Father's Name:</b>	Md. Mozaffar Hossain					
<b>Age:</b>	26 Years					
<b>Personal Address:</b>	House: 46, Road: Zindabahr 1st Lane, Zindabahr, P.O: Babubazar - 1100, Kotwali, Dhaka South City Corporation, Dhaka.					

- (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.**

The following directors are not the sponsors of the Company and control of the issuer was acquired in following manner:

Name	Acquisition of Control	Date of Acquisition	Terms of Acquisition	Consideration paid for such Acquisition
Md. Anik	13-Aug-18	13-Aug-18	N/A	Cash
Sathi Begum	12-Jun-19	13-Aug-18	N/A	Cash
Md. Mozaffar Hossain	12-Jun-19	13-Aug-18	N/A	Cash
Md. Kamal Hossain	12-Jun-19	13-Aug-18	N/A	Cash
Kazi Opi	12-Jun-19	13-Aug-18	N/A	Cash
Fahima Begum	12-Jun-19	13-Aug-18	N/A	Cash
Gopal Saha	26-Jun-19	-	-	Appoint as an Independent Director
Md. Shofikul Islam Khan	12-Jun-19	-	-	
Md. Azharul Islam Sohel	12-Jun-19	-	-	

- (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 Company will use its IPO fund to expand existing line of business. All the directors have adequate knowledge to carry out existing line of business.

- (n) **Interest of the key management persons:**

There is no other interest with the key management persons except remuneration/salary received by them.

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

Facilities whether pecuniary or non-pecuniary enjoyed by the Directors will remain unchanged during the publication period of the Prospectus.

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

Sl.	Name of Director	Position	Number of Shares Held	%
				Pre-IPO
1	Rubina	Chairman	2,220,000	3.64%
2	S. M Malek	Managing Director	16,020,000	26.26%
3	Shekh Md. Rubel Hossain	Director	2,220,000	3.64%
4	Md. Anik	Director	2,220,000	3.64%
5	Sathi Begum	Director	2,400,000	3.93%
6	Md. Mozaffar Hossain	Director	2,220,000	3.64%
7	Md. Kamal Hossain	Director	2,850,000	4.67%
8	Kazi Opi	Director	2,420,000	3.97%
9	Fahima Begum	Director	2,750,000	4.51%
10	Gopal Saha	Independent Director	-	0.00%
11	Md. Shofikul Islam Khan	Independent Director	-	0.00%
12	Md. Azharul Islam Sohel	Independent Director	-	0.00%
<b>Total</b>			<b>35,320,000</b>	<b>57.90%</b>

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

Sl.	Name of Director	Date of Joining	Date of retirement	Present Status as on 30.06.2019
1	Rubina	10-Oct-17	4th AGM in 2021	Chairman
2	S. M Malek	10-Oct-17	4th AGM in 2021	Director & Managing Director
3	Shekh Md. Rubel Hossain	10-Oct-17	4th AGM in 2021	Director
4	Md. Anik	13-Aug-18	5th AGM in 2022	Director
5	Sathi Begum	12-Jun-19	3rd AGM in 2020	Director
6	Md. Mozaffar Hossain	12-Jun-19	3rd AGM in 2020	Director
7	Md. Kamal Hossain	12-Jun-19	3rd AGM in 2020	Director
8	Kazi Opi	12-Jun-19	3rd AGM in 2020	Director
9	Fahima Begum	12-Jun-19	4th AGM in 2021	Director
10	Gopal Saha	26-Jun-19	5th AGM in 2022	Independent Director
11	Md. Shofikul Islam Khan	12-Jun-19	5th AGM in 2022	Independent Director
12	Md. Azharul Islam Sohel	12-Jun-19	5th AGM in 2022	Independent Director
13	Mohammad Ebadat Hossain Bhuiyan	15-Jan-19	26-Jun-19	-

(r) **Director's engagement with similar business:**

None of the Directors are involve with similar business.

## CHAPTER (IX)

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# **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

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(a) **TO WHOM IT MAY CONCERN**

This is to certify that the Financial Statements of Anik Trims Ltd. furnished for our audit does not have any transaction during the last three 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:

Name and Position	Nature of Transaction	Amount in (BDT)					
		30 June, 2019			30 June, 2018		
		Total Amount	Accrued	Payment	Total Amount	Accrued	Payment
Rubina (Chairman)	Remuneration	-	-	-	-	-	-
	Board Meeting Fee	6,000	-	6,000	1,000	-	1,000
S.M Malek (Managing Director)	Remuneration	600,000	50,000	550,000	450,000	50,000	400,000
	Board Meeting Fee	6,000	-	6,000	2,000	-	2,000
	Vendor's Agreement	164,000,000	-	164,000,000	164,000,000	164,000,000	-
	Land Purchase	95,250,000	-	95,250,000	21,500,000	-	21,500,000
Shekh Md. Rubel Hossain (Director)	Remuneration	480,000	40,000	440,000	360,000	40,000	320,000
	Board Meeting Fee	6,000	-	6,000	1,000	-	1,000
Md. Anik (Director)	Remuneration	-	-	-	-	-	-
	Board Meeting Fee	3,500	-	3,500	-	-	-
<b>Total</b>		<b>260,351,500</b>	<b>90,000</b>	<b>260,261,500</b>	<b>186,314,000</b>	<b>164,090,000</b>	<b>22,224,000</b>

Vendor's Agreement amounting Tk. 164,000,000 was paid by issuance of shares amounting Tk. 134,260,000 and cash paid through bank amounting Tk. 29,740,000.

Place: Dhaka;  
Date: September 05, 2019

Sd/-  
**ARTISAN**  
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.**

No such loan was taken or given from or to Directors or any person connected with the Directors of Anik Trims Ltd.

## CHAPTER (X)

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# **EXECUTIVE COMPENSATION**

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- (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	Name	Designation	Remuneration/salaries (Tk.)
			For the year ended 30.06.2019
1	S. M Malek	Managing Director	600,000
2	Shekh Md. Rubel Hossain	Operation Manager	480,000
3	Ashok Shikder	Head of Internal Audit and Compliance Officer	420,000
4	Md. Shamsul Alam Bhuiyan	Factory Manager (Production)	420,000
5	Foysal Ahmad	Chief Financial Officer	360,000

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

SL.	Name	Amount (in Taka)
		For the year ended 30.06.2019
1	Director's Remuneration	1,080,000
2	Board Meeting Fee	21,500
3	Salary and Allowances	17,233,373

- (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:**

S. M Malek, Managing Director is receiving Tk. 600,000.00 per year and Shekh Md. Rubel Hossain, Director (Operation Manager) is receiving Tk. 480,000 for the last financial year for his services rendered to the Company. The above said remuneration was approved in the Annual General Meeting (AGM) dated December 31, 2018.

- (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 meeting attendance fees received by all the directors including the managing director. The above said board meeting fees was approved in the Annual General Meeting (AGM) dated December 31, 2018.

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

There is no such contract between the Company and any of directors or officers regarding any future compensation to be made to them.

- (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 and/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 or facility provided to the above persons during the last accounting year.

## CHAPTER (XI)

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# **OPTIONS GRANTED TO DIRECTORS, OFFICERS AND EMPLOYEES**

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Anik Trims Ltd. did not grant any options to its directors, officers and/or any other employees for the purpose of issuing shares.

## CHAPTER (XII)

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# **TRANSACTION WITH THE DIRECTORS AND SUBSCRIBERS TO THE MEMORANDUM**

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(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 of association have received the following benefits directly or indirectly from the issuer during the last 2 (Two) years:

**i. Remuneration:**

Sl.	Name	Nature of relationship	30-Jun-19	30-Jun-18
			Amount in Taka	
1	S.M Malek	Managing Director	600,000	450,000
2	Shekh Md. Rubel Hossain	Director	480,000	360,000

**ii. Board meeting fees:**

Sl.	Name	Nature of relationship	30-Jun-19	30-Jun-18
			Amount in Taka	
1	Rubina	Chairman	6,000	1,000
2	S. M Malek	Managing Director	6,000	2,000
3	Shekh Md. Rubel Hossain	Director	6,000	1,000
4	Md. Anik	Director	3,500	-

**iii. Assets (Land):**

Transferor	Transferee	Relations	Deed No.	Date of acquisition	Cost of acquisition of S.M Malek	Area of land (decimal)	Deed Value (Tk.)	Selling Price (Tk.)	Method used to determine the price
S.M Malek	Anik Trims Ltd.	Managing Director	26	Jan 02, 2019	1,500,000	15.00	7,500,000	7,500,000	At competitive market price
			27		4,100,000	41.00	20,500,000	20,500,000	
			28		8,100,000	81.00	40,500,000	40,500,000	
			29		250,000	2.50	1,250,000	1,250,000	
			30		8,400,000	84.00	42,000,000	42,000,000	
			31		1,000,000	10.00	5,000,000	5,000,000	
<b>Total</b>					<b>23,350,000</b>	<b>233.50</b>	<b>116,750,000</b>	<b>116,750,000</b>	

**iv. Allotment of shares against fund and other consideration:**

**Fund:** The Directors and subscribers to the memorandum of association have received allotment of shares against share money deposit during the last two years.

**Other consideration:** S. M Malek has received allotment of shares against all assets and liabilities of Anik Enterprise excluding land.

Name	Relationship with the issuer	Allotment		Issue Price (Tk.)	Form of Consideration
		Date	Amount		
S. M Malek	Managing Director	12-Aug-18	64,260,000	10.00	All assets and liabilities of Anik Enterprise excluding land
		10-Mar-19	70,000,000		

(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.

Anik Trims Ltd. has received the following fund or assets from its Directors and subscribers to the memorandum during the last 2 (two) years:

**i. Fund and other consideration against allotment of shares:**

**Fund:** Anik Trims Ltd. has received share money deposit against allotment of shares from the Directors and subscribers to the memorandum of association during the last two years.

**Other consideration:** Anik Trims Ltd. has acquired all assets and liabilities of Anik Enterprise excluding land from S. M Malek against allotment of shares.

Name	Relationship with the issuer	Allotment		Issue Price (Tk.)	Form of Consideration
		Date	Amount		
S. M Malek	Managing Director	12-Aug-16	64,260,000	10.00	All assets and liabilities of Anik Enterprise excluding land
		10-Mar-19	70,000,000		

**ii. Assets (Land):** Anik Trims Ltd. has acquired land from S. M Malek against cash payment.

Transferor	Transferee	Relations	Deed No.	Date of acquisition	Area of land (decimal)	Deed Value (Tk.)	Selling Price (Tk.)	Method used to determine the price
S.M Malek	Anik Trims Ltd.	Managing Director	26	Jan 02, 2019	15.00	7,500,000	7,500,000	At competitive market price
			27		41.00	20,500,000	20,500,000	
			28		81.00	40,500,000	40,500,000	
			29		2.50	1,250,000	1,250,000	
			30		84.00	42,000,000	42,000,000	
			31		10.00	5,000,000	5,000,000	
<b>Total</b>					<b>233.50</b>	<b>116,750,000</b>	<b>116,750,000</b>	

## CHAPTER (XIII)

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# **OWNERSHIP OF THE COMPANY'S SECURITIES**

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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.	Name of the Shareholders	Position	Address	BO IDs	Number of Shares Held	Pre IPO %
1	Rubina	Chairman	House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.	1201480068129473	2,220,000	3.64%
2	S. M Malek	Managing Director	House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.	1201480067353374	16,020,000	26.26%
3	Shekh Md. Rubel Hossain	Director	House: 46, Road: Zindabahar 1st Lane, Zindabahar, P.O: Babubazar - 1100, Kotwali, Dhaka South City Corporation, Dhaka.	1201480068129505	2,220,000	3.64%
4	Md. Anik	Director	House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.	1201480068129390	2,220,000	3.64%
5	Sathi Begum	Director	House: 5, Road: Purana Moghaltuly, P.O: Dhaka Sadar Prophan - 1100, P.S: Kotwali, Dhaka South City Corporation, Dhaka.	1201480068129564	2,400,000	3.93%
6	Md. Mozaffar Hossain	Director	House: 46, Road: Zindabahar, P.O: Babubazar - 1100, P.S: Kotwali, Dhaka South City Corporation, Dhaka.	1201480068129430	2,220,000	3.64%
7	Md. Kamal Hossain	Director	7/1, K P Ghose Street Nayabazar Dhaka.	1201480068129599	2,850,000	4.67%
8	Kazi Opi	Director	House 35, Road: 10, Sector: 10, Uttara.	1201480068129457	2,420,000	3.97%
9	Fahima Begum	Director	7/1, K P Ghose Street Nayabazar Dhaka.	1201480068129406	2,750,000	4.51%
10	Bikrampur Potato Flakes Industries Ltd.	Shareholder	51, Central Road, Dhanmondi	1606060066336438	1,000,000	1.64%
11	Bengal Assets Holdings Limited	Shareholder	Al-Razi Complex (Suit-G-803) 166-167, Shaheed Syed Nuzrul Islam Sarani, Purana Poltan	1606060067272049	500,000	0.82%
12	Md. Moshir Rahman	Shareholder	House: 208 A/3, Road: Box Kalkart Road, Fakirapool, P.O: G.P.O - 1000, P.S: Motijheel, Dhaka South City Corporation, Dhaka.	1204100065032983	150,000	0.25%
13	M. A. Kayum Howlader	Shareholder	House: 20, Road: 23, Sector: 07, Uttara, Dhaka.	1201480064794377	1,200,000	1.97%
14	Sujit Saha	Shareholder	House: 162, Shantinagor, Post: Shantinagor - 1217, Paltan, Dhaka.	1204240062975321	1,000,100	1.64%
15	Md. Asraf Ullah	Shareholder	House: 402/D, Road: Ashkona City Complex, P.O: Hajj Camp - 1230, P.S: Dokkhinkhan, Dhaka.	1202370007024924	400,000	0.66%

16	Ashok Sikder	Shareholder	Vill: Gandiashur, P.O: Boultole - 8101, Gopalgonj Sadar, Gopalgonj.	1204220068359306	200,000	0.33%
17	Sazzadur Rahman	Shareholder	Shatabdi Centre, 6th Floor, 292 Inner Circular Road.	1201480066435595	200,000	0.33%
18	S.M. Zahid Bin Faruque	Shareholder	House: 08, Road: Rajar Hat Nadirpar, P.O: Pirojpur - 8500, Pirojpur Pouroshava, Pirojpur Sadar, Pirojpur.	1201480064561018	400,000	0.66%
19	Md. Shahajul Islam Ansari	Shareholder	House: 72/7/1, South Maniknagar, P.O: Wari - 1203, P.S: Jatrabari, Dhaka South City Corporation, Dhaka.	1201480068129901	60,000	0.10%
20	Md. Younus Rajib	Shareholder	House: 1391, Road: Juboshokti Club Road, Dania, P.O: Dania - 1236, Kadamtoli, Dhaka.	1204130024406440	30,000	0.05%
21	Md. Samsul Alam Vuiya	Shareholder	House: 326, Road: Krishnapur, Krishnapur, P.O: Pabna - 6600, Pabna Pouroshova, Pabna Sadar, Pabna.	1201480068129928	40,000	0.07%
22	Md. Abul Kashem	Shareholder	House: 70, Flat: 5C/2, Talukdar Estate, Road: Siddheshshori Circular Road, P.O: Shantinagar - 1217, Ramna, Dhaka South City Corporation, Dhaka.	1201470043288178	500,000	0.82%
23	Ahmed Tawfiqur Rahman Arnab	Shareholder	House: 384, Block: D, Flat: 501, Road: 10, Akbor Road, Bashundhara R/A, P.O: Gulshan, Badda, Dhaka.	1201480064786039	1,000,000	1.64%
24	Farjana Rahman	Shareholder	House: 384, Block: D, Flat: 501, Road: 10, Akbor Road, Bashundhara R/A, P.O: Gulshan, Badda, Dhaka.	1201480064718872	1,000,000	1.64%
25	Global Shoes & Textiles Limited	Shareholder	House: 127, Road: 10, Block: C, Niketon, Gulshan, Dhaka.	1606060066398721	1,900,000	3.11%
26	Md. Matiur Rahman	Shareholder	Vill: Char Bahadurpur, P.O: Sujabad - 8250, Muladi, Barisal.	1201480064718981	1,000,000	1.64%
27	SK Trims & Industries Ltd.	Shareholder	45, Madrasha Road, 111/33, Tilargati, Sataish, Tongi, Gazipur, 1712	1606060066341748	4,100,000	6.72%
28	Monsur Hasan	Shareholder	House: 38/5/2, 3rd Floor Left Side, Road: Azimpur Road, P.S: New Market - 1205, Lalbag, Dhaka South City Corporation, Dhaka.	1602170063642087	500,000	0.82%
29	S.M. Delwar Hossain	Shareholder	Lecturer in Philosophy, , Govt. Titumir College, PO:1212, Gulshan, Dhaka	1203970016753787	150,000	0.25%
30	Md. Mosharrif Hossain Bhuiyan	Shareholder	House: 09, Flat: 4/6, Road: 03, Dhanmondi R/A, P.S: New Market - 1205, Dhanmondi, Dhaka.	1201830000858623	100,000	0.16%

31	Sathi Khanam	Shareholder	House: 14/6, Road: Babar Road, Block-B, P.O: Mohammadpur - 1207, Dhaka.	1201530043918769	1,000	0.00%
32	Md. Rashiduzzaman	Shareholder	Vill: Chor Bahadurpur, Muladi, P.O: 8250, Dist.: Barisal.	1201480064718813	100,000	0.16%
33	Abu Syed Md Noman	Shareholder	Vill: Kemtali, P.O: Kemtali, P.S: Barura, Dist: Comilla.	1201480066436027	160,000	0.26%
34	Howa Nur Begum	Shareholder	House: 293, Senpara Parbota, P.O: Mirpur - 1216, Kafrul, Dhaka.	1606060054792971	1,000,000	1.64%
35	Nurjahan	Shareholder	G-25, Eastern Housing, South Banassre, Rampura, Dhaka.	1606060048408481	1,000,000	1.64%
36	Shammi Akther Shibly	Shareholder	74/4, South Bashabo, Sabujbag, P.O: 1214, Dhaka.	1201480064828097	2,319,000	3.80%
37	Md. Shafiqur Rahman	Shareholder	DSCSC, Mirpur Cantonment, P.O: Mirpur - 1216, Pallabi, Dhaka.	1202140062153110	100,000	0.16%
38	H.M. Shifullah	Shareholder	Social Islami Bank Limited, H/O: City Center (19-22 Floor), 103, Motijheel C/A, Dhaka, P.O: 1000, Motijheel, Dhaka	1203680062135843	100,000	0.16%
39	Tasrin Mujib	Shareholder	House: 381/1/A, Road: North Goran, P.O: Khilgaon - 1219, Khilgaon, Dhaka.	1205150055073033	200,000	0.33%
40	Mamun Hossain	Shareholder	Vill: Sreepur, Afaz Uddin Dorctor Bari, P.O: Ramgonj, Ramgonj, Lakshmipur, P.O: 3720	1204120026870188	100,000	0.16%
41	Aswat Aksir Mujib Wasi	Shareholder	House: 172, Road: 172, Shaheed Belayet Road, P.O: Dhaka Cantonment - 1206, Cantonment, Dhaka.	1205150055073801	100,000	0.16%
42	Md. Shahriar Hasan	Shareholder	House: Moulana Shamsuddiner Bari, Road: West Kathghor Hindupara, P.O: Patenga - 4204, Patenga, Chattagram.	1201950062692511	100,000	0.16%
43	Mamnoon Rahman	Shareholder	House: 08, Flat: E1, Road: 9, Dhanmondi R/A, P.O: New Market - 1205, Dhanmondi, Dhaka South City Corporation, Dhaka.	1204500046538424	150,000	0.25%
44	Dr. K.M. Ziaur Rahman	Shareholder	Holy Family Red Crecent Medical Hospital, 1 No. Scarcot Garden Road, Ramna, Dhaka	1201560025598871	50,000	0.08%
45	Md. Nurul Haque Talukder	Shareholder	House: 382/2, Road: Khandaker Road, West Jurain, P.O: Faridabad - 1204, P.S: Shampur, Dhaka.	1201930055115265	100,000	0.16%
46	Md. Tazul Islam	Shareholder	House: Tazul Islamer Bari, Road: Hazinagor, P.O: Sarulia - 1361, P.S: Demra, Dhaka.	1201830048267036	670,000	1.10%
47	Shakil Mahmud	Shareholder	25/1, Kabi Jasimuddin Road, North Kamalapur, Dhaka-1217.	1605550062101886	1,000,000	1.64%

48	Mohammad Towhidul Islam	Shareholder	112/Ka, Central Road, Dhanmondi, Dhaka-1205	1202830055707558	500,000	0.82%
49	Shanzida Akhter Khanam	Shareholder	25/1, Kabi Jasimuddin Road, North Kamalapur, Dhaka-1217.	1605550061965189	200,000	0.33%
50	Md. Saroar Hossain	Shareholder	105/A, Kakrail (3rd Floor), Dhaka-1000	1605550061674266	250,000	0.41%
51	Md. Kabir Uddin Ahmed	Shareholder	Vill: Horipur, P.O: Mazigacha, P.S: Kachua, Dist: Chandpur	1204730058970110	500,000	0.82%
52	Md. Abu Bakar Siddik	Shareholder	Shatabdi Centre, 6th Floor, 292 Inner Circular Road	1201480066435661	50,000	0.08%
53	Bishwajit Das	Shareholder	F-3E, H-28, R-9/A, Dhanmondi, R/A	1204220026120606	714,900	1.17%
54	Sumaia Sultana	Shareholder	107/1, Siddesharwary, (1st Floor), Malibagh, Dhaka	1203390062155920	40,000	0.07%
55	Sajal Kumar Bose	Shareholder	218/3/A West Kafrul (4th Floor), Begum Rokeya Sharani, Taltola, Sher-E-Bangla Nagar, Dhaka	1203490062875690	95,000	0.16%
56	Mohammad Jahurul Islam Sheikh	Shareholder	Shefali Complex (4th Floor), 218/3/A West Kafrul, Begum Rokeya Sharani, Taltola, Dhaka	1203490062574545	100,000	0.16%
57	Md. Mamun Howlader	Shareholder	218/3/A West Kafrul (4th Floor), Begum Rokeya Sharani, Taltola, Sher-E-Bangla Nagar, Dhaka	1204500062875219	50,000	0.08%
58	Abdullah Al Mamun	Shareholder	Mabud Shwagorer Bari, Mabud Shwagorer, North Patenga, East Katgor, Chittagong	1201950067401645	100,000	0.16%
59	Anjoman Ara Begum	Shareholder	House-6/Kha, Road-05, Section-2, Block-E, Post-Mirpur, Dhaka-1216	1205590068164991	200,000	0.32%
60	Md. Arman	Shareholder	Chairman Bari, Mizan Market Road, Southpara, Bimanbandar	1201960064462656	100,000	0.16%
61	Md. Abul Kasem	Shareholder	158-159, Motijheel, Room-10, 9 <sup>th</sup> Floor	1202550068807871	100,000	0.16%
<b>Total</b>					<b>61,000,000</b>	<b>100.00%</b>

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.	Name of Director, Address, Age & Experience	No. of Share	Position held in Other Organization		
			% Pre-IPO	Other Organization	Position
1	<p><b>Name:</b> <b>Rubina</b> <i>Chairman</i></p> <p><b>Address:</b> House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.</p> <p><b>Age:</b> 37 Years</p> <p><b>Experience:</b> 3 Years</p> <p><b>BO ID No.:</b> 1201480068129473</p> <p><b>TIN No.:</b> 411151247747</p>	2,220,000	3.64%	Not involved in other organization	-
2	<p><b>Name:</b> <b>S. M Malek</b> <i>Managing Director</i></p> <p><b>Address:</b> House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka.</p> <p><b>Age:</b> 44 Years</p> <p><b>Experience:</b> 20 Years</p> <p><b>BO ID No.:</b> 1201480067353374</p> <p><b>TIN No.:</b> 174539625995</p>	16,020,000	26.26%	Not involved in other organization	-

3	<b>Name:</b> <b>Shekh Md. Rubel Hossain</b> <i>Director</i> <b>Address:</b> House: 46, Road: Zindabahar 1st Lane, Zindabahar, P.O: Babubazar - 1100, Kotwali, Dhaka South City Corporation, Dhaka. <b>Age:</b> 26 Years <b>Experience:</b> 10 Years <b>BO ID No.:</b> 1201480068129505 <b>TIN No.:</b> 448295457798	2,220,000	3.64%	Not involved in other organization	-
4	<b>Name:</b> <b>Md. Anik</b> <i>Director</i> <b>Address:</b> House: 28/B, Road: 18, Sector- 08, P.O: Uttara - 1230, Uttara, Dhaka North City Corporation, Dhaka. <b>Age:</b> 19 Years <b>Experience:</b> 1 Year <b>BO ID No.:</b> 1201480068129390 <b>TIN No.:</b> 177901142210	2,220,000	3.64%	Not involved in other organization	-
5	<b>Name:</b> <b>Sathi Begum</b> <i>Director</i> <b>Address:</b> House: 5, Road: Purana Moghaltuly, P.O: Dhaka Sadar Prodhan - 1100, P.S: Kotwali, Dhaka South City Corporation, Dhaka. <b>Age:</b> 29 Years <b>Experience:</b> 1 Year <b>BO ID No.:</b> 1201480068129564 <b>TIN No.:</b> 550489583682	2,400,000	3.93%	Not involved in other organization	-

6	<b>Name:</b> <b>Md. Mozaffar Hossain</b> <i>Director</i> <b>Address:</b> House: 46, Road: Zindabazar, P.O: Babubazar - 1100, P.S: Kotwali, Dhaka South City Corporation, Dhaka. <b>Age:</b> 61 Years <b>Experience:</b> 20 Years <b>BO ID No.:</b> 1201480068129430 <b>TIN No.:</b> 220975252290	2,220,000	3.64%	Not involved in other organization	-
7	<b>Name:</b> <b>Md. Kamal Hossain</b> <i>Director</i> <b>Address:</b> 7/1, K P Ghose Street Nayabazar Dhaka. <b>Age:</b> 42 Years <b>Experience:</b> 10 Years <b>BO ID No.:</b> 1201480068129599 <b>TIN No.:</b> 237710301448	2,850,000	4.67%	Not involved in other organization	-
8	<b>Name:</b> <b>Kazi Opi</b> <i>Director</i> <b>Address:</b> House 35, Road: 10, Sector: 10, Uttara. <b>Age:</b> 31 Years <b>Experience:</b> 1 Year <b>BO ID No.:</b> 1201480068129457 <b>TIN No.:</b> 585215990140	2,420,000	3.97%	Not involved in other organization	-

9	<b>Name:</b> <b>Fahima Begum</b> <i>Director</i> <b>Address:</b> 7/1, K P Ghose Street Nayabazar Dhaka. <b>Age:</b> 38 Years <b>Experience:</b> 1 Year <b>BO ID No.:</b> 1201480068129406 <b>TIN No.:</b> 134373134272	2,750,000	4.51%	Not involved in other organization	-
10	<b>Name:</b> <b>Gopal Saha</b> <i>Independent Director</i> <b>Address:</b> Rabeya Neer, North Masdair, Fatullah, Narayanganj <b>Age:</b> 35 Years <b>Experience:</b> 12 Years <b>BO ID No.:</b> - <b>TIN No.:</b> 773350784447	-	0.00%	Not involved in other organization	-
11	<b>Name:</b> <b>Md. Shofikul Islam Khan</b> <i>Independent Director</i> <b>Address:</b> House 26, Road: 13, Sector: 12, Uttara. <b>Age:</b> 53 Years <b>Experience:</b> 15 Years <b>BO ID No.:</b> - <b>TIN No.:</b> 767612499219	-	0.00%	Not involved in other organization	-



12	<b>Name:</b>	<b>Md. Azharul Islam Sohel</b> <i>Independent Director</i>				-	0.00%	Not involved in other organization	-
	<b>Address:</b>	House-15, Road-11, Sector-03, Uttara, Uttara West, Dhaka-1230							
	<b>Age:</b>	35 Years							
	<b>Experience:</b>	13 Years							
	<b>BO ID No.:</b>	-							
	<b>TIN No.:</b>	389207148647							

**c) The average cost of acquisition of equity shares by the directors certified by the auditors:**

**Anik Trims Ltd.** has been allotted in face value & in cash and the average cost of acquisition of equity by the directors is Tk. 10.00 each. Necessary particulars of shareholdings, allotment date and consideration are given below:

Date	Allotment / Transfer	Rubina	S. M Malek	Shekh Md. Rubel Hossain	Md. Anik	Sathi Begum	Md. Mozaffar Hossain	Md. Kamal Hossain	Kazi Opi	Fahima Begum	Gopal Saha	Md. Shofikul Islam Khan	Md. Azharul Islam Sohel	Consideration	Face value of Share (Tk.)
		Chairman	Managing Director	Director	Director	Director	Director	Director	Director	Director	Independent Director	Independent Director	Independent Director		
10-Oct-17	Allotment	10,000	80,000	10,000	-	-	-	-	-	-	-	-	-	Cash	10.00
12-Aug-18	Allotment	-	6,426,000	-	-	-	-	-	-	-	-	-	-	Other than in cash	10.00
13-Aug-18	Allotment	-	-	-	40,000	1,000	1,000	1,000	1,000	1,000	-	-	-	Cash	10.00
15-Aug-18	Allotment	-	-	-	-	-	-	-	-	-	-	-	-	Cash	10.00
10-Feb-19	Transfer	-	(1,500,000)	-	-	-	-	-	-	-	-	-	-	Cash	10.00
10-Mar-19	Allotment	-	7,000,000	-	-	-	-	-	-	-	-	-	-	Other than in cash	10.00
11-Mar-19	Allotment	1,510,000	6,334,000	1,510,000	1,480,000	2,399,000	1,999,000	2,849,000	2,419,000	2,749,000	-	-	-	Cash	10.00
12-Jun-19	Transfer	700,000	(2,320,000)	700,000	700,000	-	220,000	-	-	-	-	-	-	Cash	10.00
<b>Total</b>		<b>2,220,000</b>	<b>16,020,000</b>	<b>2,220,000</b>	<b>2,220,000</b>	<b>2,400,000</b>	<b>2,220,000</b>	<b>2,850,000</b>	<b>2,420,000</b>	<b>2,750,000</b>	-	-	-		

The company subdivided the face value of its ordinary share from Tk. 100.00 to Tk. 10.00 on dated September 25, 2018 by special resolutions in the Extra Ordinary General Meeting and necessary amendments in the capital clause of the Memorandum of Association and Articles of Association were made accordingly.

Place: Dhaka;  
Date: September 05, 2019

Sd/-  
**ARTISAN**  
Chartered Accountants

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

**Rubina**

*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
10-Oct-17	Cash	Ordinary Share	10,000	10.00	10.00	10,000	3.64%	2.44%	Own Source
11-Mar-19	Cash		1,510,000	10.00	10.00	1,520,000			
12-Jun-19	Cash		700,000	10.00	10.00	2,220,000			

**S. M Malek**

*Managing 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
10-Oct-17	Cash	Ordinary Share	80,000	10.00	10.00	80,000	26.26%	17.60%	Own Source
12-Aug-18	Other than in cash		6,426,000	10.00	10.00	6,506,000			
10-Feb-19	Other than in cash		(1,500,000)	10.00	10.00	5,006,000			
10-Mar-19	Cash		7,000,000	10.00	10.00	12,006,000			
11-Mar-19	Cash		6,334,000	10.00	10.00	18,340,000			
12-Jun-19	Cash		(2,320,000)	10.00	10.00	16,020,000			

**Shekh Md. Rubel Hossain**

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
10-Oct-17	Cash	Ordinary Share	10,000	10.00	10.00	10,000	3.64%	2.44%	Own Source
11-Mar-19	Cash		1,510,000	10.00	10.00	1,520,000			
12-Jun-19	Cash		700,000	10.00	10.00	2,220,000			

**Md. Anik**

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
13-Aug-18	Cash	Ordinary Share	40,000	10.00	10.00	40,000	3.64%	2.44%	Own Source
11-Mar-19	Cash		1,480,000	10.00	10.00	1,520,000			
12-Jun-19	Cash		700,000	10.00	10.00	2,220,000			

**Sathi Begum**

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
13-Aug-18	Cash	Ordinary Share	1,000	10.00	10.00	1,000	3.93%	2.64%	Own Source
11-Mar-19	Cash		2,399,000	10.00	10.00	2,400,000			

**Md. Mozaffar Hossain**

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
13-Aug-18	Cash	Ordinary Share	1,000	10.00	10.00	1,000	3.64%	2.44%	Sources of fund
11-Mar-19	Cash		1,999,000	10.00	10.00	2,000,000			
12-Jun-19	Cash		220,000	10.00	10.00	2,220,000			

**Md. Kamal Hossain**

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
13-Aug-18	Cash	Ordinary Share	1,000	10.00	10.00	1,000	4.67%	3.13%	Sources of fund
11-Mar-19	Cash		2,849,000	10.00	10.00	2,850,000			

**Kazi Opi**

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
13-Aug-18	Cash	Ordinary Share	1,000	10.00	10.00	1,000	3.97%	2.66%	Sources of fund
11-Mar-19	Cash		2,419,000	10.00	10.00	2,420,000			

**Fahima Begum***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
13-Aug-18	Cash	Ordinary Share	1,000	10.00	10.00	1,000	4.51%	3.02%	Sources of fund
11-Mar-19	Cash		2,749,000	10.00	10.00	2,750,000			

**Gopal Saha***Independent 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
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Md. Shofikul Islam Khan***Independent 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
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Md. Azharul Islam Sohel***Independent 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
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**e) Detail of shares issued by the company at a price lower than the issue price:**

All the shares are issued by the Company at face value of Tk. 10.00 before this issue.

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

Date	Allotment/Transfer	S. M Malek	SK Trims & Industries Ltd.
		No. of Share	
10-Oct-17	Allotment	80,000	-
12-Aug-18	Allotment	6,426,000	-
13-Aug-18	Allotment	-	1,050,000
15-Aug-18	Allotment	-	-
10-Feb-19	Transfer	(1,500,000)	-
10-Mar-19	Allotment	7,000,000	-
11-Mar-19	Allotment	6,334,000	3,550,000
4-Apr-19	Transfer	-	(100,000)
12-Jun-19	Transfer	(2,320,000)	-
20-Nov-19	Transfer	-	(400,000)
<b>Total</b>		<b>16,020,000</b>	<b>4,100,000</b>

## CHAPTER (XIV)

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# **CORPORATE GOVERNANCE**

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**a) A disclosure to the effect that the issuer has complied with the requirements of Corporate Governance Guidelines of the Commission;**

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/-

**S. M Malek**

Managing Director

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

**Report to the Shareholders of ANIK TRIMS LTD. on compliance on the Corporate Governance Code**

We have examined the compliance status to the Corporate Governance Code by **ANIK TRIMS LTD.** for the year ended on June 30, 2019. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission.
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The governance of the company is satisfactory.

Place: Dhaka

Dated: September 05, 2019

Sd/-

**Ashraf Uddin & Co.**

Chartered Accountants



**ANIK TRIMS LTD.**

Status of Compliance with the Corporate Governance Guideline (CGC)

Status of compliance with the conditions imposed by the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

**(Report under Condition No. 9)**

Condition No.	Title	Complied	Not Complied	Remarks (IF ANY)
<b>1</b>	<b>Board of Directors</b>			
<b>1(1)</b>	<b>Size of the Board of Directors</b>			
	The total number of the board members of the company shall not be less than 5 (five) and more than 20 (twenty)	√		
<b>1(2)</b>	<b>Independent Directors</b>			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		The boards of Directors are comprised of 12 (twelve) Directors including 3 (three) Independent Directors.
1(2)(b)	<b>For the purpose of this clause 'independent director' means a director-</b>			
1(2)(b)(i)	Who either 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)(b)(ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid up shares of the company on the basis of family relationship and his or her family members shall not hold above mentioned shares in the company;	√		
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		

1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√		
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√		
1(2)(b)(vii)	who 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 or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1(2)(b)(viii)	who is not independent director in more than 5 (five) listed companies;	√		
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	√		
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	√		
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		Two independent directors has been appointed on 12/06/2019 and one independent director has been appointed on 26/06/2019 by the board of directors and to be placed before the shareholders for approval in the next AGM.

1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only.	√		
<b>1(3)</b>	<b>Qualification of Independent Director</b>			
1(3)(a)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√		
1(3)(b)	<b>Independent Director shall have following qualifications</b>			
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted company having minimum paid up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association;	√	-	-
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company;	-	-	-
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law;	-	-	-

1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law;	-	-	-
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√	-	-
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√	-	-
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission;			No such issue arose
<b>1(4)</b>	<b>Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer</b>			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director and/ or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1(4)(b)	The Managing Director (MD) and/ or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the chairperson and the Managing Director and/ or Chief Executive Officer;	√		

1(4)(e)	In the absence of the chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
<b>1(5)</b>	<b>The Directors' Report to Shareholders:</b>			
	The Board of the company shall include the following additional statements or disclosures in the Directors' Report prepared under section 184 of the companies Act, 1994 (Act No. XVIII of 1994):-			
1(5)(i)	An industry outlook and possible future developments in the industry;	√		
1(5)(ii)	The Segment-wise or product-wise performance;	√		
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5)(v)	A discussion on continuity of any Extra-Ordinary activities and their implications (gain or loss);	√		No such issue arose
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments;	√		No such matter to explain
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;	√		No such issue arose

1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial statements;	√		No such matter to explain
1(5)(x)	A statement of remuneration paid to the directors including independent directors	√		Independent Directors have not received any remuneration
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 account 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) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from 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)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5)(xvii)	There is no significant doubt 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 there of shall be disclosed;	√		

1 (5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		No such matter to explain
1 (5) (xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1 (5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	√		Business Growth & Re-investment
1 (5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1 (5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1 (5) (xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1 (5) (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	√		
1 (5) (xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	√		
1 (5) (xxiii) (c)	Executives; and	√		
1 (5) (xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
1 (5) (xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1 (5) (xxiv) (a)	a brief resume of the director	√		
1 (5) (xxiv) (b)	nature of his or her expertise in specific functional areas;	√		
1 (5) (xxiv) (c)	names of companies in which the person also holds	√		

	the directorship and the membership of committees of the Board;			
1(5)(xxv)	Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:	√		
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	√		
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√		
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company;	√		
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under	√		



	condition No. 3(3) shall be disclosed as per Annexure-A;			
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		
<b>1(6)</b>	<b>Meetings of the Board of Directors:</b>			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
<b>1(7)</b>	<b>Code of Conduct for the Chairperson, other Board members and Chief Executive Officer</b>			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√		
<b>2</b>	<b>Governance of Board of Directors of Subsidiary Company</b>			
2(a)	Provisions relating to the composition of the Board of	-	-	N/A

	the holding company shall be made applicable to the composition of the Board of the subsidiary company;			
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	N/A
2(c)	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
2(d)	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
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
<b>3</b>	<b>Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)</b>			
<b>3(1)</b>	<b>Appointment</b>			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		

3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
<b>3(2)</b>	<b>Requirement to attend Board of Directors' Meetings:</b>			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board provided that CS, CFO and HIAC shall not attend such part of a meetings of the Board relating to their personal matter.	√		
<b>3(3)</b>	<b>Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)</b>			
3(3)(a)	The MD or 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:	√		
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3)(a)(ii)	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;	√		
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	√		

3(3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
<b>4</b>	<b>Board of Directors' Committee:-</b> For ensuring good governance in the company, the Board shall have at least following subcommittees:			
4(i)	Audit Committee	√		
4(ii)	Nomination and Remuneration Committee	√		
<b>5</b>	<b>Audit Committee</b>			
<b>5(1)</b>	<b>Responsibility to the Board of Directors</b>			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5(1)(b)	The Audit Committee shall assist the Board 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;	√		
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
<b>5(2)</b>	<b>Constitution of the Audit Committee</b>			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5(2)(d)	When the term of service of any Committee member expires or there is any	-		No such incident arose

	circumstance causing any Committee member to be unable to hold office before 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 shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;			
5(2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
<b>5(3)</b>	<b>Chairperson of the Audit Committee</b>			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.			No such Incidence arose
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	√		Will attend in the upcoming AGM
<b>5(4)</b>	<b>Meeting of the Audit Committee</b>			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year	√		
5(4)(b)	The quorum of the meeting of the Audit Committee shall	√		Independent Director will be remain present

	be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.			in meeting from onward
<b>5(5)</b>	<b>Role of Audit Committee:</b> The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√		
5(5)(b)	monitor choice of accounting policies and principles;	√		
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5)(d)	oversee hiring and performance of external auditors;	√		
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	√		
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√		
5(5)(h)	review the adequacy of internal audit function;	√		
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5)(j)	review statement of all related party transactions submitted by the management;	√		
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		

5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√		
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			No such Incidence arose
<b>5(6)</b>	<b>Reporting of the Audit Committee</b>			
<b>5(6)(a)</b>	<b>Reporting to the Board of Directors</b>			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-			
5(6)(a)(ii)(a)	report on conflicts of interests;			No such Incidence arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			No such Incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;			No such Incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			No such Incidence arose
<b>5(6)(b)</b>	<b>Reporting to the Authorities:</b>			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds			No such reportable incidence arose

	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 for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			
<b>5(7)</b>	<b>Reporting to the Shareholders and General Investors:</b>			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	√		
<b>6</b>	<b>Nomination and Remuneration Committee (NRC)</b>			
<b>6(1)</b>	<b>Responsibility to the Board of Directors</b>			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a subcommittee of the Board;	√		
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√		
<b>6(2)</b>	<b>Constitution of the NRC</b>			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√		



6(2)(b)	All members of the Committee shall be non-executive directors;	√		
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			No such Incidence arose
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			No such Incidence arose
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√		
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		Independent Director will be remain present in meeting from onward
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	√		
<b>6(3)</b>	<b>Chairperson of the NRC</b>			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√		
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as			No such Incidence arose

	Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;			
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders.	√		Will attend in the next AGM
<b>6(4)</b>	<b>Meeting of the NRC</b>			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√		
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
<b>6(5)</b>	<b>Role of the NRC</b>			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board;	√		
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√		

6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	√		
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;	√		
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	√		
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√		
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√		
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	√		
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	√		
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	√		
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual Report.	-		Will be complied

<b>7</b>	<b>External or Statutory Auditors</b>			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	financial information systems design and implementation;	√		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	broker-dealer services;	√		
7(1)(v)	actuarial services;	√		
7(1)(vi)	internal audit services or special audit services;	√		
7(1)(vii)	any service that the Audit Committee determines;	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1);	√		
7(1)(ix)	any other service that creates conflict of interest.	√		No such incident arose
7(2)	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; his or her family members also shall not hold any shares in the said company	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (AGM or EGM) to answer the queries of the shareholders.	√		
<b>8</b>	<b>Maintaining a website by the Company</b>			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The company shall keep the website functional from the date of listing.			Will be complied while listing
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).			Will be complied while listing

9	<b>Reporting and Compliance of Corporate Governance</b>			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.			Will appoint in the next AGM
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

**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.**

The name of audit committee members and remuneration committee members are as follows:

<b>Audit Committee Members Name</b>	<b>Remuneration Committee Members Name</b>
<ul style="list-style-type: none"> <li>• Gopal Saha-Chairman of the Committee</li> <li>• Shekh Md. Rubel Hossain</li> <li>• S. M Malek</li> <li>• Md. Saiful Islam</li> </ul>	<ul style="list-style-type: none"> <li>• Md. Shofikul Islam Khan-Chairman of the Committee</li> <li>• S. M Malek</li> <li>• Md. Azharul Islam Sohel</li> <li>• Foyzal Ahmad</li> <li>• Md. Saiful Islam</li> </ul>

**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)

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# **VALUATION REPORT OF SECURITIES PREPARED BY THE ISSUE MANAGER**

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The valuation report of securities offered is prepared and justified by the issue managers, Imperial Capital Limited; CAPM Advisory Limited and Rupali Investment Limited on the basis of the financial and all other information pertinent to the Issue.

#### Qualitative and Quantitative factors for Valuation:

##### Qualitative Justification:

1. **Product line variety:** The Company has various product line varieties. The company sells different line of products.
2. **Modern Machineries:** The Company has been using modern machineries that smooth our operation.
3. **Technology:** The Company has latest tools and technologies to support production.
4. **Dedicated Workforce:** The Company has dedicated human resources.

##### Quantitative Justification:

The issue price at Tk. 10.00 each is justified as details below:

Particulars	Amount (in Tk.)
<b>Method 1: Net Asset Value (NAV) per share/Equity based valuation</b>	<b>11.34</b>
<b>Method 2: Historical Earnings based valuation</b>	<b>11.75</b>
<b>Method 3: Average market price of similar stock based valuation</b>	<b>32.52</b>

##### Method 1: Share price on Net Asset Value (NAV)/Equity based valuation

Sl. No.	Particulars	Amount (in Tk.)
a)	Share Capital	610,000,000
b)	Retained Earnings	81,973,957
<b>Total Shareholders' Equity (A)</b>		<b>691,973,957</b>
Number of Share Outstanding as on June 30, 2019 (B)		61,000,000
<b>Net Asset Value per share (without revaluation reserve) as per Audit Report as on June 30, 2019 (A/B)</b>		<b>11.34</b>

##### Method 2: Historical Earnings based value per share

Earnings based Value per share based on Overall Market P/E

Year	No. of Share	Profit after Tax	Weight (%)	Weighted Average Net Profit after Tax
30-Jun-18	100,000	17,694,525	0.0016	28,960
30-Jun-19	61,000,000	64,279,432	0.9984	64,174,228
<b>Total</b>	<b>61,100,000</b>	<b>81,973,957</b>	<b>1.0000</b>	<b>64,203,188</b>
<b>Weighted Average Profit after Tax</b>				<b>64,203,188</b>
No. of shares outstanding before IPO				61,000,000
<b>Diluted EPS based on weighted Average of Net Profit after Tax</b>				<b>1.05</b>
Overall Market P/E (Considering Lesser P/E of 11.93, 11.16 & 20.34 is 11.16)				11.16
<b>Earnings based Value per share</b>				<b>11.75</b>

##### Calculation of Average Price Earnings of Market & Miscellaneous Sector:

Particulars	Nov-19	Dec-19	Jan-20	Average
Overall Market P/E	12.26	11.80	11.74	<b>11.93</b>
Engineering Sector P/E	11.01	11.34	11.13	<b>11.16</b>
Miscellaneous Sector P/E	20.75	19.87	20.39	<b>20.34</b>

Considering Lesser P/E of 11.93, 11.16 & 20.34 is 11.16

Source: DSE Monthly Review.



**Method 3: Average market price of similar stock based valuation**

Month end close price					
Sl.	Date	Olympic Accessories Limited	KDS Accessories Limited	SK Trims & Industries Limited	Imam Button Industries Limited
1	31-Mar-19	11.30	53.80	46.80	20.10
2	30-Apr-19	9.20	54.00	46.40	25.90
3	30-May-19	11.20	54.70	51.60	29.50
4	30-Jun-19	10.90	57.70	49.10	27.00
5	31-Jul-19	9.20	55.50	47.60	23.90
6	29-Aug-19	9.20	56.80	44.80	20.90
7	30-Sep-19	8.10	49.20	42.10	20.80
8	31-Oct-19	6.60	40.80	44.60	19.50
9	28-Nov-19	7.00	41.70	45.40	19.20
10	30-Dec-19	6.30	39.10	47.00	26.90
11	30-Jan-20	6.00	42.10	50.60	24.50
12	27-Feb-20	8.00	42.70	72.80	22.90
<b>Average Price</b>		<b>8.58</b>	<b>49.01</b>	<b>49.07</b>	<b>23.43</b>
<b>Average Price of these 4 (Four) Stocks</b>					<b>32.52</b>

Source: DSE Monthly Review.

**Average market price of similar stock based valuation (Assumption)**

1. The average month end close price of the peer Company from March 2019 to February 2020 is considered.

**Rationale for choosing these 4 Companies:**

There are 39 (Thirty-nine) companies listed in the engineering sector and 13 (Thirteen) companies listed in the miscellaneous sector. Among these companies ATL has taken 4 (Four) companies because ATL's product mix, capital structure and revenue matches to these 4 (Four) companies.

The management of the Company in consultation with the Issue Managers has set the issue price at Tk. 10.00 each at par value.

Sd/-  
**Md. Salauddin Sikder FCMA**  
CEO & Managing Director  
Imperial Capital Limited

Sd/-  
**Tania Sharmin**  
Managing Director & CEO  
CAPM Advisory Limited

Sd/-  
**Parsoma Alam**  
Chief Executive Officer  
Rupali Investment Limited

## CHAPTER (XVI)

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### **DEBT SECURITIES**

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

## CHAPTER (XVII)

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# **PARTIES INVOLVED AND THEIR RESPONSIBILITIES**

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Major Parties Involved		Responsibilities of the Parties
(a) Issue Manager(s)	(1) Imperial Capital Limited; (2) CAPM Advisory Limited; (3) Rupali Investment Limited.	The Issue Manager(s) is responsible to comply with all the requirements as per Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015 including preparation and disclosures made in the prospectus and other responsibilities as mentioned in the due diligence certificate.
(b) Underwriters	(1) CAPM Advisory Limited; (2) Rupali Investment Limited; (3) BMSL Investment 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 collectively by up to 35% in an initial public offer, the unsubscribed portion of securities shall be taken up by the underwriter(s).
(c) Statutory Auditors	<b>ARTISAN</b> Chartered Accountants	Auditors' responsibility is to express an opinion on the financial statements based on the audit. Auditors conducted the audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards required to comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance 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 auditor's 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, consider internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
(d) Cost Auditors		N/A
(e) Valuer		N/A
(f) Credit Rating Company		N/A

## CHAPTER (XVIII)

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# **MATERIAL CONTRACTS**

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**(a) Major agreements entered into by the Issuer:**

The following are material agreements have been entered into by the Company:

1. Underwriting Agreements between the Company and the Underwriters;
  - i. CAPM Advisory Limited;
  - ii. Rupali Investment Limited
  - iii. BMSL Investment Limited.
2. Issue Management Agreement between the Company and;
  - i. Imperial Capital Limited;
  - ii. CAPM Advisory Limited;
  - iii. Rupali Investment Limited.

**(b) Material parts of the agreements:**

Contract	Material parts of the agreements	
<p style="text-align: center;"><b>Underwriting agreements with</b></p> <ol style="list-style-type: none"><li>i. CAPM Advisory Limited;</li><li>ii. Rupali Investment Limited</li><li>iii. BMSL Investment Limited.</li></ol>	Signing Date:	With CAPM Advisory Limited; Rupali Investment Limited and BMSL Investment Limited: <b>15 September, 2019</b>
	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:	<ol style="list-style-type: none"><li>(i) The IPO shall stand cancelled if at least 65% of the IPO is not subscribed.</li><li>(ii) In case of under subscription, underwriters shall take the under-subscribed securities up to 35% of the IPO.</li><li>(iii) Notwithstanding anything contained in the agreement in case of inconsistency between the provision of the agreement and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the Public Issue Rules shall prevail.</li><li>(iv) 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.</li><li>(v) The Issuer shall <b>within 10 (Ten) days</b> of the closure of subscription call upon the underwriter in writing with a copy of said writing to the Bangladesh Securities and Exchange Commission, to subscribe for the shares not subscribed by the closing date and to pay for in cash in full for such unsubscribed shares <b>within 15 (Fifteen) days</b> of the date of said notice and the said amount shall have to be credited into shares subscription account within the said period.</li></ol>

		<p>(vi) In any case <b>within 7 (seven) days</b> after the expiry of the aforesaid <b>15 (fifteen) days</b>, the Company shall send proof of subscription and payment by the Underwriters to the Commission.</p> <p>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.</p>
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<b>Contract</b>	<b>Material parts of the agreements</b>	
<p style="text-align: center;"><b>Issue Management Agreements with</b></p> <p>i. Imperial Capital Limited;</p> <p>ii. CAPM Advisory Limited;</p> <p>iii. Rupali Investment Limited.</p>	Signing Date:	With Imperial Capital Limited; CAPM Advisory Limited and Rupali Investment Limited: <b>17 June, 2019</b>
	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:	<p>(i) According to Article 2.2; the scope of the services to be rendered by the ISSUE MANAGER to the ISSUER under this agreement shall cover Regulatory Compliance, Underwriting Co-operation and after consent tasks.</p> <p>(ii) According to Article 2.3; The ISSUE MANAGER takes the responsibility to take 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 expenses relevant to share application processing, 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 govt. stamps and hologram expenses.</p> <p>(iii) According to Article 3.1; without prejudice ISSUER hereby declares that it agrees to comply with all statutory formalities under Companies Act, Guidelines issued by Bangladesh Securities and Exchange Commission and other relevant status to enable it to make the issue.</p> <p>(iv) According to Article 6.1; The ISSUE MANAGER hereby undertake to keep in strict compliance all information (whether written or oral) proprietary documents and data secured in connection with or as a result of this Agreement (Confidential Information) and shall limit the availability of such information to employees, who have a need to see and use it for the express and limited purpose stated in this Agreement.</p> <p>(v) According to Article 8.1; The Issuer and ISSUE MANAGER shall ensure compliance of the</p>

		Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, The Listing Regulations of Stock Exchanges, The Companies Act, 1994, the Securities and Exchange (Amendment) Act, 2012 and other relevant rules, regulations, practices, directives, guidelines etc.
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**(c) Fees payable to different parties**

<b>Sl.</b>	<b>Name of the Parties</b>	<b>Role</b>	<b>Fees Payable</b>
1	CAPM Advisory Limited	Underwriters	0.50% on 35% of the Total IPO amount (i.e. Tk. 525,000.00)
	Rupali Investment Limited		
	BMSL Investment Limited		
2	Imperial Capital Limited	Issue Manager	1% (Two percent) of the public offer amount
	CAPM Advisory Limited		
	Rupali Investment Limited		



## CHAPTER (XIX)

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# LITIGATIONS, FINE OR PENALTY

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(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 any of its directors was not involved in any of the following type of legal proceedings mentioned below;

- (i) **Litigation involving Civil Laws:** No cases filed against the company or any of its directors.
- (ii) **Litigation involving Criminal Laws:** No cases filed against the company or any of its directors.
- (iii) **Litigation involving Securities, Finance and Economic Laws:** No cases filed against the company or any of its directors.
- (iv) **Litigation involving Labor Laws:** No cases filed against the company or any of its directors.
- (v) **Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties):** No cases filed against the company or any of its directors.
- (vi) **Litigation involving any other Laws:** No cases filed against the company or any of its directors.

(b) **Cases including outstanding litigations filed by the Company or any of its directors:**

There is no cases including outstanding case filed by the issuer or any of its directors to any of the following types of legal proceedings mentioned below;

- (i) **Litigation involving Civil Laws:** No cases filed by the company or any of its directors.
- (ii) **Litigation involving Criminal Laws:** No cases filed by the company or any of its directors.
- (iii) **Litigation involving Securities, Finance and Economic Laws:** No cases filed by the company or any of its directors.
- (iv) **Litigation involving Labor Laws:** No cases filed by the company or any of its directors.
- (v) **Litigation involving Taxation (Income tax, VAT, Customs Duty and any other taxes or duties):** No cases filed by the company or any of its directors.
- (vi) **Litigation involving any other Laws:** No cases filed by the company or any of its directors.

## CHAPTER (XX)

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# **RISK FACTORS AND MANAGEMENT'S PERCEPTIONS ABOUT THE RISKS**

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**(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:** Credit Risk mainly lies with Financial Institutions. Since Anik Trims Ltd. is involved in manufacturing garments accessories and sells the products against back to back LC, there is no as such credit risk. Regarding credit sales, company tries to ensure credit policy so that operating cycle can be efficient comparing to other competitors.

- b) **Liquidity Risk:** The risk that a company may be unable to meet short term financial demands. 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:** Liquidity risk is very crucial issue for survival of the business. As a result, working capital management has been key factor to operate business. In this regard, Anik Trims Ltd. has been doing its level best to manage working capital management in efficient way to maintain liquidity risk. In order to manage liquidity risk, Management is dealing with short-term loan, accounts payable, other payable, inventory and accounts receivable efficiently.

- c) **Risk associated with the issuer's interest in subsidiaries, joint ventures and associates:** If the subsidiaries make loss, it affects parent company's balance sheet. In case of associate, there is chance of decline value of investment in associate company. As for joint venture, a joint venture (JV) is a business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task. This task can be a new project or any other business activity. In a joint venture (JV), each of the participants is responsible for profits, losses and costs associated with it.

**Management Perception:** Anik Trims Ltd. has no subsidiary, associate and joint venture.

- 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:**

**Management Perception:** The Management is always keen to find out new buyers which boost up the sales. The company generates revenues from selling garments accessories. There are around ten items of products are sold to the customers. These products have demand to garments industry. Moreover, the Management is looking for new customers to reduce the dependency on the existing customer.

- 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:** In business, having many suppliers of raw materials helps to get competitive advantage of cheaper price of raw materials. Because, having many suppliers help to bargain with suppliers over price. In addition, having many supplier helps to maintain doing business efficiently. As we hold the views, we are not dependent on a single or few suppliers. We have suppliers from two-belt, i.e. Korea and Hong Kong. Hence, any supply disruption can be mitigated.

- 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 any sister concerns and associate or subsidiary.

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

**Management Perception:** We have been operating our business efficiently. We do not have any negative earning and negative cash flow from operation.

- h) **Loss making associate/subsidiary/group companies of the issuer:**

**Management Perception:** We do not have any associate, subsidiary or group of companies.

- i) **Financial weakness and poor performance of the issuer or any of its subsidiary or associates:** Financial weakness and poor performance of the issuer have negative impact on the company. As a result it will be tough to pay loan interest, debt service and dividend. Future growth will be hampered.

**Management Perception:** Sales is one of the key indicators of success of a business if there is good margin of profit. Anik Trims Ltd. has been generating sales growth efficiently.

- j) **Decline in value of any investment:** If investment value decline, it will reduce the profit and assets as well.

**Management Perception:** Anik Trims Ltd. does not have any investment.

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

**Management Perception:** The machineries that are used for Anik Trims Ltd. are new machineries. Anik Enterprise's machineries took by Anik Trims Ltd. through vendor agreement in brand new condition.

- l) **Adverse effect on future cash flow if interest free loan given to related party or such loans taken from directors may recall:**

**Management Perception:** There is no as such loan given to related party or loan taken from directors.

- 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:** There is no potential conflict of interest as the sponsor directors do not have any venture which is in the same line of activity.

- 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:** *There is no as 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/ credit limit and other banking facilities:**

**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:**

**Management Perception:** *In business, strike, work stoppages or increase in wage demand is very common and inherent part of the business. Hence, Management is used to to dealing with this phenomenon. In relation to wages, the company pays competitive wages among the competitors of us.*

- q) **Seasonality of the business of the issuer:**

**Management Perception:** *Anik Trims Ltd. manufactures garments accessories and sells against back to back LC to garments industries in Bangladesh round the year.*

- r) **Expiry of any revenue generating contract that may adversely affect the business:**

**Management Perception:** *The Company does not have any revenue generating contract that may adversely affect the business.*

- s) **Excessive dependence on debt financing which may adversely affect the cash flow:**

**Management Perception:** *Company is not dependence on any excessive debt financing and total liabilities is less than 15% of the total assets.*

- t) **Excessive dependence on any key management personnel absence of whom may have adverse effect on the issuer's business performance:**

**Management Perception:** *Corporate Governance is well practiced in our company. The company also has well placed organogram in our company. Hence, any change in the key management can be replaced with other persons.*

- u) **Enforcement of contingent liabilities which may adversely affect financial condition:**

**Management Perception:** *We do not have any contingent liabilities which may adversely affect financial condition.*

- v) **Insurance coverage not adequately protect against certain risks of damages:**

**Management Perception:** *We have fire insurance is in place.*

- w) **Absence of assurance that directors will continue its engagement with Company after expiry of lock in period:**

**Management Perception:** *Our directors are involved in the business for long time and they will continue the business after expiry of lock in period.*

- x) **Ability to pay any dividends in future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditure:**

**Management Perception:** *The Company has been earning profit and a profitable entity. Management is of the belief that the company we will be able to pay dividend.*

- y) **History of non-operation, if any and short operational history of the issuer and lack of adequate background and experience of the sponsors:**

**Management Perception:** *The Company is in garments accessories business for a few years. There was no non-operation history of the company. The company has employed experienced people to run the business under good leadership in the board.*

- z) **Risks related to engagement in new type of business, if any:**

**Management Perception:** *There is no as such risk as company is not engaged in any new type of business.*

- aa) **Risk in investing the securities being offered with comparison to other available investment options:**

**Management Perception:** *Anik Trims Ltd. is a profitable entity and business growth will continue in the long run. 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:**

**Management Perception:** *There are no as such issues arisen in the history of our 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:**

**Management Perception:** *No, the company did not have any litigation relating to Tax, VAT or other government claims against of our company.*

- dd) **Registered office or factory building or place of operation is not owned by the issuer:**

**Management Perception:** *Company's registered and corporate office is rented while factory is owned.*

- ee) **Lack of renewal of existing regulatory permissions/licenses:**

**Management Perception:** *There is no such issue relating to lack of existing regulatory permissions/ licenses.*

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:**

**Management Perception:** *There is no incident of failure in holding AGM or declaring dividend or payment of interest by the issuers.*

gg) **Issuances of securities at lower than the IPO offer price within one year:**

**Management Perception:** *Anik Trims Ltd. has not issued securities at lower than IPO offer price within one year.*

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:** *Such cases did not happen for our company.*

(ii) **External risk factors may include among others:**

a) **Interest Rate Risks:** When interest rate fluctuates, it causes interest risk. Companies who have debt financing are exposed to this risk highly.

**Management Perception:** *In our country, right now, government is in effort to reduce interest rate in single digit so that business can thrive. As for Anik Trims Ltd., the Company has loan in small scale. Hence, the company is not vulnerable to Interest rate risk.*

b) **Exchange Rate Risks:** Foreign exchange risk or currency risk is a financial risk that exists when a financial transaction is denominated in a currency other than that of the base currency of the company. This risk arises when investment's value changed due to the changes in currency exchange rates.

**Management Perception:** *The Company does import its raw materials from different countries. In the context of Bangladesh, because of Garments and Textiles Industries, Bangladesh Bank is trying to cool the foreign exchange market to be stable so that garments and textile industries are not affected by foreign exchanges risk. Moreover, any adverse impact in foreign exchange is dealt with in selling price.*

c) **Industry Risks:** Industry risk is related with the factors affecting the company such as Raw Material, labor, demand of the product, government policy to the sector, competitor's rivalry.

**Management Perception:** *Anik Trims Ltd. is aware of the above fact. Industry risk is inherent in any kind of business. At the moment industry is favoring for operating business.*

d) **Economic and Political risks:** This risk can be described as the likelihood that an investment will be affected by macroeconomic conditions such as government regulation, exchange rates, or political stability. In other words, while financing a project, the risk that the output of the project will not produce adequate revenues for covering operating costs and repaying the debt obligations. In a nutshell, economic risk refers to the risk that a venture will be economically unsustainable due to various reasons.

**Management Perception:** *Bangladesh economy is enjoying 7% plus economic growth and expected economic growth by the government is over 8%. As a result, huge development work is underway by the government. Consequently, huge expensive infrastructure has been under construction that will create employment and per capita*



income is going up as well. As economy is expanding, so is our business viability and profitability.

**Political risks:** Bangladesh experienced with political unrest for over the years. Political instability hampers the smooth operation of business.

**Management Perception:** Nowadays calm and serene atmosphere is prevailing in our country. There is no political chaos as was at the beginning of 2014. Government is industry friendly and trying to its level best to boost up economic activities in the country.

e) **Market and Technology-related Risks;**

**Market risks:** Anik Trims Ltd. is operating in a free market economy regime. The company might have to face stiff competition from its competitors.

**Management perception:** Market risk is dealt with efficiently by the experienced management.

**Technology-related risks:** Technology always plays a vital role for each and every type of business. Innovation of new and cost effective technology can increase productivity and reduce costs of production. On the other hand, obsolete technology may have a negative impact on the business.

**Management perception:** Because of nature of the business Anik Trims Ltd. applies the latest technology to deal with its operation. If it does not use latest technology, it will not be able to cope with the competitors.

f) **Potential or existing government regulations:** Potential or existing Govt. regulations may hamper the smooth operation of the industry.

**Management perception:** The Company is enjoying good atmosphere in operating our business. Government regulations are favorable for the company.

g) **Potential or existing changes in global or national policies:** Policies from government has a positive or negative impact on any company along with existing changes in globally.

**Management perception:** Nowadays global and national policies do not change without prior notice. For potential changes in policies, local and global leaders consider different issues including industries opinion. We are optimistic that if any policies change unpredictably, we can improvise with new policies without hampering our smooth operation.

h) **Statutory clearances and approvals those are yet to be received by the issuer:** Statutory clearance and approval is imperative for any business to start off. There are many statutory clearances and approvals need from the regulatory authority in order to be monitored, controlled and guided.

**Management Perception:** Anik Trims Ltd. has been running its business for around five years. The company has collected all the statutory clearance to operate the business. Hence, there are no as such risks for the Company.

i) **Competitive condition of the business:** Anik Trims Ltd. is operating in a free market economy. The company has to face stiff competition from its competitors.

**Management Perception:** Anik Trims Ltd. has been in the market over the years. The Company is doing well to be competitive with competitors. Hence, there is always check and balance existed among the rivalry companies.

- j) **Complementary and supplementary products/services which may have an impact on business of the issuer:** Complementary goods or services that are used in conjunction with another goods or services. Usually, the complementary goods have no value when consumed alone, but when combined with another good or service, it adds to the overall value of the offering. A product can be considered a complement when it shares a beneficial relationship with another product offering. Supplementary goods are two goods that are used together. For example, if we have a car, we also need petrol to run the car. Supplementary goods have a negative cross elasticity of demand. For instance, when price of petrol goes up, demand for petrol and cars goes down.

**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.

## CHAPTER (XXI)

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### **DESCRIPTION OF THE ISSUE**

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**(a) Issue Size:** Taka 300,000,000.00

**(b) Number of securities to be issued;**

The Company will offer 30,000,000 Ordinary Shares, of these 30,000,000 ordinary shares 30% (i.e. 9,000,000 Ordinary Shares) are reserved for Eligible Investor (EI) excluding mutual funds and CIS and 10% (i.e. 3,000,000 Ordinary Shares) are reserved for Mutual Funds and CIS and 50% (i.e. 15,000,000 Ordinary Shares) to General Public (GP) and ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী excluding NRB and remaining 10% (i.e. 3,000,000 Ordinary Shares) are reserved for NRB.

**(c) Authorized capital and paid-up capital;**

Particular	Amount in Tk.
<b>Authorized Capital</b>	
150,000,000 Ordinary Share of Tk.10.00 each	1,500,000,000.00
<b>Issued, Subscribed and Paid up Capital Before IPO</b>	
61,000,000 Ordinary Shares of Taka 10.00 each	610,000,000.00
<b>Initial Public Offering through Fixed Price Method</b>	
30,000,000 Ordinary Shares of Taka 10.00 each	300,000,000.00
<b>Post IPO Paid up Capital</b>	<b>910,000,000.00</b>

**(d) Face value, premium and offer price per unit of securities;**

Face value per Share	Tk. 10.00 each
Premium	-
Offer Price per Share	Tk. 10.00 each

**(e) Number of securities to be entitled for each category of applicants;**

Particulars			%	No. of Ordinary Shares	Nomin al Value	Issue price	Issue Amount (Taka)
Initial Public Offering through Fixed Price Method	Eligible investors (EI)	EI excluding mutual funds and CIS	30%	9,000,000	10.00	10.00	90,000,000
		Mutual Funds and CIS	10%	3,000,000			30,000,000
	General public (GP)	GP excluding NRB*	50%	15,000,000			150,000,000
		NRB	10%	3,000,000			30,000,000
<b>Total</b>			<b>100%</b>	<b>30,000,000</b>			<b>300,000,000</b>

**GP excluding NRB\*:** 15,000,000 Ordinary shares will be reserved for General Public and Small Affected Investors.

**(f) Holding structure of different classes of securities before and after the issue;**

Sl.	Category of Shareholders	No. of Ordinary Shares Hold		Percentage of Holding	
		Pre-IPO	Post-IPO	Pre-IPO	Post-IPO
1	Director & Sponsor	35,320,000	35,320,000	57.90%	38.81%
2	Institutional	500,000	9,500,000	0.82%	10.44%
3	Mutual Funds and CIS	-	3,000,000	0.00%	3.30%
4	Individual	25,180,000	40,180,000	41.28%	44.15%
5	Non Resident Bangladeshis (NRBs)	-	3,000,000	0.00%	3.30%
<b>Total</b>		<b>61,000,000</b>	<b>91,000,000</b>	<b>100.00%</b>	<b>100.00%</b>

**(g) Objective of the issue including financing requirements and feasibility in respect of enhanced paid-up capital.**

The feasibility report in respect enhances paid up capital as prepared by Md. Mohiuddin Ahmed, FCA, CFC, Partner, Ashraf Uddin & Co., Chartered Accountants is enclosed below:

Proceeds from Initial Public Offering (IPO) will be used for acquisition of machinery, construction of Building and other civil works.

Sl.	Particulars	Amount in Tk.
01	Acquisition of Machinery	188,660,670
02	Construction of Building & other Civil Works	92,305,830
	<b>Total</b>	<b>280,966,500</b>

Feasibility in respect of enhanced paid-up capital:

**Statement of Financial Position (Projected)**

Particulars	Amount in Taka				
	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23
	Audited	Projected			
<b>ASSETS</b>					
<b>Non-Current Assets</b>	<b>557,572,852</b>	<b>557,124,545</b>	<b>814,230,305</b>	<b>824,556,783</b>	<b>814,266,979</b>
Property, Plant and Equipment	517,031,402	501,583,095	814,230,305	824,556,783	814,266,979
Capital Work-in-Progress	40,541,450	55,541,450	-	-	-
<b>Current Assets</b>	<b>232,895,185</b>	<b>594,830,016</b>	<b>461,873,836</b>	<b>645,639,246</b>	<b>886,782,934</b>
Inventories	48,340,341	68,689,693	95,478,675	132,715,358	190,630,778
Trade Receivables	164,563,101	199,942,060	277,919,463	386,308,052	536,968,192
Advances, Deposits and Prepayments	13,756,006	19,946,209	32,946,625	44,780,188	55,005,492
Cash and Cash Equivalents	6,235,737	306,252,054	55,529,073	81,835,648	104,178,472
<b>Total Assets</b>	<b>790,468,037</b>	<b>1,151,954,561</b>	<b>1,276,104,141</b>	<b>1,470,196,029</b>	<b>1,701,049,913</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>					
<b>Shareholders' Equity</b>	<b>691,973,957</b>	<b>1,066,090,468</b>	<b>1,196,383,853</b>	<b>1,367,708,799</b>	<b>1,578,373,872</b>
Share Capital	610,000,000	910,000,000	910,000,000	910,000,000	910,000,000
Retained Earnings	81,973,957	156,090,468	286,383,853	457,708,799	668,373,872
<b>Non-Current Liabilities</b>	<b>42,739,154</b>	<b>12,283,081</b>	<b>26,232,584</b>	<b>35,089,829</b>	<b>41,701,683</b>
Long Term Loan Net-off Current Maturity	34,614,753	-	-	-	-
Deferred Tax Liability	8,124,401	12,283,081	26,232,584	35,089,829	41,701,683
<b>Current Liabilities</b>	<b>55,754,926</b>	<b>73,581,011</b>	<b>53,487,704</b>	<b>67,397,401</b>	<b>80,974,358</b>
Current Maturity of Long Term Loan	10,031,168	24,583,585	-	-	-
Short Term Loan	26,186,887	18,051,558	23,143,125	21,082,755	22,514,415
Accruals & Provisions	6,217,850	5,888,875	6,121,424	5,524,323	5,025,251
Income Tax Provision	6,527,045	15,934,494	14,171,235	28,063,707	38,769,832
Liabilities for WPPF	3,908,359	5,662,159	7,920,706	10,412,295	12,802,338
Other Payables	2,883,617	3,460,340	2,131,213	2,314,321	1,862,522
<b>Total Shareholders' Equity and Liabilities</b>	<b>790,468,037</b>	<b>1,151,954,561</b>	<b>1,276,104,141</b>	<b>1,470,196,029</b>	<b>1,701,049,913</b>

**Statement of Profit or Loss and Other Comprehensive Income (Projected)**

Particulars	Amount in Taka				
	01-Jul-2018 to 30-Jun-2019	01-Jul-2019 to 30-Jun-2020	01-Jul-2020 to 30-Jun-2021	01-Jul-2021 to 30-Jun-2022	01-Jul-2022 to 30-Jun-2023
	Audited	Projected			
Revenue	505,890,406	677,893,144	915,155,744	1,189,702,468	1,487,128,085
Less: Cost of goods sold	396,466,311	529,678,991	716,125,997	930,963,795	1,168,359,563
<b>Gross Profit</b>	<b>109,424,095</b>	<b>148,214,153</b>	<b>199,029,748</b>	<b>258,738,672</b>	<b>318,768,521</b>
Less: Operating Expenses	17,024,045	22,676,028	30,499,258	39,649,035	50,354,274
<b>Profit from operation</b>	<b>92,400,050</b>	<b>125,538,125</b>	<b>168,530,490</b>	<b>219,089,637</b>	<b>268,414,247</b>
Add: Other Income	1,191,342	1,574,953	2,275,808	2,730,969	3,277,163
Less: Finance Expense	11,515,861	8,207,734	4,471,469	3,162,413	2,842,313
<b>Profit before Contribution to WPPF</b>	<b>82,075,531</b>	<b>118,905,345</b>	<b>166,334,829</b>	<b>218,658,193</b>	<b>268,849,097</b>
Less: Contribution to WPPF	3,908,359	5,662,159	7,920,706	10,412,295	12,802,338
<b>Profit before Income Tax</b>	<b>78,167,172</b>	<b>113,243,186</b>	<b>158,414,123</b>	<b>208,245,898</b>	<b>256,046,759</b>
<b>Less: Income Tax Expenses</b>	<b>13,887,740</b>	<b>20,093,174</b>	<b>28,120,738</b>	<b>36,920,952</b>	<b>45,381,686</b>
Current Tax	6,527,045	15,934,494	14,171,235	28,063,707	38,769,832
Deferred Tax	7,360,695	4,158,680	13,949,503	8,857,245	6,611,854
<b>Net Profit after tax</b>	<b>64,279,432</b>	<b>93,150,011</b>	<b>130,293,385</b>	<b>171,324,946</b>	<b>210,665,073</b>

- Dividend is not considered

## Statement of Cash Flows (Projected)

Particulars	01-Jul-2019 to 30-Jun-2020	01-Jul-2020 to 30-Jun-2021	01-Jul-2021 to 30-Jun-2022	01-Jul-2022 to 30-Jun-2023
	Projected			
<b>A. Cash Flows from Operating Activities:</b>				
Collection from Turnover and others	644,089,138	839,454,149	1,084,044,848	1,339,745,108
Payment to suppliers and creditors for expenses	(577,520,404)	(767,044,965)	(983,118,067)	(1,252,744,309)
Financial Expenses paid	(8,207,734)	(4,471,469)	(3,162,413)	(2,842,313)
Income Tax Paid	(6,527,045)	(15,934,494)	(14,171,235)	(28,063,707)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>51,833,955</b>	<b>52,003,222</b>	<b>83,593,133</b>	<b>56,094,780</b>
<b>B. Cash flow from Investing Activities:</b>				
Acquisition of Property, Plant & Equipment	(8,619,974)	(283,234,186)	(55,226,188)	(35,183,616)
Paid for Capital Work-in-Progress	(15,000,000)	-	-	-
<b>Net cash inflow/ (outflow) in Investing Activities</b>	<b>(23,619,974)</b>	<b>(283,234,186)</b>	<b>(55,226,188)</b>	<b>(35,183,616)</b>
<b>C. Cash flow from Financing Activities:</b>				
Receipts from ordinary shares issued	300,000,000	-	-	-
Short term loan Received/(Re-paid)	(8,135,329)	5,091,567	(2,060,370)	1,431,660
Long term loan Received/(Re-paid)	(20,062,336)	(24,583,585)	-	-
<b>Net cash inflow/(outflow) in financing activities</b>	<b>271,802,335</b>	<b>(19,492,018)</b>	<b>(2,060,370)</b>	<b>1,431,660</b>
<b>D. Increase/ (Decrease) in Cash and Cash Equivalent (A+B+C)</b>	<b>300,016,317</b>	<b>(250,722,981)</b>	<b>26,306,575</b>	<b>22,342,824</b>
<b>E. Opening of Cash and Cash Equivalent</b>	<b>6,235,737</b>	<b>306,252,054</b>	<b>55,529,073</b>	<b>81,835,648</b>
<b>F. Ending Cash and Cash Equivalent (D+E)</b>	<b>306,252,054</b>	<b>55,529,073</b>	<b>81,835,647</b>	<b>104,178,472</b>



**The assumptions for these projections are as follows:**

(Each year calculation is made comparing with respective previous year)

<b>The projected financial statement has been prepared on underlying assumption</b>					
<b>Assumption indicator</b>	<b>Assumption's Basis</b>	<b>Assumptions Years</b>			
		<b>30-Jun-20</b>	<b>30-Jun-21</b>	<b>30-Jun-22</b>	<b>30-Jun-23</b>
Capacity Increase	Capacity will be increased as new machineries will be introduced.	3.10%	93.28%	13.44%	7.31%
Sales Revenue Increase	Sales will be increased for qualitative products by the increase of sales volume and unit price.	34%	35%	30%	25%
Operating Expenses Increase/ (Decrease)	Operating expenses will be increased due to increase of production and sales.	33.20%	34.50%	30%	27%
Property, Plant and Equipment Addition	Property, Plant and Equipment will be increased in every year for the purpose of production increase.	8,619,974	338,775,636	55,226,188	35,183,616
Paid up Capital Increase	Paid up Capital will be increased by Tk. 300,000,000 through IPO in FY 2019-2020.	300,000,000	-	-	
Dividend	Dividend is not considered here as the decision is not predetermined.	-	-	-	

Sd/-  
**Md. Mohiuddin Ahmed, FCA, CFC**  
 Partner  
 Ashraf Uddin & Co.  
 Chartered Accountants

## CHAPTER (XXII)

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# **USE OF PROCEEDS**

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- (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:**

<b>Particulars</b>	<b>Amount in BDT</b>
Number of Shares issue under Initial Public Offering (IPO)	30,000,000
Issue price -at par	10
<b>Total Amount</b>	<b>300,000,000</b>

Proceeds from Initial Public Offering (IPO) will be used for acquisition of machinery, construction of building and other civil works and for IPO Expenses.

<b>Sl.</b>	<b>Particulars</b>	<b>Amount in Tk.</b>
1	Acquisition of Machinery	188,660,670
2	Construction of Building & other Civil Works	92,305,830
3	IPO Expenses (Detailed Breakdown of IPO Expenses in page number 75-76)	19,033,500
	<b>Total</b>	<b>300,000,000</b>

**Details of Machinery and Equipments:**

Sl.	Name of Supplier	Country of Origin	Machine Model	Description	Qty (Pcs)	Unit Price	Total Amount	Exchange Rate	Total Amount
						in USD	in USD		in BDT
1	Wenzhou Kingsun Machinery Industrial Co., Ltd.	China	ASY-EI 000	High Speed 8 Color Computerized Rotogravure Printing Machine	1	\$ 392,000.00	\$ 392,000	82.00	32,144,000
			QDF- 000H	High Speed Dry Lamination Machine	1	\$ 142,000.00	\$ 142,000	82.00	11,644,000
			QFJ -1300	High Speed Automatic Sliding and Rewinding Machine	1	\$ 48,200.00	\$ 48,200	82.00	3,952,400
2	Ming Wei Paperware Machinery Co. Ltd.	Taiwan	MW-220-1800D Max paper width: 1800mm. MAX	11.8M Double Wall Corrugated Cardboard Making Machine	1	\$ 1,525,500.00	\$ 1,525,500	82.00	125,091,000
<b>Total</b>					<b>4</b>		<b>\$ 2,107,700</b>		<b>172,831,400</b>
<b>Installation &amp; Others expenses</b>					(L/C Commission & Other Charges, Insurance, Other customs related charges C & F Commission and Other Charges, Installation charges, Carrying Charge				15,829,270
<b>Total Cost of Machinery</b>									<b>188,660,670</b>

**Details of Construction of Building & other Civil Works:**

Building Type	Amount
51,100 sft Factory Building (Steel structure under reinforcement concrete building)	92,305,830
<b>Total Amount</b>	<b>92,305,830</b>

**Details of steel structure building**

**A. Detail Estimate & BOQ for Construction of proposed one store 51,100 sft Factory Building (BUILDING TYPE: Steel structure under reinforcement concrete building)**

Name of work (Civil Work)	Item Name	Size	Quantity	Unit Rate (Tk.)	Amount (Tk.)
Soil Excavtion			37584 cft	11	413,424
Sand Filling			259983 cft	17	4,419,711
<b>Sub-Total (A)</b>					<b>4,833,135</b>
<b>Under GL Work</b>					
Name of work (Civil Work)	Item Name	Size	Quantity	Unit Rate (Tk.)	Amount (Tk.)
Short Column, Grede Beam, Column	MS Rod	20 mm	67355 kg	75	5,051,625
		16 mm	67439 kg	75	5,057,925
		10 mm	43990 kg	75	3,299,250
	Cement		4539 bag	510	2,314,890
	Sand	Sylhet	7503 cft	75	562,725
	Corase aggregate	Stone chips	15616 cft	270	4,216,320
	Soling	Bricks	7875 Nos	10	78,750
<b>Sub-Total (B)</b>					<b>20,581,485</b>
<b>Ground Floor Work</b>					
Name of work (Civil Work)	Item Name	Size	Quantity	Unit Rate (Tk.)	Amount (Tk.)
Floor R.C.C	Soling	Bricks	153300 Nos	10	1,533,000
	MS Rod	10 mm	135453 kg	75	10,158,975
	Cement		7495 bag	510	3,822,450
	Sand	Sylhet	16360 cft	75	1,227,000
	Corase aggregate	Brick chips	31973 cft	150	4,795,950
Floor Finshing	white lime		453 bag	1230	557,190
	white stone		657 cft	420	275,940
	Glass		936 sft	450	421,200
	Labour		51280 sft	150	7,692,000
Brick wall & Plaster	Brick		74752 Nos	10	747,520

	Cement			1494	bag	510	761,940
	Sand			5976	cft	75	448,200
Lilten work	MS Rod			3120	kg	75	234,000
	Cement			137	bag	510	69,870
	Sand	Sylhet		350	cft	75	26,250
	Corase aggregate	Brick chips		450	cft	150	67,500
Door Work	Auto Satter			5	Nos	175000	875,000
Window Work	Window Griel			80	Nos	15000	1,200,000
	Glass Window			1800	sft	450	810,000
Paint work	Distempar Coat			26790	sft	25	669,750
	Weather Coat			28770	sft	25	719,250
<b>Sub-Total (C)</b>							<b>35,579,985</b>

<b>Steel Structure work</b>							
<b>Name of work (Civil Work)</b>	<b>Item Name</b>	<b>Size</b>		<b>Quantity</b>		<b>Unit Rate (Tk.)</b>	<b>Amount (Tk.)</b>
All over work	Ms Plate	5	mm	37463	kg	145	5,432,135
		6	mm	28340	kg	145	4,109,300
		8	mm	12333	kg	145	1,788,285
		10	mm	14909	kg	145	2,161,805
	Joint Plate	12	mm	7000	kg	145	1,015,000
		16	mm	5000	kg	145	725,000
	Nut Bolt	16	mm	3670	kg	170	623,900
		20	mm	6250	kg	170	1,062,500
	JP Purlin	2	mm	43500	kg	130	5,655,000
	Profile Sheet	0.47	mm	76500	sft	65	4,972,500
	Insulation	10	mm	84000	sft	25	2,100,000
screw	4	mm	26560	Nos	5	132,800	
	Erection Work			51100	sft	30	1,533,000
<b>Sub-Total (D)</b>							<b>31,311,225</b>
<b>Total Amount (A+B+C+D)</b>							<b>92,305,830</b>

**(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;**

Tk. 1,000,000 (Ten Lac), Tk. 64,260,000.00 (Six Crore Forty Two Lac Sixty Thousand-other than cash), Tk. 33,330,000.00 (Three Crore Thirty Three Lac Thirty Thousand), Tk. 1,310,000.00 (Thirteen Lac Ten Thousand), 70,000,000.00 (Seven Crore-other than cash) and Tk. 440,100,000.00 (Forty Four Crore One Lac) totaling Tk. 610,000,000.00 (Sixty One Crore) has been raised prior to the public issue on dated 10.10.17, 12.08.2018, 13.08.2018, 15.08.2018, 10.03.2019 and 11.03.2019 respectively. This fund has already deployed by the issuer in the following manner:

Accounting Year	Items	Amount in BDT	Reflected in Cash Flows
30-Jun-18	Land	7,300,000	In the statement of Cash Flows, the figure is included in total amount of land under the head of Investing Activities.
	Working Capital	21,200,000	In the statement of Cash Flows, this figure is included as Payment to creditors, suppliers and for expenses under the head of Operating Activities.
	Factory Shed	11,168,000	In the statement of Cash Flows, the figure is included in total amount of Capital Work in Progress under the head of Investing Activities.
30-Jun-19	Land	216,373,700	In the statement of Cash Flows, the figure is included in total amount of acquisition of Property, Plant and Equipment under the head of Investing Activities.
	Working Capital (Income Tax Payment)	1,811,430	In the statement of Cash Flows, the figure is included in total amount of income tax payment under the head of Investing Activities.
	Machinery	98,509,010	In the statement of Cash Flows, the figure is included in total amount of acquisition of Property, Plant and Equipment under the head of Investing Activities.
	Working Capital	36,065,994	In the statement of Cash Flows, this figure is included as Payment to creditors, suppliers and for expenses under the head of Operating Activities.
	Factory Shed	16,033,690	In the statement of Cash Flows, the figure is included in total amount of acquisition of Property, Plant and Equipment under the head of Investing Activities.
	Stabilizer & Cable	4,500,000	In the statement of Cash Flows, the figure is included in total amount of acquisition of Property, Plant and Equipment under the head of Investing Activities.
	Sub-Station	29,521,000	In the statement of Cash Flows, the figure is included in total amount of acquisition of Property, Plant and Equipment under the head of Investing Activities.

	Sub-Station Room	3,517,176	In the statement of Cash Flows, the figure is included in total amount of acquisition of Property, Plant and Equipment under the head of Investing Activities.
	Vendor Agreement	164,000,000	In the statement of Cash Flows, Tk. 29,740,000 paid to Vendor and Tk. 134,260,000 has been adjusted with takeover of Assets & Liabilities and through issuance of 16,400,000 shares.
	<b>Total</b>	<b>610,000,000</b>	

- (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 Company has no objects to investment in such type of ventures by using Use of IPO proceeds.

- (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 project.

- (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;**

Sl. No.	Projects	Progress made so Far	Approximate date of Completion of the projects	Projected date of full commercial operation
1	Land Acquisition	No land is required to be acquired	-	-
2	Acquisition of Machinery	Acquisition and Installation of Machinery will be started after receiving of IPO fund	Within 18 months after receiving IPO fund	Within 3 months of the completion of the project
3	Construction of Building & other civil works	Construction of Building & other civil works will be started after receiving of IPO fund		

Sd/-  
**S. M Malek**  
Managing Director

Sd/-  
**Foysal Ahmad**  
Chief Financial Officer

Sd/-  
**Rubina**  
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 planned to expand its existing projects by acquisition of machinery and Civil Construction, which have been mentioned in Use of IPO proceeds and projects 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 planned to implement to the existing projects by using IPO proceeds after receiving the funds, which have been mentioned in Use of IPO proceeds and projects 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 Report of ANIK TRIMS LTD.**

##### **Executive Summary:**

Anik Trims Ltd. (ATL) has engaged in manufacturing of all kinds of Carton, Photo Box, Photo Card, Photo Inlay, Back Board, Bar Code, Hangtag, Price Tag, Size Tag, Care Label, Size Label, Main Label, Inter Lining, Tissue Paper, Twill Tape etc. for export-oriented garments industry.

Currently, ATL has decided to go for Initial Public Offerings and this feasibility study is prepared for the utilization plan of the IPO proceedings. Some projections regarding profitability and other financial issues are analyzed. ATL has made projections of Statement of Financial Position, Statement of Comprehensive Income and Statement of Cash Flows for the upcoming three reporting years. This Feasibility Report discusses and shows the various aspects of Expansion Program of Anik Trims Ltd. (ATL).

**Introduction:**

Anik Trims Ltd. was incorporated as a Private Limited Company on October 10, 2017. The Company converted into a Public Limited Company on January 25, 2019 under Companies Act 1994 with the Registrar of Joint Stock Companies and Firms, Dhaka, Bangladesh under the Companies Act, 1994. The Certificate of Incorporation number is C-140396/2017.

The Company took over the Assets & Liabilities of Anik Enterprise, a proprietorship business through a vendor agreement.

The Company started its commercial operation on October 10, 2017.

The registered office of the Company is located at House # 04, Road # 08, Sector # 03, Uttara-1230, Dhaka, Bangladesh. The factory of the Company is located at Golora Charkhanda, Jagir, Manikganj, Bangladesh.

The principal activities of the Company are to carry on the business of manufacturing of all kinds of Carton, Photo Box, Photo Card, Hang Tag, Price Tag, Size Tag, Bar Code, Back Board, Care Label, Size Label, Main Label, Heat Seal Label, Pocket Flasher, Twill Tape, Elastic, Poly, Others etc. for export oriented garments industry.

There is no subsidiary company of ATL.

**Location of the factory:**

ATL's factory is situated at Golora Charkhanda, Jagir, Manikganj.

**Plant, machinery, technology, process:**

**Plant & Machinery:** Anik Trims Ltd. has been using modern machineries in order to manufacture of all kinds of Carton, Photo Box, Photo Card, Hang Tag, Price Tag, Size Tag, Bar Code, Back Board, Care Label, Size Label, Main Label, Heat Seal Label, Pocket Flasher, Twill Tape, Elastic, Poly, Others etc. for export oriented garments industry.

The technology and process to produce the products are as follows.

<b>Product</b>	<b>Technology</b>	<b>Process</b>
Carton	Corrugation - Semi-auto Creasing- Semi Auto Slotting – Semi Auto Pasting – Semi Auto Cutting – Semi Auto Printing – Manual	Creasing – Slotting – Pasting – Cutting - Printing - Packing
Photo Box	Full auto printing	Cutting – Printing – Cutting – Packing
Photo Card	Full auto printing	Cutting – Printing – Cutting – Packing
Tag & Bar Code	Full-auto	Cutting – Printing – Cutting – Packing
Back Board	Full-auto	Cutting – Packing
Label	Full-auto	Cutting – Packing
Pocket Flasher	Fully automatic	Cutting – Packing
Twill Tape	Fully automatic	Weaving – Finishing - Packing
Elastic	Plain –Auto Jaccard -Auto	Weaving – Finishing - Packing
Poly	PLC Control machine (Fully automatic)	LDP/PP/ HDP- Poly – Cutting- Add Printing – Holing – Packing.

**Principal products of the Company:**

Products of ATL: The Company has following products:

1. Carton
2. Photo Box
3. Photo Card
4. Tag & Bar Code
5. Back Board
6. Label
7. Pocket Flasher
8. Twill Tape
9. Elastic
10. Poly
11. Others

**Utilities Considerations:****Power:**

Electricity connection has been taken from Manikganj Palli Bidyut Samity, Manikganj having a capacity of 33 KVA transformer having sanction load 3,000 KW. A diesel generator having capacity of 200 KVA will act as alternative power supply.

**Gas & Water:**

The Company does not require gas and water for manufacturing operation in any of the production line.

**Product Marketplace:**

Anik Trims Ltd. is a 100% deemed export oriented accessories industry. Its products are marketed based on buyer's requirement. It supplies garment accessories to export oriented garments industry against Back to Back L/C and operated as deemed exporter.

**Methodology:**

We have considered the historical data of last couple of year's revenue and expenses of the company. We have also talked with the staffs. The interviews provided us with the relevant information concerning all aspects sales and expenses. The responses to these open-ended questions have allowed us to have a greater depth of knowledge into their opinions and so we were able to address them to the best of our ability. A lot of time was spent working on the interviews; also, that each had a different idea that is important to the effects of the implementation of sales growth and enough background information was included.

Once we have compiled and analyzed all data and research us as a group, look at all the different options of implementing the living wall and then decide on the best option of the sales, current and future market and saleable capacity in near future.

**Financial Projections:**

The financial projections for Anik Trims Ltd. (ATL) are highlighted in the table below. These figures account for projected productions, sales and additional 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)

<b>The projected financial statement has been prepared on underlying assumption</b>					
<b>Assumption indicator</b>	<b>Assumption's Basis</b>	<b>Assumptions Years</b>			
		<b>30-Jun-20</b>	<b>30-Jun-21</b>	<b>30-Jun-22</b>	<b>30-Jun-23</b>
Capacity Increase	Capacity will be increased as new machineries will be introduced.	3.10%	93.28%	13.44%	7.31%
Sales Revenue Increase	Sales will be increased for qualitative products by the increase of sales volume and unit price.	34%	35%	30%	25%
Operating Expenses Increase/ (Decrease)	Operating expenses will be increased due to increase of production and sales.	33.20%	34.50%	30%	27%
Property, Plant and Equipment Addition	Property, Plant and Equipment will be increased in every year for the purpose of production increase.	8,619,974	338,775,636	55,226,188	35,183,616
Paid up Capital Increase	Paid up Capital will be increased by Tk. 300,000,000 through IPO in FY 2019-2020.	300,000,000	-	-	
Dividend	Dividend is not considered here as the decision is not predetermined.	-	-	-	

**Statement of Financial Position (Projected)**

Particulars	Amount in Taka				
	30-Jun-19	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23
	Audited	Projected			
<b>ASSETS</b>					
<b>Non-Current Assets</b>	<b>557,572,852</b>	<b>557,124,545</b>	<b>814,230,305</b>	<b>824,556,783</b>	<b>814,266,979</b>
Property, Plant and Equipment	517,031,402	501,583,095	814,230,305	824,556,783	814,266,979
Capital Work-in-Progress	40,541,450	55,541,450	-	-	-
<b>Current Assets</b>	<b>232,895,185</b>	<b>594,830,016</b>	<b>461,873,836</b>	<b>645,639,246</b>	<b>886,782,934</b>
Inventories	48,340,341	68,689,693	95,478,675	132,715,358	190,630,778
Trade Receivables	164,563,101	199,942,060	277,919,463	386,308,052	536,968,192
Advances, Deposits and Prepayments	13,756,006	19,946,209	32,946,625	44,780,188	55,005,492
Cash and Cash Equivalents	6,235,737	306,252,054	55,529,073	81,835,648	104,178,472
<b>Total Assets</b>	<b>790,468,037</b>	<b>1,151,954,561</b>	<b>1,276,104,141</b>	<b>1,470,196,029</b>	<b>1,701,049,913</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>					
<b>Shareholders' Equity</b>	<b>691,973,957</b>	<b>1,066,090,468</b>	<b>1,196,383,853</b>	<b>1,367,708,799</b>	<b>1,578,373,872</b>
Share Capital	610,000,000	910,000,000	910,000,000	910,000,000	910,000,000
Retained Earnings	81,973,957	156,090,468	286,383,853	457,708,799	668,373,872
<b>Non-Current Liabilities</b>	<b>42,739,154</b>	<b>12,283,081</b>	<b>26,232,584</b>	<b>35,089,829</b>	<b>41,701,683</b>
Long Term Loan Net-off Current Maturity	34,614,753	-	-	-	-
Deferred Tax Liability	8,124,401	12,283,081	26,232,584	35,089,829	41,701,683
<b>Current Liabilities</b>	<b>55,754,926</b>	<b>73,581,011</b>	<b>53,487,704</b>	<b>67,397,401</b>	<b>80,974,358</b>
Current Maturity of Long Term Loan	10,031,168	24,583,585	-	-	-
Short Term Loan	26,186,887	18,051,558	23,143,125	21,082,755	22,514,415
Accruals & Provisions	6,217,850	5,888,875	6,121,424	5,524,323	5,025,251
Income Tax Provision	6,527,045	15,934,494	14,171,235	28,063,707	38,769,832
Liabilities for WPPF	3,908,359	5,662,159	7,920,706	10,412,295	12,802,338
Other Payables	2,883,617	3,460,340	2,131,213	2,314,321	1,862,522
<b>Total Shareholders' Equity and Liabilities</b>	<b>790,468,037</b>	<b>1,151,954,561</b>	<b>1,276,104,141</b>	<b>1,470,196,029</b>	<b>1,701,049,913</b>

**Statement of Profit or Loss and Other Comprehensive Income (Projected)**

Particulars	Amount in Taka				
	01-Jul-2018 to 30-Jun-2019	01-Jul-2019 to 30-Jun-2020	01-Jul-2020 to 30-Jun-2021	01-Jul-2021 to 30-Jun-2022	01-Jul-2022 to 30-Jun-2023
	Audited	Projected			
Revenue	505,890,406	677,893,144	915,155,744	1,189,702,468	1,487,128,085
Less: Cost of goods sold	396,466,311	529,678,991	716,125,997	930,963,795	1,168,359,563
<b>Gross Profit</b>	<b>109,424,095</b>	<b>148,214,153</b>	<b>199,029,748</b>	<b>258,738,672</b>	<b>318,768,521</b>
Less: Operating Expenses	17,024,045	22,676,028	30,499,258	39,649,035	50,354,274
<b>Profit from operation</b>	<b>92,400,050</b>	<b>125,538,125</b>	<b>168,530,490</b>	<b>219,089,637</b>	<b>268,414,247</b>
Add: Other Income	1,191,342	1,574,953	2,275,808	2,730,969	3,277,163
Less: Finance Expense	11,515,861	8,207,734	4,471,469	3,162,413	2,842,313
<b>Profit before Contribution to WPPF</b>	<b>82,075,531</b>	<b>118,905,345</b>	<b>166,334,829</b>	<b>218,658,193</b>	<b>268,849,097</b>
Less: Contribution to WPPF	3,908,359	5,662,159	7,920,706	10,412,295	12,802,338
<b>Profit before Income Tax</b>	<b>78,167,172</b>	<b>113,243,186</b>	<b>158,414,123</b>	<b>208,245,898</b>	<b>256,046,759</b>
<b>Less: Income Tax Expenses</b>	<b>13,887,740</b>	<b>20,093,174</b>	<b>28,120,738</b>	<b>36,920,952</b>	<b>45,381,686</b>
Current Tax	6,527,045	15,934,494	14,171,235	28,063,707	38,769,832
Deferred Tax	7,360,695	4,158,680	13,949,503	8,857,245	6,611,854
<b>Net Profit after tax</b>	<b>64,279,432</b>	<b>93,150,011</b>	<b>130,293,385</b>	<b>171,324,946</b>	<b>210,665,073</b>

- Dividend is not considered

## Statement of Cash Flows (Projected)

Particulars	01-Jul-2019 to 30-Jun-2020	01-Jul-2020 to 30-Jun-2021	01-Jul-2021 to 30-Jun-2022	01-Jul-2022 to 30-Jun-2023
	Projected			
<b>A. Cash Flows from Operating Activities:</b>				
Collection from Turnover and others	644,089,138	839,454,149	1,084,044,848	1,339,745,108
Payment to suppliers and creditors for expenses	(577,520,404)	(767,044,965)	(983,118,067)	(1,252,744,309)
Financial Expenses paid	(8,207,734)	(4,471,469)	(3,162,413)	(2,842,313)
Income Tax Paid	(6,527,045)	(15,934,494)	(14,171,235)	(28,063,707)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>51,833,955</b>	<b>52,003,222</b>	<b>83,593,133</b>	<b>56,094,780</b>
<b>B. Cash flow from Investing Activities:</b>				
Acquisition of Property, Plant & Equipment	(8,619,974)	(283,234,186)	(55,226,188)	(35,183,616)
Paid for Capital Work-in-Progress	(15,000,000)	-	-	-
<b>Net cash inflow/ (outflow) in Investing Activities</b>	<b>(23,619,974)</b>	<b>(283,234,186)</b>	<b>(55,226,188)</b>	<b>(35,183,616)</b>
<b>C. Cash flow from Financing Activities:</b>				
Receipts from ordinary shares issued	300,000,000	-	-	-
Short term loan Received/(Re-paid)	(8,135,329)	5,091,567	(2,060,370)	1,431,660
Long term loan Received/(Re-paid)	(20,062,336)	(24,583,585)	-	-
<b>Net cash inflow/(outflow) in financing activities</b>	<b>271,802,335</b>	<b>(19,492,018)</b>	<b>(2,060,370)</b>	<b>1,431,660</b>
<b>D. Increase/ (Decrease) in Cash and Cash Equivalent (A+B+C)</b>	<b>300,016,317</b>	<b>(250,722,981)</b>	<b>26,306,575</b>	<b>22,342,824</b>
<b>E. Opening of Cash and Cash Equivalent</b>	<b>6,235,737</b>	<b>306,252,054</b>	<b>55,529,073</b>	<b>81,835,648</b>
<b>F. Ending Cash and Cash Equivalent (D+E)</b>	<b>306,252,054</b>	<b>55,529,073</b>	<b>81,835,647</b>	<b>104,178,472</b>

### **Cost of the Project:**

The cost of the expansion project is as follows:

<b>Sl.</b>	<b>Particulars</b>	<b>Amount in Tk.</b>
01	Acquisition of Machinery	188,660,670
02	Construction of Building & other Civil Works	92,305,830
	<b>Total</b>	<b>280,966,500</b>

### **Means of Finance:**

The project will be financed through using IPO proceeds.

### **Payback period:**

The Payback period of the expansion is calculated to determine the period required to recuperate the original investment outlay through the profits earned by the expansion. The calculated payback period of the expansion is 1.58 years.

### **Internal Rate of Return (IRR):**

The project promises a financial rate of return about 19.87% if it completed on schedule.

### **Weaknesses:**

1. **Lack of Supply:** There is huge demand in the international market. The Company, however, is not yet capable to fulfill the demand.
2. **Innovation:** Innovative effectiveness is low due to skilled manpower.
3. **Slim Profit:** Since the Company is at early stage of production, the profit margin is slim.
4. **Short operational History:** The Company was incorporated and started its commercial production on October 10, 2017. Hence, the operational history is short.

### **Threat:**

1. **Shortage of Power:** Lack of opportunity to supply emergency power.
2. **Foreign Exchange Risk:** There is foreign exchange risk because of deem export and import of raw materials.

### **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 Anik Trims Ltd. (ATL).

Sd/-  
**Md. Mohiuddin Ahmed, FCA, CFC**  
Partner  
Ashraf Uddin & Co.  
Chartered Accountants

Date: September 05, 2019



## CHAPTER (XXIII)

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# LOCK-IN

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(i) Ordinary shares of the issuer, at the time of according consent to the public issue, shall be subject to lock-in, from the first trading day at the exchange in the following manner:

(a) shares held by sponsors, directors and shareholders holding 10% (ten percent) or more, for 03 (three) years;

Sl.	Name of Sponsors & Directors	Position	No. of Share	(%)	BO ID	Lock-in period*
1	Rubina	Sponsor & Chairman	2,220,000	3.64%	1201480068129473	3 Yrs.
2	S. M Malek	Sponsor & Managing Director	16,020,000	26.26%	1201480067353374	3 Yrs.
3	Shekh Md. Rubel Hossain	Sponsor & Director	2,220,000	3.64%	1201480068129505	3 Yrs.
4	Md. Anik	Director	2,220,000	3.64%	1201480068129390	3 Yrs.
5	Sathi Begum	Director	2,400,000	3.93%	1201480068129564	3 Yrs.
6	Md. Mozaffar Hossain	Director	2,220,000	3.64%	1201480068129430	3 Yrs.
7	Md. Kamal Hossain	Director	2,850,000	4.67%	1201480068129599	3 Yrs.
8	Kazi Opi	Director	2,420,000	3.97%	1201480068129457	3 Yrs.
9	Fahima Begum	Director	2,750,000	4.51%	1201480068129406	3 Yrs.
	<b>Sub-Total (a)</b>		<b>35,320,000</b>			

*There is no shareholder who holds 10% (Ten percent) or more shares of the Company except S. M Malek, Sponsor & Managing Director.*

(b) in case, any existing sponsor or director of the issuer transfers any share to any person, those transferred shares, for 03 (three) years;

Sl.	Name of Shareholder	Position	No. of Share	(%)	BO ID	Lock-in period*
10	Bikrampur Potato Flakes Industries Ltd.	Shareholder	1,000,000	1.64%	1606060066336438	3 Yrs.
11	Bengal Assets Holdings Limited	Shareholder	500,000	0.82%	1606060067272049	3 Yrs.
	<b>Sub-Total (b)</b>		<b>1,500,000</b>			

*These 2 (Two) Shareholders took all of their shares from S. M Malek, Sponsor & Managing Director.*

(c) shares allotted to any person, before 4 (four) years or more of according consent to the public issue, other than the persons mentioned in clause (a) and (b), for 01 (one) year;

*There is no this type of shareholder in the issuer Company.*

(d) shares held by alternative investment funds, for 01 (one) year;

*There is no this type of shareholder in the issuer Company.*

**(e) shares held by any person, other than the shares mentioned in clause (a), (b), (c) and (d) above, for 02 (two) years:**

Sl.	Name of Shareholder	Position	No. of Share	(%)	BO ID	Lock-in period*
12	Md. Moshir Rahman	Shareholder	150,000	0.25%	1204100065032983	2 Yrs.
13	M. A. Kayum Howlader	Shareholder	1,200,000	1.97%	1201480064794377	2 Yrs.
14	Sujit Saha	Shareholder	1,000,100	1.64%	1204240062975321	2 Yrs.
15	Md. Asraf Ullah	Shareholder	400,000	0.66%	1202370007024924	2 Yrs.
16	Ashok Sikder	Shareholder	200,000	0.33%	1204220068359306	2 Yrs.
17	Sazzadur Rahman	Shareholder	200,000	0.33%	1201480066435595	2 Yrs.
18	S.M. Zahid Bin Faruque	Shareholder	400,000	0.66%	1201480064561018	2 Yrs.
19	Md. Shahajul Islam Ansari	Shareholder	60,000	0.10%	1201480068129901	2 Yrs.
20	Md. Younus Rajib	Shareholder	30,000	0.05%	1204130024406440	2 Yrs.
21	Md. Samsul Alam Vuiya	Shareholder	40,000	0.07%	1201480068129928	2 Yrs.
22	Md. Abul Kashem	Shareholder	500,000	0.82%	1201470043288178	2 Yrs.
23	Ahmed Tawfiqur Rahman Arnab	Shareholder	1,000,000	1.64%	1201480064786039	2 Yrs.
24	Farjana Rahman	Shareholder	1,000,000	1.64%	1201480064718872	2 Yrs.
25	Global Shoes & Textiles Limited	Shareholder	1,900,000	3.11%	1606060066398721	2 Yrs.
26	Md. Matir Rahman	Shareholder	1,000,000	1.64%	1201480064718981	2 Yrs.
27	SK Trims & Industries Ltd.	Shareholder	4,100,000	6.72%	1606060066341748	2 Yrs.
28	Monsur Hasan	Shareholder	500,000	0.82%	1602170063642087	2 Yrs.
29	S.M. Delwar Hossain	Shareholder	150,000	0.25%	1203970016753787	2 Yrs.
30	Md. Mosharraf Hossain Bhuiyan	Shareholder	100,000	0.16%	1201830000858623	2 Yrs.
31	Sathi Khanam	Shareholder	1,000	0.00%	1201530043918769	2 Yrs.
32	Md. Rashiduzzaman	Shareholder	100,000	0.16%	1201480064718813	2 Yrs.
33	Abu Syed Md Noman	Shareholder	160,000	0.26%	1201480066436027	2 Yrs.
34	Howa Nur Begum	Shareholder	1,000,000	1.64%	1606060054792971	2 Yrs.
35	Nurjahan	Shareholder	1,000,000	1.64%	1606060048408481	2 Yrs.
36	Shammi Akther Shibly	Shareholder	2,319,000	3.80%	1201480064828097	2 Yrs.
37	Md. Shafiqur Rahman	Shareholder	100,000	0.16%	1202140062153110	2 Yrs.
38	H.M. Shifullah	Shareholder	100,000	0.16%	1203680062135843	2 Yrs.
39	Tasrin Mujib	Shareholder	200,000	0.33%	1205150055073033	2 Yrs.
40	Mamun Hossain	Shareholder	100,000	0.16%	1204120026870188	2 Yrs.
41	Aswat Aksir Mujib Wasi	Shareholder	100,000	0.16%	1205150055073801	2 Yrs.
42	Md. Shahrar Hasan	Shareholder	100,000	0.16%	1201950062692511	2 Yrs.
43	Mamnoon Rahman	Shareholder	150,000	0.25%	1204500046538424	2 Yrs.

44	Dr. K.M. Ziaur Rahman	Shareholder	50,000	0.08%	1201560025598871	2 Yrs.
45	Md. Nurul Haque Talukder	Shareholder	100,000	0.16%	1201930055115265	2 Yrs.
46	Md. Tazul Islam	Shareholder	670,000	1.10%	1201830048267036	2 Yrs.
47	Shakil Mahmud	Shareholder	1,000,000	1.64%	1605550062101886	2 Yrs.
48	Mohammad Towhidul Islam	Shareholder	500,000	0.82%	1202830055707558	2 Yrs.
49	Shanzida Akhter Khanam	Shareholder	200,000	0.33%	1605550061965189	2 Yrs.
50	Md. Saroar Hossain	Shareholder	250,000	0.41%	1605550061674266	2 Yrs.
51	Md. Kabir Uddin Ahmed	Shareholder	500,000	0.82%	1204730058970110	2 Yrs.
52	Md. Abu Bakar Siddik	Shareholder	50,000	0.08%	1201480066435661	2 Yrs.
53	Bishwajit Das	Shareholder	714,900	1.17%	1204220026120606	2 Yrs.
54	Sumaia Sultana	Shareholder	40,000	0.07%	1203390062155920	2 Yrs.
55	Sajal Kumar Bose	Shareholder	95,000	0.16%	1203490062875690	2 Yrs.
56	Mohammad Jahurul Islam Sheikh	Shareholder	100,000	0.16%	1203490062574545	2 Yrs.
57	Md. Mamun Howlader	Shareholder	50,000	0.08%	1204500062875219	2 Yrs.
58	Abdullah Al Mamun	Shareholder	100,000	0.16%	1201950067401645	2 Yrs.
59	Anjoman Ara Begum	Shareholder	200,000	0.32%	1205590068164991	2 Yrs.
60	Md. Arman	Shareholder	100,000	0.16%	1201960064462656	2 Yrs.
61	Md. Abul Kasem	Shareholder	100,000	0.16%	1202550068807871	2 Yrs.
	<b>Sub-Total (e)</b>		<b>24,180,000</b>			
	<b>Total (a+b+e)</b>		<b>61,000,000</b>			

## CHAPTER (XXIV)

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# **MARKETS FOR THE SECURITIES BEING OFFERED**

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### **Stock Exchanges:**

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.



#### **Dhaka Stock Exchange Limited (DSE)**

9/F, Motijheel C/A, Dhaka-1000; and



#### **Chittagong Stock Exchange Limited (CSE)**

CSE Building, 1080 Sheikh Mujib Road, Chittagong.

### **Declaration about Listing of Shares with Stock Exchanges:**

None of the stock exchange(s), if for any reason, grants listing within 30 (thirty) working 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 30 (thirty) working 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 managers, 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)

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# **DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED**

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All types of securities outstanding or being offered with date or proposed date of such issue and to whom those are offered, number of securities and issue or offer price along with the following information:

**(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 rights 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;**

In terms of provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are freely transferable. The Company shall not charge any fee for registering transfer of shares. No transfer shall be made to a firm, an infant or person of unsound mind.

**(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 and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively.
- ii. No large 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 the 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 un audited, 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)

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# **FINANCIAL STATEMENTS**

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- (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;

Date: 02-09-2019.

### INDEPENDENT AUDITORS' REPORT

#### **Introduction**

We have audited the accompanying financial statements of **ANIK TRIMS LTD.** which comprise the Statement of Financial Position as at 30<sup>th</sup> June, 2019 and the Statement of Profit or Loss & Other Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows for the year then ended, and notes to the financial statements for the year then ended.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and for such internal control as management determine 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 independent opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with relevant 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 procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risks assessments, we consider internal control relevant to the entity's preparations and fair presentations 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentations 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 present fairly, in all material respects, give a true and fair view of the financial position of the company as of 30<sup>th</sup> June 2019, and of its financial performance in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act, 1994 and the Securities and Exchange Rules, 1987 and Other applicable laws and regulations.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules, 1987, we also report the following:

- (a) We have obtained all the information, explanations and documents which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) The Company management has followed relevant provision of law and rules in managing the affairs of the Company and that proper books of account, records and other statutory books have been properly maintained;
- (c) The Statement of Financial Position and Statement of Profit or Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account and returns; and
- (d) The expenditure incurred was for the purpose of the Company's business.

Sd/-  
**(ARTISAN)**  
CHARTERED ACCOUNTANTS

**ANIK TRIMS LTD.**

House # 4, Road # 8,  
Sector # 3, Uttara: 1230, Dhaka, Bangladesh.

**ARTISAN**  
CHARTERED ACCOUNTANTS

**Statement of Financial Position**  
**As at June 30, 2019.**

Particulars	Notes	Amount in Taka	
		30 June 2019	30 June 2018
<b>ASSETS:</b>			
<b>Non-Current Assets:</b>		<b>557,572,852</b>	<b>102,969,292</b>
Property, Plant and Equipment	3.00	517,031,402	54,326,629
Capital Work-in-Progress	4.00	40,541,450	48,642,663
<b>Current Assets:</b>		<b>232,895,185</b>	<b>148,668,354</b>
Inventories	5.00	48,340,341	43,269,762
Trade Receivables	6.00	164,563,101	63,676,579
Advances, Deposits and Prepayments	7.00	13,756,006	36,356,362
Cash and Cash Equivalents	8.00	6,235,737	5,365,651
<b>Total Assets</b>		<b>790,468,037</b>	<b>251,637,646</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES:</b>			
<b>Shareholders' Equity:</b>		<b>691,973,957</b>	<b>18,694,525</b>
Share Capital	9.00	610,000,000	1,000,000
Retained Earnings	10.00	81,973,957	17,694,525
<b>Non-Current Liabilities:</b>		<b>42,739,154</b>	<b>203,515,059</b>
Lease Finance	11.00	-	83,353
Long Term Loan Net-off Current Maturity	12.00	34,614,753	-
Share Money Deposit	13.00	-	38,668,000
Vendor's Account	14.00	-	164,000,000
Deferred Tax Liability	15.00	8,124,401	763,706
<b>Current Liabilities:</b>		<b>55,754,926</b>	<b>29,428,062</b>
Current Maturity of Long Term Loan	12.00	10,031,168	-
Short Term Loan	16.00	26,186,887	19,109,247
Accruals & Provisions	17.00	6,217,850	1,720,735
Income Tax Provision	18.00	6,527,045	3,020,013
Liabilities for WPPF	19.00	3,908,359	-
Other Payables	20.00	2,883,617	5,578,067
<b>Total Shareholders' Equity and Liabilities</b>		<b>790,468,037</b>	<b>251,637,646</b>
<b>Net Asset Value (NAV) per Share</b>	21.00	<b>11.34</b>	<b>186.95</b>

The accompanying notes form an integral part of these financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Director**

Sd/-  
**Managing Director**

Signed as per our report on even date annexed.

Dated: 02 September, 2019.  
Place: Dhaka

Sd/-  
**ARTISAN**  
CHARTERED ACCOUNTANTS

**ANIK TRIMS LTD.**

House # 4, Road # 8,  
Sector # 3, Uttara: 1230, Dhaka, Bangladesh.

**ARTISAN**  
CHARTERED ACCOUNTANTS

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended June 30, 2019.**

Particulars	Notes	Amount in Taka	
		From 01 July 2018 to 30 June 2019	10 October 2017 to 30 June 2018
Revenue	22.00	505,890,406	166,612,865
Less: Cost of goods sold	23.00	396,466,311	130,618,573
<b>Gross Profit</b>		<b>109,424,095</b>	<b>35,994,292</b>
Less: Operating Expenses	24.00	17,024,045	12,209,970
<b>Profit from operation</b>		<b>92,400,050</b>	<b>23,784,322</b>
Add: Other Income	25.00	1,191,342	143,013
Less: Finance Expense	26.00	11,515,861	2,449,091
<b>Profit before Contribution to WPPF</b>		<b>82,075,531</b>	<b>21,478,244</b>
Less: Contribution to WPPF	27.00	3,908,359	-
<b>Profit before Income Tax</b>		<b>78,167,172</b>	<b>21,478,244</b>
<b>Less: Income Tax Expenses</b>		<b>13,887,740</b>	<b>3,783,719</b>
Current Tax	18.00	6,527,045	3,020,013
Deferred Tax	15.00	7,360,695	763,706
<b>Net Profit after tax</b>		<b>64,279,432</b>	<b>17,694,525</b>
<b>Earnings per Share (EPS)</b>	28.00	<b>2.09</b>	<b>1.02</b>

The accompanying notes form an integral part of these financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Director**

Sd/-  
**Managing Director**

Signed as per our report on even date annexed.

Dated: 02 September, 2019.  
Place: Dhaka

Sd/-  
**ARTISAN**  
CHARTERED ACCOUNTANTS

**ANIK TRIMS LTD.**

House # 4, Road # 8,  
Sector # 3, Uttara: 1230, Dhaka, Bangladesh.

**ARTISAN**  
CHARTERED ACCOUNTANTS

**Statement of Changes in Equity**  
**For the year ended June 30, 2019.**

Particulars	Amount in Tk.		
	Share Capital	Retained Earnings	Total
Balance as on July 01, 2018	1,000,000	17,694,525	18,694,525
Issuance of Shares	609,000,000	-	609,000,000
Net Profit after tax	-	64,279,432	64,279,432
<b>Balance as at June 30, 2019</b>	<b>610,000,000</b>	<b>81,973,957</b>	<b>691,973,957</b>

**For the period from October 10, 2017 to June 30, 2018.**

Particulars	Amount in Tk.		
	Share Capital	Retained Earnings	Total
Issuance of Shares	1,000,000	-	1,000,000
Net Profit after tax	-	17,694,525	17,694,525
<b>Balance as at June 30, 2018</b>	<b>1,000,000</b>	<b>17,694,525</b>	<b>18,694,525</b>

The accompanying notes form an integral part of these financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Director**

Sd/-  
**Managing Director**

Signed as per our report on even date annexed.

Dated: 02 September, 2019.  
Place: Dhaka

Sd/-  
**ARTISAN**  
CHARTERED ACCOUNTANTS

**ANIK TRIMS LTD.**

House # 4, Road # 8,  
Sector # 3, Uttara: 1230, Dhaka, Bangladesh.

**ARTISAN**  
CHARTERED ACCOUNTANTS

**Statement of Cash Flows**  
**For the year ended June 30, 2019.**

Particulars	Amount in Taka	
	01 July 2018 to 30 June 2019	10 October 2017 to 30 June 2018
<b>Cash flows from operating activities:</b>		
Received from customers & others	406,195,226	172,733,273
Paid to suppliers	(365,893,705)	(118,247,009)
Paid to employees	(19,548,843)	(11,205,289)
Paid to others	(13,690,098)	(7,326,788)
<b>Cash generated from operating activities</b>	<u>7,062,580</u>	<u>35,954,187</u>
Income tax paid	(4,325,357)	(1,208,583)
<b>Net cash generated from operating activities</b>	<u><b>2,737,223</b></u>	<u><b>34,745,604</b></u>
<b>Cash flows from investing activities:</b>		
Paid for acquisition of Property, plant and equipment	(407,868,377)	(331,655)
Paid advance for land purchase	-	(21,500,000)
Paid advance for machinery	(499,226)	-
Paid to Vendor	(29,740,000)	-
Paid for Capital Work in Progress	(43,235,900)	(43,064,596)
<b>Net cash used in investing activities</b>	<u><b>(481,343,503)</b></u>	<u><b>(64,896,251)</b></u>
<b>Cash flows from financing activities:</b>		
Paid for financial expenses	(8,235,842)	(2,742,818)
Received/(Paid) for short term loan	7,077,640	(1,091,617)
Paid for lease finance	(83,353)	(749,997)
Received from long term loan	44,645,921	-
Received from issuance of share capital	436,072,000	1,000,000
Received from share money deposit	-	38,668,000
<b>Net cash provided by financing activities</b>	<u><b>479,476,366</b></u>	<u><b>35,083,568</b></u>
<b>Net increase in cash and cash equivalents</b>	<u><b>870,086</b></u>	<u><b>4,932,921</b></u>
Cash and Cash Equivalents at the beginning of the period	5,365,651	432,730
<b>Cash and Cash Equivalents at the end of the period</b>	<u><b>6,235,737</b></u>	<u><b>5,365,651</b></u>
<b>Net Operating Cash Flows per Share (NOCFPS)</b> <b>(Note # 29.00)</b>	<u><b>0.09</b></u>	<u><b>2.00</b></u>

The accompanying notes form an integral part of these financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Director**

Sd/-  
**Managing Director**

Signed as per our report on even date annexed.

Dated: 02 September, 2019.  
Place: Dhaka

Sd/-  
**ARTISAN**  
CHARTERED ACCOUNTANTS



**Notes, comprising significant accounting policies and other explanatory information.  
For the year ended June 30, 2019.**

**1.00 REPORTING ENTITY:**

**1.01 Background of the Company:**

The Company namely "Anik Trims Ltd." was incorporated on 10 October, 2017 vide registration no. C-140396/2017 as a private limited Company in Bangladesh under the Companies Act, 1994. Subsequently the Company converted into Public Limited Company on 25 January, 2019.

The Company took over the Assets & Liabilities of Anik Enterprise, a proprietorship business through a vendor agreement.

**1.02 Registered Office of the Company:**

The registered office of the Company is located at House # 04, Road # 08, Sector # 03, Uttara-1230, Dhaka, Bangladesh.

The factory of the Company is located at Golora Charkhanda, Jagir, Manikganj, Bangladesh.

**1.03 Nature of the business:**

The principal activities of the Company are to carry on the business of manufacturing of all kinds of Carton, Photo Box, Photo Card, Hang Tag, Price Tag, Size Tag, Bar Code, Back Board, Care Label, Size Label, Main Label, Heat Seal Label, Pocket Flasher, Twill Tape, Elastic, Poly, Others etc. for export oriented garments industry.

**2.00 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS:**

**2.01 Statements of Compliance:**

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other laws & regulation are applicable for the Company in Bangladesh.

**2.02 Going Concern:**

The Company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis in preparing the Financial Statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

**2.03 Accrual Basis:**

The Financial Statements have been prepared, except cash flow information, using the accrual basis of accounting.

**2.04 Components of the Financial Statements:**

According to IAS 1 Presentation of the Financial Statements (the complete set of financial statement) includes the following components:

- a) Statement of financial position as at June 30, 2019;
- b) Statement of profit or loss and other comprehensive income for the year ended June 30, 2019;
- c) Statement of changes in equity for the year ended June 30, 2019;
- d) Statement of cash flows for the year ended June 30, 2019 and

e) Notes, comprising significant accounting policies and other explanatory informations.

**2.05 Accounting Policies & Estimates:**

The preparation of these financial statements is in conformity with IASs/IFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses and depreciation.

**2.06 Responsibility for Preparation and Presentation of Financial Statements:**

The Board of Directors is responsible for the preparation of Financial Statements under section 183 of the Companies Act, 1994 and as per the provision of "the Framework for the Preparation and Presentation of Financial Statements" issued by the International Accounting Standards (IASs).

**2.07 Statement of Cash flows:**

Statement of Cash flows have been prepared in accordance with IAS 7 Statement of Cash Flows and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS 7 which provides that "entities are encouraged to report cash flows from operating activities using the direct method".

**2.08 Applicable accounting standards:**

The following IASs and IFRSs are applicable for the Financial Statements for the year under review:

**IASs:**

IAS 1	Presentation of Financial Statements;
IAS 2	Inventories;
IAS 7	Statement of Cash Flows;
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors;
IAS 10	Events after the Reporting Year
IAS 12	Income Taxes;
IAS 16	Property, Plant and Equipment;
IAS 17	Leases;
IAS 19	Employee Benefits;
IAS 21	The Effects of Changes in Foreign Exchange Rates;
IAS 23	Borrowing Costs;
IAS 24	Related Party Disclosures;
IAS 33	Earnings per Share;
IAS 36	Impairment of Assets;
IAS 37	Provisions, Contingent Liabilities and Contingent Assets;

**IFRSs:**

IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers

**2.09 Property, Plant and Equipment:**

**2.09.1 Recognition and Measurement:**

All Property, Plant and Equipment (PPE) are stated at cost less accumulated depreciation as per IAS 16 Property, Plant and Equipment. The cost of acquisition of an asset comprises of its purchase price and any directly attributable cost of bringing

the asset to its working condition for its intended use inclusive of inward freight, duties and non-refundable taxes.

The cost of replacing part of an item of Property, Plant and Equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its costs can be measured reliably. The day to day maintaining cost on PPE is recognized in the Statements of Profit or Loss and other Comprehensive Income as incurred.

#### **2.09.2 Depreciation:**

Depreciation on Property, Plant and Equipment has been computed during the year using the reducing balance method. Depreciation has been charged on addition when the related Property, Plant and Equipment are available for use as per management intention. Depreciation have been charged as per following rates:

Name of Assets	Rate	
	June 30, 2019	June 30, 2018
Land	0%	0%
Buildings and Civil Construction	2.50%	2.50%
Plant & Machinery	10%	10%
Furniture and Fixture	10%	10%
Electrical Equipment and Installation	10%	10%
Office Equipment	10%	10%
Fire Equipment	10%	10%

#### **2.09.3 Retirement and Disposals:**

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of the asset under other income in the statement of profit or loss and other comprehensive income.

#### **2.09.4 Impairment:**

All fixed assets have been reviewed and it was confirmed that no such fixed assets have been impaired during the year and for this reason no provision has been made for impairment of assets as per IAS 36 Impairment of Assets.

#### **2.10 Borrowing Costs:**

Interest and other cost incurred in the Company in connection with the borrowing of fund are recognized as expenses in the year in which they are incurred unless such borrowings cost related to acquisition/construction of assets in progress that are required to capitalized as per IAS 23 Borrowing Costs.

#### **2.11 Revenue from Contracts with Customers:**

Income arising in the course of an entity's ordinary activities is Revenue.

IFRS 15 Revenue from Contracts with Customers says that, an entity recognizes revenue by applying the following five steps:

- i) Identify the contract with customers,
- ii) Identify the performance obligations,
- iii) Determine the transaction price,

- iv) Allocate the transaction price to the performance obligations in the contract,
- v) Recognize revenue when (or as) entity satisfies performance obligation.

## **2.12 Valuation of Current Assets:**

### **Trade and Other Receivables:**

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount has been provided for as bad debt in the current year's account.

### **Inventories:**

In compliance with the requirements of IAS 2 Inventories, the Inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the previous year's practice. Net realizable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sales.

### **Advances, Deposits and Prepayments:**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory or expenses. Deposits are measured at payment value without any adjustment for time value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss on accrual basis.

### **Cash and Cash Equivalents:**

Cash and cash equivalents comprises cash in hand, cash at bank and other short term deposits which are available for use by the Company without any restriction.

## **2.13 Leases:**

An inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At inception or on re-assessment of an arrangement that contains a lease, the entity separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values.

## **2.14 Provisions:**

In accordance with the guidelines as prescribed by IAS 37 provisions shall be recognized when

- an entity has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

## **2.15 Employee Benefit:**

The Company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The Company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19 Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the year to which the contributions relate.

The Company's employee benefits include the following:

**a) Short Term Employee Benefits:**

Short-term employee benefits include wages, salaries, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

**b) Contribution to Workers' Profit Participation and Welfare Funds:**

This represents 5% of net profit before tax, contributed by the Company as per provisions of the Bangladesh Labor Act, 2006 (Amendment 2013). The Company recognizes contribution to Workers Profit Participation and Welfare Fund in the accounts from the year 2019. The fund transfer is under process and will be paid after completion of necessary legal process.

**2.16 Functional and Presentational Currency:**

The Financial Statements are prepared in Bangladeshi Taka which is the Company's functional currency.

**2.17 Income Tax:**

**Current Tax:**

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates enacted or subsequently enacted after the reporting date and any adjustment to tax payable in respect of previous years. Provision for taxation is calculated on the basis of applicable current tax rate as per ITO, 1984.

**Deferred Tax:**

The Company recognized deferred tax as per IAS 12 Income Taxes. Deferred tax is recognized for all temporary timing difference arising between the carrying value of assets and liabilities and its tax base values. The rate prevailing at the Financial Position date is used for determine the deferred tax.

**2.18 Foreign Currency Transaction:**

Transactions in foreign currencies are translated to the reporting currency (BDT) at exchange rates at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are re-translated into Bangladesh Taka at the exchange rates ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies, stated at historical cost are translated into Bangladesh Taka at the exchange rate ruling at the date of transaction. Foreign exchange differences arising on translation are recognized in the statement of Profit or Loss and Other Comprehensive Income.

**2.19 Earnings per Share:**

The Company calculates its Earnings per Share (EPS) in accordance with IAS 33 Earnings per Share which has been shown on the face of the Statement of profit or loss and other comprehensive income.

**Basic Earnings:**

This represents profit or loss at the end of the year attributable to ordinary shareholders of the entity.

**Earnings per Share:**

This has been calculated by dividing profit or loss attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during the year.

## **2.20 Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IFRS 9 Financial Instruments.

### **Financial Assets:**

Financial assets of the Company include cash and cash equivalents, equity instrument to another entity, trade receivables and other receivables. The Company initially recognizes a financial asset in its statement of financial position when, and only when, the Company becomes a party to the contractual provision of the instrument. The Company derecognize a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

### **Financial Liabilities:**

The Company initially recognizes a financial liability in its statement of financial position when, and only when, the Company becomes a party to the contractual provision of the instrument. The Company derecognizes a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

## **2.21 Events after the Reporting Year:**

In compliance with the requirements of IAS 10 Events after the Reporting Year, events after the reporting year are those events, favorable and unfavorable, that occur between the end of the reporting year and the date when the Financial Statements are authorized for issue. Two types of events can be identified:

Adjusting Events - those that provide evidence of conditions that existed at the end of the reporting year.

Non-adjusting Events- those that are indicative of conditions that arose after the reporting year.

Management of the Company has taken close look whether any events after the reporting year exist that need to take into account during the preparation of Financial Reports.

## **2.22 Operating Segments:**

As required by IFRS 8 Operating Segments, if an entity operates business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which discrete financial information is available

The Company considers the operation on aggregate basis and manages the operations as a single operating segment. Hence it is felt that such segment reporting is not required to be disclosed.

## **2.23 Related Party Disclosures:**

The Company carried out a number of transactions with related parties in the normal course of business and on arms' length basis. The information as required by IAS 24 Related Party Disclosures has been disclosed in the Financial Statements.

## **2.24 Risk exposure:**

### **Market risks:**

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the Company. Mostly, the risk arises from falling demand for the product which would harm the performance of the Company. On the other hand, strong marketing and brand management would help the Company increase their customer base.

### **Liquidity risk:**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price.

## **2.25 Authorization date for issuance of Financial Statements:**

The Financial Statements have been authorized by the Board of Directors on August 27, 2019.

## **2.26 Comparative Information:**

Comparative information has been disclosed in the respect of previous year for all numeric information in the Financial Statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statement. As the Company has been incorporated on 10<sup>th</sup> October, 2017, the comparative year length is 8 months 22 days, So, all the comparative income/expenses are of 8 months 22 days.

## **2.27 General:**

- i) The figure has been rounded off to the nearest taka.
- ii) The Financial Statements have been prepared covering the year ended 30<sup>th</sup> June, 2019.

		Amount in Taka	
		From 01 July 2018 to 30 June 2019	From 10 October 2017 to 30 June 2018
<b>3.00</b>	<b>Property, Plant and Equipment: Tk. 517,031,402</b>		
	<b>A. Cost:</b>		
	Opening Balance	58,719,520	58,387,865
	Add: Addition during the year	478,569,114	331,655
	<b>Total Assets Value at cost</b>	<b>537,288,634</b>	<b>58,719,520</b>
	<b>B. Accumulated Depreciation:</b>		
	Opening Balance	4,392,891	-
	Add: Depreciation charged for the year	15,864,341	4,392,891
	<b>Total Charge</b>	<b>20,257,232</b>	<b>4,392,891</b>
	<b>Written Down Value (A-B) as at 30.06.2019</b>	<b>517,031,402</b>	<b>54,326,629</b>
	<b>The details of above have been shown in Annexure- 'A'</b>		
<b>4.00</b>	<b>Capital Work-in-Progress: Tk. 40,541,450</b>		
	Buildings and Civil Construction	(Note # 4.01) 40,541,450	37,026,926
	Plant & Machinery	(Note # 4.02) -	11,615,737
	<b>Total</b>	<b>Taka 40,541,450</b>	<b>48,642,663</b>
<b>4.01</b>	<b>Buildings and Civil Construction: Tk. 40,541,450</b>		
	Opening Balance	37,026,926	-
	Add: Addition during the year	60,631,700	37,026,926
		<b>97,658,626</b>	<b>37,026,926</b>
	Less: Transferred to Fixed Assets	57,117,176	-
	<b>Total</b>	<b>Taka 40,541,450</b>	<b>37,026,926</b>
<b>4.02</b>	<b>Plant &amp; Machinery: Tk. 0</b>		
	Opening Balance	11,615,737	-
	Add: Addition during the year	134,694,597	11,615,737
	Add: Interest capitalized	558,074	-
		<b>146,868,408</b>	<b>11,615,737</b>
	Less: Transferred to Fixed Assets	146,868,408	-
	<b>Total</b>	<b>Taka -</b>	<b>11,615,737</b>



**5.00 Inventories: Tk. 48,340,341**

The break-up of the amount is given below:

**Particulars**

Raw Materials	(Note # 23.01)	28,718,926	20,963,095
Work in Process	(Note # 23.00)	7,756,779	6,332,027
Finished Goods	(Note # 23.00)	11,242,764	15,492,356
Store Items	(Note # 23.02)	621,872	482,284
<b>Total</b>	<b>Taka</b>	<b>48,340,341</b>	<b>43,269,762</b>

**6.00 Trade Receivables: Tk. 164,563,101**

The break-up of the amount is given below:

**Particulars:**

Trade Receivables		164,563,101	63,676,579
		<b>164,563,101</b>	<b>63,676,579</b>

The above is the amount of receivable is against export bills as on June 30, 2019. This is considered good & realizable and is secured by letter of credit duly accepted by L/C opening bank.

Opening Balance		63,676,579	69,653,974
Add: Export during the year		505,890,406	166,612,865
		<b>569,566,985</b>	<b>236,266,839</b>
Less: Collection/Realization during the year		405,188,275	172,628,299
<b>Closing Balance as per books of accounts</b>		<b>164,378,710</b>	<b>63,638,540</b>
Unrealized foreign exchange gain/(loss)		184,391	38,039
<b>Closing Balance</b>		<b>164,563,101</b>	<b>63,676,579</b>
<b>Ageing of Trade Receivables</b>			
More than six months		-	-
Less than six months		164,563,101	63,676,579
<b>Closing Balance</b>	<b>Taka</b>	<b>164,563,101</b>	<b>63,676,579</b>

**7.00 Advances, Deposits and Prepayments: Tk. 13,756,006**

This is made up as follows:

**Particulars**

Advance to employees		418,600	292,800
Advance income tax	(Note # 7.01)	2,513,927	1,208,583
Security deposit	(Note # 7.02)	8,990,500	8,990,500
Advance against rent	(Note # 7.03)	120,000	1,141,000
L/C Margin for raw materials		1,213,753	3,223,479

	L/C Margin for machinery		499,226	-
	Advance against land purchase		-	21,500,000
	<b>Total</b>	<b>Taka</b>	<b>13,756,006</b>	<b>36,356,362</b>
<b>7.01</b>	<b>Advance Income Tax: Tk. 2,513,927</b>			
	Opening Balance		1,208,583	-
	Add: Tax deduction at source during the year		2,431,130	1,208,583
	Add: Tax deduction at source on interest income		82,797	-
	Add: Tax payment for the assessment year 2018-2019		1,811,430	-
	Less: Adjustment for the assessment year 2018-2019		(3,020,013)	-
	<b>Total</b>	<b>Taka</b>	<b>2,513,927</b>	<b>1,208,583</b>
<b>7.02</b>	<b>Security Deposit: Tk. 8,990,500</b>			
	Electricity - Polli Biddyut Samity (PBS)		8,990,500	8,990,500
	<b>Total</b>	<b>Taka</b>	<b>8,990,500</b>	<b>8,990,500</b>
<b>7.03</b>	<b>Advance Against Rent: Tk. 120,000</b>			
	Office Rent		120,000	120,000
	Opening Factory Rent	1,021,000		
	Less: Adjust during the year	140,000		
	Less: Advance recovered	881,000		
			-	1,021,000
	<b>Total</b>	<b>Taka</b>	<b>120,000</b>	<b>1,141,000</b>
<b>8.00</b>	<b>Cash and Cash Equivalents: Tk. 6,235,737</b>			
	This is made up as follows:			
	<b>Particulars</b>			
	Cash in Hand		930,664	150,865
	<b>Cash at Bank</b>		5,305,073	5,214,786
	Jumuna Bank Ltd.		-	896
	Social Islami Bank Ltd.		-	4,564
	First Security Islami Bank Ltd.		612,872	2,557
	Standard Chartered Bank		-	142
	Social Islami Bank Ltd.		-	2,433

One Bank Ltd.		-	2,391
One Bank Ltd.		4,689,041	5,201,803
One Bank Ltd.		1,311	-
First Security Islami Bank Ltd.		1,849	-
<b>Total</b>	<b>Taka</b>	<b>6,235,737</b>	<b>5,365,651</b>
The Bank balance is agreed with respective bank statement balances.			
<b>9.00 Share Capital: Tk. 610,000,000</b>			
<b>9.01 Authorized Capital: Tk. 1,500,000,000</b>			
150,000,000 Ordinary Shares of Tk. 10/- each.		1,500,000,000	10,000,000
<b>9.02 Issued, Subscribed &amp; Paid-up Capital: Tk. 610,000,000</b>			
61,000,000 Ordinary Shares of Tk. 10/- each fully paid up.		610,000,000	1,000,000
<b>Details Shown in Annexure-B</b>			
<b>10.00 Retained Earnings: Tk. 81,973,957</b>			
Opening Balance		17,694,525	-
Add: Net Profit after tax		64,279,432	17,694,525
<b>Total</b>	<b>Taka</b>	<b>81,973,957</b>	<b>17,694,525</b>
<b>11.00 Lease Finance: Tk. 0</b>			
IIDFC			
Opening Balance		83,353	833,350
Less: Paid during the year		83,353	749,997
<b>Total</b>	<b>Taka</b>	<b>-</b>	<b>83,353</b>
<b>12.00 Long Term Loan Net-off Current Maturity: Tk. 34,614,753</b>			
First Security Islami Bank Limited - HPSM			
Opening Balance		-	-
Add: Received during the year		44,645,921	-
Less: Paid during the year		-	-
Less: Current maturity of Long Term Loan		10,031,168	-
<b>Total</b>	<b>Taka</b>	<b>34,614,753</b>	<b>-</b>

<b>13.00</b>	<b>Share Money Deposit: Tk. 0</b>			
	Opening Balance		38,668,000	-
	Add: Deposit during the year		436,072,000	38,668,000
	Less: Issuance of shares		474,740,000	-
	<b>Total</b>	<b>Taka</b>	<b>-</b>	<b>38,668,000</b>
<b>14.00</b>	<b>Vendor's Account: Tk. 0</b>			
	Opening Balance		164,000,000	164,000,000
	Less: Issuance of shares		134,260,000	-
	Less: Paid to Vendor		29,740,000	-
	<b>Total</b>	<b>Taka</b>	<b>-</b>	<b>164,000,000</b>
<b>15.00</b>	<b>Deferred Tax Liability: Tk. 8,124,401</b>			
	Opening Balance		763,706	-
	Add: Deferred tax expenses		7,360,695	763,706
	<b>Total</b>	<b>Taka</b>	<b>8,124,401</b>	<b>763,706</b>
	<b>Details Shown in Annexure-C</b>			
<b>16.00</b>	<b>Short Term Loan: Tk. 26,186,887</b>			
	First Security Islami Bank Limited - TR	(Note # 16.01)	15,112,450	19,109,247
	First Security Islami Bank Limited - IDBP	(Note # 16.02)	11,074,437	-
	<b>Total</b>	<b>Taka</b>	<b>26,186,887</b>	<b>19,109,247</b>
<b>16.01</b>	<b>First Security Islami Bank Limited - TR: Tk. 15,112,450</b>			
	Opening Balance		19,109,247	20,200,864
	Add: Received during the year		53,658,950	134,514,658
	Less: Paid during the year		57,655,747	135,606,275
	<b>Total</b>	<b>Taka</b>	<b>15,112,450</b>	<b>19,109,247</b>
<b>16.02</b>	<b>First Security Islami Bank Limited - IDBP: Tk. 11,074,437</b>			
	Opening Balance		-	-
	Add: Received during the year		105,338,562	-
	Less: Paid during the year		94,264,125	-
	<b>Total</b>	<b>Taka</b>	<b>11,074,437</b>	<b>-</b>

<b>17.00</b>	<b>Accruals &amp; Provisions: Tk. 6,217,850</b>			
	Electricity bill		397,029	115,436
	Telephone and Mobile bill		18,563	8,193
	Water bill		5,745	5,236
	Office & Factory Rent	(Note # 17.01)	60,000	135,000
	Salary & Wages		1,513,266	1,175,216
	Director Remuneration		90,000	90,000
	Interest	(Note # 17.02)	4,018,247	180,154
	Audit Fees		115,000	11,500
	<b>Total</b>	<b>Taka</b>	<b>6,217,850</b>	<b>1,720,735</b>
<b>17.01</b>	<b>Office &amp; Factory Rent: Tk. 60,000</b>			
	Office Rent	(Note # 17.01.1)	60,000	60,000
	Factory Rent	(Note # 17.01.2)	-	75,000
	<b>Total</b>	<b>Taka</b>	<b>60,000</b>	<b>135,000</b>
<b>17.01.1</b>	<b>Office Rent: Tk. 60,000</b>			
	Opening Balance		60,000	60,000
	Add: Charged during the year		720,000	540,000
	Less: Adjust during the year		720,000	540,000
	<b>Total</b>	<b>Taka</b>	<b>60,000</b>	<b>60,000</b>
<b>17.01.2</b>	<b>Factory Rent: Tk. 0</b>			
	Opening Balance		75,000	-
	Add: Charged during the year		480,000	990,000
	Less: Adjust during the year		555,000	915,000
	<b>Total</b>	<b>Taka</b>	<b>-</b>	<b>75,000</b>
<b>17.02</b>	<b>Interest Payable: Tk. 4,018,247</b>			
	Short Term Loan (TR)	(Note # 17.02.1)	352,317	180,154
	Short Term Loan (IDBP)	(Note # 17.02.2)	217,824	-
	Long Term Loan (HPSM)	(Note # 17.02.3)	3,448,106	-
	<b>Total</b>	<b>Taka</b>	<b>4,018,247</b>	<b>180,154</b>

**17.02.1 Short Term Loan (TR): Tk. 352,317**

Opening Balance

Add: Charged during the year

Less: Adjust during the year

**Total****Taka**

180,154	473,881
4,448,772	2,031,761
4,276,609	2,325,488
<b>352,317</b>	<b>180,154</b>

**17.02.2 Short Term Loan (IDBP): Tk. 217,824**

Opening Balance

Add: Charged during the year

Less: Adjust during the year

**Total****Taka**

-	-
4,130,687	-
3,912,863	-
<b>217,824</b>	<b>-</b>

**17.02.3 Long Term Loan (HPSM): Tk. 3,448,106**

Opening Balance

Add: Charged during the year

Less: Adjust during the year

**Total****Taka**

-	-
3,448,106	-
-	-
<b>3,448,106</b>	<b>-</b>

**18.00 Income Tax Provision: Tk. 6,527,045**

Opening Balance

Add: Current Tax charge for the year

Less: Adjustment for the assessment year 2018-2019

**Total****Taka**

3,020,013	-
6,527,045	3,020,013
3,020,013	-
<b>6,527,045</b>	<b>3,020,013</b>

**Details Shown in Annexure-D****19.00 Liabilities for WPPF: Tk. 3,908,359**

This is made up as follows:

**Particulars**

Opening Balance

Add: Addition during the year

**Total****Taka**

-	-
3,908,359	-
<b>3,908,359</b>	<b>-</b>

**20.00 Other Payables: Tk. 2,883,617**

2,883,617	5,578,067
<b>2,883,617</b>	<b>5,578,067</b>

Details of other payables are as follows:

Bhai Bahi Enterprise

Dholeshshori Trade International

SK Builders

Dholeshshori Enterprise

Milton Engineering Works

T Ali Enterprise

Sardar Enterprise

Shakil Enterprise

**Total**

**Taka**

569,830	1,565,020
274,430	548,740
1,740,182	2,598,520
152,695	155,950
146,480	288,960
-	165,320
-	88,950
-	166,607
<b>2,883,617</b>	<b>5,578,067</b>

**21.00 Net Asset Value (NAV) per Share: Tk. 11.34**

Total assets

Less: Non-current liabilities + Current liabilities

Net Assets Value

Number of ordinary share outstanding

**Net Asset Value (NAV) per Share**

790,468,037	251,637,646
98,494,080	232,943,121
691,973,957	18,694,525
61,000,000	100,000
<b>11.34</b>	<b>186.95</b>

**22.00 Revenue: Tk. 505,890,406**

Export Revenue

**Total**

**Taka**

505,890,406	166,612,865
<b>505,890,406</b>	<b>166,612,865</b>

**23.00 Cost of goods sold: Tk. 396,466,311**

Raw Materials Consumed

Manufacturing Overhead

**Total Manufacturing Cost**

Work in Process- Opening

Work in Process- Closing

**Cost of Goods Manufactured**

Finished Goods- Opening

Finished Goods- Closing

(Note # 23.01)

(Note # 23.03)

358,775,342	137,875,841
37,739,478	15,583,282
<b>396,514,820</b>	<b>153,459,123</b>
6,332,027	453,790
(7,756,779)	(6,332,027)
<b>395,090,068</b>	<b>147,580,886</b>
15,492,356	319,695
(11,242,764)	(15,492,356)

	Sample Expenses		(2,873,349)	(1,789,652)
	<b>Total</b>	<b>Taka</b>	<b>396,466,311</b>	<b>130,618,573</b>
<b>23.01</b>	<b>Raw Materials: Tk. 358,775,342</b>			
	Opening balance		20,963,095	44,483,317
	Add: Purchase during the year		366,531,173	114,355,619
	<b>Raw materials available for consumption</b>		<b>387,494,268</b>	<b>158,838,936</b>
	Less: Closing balance		28,718,926	20,963,095
	<b>Raw materials consumed</b>		<b>358,775,342</b>	<b>137,875,841</b>
<b>23.02</b>	<b>Store Items: Tk. 1,232,670</b>			
	Opening balance		482,284	1,075,545
	Add: Purchase during the year		1,372,258	928,149
	<b>Store items available for consumption</b>		<b>1,854,542</b>	<b>2,003,694</b>
	Less: Closing Balance		621,872	482,284
	<b>Store items consumed</b>		<b>1,232,670</b>	<b>1,521,410</b>
<b>23.03</b>	<b>Manufacturing overhead: Tk. 37,739,478</b>			
	Wages, Salaries and Allowances		10,175,423	5,210,315
	Festival Bonus		948,350	289,500
	Carrying Charge		2,248,963	649,832
	Electricity bill		3,206,079	676,918
	Freight & Forwarding charge		1,367,198	373,513
	Medical expenses		95,835	69,496
	Food & Tiffin expenses		675,978	476,840
	Fuel expenses		482,138	178,106
	Labor charge		317,180	246,700
	Telephone and Mobile Bill		85,792	63,386
	Printing & Stationery expenses		114,432	73,690
	Store Items	(Note # 23.02)	1,232,670	1,521,410
	Conveyance		97,839	81,992
	Postage & Stamp		92,486	77,396
	Miscellaneous expenses		185,387	123,863
	Repair & Maintenance		201,942	130,974



	Factory Rent		480,000	990,000
	Depreciation ( <b>Annexure- A</b> )		15,731,786	4,349,351
	<b>Total</b>	<b>Taka</b>	<b>37,739,478</b>	<b>15,583,282</b>
<b>24.00</b>	<b>Operating Expenses: Tk. 17,024,045</b>			
	Selling Expenses	(Note # 24.01)	9,250,407	6,689,611
	Administrative Expenses	(Note # 24.02)	7,773,638	5,520,359
	<b>Total</b>	<b>Taka</b>	<b>17,024,045</b>	<b>12,209,970</b>
<b>24.01</b>	<b>Selling Expenses: Tk. 9,250,407</b>			
	Salaries and Allowances		3,349,950	2,848,260
	Festival Bonus		280,370	158,200
	Advertisement		68,929	43,568
	Electricity bill		32,370	75,213
	Telephone and Mobile Bill		54,186	38,729
	Entertainment expenses		312,725	252,943
	Paper and Periodicals		33,285	24,815
	Travelling expenses		286,167	194,750
	Printing & Stationery		128,729	83,658
	Postage & Courier		312,902	234,567
	Repair & Maintenance		185,944	108,352
	Sample expenses		2,873,349	1,789,652
	Transportation & Handling expenses		770,503	563,740
	Miscellaneous expenses		494,721	251,394
	Depreciation ( <b>Annexure- A</b> )		66,277	21,770
	<b>Total</b>	<b>Taka</b>	<b>9,250,407</b>	<b>6,689,611</b>
<b>24.02</b>	<b>Administrative Expenses: Tk. 7,773,638</b>			
	Salaries and Allowances		3,708,000	2,896,730
	Director Remuneration		1,080,000	810,000
	Board Meeting Fee	(Note # 24.02.1)	21,500	4,000
	Festival Bonus		197,500	160,900
	Bank charges		469,974	129,179
	Tours and Travelling expenses		321,728	210,690

Telephone and Mobile bill		74,128	53,413
Postage & Stamps		69,654	49,455
Printing & Stationery		142,757	109,285
Fees and Renewals		15,180	7,830
Entertainment		218,265	118,952
Office Rent		720,000	540,000
Electricity bill		48,556	75,183
Water bill		62,680	42,338
Internet bill		74,000	55,500
Audit fees		115,000	11,500
Miscellaneous expenses		368,438	223,634
Depreciation ( <b>Annexure- A</b> )		66,278	21,770
<b>Total</b>	<b>Taka</b>	<b>7,773,638</b>	<b>5,520,359</b>

**24.02.1 Board Meeting Fees: Tk. 21,500**

Name of the Director	No. of Meeting Held	Board Meeting Attend	Fee Per Meeting (From July 01, 2018 to March 31, 2018)	Fee Per Meeting (From April 01, 2019)	Amount in Tk.
Rubina	6	6	500	2,000	6,000
S.M Malek		6	500	2,000	6,000
Shekh Md. Rubel Hossain		6	500	2,000	6,000
Md. Anik		4	500	2,000	3,500
<b>Total</b>			<b>Taka</b>		<b>21,500</b>

**25.00 Other Income: Tk. 1,191,342**

Interest Income		910,764	1,851
Gain/(Loss) on foreign currency exchange rate change		280,578	141,162
<b>Total</b>	<b>Taka</b>	<b>1,191,342</b>	<b>143,013</b>

**26.00 Financial Expense: Tk. 11,515,861**

The break-up of the amount is given below:

<b>Particulars</b>			
Interest on Loan	(Note # 26.01)	11,515,861	2,449,091
<b>Total</b>	<b>Taka</b>	<b>11,515,861</b>	<b>2,449,091</b>

**26.01 Interest on Loan: Tk. 11,515,861**

Interest on Lease Finance (IIDFC)		46,370	417,330
Interest on TR Loan		4,448,772	2,031,761
Interest on IDBP Loan		4,130,687	-
Interest on HPSM Loan		3,448,106	-
		<b>12,073,935</b>	<b>2,449,091</b>
Less: Interest of long term loan capitalized		558,074	-
<b>Total</b>	<b>Taka</b>	<b>11,515,861</b>	<b>2,449,091</b>

**27.00 Contribution to WPPF: Tk. 3,908,359**

The break-up of the amount is given below:

**Particulars**

Profit before Contribution to WPPF		82,075,531	-
Contribution to WPPF (82,075,531/105×5)		3,908,359	-
Profit before tax		78,167,172	-

As per Bangladesh Labour Act, 2006 (Amendment 2013) the amount is computed @ 5% net profit before Income Tax.

**28.00 Earnings per Share: Tk. 2.09**

a) Net Profit after tax		64,279,432	17,694,525
b) Weighted average number of ordinary shares	(Note # 28.01)	30,773,639	17,392,800
<b>Earnings per Share (EPS) (a/b)</b>		<b>2.09</b>	<b>1.02</b>

**28.01 Calculation of Weighted Average Number of Shares**

Particulars	Number of Share	Weight	Weighted average no. of Shares 30 June 2019	Weighted average no. of Shares 30 June 2018
No. of Shares	100,000	365/365	100,000	100,000
Issued due to Vendor's Agreement	13,426,000	365/365	13,426,000	13,426,000
Issued from Share Money Deposit	3,866,800	365/365	3,866,800	3,866,800
Issued from Share Money Deposit	43,607,200	112/365	13,380,839	-
<b>Total:</b>	<b>61,000,000</b>		<b>30,773,639</b>	<b>17,392,800</b>

<b>29.00</b>	<b>Net Operating Cash Flows per Share (NOCFPS): Tk. 0.09</b>		
	a) Net Operating Cash Flows	2,737,223	34,745,604
	b) Weighted average number of ordinary shares outstanding	(Note # 28.01) 30,773,639	17,392,800
	<b>Net Operating Cash Flows per Share (NOCFPS) (a/b)</b>	<u><b>0.09</b></u>	<u><b>2.00</b></u>
<b>30.00</b>	<b>Reconciliation of Net Profit with cash flows from Operating Activities:</b>		
	<b>Profit before Tax</b>	<b>78,167,172</b>	<b>21,478,244</b>
	Adjustment for:		
	Depreciation on Property, plant and equipment	15,864,341	4,392,891
	Financial Expenses	11,515,861	2,449,091
		<u><b>105,547,374</b></u>	<u><b>28,320,226</b></u>
	(Increase)/Decrease in Trade Receivables	(100,886,522)	5,977,395
	(Increase)/Decrease in Inventory	(5,070,579)	3,062,585
	Add: Decrease/(Increase) in Advance deposit & prepayments	2,904,926	(2,238,041)
	Add: Increase/(Decrease) liabilities for expenses	659,022	832,022
	Add: Increase/(Decrease) in liabilities for contribution to W.P.P.F	3,908,359	-
		<u><b>7,062,580</b></u>	<u><b>35,954,187</b></u>
	Less: Income tax paid	<u>(4,325,357)</u>	<u>(1,208,583)</u>
	<b>Net cash generated from operating activities</b>	<u><u><b>2,737,223</b></u></u>	<u><u><b>34,745,604</b></u></u>

**31.00 Disclosures of the Companies Act, 1994**

**31.01 Schedule XI, Part I, Para 4:**

**Trade Receivables**

Particulars	June 30, 2019	June 30, 2018
Receivables considered good and in respect of which the company is fully secured.	164,563,101	63,676,579
Receivables considered good for which the company holds no security other than the debtor's personal security.	-	-
Receivables considered doubtful or bad.	-	-
Receivable due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member.	-	-
Receivables due by companies under the same management.	-	-
The maximum amount due by directors or other officers of the company at any time during the year.	-	-

**Schedule XI, Part I, Para 6:****Advances, Deposits and Prepayments**

<b>Particulars</b>	<b>June 30, 2019</b>	<b>June 30, 2018</b>
Advances, deposits & prepayments considered good and in respect of which the company is fully secured.	13,337,406	14,563,562
Advances, deposits and prepayments considered good for which the company holds no security other than the debtor's personal security.	-	-
Advances, deposits & prepayment considered doubtful or bad.	-	-
Advances, deposits & prepayments due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance, deposits & prepayment due by firms or private companies respectively in which any director is a partner or a director or a member.	-	21,500,000
Advances, deposits & prepayments due by companies under the same management.	-	-
The maximum amount due by directors or other officers of the company at any time during the year.	418,600	292,800

**31.02 Schedule XI, part II, Para 3 (a): Turnover**

<b>Particulars</b>	<b>June 30, 2019</b>
Turnover in BDT.	505,890,406
Turnover in Quantity (Pcs, Dz, Gross yards etc.)	7,725,460

**31.03 Schedule XI part II, Para 3 (d) (i): Raw Materials Consumed**

<b>Particulars</b>	<b>June 30, 2019</b>
Raw Material (Value in BDT.)	358,775,342
Raw Material Quantities (Pcs, Dz, Gross yards etc.)	4,703,731

**31.04 Schedule XI part II, Para 3 (d) (ii): Finished goods**

<b>Particulars</b>	<b>June 30, 2019</b>
Opening Quantity (Pcs, Dz, Gross yards etc.)	1,417,838
Production Quantity (Pcs, Dz, Gross yards etc.)	7,635,655
Closing Quantity (Pcs, Dz, Gross yards etc.)	1,328,033

**31.05 Schedule XI, Part II, Note 5 of Para 3:****Employees**

Employee position of the company as at June 30, 2019:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office		
Number of employees whose salary below Tk. 3,000 per month	-	-	-	-
Number of employees whose salary above Tk. 3,000 per month	10	18	82	110
<b>Total:</b>	<b>10</b>	<b>18</b>	<b>82</b>	<b>110</b>

**31.06 Schedule XI, Part II, Para 4:****Payments to Managing Director and Director by the company during the year**

SL No.	Particulars	June 30, 2019
(a)	Managerial remuneration paid or payable during the financial year to the directors, including managing director, a managing agent or manager;	1,080,000
(b)	Expenses reimbursed to the managing agent;	Nil
(c)	Commission or other remuneration payable separately to a managing agent or his associate;	Nil
(d)	Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company;	Nil
(e)	The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year;	Nil
(f)	Any other perquisites or benefits in cash or in kind;	Nil
(g)	Other allowances and commission including guarantee commission.	Nil
(h)	Pensions etc.-	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
	(iv) Compensation for loss of office	Nil
	(v) Consideration in connection with retirement from office.	Nil

**31.07 Schedule XI, Part II, Para 6:**

Amount paid to the auditor as fees for service rendered-

(a) as auditor; Tk. 115,000.00

(b) as advisor, or in any other capacity, in respect of-

(i) taxation matters; Nil

(ii) company law matters; Nil

(iii) management services; Nil and  
(c) in any other manner Nil.

**31.08 Disclosure as per requirement of Schedule XI, Part II, Para 7: Capacity Utilization**

Particulars	Unit	Installed Capacity Per Annum	Actual Production Per Annum	Percentage of Capacity Utilization
Carton	Pcs	26,434	15,171	57.39%
Photo Box	Dz	1,629,773	1,334,409	81.88%
Photo Card	Dz	24,004	14,591	60.79%
Tag & Bar Code	Dz	10,089,055	5,310,671	52.64%
Back Board	Dz	88,350	43,863	49.65%
Label	Dz	1,131,066	579,833	51.26%
Pocket Flasher	Dz	31,327	16,507	52.69%
Twill Tape	Gross yards	3,249	2,131	65.60%
Elastic	Gross yards	430,324	182,573	42.43%
Poly	Dz	200,795	118,074	58.80%
Others	Dz	120,477	17,832	14.80%
<b>Total:</b>		13,774,854	7,635,655	

**31.09 Schedule XI, Part II, Para 8 of the Companies Act, 1994**

(a) Value of imports calculated on C.I.F basis by the company during the financial year ended 30 June, 2019 in respect of raw materials, components and spare parts and capital goods were as follows:

S.L	Particulars	Import
		Amount in BDT
i	Raw Materials	366,531,173
ii	Packing Materials	-
iii	Components of Spare parts	-
iv	Capital Goods	134,904,198

(b) The Company did not have any expenditure in foreign currency during the financial year on account of royalty, know-how, professional consultation fees, interest and other matters.

(c) Value of all imported raw materials, spare parts and components consumed during the financial year and the value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption:

Particulars	Total Consumption	Imported Taka	(%)	Local Taka	(%)
Raw Materials	358,775,342	358,775,342	100%	-	0%
Packing Materials	-	-	0%	-	0%
Store Items	1,232,670	-	0%	1,232,670	100%
<b>Total</b>	<b>360,008,012</b>	<b>358,775,342</b>		<b>1,232,670</b>	

(d) No amount has been remitted during the year in foreign currencies on account of dividends for non-residents shareholders,

(e) Earnings in foreign exchange classified under the following heads, namely:

(i) export of goods calculated on F.O.B. basis Tk. 505,890,406;

(ii) No royalty, know-how, professional and consultation fees were received;

(iii) No interest and dividend received;

(iv) No other income received.

### 32.00 Disclosures as per IAS 24 Related Parties Disclosures:

#### Disclosure of key management personnel as per paragraph 17:

(a) Short-term employee benefits

Name	Designation	Particulars	Transaction during the period	Outstanding as on 30.06.2019
Rubina	Chairman	Remuneration	-	-
		Board Meeting Fee	6,000	-
S.M Malek	Managing Director	Remuneration	600,000	50,000
		Board Meeting Fee	6,000	-
Shekh Md. Rubel Hossain	Director	Remuneration	480,000	40,000
		Board Meeting fee	6,000	-
Md. Anik	Director	Remuneration	-	-
		Board Meeting fee	3,500	-
<b>Total:</b>			<b>1,101,500</b>	<b>90,000</b>

(b) Post-employee benefits - Nil

(c) Other long term benefits -

Nil

(d) Termination benefits - Nil

(e) Share-based payment - Nil



**Disclosure of transaction between Related Parties as per paragraph 18:**

a) The amount of transaction incurred during the year from 01 July 2018 to 30 June 2019 are as follows:

<b>Name</b>	<b>Designation</b>	<b>Particulars</b>	<b>Transaction during the year</b>	<b>Outstanding as on 30.06.2019</b>
S. M Malek	Managing Director	Paid to Vendor for took over of assets	164,000,000	-
		Paid to Vendor for purchase of land	95,250,000	-
<b>Total:</b>			<b>259,250,000</b>	

b) The amount of outstanding balances: Nil

i) Their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; Terms and conditions set by the relevant laws of the deed/agreement signed between the parties.

ii) Details of any guarantees given or received; There is no guarantee given or received.

c) There is no provisions for doubtful debts.

d) The expense recognized during the period in respect of bad or doubtful debts due from related parties: No expenses recognized during the year in respect of bad or doubtful debts.

**ANIK TRIMS LTD.**

House # 4, Road # 8,  
Sector # 3, Uttara: 1230, Dhaka, Bangladesh.

**ARTISAN**

CHARTERED ACCOUNTANTS

**Schedule of Property, Plant and Equipment  
For the year ended June 30, 2019.**

Particulars	Cost			Rate of Depreciation (%)	Depreciation			Annexure-A
	Balance as on 01 July 2018	Addition during the year	Balance as on 30 June 2019		Balance as on 01 July 2018	Charge during the year	Balance as on 30 June 2019	Written Down Value as at 30 June 2019
Land	-	237,776,630	237,776,630	0%	-	-	-	237,776,630
Buildings and Civil Construction	-	57,117,176	57,117,176	2.5%	-	951,953	951,953	56,165,223
Plant & Machinery	49,320,593	146,868,408	196,189,001	10%	3,699,044	11,889,374	15,588,418	180,600,583
Furniture and Fixture	401,977	652,300	1,054,277	10%	25,846	81,100	106,946	947,331
Electrical Equipment and Installation	8,718,923	35,180,300	43,899,223	10%	650,307	2,859,046	3,509,353	40,389,870
Office Equipment	278,027	435,800	713,827	10%	17,694	51,455	69,149	644,678
Fire Equipment	-	538,500	538,500	10%	-	31,413	31,413	507,087
<b>As at June 30, 2019</b>	<b>58,719,520</b>	<b>478,569,114</b>	<b>537,288,634</b>		<b>4,392,891</b>	<b>15,864,341</b>	<b>20,257,232</b>	<b>517,031,402</b>
<b>As at June 30, 2018</b>	<b>58,387,865</b>	<b>331,655</b>	<b>58,719,520</b>	-	-	<b>4,392,891</b>	<b>4,392,891</b>	<b>54,326,629</b>

**Allocation of depreciation:**

Particulars	Taka
Manufacturing Expenses	15,731,786
Administrative Expenses	66,278
Selling Expenses	66,277
<b>Total:</b>	<b>15,864,341</b>

**ANIK TRIMS LTD.**

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**ARTISAN**

CHARTERED ACCOUNTANTS

**Details of Shareholding Position  
For the year ended June 30, 2019.**

					<b>Annexure-B</b>
<b>Sl. No.</b>	<b>Name of Shareholders</b>	<b>Designation</b>	<b>No. of Shares</b>	<b>%</b>	<b>Amount</b>
01	Rubina	Chairman	2,220,000	4%	22,200,000
02	S.M Malek	Managing Director	16,020,000	26%	160,200,000
03	Shekh Md. Rubel Hossain	Director	2,220,000	4%	22,200,000
04	Md. Anik	Director	2,220,000	4%	22,200,000
05	Sathi Begum	Director	2,400,000	4%	24,000,000
06	Md. Mozaffar Hossain	Director	2,220,000	4%	22,200,000
07	Md. Kamal Hossain	Director	2,850,000	5%	28,500,000
08	Kazi Opi	Director	2,420,000	4%	24,200,000
09	Fahima Begum	Director	2,750,000	5%	27,500,000
10	Other Shareholders	Shareholder	25,680,000	42%	256,800,000
<b>Total:</b>			<b>61,000,000</b>	<b>100%</b>	<b>610,000,000</b>

**ANIK TRIMS LTD.**

House # 4, Road # 8,  
Sector # 3, Uttara: 1230, Dhaka, Bangladesh.

**ARTISAN**

CHARTERED ACCOUNTANTS

**Deferred Tax Calculation  
For the year ended June 30, 2019.**

Annexure-C

Deferred tax (assets)/liability recognized in accordance with the provision of IAS's-12, is arrived as follows:

Particulars	Amount in BDT	
	30 June 2019	30 June 2018
Opening Balance	763,706	-
Deferred Tax Liability /(Assets) as on 30 June 2019	8,124,401	763,706
<b>Increase/(Decrease) of Deferred Tax Liability</b>	<b>7,360,695</b>	<b>763,706</b>

Particulars	Carrying Amount on Balance Sheet date (Taka)	Tax Base (Taka)	Temporary Differences (Taka)
<b>At 30 June 2019</b>			
Property, Plant & Equipment, Annexure-A	517,031,402	470,606,252	46,425,150
Addition during the period	-	-	-
Temporary difference for lease Assets	-	-	-
Liability to Employees	-	-	-
<b>Net temporary difference</b>	<b>517,031,402</b>	<b>470,606,252</b>	<b>46,425,150</b>
<b>Exemption of income @ 50% (Para 28, Part-A, Sixth Schedule, ITO 1984)</b>			<b>23,212,575</b>
Applicable Tax rate			35.00%
<b>Deferred Tax Liability/(Asset)</b>			<b>8,124,401</b>
<b>At 30 June 2018</b>			
Property, Plant & Equipment, Annexure-A	54,326,629	49,962,593	4,364,036
Addition during the period	-	-	-
Temporary difference for lease Assets	-	-	-
Liability to Employees	-	-	-
<b>Net temporary difference</b>	<b>54,326,629</b>	<b>49,962,593</b>	<b>4,364,036</b>
<b>Exemption of income @ 50% (Para 28, Part-A, Sixth Schedule, ITO 1984)</b>			<b>2,182,018</b>
Applicable Tax rate			35.00%
<b>Deferred Tax Liability/(Asset)</b>			<b>763,706</b>

**ANIK TRIMS LTD.**

House # 4, Road # 8,  
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**ARTISAN**  
CHARTERED ACCOUNTANTS

**Income Tax Liabilities**  
**For the year ended June 30, 2019.**

**Annexure-D**

Particulars	Amount in BDT	
	30 June 2019	30 June 2018
<b>Computation of Total Income</b>		
<b>Accounting Profit before other Income and Tax</b>	76,975,830	21,335,231
<b>Add: Other Inadmissible Allowances</b>		
Accounting Depreciation	15,864,341	4,392,891
Provision for WPPF during the period	-	-
<b>Less: Items for Separate Consideration</b>		
Depreciation as per 3rd Schedule	57,925,455	8,756,927
Payment for WPPF (Previous)	-	-
<b>Total Taxable Income</b>	<b>34,914,716</b>	<b>16,971,195</b>
<b>Exemption of income @ 50% (Para 28, Part-A, Sixth Schedule, ITO 1984)</b>	<b>17,457,358</b>	<b>8,485,598</b>
Rate	35.00%	35.00%
<b>A. Tax on Total Taxable Income</b>	<b>6,110,075</b>	<b>2,969,959</b>
Other Income	1,191,342	143,013
Rate	35%	35%
<b>B. Tax from other Income</b>	<b>416,970</b>	<b>50,054</b>
<b>Total Tax Expenses (A+B)</b>	<b>6,527,045</b>	<b>3,020,013</b>

**ANIK TRIMS LTD.**

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**ARTISAN**

CHARTERED ACCOUNTANTS

**Details of Raw Material Inventory  
For the year ended June 30, 2019.**

**Annexure-E**

Sl. No.	Items Name	Opening Balance as on 30.06.2018		Purchased		Consumed/Used		Closing Balance as on 30.06.2019	
		Quantity (Pcs, Dz, Gross yards etc.)	Amount	Quantity (Pcs, Dz, Gross yards etc.)	Amount	Quantity (Pcs, Dz, Gross yards etc.)	Amount	Quantity (Pcs, Dz, Gross yards etc.)	Amount
1	Duplex Board - 350 GSM	44,019	3,240,501	2,533,112	186,478,335	2,492,984	183,524,245	84,147	6,194,590
2	Duplex Board - 300 GSM	170,500	12,185,283	1,200,264	85,780,418	1,300,284	92,928,626	70,480	5,037,074
3	ART Card - 300 GSM	15,339	1,149,764	680,057	50,974,982	659,656	49,445,786	35,740	2,678,961
4	ART Card - 300 GSM	15,139	1,149,373	63,997	4,859,377	47,263	3,588,591	31,873	2,420,159
5	Printing Ink	1,567	625,813	10,896	4,351,538	7,893	3,152,229	4,570	1,825,122
6	Printing Ink	3,334	1,468,136	7,071	3,113,849	2,910	1,281,288	7,495	3,300,698
7	Rubber Thread - 42BL40	4,050	969,630	37,474	8,971,832	31,474	7,535,343	10,050	2,406,119
8	Textured Yarn of Polyester - 150D	723	88,020	48,164	5,866,037	40,363	4,915,894	8,524	1,038,163
9	Textured Yarn of Polyester - 150D	607	86,574	25,761	3,674,753	15,764	2,248,689	10,604	1,512,638
10	Satin Ribon	-	-	29,708	2,981,792	19,104	1,917,468	10,604	1,064,323
11	PP/LDPE/LLDPE	-	-	99,000	9,478,260	86,037	8,237,182	12,963	1,241,078
<b>Total Taka</b>		<b>255,277</b>	<b>20,963,095</b>	<b>4,735,505</b>	<b>366,531,173</b>	<b>4,703,731</b>	<b>358,775,342</b>	<b>287,051</b>	<b>28,718,926</b>

**ANIK TRIMS LTD.**House # 4, Road # 8,  
Sector # 3, Uttara: 1230, Dhaka, Bangladesh.**ARTISAN**

CHARTERED ACCOUNTANTS

**Details of Finished Goods  
For the year ended June 30, 2019.****Annexure-F**

Sl. No.	Name of Products	Opening Balance as on 30.06.2018		Closing Balance as on 30.06.2019	
		Qty. (Pcs, Dz, Gross yards etc.)	Amount	Qty. (Pcs, Dz, Gross yards etc.)	Amount
1	Carton	18,813	1,409,422	12,342	924,278
2	Photo Box	14,013	3,746,135	6,765	1,807,738
3	Photo Card	4,649	1,534,201	2,842	937,520
4	Tag & Bar Code	884,987	2,593,235	912,680	2,662,707
5	Back Board	25,959	511,951	41,968	827,356
6	Label	449,257	3,781,590	264,966	2,289,355
7	Pocket Flasher	6,783	222,952	1,648	54,148
8	Twill Tape	807	1,573,455	482	939,761
9	Elastic	6,897	63,476	47,839	440,112
10	Poly	-	-	34,638	341,426
11	Others	5,673	55,940	1,863	18,364
<b>Total</b>		<b>1,417,838</b>	<b>15,492,356</b>	<b>1,328,033</b>	<b>11,242,764</b>

- (b) **Information as is required under section 186 of the কোম্পানি আইন, ১৯৯৪ relating to holding company;**

This information is not applicable for ATL.

- (c) **Selected ratios as specified in Annexure-D;**

**Auditor's certificate regarding calculation of EPS and Ratios**

This is to certify that Anik Trims Ltd. has maintained the following ratios as computed on the basis of the audited financial statements for the year ended June 30, 2019 and June 30, 2018.

Particulars	30-Jun-2019	30-Jun-2018
	Ratio	

**I. Liquidity Ratios:**

(i) Current Ratio	4.18	5.05
(ii) Quick Ratio	3.06	2.35

**II. Operating Ratios:**

(i) Accounts Receivable Turnover Ratio	4.43	2.62
(ii) Inventory Turnover Ratio	8.66	3.02
(iii) Asset Turnover Ratio	0.97	0.66

**III. Profitability Ratios:**

(i) Gross Margin Ratio	21.63%	21.60%
(ii) Operating Income Ratio	18.26%	14.28%
(iii) Net Income Ratio	12.71%	10.62%
(iv) Return on Assets Ratio	12.34%	7.03%
(v) Return on Equity Ratio	18.09%	94.65%
(vi) Basic Earnings Per Share (EPS)	2.09	1.02
(vii) EBITDA Margin	21.40%	16.91%

**IV. Coverage Ratios:**

(i) Debt to Total Assets Ratio	0.09	0.08
(ii) Debt to Equity Ratio	0.10	1.02
(iii) Times Interest Earned Ratio	8.02	9.71
(iv) Debt Service Coverage Ratio	0.68	0.20

**V. Cash Flow:**

(i) Net Operating Cash Flow per Share	0.09	2.00
(ii) Net Operating Cash Flow per Share/EPS	0.04	1.96

Place: Dhaka;  
Date: September 05, 2019

Sd/-  
**ARTISAN**  
Chartered Accountants



### Ratio Calculation details

Particulars	Formula	30/06/2019		30/06/2018	
		Calculation	Ratio	Calculation	Ratio
<b>I. Liquidity Ratios:</b>					
(i) Current Ratio	Current Assets/Current Liabilities	232,895,185 55,754,926	4.18	148,668,354 29,428,062	5.05
(ii) Quick Ratio	(Current Assets-Inventories-Advance, Deposit & Prepayments)/Current Liabilities	170,798,838 55,754,926	3.06	69,042,230 29,428,062	2.35
<b>II. Operating Ratios:</b>					
(i) Accounts Receivable Turnover Ratio	Net Sales/Average Accounts Receivables	505,890,406 114,119,840	4.43	166,612,865 63,676,579	2.62
(ii) Inventory Turnover Ratio	Cost of Goods Sold /Average Inventory	396,466,311 45,805,052	8.66	130,618,573 43,269,762	3.02
(iii) Asset Turnover Ratio	Net Sales/Average Total Assets	505,890,406 521,052,841	0.97	166,612,865 251,637,646	0.66
<b>III. Profitability Ratios:</b>					
(i) Gross Margin Ratio	Gross Profit/Net Sales	109,424,095 505,890,406	21.63%	35,994,292 166,612,865	21.60%
(ii) Operating Income Ratio	Operating Profit/Net Sales	92,400,050 505,890,406	18.26%	23,784,322 166,612,865	14.28%
(iii) Net Income Ratio	Net Profit after Tax/Net Sales	64,279,432 505,890,406	12.71%	17,694,525 166,612,865	10.62%
(iv) Return on Assets Ratio	Net Profit after Tax/Average Total Assets	64,279,432 521,052,841	12.34%	17,694,525 251,637,646	7.03%
(v) Return on Equity Ratio	Net Profit after Tax/Average Total Shareholders' Equity	64,279,432 355,334,241	18.09%	17,694,525 18,694,525	94.65%
(vi) Basic Earnings Per Share (EPS)	Net Profit after Tax/Weighted Average Number of Ordinary Shares Outstanding	64,279,432 30,773,639	2.09	17,694,525 17,392,800	1.02
(vii) EBITDA Margin	EBITDA/Net Sales	108,264,391 505,890,406	21.40%	28,177,213 166,612,865	16.91%
<b>IV. Coverage Ratios:</b>					
(i) Debt to Total Assets Ratio	Total Debt/Total Assets	70,832,808 790,468,037	0.09	19,109,247 251,637,646	0.08
(ii) Debt to Equity Ratio	Total Debt/Total Equity	70,832,808 691,973,957	0.10	19,109,247 18,694,525	1.02
(iii) Times Interest Earned Ratio	EBIT/Financial Expenses	92,400,050 11,515,861	8.02	23,784,322 2,449,091	9.71
(iv) Debt Service Coverage Ratio	Net Operating Profit / Total Debt Service	108,264,391 160,059,214	0.68	28,177,213 138,625,209	0.20
<b>V. Cash Flow:</b>					
(i) Net Operating Cash Flow per Share	Net Operating Cash Flow/ Number of Ordinary Shares Outstanding	2,737,223 30,773,639	0.09	34,745,604 17,392,800	2.00
(ii) Net Operating Cash Flow per Share/EPS	Net Operating Cash Flow per Share/EPS	0.09	0.04	2.00	1.96

**Comparison ratios with the industry average ratios of the same periods:**

Anik Trims Ltd.		Industry Average*		Remark/Explanation
Particulars	30-Jun-2019	31-Mar-2019		
	Ratio	Ratio		
<b>I. Liquidity Ratios:</b>				
(i) Current Ratio	4.18	5.70		ATL's Current Ratio is lower than the industry average current ratio because of relatively higher current liabilities over current assets.
(ii) Quick Ratio	3.06	3.03		ATL's Ratio is lower than the industry average ratio because of relatively higher current liabilities over quick assets.
<b>II. Operating Ratios:</b>				
(i) Accounts Receivable Turnover Ratio	4.43	9.91		ATL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	8.66	4.07		ATL's Ratio is satisfactory as inventory is sold in shorter time.
(iii) Asset Turnover Ratio	0.97	0.46		ATL's Ratio is satisfactory with the average industry.
<b>III. Profitability Ratios:</b>				
(i) Gross Margin Ratio	21.63%	15.64%		ATL's Ratio is satisfactory with the industry average ratio.
(ii) Operating Income Ratio	18.26%	9.05%		ATL's Ratio is satisfactory with the industry average ratio.
(iii) Net Income Ratio	12.71%	6.79%		ATL's Ratio is satisfactory with the industry average ratio.
(iv) Return on Assets Ratio	12.34%	3.89%		ATL's Ratio is better than the industry average ratio as higher net profit over average total assets.
(v) Return on Equity Ratio	18.09%	5.42%		ATL's Ratio is better than the industry average ratio as higher net profit over average equity.
(vi) Basic Earnings Per Share (EPS)	2.09	1.00		ATL's Ratio is satisfactory with the average industry ratio.
(vii) EBITDA Margin	21.40%	10.74%		ATL's Ratio is satisfactory with the average industry ratio.
<b>IV. Coverage Ratios:</b>				
(i) Debt to Total Assets Ratio	0.09	0.14		ATL's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii) Debt to Equity Ratio	0.10	0.30		ATL's Ratio is satisfactory with the industry average ratio as debt burden is lower than equity.
(iii) Times Interest Earned Ratio	8.02	4.10		ATL's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv) Debt Service Coverage Ratio	0.68	Not Available		ATL's Ratio is lower as short term debt is secured against accounts receivable.
<b>V. Cash Flow:</b>				
(i) Net Operating Cash Flow per Share	0.09	(0.13)		ATL's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii) Net Operating Cash Flow per Share/EPS	0.04	0.25		ATL'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 SK Trims & Industries Limited, Olympic Accessories Ltd., KDS Accessories Limited and Imam Button Industries Ltd. for the period ended March 31, 2019. (Source: 3rd Quarter Financial Statement)

Anik Trims Ltd.		Industry Average*	Remark/Explanation
Particulars	30-Jun-2018	30-Jun-2018	
	Ratio	Ratio	
<b>I. Liquidity Ratios:</b>			
(i) Current Ratio	5.05	5.84	ATL's Current Ratio is is satisfactory with the industry average ratio.
(ii) Quick Ratio	2.35	3.17	ATL's Ratio is lower than the industry average ratio because of relatively higher current liabilities over quick assets.
<b>II. Operating Ratios:</b>			
(i) Accounts Receivable Turnover Ratio	2.62	14.13	ATL's Ratio is satisfactory as collection period is shorter.
(ii) Inventory Turnover Ratio	3.02	4.86	ATL's Ratio is satisfactory as inventory is sold in shorter time.
(iii) Asset Turnover Ratio	0.66	0.60	ATL's Ratio is satisfactory with the average industry.
<b>III. Profitability Ratios:</b>			
(i) Gross Margin Ratio	21.60%	16.34%	ATL's Ratio is satisfactory with the industry average ratio.
(ii) Operating Income Ratio	14.28%	9.51%	ATL's Ratio is satisfactory with the industry average ratio.
(iii) Net Income Ratio	10.62%	5.31%	ATL's Ratio is satisfactory with the industry average ratio.
(iv) Return on Assets Ratio	7.03%	3.55%	ATL's Ratio is better than the industry average ratio as higher net profit over average total assets.
(v) Return on Equity Ratio	94.65%	4.96%	ATL's Ratio is better than the industry average ratio as higher net profit over average equity.
(vi) Basic Earnings Per Share (EPS)	1.02	1.17	ATL's Ratio is satisfactory with the average industry ratio.
(vii) EBITDA Margin	16.91%	15.25%	ATL's Ratio is satisfactory with the average industry ratio.
<b>IV. Coverage Ratios:</b>			
(i) Debt to Total Assets Ratio	0.08	0.11	ATL's Ratio is satisfactory with the industry average ratio as debt burden is lower than assets.
(ii) Debt to Equity Ratio	1.02	0.24	ATL's Ratio is satisfactory with the industry average ratio as debt burden is lower than equity.
(iii) Times Interest Earned Ratio	9.71	4.31	ATL's Ratio is satisfactory as operating profit is sufficient to pay financial expense.
(iv) Debt Service Coverage Ratio	0.20	Not Available	ATL's Ratio is lower as short term debt is secured against accounts receivable.
<b>V. Cash Flow:</b>			
(i) Net Operating Cash Flow per Share	2.00	1.31	ATL's Ratio is satisfactory as Net Operating Cash Flow is positive.
(ii) Net Operating Cash Flow per Share/EPS	1.96	0.79	ATL'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 SK Trims & Industries Limited, Olympic Accessories Ltd., KDS Accessories Limited and Imam Button Industries Ltd. for the year ended June 30, 2018. (Source: Annual Reports)

- (d) **Auditors report under Section 135(1), Para 24(1) of Part II of Schedule III of the  $\text{\u039b\u039d\u0399\u0391\u0392\u0392}$ , 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;**

**Anik Trims Ltd.**

**Auditors' report Under Section-135 (1) and Para-24(1) of Part-II of Schedule-III of the Companies Act 1994**

We have examined the financial statements of Anik Trims Ltd. Financial statements for the year ended June 30, 2019 was audited by us and June 30, 2018 was audited by AHMAD & AKHTAR. In pursuance of Section-135 (1) and Para-24 (1) of Part-II of Schedule-III of the Companies Act 1994, our report is as under:

**A) Statements of Assets and Liabilities of the Company are as under:**

<b>Particulars</b>	<b>30-Jun-19</b>	<b>30-Jun-18</b>
<b>ASSETS:</b>		
<b>Non-Current Assets</b>	<b>557,572,852</b>	<b>102,969,292</b>
Property, Plant and Equipment	517,031,402	54,326,629
Capital Work-in-Progress	40,541,450	48,642,663
<b>Current Assets</b>	<b>232,895,185</b>	<b>148,668,354</b>
Inventories	48,340,341	43,269,762
Trade Receivables	164,563,101	63,676,579
Advances, Deposits and Prepayments	13,756,006	36,356,362
Cash and Cash Equivalents	6,235,737	5,365,651
<b>Total Assets</b>	<b>790,468,037</b>	<b>251,637,646</b>
<b>SHAREHOLDER'S EQUITY AND LIABILITIES</b>		
<b>Shareholders' Equity</b>	<b>691,973,957</b>	<b>18,694,525</b>
Share Capital	610,000,000	1,000,000
Retained Earnings	81,973,957	17,694,525
<b>Non-Current Liabilities</b>	<b>42,739,154</b>	<b>203,515,059</b>
Lease Finance	-	83,353
Long Term Loan Net-off Current Maturity	34,614,753	-
Share Money Deposit	-	38,668,000
Vendor's Account	-	164,000,000
Deferred Tax Liability	8,124,401	763,706
<b>Current Liabilities</b>	<b>55,754,926</b>	<b>29,428,062</b>
Current Maturity of Long Term Loan	10,031,168	-
Short Term Loan	26,186,887	19,109,247
Accruals & Provisions	6,217,850	1,720,735
Income Tax Provision	6,527,045	3,020,013
Liabilities for WPPF	3,908,359	-
Other Payables	2,883,617	5,578,067
<b>Total Shareholders' Equity and Liabilities</b>	<b>790,468,037</b>	<b>251,637,646</b>
<b>Net Asset Value (NAV) per Share</b>	<b>11.34</b>	<b>186.95</b>

**B) The statements of operating results of the Company are as follow:**

Amount in Taka

Particulars	1-Jul-2018 to 30-Jun-2019	10-Oct-2017 to 30-Jun-2018
Revenue	505,890,406	166,612,865
Cost of Goods Sold	396,466,311	130,618,573
<b>Gross Profit</b>	<b>109,424,095</b>	<b>35,994,292</b>
<b>Operating Expenses</b>	<b>17,024,045</b>	<b>12,209,970</b>
Selling Expenses	9,250,407	6,689,611
Administrative Expenses	7,773,638	5,520,359
<b>Profit from Operation</b>	<b>92,400,050</b>	<b>23,784,322</b>
Other Income	1,191,342	143,013
Financial Expenses	11,515,861	2,449,091
<b>Profit before Contribution to WPPF</b>	<b>82,075,531</b>	<b>21,478,244</b>
Contribution to WPPF	3,908,359	-
<b>Profit before Income Tax</b>	<b>78,167,172</b>	<b>21,478,244</b>
<b>Income Tax Expense</b>	<b>13,887,740</b>	<b>3,783,719</b>
Current Tax	6,527,045	3,020,013
Deferred Tax	7,360,695	763,706
<b>Net Profit after Tax</b>	<b>64,279,432</b>	<b>17,694,525</b>
Earnings Per Share (EPS)	2.09	1.02
Adjusted Earnings Per Share (EPS)	1.05	0.29

Adjusted Earnings per Share (EPS) for the years is calculated considering the total number of shares i.e. 61,000,000

**C) Dividend declared:**

Particulars	30-Jun-19	30-Jun-18
Cash Dividend	Nil	Nil
Stock Dividend (Bonus Share)	Nil	Nil

- D) Anik Trims Ltd. (ATL) was incorporated in Bangladesh as a Private Limited Company with the issuance of Certificate of incorporation bearing Reg. No. C-140396/2017 dated October 10, 2017 with the Registrar of Joint Stock Companies & Firms. ATL converted into public limited Company on January 25, 2019.
- E) The Company started its commercial operation in October 10, 2017.
- F) The Company has no subsidiary as on the balance sheet date.
- G) 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.
- H) The Company did not prepare any statement of accounts for the period subsequent to June 30, 2019.

Date: September 05, 2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

(e) Financial spread sheet analysis for the latest audited financial statements;

Statement of Financial Position  
As at June 30, 2019

Particulars	Amount	Percentage on Total Asset	Grand Total
<b>PROPERTY &amp; ASSETS</b>			
<b>NON-CURRENT ASSETS</b>	<b>557,572,852</b>		<b>70.54%</b>
<b>Property, Plant and Equipment</b>	<b>517,031,402</b>	<b>65.41%</b>	
Land	237,776,630	30.08%	
Buildings and Civil Construction	56,165,223	7.11%	
Plant & Machinery	180,600,583	22.85%	
Furniture and Fixture	947,331	0.12%	
Electrical Equipment and Installation	40,389,870	5.11%	
Office Equipment	644,678	0.08%	
Fire Equipment	507,087	0.06%	
<b>Capital Work-in-Progress</b>	<b>40,541,450</b>		<b>5.13%</b>
<b>CURRENT ASSETS</b>	<b>232,895,185</b>		<b>29.46%</b>
<b>Inventories</b>	<b>48,340,341</b>	<b>6.12%</b>	
Raw Materials	28,718,926	3.63%	
Work in Process	7,756,779	0.98%	
Finished Goods	11,242,764	1.42%	
Store Items	621,872	0.08%	
<b>Trade Receivables</b>	<b>164,563,101</b>	<b>20.82%</b>	
Trade Receivables	164,563,101	20.82%	
<b>Advances, Deposits and Pre-payments</b>	<b>13,756,006</b>	<b>1.74%</b>	
Advance to employees	418,600	0.05%	
Advance income tax	2,513,927	0.32%	
Security deposit	8,990,500	1.14%	
Advance against rent	120,000	0.02%	
L/C Margin for raw materials	1,213,753	0.15%	
L/C Margin for machinery	499,226	0.06%	
<b>Cash and Cash Equivalents</b>	<b>6,235,737</b>	<b>0.79%</b>	
<b>Total Assets</b>	<b>790,468,037</b>		<b>100.00%</b>
<b>SHAREHOLDERS' EQUITY &amp; LIABILITIES</b>			
<b>SHAREHOLDERS EQUITY</b>	<b>691,973,957</b>		<b>87.54%</b>
Share Capital	610,000,000	77.17%	
Retained Earnings	81,973,957	10.37%	
<b>NON CURRENT LIABILITY</b>	<b>42,739,154</b>		<b>5.41%</b>
Long Term Loan Net-off Current Maturity	34,614,753	<b>4.38%</b>	
Deferred Tax Liability	8,124,401	<b>1.03%</b>	
<b>CURRENT LIABILITY</b>	<b>55,754,926</b>		<b>7.05%</b>
<b>Current Maturity of Long Term Loan</b>	<b>10,031,168</b>	1.27%	
<b>Short Term Loan</b>	<b>26,186,887</b>	3.31%	
<b>Accruals &amp; Provisions</b>	<b>6,217,850</b>	<b>0.79%</b>	
Electricity Bill	397,029	0.05%	

Telephone and Mobile Bill	18,563	0.002%	
Water Bill	5,745	0.001%	
Office & Factory Rent	60,000	0.008%	
Salary & Wages	1,513,266	0.191%	
Director Remuneration	90,000	0.01%	
Interest	4,018,247	0.508%	
Audit Fee	115,000	0.01%	
<b>Income Tax Provision</b>	<b>6,527,045</b>	<b>0.83%</b>	
<b>Liabilities for WPPF</b>	<b>3,908,359</b>	<b>0.49%</b>	
<b>Other Payables</b>	<b>2,883,617</b>	<b>0.36%</b>	
<b>Total Liabilities &amp; Shareholders Equity</b>	<b>790,468,037</b>		<b>100%</b>

**Statement of Profit and Loss and other Comprehensive Income  
For the year ended June 30, 2019**

Particulars	Year ended June 30, 2019	Percentage on Total Turnover	Grand Percentage
<b>Turnover</b>	<b>505,890,406</b>		<b>100%</b>
Revenue	505,890,406		
<b>Less: Cost of goods sold</b>	<b>396,466,311</b>		<b>78.37%</b>
Raw Materials Consumed	358,775,342	70.92%	
Manufacturing Overhead	37,739,478	7.46%	
Add: Work in Process- Opening	6,332,027		
Less: Work in Process- Closing	(7,756,779)		
Add: Finished Goods- Opening	15,492,356		
Less: Finished Goods- Closing	(11,242,764)		
less: Sample Expenses	(2,873,349)		
<b>Gross Profit</b>	<b>109,424,095</b>		<b>21.63%</b>
<b>Less: Operating Expenses</b>	<b>17,024,045</b>		<b>3.37%</b>
Selling Expenses	9,250,407	1.83%	
Administrative Expenses	7,773,638	1.54%	
<b>Profit from Operation</b>	<b>92,400,050</b>		<b>18.26%</b>
Add: Other Income	1,191,342	0.24%	
Less: Financial Expense	<b>11,515,861</b>		<b>2.28%</b>
<b>Profit before Contribution to WPPF</b>	<b>82,075,531</b>		<b>16.22%</b>
Less: Contribution to WPPF	3,908,359		0.77%
<b>Profit before Income Tax</b>	<b>78,167,172</b>	15.45%	
<b>Less: Income Tax Expense</b>	<b>13,887,740</b>		<b>2.75%</b>
Current Tax	6,527,045	1.29%	
Deferred Tax	7,360,695	1.45%	
<b>Net Profit after Tax</b>	<b>64,279,432</b>		<b>12.71%</b>

- (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;**

*As per audited financial statement for the year ended June 30, 2019*

<b>Particulars</b>	<b>Amount in Taka</b>
Net Profit after Tax	64,279,432
Total existing number of Share	61,000,000
Weighted average number of Share	30,773,639
<b>Earnings per Share (EPS)-Fully Diluted Basis</b>	<b>1.05</b>
<b>Earnings per Share (EPS)-Weighted average no. of Share basis</b>	<b>2.09</b>

- (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;**

*As per audited financial statement for the year ended June 30, 2019*

<b>Particulars</b>	<b>Amount in Taka</b>
<b>Profit before Income Tax</b>	78,167,172
Less: Other Income	1,191,342
<b>Profit before Income Tax except Other Income</b>	<b>76,975,830</b>
Less: Income Tax Expense	13,887,740
<b>Net Profit after Tax</b>	<b>63,088,090</b>
No. of shares	30,773,639
<b>Earnings per Share (EPS)</b>	<b>2.05</b>

- (h) **Quarterly or half-yearly EPS should not be annualized while calculating the EPS;**  
This information is not applicable for ATL.
- (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.**  
The Company has not revalued any of its assets.

*As per audited financial statement for the year ended June 30, 2019*

<b>Particulars</b>	<b>Amount in Taka</b>
Share Capital	610,000,000
Retained Earnings	81,973,957
<b>Total Shareholders' Equity (without revaluation reserve)</b>	<b>691,973,957</b>
Total Number of Ordinary Share	61,000,000
<b>Net Assets Value (NAV) (without revaluation reserve) at BDT 10.00 per share</b>	<b>11.34</b>

- (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.**  
If required, ATL will bear the cost of audit.



(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 or accrued;

**Certification on 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 of ANIK TRIMS LTD.**

After due verification, we certify that the long term and short term borrowing including borrowing from related party or connected persons of ANIK TRIMS LTD. from 10 October, 2017 to 30 June, 2019 made up as follows:

**For the period ended 30 June, 2019**

Name of Party	Nature of Relationship	Nature of Borrowing	Balance as 30 June, 2019	Interest Rate	Interest Paid (BDT)	Interest Accrued (BDT)
Industrial and Infrastructure Development Finance Company Limited (IIDFC)	Lender	Long Term	-	10%	46,370	-
First Security Islami Bank Ltd.	Lender	Long Term	44,645,921	15%	-	3,448,106
<b>Sub-Total</b>			<b>44,645,921</b>		<b>46,370</b>	<b>3,448,106</b>
First Security Islami Bank Ltd.	Lender	Short Term (TR)	15,112,450	15%	4,276,609	352,317
First Security Islami Bank Ltd.	Lender	Short Term (IDBP)	11,074,437	14.50%	3,912,863	217,824
<b>Sub-Total</b>			<b>26,186,887</b>		<b>8,189,472</b>	<b>570,141</b>
<b>Grand Total</b>			<b>70,832,808</b>		<b>8,235,842</b>	<b>4,018,247</b>

**For the period ended 30 June, 2018**

Name of Party	Nature of Relationship	Nature of Borrowing	Balance as 30 June, 2018	Interest Rate	Interest Paid (BDT)	Interest Accrued (BDT)
Industrial and Infrastructure Development Finance Company Limited (IIDFC)	Lender	Long Term	83,353	10%	417,330	-
<b>Sub-Total</b>			<b>83,353</b>		<b>417,330</b>	<b>-</b>
First Security Islami Bank Ltd.	Lender	Short Term (TR)	19,109,247	13.50%	2,325,488	180,154
<b>Sub-Total</b>			<b>19,109,247</b>		<b>2,325,488</b>	<b>180,154</b>
<b>Grand Total</b>			<b>19,192,600</b>		<b>2,742,818</b>	<b>180,154</b>

The above information is certified on the basis of books of accounts, records and supporting bank statements for the period from 10 October, 2017 to 30 June, 2019. It's noted that there was no borrowing from related party or connected person during the period.

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(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;**

**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 of ANIK TRIMS LTD.**

After due verification, we certify that the principal terms of secured loans as per loan agreement and assets on which charge have been created against those loans of ANIK TRIMS LTD. from 10 October, 2017 to 30 June, 2019 were as follows:

<b>Particulars</b>	<b>30 June, 2019</b>	<b>30 June, 2018</b>
Names of lenders	Industrial and Infrastructure Development Finance Company Limited (IIDFC)	Industrial and Infrastructure Development Finance Company Limited (IIDFC)
Purpose	For Machinery Import	
Sanctioned amount	50 Lac	50 Lac
Rate of interest	10%	10%
Primary security	Tk. 15,00,000 FDR & personal guarantee	
Collateral asset	7 decimal land at Khilgaon	
Re-payment schedule	60 Equal Monthly Installment	60 Equal Monthly Installment
<b>Status (Outstanding balance Tk.)</b>	-	<b>83,353</b>

<b>Particulars</b>	<b>30 June, 2019</b>	<b>30 June, 2018</b>
Names of lenders	First Security Islami Bank Ltd.	First Security Islami Bank Ltd.
Purpose	For Working Capital Finance & Import Raw Materials	
Collateral Asset	LC documents and Imported goods.	
Sanctioned Amount	7 Crore	3 Crore
Rate of Interest	15%	13.50%
Re-payment schedule	Within 1 Year	Within 1 Year
<b>Status (Outstanding balance Tk.)</b>	<b>26,186,887</b>	<b>19,109,247</b>

<b>Particulars</b>	<b>30 June, 2019</b>	<b>30 June, 2018</b>
Names of lenders	First Security Islami Bank Ltd.	
Purpose	For import brand new capital machineries	
Collateral Asset	Mortgage imported machineries	
Sanctioned Amount	5 Crore	
Rate of Interest	15%	
Re-payment schedule	60 Equal Monthly Installment	
<b>Status (Outstanding balance Tk.)</b>	<b>44,645,921</b>	<b>-</b>

The above information is certified on the basis of books of accounts, records and supporting bank statements and documents for the period from 10 October, 2017 to 30 June, 2019.

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(iii) Statement of unsecured loans with terms and conditions;**

**Certification on statement of unsecured loans with terms and conditions of ANIK TRIMS LTD.**

This is to certify that based on the books of record and related document, there was no unsecured loan of ANIK TRIMS LTD. For the period from 10 October, 2017 to 30 June, 2019.

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(iv) Statement of inventories showing amount of raw material, packing material, stock-in-process and finished goods, consumable items, store and spares parts, inventory of trading goods etc.;**

**Certification on statement of inventories showing the amount of raw material, packing material, stock-in process and finished goods, consumable items, store and spare parts, inventory of trading goods etc. of ANIK TRIMS LTD.**

After due verification, we certify that the statement of inventories showing amount of raw material, packing material, stock-in process and finished goods, consumable items, store and spare parts, inventory of trading goods etc. of ANIK TRIMS LTD. from 10 October, 2017 to 30 June, 2019 were as follows:

Particulars	Amount in Taka	
	30 June, 2019	30 June, 2018
Raw Material	28,718,926	20,963,095
Packing Material	-	-
Stock-in-Process	7,756,779	6,332,027
Finished Goods	11,242,764	15,492,356
Consumable Items	-	-
Store and Spare Parts	621,872	482,284
Inventory of Trading Goods	-	-
<b>Total</b>	<b>48,340,341</b>	<b>43,269,762</b>

The above information is certified on the basis of books of accounts, records and other supporting documents for the period from 10 October, 2017 to 30 June, 2019.

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(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 ANIK TRIMS LTD.**

After due verification, we certify that the statement of trade receivables showing receivable from related party and connected persons of ANIK TRIMS LTD. from 10 October, 2017 to 30 June, 2019 were as follows:

Particulars	Amount in Taka	
	30 June, 2019	30 June, 2018
General (Including unrealized foreign exchange gain)	164,563,101	63,676,579
From related party	-	-
From connected persons	-	-
<b>Total</b>	<b>164,563,101</b>	<b>63,676,579</b>

The above information certifies on the basis of books of accounts, record and other related documents. We also certify that, no amount receivable from related party and connected person.

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(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 loans to related party or connected persons with rate of interest and interest realized or accrued by the ANIK TRIMS LTD.**

This is to certify that, according to books of accounts, records and other supporting documents of ANIK TRIMS LTD. (issuer), no loan given by the issuer including loans to related party and connected persons during the period from 10 October, 2017 to 30 June, 2019.

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(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 ANIK TRIMS LTD.**

After due verification, we certify that the statement of other income showing interest income, dividend income, discount received and other non-operating income of ANIK TRIMS LTD. from 10 October, 2017 to 30 June, 2019 were as follows:

Particular	Amount in Taka	
	30 June, 2019	30 June, 2018
Interest Income	910,764	1,851
Dividend Income	-	-
Discount Received	-	-
Other Non-Operating Income	-	-
Foreign Exchange Gain	280,578	141,162
<b>Total</b>	<b>1,191,342</b>	<b>143,013</b>

The above balance is certified on the basis of books of account records and other supporting documents during the period from 10 October, 2017 to 30 June, 2019.

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(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 ANIK TRIMS LTD.**

After due verification, we certify that the turnover showing separately in cash and through banking channel of ANIK TRIMS LTD. from 10 October, 2017 to 30 June, 2019 were as follows:

Particular	Amount in Taka	
	30 June, 2019	30 June, 2018
In Cash	-	-
Through banking channel	405,188,275	172,628,299
<b>Total Collection</b>	<b>405,188,275</b>	<b>172,628,299</b>
Closing Receivables (Excluding unrealized foreign exchange gain)	164,378,710	63,638,540
Opening Receivables	63,676,579	69,653,974
<b>Total Turnover</b>	<b>505,890,406</b>	<b>166,612,865</b>

The above balance is certified on the basis of books of account records and other supporting documents during the period from 10 October, 2017 to 30 June, 2019.

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

(ix) Statement of related party transaction;

**Certification on statement of related party transactions of ANIK TRIMS LTD.**

After due verification, we certify that the status of related party transactions of ANIK TRIMS LTD. from 10 October, 2017 to 30 June, 2019 were as follows:

Name and Position	Nature of Transaction	Amount in (BDT)					
		30 June, 2019			30 June, 2018		
		Total Amount	Accrued	Payment	Total Amount	Accrued	Payment
Rubina (Chairman)	Remuneration	-	-	-	-	-	-
	Board Meeting Fee	6,000	-	6,000	1,000	-	1,000
S.M Malek (Managing Director)	Remuneration	600,000	50,000	550,000	450,000	50,000	400,000
	Board Meeting Fee	6,000	-	6,000	2,000	-	2,000
	Vendor's Agreement	164,000,000	-	164,000,000	164,000,000	164,000,000	-
	Land Purchase	95,250,000	-	95,250,000	21,500,000	-	21,500,000
Shekh Md. Rubel Hossain (Director)	Remuneration	480,000	40,000	440,000	360,000	40,000	320,000
	Board Meeting Fee	6,000	-	6,000	1,000	-	1,000
Md. Anik (Director)	Remuneration	-	-	-	-	-	-
	Board Meeting Fee	3,500	-	3,500	-	-	-
<b>Total</b>		<b>260,351,500</b>	<b>90,000</b>	<b>260,261,500</b>	<b>186,314,000</b>	<b>164,090,000</b>	<b>22,224,000</b>

Vendor's Agreement amounting Tk. 164,000,000 was paid by issuance of shares amounting Tk 134,260,000 and cash paid through bank amounting Tk. 29,740,000.

The above balance is certified on the basis of books of accounts, records and other supporting documents for the period from 10 October, 2017 to 30 June, 2019

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(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 ANIK TRIMS LTD. from 10 October, 2017 to 30 June, 2019.**

This is to certify that the business income of ANIK TRIMS LTD. as per audited financial statements and income are shown in the tax return for the last one year were as follows:

<b>Particulars</b>	<b>30-Jun-19</b>	<b>30-Jun-18</b>
Net income before tax as per Audited Financial Statements (Including other income)	78,167,172	21,478,244
Add: Accounting Depreciation	15,864,341	4,392,891
Add: Provision for WPPF	-	-
	<b>94,031,513</b>	<b>25,871,135</b>
Less: Tax Depreciation	57,925,455	8,756,927
<b>Income shown in Tax Return</b>	<b>36,106,058</b>	<b>17,114,208</b>

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(xi) Confirmation that all receipts and payments of the issuer above Tk.5,00,000/- (five lac) were made through banking channel;**

**Certification on confirmation that all receipts and payments of the issuer above Tk. 500,000/- (Five Lac) were made through Banking Channel.**

This is to certify that all receipts and payments except petty cash of ANIK TRIMS LTD. above Tk. 500,000 (Five Lac) were made through banking channel from 10 October, 2017 to 30 June, 2019

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants

**(xii) Confirmation that Bank Statements of the issuer are in conformity with its books of accounts;**

**Certification on confirmation that Bank Statements of ANIK TRIMS LTD. are in conformity with its books of accounts**

This is to certify that the bank statements of ANIK TRIMS LTD. from 10 October, 2017 to 30 June, 2019 are in conformity with its books of accounts.

Date: 05-09-2019  
Place: Dhaka

Sd/-  
**ARTISAN**  
Chartered Accountants



**(xiii) Statement of payment status of TAX, VAT and other taxes or duties; and**

**Certification on statement of payment status of Tax, VAT and other taxes or duties of ANIK TRIMS LTD.**

This is to certify that based on the books of record and related document of ANIK TRIMS LTD. payment status of Tax, VAT and other taxes or duties are as follows:

<b>Particular</b>	<b>Amount in BDT</b>	
	<b>30 June, 2019</b>	<b>30 June, 2018</b>
Tax	4,325,357	1,208,583
VAT	Exempted	Exempted
Others Taxes/Duties	-	-
<b>Total</b>	<b>4,325,357</b>	<b>1,208,583</b>

ANIK TRIMS LTD. has VAT exemption by taking Bonded Warehouse facility.

Date: 05-09-2019

Place: Dhaka

Sd/-

**ARTISAN**

*Chartered Accountants*

**AUDITOR'S ADDITIONAL DISCLOSURE TO NOTES, COMPRISING SIGNIFICANT ACCOUNTING  
POLICIES AND OTHER EXPLANATORY INFORMATION'S  
FOR THE YEAR ENDED JUNE 30, 2019  
OF  
ANIK TRIMS LTD.**

**1. Regarding Statements of Compliance**

Incorporated in the Policy. Note No. 2.28

**About VAT:** As a 100% export-oriented industry. Our applicable VAT is 0% as per Value Added Tax Act, 1991.

**2. Regarding Statement of Cash Flows**

Incorporated in the Policy. Note No. 2.07

**Statement of Cash flows:**

Statement of Cash flows have been prepared in accordance with IAS 7 Statement of Cash Flows and the cash flows from the operating activities have been presented under direct method considering the provisions of Paragraph 19 of IAS 7 which provides that "entities are encouraged to report cash flows from operating activities using the direct method".

"Preparation of cash flows under direct method is a requirement of Securities and Exchange Rules, 1987".

**3. Regarding Applicable Accounting Standards**

Incorporated in the Policy. Note No. 2.08

**Applicable Accounting Standards:**

The following IASs and IFRSs are applicable for the Financial Statements for the year under review:

**IASs:**

IAS 1	Presentation of Financial Statements;
IAS 2	Inventories;
IAS 7	Statement of Cash Flows;
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors;
IAS 10	Events after the Reporting Period
IAS 12	Income Taxes;
IAS 16	Property, Plant and Equipment;
IAS 17	Leases;
IAS 19	Employee Benefits;
IAS 21	The Effects of Changes in Foreign Exchange Rates;
IAS 23	Borrowing Costs;
IAS 24	Related Party Disclosures;
IAS 33	Earnings per Share;
IAS 36	Impairment of Assets;
IAS 37	Provisions, Contingent Liabilities and Contingent Assets;

**IFRSs:**

IFRS 8	Operating Segments
IFRS 9	Financial Instruments
IFRS 13	Fair Value Measurement
IFRS 15	Revenue from Contracts with Customers

Incorporated in the Policy. Note No. 2.24

#### **IFRS 7 “Financial Instruments: Disclosures”**

- I. **Market risks:** Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the Company. Mostly, the risk arises from falling demand for the product which would harm the performance of the Company. On the other hand, strong marketing and brand management would help the Company increase their customer base.
- II. **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.
- III. **Liquidity Risk:** The risk that a company may be unable to meet short term financial demands. 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.
- IV. **Risk associated with the issuer’s interest in subsidiaries, joint ventures and associates:** If the subsidiaries make loss, it affects parent company’s balance sheet. In case of associate, there is chance of decline value of investment in associate company. As for joint venture, a joint venture (JV) is a business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task. This task can be a new project or any other business activity. In a joint venture (JV), each of the participants is responsible for profits, losses and costs associated with it.
- V. **Interest Rate Risks:** When interest rate fluctuates, it causes interest risk. Companies who have debt financing are exposed to this risk highly.
- VI. **Economic and Political risks:** This risk can be described as the likelihood that an investment will be affected by macroeconomic conditions such as government regulation, exchange rates, or political stability. In other words, while financing a project, the risk that the output of the project will not produce adequate revenues for covering operating costs and repaying the debt obligations. In a nutshell, economic risk refers to the risk that a venture will be economically unsustainable due to various reasons.

#### **4. Regarding Property, Plant, Equipment and Depreciation**

Incorporated in the Policy. Note No. 2.29

##### **Capital Work-in-progress:**

Capital work-in-progress is stated at cost. These are expensed of a capital nature directly incurred. No depreciation is charged on the capital work-in-progress as per IAS 16: “Property, Plant and Equipment”. When Capital work-in-progresses become ready to use, then these are transferred to the Property, plant and equipment.

#### **5. Regarding Impairment**

Incorporated in the Policy. Note No. 2.09.4

**Impairment:**

As per IAS-36, Revenue and Profitability of the company is Consistent and net worth of the company is growing every year, that indicates our assets are performing at their highest as per our intended procurement and the summation of the discounted future cash flow from the operation of the assets would be positive if we dispose off those assets at the date of financial reporting. But presently we have no intension to dispose off these assets; As such we did not consider to recording the impairment loss/gain.

**6. Regarding Inventories**

Incorporated in the Policy. Note No. 2.12

**Valuation of Current Assets:****Trade and Other Receivables:**

These are carried forward at their original invoiced value amount and represents net realizable value. Management considered the entire bills receivable as good and is collectable and therefore, no amount has been provided for as bad debt in the current year's account.

**Inventories:**

In compliance with the requirements of IAS 2 Inventories, the Inventories have been valued at Cost or Net Realizable value whichever is lower, which is consistent with the previous year's practice. Net realizable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sales. The company did not pledge any inventories such as raw materials in taking of long-term loan.

**Advances, Deposits and Prepayments:**

Advances are initially measured at cost. After initial recognition, advances are carried at cost less deductions, adjustments or charges to other account heads such as PPE or inventory or expenses. Deposits are measured at payment value without any adjustment for time value

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit or loss on accrual basis.

**Cash and Cash Equivalent:**

Cash and cash equivalent comprises cash in hand, cash at bank and other short term deposits which are available for use by the Company without any restriction.

**7. Regarding Provisions and accruals**

Incorporated in the Note No. 17.00

	<b>30 June 2019</b>	<b>30 June 2018</b>
<b>17.00 Accruals: Tk. 6,217,850</b>		
Electricity Bill	397,029	115,436
Telephone and Mobile Bill	18,563	8,193
Water Bill	5,745	5,236
Office & Factory Rent (Note # 17.01)	60,000	135,000
Salary & Wages	1,513,266	1,175,216
Director Remuneration	90,000	90,000
Interest (Note # 17.02)	4,018,247	180,154
Audit Fee	115,000	11,500
	<b>6,217,850</b>	<b>1,720,735</b>

## 8. Regarding Event after reporting period

Incorporated in the Policy. Note No. 2.21

### Events after the Reporting Period:

In compliance with the requirements of IAS 10 Events after the Reporting Period, events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the Financial Statements are authorized for issue. Two types of events can be identified:

Adjusting Events - those that provide evidence of conditions that existed at the end of the reporting year.

Non-adjusting Events- those that are indicative of conditions that arose after the reporting year.

## 9. Regarding Statement of Cash Flows

### ANIK TRIMS LTD.

House # 4, Road # 8,  
Sector # 3, Uttara: 1230, Dhaka, Bangladesh.

### ARTISAN

CHARTERED ACCOUNTANTS

### Statement of Cash Flows For the year ended June 30, 2019.

Particulars	Amount in Taka	
	01-Jul-2018 to 30-Jun-2019	10-Oct-2017 to 30-Jun-2018
<b>Cash flows from operating activities:</b>		
Received from customers	405,150,236	172,628,299
Received from interest income	910,764	1,851
Received from foreign currency gain	134,226	103,123
Paid to suppliers	(365,893,705)	(118,247,009)
Paid to employees	(19,548,843)	(11,205,289)
Paid to others	(13,690,098)	(7,326,788)
<b>Cash generated from operating activities</b>	<b>7,062,580</b>	<b>35,954,187</b>
Income tax paid	(4,325,357)	(1,208,583)
<b>Net cash generated from operating activities</b>	<b>2,737,223</b>	<b>34,745,604</b>
<b>Cash flows from investing activities:</b>		
Paid for acquisition of Property, plant and equipment	(407,868,377)	(331,655)
Paid advance for land purchase	-	(21,500,000)
Paid advance for machinery	(499,226)	-
Paid for Capital Work in Progress	(43,235,900)	(43,064,596)
<b>Net cash used in investing activities</b>	<b>(451,603,503)</b>	<b>(64,896,251)</b>
<b>Cash flows from financing activities:</b>		
Paid for financial expenses	(8,235,842)	(2,742,818)
Paid to Vendor	(29,740,000)	-
Received/(Paid) for short term loan	7,077,640	(1,091,617)
Paid for lease finance	(83,353)	(749,997)
Received from long term loan	44,645,921	-
Received from issuance of share capital	436,072,000	1,000,000
Received from share money deposit	-	38,668,000
<b>Net cash provided by financing activities</b>	<b>449,736,366</b>	<b>35,083,568</b>
<b>Net increase in cash and cash equivalents</b>	<b>870,086</b>	<b>4,932,921</b>
Unrealized foreign currency gain/(loss)	-	-
Cash and Cash Equivalents at the beginning of the period	5,365,651	432,730

Cash and Cash Equivalents at the end of the period  
 Net Operating Cash Flows per Share (NOCFPS) (Note # 29.00)

<u>6,235,737</u>	<u>5,365,651</u>
<u>0.09</u>	<u>2.00</u>

The accompanying notes form an integral part of these financial statements.

Sd/-  
**Chief Financial Officer**

Sd/-  
**Director**

Sd/-  
**Managing Director**

Signed as per our report on even date annexed.

Dated: 18 November, 2019.  
 Place: Dhaka

Sd/-  
**ARTISAN**  
CHARTERED ACCOUNTANTS

#### 10. Regarding Advances, Deposits and Prepayments

Particulars	2019		2018	
	More than Six Months	Less than Six Months	More than Six Months	Less than Six Months
Advance to employees		418,600	-	292,800
Advance income tax	2,513,927	-	1,208,583	-
Security deposit	8,990,500	-	8,990,500	-
Advance against rent	120,000	-	1,141,000	-
L/C Margin for raw materials	-	1,213,753	-	3,223,479
L/C Margin for machinery	-	499,226	-	-
Advance against land purchase	-	-	-	21,500,000
	<b>11,624,427</b>	<b>2,131,579</b>	<b>11,340,083</b>	<b>25,016,279</b>

Dated, 17 December, 2019  
 Place: Dhaka.

Sd/-  
**AFM Alamgir, FCA**  
 Chief Executive Partner  
**ARTISAN**  
 Chartered Accountants

**Auditor's additional disclosure relating to the financial statements  
for the year ended 30<sup>th</sup> June, 2019  
of  
ANIK TRIMS LTD.**

1. Name of audit engagement partners of the statutory auditors of Financial Statements for the year ended on 30 June 2019 is required to be mentioned;

**Response to the above:**

We, ARTISAN, Chartered Accountants, are the statutory Auditors of ANIK TRIMS LTD. for the year 2018-2019. The name of the Audit Engagement partner is AFM Alamgir, FCA. We have mentioned the name of the engagement partner only in the Independent Auditors' Report to the Shareholders of the company. However, from the next financial statements, we will mention the name of engagement partner everywhere including Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows.

2. Tax payment for the assessment year 2018-2019 amounting Tk. 18.11 lakh has been shown as advance income tax (note No. 7.01 to the audited financial statements for the year ended on 30<sup>th</sup> June 2019). The matter is required to be explained;

**Response to the above:**

The above amount was not shown as advance income tax, but the over-all scenario of the account "advance income tax" was placed in the disclosure (Note # 7.01). Which represents how much advance tax was paid during the year [for the current year and previous year(s)] and how much advance tax was adjusted during the year and for which year. On several hearings before the Deputy Commissioner of Taxes (DCT) the assessment of the year 2017-2018 (FY) was completed and then the entire amount including last year's advance were shown as adjustment of the year. In fact the amount was not shown as advance, rather the over-all transactions were presented in the disclosure.

Note no. 7.01 Advance Income Tax may also be read as under.

7.01	Advance Income Tax : Tk. 2,513,927	30-Jun-19	30-Jun-18
		Amount in Tk.	
	Opening Balance	1,208,583	-
	Add: Tax deduction at source during the year	2,431,130	1,208,583
	Add: Tax deduction at source on bank interest income	82,797	-
	Less: Adjustment for the assessment year 2018-19	(1,208,583)	-
	<b>Total:</b>	<b>2,513,927</b>	<b>1,208,583</b>

3. Tk. 5.84 crore had been shown as opening balance of property, plant and equipment in the Annexure – A to the audited financial statements for the period ended on 30<sup>th</sup> June 2018 from 10<sup>th</sup> October 2017. The incorporation date of the company is 10<sup>th</sup> October 2017. The matter regarding balance forwarded before the incorporation is required to be explained;

**Response to the above:**

Since the company (Anik Trims Ltd.) got the Incorporation Certificate on 10<sup>th</sup> October, 2017, that's why the accounts of proprietorship firm (Anik Enterprise) was closed up at 9<sup>th</sup> October, 2017 and calculated the assets and liabilities as on that date. For closing the proprietorship business, all the assets and liabilities were taken over by the newly formed

company on 10<sup>th</sup> October, 2017 through a Vendors Agreement. And the assets were acquired as opening balance at 10-10-2017 on Written Down Value (W.D.V) as of 09-10-2017 in the books of accounts of Anik Trims Ltd.

4. Disclosure regarding quantity-wise turnover as per the requirement of para 3, Part-II Schedule-XI is required;

**Response to the above:**

Quantity-wise turnover as per the requirement of para 3, Part-II schedule-XI are as follows.

Sl. No.	Name of the Products	For the year ended June 30			
		2019		2018	
		Qty. (Pcs, Dozen, Gross, yards)	Amount in Tk.	Qty. (Pcs, Dozen, Gross, yards)	Amount in Tk.
1	Carton	21,642	2,068,066	310,588	29,679,168
2	Photo Box	1,341,657	457,474,179	184,841	63,026,565
3	Photo Card	16,398	6,902,361	19,438	8,181,979
4	Photo Inlay	-	-	7,182	361,326
5	Hangtag	1,358,830	7,546,942	1,633,707	9,073,609
6	Pricetag	1,289,480	4,324,916	1,953,543	6,552,183
7	Sizetag	1,317,334	4,418,338	1,441,350	4,834,288
8	Bar Code	1,317,334	4,418,338	1,543,360	5,176,429
9	Back Board	27,854	700,667	294,673	7,412,499
10	Care Label	247,494	2,461,699	833,652	8,291,920
11	Size Label	247,494	2,227,322	944,879	8,503,439
12	Main Label	247,494	2,075,237	896,520	7,517,320
13	Heat Seal Label	21,642	1,270,277	27,865	1,635,536
14	Pocket Flasher	21,642	907,731	42,378	1,776,698
15	Collar Stand	-	-	10,541	353,545
16	Tissue Paper	-	-	128,593	970,427
17	Twill Tape	2,456	6,110,109	1,029	2,559,977
18	Elastic	141,631	1,662,604	2,857	33,538
19	Poly	83,436	1,049,416	-	-
20	Others	21,642	272,202	53,462	672,418
<b>Total</b>		<b>7,725,460</b>	<b>505,890,406</b>	<b>10,330,458</b>	<b>166,612,865</b>

5. Transfer of 'building and civil construction' and transfer of 'plant and machinery' from 'capital work-in-progress' amounting Tk. 5,71,17,176.00 and 14,68,68,408.00 have not been adjusted from 'paid for acquisition of property, plant and equipment' as shown in the 'statement of cash flows' for the year ended on 30<sup>th</sup> June 2019. The matter is required to be clarified;

**Response to the above:**

Cash paid for acquisition of Property, Plant and Equipment have been shown in the 'Statement of Cash Flows' considering the assets which have been included in the schedule of Property, Plant and Equipment either it has been directly purchased or transferred from 'Capital Work-in-Progress' with necessary adjustment of opening advances or payables for assets.

It may be clarified that, total amount regarding addition/acquisition of Fixed Assets (Property, Plant and Equipment) after adjustment of Capital Work-in-Progress has been shown in the "Statement of Cash Flows". Vice versa balancing amount of Work-in-



Progress (after transferred to fixed assets) has been shown in the "Statement of Cash Flows". However, the overall scenario may be seen in the attached statement of Break-up Sheet.

6. Addition to 'capital working-in-progress' during year amounting Tk. 13,52,52,671.00 and Tk. 6,06,31,700.00 on account of 'plant and machinery' and 'civil construction and building' have not been added to 'cash paid for capital work-in-progress' as shown in the "statement of cash flows" for the year ended on 30<sup>th</sup> June 2019. The matter is required to be clarified;

**Response to the above:**

Since the payments against additions/acquisitions of fixed assets have been shown under the major heads "Paid for acquisition of Property, Plant and Equipment" and "Paid for Capital Work-in-Progress" of "Statement of Cash Flows", so, there is no scope to show again of such payments in the same "Statement".

7. It appears that Tk. 2,97,40,000.00 has been paid to the vendor though this consideration should have been settled against issuance of share as per RJSC certified vendor agreement. It is required to confirm if such partial consideration of the RJSC certified vendor agreement is permissible or not;

**Response to the above:**

The Vendors Agreement between Mr. S.M Malek, Proprietor of Anik Enterprise (now defunct) and Anik Trims Ltd. was submitted to the Registrar of Joint Stock Companies (RJSC), Dhaka and accepted by the office of the RJSC. The whole business was taken over by newly formed company (Anik Trims Ltd.) as per Vendors Agreement and a total amount of Tk. 164,000,000 was payable to Mr. S.M Malek. Subsequently the payments were happened according as under:

As per Vendors Agreement payments were made as follows:

A) On 12.08.2018 shares of Anik Trims Ltd. allotted	Tk. 64,260,000
B) On 10.03.2019 shares allotted through obtaining permission from BSEC	Tk. 70,000,000
C) On 08.12.2018, 10.02.2019 and 27.02.2019 cash paid (as per BSEC decision)	<u>Tk. 29,740,000</u>
<b>Total Taka:</b>	<b><u>164,000,000</u></b>

All the shares were allotted to Mr. S.M Malek as per certified Vendors Agreement from RJSC and as per consent letter of Bangladesh Securities and Exchange Commission (BSEC).

8. No intangible asset has been shown separately in the audited financial statements. It is required to confirm if the Issuer Company has any intangible asset (like computer software, etc.) or not. If any, it is also required to confirm if those have been shown separately as per requirement of IAS -38 and amortized as per requirement of Para 97 of IAS- 38 or not;

**Response to the above:**

The name of the accounting software is Tally ERP (Multi user). It has been included with office equipment shown in Schedule of Property, Plant and Equipment. As discussed with the management of the company, they will present the software as a separate asset as per IAS 38 Intangible Assets in the next financial statement.

9. Auditors' report to the shareholders has not been prepared as requirements of IAS – 700 and 701;

**Response to the above:**

Auditors' report to the shareholders of Anik Trims Ltd. as per IAS-700 and 701 is as follows.

**INDEPENDENT AUDITOR'S REPORT  
TO THE SHAREHOLDERS OF  
ANIK TRIMS LTD.**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements **ANIK TRIMS LTD.** (the "Company"), which comprise the Statement of Financial Position as at 30 June 2019 and 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 notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other applicable laws and regulations.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of key audit matters	Our response to key audit matters
<b>Valuation of Property, Plant and Equipment (PPE)</b>	
<p>The carrying value of the PPE amounted to BDT 517,031,402 as at 30 June 2019. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.</p> <p>Expenditures are capitalized if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the year during which the</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> <li>• We reviewed the opening balances of PPE which was audited by another auditors including assessed the addition during the year under our audit, checked the related accounting treatment and associated deferred tax as recognized by the company.</li> <li>• We assessed whether the accounting policies in relation to the capitalization of expenditures are in compliance with IFRS and found them to be consistent;</li> </ul>

<p>asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p>	<ul style="list-style-type: none"> <li>• We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals;</li> <li>• We inspected a sample of invoices and L/C documents to determine whether the classification between capital and operating expenditure was appropriate;</li> <li>• We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market price;</li> <li>• We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the classification from capital in progress to ready for use, with the date of the act of completion of the work.</li> <li>• We performed physical asset verification at the year end, observed procedures of asset acquisition, depreciation and disposal and finally assessed the appropriateness and presentation of disclosures as per relevant accounting standards.</li> </ul> <p><b>[See note number 3.00 for details]</b></p>
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**Valuation of Inventory**

<p>The Company had inventory of BDT 48,340,341 at 30<sup>th</sup> June 2019 which includes Finished Goods, Raw Materials, Work in Process, etc.</p> <p>Inventory value is measured as follows: Inventories are stated at the lower of cost and net realizable value in accordance with IAS-2 'Inventories'. As result, the management apply judgment in determining the appropriate values for value in use, work-in-progress, values for slow moving or obsolete items and need to apply impairment provision.</p> <p>While excess holding of inventories could impact level of inventories can result in stock outs or irregular supply to the market.</p>	<p>We verified the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> <li>• We evaluated the design and implementation of key inventory controls operating across the company's factory and warehouse;</li> <li>• We challenged the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow-moving/obsolete stock are valid and complete.</li> <li>• We reviewed the historical accuracy of inventory provisioning and the level of inventory write-offs during the year;</li> <li>• We attended inventory counts and reconciling the count results to the inventory listing to test the completeness of data;</li> <li>• We compared the net realizable value,</li> </ul>
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	<p>obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete;</p> <ul style="list-style-type: none"> <li>• We discussed with management about their sales forecasting procedures and ordering of inventories, and inquired about remedial action taken in case of excess or shortage of inventories due to difference in forecast and actual results.</li> </ul> <p><b>[See note number 5.00 for details]</b></p>
<p><b>Measurement of Deferred Tax Liability</b></p>	
<p>The Company reported net deferred tax liability to totaling BDT as at 8,124,401. Significant judgment is required in relation to deferred tax liability as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<ul style="list-style-type: none"> <li>• We obtained an understanding, evaluated the design and tested the operational effectiveness of the company over the recognition and measurement and the assumptions used in estimating the future taxable income.</li> <li>• We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</li> <li>• We involved our tax expertise to assess key assumptions, controls, recognition and measurement of Taxes.</li> <li>• Finally, assessed the appropriateness and presentation of disclosure against IAS 12 Income Tax.</li> </ul> <p><b>[See note number 15.00 for details]</b></p>
<p><b>Revenue Recognition</b></p>	
<p>At year end the Company reported total revenue of BDT 505,890,406 Revenue is measured net of discounts, incentives and rebates earned by customers on the Company's sales. Within a number of the Company's markets, the estimation of discounts, incentives and rebates recognised based on sales made during the year is material and considered to be complex and judgmental. Therefore, there is a risk of revenue being misstated as a result of faulty estimations over discounts, incentives and rebates.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> <li>• Calculation of discounts, incentives and rebates;</li> <li>• Segregation of duties in invoice creation and modification; and</li> <li>• Timing of revenue recognition.</li> </ul> <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> <li>• Obtaining supporting documentation for sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognised in the correct period;</li> <li>• Within a number of the Company's markets, comparing current year rebate</li> </ul>

	<p>accruals to the prior year and, where relevant, completing further inquiries and testing.</p> <ul style="list-style-type: none"> <li>• Agreeing a sample of claims and rebate accruals to supporting documentation;</li> <li>• Critically assessing manual journals posted to revenue to identify unusual or irregular items; and</li> <li>• Finally assessed the appropriateness and presentation of disclosure against relevant accounting standards.</li> </ul> <p><b>[See note number 22.00 for details]</b></p>
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### **Other information**

Management is responsible for the other information. The other information comprises all of the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) 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. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the company's financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We have not come across any other key audit issue for the year under audit, and as such nothing is reportable.

## Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987, we also report the following:

- 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;
- c) The statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

Dated: 02 September, 2019  
Place: Dhaka

**AFM Alamgir, FCA**  
Chief Executive Partner  
ARTISAN  
Chartered Accountants

10. Share money deposit was not presented under 'shareholders' equity' in the comparative figure of the financial statements for the year ended on 30th June 2019;

### **Response to the above:**

Share Money Deposit has been recognized as a liability as per paragraph 11 of IAS 32 Financial Instruments: Presentation. Share Money Deposits has not satisfied both condition (a) and (b) of Paragraph 16 of IAS 32. In this regard, a directive was issued by the Financial Reporting Council on 11-02-2020 and also that was followed by the Gezette on March 02, 2020 to show and place the Share Money Deposit preview of "Shareholders Equity". From now on the same will be placed as per updated directive.

11. Basis of allocation of depreciation among COGS and Administrative Expenses was not found.

### **Response to the above:**

The assets which is related with the factory/production, depreciation of those assets is charged to COGS. Depreciation of other assets which is used or related to Administrative Department and Selling Department were allocated to Administrative and Selling expenses respectively.

12. Detailed breakup of 'paid to suppliers', 'paid to employees', 'paid to others', 'paid for acquisition of property, plant and equipment', and 'paid for capital work-in-progress' as shown in cash flow statements are required to be disclosed.

### **Response to the above:**

Detailed breakup of 'paid to suppliers', 'paid to employees', 'paid to others', 'paid for acquisition of property, plant and equipment', and 'paid for capital work-in-progress' as shown in cash flow statements for the year ended June 30 2018 and 2019 are as follows:

Particulars	01 July 2018 to 30 June 2019	10 October 2017 to 30 June 2018
<b>Paid to suppliers:</b>		
Cost of goods sold	(396,466,311)	(130,618,573)
Opening inventory	43,269,762	46,332,347
Closing inventory	(48,340,341)	(43,269,762)
Total manufacturing overhead	37,739,478	15,583,282
Sample expenses	(2,873,349)	(1,789,652)
Adjustment for store item	(1,232,670)	(1,521,410)
L/C Margin for raw materials opening	3,223,479	260,238
L/C Margin for raw materials closing	(1,213,753)	(3,223,479)
	<b>(365,893,705)</b>	<b>(118,247,009)</b>
<b>Paid to employees:</b>		
Wages, Salaries and Allowances for factory employee	(10,175,423)	(5,210,315)
Festival Bonus for factory employee	(948,350)	(289,500)
Salaries and Allowances for administrative employee	(3,708,000)	(2,896,730)
Director Remuneration	(1,080,000)	(810,000)
Board Meeting Fee	(21,500)	(4,000)
Festival Bonus for administrative employee	(197,500)	(160,900)
Salaries and Allowances for selling employee	(3,349,950)	(2,848,260)
Festival Bonus selling employee	(280,370)	(158,200)
Total expenses for employee	(19,761,093)	(12,377,905)
Adjustment for opening advance paid to employee	292,800	703,000
Adjustment for closing advance paid to employee	(418,600)	(292,800)
Adjustment for opening liability with employee	(1,175,216)	(502,800)
Adjustment for closing liability with employee	1,513,266	1,175,216
Adjustment for opening liability with Director Remuneration	90,000	90,000
Adjustment for closing liability with Director Remuneration	(90,000)	-
<b>Total cash paid to employee</b>	<b>(19,548,843)</b>	<b>(11,205,289)</b>
<b>Paid to others:</b>		
Total Manufacturing overhead	(37,739,478)	(15,583,282)
Adjustment for depreciation	15,731,786	4,349,351
Adjustment for salary, wages and allowances	10,175,423	5,210,315
Adjustment for festival bonus	948,350	289,500
Adjustment for store items	1,232,670	1,521,410
Cash paid to others for manufacturing overhead	(9,651,249)	(4,212,706)
Total administrative expenses	(7,773,638)	(5,520,359)
Adjustment for salary and allowances	3,708,000	2,896,730
Adjustment for Director remuneration	1,080,000	810,000
Adjustment for Board Meeting Fee	21,500	4,000
Adjustment for Festival Bonus	197,500	160,900
Adjustment for depreciation	66,278	21,770
Cash paid to others for administrative expenses	(2,700,360)	(1,626,959)
Total selling expenses	(9,250,407)	(6,689,611)
Adjustment for salary and allowances	3,349,950	2,848,260
Adjustment for Festival Bonus	280,370	158,200
Adjustment for sample expenses	2,873,349	1,789,652
Adjustment for depreciation	66,277	21,770
Cash paid to others for selling expenses	(2,680,461)	(1,871,729)
Cash paid to others before adjustment	(15,032,070)	(7,711,394)



Adjustment for opening liability	(275,365)	(205,759)
Adjustment for closing liability	596,337	275,365
Adjustment for opening advance	10,131,500	10,446,500
Adjustment for closing advance	(9,110,500)	(10,131,500)
<b>Total cash for others</b>	<b>(13,690,098)</b>	<b>(7,326,788)</b>
<b>Paid for acquisition of Property, plant and equipment</b>	<b>(407,868,377)</b>	<b>(331,655)</b>
Total assets addition during the year	(478,569,114)	(331,655)
Add: Advance against land purchase (Opening)	21,500,000	-
Add: Capital Work-in-Progress (Opening)	48,642,663	-
Add: Adjustment for Interest Capitalized due	558,074	-
<b>Paid for Capital Work in Progress</b>	<b>(43,235,900)</b>	<b>(43,064,596)</b>
Closing balance of Capital Work in Progress	(40,541,450)	(48,642,663)
Add: Other Payables (Closing)	2,883,617	5,578,067
Less: Other Payables (Opening)	(5,578,067)	-

Place: Dhaka  
Date: March 15, 2020

Sd/-  
AFM Alamgir, FCA  
Chief Executive Partner  
ARTISAN  
Chartered Accountants

## CHAPTER (XXVII)

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# CREDIT RATING REPORT

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As per Section 3 of Credit Ratings Companies Rules, 1996, no credit rating report is required by the Company. Moreover, as per Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the issuer/issue has been rated by a credit rating company registered with the Commission for book-building method only.

## CHAPTER (XXVIII)

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# **PUBLIC ISSUE APPLICATION PROCEDURE**

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### **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. 200,000.00 (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 successful applicants (other than NRB applicants) by the Stockbrokers/Merchant Bankers will be remitted to the Company's **Account No. 0061020009745** with **One Bank Limited, Uttara Branch, Dhaka** 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:

<b>Sl.</b>	<b>Name of the A/C</b>	<b>Account No.</b>	<b>Type of A/C</b>	<b>Currency</b>	<b>Bank &amp; Branch</b>
1	Anik Trims Ltd.	0061130000069	FC A/C	USD	One Bank Limited, Uttara Branch, Dhaka
2		0061130000058		EURO	
3		0061130000047		GBP	



**APPLICATION FORM**

পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।

Interested persons are entitled to a prospectus, if they desire, and that copies of prospectus may be obtained from the issuer and the issue managers.

**ANIK TRIMS LTD.**

**APPLICATION FOR PUBLIC ISSUE**

**Date:**

Name of applicant	:																		
Client Code	:																		
BO ID No.	:																		
Category of applicant	:																		
Name of the Company/Fund	:																		
Number of Shares/Units	:	..... Shares of Tk. .... each																	
Total amount in Tk.	:																		
Amount in word	:																		
Mode of payment	:																		
Cheque/Draft information	:																		

\_\_\_\_\_  
Signature of  
**Applicants**

\_\_\_\_\_  
Signature of  
**Authorized Officer**

## CHAPTER (XXIX)

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### **OTHERS**

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## DECLARATION REGARDING COST AUDIT

This is to inform you that Ministry of Commerce in its Gazette dated 12<sup>th</sup> January, 2003 ordered 5 companies from power sector and 6 companies from jute sector would be under Cost Audit Compliance. Later on, 3<sup>rd</sup> December 2009 Ministry of Commerce issued Gazette by which 42 companies from Garments and Textiles sector, 12 companies from Pharmaceutical sector and all the companies involved in manufacturing of Chemical Fertilizer would be under Cost Audit Compliance.

Since Anik Trims Ltd. is not bracketed in above mentioned companies, Cost Audit by Professional Accountant is not applicable for "Anik Trims Ltd."

Sd/-  
**S. M Malek**  
Managing Director  
**Anik Trims Ltd.**

Sd/-  
**Foyzal Ahmad**  
Chief Financial Officer  
**Anik Trims Ltd.**

Sd/-  
**Md. Salauddin Sikder FCMA**  
CEO & Managing Director  
**Imperial Capital Limited**

Sd/-  
**Tania Sharmin**  
Managing Director & CEO  
**CAPM Advisory Limited**

Sd/-  
**Parsoma Alam**  
Chief Executive Officer  
**Rupali Investment Limited**

Date: September 15, 2019

## MANAGEMENT DISCLOSURE

### 1. Regarding Revenue:

We enclose herewith the breakdown of revenue:

#### Details of Export For the year ended June 30, 2019

Sl. No.	Name of Products	2018		2019	
		Qty. (Pcs, Dz, Gross yards)	Amount	Qty. (Pcs, Dz, Gross yards)	Amount
1	Carton	310,588	29,679,168	21,642	2,068,066
2	Photo Box	184,841	63,026,565	1,341,657	457,474,179
3	Photo Card	19,438	8,181,979	16,398	6,902,361
4	Photo Inlay	7,182	361,326	-	-
5	Hangtag	1,633,707	9,073,609	1,358,830	7,546,942
6	Pricetag	1,953,543	6,552,183	1,289,480	4,324,916
7	Sizetag	1,441,350	4,834,288	1,317,334	4,418,338
8	Bar Code	1,543,360	5,176,429	1,317,334	4,418,338
9	Back Board	294,673	7,412,499	27,854	700,667
10	Care Label	833,652	8,291,920	247,494	2,461,699
11	Size Label	944,879	8,503,439	247,494	2,227,322
12	Main Label	896,520	7,517,320	247,494	2,075,237
13	Heat Seal Label	27,865	1,635,536	21,642	1,270,277
14	Pocket Flasher	42,378	1,776,698	21,642	907,731
15	Collar Stand	10,541	353,545	-	-
16	Tissue Paper	128,593	970,427	-	-
17	Twill Tape	1,029	2,559,977	2,456	6,110,109
18	Elastic	2,857	33,538	141,631	1,662,604
19	Poly	-	-	83,436	1,049,416
20	Others	53,462	672,418	21,642	272,202
<b>Total</b>		<b>10,330,458</b>	<b>166,612,865</b>	<b>7,725,460</b>	<b>505,890,406</b>

### 2. Regarding Statement of Cash Flows:

Detail calculation of major items of Statement of Cash Flows are follows:

Particular	1-July 2018 to 30-Jun-2019	10-Oct-2017 to 30-Jun-2019
<b><u>Received from customers &amp; Others:</u></b>	<b>406,195,226</b>	<b>172,733,273</b>
Revenue	505,890,406	166,612,865
Add: Other Income	1,191,342	143,013
Add: Trade and Other Receivables (Opening)	63,676,579	69,653,974
Less: Trade and Other Receivables (Closing)	(164,563,101)	(63,676,579)
<b><u>Paid to suppliers:</u></b>	<b>(365,893,705)</b>	<b>(118,247,009)</b>
Raw materials purchase	(366,531,173)	(114,355,619)
Store items purchase	(1,372,258)	(928,149)
Add: Opening L/C Margin for Raw Materials & Machinery	3,223,479	260,238
Less: Opening L/C Margin for Raw Materials & Machinery	(1,213,753)	(3,223,479)
<b><u>Paid to employees:</u></b>	<b>(19,548,843)</b>	<b>(11,205,289)</b>
Advance to employees (Opening)	292,800	703,000
Add: Advance to employees (Closing)	(418,600)	(292,800)

Salary & Wages payable (Closing)	1,513,266	1,175,216
Less: Salary & Wages payable (Opening)	(1,175,216)	(502,800)
Director Remuneration (Closing)	90,000	90,000
Less: Director Remuneration (Opening)	(90,000)	-
Wages, Salaries and Allowances (Manufacturing)	(10,175,423)	(5,210,315)
Festival Bonus (Manufacturing)	(948,350)	(289,500)
Salaries and Allowances (Selling)	(3,349,950)	(2,848,260)
Festival Bonus (Selling)	(280,370)	(158,200)
Salaries and Allowances (Administrative)	(3,708,000)	(2,896,730)
Director Remuneration (Administrative)	(1,080,000)	(810,000)
Board Meeting Fee (Administrative)	(21,500)	(4,000)
Festival Bonus (Administrative)	(197,500)	(160,900)
<b><u>Paid to others:</u></b>	<b>(13,690,098)</b>	<b>(7,326,788)</b>
Advance against rent (Closing)	120,000	1,141,000
Less: Advance against rent (Opening)	(1,141,000)	(1,456,000)
Add: Security deposit (Closing)	8,990,500	8,990,500
Less: Security deposit (Opening)	(8,990,500)	(8,990,500)
Add: Electricity Bill payable (Opening)	115,436	106,551
Less: Electricity Bill payable (Closing)	(397,029)	(115,436)
Add: Telephone and Mobile Bill payable (Opening)	8,193	26,974
Less: Telephone and Mobile Bill payable (Closing)	(18,563)	(8,193)
Add: Water Bill payable (Opening)	5,236	7,234
Less: Water Bill payable (Closing)	(5,745)	(5,236)
Add: Office & Factory Rent payable (Opening)	135,000	60,000
Less: Office & Factory Rent payable (Closing)	(60,000)	(135,000)
Add: Audit Fee (Opening)	11,500	5,000
Less: Audit Fee (Closing)	(115,000)	(11,500)
Manufacturing overhead (Excluding Wages, Salaries and Allowances, Festival Bonus, Store Items, Depreciation)	9,651,249	4,212,706
Selling Expenses (Excluding Salaries and Allowances, Festival Bonus, Sample Expenses, Depreciation)	2,680,461	1,871,729
Administrative Expenses (Excluding Salaries and Allowances, Director Remuneration, Board Meeting Fee, Festival Bonus, Depreciation)	2,700,360	1,626,959
<b><u>Income tax paid:</u></b>	<b>(4,325,357)</b>	<b>(1,208,583)</b>
Less: Tax Charged during year	(6,527,045)	(3,020,013)
Less: Income Tax Provision (Opening)	(3,020,013)	-
Add: Income Tax Provision (Closing)	6,527,045	3,020,013
Less: Advance Income Tax (Closing)	(2,513,927)	(1,208,583)
Add: Advance Income Tax (Opening)	1,208,583	-
<b><u>Cash flows from investing activities:</u></b>	<b>(481,343,503)</b>	<b>(64,896,251)</b>
<b><u>Paid for acquisition of Property, plant and equipment</u></b>	<b>(407,868,377)</b>	<b>(331,655)</b>
Total assets addition during the year	(478,569,114)	(331,655)
Add: Advance against land purchase (Opening)	21,500,000	-
Add: Capital Work-in-Progress (Opening)	48,642,663	-
Add: Adjustment for Interest Capitalized due	558,074	-
Add: Other Payables (Closing)	-	-
Less: Other Payables (Opening)	-	-
<b><u>Paid advance for land purchase</u></b>	<b>-</b>	<b>(21,500,000)</b>
Advance for land paid during the year	-	(21,500,000)
<b><u>Paid to Vendor</u></b>	<b>(29,740,000)</b>	<b>-</b>
Paid to Vendor during the year	(29,740,000)	-
<b><u>Paid for Capital Work in Progress</u></b>	<b>(43,235,900)</b>	<b>(43,064,596)</b>
Closing balance of Capital Work in Progress	(40,541,450)	(43,064,596)
Add: Other Payables (Closing)	2,883,617	-

Less: Other Payables (Opening)	(5,578,067)	-
<b>Paid for Capital Work in Progress</b>	<b>(499,226)</b>	-
Add: Opening L/C Margin for Machinery	-	-
Less: Opening L/C Margin for Machinery	(499,226)	-
<b><u>Paid for financial expenses:</u></b>	<b>(8,235,842)</b>	<b>(2,742,818)</b>
Expense Charged	11,515,861	2,449,091
Add: Interest payable opening b/d	180,154	473,881
Less: Interest payable closing c/d	(3,460,173)	(180,154)
<b><u>Received/Paid for short term loan:</u></b>	<b>7,077,640</b>	<b>(1,091,617)</b>
Closing balance	26,186,887	19,109,247
Opening balance	19,109,247	20,200,864
<b><u>Paid for lease finance:</u></b>	<b>(83,353)</b>	<b>(749,997)</b>
Closing balance	-	83,353
Opening balance	83,353	833,350
<b><u>Received/Paid for long term loan:</u></b>	<b>44,645,921</b>	-
Closing balance	44,645,921	-
Opening balance	-	-

3. It is required to state reasons of issuing shares amounting Tk. 13,42,60,000/- instead of Tk. 16,40,00,000/- as per vendor's agreement;

Vendor agreement was executed for the amount of Tk. 164,000,000 on 10th October, 2017 through consideration of issuance of shares of Anik Trims Limited. On 12<sup>th</sup> August 2018, we have issued shares amounting Tk. 64,260,000 to the vendor. We have applied to Bangladesh Securities and Exchange Commission (BSEC) for permission of capital raising from Tk. 99,900,000 to 610,000,000 from The Bangladesh Securities and Exchange Commission (BSEC) has given consent amounting Tk. 440,100,000 in cash and Tk. 70,000,000 is other than cash totaling Tk. 510,100,000 for raising of capital on 21<sup>st</sup> January, 2019. After getting the consent from BSEC, we have issued shares amounting Tk. 70,000,000.00 to the vendor other than cash as per the consent. Totaling shares have been issued amounting Tk.134,260,000 to the vendor and balance amount of Tk. 29,740,000 has been settled through cash payment.

4. Subsequent status of WPPF is required to be disclosed.

We have recognized expenses for Workers Profit Participation and Welfare Fund in the financial statements from 1<sup>st</sup> July 2018 for the year ended June 30, 2019. We also form a board of trustee and accordingly a trust deed already registered. A separate bank account in the name of trust fund has also been opened. We had transferred the fund for the year ended June 30, 2019 within stipulated time to the trustee's bank account and disbursed the maximum fund to the beneficiaries.

Sd/-

**S. M Malek**  
Managing Director  
**Anik Trims Ltd.**