

Prospectus



Appollo Ispat Complex Limited

Registered & Corporate Office:

407, Tejgaon Industrial Area, Dhaka-1208

Tel: +88(02)9114946, 9115098, 9110974, 9137533-4, 8117559 **Fax:** +88(02) 9126291

E-mail: rani@accesstel.net, rani@appollo-ispac.com

Web: <http://www.appollo-ispac.com>

"If you have any query about this document, you may consult issuer, issue manger and underwriter"

PROSPECTUS

Public offer of 100,000,000 ordinary shares of Tk. 10/- per Share at an issue price of Tk. 22/- each, including a premium of Tk. 12/- per share totaling to **Tk. 2,200,000,000/-**
Of

APPOLLO ISPAT COMPLEX LIMITED

Subscription	
For Resident Bangladeshis Subscription Opens on-	October 06, 2013
For Resident Bangladeshis Subscription Closes on-	October 10, 2013
For Non-Resident Bangladeshi subscription Opens on-	October 06, 2013
For Non-Resident Bangladeshi subscription Closes on-	October 19, 2013

Manager to the Issue



ICB Capital Management Limited
(A Subsidiary of ICB)

BDBL Bhaban (Level - 16), 8 Rajuk Avenue, Dhaka 1000.

Phone: 9585691-2, E-mail: ceocmcl@accessstel.net,

Fax: 880-2-9555707

Website: www.icbcm.com.bd

Underwriters

ICB Capital Management Limited

BDBL Bhaban (Level - 16), 8 Rajuk Avenue,
Dhaka 1000. Fax:88-02-9555707.

Phoenix Insurance Co. Ltd.

1/A, Dilkusha C/A, Dhaka-1000.
Fax: 9563576.

BMSL Investment Limited

Sadharon Bima Tower(7th Floor) Dilkusha C/A
Dhaka-1000. Fax:88-02-7123820.

Rupali Life Insurance Co. Ltd.

Rupali Bima Bhaban, 7 Rajuk Avenue
Dhaka-1000. Fax:88-02-9570560.

Bank Asia Limited

Rangs Tower(2nd to 6th Floor),68 Purana paltan,
Dhaka-1000.

Sonali Investment Limited

Sara Tower, 11th Floor, 11/A Toynbee Circular
Road, Motijheel C/A, Dhaka-1000.
Fax:88-02-7170001.

Prime Finance Capital Management Limited

63, Dilkusha C/A (3rd floor)
Dhaka-1000.Fax: 88-02-9563692

Credit Rating Agency

Credit Rating Agency of Bangladesh Limited (CRAB)

Credit Rating Status:				
Credit Rating Agency of Bangladesh Limited (CRAB)				
	Entity	BDT 2,129.68 million aggregate long term outstanding	BDT 1,025.40 million aggregate short term fund based limits	BDT 592.00 Million aggregate short term non fund based limits
Rating	BBB1	BBB1 (Lr)	ST-3	ST-3
Date of Rating	19 July 2012			
Validity	The entity rating is valid up to 30 June 2013 and the loan ratings are valid up to limit expiry date of respective credit facilities or 30 June 2013 whichever is earlier.			

Date of Issue of Prospectus: September 09, 2013

The issue shall be placed in "N" Category

"CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE BANGLADESH SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2006. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, 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/CHIEF FINANCIAL OFFICER, ISSUE MANAGER, UNDERWRITER AND/OR AUDITOR"



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E-mail: rani@accesstel.net, rani@appollo-ispac.com

Web: <http://www.appollo-ispac.com>

Availability of Prospectus

Prospectus of **Appollo Ispat Complex Limited** may be obtained from following addresses:

Company	Contact person	Contact Number
Appollo Ispat Complex Limited 407, Tejgaon Industrial Area, Dhaka-1208.	Md Hafizur Rahman Sarker FCMA Chief Financial Officer	Tel: 9114946, 9137533-4 Fax:88-02-9126291

Manager to the Issue:	Contact Person	Contact Number
ICB Capital Management Limited BDBL Bhaban (Level - 16), 8 Rajuk Avenue, Dhaka1000.	Mr. Md. Moshir Rahman Chief Executive Officer	Tel: 9585691-2, Fax:880-2-9555707

Underwriters:	Contact person	Contact Number
ICB Capital Management Ltd. BDBL Bhaban (Level - 16), 8 Rajuk Avenue, Dhaka 1000.	Mr. Md. Moshir Rahman Chief Executive Officer	Tel: 9585691-2 Fax:88-02-9555707
Phoenix Insurance Co. Ltd. 1/A, Dilkusha C/A, Dhaka-1000.	Md. Rafiqur Rahman Company Secretary	Tel: 9563609 Fax: 9563576
BMSL Investment Limited Sadharon Bima Tower(7 th Floor) Dilkusha C/A Dhaka-1000.	Chief Executive Officer	Tel: 9567002, 9570624 Fax:88-02-7123820
Rupali Life Insurance Co. Ltd. Rupali Bima Bhaban(9 th Floor), 7 Rajuk Avenue, Dhaka-1000.	Biswajit Kumar Mondal Dy. Managing Director & Company Secretary	Tel: 9571355,9566541,9566527 Fax:88-02-9570560
Bank Asia Limited Rangs Tower(2 nd to 6 th Floor),68 Purana paltan, Dhaka-1000.	Imran Ahmed,FCA,CISA CFO	Tel: 7115881, 9515128-30,7175524 Fax:88-02-7111164
Sonali Investment Limited Sara Tower, 11 th Floor, 11/A Toynbee Circular Road, Motijheel C/A, Dhaka-1000.	Dr. Md. Waliar Rahman Chief Executive Officer	Tel: 9568777, 9556940 Fax:88-02-7170001
Prime Finance Capital Management Limited 63, Dilkusha C/A (3 rd Floor), Dhaka 1000.	M. Mosharraf Hossain Phd, FCA MD & CEO	Tel: 9569883 Fax: 88-02-9563692

Stock Exchanges:	Available at	Contact Number
Dhaka Stock Exchange Ltd. 9/F, Motijheel C/A, Dhaka 1000.	DSE Library	02-9564601-7, 02-7175705-9
Chittagong Stock Exchange Ltd. CSE Building, 1080, Sheikh Mujib Road, Chittagong 4100.	CSE Library	031-714632-3 031-720871-3

Prospectus would also be available on the web site of BSEC (www.secdb.org), DSE (www.dsebd.org), CSE (www.csebd.com), Appollo Ispat Complex Limited (www.appollo-ispac.com) and Issue Manager (www.icbcmi.com.bd) and Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.

Name and Address of the Auditors

A.Matin & Co.

Chartered Accountants

91,Kakrail,(3rd Floor),Flat No.-08, Dhaka-1000

Phone: 8318191,Cell:01199-835489,01713-453596

E-mail: akmatinmatin@yahoo.com

Acronyms

AICL	:	Appollo Ispat Complex Limited
Allotment	:	Letter of Allotment for Shares
BAS	:	Bangladesh Accounting Standards
BO	:	Beneficiary Owner
CA	:	Chartered Accountant
CDBL	:	Central Depository Bangladesh Limited
Certificate	:	Share Certificate
CGL	:	Continuous Galvanizing Line
CIB	:	Credit Information Bureau
C.I. Sheet	:	Corrugated Iron Sheet
CR. Coil	:	Cold Rolled Coil
Commission	:	Bangladesh Securities & Exchange Commission
CRM	:	Cold Rolling Mill
CSE	:	Chittagong Stock Exchange Limited
DSE	:	Dhaka Stock Exchange Limited
FC Account	:	Foreign Currency Account
FG	:	Finished Goods
FI	:	Financial Institution
G.P. Coil	:	Galvanized Plain Coil
HR. Coil	:	Hot Rolled Coil
IPO	:	Initial Public Offering
MP	:	Market Price
MT	:	Metric Ton
NAV	:	Net Asset Value of the Company
NBR	:	National Board of Revenue
NPAT	:	Net Profit after Tax
NRB	:	Non Resident Bangladeshi
Offering Price	:	Price of the share of Appollo Ispat Complex Ltd. being offered
RJSC	:	Registrar of Joint Stock Companies and Firms
BSEC	:	Bangladesh Securities and Exchange Commission
EOT	:	Electronic Overhead Travelling
NOF	:	Non Oxide Furnace
Securities/shares	:	Shares of Appollo Ispat Complex Ltd.
SND Account	:	Short Noticed Deposit Account
STD Account	:	Short Term Deposit Account
Subscription	:	Application money
The Company/Issuer	:	Appollo Ispat Complex Limited

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SECTION-I

STATUTORY CONDITIONS

Disclosure in respect of issuance of security in Demat Form

As per provision of the Depository Act, 1999 and regulations made there under, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of shares (right/bonus) will be issued in dematerialized form only.

Conditions under Section 2CC of the Securities and Exchange Ordinance, 1969

PART-A

1. The company shall go for Initial Public Offer (IPO) for **100,000,000** Ordinary Shares of Tk.10.00 each at an issue price of **Tk.22.00** per share including premium of Tk.12.00 each worth **Tk.2,200,000,000/-** (Tk. Two Hundred twenty Crore) following the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2006, the Depository Act, 1999 and regulations 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 5 (Five) working days of issuance of the consent letter. The issuer shall post the full prospectus, vetted by the Bangladesh Securities and Exchange Commission, in the issuer's website and shall also put on the websites of the Commission, stock exchanges, and the issue manager, within 5 (Five) 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 BSEC, the stock exchanges and the issue manager a diskette containing the text of the vetted prospectus in "MS -Word" format.
3. Sufficient copies of prospectus shall be made available by the issuer so that any person requesting a copy may receive one. A notice shall be placed on the front of the application form distributed in connection with the offering, informing that interested persons are entitled to a prospectus, if they so desire, and that copies of prospectus may be obtained from the issuer and the issue managers. The subscription application shall indicate in bold type that no sale of securities shall be made, nor shall any money be taken from any person, in connection with such sale until twenty five days after the prospectus has been published.
4. The company shall submit 40 (Forty) copies of the printed prospectus to the Bangladesh Securities and Exchange Commission for official record within **5 (Five)** working days from the date of publication of the abridged version of the prospectus in the newspaper.
5. The issuer company and the issue manager shall ensure transmission of the prospectus, abridged version of the prospectus and relevant application forms for NRBs through email, simultaneously with publication of the abridged version of the prospectus, to the Bangladesh Embassies and Missions abroad and shall also ensure sending of the printed copies of abridged version of the prospectus and application forms to the said Embassies and Missions within **5 (Five) working days** of the publication date by Express Mail Service (EMS) of the postal department. A compliance report shall be submitted in this respect to the BSEC jointly by the issuer and the issue managers within 2 (Two) working days from the date of said dispatch of the prospectus and the forms.
6. The paper clipping of the published abridged version of the prospectus, as mentioned at **condition no. 2 above**, shall be submitted to the Commission within 24 hours of the publication thereof.
7. The company shall maintain separate bank account(s) for collecting proceeds of the Initial Public Offering and shall also open Foreign Currency (FC) account(s) to deposit the application money of the Non Resident Bangladeshis (NRBs) for IPO purpose, and shall incorporate full particulars of said FC account(s) in the prospectus. The company shall open the above-mentioned accounts for IPO purpose;

and close these accounts after refund of over-subscription money . Non-Resident Bangladeshi (NRB)

means Bangladeshi citizens staying abroad including all those who have dual citizenship (provided they have a valid Bangladeshi passport) or those, whose foreign passport bear a stamp from the concerned Bangladesh Embassy to the effect that no visa is required for traveling to Bangladesh.

8. The issuer company shall apply to all the stock exchanges in Bangladesh for listing within **7 (Seven) working days** from the date of issuance of this letter and shall simultaneously submit the vetted prospectus with all exhibits, as submitted to BSEC, to the stock exchanges.
9. 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) per month above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within 7 (Seven) days of expiry of the aforesaid fifteen days time period allowed for refund of the subscription money.”

10. The subscription list shall be opened and the sale of securities commenced after **25 (Twenty Five) days** of the publication of the abridged version of the prospectus and shall remain open for **5 (Five) consecutive banking days**.
11. A non-resident Bangladeshi shall apply either directly by enclosing a foreign demand draft drawn on a bank payable at Dhaka, or through a nominee by paying out of foreign currency deposit account maintained in Bangladesh or in Taka, supported by foreign currency encashment certificate issued by the concerned bank, for the value of securities applied for through crossed bank cheque marking “Account Payee only”. The NRB applicants shall send applications to the issuer company within the closing date of the subscription so as to reach the same to the company by the closing date plus 9 (Nine) days. Applications received by the company after the above time period will not be considered for allotment purpose.
12. The company shall apply the spot buying rate (TT clean) in US Dollar, UK Pound Sterling and Euro of Sonali Bank Limited, which shall be mentioned in the Prospectus, as prevailed on the date of opening of the subscription for the purpose of application of the NRBs and other non-Bangladeshi persons, wherever applicable.
13. The Company and the issue manager shall ensure prompt collection/clearance of the foreign remittances of NRBs and other non-Bangladeshi(s), if applicable, for allotment of shares.
14. Upon completion of the period of subscription for securities, the issuer and the issue manager shall jointly provide the Commission and the stock exchanges with the preliminary status of the subscription within 5 (Five) working days, in respect of the following matters, namely: -
 - (a) Total number of securities for which subscription has been received;
 - (b) Amount received from the subscription; and
 - (c) Amount of commission paid to the bankers to the issue.
15. The issuer and the issue manager shall jointly provide the Commission and the stock exchanges with the list of valid and invalid applicants (i.e. final status of subscription) in electronic form in 2 (Two) CDs and final status of subscription to the Commission within 3 (Three) weeks after the closure of the subscription along with bank statement (original), branch-wise subscription statement. The list of valid and invalid applicants shall be finalized after examination with the CDBL in respect of BO accounts and particulars

thereof.

16. The IPO shall stand cancelled and the application money shall be refunded immediately (but not later than 5 (Five) weeks from the date of the subscription closure), if any of the following events occur:
 - (a) Upon closing of the subscription list it is found that the total number of valid applications (in case of under subscription including the number of the underwriter) is less than the minimum requirement as specified in the listing regulations of the stock exchange(s) concerned; or
 - (b) At least 50% of the IPO is not subscribed.
 17. **20% of total public offering shall be reserved for ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী, in the manner/procedure as directed by the commission, 10% of total public offering shall be reserved for non-resident Bangladeshi (NRB) and 10% for mutual funds and collective investment schemes registered with the Commission, and the remaining 60% shall be open for subscription by the general public. In case of under-subscription under any of the 20% and 10% categories mentioned above, the unsubscribed portion shall be added to the general public category and, if after such addition, there is over subscription in the general public category, the issuer and the manager to the issue shall jointly conduct an open lottery of all the applicants added together.**
 18. All the applicants shall first be treated as applied for one minimum market lot of **200 shares worth Taka 4,400/- (Four thousand four hundred only)**. If, on this basis, there is over subscription, then lottery shall be held amongst the applicants allocating one identification number for each application, irrespective of the application money. In case of over-subscription under any of the categories mentioned hereinabove, the issuer and the issue manager shall jointly conduct an open lottery of all the applications received under each category separately in presence of representatives from the issuer, the stock exchanges and the applicants, if there be any.
 19. **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 makes 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 shall be forfeited by the Commission and the balance amount will be refunded to the applicant.**
 20. The applicant shall provide with the same bank account number in the application form as it is in the BO account of the application.
 21. 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% (Fifteen percent) of their subscription money too.
 22. Lottery (if applicable) shall be held within **4 (Four) weeks** from closure of the subscription date.
 23. The company shall issue share allotment letters to all successful applicants within 5 (Five) weeks from the date of the subscription closing. Within the same time, refund to the unsuccessful applicants shall be made in the currency in which the value of securities was paid for by the applicants without any interest, through direct deposit to the applicant's bank account as far as possible/ Account Payee Cheque/ refund warrants with bank account number, bank's name and branch as indicated in the securities application forms payable at Dhaka/ Chittagong/ Khulna/ Rajshahi/ Barisal/ Sylhet/ Bogra, as the case may be **subject to condition no. 21 above.**
- Refund money of the unsuccessful applicants shall be credited directly to their respective bank accounts, who have chosen the option in the IPO application forms, as maintained with the bankers to the issue or any other banks mentioned in the application. A compliance report in this regard shall be submitted to the Commission within 7 (Seven) weeks from the date of closure of subscription.**
24. The company shall furnish the List of Allotees to the Commission and the stock exchange(s) simultaneously in which the shares will be listed, within **24 (Twenty Four)** hours of allotment.

25. In the event of under-subscription of the public offering, the unsubscribed portion of securities shall be taken up by the underwriter(s) (subject to Para -16 above). The issuer must notify the underwriters to take up the underwritten shares within **10 (Ten) days** of the closing of subscription on full payment of the share money within **15 (Fifteen) days** of the issuer's notice. The underwriter shall not share any underwriting fee with the issue managers, other underwriters, issuer or the sponsor group.
26. All issued shares of the issuer at the time of according this consent shall be subject to a lock-in period of **3 (Three) years** from the date of issuance of prospectus or commercial operation, whichever comes later. Provided that the persons (other than Directors and those who hold 5% or more shares in the company), who have subscribed to the shares of the company within immediately preceding two years of according consent shall be subject to a **lock-in period of 1 (One) year** from the date of issuance of prospectus or commercial operation, whichever comes later.
27. In respect of shares of Sponsors/Directors/Promoters (if in paper format) shall be handed over to security custodian bank registered with BSEC and shall remain till completion of lock in and the name and branch of the bank shall be furnished to the Commission jointly by the issuer and issue managers, along with a confirmation thereof from the custodian bank, within one week of listing of the shares with the stock exchange(s). Or they (shares of Sponsors/ Directors/ Promoters) can be demated and will remain in lock-in under CDBL system and issuer will submit a dematerialization confirmation report generated by CDBL and attested by Managing Director of the company along with lock-in confirmation with BSEC 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 BSEC.
28. The company shall apply to the stock exchanges for listing within **7 (Seven) working days** of issuance of this letter and shall simultaneously submit to the Commission attested copies of the application filed with the stock exchanges.
29. If applicable "The company shall deposit 3% tax to the Government Treasury on the share premium of the IPO and submit authenticated copy of "Treasury Chalan" to the Commission, among others, to obtain consent for holding of lottery in line with the NBR's Order No. জারাবো/আয়কর বাজেট/২০১০/৯৭ dated 30.06.2010 and জারাবো/কর-৪/অধিক্ষেত্র/১১(৪)/২০০৩(অংশ)-১/২২৫ dated 06.07.2010."
30. **The Company shall not declare any benefit / dividend based on financial statement for the year ended June 30, 2012 before listing of its capital with Stock Exchange(s).**
31. **The company shall provide title deeds and current rent receipts of land measuring 151.85 decimals against which Tk. 7,61,12,750/- has been given as advance for land purchase before opening of subscription.**

PART-B

1. The issuer and the Issue Manager shall ensure that the abridged version of the prospectus and the full prospectus is published correctly and in strict conformity with the conditions of this letter without any error/omission, as vetted by the Bangladesh Securities and Exchange Commission.
2. The Issue Manager shall carefully examine and compare the published abridged version of the prospectus on the date of publication with the copy vetted by BSEC. If any discrepancy/ inconsistency 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 BSEC and the stock exchange(s) concerned, correcting the discrepancy/inconsistency as required under 'Due Diligence Certificates' provided with BSEC.
3. Both the issuer company and the issue manager shall, immediately after publication of the prospectus and its abridged version, jointly inform the Commission in writing that the published prospectus and its abridged version are verbatim copies of the same as vetted by the Commission.
4. The fund collected through Public Offering shall not be utilized prior to listing with stock exchanges 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.
5. The company shall furnish report to the Commission and to the stock exchanges on utilization of Public Offering proceeds 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, and in the event of any irregularity or inconsistency, the Commission may employ or engage any person, at issuer's cost, to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.

6. All transactions, excluding petty cash expenses, shall be effected through the company's bank account(s).
7. Proceeds of the Public Offering shall not be used for any purpose other than those specified in the prospectus. Any deviation in this respect must have prior approval of the shareholders in the shareholders Meeting under intimation to BSEC and stock exchanges.
8. Directors on the Company's Board will be in accordance with applicable laws, rules and regulations.
9. The financial statements should be prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) as required by the Bangladesh Securities and Exchange Rules, 1987.

PART-C

1. All the above conditions imposed under section 2CC of the Bangladesh Securities and Exchange Ordinance, 1969 shall be incorporated in the prospectus immediately after the page of the table of contents, with a reference in the table of contents, prior to its publication.
2. 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.

PART-D

1. As per provision of the Depository Act, 1999 and regulations made there under, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of shares (Including rights/bonus) will be made in dematerialized form only.

An applicant (including NRB) shall not be able to apply for allotment of shares without Beneficial Owners (BO) account.

2. The company and the issue manager shall ensure due compliance of all the above conditions and the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2006.

GENERAL INFORMATION

- **ICB Capital Management Limited** has prepared the Prospectus from information supplied by **Appollo Ispat Complex Limited** (the Issuer Company) and also after several discussions with the Chairman, Managing Director, Directors and concerned executives of the Company. The Directors of both Appollo Ispat Complex Limited and ICB Capital Management Limited collectively and individually, having made all reasonable inquiries, confirm that to the best of their knowledge and belief, the information contained herein is true and correct in all material aspects and that there are no other material facts, the omission of which, would make any statement herein misleading.
- No person is authorized to give any information or to make any representation not contained in this Prospectus and if given or made, any such information and representation must not be relied upon as having been authorized by the Company or ICB Capital Management Limited.
- The Issue as contemplated in this Prospectus is made in Bangladesh and is subject to the exclusive jurisdiction of the Courts of Bangladesh. Forwarding this Prospectus to any person resident outside Bangladesh in no way implies that the Issue is made in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.
- A copy of this Prospectus can be obtained from the Corporate Head Office of Appollo Ispat Complex Limited, ICB Capital Management Limited, the Underwriters and the Stock Exchanges where the securities will be traded.

DECLARATIONS AND DUE DILIGENCE CERTIFICATES

Declaration about the Responsibility of the Directors, including the CEO of the Company “**APPOLLO ISPAT COMPLEX LIMITED**” in Respect of the Prospectus

This prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity and accuracy 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 action against any or all of us as it may deem fit.

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

Sd/-
Deen Mohammad
 Chairman

Sd/-
Md. Ansar Ali
 Director & Managing Director

Sd/-
Abdur Rahman
 Director & Deputy Managing Director

Sd/-
Md. Rafique
 Director

Sd/-
M. A. Majid
 Director

Sd/-
Md. Shoeb
 Director

Sd/-
Abdur Rouf
 Director

Sd/-
Mosfequr Rahman
 Director

Sd/-
Momtazur Rahman
 Director

Consent of the Director(s) to Serve as Director(S)

We hereby agree that we have been serving as Director(s) of “APPOLLO ISPAT COMPLEX LIMITED” and continue to act as Director(s) of the Company.

Sd/-
Deen Mohammad
 Chairman

Sd/-
Md. Ansar Ali
 Director & Managing Director

Sd/-
Abdur Rahman
 Director & Deputy Managing Director

Sd/-
Md. Rafique
 Director

Sd/-
M. A. Majid
 Director

Sd/-
Md. Shoeb
 Director

Sd/-
Abdur Rouf
 Director

Sd/-
Mosfequr Rahman
 Director

Sd/-
Momtazur Rahman
 Director

Declaration about filing of Prospectus with the Registrar of Joint Stock Companies & Firms

A dated and signed copy of the Prospectus has been filed for registration with the Registrar of Joint Stock Companies & Firms, Government of the Peoples' Republic of Bangladesh, as required under Section 138(1) of the Companies Act, 1994 before Publication of the Prospectus in the newspapers.

Due Diligence Certificate of Manager to the Issue

Sub: Public offer of 100,000,000 Ordinary Shares of Tk.10/- each at an issue price of Tk. 22/- each including a premium of Tk. 12/- per share totaling to Tk. 2,200,000,000 of **APPOLLO ISPAT COMPLEX LIMITED**.

We, the under-noted Manager to the Issue to the above mentioned forthcoming issue, state as follows:

1. We, while finalizing the draft prospectus pertaining to the said issue, have examined various documents and other materials as relevant for adequate disclosures to the investors; 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) the draft prospectus forwarded to the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) all the legal requirements connected with the said issue have been duly complied with; and
- (c) the disclosures made in the draft prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue.

For Manager to the Issue

Sd/-

Md. Moshir Rahman

Chief Executive Officer

ICB Capital Management Limited

Date: 29 November, 2012

Due Diligence Certificate of the Underwriter(s)

Sub: Public Offer of 100,000,000 Ordinary Shares of Tk.10/- each at an issue price of Tk. 22/- each including a premium of Tk. 12/- per share total 2,200,000,000/- of **APPOLLO ISPAT COMPLEX LIMITED**.

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

1. We, while underwriting the abovementioned 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) 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.
- (b) 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
- (c) this underwriting commitment is unequivocal and irrevocable.

For Underwriter(s)

Sd/-

Managing Director/Chief Executive Officer/Director

ICB Capital Management Limited

Phoenix Insurance Co. Ltd.

BMSL Investment Limited

Rupali Life Insurance Co. Ltd.

Bank Asia Limited

Sonali Investment Limited

Prime Finance Capital Management Limited

RISK FACTORS & MANAGEMENT'S PERCEPTION ABOUT THE RISKS

An investment in equity shares involves a high degree of risk. The company is operating in an industry involving both external and internal risk factors having direct as well as indirect effects on the investments by the investors. All investors should carefully consider all of the information in this Prospectus, including the risk factors, and management perception thereabout enumerated hereunder before making an investment decision. If any of the following risks actually occur, their business, results of operations and financial condition could suffer, the trading price of their equity shares could decline, and investors may lose all or part of their investment.

Interest rate risks

Interest rate risk is concerned with borrowed funds of short term and long-term maturity. Volatility in money market and increased demand for loans/investment funds raise the rate of interest. High rate of interest enhances the cost of fund of a company and could adversely affect the business and future financial performance.

Management perception

Management of the company believes that rise in interest rate will not substantially affect the company. Moreover, management of AICL is planning to pay off its Long Term Loans & Short Term Loans from the IPO proceeds. After paying off the loans exposure of AICL, the interest rate risk will reduce to a great extent.

Exchange rate risks

Exchange rate risk relates to the core business of AICL, since it mostly imports materials from abroad in foreign currency. The Company imports raw materials against payment of foreign currency and the price of raw material in the international market is relatively volatile. Unfavorable volatility or currency fluctuation may affect the profitability of the Company.

Management perception

Volatility of Taka against Dollar and recent trend of local currency devaluation may expose foreign currency risk. However, Appollo Ispat Complex Limited can significantly reduce the foreign currency risk and price escalation risk through forward bookings if it is justifiable in terms of cost benefit analysis. The company also maintains Economic Order Quantity (EOQ) for its material imports, which provides considerable cushion against adverse movement of exchange rate and price in international market. Furthermore, the company, due to its strong brand equity, enjoys low price sensitivity of its produces in the domestic market. This provides the company with greater ability for frequent and favorable adjustment of prices in case of adverse exchange rate fluctuations and international price movements, and inflationary circumstances.

Industry risks

The Company is operating in an industry where there is a gap between demand and supply. Although CI sheets business is a highly demanding in our country, chances are there that excessive competition may hamper the company's business. Increasing competition may force AICL to reduce prices of their products which may cause dropping of their revenue and margin, and/or decrease its market share, either of which could have an adverse effect on their business, financial condition and results of operation.

Management perception

Currently there is a gap between demand and supply of CI Sheets in our country. On the other hand demand for CI Sheets is increasing drastically day by day. In this situation chance of excessive competition is almost zero. Moreover the company's brand "**Rani Marka**" is well accepted in the market for its quality and its factory is situated at Dhaka but other competitors' factory is situated at Chittagong. As a result, the Company takes geographical advantages.

Market risks

AICL's income is derived from sales to Bangladeshi customers mainly due to the persistent focus on the domestic market. Any adverse developments within Bangladesh or Bangladeshi customers, could lead to reduced demand from them resulting in adverse performance of the company.

Management perception:

As stated above, there is a huge gap between demand and supply of CI Sheets in our country. Proper implementation of the marketing tools as well as identifying new clients will ensure the success of the company. On the other hand, new entry is difficult in this sector. The Company has gained a sound brand image of its product till date but AICL has long way to built its corporate image. AICL already has taken initiatives for corporate branding which is in developing phase. Again, AICL will try to export its product to reduce its dependency on domestic market.

Technology-related risks

Technology always plays a vital role for the existence of any industrial concern, ensuring better services to the customers and minimizing the cost in various aspects. The production facilities of the company are based on currently available technology. Any invention of new and more cost-effective technology may cause technological obsolescence and negative operational efficiency. Any serious defects in the plant and machinery may affect production and profitability calling for additional investment for replacement.

Management perception

Company owns modern technology with R&D infrastructure and shall be able to adapt to any new inventions with moderate investments. The Company has access to international/multinational companies for supplying appropriate technology and technical management support for operation of new projects. The selected/installed plant and machinery have been manufactured by reputed manufacturer with proper warranty to take care of any defects or confirmation of supplying of adequate spare parts. A significant portion of the entire production process is accomplished through contract manufacturing. This arrangement provides the company with greater leeway to adjust with any changed technological atmosphere.

Changes in potential or existing government regulations

The Company operates under Company's Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991 and Value Added Tax (VAT) Rules 1991. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the Company.

Management perception

Unless any policy change that may negatively and materially affect the industry as a whole, the business of the Company is expected not to be affected. CI Sheet industry in Bangladesh is an emerging sector with large local demand. Presently, it is considered as one of the large sector in the economy. Therefore, it is highly unlikely that the Government will frustrate the growth of the industry with adverse policy measures.

Potential changes in global or national policies

The Company's product lines are primarily based on imported raw materials. Any scarcity due to changes in policy in the international market might dent the production level and profitability. The performance of the company may be affected due to unavoidable circumstances both in Bangladesh and worldwide, as such political turmoil and disturbance in the country may adversely affect the economy in general.

Management perception:

The management of the company is always concerned about the prevailing and future changes in the global and national policy and shall response appropriately and timely to safeguard its interest. AICL's brand image and wide distribution network amongst its customer group will always enable it to withstand any such potential threats. The company's supply chain is robust in accommodating large number of suppliers with proper contingency plan in place. The company can prosper in situation of political stability and a congenial business environment. Political turmoil and the disturbance are bad for the economy and so also for the company.

History of non-operation:

If a company become non-operative for some period in its operating life then risk for becoming non-operative in future for the same reason or other probable reason should be considered carefully.

Management Perception:

The company does not have any history of no-operation. However the factory's production remains suspended twice in a year from two to three weeks for major maintenance work once in March usually from 15th March to 31st March and from 15th August to 15th September. Apart from these if there be any machinery break down which is very rare that particular machine remains out of operation for a few hours. These do not affect the profitability of the company, because these provisions are kept in the annual production planning so those factors cannot be termed as non operation of the company and company's becoming non-operative in future is very low.

Risk Related to Sources of Power:

Production is mainly dependent on sources. The present power crisis in the country leads intermittent power interruption, which hampers production.

Management Perception:

AICL has a gas generation having 1050 KVA capacity which covers entire CGL Plant and pickling and re-winding line of C.R. Mill. Further Company for its NOF Project will procure another generator of the same. So power interruption will not have much impact on production.

Risk related to high debt financing of the company

The Company has Tk. 212.97 Crore long term outstanding loan and Tk. 134.35 crore short term outstanding loan as on June 30, 2012. High debt financing can have an adverse effect on the cash flow and profitability of a company.

Management Perception

AICL, though has high debt financing its huge turnover cannot affect cash flow and profitability. Further, all the debt of the company is well covered by collateral security (fixed assets) and personal guarantee of all the Directors of the Company. Moreover, management of AICL is planning to pay off a significant portion of Long Term and Short Term Loans from IPO proceeds, thus debt financing of the company will reduce significantly.

Risk on huge dependence on loan:

High dependence on loan can have an adverse effect on the cash flow and profitability of a company.

Management Perception:

The company will definitely be able to overcome these issues in payment to its banks after IPO proceeds are received, because after payment of Tk. 153.16 crore to banks from IPO proceeds the liability position of the company will substantially reduce and will stand at Tk. 232.00 crore. It is worth mentioning here that before withdrawal of suspension of I.P.O our loan was regular and we understand that, BSEC obtained clean CIB from Bangladesh Bank. Further with the commercial operation of NOF (Non Oxidized Furnace) Project, the cash flow of the company will improve and the company will be in a position to pay off its liabilities. AICL, though has high debt financing its huge turnover cannot affect cash flow and profitability. Moreover after payment of liabilities of the syndicated lenders the mortgaged properties of the company will be free. Using these as collateral the management of AICL has a plan to arrange for foreign soft loan with very low interest to further pay off the existing liabilities with different local banks as a result company's interest burden will reduce significantly. So the risk on dependency on loan will be reduced.

Risk Related to demolished Building:

In the asset lists of the company mentioning Property Plant & Equipment includes Office Building (Rangs Bhaban) which has been demolished by RAJUK the cost of which is Tk. 4,39,40,516 and written down value is Tk. 2,79,40,516 the company has not made any provision against this loss.

Management Perception

The Company purchased a commercial space measuring 10,653 sft and we are claiming that basis on the 7th floor and parking space for 9 (nine) cars each measuring 300sft approximately with proportionate, undivided and under marketed land at Rangs Bhaban, 113-116 Old Airport Road, Dhaka at a cost of Tk. 43,940,516/-. The said Rangs Bhaban was demolished by RAJUK on 03-07-2007, under an order/judgment of Appellate Division of the Hono. Supreme Court of Bangladesh. Against this the company filed a Money Suit No. 13/2009 in the Court of District Judge, Dhaka for Tk. 284,600,366/- claiming for loss of property, loss of valuable belonging to the company, business loss and for loss of reputation. The money suit is under trial.

Risk Related to New Project (NOF):

The company will utilize Tk. 550 million for NOF plant from the net proceeds of Public offer. There is a risk to penetrate in the new market.

Management Perception

With wide distribution coverage all over the country, Appollo has Good market share all over the country where there are ample scopes of further enhancing the market share because of increasing demand and extensive use of different galvanized sheets with the rise of population and change in socioeconomic condition in rural areas. Further to this, being located at the centre of the country Appollo having competitive edge over its rivals in terms of geographical, logistical and cost-economy factors while simultaneously equipped with 2 computerized Continuous Galvanizing Line (CGL) facilities with a current total operational production capacity of 50,000 MT of C.I. Sheet and further added by 40,000 MT by the upcoming RTF Technology based NOF C.I. Sheet manufacturing facility by mid of 2013 Appollo is confident to further increase its market share. The technology and plant & machinery for expansion (NOF) project will be brought from Esmech India Ltd. which is a joint venture company with SMS Germany. Since the NOF project will be based on the technology of SMS Germany who are well prominent strip processing solution, the product quality will be certainly better than existing mills in Bangladesh as their production technology are mostly based on Indian technology. One very important factor associated with RTF based NOF project is that, the NOF (Non Oxide Furnace) is technologically designed for producing environment friendly products since in this system there will be no use of acid or lead. Due improved shininess and product quality consumers are now more and more shifting from conventional Galvanized product to NOF Products.

Therefore, when Appollo will market its NOF products under the current brand name of 'Appollo Rani', certainly due to brand reputation, geographical advantage, strong channel of distribution and better quality it will be advantageous for Appollo to get a brand-edge over the other brands in the market which will provide the best platform to leverage the growing demand of CI sheets. All these favorable factors make the company the right choice to further expand the CI sheet market of Bangladesh through its most modern NOF Project. As such the new project will pose no risk for the company.

Operational risks

Operational risk covers the ability of the project to achieve the performance as envisaged. Technology used, fuel supply arrangement, raw materials arrangement, operation & maintenance (O&M) arrangement and political condition are major sources of operational risk for the company. These risks can broadly divide in two category; Internal and External factors.

Internal Factors

1. Input risks:

AICL is fully dependent on imported raw materials. Non-availability of raw materials due to increasing trend of home consumption and policy of the respective exporting countries will directly affect the production of AICL.

Management perception:

The main raw material of the project is adequately available in different countries and more countries are coming in this industry as a raw material supplier. Moreover, the Company has already built up good business relationship with big foreign suppliers like POSCO and Hyundai of South Korea, Nippon Steel and JFE of Japan, China Steel of Taiwan and Marrubeni of Japan. Simultaneously company keeps in hand bulk stock of raw materials.

2. Distribution risks

For any company, the most crucial wing is the distribution channel. Wide distribution network and control over the network is essential to make the quality product available to the consumer at right time and price.

Management perception:

AICL has strong presence in all over the country, both in rural and in urban areas, especially in the north zone of Bangladesh. The Company has strong distribution networks in a well planned manner.

3. Bad debt risks

Transaction on credit is a normal phenomenon in the business world. Company may incur loss due to the default as well as the failure to pay timely by the customers.

Management perception:

Credit sales are covered by securities from the Agents/Dealers in the form of Bank Guarantee, Post dated cheques, etc. hence the chance of non-recovery of dues is negligible.

4. Risk associated with labour unrest:

Smooth production is dependent on good relationship with the factory workers and their ability to provide high-quality services. In the event of disagreements with the workers, the company may experience adverse impact.

Management perception:

AICL maintains good atmosphere at the work place, provides all sort of facilities to the workers as per law of the land. So, it is unlikely for them to create such unrest. Again, to meet unique situations, company has alternative ways to overcome such critical circumstances.

EXTERNAL FACTORS

1. Political unrest and terrorism risks

AICL's results may be affected by factors outside its control such as political unrest, hartals, civil commotion and acts of terrorism either in Bangladesh or outside Bangladesh. Disruptions and acts of terrorism across the world post 9/11 have significantly affected the crude oil market, Iron Ore and Coal prices of which impacts, directly or indirectly, on the company's raw material prices. The continuation of such events including natural disasters could interrupt AICL's business for protracted periods.

Management Perception:

AICL's plants are located at a good place, distant from the city area. The work-force is well remunerated and most of them live in the surrounding areas of the respective plants. Therefore, management believes that political unrest will have little impact upon the key operations of the company. AICL has taken comprehensive insurance coverage for all assets to mitigate the losses due to any probable or possible disaster.

2. Natural calamity risks

Any natural calamity may cause disruption in productivity of the company.

Management perception:

Any natural calamity is beyond human control. However company's all assets have a comprehensive Industrial All Risk coverage by a renowned insurer.

3. Changes in Environmental Laws and Regulations:

AICL is subject to environmental laws and regulation which limits the discharge of pollutants into the air water and established standards for the treatment, storage and disposal of solid and hazardous wastes. These laws and regulations require investment of capital and other expenditure for ensuring compliance. The operation of plant entail inherent risk of environmental damages and the company may incur liabilities in the future arising from the discharge of pollutants into the environment or waste disposal or hazardous material handling practices.

Management perception:

AICL is highly conscious about the environment. It uses Acid Re-generation Plant and ETP-Effluent Treatment Plant-a water treatment plant- with a view to prevent water pollution. Moreover, AICL workers are provided with hand gloves, masks and safety boots, as per normal precautionary measures. Exhaust fans have been installed in the factories for better and adequate ventilation.

SECTION - IV

Use of IPO Proceeds

Capital structure

Authorized Capital		Tk. 5,000,000,000
1 Capital structure prior to IPO		
a)	Issued, subscribed and paid up capital as on June 30, 1998 (As per Memorandum 100,000 Shares each Tk. 100/-)	Tk. 10,000,000
b)	Issued, subscribed and paid up capital as on June 30, 1999 (After raising 4,00,000 shares at each Tk.100/- ; dated: 22-08-1998)	Tk. 40,000,000
c)	Issued, subscribed and paid up capital as on June 30, 2003 (After raising 38,00,000 shares at each Tk.100/- ; dated: 05-05-2003)	Tk. 380,000,000
d)	Issued, subscribed and paid up capital as on June 30, 2010 (After denomination the face value into Tk.10/- the number of shares stand 43,000,000; dated: 30-03-2010)	Tk. 430,000,000
e)	Issued, subscribed and paid up capital as on June 30, 2011 (After raising 107,000,000 shares at each Tk.10/- ; dated: 15-12-2010)	Tk. 1,070,000,000
b)	Total paid up capital prior to IPO	Tk. 1,500,000,000
2 Capital structure after IPO		
a)	Issued, subscribed and paid up capital prior to IPO	Tk. 1,500,000,000
b)	Initial Public Offering (IPO) without premium	Tk. 1,000,000,000
c)	Total paid up capital after IPO (a + b)	Tk. 2,500,000,000
d)	Premium from IPO	Tk. 1,200,000,000

Use of IPO proceeds

a. Appollo Ispat Complex Limited will utilize the net proceeds of public offer as per following schedule:

Sl. No.	Particulars	Amount of Taka
01	NOF Plant-New Project (Details below)	636,000,000
02	Bank Loan pay off	1,531,646,500
	Total	2,167,646,500

Repayment of Loans:

The outstanding balance of loans from banks and financial institutions as on 30 June 2012 is Tk. 347.11 crore. The Company intends to pay off loans of Tk. 153 crore out of its IPO proceeds immediately upon completion of IPO formalities subject to the approval of Bangladesh Securities & Exchange Commission. The list of the banks and financial institutions is available in Note 14 & 15 of the audited financial statements for the year ended on 30 June 2012.

b.Means of Finance

Sl. No.	Particulars	Amount of Taka
01	From IPO	2,200,000,000
02	Less: IPO expenses	32,353,500
	Total	2,167,646,500

Details Total Cost of the NOF Plant-New Project

SI No	Items	Total cost in BDT
1	<u>Land:</u>	
a)	Cost of 6.50 Bigha of Land	121,500,000
b)	Cost for Land Development	11,000,000
	Sub-Total	132,500,000
2	<u>Factory Building and Other civil works:</u>	
	As per Note	138,762,014
	Sub Total	138,762,014
3	<u>Import Machinery & Equipments:</u>	
a)	Main machinery (CFR value) list enclosed	572,465,933
b)	Customs Duty (3% of CFR value)	
c)	Marine insurance(1% of CFR value)	
d)	Clearing & forwarding charges(0.4 % of CFR value)	
e)	L/C commissioning and others(1.8 % of CFR value)	
f)	Inland freight and unloading at site	
	Sub-Total	610,248,685
4	<u>Local Machinery/Accessories:</u>	
a)	Electrical cable, Cable tranches, Cable lugs,steel work for support structures, machinery for utilities like compressor, water softner, DM-Plant, centrifugal pumps, transformer and cooling tower installation. Rail for Crane of 132m bay, transfer car and rail etc.	47,264,792
	Sub-Total	47,264,792
5	<u>Technical know-how:</u>	
a)	Consultant fees for designing Plant General Layout, detail engineering of civil works in equipment foundation and structural steelwork for main plant and auxiliary buildings, detail engineering of electrical power receiving and distribution system and other utility system like water, compressed air, fuel, ETP etc	3,735,000
	Sub-Total	3,735,000
6	<u>Erection and Installation:</u>	
a)	Expenses for foreign erectors (Fooding, loading, pocket money and local transport)	2,000,000
b)	Installation of Machineries done by foreign contractor	14,760,000
	Sub-Total	16,760,000
7	<u>Project Management:</u>	
a)	Salary and allowance for the executive, staff and officers involved in the project	1,037,500
b)	Traveling and Conveyance	207,500
	Sub-Total	1,245,000
8	<u>Expenses for gas connection:</u>	
	Piping and others cost	375,000
	Sub-Total	375,000
Total Fixed Cost of the Project		950,890,491
Less: To be invested from Company's own sources		314,890,491
Investment through Proceeds from IPO		636,000,000

Note: Building and Other civil works:

SI. No	Types of Construction (Specification)	Unit	Rate per unit(Taka)	Total Cost
1	RCC:Pre Engineered Building(PEB) Foundation piling and other civil works			
a)	20" dia 65' depth piling	182 nos	59793	10,882,326
b)	16" dia 65' depth piling(Main PEB foundation: 54, CTL PEB: 80, CTL m/c foundation:134)	268nos	39655	10,627,540

c)	Pile Cap PC1(1x2.8x0.9m)	23nos	146646	3,372,858
d)	Pile Cap PC2(2.5x4x1.1m)	21nos	387996	8,147,916
e)	Pile Cap PC4(2.5x4x1.1m)	10nos	369089	3,690,890
f)	Pile Cap PC6,7,8,9(4x4.8x1.1m)	11nos	254587	2,800,457
g)	Grade Beam along the 132m bay	4326cft	727	3,145,002
2	RCC: Machine Foundation and other civil works			
a)	20" dia 65' depth piling	147nos	65845	9,679,215
b)	16" dia 65' depth piling	130nos	45685	5,939,050
c)	Raft foundation	3440cft	994	3,419,360
3	Steel Structure:			
a)	PEB Steel structure of main factory building as per contact with Sarker Steel			54,680,000
b)	Annex building steel structure	1188sq. M	4800	5,702,400
c)	CTL Building steel structure	2875sq. M	5800	16,675,000
Total				138,762,014

Imported machinery and Equipments:

SI No	Item name	Price in USD	Price in BDT
1	Capital Machinery for NOF	4,750,000	1USD=82.50BDT
3	EOT Crane 2 nos 25/5MT	384,426	
4	EOT Crane 15MT for CTL	102,000	
5	Zip crane for Pot	80,000	
6	Nitrogen plant with storage vessel	350,000	
7	Zinc Pot	84,500	
8	Seam welding machine	88,055	
9	Cut to Length Line	800,000	
10	Waukesha gas generator 1MVA	300,000	
Total		6,938,981	572,465,933

SL.	Item Description	Manufacturer/Supplier	Country of Origin	Remarks
1	Bridle unit complete with Snubber Rolls	ESMECH Equipment Private Ltd.	India	Procured Through LC No. 208411010011
2	Turn Rolls			
3	Vertical Accumulator-Entry			
4	Vertical Accumulator-Exit			
5	Heat to Coat (NOF) Furnace			
6	Hearth Roll Drives			
7	Galvanizing Pot Furnace			
8	Air Wiping Equipment			
9	Cooling Tower with Ducts			
10	Foundation Bolts & Taper Wedges			
11	Coil Storage Saddle-1	ESMECH Equipment Private Ltd.	India	Procured Through LC No. 208411020037
12	Pit type Coil Car-1			
13	Single Mandrel Uncoiler with hold down roll-1			
14	Magnetic Belt Conveyor (Apron-1)			
15	Pinch roll-1			
16	strip support tables-1			
17	Coil storage saddle-II			
18	Pit type Coil Car-II			
19	Single Mandrel Uncoiler with hold down roll-II			
20	Peeler table Assy. (Apron-II)			
21	Pinch Roll-II			
22	Dual Shear Unit with scrap disposal system-Entry			
23	Deflector pich roll Assy-1			
24	Strip support tables-II			
25	Deflector pich roll Assy-II			
26	Threading Table			
27	Pinch Roll-III			
28	Strip Clamp Assy-1			
29	Strip support tables-III			
30	Steering Roll Assy-1 (Single Roll)			
31	Steering Roll Assy-II (Single Roll)			
32	Strip support tables-IV			
33	Strip Clamp Assy-II			
34	Tensiometer			
35	Galvanizing Rig Arrgt.			
36	Quench Tank Unit with dual squeegee roll			
37	Steering Roll Assy-III (Two Roll)			
38	Coating thickness Gauge			
39	Chromating unit with Tripple Squeegee rolls			
40	Hot Air Dryer			
41	Strip Clamp Assy-III			
42	Turn Roll-I to XVI			
43	LOGO Marker Unit (2 Nos.)			
44	Strip support table-V			
45	Steering Roll Unit-IV			
46	Steering Roll Unit-v			
47	Strip support table-VI			
48	Strip Clamp Assy-IV			
49	Pinch Roll-IV			
50	Dual shear unit with scrap disposal system-Exit			
51	Auto Edge Guide Unit			
52	Deflector Roll Assy. (Drive)			

53	Feed Table			
54	Recoiler			
55	Belt Wrapper			
56	Spool Loader Assly			
57	Coil storage Saddle-III			
58	Pit type coil car-III			
59	Hydraulic system			
60	Electrical control system with AC motor			
61	Hydraulic & Pneumatic Piping			
62	Special Cables			
63	Operating Spares			
64	Nitrogen Gas Plant With Accessories	NUBERG Engineering Ltd.	India	Procured Through LC No. 208411010364
65	Over head Traveling Crane (Qty: 02)	Damag cranes & Components	India	Procured Through LC No. 208411010363 & 208412020032

Pending Items:

SL.	Item Description	Manufacturer/Supplier	Country of Origin	Remarks
1	Seam Welding Machine With Notcher	Kirloskar Electric	India	Order Not Placed Yet
2	Nitrogen Storage Tank	TBL Industrial & Engineering Exports Pvt. Ltd.	India	
3	Zinc Pot	W. Pilling	German	
4	Zip Crane for Zinc Pot	Demag Cranes and Components	India	
5	Pump, compressor, water softener and DM-Plant	Azcue, Atlas copco & Ion Exchange	Spain, Belgium & India	
6	Cables, pipings, transformer & Rails for crane	Local supplier	Bangladesh	
7	Cut to Length Line	ESMECH Equipment Private Ltd.	India	

- Details of 6.50 Bigha of Land of New Project-NOF**

SL. No.	Deed No.	Dag No.(SA)	Area of Land (Decimal) Total
4	7176	161	6.5
6	2633	403,408	13
13	1201	402	23.5
14	1199	402	23.5
18	4170	160/725	70
19	2520	164,165	51
20	12141	401	27
Total Decimal			214.5
Total Bigha (33 decimal=1 Bigha)			6.5

Proposed Repayment Schedule of Bank Loan from IPO Proceeds of Appollo Ispat Complex Ltd.

Name of Bank	Amount(BDT)
Southeast Bank limited	49,662,838.00
Mercantile Bank limited	60,000,000.00
NCC Bank limited	90,000,000.00
State Bank of India	63,072,727.00
Shahajalal Islami Bank Ltd	10,382,591.00
Dhaka Bank limited	50,000,000.00
Eastern Bank limited	139,554,161.00
Dutch Bangla Bank limited	20,000,000.00
Prime Bank limited	61,761,572.00
Phoenix Finance and Invest Ltd	44,007,604.00
BRAC Bank limited	32,768,844.00
Social Islami Bank limited	50,000,000.00
Uttara Bank limited	24,489,896.00
Premier Bank limited	20,000,000.00
IDLC	74,997,298.00
Standard Chartered Ltd(Syd)	95,455,598.00
Bank Asia Ltd	120,000,000.00
Jamuna Bank Ltd	80,000,000.00
Mutual Trust Bank Ltd	100,000,000.00
IFIC Bank Ltd.	345,493,371.00
Total Payment to Banks =	1,531,646,500.00

Starts from 1st January 2011

SL	PARTICULARS	M O N T H S																														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
1	LAND FILLING AND DEVELOPMENT	■																														
2	PILING																															
3	PILE CAP CASTING																															
4	GRADE BEAM																															
5	MACHINERY FOUNDATION																															
6	OTHER CIVIL WORKS																															
7	FABRICATION OF STEEL STRUCTURE																															
8	ERECTION OF STEEL																															
9	OPENING OF L/C FOR MACHINERY	■																														
10	ARRIVAL OF MACHINERY																															
11	ERRECTION & INSTALLATION OF MACHINERY																															
12	TRIAL PRODUCTION																															
13	COMMERCIAL PRODUCTION																															

Implementation schedule of use of IPO proceeds:

Sl. No.	Particulars	Amount of Taka	Approximate date for payment
01	NOF Plant-New Project	636,000,000	Within 06 months of getting IPO proceeds
02	Bank Loan pay off	1,531,646,500	Within 02 months of getting IPO proceeds

Sd/-
(Md. Ansar Ali)
 Director & Managing Director

Sd/-
(Md Hafizur Rahman Sarker FCMA)
 Chief Financial Officer

c. There is no other contract for which proceeds of IPO will be utilized

Information about the Company

Appollo Ispat Complex Limited- Company Profile

Appollo Ispat Complex Limited (hereinafter referred to as AICL) was incorporated on December 31, 1994 as a Private Limited Company vide certificate no C-27547(1393)/94 under the Companies Act 1994. Thereafter, the Company has been converted into a Public Limited Company on March 30, 2010. The registered office of the Company is located at 407 Tejgaon Industrial Area, Dhaka - 1208. Its factory is situated at Shimrail, Siddhirgonj, Narayangonj, only 14km, away from Dhaka. The project area is comprised of 14.614 acres of land. The Company went into commercial production in its 1st CGL in early July 1997 and 2nd CGL in early 2002 and Cold Rolled Manufacturing unit in January 2005.

Initially the Authorized Capital of the Company was Tk. 1,000,000,000/- divided into 10,000,000 ordinary shares of Tk. 100/- each. Subsequently, the Company changed the face value of shares from Tk.100/- to Tk.10/- each and increased its Authorized Capital to Tk. 5,000,000,000/- divided into 500,000,000 ordinary shares of Tk. 10/- each on March 30, 2010.

Appollo is the pioneer in CI sheet business in Bangladesh. It started its journey by establishing modern and sophisticated Continuous Galvanizing Line (CGL). Today, Appollo is much ahead by producing its own raw materials at its own art-of-the-state Cold Rolling Mill and established itself as one of the largest CI Sheet manufacturing of the country.

The entire production facilities are highly sophisticated, operated by a group of skilled technician and managed by a resourceful management team. With the best precession Japanese technology, sincere and skilled human resources, the company is proudly producing the best quality CI sheets for the country. The company maintains high standard in its manufacturing process and ensures quality as per international standards such as ASTM, JIS, SI & BS. The reputed trading base and quality product helps the company to achieve a large marketing network around the country. The products are primarily marketed in C.I. Sheet form in rural and semi-urban areas of Bangladesh under its popular brand **“Rani Marka Dheutin”**.

Appollo is planning to expand its operating capacity through installation of a high quality NOF (RTF technology) Galvanizing plant and captive power plant. NOF plant produces environment friendly shiner CI sheets that looks better and catch consumer attention from the distant. Shiner roof views are still used as symbol of aristocracy in rural areas. NOF products can command a premium price over regular CI sheets. Moreover, as no Acid and led is used in the manufacturing process, the products is environment friendly.

Important Date

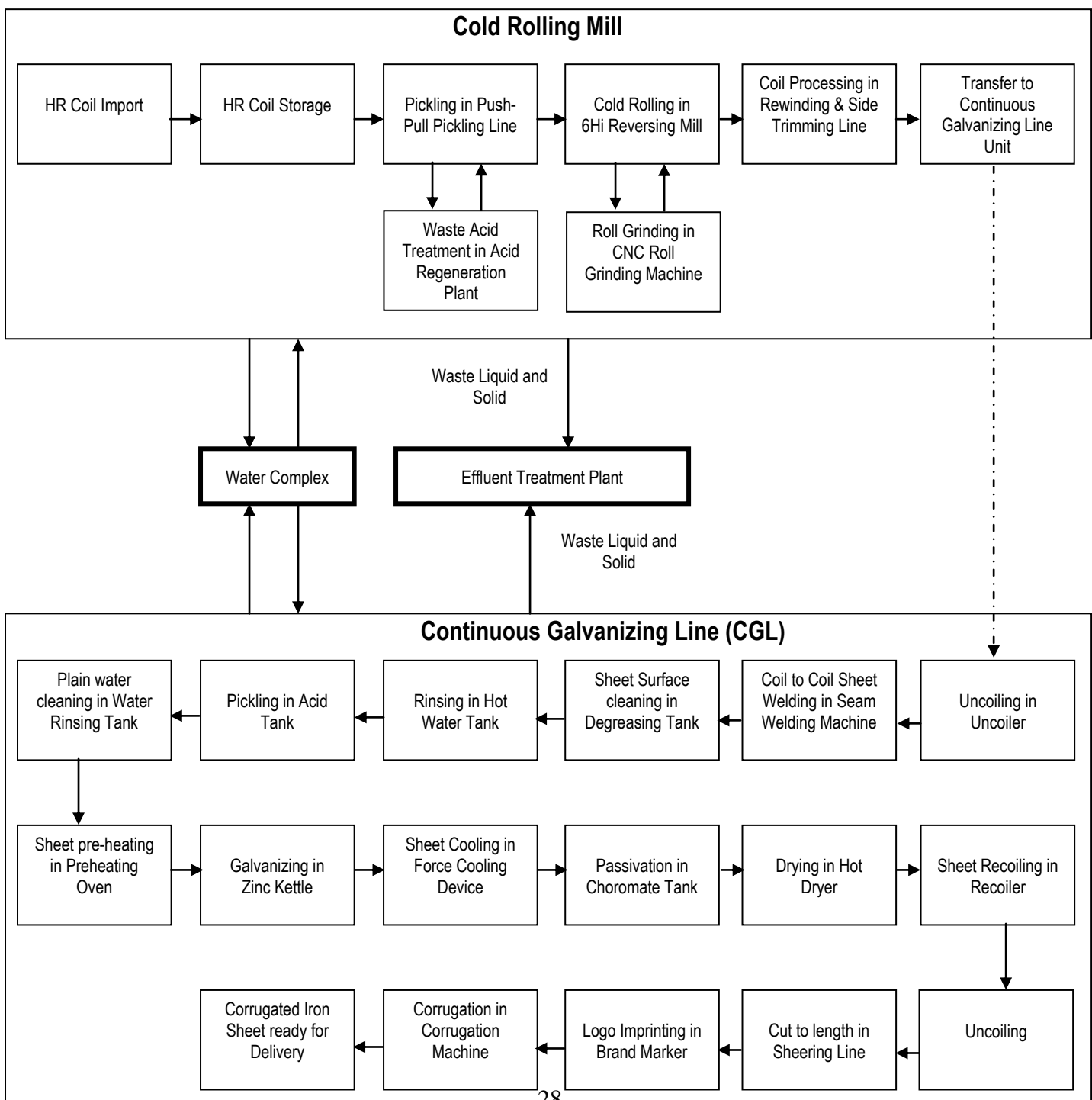
Particulars	Date
Date of Incorporation	December 31, 1994
Date of Commercial Production	1 st CGL - July 1997, 2 nd CGL - early 2002, CRM - January 2005
Converted into Public Limited Company	March 30, 2010
Authorized Capital increased	March 30, 2010
Split the face value from Tk.100/- to Tk.10/-	March 30, 2010
Certified ISO 9001-2008	March 07, 2011

Nature of Business

The Company is engaged in manufacturing and selling of CI (Corrugated Iron) Sheet at different thickness, ranging from 0.120mm to 0.420mm, which is marketed mainly in rural and semi-urban areas of Bangladesh under its well established brand ‘**Rani Marka Dheutin**’. The details of the product and production process are as under:-

Sl. No.	Product	Grade	Thickness	Width
1.	Cold Rolled Full Hard Coil (C.R. Coil)	JIS G3141 SPCC-1B/1D for base metal for uses of Galvanizing plant to produce GP/CI Sheet	0.095mm to 0.450 mm	762mm to 900mm
2.	Galvanized Plain and Corrugated Sheet	JIS G3302 SGCH Full Hard, Zinc Coated Z-90GSM to Z-180GSM with regular Spangle, Chromated and bright finish for uses in roofing, fencing doors etc.	0.110mm to 0.500mm	650mm to 850mm

Process Flow Chart



Principal Products and Services

CI (Corrugated Iron) Sheet of different thickness, ranging from 0.120mm to 0.420mm

Market of the Products and Services

Bangladesh is a densely populated delta with about 68,000 villages consisting of 'Kancha' (primitive and incomplete or in this case, poorly constructed house) and 'semi-pakka' (better quality construction but still primitive) houses. Semi-urban and urban areas tend to have a combination of 'Kancha' and 'Pakka' houses as well. Brick is a very expensive product while CI sheets are more accessible and affordable. Infrastructural development is almost completely dependent on CI sheets as it is used for roofing, side and peripheral fencing. With development occurring throughout the country in rural areas, especially in North Bengal and economic condition of villagers slowly improving, agro based roofing products (straw, rice straws, palm leaves etc.) are being rapidly replaced by CI sheets.

Thus, the main types of consumers of CI sheets are:

- Rural villagers for roofing and side fencing for homes in villages accumulate more than 90% of total CI sheets sales.
- Urban and Semi-urban dwellers (Shanty towns) use CI sheets for roofing for homes.
- Industry owners use it for roofing of old and new factories, warehouses and sheds.
- Shopkeepers/traders use it for roofing of small shops and shutters etc.
- Construction owners use it for roofing, side and peripheral fencing around construction areas.
- Government entities use it for their own set-ups.

Products/Services that account for more than 10% of the Company's total revenue

The Company produces only one kind of product i.e. 100% CI (Corrugated Iron) Sheet at different thickness, ranging from 0.120mm to 0.420mm

Associates, Subsidiary/Related Holding Company and their core areas of business

- The Company acquired 225,000 ordinary share of Tk.100 each at a premium of Tk. 344.44 of Palash Spinning Mills which is 45% of total share dated 30.06.2010 as an investor.
- The Company acquired 15,000 ordinary share out of 50,000 shares of Tk.100 each of Phoenix Holdings Ltd. which is 30% of total share dated 30.06.2010 as an investor.

Distribution of Products/Service

Appollo Ispat Complex Ltd. markets its product in many areas of Bangladesh. The Company has a countrywide network of Agent / Dealer and wholesalers. For smooth operation of the Sales Activities the entire area of entire Bangladesh has been segmented into 4 Regions and under these regions 9 areas have been incorporated. In each region there are company nominated Dealers / Agents are there. Under these regions area wise wholesalers are there who make the products available with their respective retailers to sell it to final customers. The types of customers can be classified as follows :

- Rural People for roofing of their houses through wholesalers or retailers
- Urban people for roofing of house through wholesalers or retailers
- New and old industries for roofing of their industries directly from company's sales office
- Shop owners / trading concern for roofing their shops through wholesalers or retailers
- NGO, international agencies, embassies/ foreign missions for their development programme / distributing among poor directly from Company's Sales Office or through tender
- Government Concerns for their own set-ups through tender.

AICL markets its products through Agents and dealers located in different places in the country. In addition to that, the Company sells its products through direct sales to Institutional consumers. We may demonstrate the distribution channel as follows:



The company sells its product to Agent / Dealer on ex-factory basis. The Dealer / Agent through their nominated logistics provider lift the C.I. Sheet from factory and store in their own warehouse in their respective areas for onward distribution. The Wholesaler / retailers collect the C.I. Sheets from their respective Agent / Dealers on ex-warehouse basis and bring those to their shops/outlets wherefrom they sell it to final consumers.

Other than above customers, the institutional customers buy the product directly from Company's sales office. Sometimes, Appollo also participates in tender for supply of C.I. Sheet to various government, non-government and international agencies.

The list of Dealers, Agent and Wholesalers are being appended:

SL. NO.	Name of the Party	AREA	SL. NO.	Name of the Party	AREA
1	M/S Quddus & Brothers.	Bogra	23	M/S Poddar & Sons	Kushtia
2	M/S Mahfuz & Brothers	Bogra	24	M/S Nil Ratan Shah	Chuadanga
3	M/S A. Samad(Kibria)	Bogra	25	M/S Rahman Traders	Chuadanga
4	M/S Anisar Rahman	Bogra	26	M/S Abul Kashem	Chuadanga
5	M/S Arifur Rahman	Bogra	27	M/S Baisahakhi Traders	Faridpur
6	M/S Nripoti Shaha	Pabna	28	M/S Bahar Enterprise	Narail
7	M/S Aminul & Company	Pabna	29	M/S Mir Kadim	Barishal
8	M/S Sunrise Traders	Pabna	30	M/S Aktaruzzam	Barishal
9	M/S A Rob Hardware	Rajshahi	31	M/S Nishi Enterprise	Jhalokathi
10	M/S Fakrul Islam	Rangpur	32	M/S Shanjib Iron Store	Borguna
11	M/S P.K. Bonik	Rangpur	33	M/S Kazol Store	Potuakhali
13	M/S Amit Enterprise	Rangpur	34	M/S Bikrampur Enterprise	Bhola
14	M/S Razu Traders	Gaibandha	35	M/S Sanaula Enterprise	Bhola
15	M/S Partho Saha	Gaibandha	36	M/S Pritom Trading	Mymensingh
16	M/S Sudeep Chandra	Nilphamary	37	M/S Madina Traders	Mymensingh
17	M/S Rustom & Sons	Nilphamary	38	M/S Anjon Kumar Saha	Kishorgonj
18	M/S Sheikh Traders	Panchagarh	39	M/S Mofazzal Enterprise	Sherpur
18	M/S Sheikh Enterprise	Panchagarh	40	M/S Asima Traders	Sherpur
19	M/S Moni Traders	Dinajpur	41	M/S Babar Doya Steel	Gazipur
20	M/S Tawhid Traders	Jessore	42	M/S S A Traders/ Shoyeab &	Norshindi
21	M/S Nahar Enterprise	Khulna	43	M/S S.R Enterprise	Naryangonj
22	M/S MithuTraders	Jhenaidah	44	M/S Hero & Brothers	B. Baria

Competitive Condition of Business

Appollo always has a solid reputation in the local market as one of the oldest and quality CI sheets manufacturing Company and established a brand name “**Rani Marka Dheutin**” in the country. This has enabled “**Rani Marka Dheutin**” to command the premium prices and still retain the major market share with other five competitors.

Only five competitors namely Abul Khair, PHP, KYCR, S. Alam and T.K. exist in Bangladesh. It may be noted that the said competitors are in Chittagong based. On the other hand, Appollo is Dhaka based, that gives geographical advantages to the Company to capture the market shares of North Bengal with competitive prices.

Sources and Availability of Raw Materials and Principal Suppliers

The main raw material of AICL is H.R. Coil, which is entirely imported from abroad. The major suppliers are Posco and Hyundai of South Korea; Nippon and JFE of Japan and China Steel of Taiwan.

Sources of and requirement for Power, Gas and Water or any other Utilities

Input	Source	Requirement
Power	Dhaka Power Distribution Company Ltd (DPDC). In addition, there are 1 (one) no. high capacity and well equipped gas generator of 1050 KVA.	160 kwh/ton
Water	Own Deep Tube Well	2,00 Liters/ton
Gas	Titas Gas Transmission and Distribution Company Ltd.	118 cbm/ton

Customer providing 10% or more revenues

There is no such customer who contributes more than 10% revenue of any product of the Company.

Description of Contract with Principal Suppliers/Customers

There are no contracts with suppliers for raw materials and customers for finished goods.

Description of any Material Patents, Trademarks, Licenses or Royalty Agreements

- Appollo registered “**Rani Marka Dheutin**” as its brand name for its products with the Registrar of

Patents and Trade Marks, Bangladesh.

- Appollo also has license for using BSTI Quality Seal.
- Appollo is a ISO 9001-2008 certified Company.
- Usual licenses like Fire License, Environment Clearance Certificate, Trade License were taken from relevant Government Authorities.

Number of Employees

As on June 30, 2012, total numbers of employees of AICL are as follows:

Particulars	No. of employees	Above basic 3000/-	Below Basic 3000/-
Permanent employees	412	353	59
Contractual employees	11		
Outsourcing	NIL		
Part time Employee	NIL		
Total	423	353	59

Production/Service Rendering Capacity and Current Utilizations as on 30 June, 2012

Particulars	Annual
Installed Capacity	85,000 tons
Actual Equivalent production	50,817 tons
Capacity Utilizes	59.78%

Description of Property

Location of Principal Plants and other Property of the Company and their condition

1. Appollo Ispat Complex Limited has its own modern manufacturing plant at Shimrail, Siddirgonj, Narayangonj for manufacturing of CI Sheet. Appollo Ispat purchased factory land measuring 1461.40 decimals from various parties from time to time. The Company has around 12 buildings comprising factory buildings (CGL, CRM), different factory sheds, office building and guest house etc. constructed in different years. Plant and Machineries like CGL, CRM, Effluent Treatment Plant, Boiler, Acid Regenerating Plant, Corrugation Machine, Sharing Machine, Softener Plant, DM Plant, Dryer Machine, EOT Crane, Compressor and Cooling Machine etc. were purchased from different countries like India, Japan and Germany etc. The Company has a Gas Generator with capacity of 950 KW, 440 volts from USA.
2. Company owns the following operating fixed assets and they are situated at Company's office and factory premise; and written down value of the assets are given below:

Particulars	As at June 30, 2012
Land and Land Development(with revaluation surplus)	1,490,628,000
Plant & Machinery	561,169,109
Factory Building	333,166,427
Office Building	32,878,288
Office Building (Rangs Bhaban)	27,940,516
Factory Office Equipment	1,131,658
Gas Generator	21,746,679
Water Installation	3,415,476
Telephone Installation	1,800,534
Gas Installation	1,814,193
Electric Installation	30,671,286
Vehicle & Transport	8,412,702
Tools & Equipment	9,470,921
Office Equipment	2,342,568
Furniture & Fixture	2,578,420
Air Condition	2,847,577
Other Assets	2,831,084
Total	2,534,845,437

3. All the assets are in good condition and all the plant and machineries are in the brand new condition except the Office Building (Rangs Bhaban). The Company had a commercial space measuring 10,653 sft. on the 7th floor and 9 car parks each measuring approximately 300 sft. with the proportionate undivided and undemarked land at Rangs Bhaban, 113 - 116 Old Airport Road, Dhaka valued Tk. 27,940,516/- has been demolished by RAJUK on 03. 07. 2007 against which the Company filed a money suit (No 13/2009) with Dhaka District Judge for Tk.284, 600,366/- which is under process.
4. Except the following properties, the Company itself owns the entire property and none is on lease:
A Roll Grinder, a Transformer, a Mill Rolls, a Mill Bearings, a Universal Coupling, a Mill Electrical System, a Mill Roll Coolant System, a Mill Hydraulic System, a Mill Gear Lube System and a Mill Oil Mist System are leased from IDLC Finance Limited with other syndicated members for Three years and will expire on April 2015.
5. Properties of the Company are registered mortgaged, pledged and hypothecated to the syndicate members led by Standard Chartered Bank and other lenders as mentioned in the financial statements.

6. AICL entered into the following lease commitment against some of the above assets.

Name of Institution	Purpose	Amount of loan	Period	Monthly Installment	Outstanding Balance	Expiration of Lease
IDLC Finance Ltd. with other lenders	Capital Machineriers	212,036,772	5 years	7,412,940	nil	15.11.2006
IDLC Finance Ltd. with other lenders	Capital Machineriers	113,211,527	3 years	1,100,000 upto Dec'12 and 3,253,300 onward to end	74,997,298	20.04.2015

Details about Land and Land Development:

The Company owns 1461.4 decimals land at Shimrail, Siddirgonj, Narayangonj. Details of land are as follows:

SL. No.	Deed No.	Mouja	Area of Land (Decimal) Total
1	1211	Shimrail	8
2	9158	Shimrail	27
3	2041	Shimrail	40
4	7176	Shimrail	6.5
5	2791	Shimrail	7.4
6	2633	Shimrail	92
7	1110-1111	Shimrail	16
8	685	Shimrail	70.5
9	687	Shimrail	19.5
10	684	Shimrail	226
11	1200	Shimrail	138
12	686	Shimrail	314
13	1201	Shimrail	94
14	1199	Shimrail	53.5
15	1202	Shimrail	87.5
16	3431	Shimrail	36
17	4090	Shimrail	23
18	4170	Shimrail	70
19	2520	Shimrail	51
20	12141	Shimrail	53
21	985	Shimrail	17
22	6899	Shimrail	11.5
Total			1461.4

SECTION - VII

PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION

Internal and External sources of Cash

All sources of cash are generated internally from sales proceeds, subscription by the promoters and externally finance from banks/financial intuitions.

Particulars	As on June 30, 2012 (Tk.)	As on June 30, 2011 (Tk.)	As on June 30, 2010 (Tk.)
Internal Source			
Share Capital	1,500,000,000	1,500,000,000	430,000,000
Tax Holiday Reserve	-	-	169,088,918
Retained Earnings	774,891,292	420,841,617	(43,390,376)
Total	2,274,891,292	1,920,841,617	555,698,542
External Source			
Obligation under Long term Loan	1,358,026,425	1,773,657,711	2,372,290,736
Current Liabilities	2,583,962,331	1,904,283,443	1,813,836,375
Grand Total	6,216,880,048	5,598,782,771	4,741,825,653

Material commitment for Capital Expenditure

Particulars	As of June 30, 2012 (Tk.)
L/C no 208411010011 dated 03.01.2011 for NOF Machinery	187,500,000
L/C no 208411010364 dated 29.06.2011 for NOF Machinery	18,750,000
L/C no 208411010363 dated 29.06.2011 for NOF Machinery	11,388,075
L/C no 208411020037 date 28.07.2011 for NOF Machinery	168,750,000
Total	386,388,075

Causes for material changes

(As per Audited Accounts)

Particulars	For the year ended June 30, 2012 (Tk.)	For the year ended June 30, 2011 (Tk.)	For the year ended June 30, 2010 (Tk.)
Turnover	4,998,531,483	4,820,320,983	4,701,086,562
Cost of sales	(3,939,225,965)	(3,937,602,169)	(3,844,397,268)
Gross profit	1,059,305,518	882,718,814	856,689,294
Administration expenses	(75,138,808)	(64,631,379)	(53,210,471)
Selling and distribution expenses	(25,214,011)	(26,611,233)	(32,079,439)
Profit from operation	958,952,698	791,476,202	771,399,384
Financial expenses	(352,300,394)	(378,360,425)	(456,932,206)
Net profit from operation	606,652,304	413,115,777	314,467,178
Non operating Income	18,785,715	26,862,159	10,340,381
Net profit before Provisions	625,438,019	439,977,936	324,807,559
Provision against Investment	(1,150,000)	(1,000,000)	-
Net profit before tax	624,288,019	438,977,936	324,807,559
Provision for Taxation	(192,293,751)	(156,166,013)	(60,692,348)
Deferred Tax Liabilities	(77,944,593)	-	-
Net profit after taxation	354,049,675	282,811,923	264,115,211

The Management of the Company is always attempting to maximize production with cost efficiency as a result profit is always showing an upward trend.

Seasonal aspect of the Company's Business

There is no direct seasonal impact on the products of the company. However, as the construction works largely hampered during rainy season, the sales and production of the Company also reduced at that time.

Known Trends, Events or Uncertainties

The business operation of the Company may be affected by some known events as follows:

- Uneven competition with competitive companies,
- Abrupt change in policy of importing countries,
- Shortage of gas or power supply,
- Labor unrest,
- Political unrest,
- Natural disaster in the region.

Change in the Assets of the Company used to pay off any Liabilities

No assets of the company have been used to pay off any liabilities of the company.

Loan taken from or given to Holding/Parent Company or Subsidiary Company

No loan has been taken from or given to holding/parent/subsidiary company.

Future Contractual Liabilities

The company has no plan to enter into any contractual liabilities other than that of normal course of business.

Estimated future Capital Expenditure

The company has planned for following capital expenditures in the next 1 year:

Figures in Taka

Particulars	June 30, 2013
NOF Palnt-New Project	950,890,491
Total	950,890,491

VAT, Income Tax, Customs Duty or other Tax Liability

Customs Duty and VAT

The claim has been made by the Customs & VAT Authority against the Company for Duties and VAT on Imported Raw Materials amounting to Taka 211,326,867. The Company filed writ Petitions against the said claim to the High Court Division which is awaiting hearing and final decision.

Writ No.	Liability (Tk.)
6990/2005	127,191,267
9689/2006	29,824,583
9480/2007	28,720,500
2204/2008	21,500,625
4245/2010	4,089,892
Total	211,326,867

Income Tax

The Company's income tax status for the last 5 (Five) years is given below:

Accounting Year Ended on	Assessment Year	Assessment Status	Tax Assessed	Tax Paid	Rate of Tax	Remarks
2010-2011	2011-2012	Under Assessment				Appeal made against DCT order
2009-2010	2010-2011	Completed	48,361,196	48,361,196	37.50%	Paid As per Assesment
2008-2009	2009-2010	Completed	Nil	9,866,169	N/A	Refund adjusted
2007-2008	2008-2009	Completed	Nil	13,782,437	N/A	Refund due to Tax Holiday
2006-2007	2007-2008	Completed	Nil	1,080,235	N/A	Refund due to Tax Holiday
2005-2006	2006-2007	Completed	Nil	17,35,518	N/A	Refund due to Tax Holiday
2004-2005	2005-2006	Completed	Nil	48,63,112	N/A	Refund due to Tax Holiday
2003-2004	2004-2005	Completed	Nil	30,341	N/A	Refund due to Tax Holiday
2002-2003	2003-2004	Completed	Nil	40,882	N/A	Refund due to Tax Holiday
2001-2002	2002-2003	Completed	Nil	Nil	N/A	Refund due to Tax Holiday
2000-2001	2001-2002	Completed	Nil	Nil	N/A	Refund due to Tax Holiday

Operating Lease Agreement during last five years

The Company has established its Head Office on rented accommodation and relevant information of the operating lease agreement with the landlord is as follows:

Particulars	Area	Period of Lease	Rent per sft in Tk.	Yearly amount in Tk.
Head Office: 407 Tejgaon Industrial Area, Dhaka - 1208	8,750 sft	6(six) years from September 2007	15.00	15,75,000/-

Financial Lease Commitment during last five years

AICL entered into the following lease commitment during the last five years.

Name of Institution	Purpose	Amount of loan	Period	Monthly Installment	Outstanding Balance	Expiration of Lease
IDLC Finance Ltd. with other lenders	Capital Machineries	212,036,772	5 years	7,412,940	nil	15.11.2006
IDLC Finance Ltd. with other lenders	Capital Machineries	113,211,527	3 years	1,100,000 upto Dec'12 and 3,253,300 onward to end	74,997,298	20.04.2015

Personnel Related Scheme

AICL has sound human resource policy to ensure the congenial working environment and better career path. The Compensation structure is framed with the objective to attract and retain high quality people. Its empowerment and membership philosophy beget belongingness and reduce the employer - employee contractual relationship. On the other hand, Membership feeling works as catalyst of taking responsibility voluntarily. Total human resource strength of the company stood at 423 as on June 30, 2012.

The company's remuneration packages include salary and allowances, festival bonus and performance bonus. The company has also gratuity provision for the employees. All permanent employees of Appollo Ispat Complex Limited having minimum 3 (Three) years of continuous service, are entitled to gratuity (unrecognized). Additionally, the company provides Accident insurances for the employees. The Company has decided to introduce Employees Provident Fund from January 2013.

Breakdown of Estimated Expenses for IPO

The following amounts to be paid to the Issue Manager, Underwriters and other costs are estimated as follows:

Sl. No.	Description	Basis of Fees	Amount in Tk. (approx.)
Issue Management Fees:			
1	Manager to the Issue Fee	Lump Sump	1,800,000
Fees relating to listing with the Stock Exchanges:			
2	Service Charge for DSE	Fixed	5,000
3	* Annual Fee for DSE & CSE		200,000
4	Listing Fees fro Stock Exchanges (DSE & CSE)	@ 0.25% on up to Taka 10 crore of paid-up capital & 0.15% on the balance amount (Max Tk 20.00 lac) each	4,000,000
BSEC Fees:			
5	Application Fee	Fixed	10,000
6	BSEC Consent Fee	@ 0.15% on the public offering amount	3,300,000
IPO Commission:			
7	Underwriting Commission	Commission @ 0.50% on Underwritten Amount	5,500,000
8	Bankers to the issue Commission	@ 0.1% on Collected amount (Assuming 2 times over subscribed)	4,400,000
CDBL Fees and Expenses:			
9	Security Deposit of Eligible Securities	Fixed	500,000
10	Documentation Fee	As actual	2,500
11	Annual Fee	As actual	100,000
12	Issue Fee	0.00025 on the public offer	550,000
13	Connection Fee	As actual	6,000
Printing, Publication and Others:			
14	Publication of Abridge Version of Prospectus	Estimated	600,000
15	Printing of Prospectus	Estimated	500,000
16	Printing of Application Forms	Estimated	200,000
17	Fee for Conduction Lottery	Estimated	700,000
Post Issue Expenses:			
18	Data Collection, Data Entry, Data Processing and other related job: Printing of Allotment Letters and Refund Warrant Distribution of Allotment Letter and Refund Warrant (Including courier)	Estimated	9,680,000
19	Publication of Notice	Estimated	200,000
20	Miscellaneous	Estimated	100,000
	Grand Total		32,353,500

Revaluation of Company's Assets and Summary thereof

The Company revalued its Land & Land Development as on June 30, 2012 which has been reflected in the Financial Statements of the Company. Particulars of the Valuer and summary of report are as follows:

Name of Valuer	A.Wahab & Co. Hotel Purbani, Annex-2,4 th Floor 1 Dilkusha C/A, Dhaka - 1000 Tel. 02-7169268, 02-7161517
Qualification	Chartered Accountants firm (A member firm of Lading edge Alliance)
Reasons for valuation	The price of Land has increased substantially during the last few years due to high inflationary trend. In this circumstance, the Company has decided to revalue its Land only to have the actual present value of the Land.
Valuation Method	Fair Market Value Land values have been estimated by using recent prices for similar plots of land sold in the area. However, certain adjustments have been made for the plus and minus points of the land possessed by the Company. This has been done with the assistance of brokers and agencies dealing in land. 1461.4 decimals
Area of Land Valued	
Book Value of Land (at the time of Valuation)	Tk.349,049,811
Current valuation of land	Tk.1,490,628,000
Revaluation surplus	Tk.1,141,578,189

Works done to date

Over the years A. Wahab & Co. and its associate firm M/S. Engineer's Survey Associates Ltd. have performed (individually and jointly) numerous Land and Fixed Assets valuation related previous engagements. Particulars of some of the engagements are as follows:

Sl. No.	Name of Clients
1.	Eastern Insurance Co. Ltd.
2.	Newtop Trading Ltd.
3.	Appollo Ispat Complex (Pvt.) Ltd.
4.	Bangladesh National Women Lawyers Association (BNWLA)
5.	Care Bangladesh Ltd.
6.	American Recreation Association (ARA)
7.	Asian Consumers Care (Pvt.) Ltd.
8.	Alhaj Textile Mills Ltd.

Transaction with Subsidiary/ Holding Company or Associate Companies

The Company has some investment in Associate.

- The Company acquired 225,000 ordinary share of Tk.100 each at a premium of Tk. 344.44 of Palash Spinning Mills which is 45% of total share as on 30-06-2010 as an investor.
- The Company acquired 15,000 ordinary share out of 50,000 shares of Tk.100 each of Phoenix Holdings Ltd. which is 30% of total share as on 30-06-2010 as an investor.

Auditors Certificate regarding allotment of shares to Promoters or Sponsor Shareholders for consideration other than in Cash

This is to certify that the paid-up-capital of Appollo Ispat Complex Limited as on June 30, 2012 was Tk.1,500,000,000 divided into 150,000,000 ordinary shares of Tk. 10 each. Details are as follows:

Allotment Date	Number of Shares			Face Value	Amount in Taka
	Existing	New allotment	Total		
31.12.1994	-	100,000	100,000	100/-	10,000,000
22.08.1998	100,000	400,000	500,000	100/-	50,000,000
05.05.2003	500,000	3,800,000	4,300,000	100/-	430,000,000
30.03.2010(Sub-divided)	-	-	43,000,000	10/-	430,000,000
15.12.2010	43,000,000	107,000,000	150,000,000	10/-	1,500,000,000

We also certify that the Company did not allot any shares for consideration other than in cash to any shareholders including its Promoters or Sponsors shareholders as on June 30, 2012.

Date: Dhaka
October 01, 2012

Sd/-
A. Matin & Co.
Chartered Accountants

Material information which is likely to have an impact

There is no other 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.

SECTION - VIII

INFORMATION ABOUT DIRECTORS AND OFFICERS

Information Regarding Directorship

Name	Position	Age (Years)	Experience (Years)	Date of becoming Director for the first time	Qualification	Date of Expiration of Current Term
Mr. Deen Mohammad	Chairman	74	51	31 st December 1994	Graduate	20 th AGM in 2015
Mr. Md. Ansar Ali	Director & Managing Director	74	51	31 st December 1994	Matriculation	21 st AGM in 2016
Mr. Abdur Rahman	Director & Deputy Managing Director	61	30	31 st December 1994	Graduate	20 th AGM in 2015
Mr. M.A. Majid	Director	72	48	31 st December 1994	Graduate	22 nd AGM in 2017
Mr. Md. Shoeb	Director	44	22	8 th March 2009	BBA	21 st AGM in 2016
Mr. Md. Rafique	Director	41	17	31 st December 1994	Graduate	22 nd AGM in 2017
Abdur Rouf (Nominated by M/S Crystal construction and Engineering Limited)	Director	60	32	8 th December 2011	Graduate	19 th AGM in 2014 or when nominee company wish to withdraw
Mosfequr Rahman (Nominated by Jupiter Business Ltd.)	Director	39	14	8 th December 2011	Graduate	19 th AGM in 2014 or when nominee company wish to withdraw
Momtazur Rahman (Nominated by M/S Art Int.Ltd)	Director	29	7	8 th December 2011	Graduate	19 th AGM in 2014 or when nominee company wish to withdraw

Directors' involvement in other Organization

Name	Designation in the company	Directorship/Sponsorship/Ownership with other companies	Position
Mr. Deen Mohammad	Chairman	Phoenix Spinning Mills Ltd Phoenix Textile Mills Ltd Phoenix Fabrics Ltd. Rangdhanu Spinning Mills Ltd Palash Spinning Mills Ltd Eastern Dyeing & Calendering Works Ltd. Phoenix Holdings Ltd. The City Bank Ltd. Phoenix Insurance Company Ltd Phoenix Finance & Investments Ltd Phoenix Securities Ltd.	Founder Chairman Founder Chairman Founder Chairman Founder Chairman Founder Chairman Founder Chairman Founder Chairman Sponsor Shareholder Founder Chairman Founder Chairman Founder Chairman
Mr. Md. Ansar Ali	Director & Managing Director	Tejgaon Textile Industries Ltd Eastern Dyeing & Calendaring Works Ltd	Chairman Director
Mr. Abdur Rahman	Director & Deputy Managing Director	Phoenix Insurance Company Ltd. Rangdhanu Spinning Mills Ltd.	Director Director
Mr. M. A. Majid	Director	Phoenix Spinning Mills Ltd. Phoenix Textile Mills Ltd. Phoenix Fabrics Ltd. Palash Spinning Mills Ltd. Rangdhanu Spinning Mills Ltd Phoenix Finance & Investments Ltd. Phoenix Holdings Limited	Director Director Director Director Director Director MD
Mr. Md. Shoeb	Director	Phoenix Spinning Mills Ltd. Phoenix Textile Mills Ltd. Phoenix Fabrics Ltd. Palash Spinning Mills Ltd. Rangdhanu Spinning Mills Ltd. Eastern Dyeing & Calendering Works Ltd. Phoenix Holdings Ltd. The City Bank Ltd. Phoenix Insurance Company Ltd. Phoenix Finance & Investments Ltd Phoenix Securities Ltd.	Director Director Director Director Director Director Director Sponsor Shareholder Chairman Vice-Chairman Director
Mr. Md. Rafique	Director	Tejgaon Textile Industries Ltd.	Managing Director
Abdur Rouf (Nominated by M/S Crystal construction and Engineering Limited)	Director	Pharmatek Chemicals Ltd. Shuktara Printers Ltd. SS Company Ltd. Crescent Ltd. Mallik Export Ltd. City Lands Ltd. Mukta Publishers Ltd. Crystal construction and Engineering Ltd. Khulna Fisheries Ltd. Patuakhali Foods Ltd. Satkhira Fisheries Ltd. Sugandha Trade Ltd. Park Land Trading Co. Ltd. Sagar Enterprise Ltd.	Director Director Director Director Director Director Director Director Director Director Director Director Director Director
Mosfequr Rahman (Nominated by Jupiter Business Ltd.)	Director	Jupiter Business Ltd. Red-Sea International Ltd. Art International Ltd. Al-Hamra Trade Ltd. Shalimar Trading Co. Ltd. National Investment & Finance Co. Ltd. Apollo Trading Co. Ltd. Baghkhali Fisheries Ltd.	Director Director Director Director Director Director Director Director

		PC Village Ltd. OK Company Ltd. Mehrab Enterprise Ltd. Central Land and Building Ltd.	Director Director Director Director
Momtazur Rahman (Nominated by M/S Art Int.Ltd)	Director	Jupiter Business Ltd. Red-Sea International Ltd. Art International Ltd. Al-Hamra Trade Ltd. Shalimar Trading Co. Ltd. National Investment & Finance Co. Ltd. Apollo Trading Co. Ltd. Baghkali Fisheries Ltd. PC Village Ltd. OK Company Ltd. Mehrab Enterprise Ltd. Central Land and Building Ltd.	Director Director Director Director Director Director Director Director Director Director Director Director

Family relationship amongst the Directors

Name	Position	Relationship
Mr. Deen Mohammad	Chairman	Father of Mr. Md Shoeb
Mr. Md. Ansar Ali	Director & Managing Director	Father of Mr. Md Rafique
Mr. Abdur Rahman	Director & Deputy Managing Director	Brother of Mr. M. A. Majid
Mr. Md. Shoeb	Director	Son of Mr. Deen Mohammad
Mr. Md. Rafique	Director	Son of Mr. Md. Ansar Ali
Mr.M.A. Majid	Director	Brother of Mr. Abdur Rahman
Mr. Mosfequr Rahman	Director	Brother of Mr. Momtazur Rahman
Mr. Momtazur Rahman	Director	Brother of Mr. Mosfequr Rahman

Family relationship among Directors and Top Officials

There is no relation between the Directors and top officers of the Company

Short Bio-Data of the Directors

Mr. Deen Mohammad, Chairman

Mr. Deen Mohammad, son of Late Hazi Noor Mohammad, was born in 1938, is the founder Chairman of Appollo Ispat Complex Limited. He started his business career in 1960 with trading business and established himself firmly in the Industrial arena in Bangladesh. Having vast experience in the field of management of industry and finance, he established many Industries, financial and charitable Institutions. He is the main founder of Phoenix Group of Industries which comprises of Phoenix Textile Mills Ltd., Phoenix Spinning Mills Limited, Phoenix Fabrics Limited, Rangdhanu Spinning Mills Limited, Eastern Dyeing & Calendering Works Limited, Palash Spinning Mills Limited.

He is the founding Chairman of The City Bank Limited, a leading commercial bank in the private sector, Phoenix Finance and Investment Ltd, a leading Leasing Company in the private sector, Phoenix Insurance Company Limited, a leading Insurance Company in the private sector and Phoenix Securities Limited, a member of Dhaka Stock Exchange and Chittagong Stock Exchange. He is also the founder Chairman of Phoenix Holdings Limited, a real estate development company.

Mr. Deen Mohammad has earned name and fame in business community for his honesty, integrity, dedication, hard work and high degree of sense of responsibility. He was awarded Moulana Akram Kha Gold Medal in 1991 for his outstanding contribution towards the industrialization of the country. He was a member of the Executive Committee of Dhaka Chamber of Commerce and Industry, Consultative Committee for the Ministry of Energy and Mineral Resources and Committee of the Ministry of Industries for formation of Industrial Policy in 1997. He traveled most of the countries of the world for business purpose.

Mr. Md. Ansar Ali, Director and Managing Director

Mr. Md Ansar Ali, son of Late Abdul Alim, Director and Managing Director of Appollo Ispat Complex Limited, was born in 01-01-1938 in a respectable Muslim family. He is a renowned businessman of the country. He started his business career in 1959 in trading by importing and marketing CI Sheets and GP Sheets from United States, Japan and Australia and gradually established himself as a major importer of the Country. Due to his extensive experience, Mr. Ali was able to play a significant role in establishing Appollo Ispat Complex Limited. He has been involved with every step of CI Sheet Industry evolution since inception and succeeded in establishing the famous brand of C.I. Sheet of the country “**Rani Marka Dheau Tin**” within a very short span of time. His vision helped Appollo become the first CI Sheets manufacturing company to install a Continuous Galvanizing Line. He is also the founder Chairman of Tejgaon Textile Industries Ltd. and Director of Eastern Dyeing & Calendaring Works Limited.

Mr. Abdur Rahman, Director & Deputy Managing Director

Mr. Abdur Rahman, son of Late Abdus Sattar, Director & Deputy Managing Director of Appollo Ispat Complex Limited, was born in 31-12-1950. He started his business career in 1979 as a partner of Hoque Brothers, a trading house of CI/GP Sheet, immediately after coming back from Sweden completing studies there. He actively participated in the formation of Phoenix Insurance Company Ltd. and at present is a Director of the company. He is also Director of Rangdhanu Spinning Mills Ltd.

Mr. M. A. Majid, Director

Mr. M. A. Majid, son of Late Abdus Sattar, born in 01-01-1940, 72 years of age, Director of Appollo Ispat Complex Limited, is an established business personality. He started business career in 1960 with trading business. He entered into Industries in 1962 and established himself firmly in the business arena in Bangladesh and is pioneering in Industrialization of the country. Having vast experience in the field of management of industry and finance, he became the founder Director of Phoenix Group of Industries which comprises of Phoenix Textile Mills Limited, Phoenix Spinning Mills Limited, Phoenix Fabrics Limited, Rangdhanu Spinning Mills Limited and Palash Spinning Mills Limited.

Mr. Majid actively participated in the formation of Phoenix Insurance Company Limited, a leading General Insurance Company in the Private Sector and also played vital role establishing Phoenix Finance & Investments Limited, one of the reputed Leasing Companies of the country, of which he is a founder Director. He is also the founder Managing Director of Phoenix Holdings Limited, a reputed real estate development company.

Mr. Md. Shoeb, Director

Mr. Md. Shoeb, son of Mr. Deen Mohammad born in 09-02-1968, is a renowned Industrialist and an IT specialist in the country. After completion of his studies in U.K., returned to Bangladesh in 1990 and was appointed as Director of The City Bank Ltd. For leading personality in finance sector, he was elected the Vice-Chairman of the said bank for the period 2001-2002 and is the Chairman of Phoenix Insurance Company Limited, a private sector general insurance company and is the Vice-Chairman of Phoenix Finance & Investments Limited, a leading Leasing Company in the private sector. Besides, he is the Director of the Phoenix Securities Limited, Phoenix Holdings Limited, Phoenix Spinning Mills Limited, Phoenix Fabrics Limited, Phoenix Textile Mills Limited, Rangdhanu Spinning Mills Limited, Eastern Dyeing & Calendaring Works Limited and Palash Spinning Mills Limited.

He is well qualified in Information & Communication Technology from abroad and has vast experiences in this field. He enthusiastically takes part and contributes to social and sports activities.

Mr. Md. Rafique, Director

Mr. Md. Rafique, son of Mr. Md. Ansar Ali, was born in 12-07-1971. He started his career as young Industrialist in 1995. With the passage of time, he was able to establish himself firmly in the business sphere. He is also the Managing Director of Tejgaon Textile Industries Ltd. a composite Knit Garments Project.

Abdur Rouf, Director

Mr. Abdur Rouf, son of Late Manik Mollah, was born in 04-05-1952. He is an established business personality. He was a young freedom fighter who actively participated in the great liberation war of Bangladesh and was the chief organizer of dohar and assistant to Capt. Abdul Halim Chowhury (Commander of Dhaka West Sub-sector.)

Mosfequr Rahman, Director

Mr. Mostafequr Rahman, son of Late Masudur Rahman, was born in 10-10-1973. He is an established young and energetic business personality.

Montazur Rahman, Director

Mr. Montazur Rahman, son of Late Masudur Rahman, was born in 06-08-1983. He is an established young and energetic business personality.

Credit Information Bureau (CIB) report

Neither Appollo Ispat Complex Limited nor any of its directors or shareholders, who hold 5% or more shares in the paid-up capital of the issuer, is loan defaulter in terms of Credit Information Bureau (CIB) of the Bangladesh Bank.

Description of Top Executives and Departmental Heads

Name	Designation	Date of joining	Educational qualification	Last five years experience
Md. Ansar Ali	Managing Director	January 13, 2007	Matriculation	As Director of the Company
Abdur Rahman	Deputy Managing Director	January 13, 2007	B.Sc. (Dhaka University) ADB(Sweden)	As Director of the Company
Sk. Abul Hassan	Executive Director & Company Secretary	January 1, 2005	M.B.A (I.B.A. Dhaka University)	Worked as Executive Director in Phoenix Group
Lt. Col. Zahir Hosain (Retd.)	Sr. General Manager, Plant	June 1, 1995	B.Sc. in Mechanical & Electrical Engineer (BUET)	Worked as GM - Plant in Appollo Ispat Company Ltd.
Md. Hafizur Rahman Sarker	Chief Financial Officer	March 2, 1999	M. COM. (Acct.) FCMA	Worked as DGM Finance & Account in Appollo Ispat Company Ltd.
Hasan S. Hannan	General Manager Commercial & General Affairs	September 16, 1997	M.B.A (Chittagong University)	Worked as DGM (C & GA) in Appollo Ispat Company Ltd.

Involvement of Directors and Officers in Certain Legal Proceedings

No Officer or Director of the Company was involved in any of the following types of legal proceedings in the last ten years:

- Any Bankruptcy Petition filed by or against any company of which any Officer or Director of the Issuer Company filing the Prospectus was a Director, Officer or Partner at the time of the bankruptcy;
- Any conviction of Director, Officer in a criminal proceeding or any criminal proceeding pending against him;
- Any Order, Judgment or Decree of any Court of competent jurisdiction against any Director, Officer permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any Director or Officer in any type of business, securities or banking activities;
- Any Order of the Bangladesh Securities and Exchange Commission, or other Regulatory Authority or Foreign Financial Regulatory Authority, suspending or otherwise limiting the involvement of any Director or Officer in any type of business, securities or banking activities.

Certain Relationships and Related Transactions

The Company does not have any transaction during the last 2 (Two) years or any proposed transaction, between the Issuer and any of the following persons:

- Any director or executive officer of the Company
- Any director or officer, and

- c) Any person owning 5% or more of the outstanding share capital of the Company
- d) Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above persons
- e) Any transaction or arrangement entered into by the company or its subsidiary for 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/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 related party disclosures mentioned in the Note 32 of the Audited Accounts in the prospectus.
- f) 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 associates concerns prior to such loan, rate of interest applicable, date of loan take, date of maturity of loan.
- g) Any director holding any position, apart from being a director in the issuer company, in any company, society trust, organization or proprietorship or partnership firm.
- h) All interest and facilities enjoyed by a director whether pecuniary or non-pecuniary.

Except the following transaction:

The Directors of AICL does not enjoy any facilities other than the following:

Name of Directors/Sponsors	Nature of Transaction	Amount
Mr. Md. Ansar Ali, Managing Director	Remuneration	66,000/month
Mr. Abdur Rahman, Deputy Managing Director	Remuneration	63,360/month

Name of Directors/Sponsors	Nature of Transaction	Amount
Each Directors	Sitting Fee	5,000/meeting

Related parties transactions that fall within the definition of related party as contained in BAS - 24 are disclosed in note – 32 of the audited financial statements for the year ended on June 30, 2012.

Executive Compensation

Remuneration paid to top five salaried officers

Sl. No.	Name	Designation	Amount in Taka (July 01, 2011 to June 30, 2012)
1.	Mr. Md. Ansar Ali	Managing Director	792,000
2.	Mr. Abdur Rahman	Deputy Managing Director	760,320
3.	Mr. Sk. Abul Hassan	Executive Director & Company Secretary	840,000
4.	Mr. Hasan Shahzad Hannan	G.M. (C & GA)	684,000
5.	Mr. Md Hafizur Rahman Sarker	Chief Financial Officer	720,000

The aggregate amount of remuneration paid to Directors & Employees

(as per audited accounts)

Group	Remuneration (July 01, 2011 to June 30, 2012)	Nature of Payment
Directors	1,583,270	Remuneration and Board Meeting fees
Officers	62,702,401	Salaries & allowances and Bonus

Remuneration paid to Director who was not an Officer of the Company

The Company did not pay any remuneration to any Director who was not an Officer of the Company during the last accounting year.

Future compensation to Directors or Officers

There is no contract with any director or officer for future compensation.

Pay Increase Intention

Except for normal annual increment and allowances, AICL has no plan to increase the remuneration paid to directors and officers in the current year.

Options granted to Directors, Officers and Employees

The company did not grant any option for issue of shares to any officer, director and other employees of the company.

Transaction with the Directors and Subscribers to the Memorandum

Benefit from the Company

Directors and Subscribers' to the memorandum of the Company have not received any benefits other than mentioned in "Certain Relationship and Related Transaction" and "Executive Compensation" part of the prospectus..

Directors and Subscribers' assets to the Company

Directors and Subscribers' to the memorandum of the Company have not transferred any assets to the Company except for depositing share money.

Tangible Asset Value per Share

Net assets other than Land and Land Development are valued on historical cost reduced by depreciation. Land and Land Development have been revalued on 30 June 2012 at Tk. 1,490,628,000 against the original cost of Tk. 349,049,811. The net assets value per share has been calculated on the basis of audited balance sheet as at June 30, 2012 as under

Asset	Amount (Taka)
Property, Plant and Equipments	2,534,845,438
Less: Fictitious Assets (Rangs Bhaban)	(27,940,516)
Net Property, Plant and Equipments	2,506,904,922
Investment	106,500,000
Total Non-Current Assets [A]	2,613,404,922
Inventories	3,315,217,388
Trade Debtors	721,637,949
Advance, deposits and prepayments	383,385,149
Advance income Tax	235,378,519
Cash and cash equivalents	61,493,794
Total Current Assets [B]	4,717,112,799
Total Assets [C=A+B]	7,330,517,721
Liabilities	
Term Loan	1,358,026,425
Total Non-Current Liabilities [D]	1,358,026,425
Short term loan	1,343,518,830
Trade creditors	3,558,389
Provision for income tax	348,459,764
Bank Overdraft	168,405
Current Portion of Long Term Borrowings	769,652,921
Liabilities for Expenses	24,076,670
Provision against Investment	2,150,000
Provision for Bad Debts	14,432,759
Liabilities for Deferred Taxes	77,944,593
Total Current Liabilities [E]	2,583,962,331
Total Liabilities [F=D+E]	3,941,988,756
Total Net Asset [G=C-F]	3,388,528,965
Number of Shares outstanding [H]	150,000,000
Net Tangible Asset Per Share [I=G/H]	22.59
Total Net Asset [Without Revaluation]	2,246,950,776
Net Tangible Asset Per Share [Without Revaluation]	14.98

Date: Dhaka
October 01, 2012

Sd/-
A. Matin & Co.
Chartered Accountants

Ownership of the Company's Securities

Sl. No.	Name of Shareholders	Address	Number of Shares	% Total Shareholding
1	Mr. Deen Mohammad	23, Shamoli, Mohammadpur, Dhaka	8,220,000	5.4800
2*	Mr. Md. Ansar Ali	7, Shantibagh, Motijheel, Dhaka	5,000,000	3.3333
3	Mr. Abdur Rahman	House No-366/9 (3rd Floor), Road No-6, West Side DOHS, Baridhara, Dhaka	5,000,000	3.3333
4	Mr. M. A. Majid	53/C, Road No-4, Banani, Dhaka	6,998,400	4.6656
5	Mr. Md. Shoeb	23, Shamoli, Mohammadpur, Dhaka	6,220,000	4.1467
6*	Mr. Md. Rafique	7, Shantibagh, Motijheel, Dhaka	5,000,000	3.3333
7	M/S. Crescent Limited	19C, Dhanmondi R/A, Road No-1, Dhaka-1205	7,425,000	4.9500
8	M/S. Pharmatek Chemicals	126, Kathaldia, Auchpara, Tongi, Gazipur	7,425,000	4.9500
9	M/S. Crystal Construction and Engineering Ltd.	19C, Dhanmondi R/A, Road No-1, Dhaka-1205	7,425,000	4.9500
10	M/S. Jupiter Business Ltd	131, New Eskaton Road, Dhaka	7,425,000	4.9500
11	M/S. Art International Ltd	131, New Eskaton Road, Dhaka	7,400,000	4.9333
12	M/S. Central Land & Building Ltd.	19/C, Dhanmondi R/A, Road No-1, Dhaka-1205	7,400,000	4.9333
13	Mr. Md. Mozammel Haque	House No-67; Road No-7/A, Dhanmondi R/A, Dhaka	7,128,800	4.7525
14	M/S. Advent Equity Management Ltd	House No-8; Road No-4; Mirpur Road, Dhanmondi, Dhaka	7,000,000	4.6667
15	M/S. Innovative Capital Management Ltd	BSEC Bhaban; Level-4; 102, Kazi Nazrul Islam Avenue, Dhaka	7,000,000	4.6667
16	Mr. Md. Sirajul Haque	House No. 35/A, Road No-2, Dhanmondi R/A, Dhaka	6,830,800	4.5539
17	M/S. New England Equity Limited	BSEC Bhaban; Level-4;102, KaziNazrulIslam Avenue, Dhaka	6,000,000	4.0000

18	Mrs. Roxshana Begum	23, Shamoli, Mohammadpur, Dhaka	4,070,000	2.7133
19	Ms. Fahmida Begum	23, Shamoli, Mohammadpur, Dhaka	4,070,000	2.7133
20	M/S. Absolute Return Ltd.	House No-08; Road No-4; Mirpur Road, Dhanmondi, Dhaka	4,000,000	2.6667
21	M/S. Equity Growth Ltd.	House No-8; Road No-4; Mirpur Road, Dhanmondi, Dhaka	4,000,000	2.6667
22	M/S. Phoenix Finance & Investments Ltd	Eunoos Centre, Level-11, 52-53, Dilkusha C/A, Dhaka	3,300,000	2.2000
23	Mrs. Shamima Rahman	House No. 366/9 (3rd floor), Road No-6, West Side, DOHS, Baridhara, Dhaka	2,075,000	1.3833
24	M/S. Shore Cap. Holdings Ltd.	BSEC Bhaban; Level-4; 102, Kazi Nazrul Islam Avenue, Dhaka	2,500,000	1.6667
25*	S.Co. Power plant Limited.	House # 43, Road No. 1, Dhanmondi, Dhaka-1205	23,94,000	1.596
26	Mrs. Sadia Anjum Siddique	23, Shamoli, Mohammadpur, Dhaka	900,000	0.6000
27	Mr. S. M. Intekhab Alam	House No-79; Road No-11/A; Flat No-C-5; Dhanmondi, Dhaka	1,350,000	0.9000
28	Mrs. Alamara Khatun	Apt. No B-6; Plot No-9; Road No-7, Block-C; Niketon, Gulshan-1	600,000	0.4000
29	Mr. Anwer Hossain	34/1, Khaza Dewan 1st Lane, Lalbagh, Dhaka-1211	540,000	0.3600
30	Mr. A. K. M. Zakaria Hossain	543/1 (1st floor), Kazipara, Mirpur, Dhaka-1216	500,000	0.3333
31	Mr. Abdul Muhith	Flat-5/A, House No-32, Road No-9/A, Dhanmondi, Dhaka	500,000	0.3333
32	Mr. Hasan Shahzad Hannan	Mansurbad Shawapshila Apartment, House No-629/685, Flat No-502, Road No-12, Baitul Aman Housing Society, Adabar, Dhaka	480,000	0.3200
33	Mrs. Farzana Imam	540/4, Monipur, Mirpur-2, Dhaka	450,000	0.3000

34	Mrs. Niher Parven	1-A/11, Pallabi R/A, Flat No. B-2, Mirpur, Dhaka-1216	400,000	0.2667
35	Mr. Md. Hafizur Rahman Sarker	1-A/11, Pallabi R/A, Flat No. B-2, Mirpur, Dhaka-1216	370,000	0.2467
36	Mr. Sk. Abul Hassan	Apt. No B-6; Plot No-9; Road No-7, Block-C; Niketon, Gulshan-1	340,000	0.2267
37	Mr. Md. Mustafizul Haque	House No. 35/A, Road No-2, Dhanmondi R/A, Dhaka	333,000	0.2220
38	Mr. Kamran Sadique	Dom Inno Tramonto, Flat No. A-4, House No-7, Road No-9B, Sector-7, Uttara, Dhaka	320,000	0.2133
39	Mr. Khondaker Shahdat Hossain	Flat-B4, House No-12, Road No-7, Block-H, Banani, Dhaka	250,000	0.1667
40	Mr. Mohammed Sadiquer Rahman	Flat-A4, House No-12, Road No-7, Block-H, Banani, Dhaka	250,000	0.1667
41	Mr. Mostafa Zamanul Bahar	Alindo, Flat No-601, House No-88, Road No-8A (New), Dhanmondi, Dhaka	250,000	0.1667
42	Mr. Md. Abdus Salam (Masum)	Nightingale Sparkling, 588, Khilhgaon, Block-C, Road-1, Khilhgaon, Dhaka	200,000	0.1333
43	Mrs. Fahmida Quadir Chowdhury	House No-78, Road No-7, Block-H, Appartment No-6/A, Banani, Dhaka	100,000	0.0667
44	Mr. A. K. M. Harun Chowdhury	A, NAM 6, Banani, Dhaka	100,000	0.0667
45	Mr. Md. Shamsul Haq Mughal	Flat No. B-1, Noorjahan Tower, 136, Baro Maghbazar, Ramna, Dhaka-1217	100,000	0.0667
46	Mr. Md. Afsar Hossain	10-C, 2/7, Mirpur, Dhaka	100,000	0.0667
47	Ms. Tanjina Islam	4/B, Aminabad AD Housing Society, 56-57, Siddheshwari Road, Dhaka-1217	100,000	0.0667
48	Mr. Md. Zahid Hasan Ameli	67, Labrotory Road, Dhaka	100,000	0.0667
49	Mr. Murshida Haque (Usha)	House No. 67; Road No. 7/A, Dhanmondi R/A, Dhaka	35,000	0.0233
50	Ms. Silveya Rahman	House No. 366/9 (3rd floor), Road No-6, West Side, DOHS, Baridhara, Dhaka	25,000	0.0167
TOTAL			150,000,000	100.00

*N.B. Changes As per order dated 26th October 2011 High Court against company Matter No. 250 of 2011 and 251 of 2011 14,40,000 shares of Tk. 10/- each is transferred from Mr. Md. Ansar Ali and 9,54,000 shares of Tk. 10/- each is transferred from Mr. Md. Rafique to M/S. S. Co. Power Plant Ltd. on the 20th July 2013 as per executed Form-117 submitted by Mr. Md. Sirajul Haque, Managing Director of S.Co. Power Plant Ltd. After this transfer Mr. Md. Ansar Ali left with 50,00,000 shares and Mr. Md. Rafique left with 50,00,000 shares, which after I.P.O will be 2% of total paid up capital of Tk. 250.00 crore.

Securities Owned by the Directors

Shares owned by the Directors of the company are as follows:-

Name of the Director	Position	Address	Number of Shares	% of Total Shareholding	% of Total Shareholding After IPO
Mr. Deen Mohammad	Chairman	23, Shamoli, Mohammadpur, Dhaka	8,220,000	5.4800	3.2880
*Mr. Md. Ansar Ali	Director & MD	7, Shantibagh, Motijheel, Dhaka	5,000,000	3.3333	2.0000
Mr. Abdur Rahman	Director & DMD	House No-366/9 (3rd Floor), Road No-6, West Side DOHS, Baridhara, Dhaka	5,000,000	3.3333	2.0000
Mr. M. A. Majid	Director	53/C, Road No-4, Banani, Dhaka	6,998,400	4.6656	2.7994
Mr. Md Shoeb	Director	23, Shamoli, Mohammadpur, Dhaka	6,220,000	4.1467	2.4880
*Mr. Md. Rafique	Director	7, Shantibagh, Motijheel, Dhaka	5,000,000	3.3333	2.0000
Mr. Abdur Rouf (Nominated M/S. Crystal Construction and Engineering Ltd.)	Director	19C, Dhanmondi R/A, Road No-1, Dhaka-1205	7,425,000	4.9500	2.9700
Mr. Mosfequr Rahman (Nominated by M/S. Jupiter Business Ltd.)	Director	131, New Eskaton Road, Dhaka	7,425,000	4.9500	2.9700
Mr. Momtazur Rahman (M/S. Art International Ltd.)	Director	131, New Eskaton Road, Dhaka	7,400,000	4.9333	2.9600
Mrs. Roxshana Begum	Sponsor	23, Shamoli, Mohammadpur, Dhaka	4,070,000	2.7133	1.6280
Fahmida Begum	Sponsor	23, Shamoli, Mohammadpur, Dhaka	4,070,000	2.7133	1.6280
Late Md. Mozammel Haque	Sponsor	House No. 67, Road-7/A, Dhanmondi R/A	7,128,800	4.7525	2.8515
Mr. Md. Sirajul Haque	Sponsor	House No. 35/A, Road-2, Dhanmondi R/A	6,830,800	4.5539	2.7323
Ms. Murshida Haque	Sponsor	House No. 67, Road-7/A, Dhanmondi R/A	35,000	0.0233	0.0140
Mr. Md. Mustafizul Haque	Sponsor	House No. 35/A, Road-2, Dhanmondi R/A	333,000	0.2220	0.1332
Total			81,156,000	54.1038	32.4624

*N.B. Changes As per order dated 26th October 2011 High Court against company Matter No. 250 of 2011 and 251 of 2011 14,40,000 shares of Tk. 10/- each is transferred from Mr. Md. Ansar Ali and 9,54,000 shares of Tk. 10/- each is transferred from Mr. Md. Rafique to M/S. S. Co. Power Plant Ltd. on the 20th July 2013 as per executed Form-117 submitted by Mr. Md. Sirajul Haque, Managing Director of S.Co. Power Plant Ltd. After this transfer Mr. Md. Ansar Ali left with 50,00,000 shares and Mr. Md. Rafique left with 50,00,000 shares, which after I.P.O will be 2% of total paid up capital of Tk. 250.00 crore.

Securities Owned by the Officers

Shares owned by the officers of the company are as follows:-

Name of the Shareholder	Position	Address	Number of Shares	% of Total Shareholding
Mr. Md. Ansar Ali	Managing Director	7, Shantibagh, Motijheel, Dhaka	5,000,000	3.3333
Mr. Abdur Rahman	Deputy Managing Director	House No-366/9 (3rd Floor), Road No-6, West Side DOHS, Baridhara, Dhaka	5,000,000	3.3333
Mr. Sk. Abul Hassan	Executive Director	Apt # B6; Ploat # 9; Road # 7; Block # C; Niketon; Gulshan-1, Dhaka	340,000	0.2267
Mr. Hasan Shahzad Hannan	General Manager (Commercial & General Affairs)	Mansurabad Shawpshila Apartment House No.629/685, Flat No. 502, Road No. 12, Baitul Aman Housing Society	480,000	0.3200
Mr. Md. Hafizur Rahman Sarker	Chief Financial Officer	1-A/11, Pallabi R/A; Flat No. B-2, Mirpur, Dhaka-1216	370,000	0.2467
Mr. Anwer Hossain	Assistant Manager Accounts	34/1, Khaza Dewan 1 st Lane, Lalbagh, Dhaka-1211	540,000	0.3600
TOTAL			11,730,000	7.82

*N.B. Changes As per order dated 26th October 2011 High Court against company Matter No. 250 of 2011 and 251 of 2011 14,40,000 shares of Tk. 10/- each is transferred from Mr. Md. Ansar Ali and 9,54,000 shares of Tk. 10/- each is transferred from Mr. Md. Rafique to M/S. S. Co. Power Plant Ltd. on the 20th July 2013 as per executed Form-117 submitted by Mr. Md. Sirajul Haque, Managing Director of S.Co. Power Plant Ltd. After this transfer Mr. Md. Ansar Ali left with 50,00,000 shares and Mr. Md. Rafique left with 50,00,000 shares, which after I.P.O will be 2% of total paid up capital of Tk. 250.00 crore.

Shareholding Structure for 5% or more Shares as on June 30, 2012

Name of the Shareholder	Address	Number of Shares	% of Total Shareholding
Mr. Deen Mohammad	23, Shamoli, Mohammadpur, Dhaka	8,220,000	5.48
TOTAL		8,220,000	5.48

Determination of Offering Price

The Issue price at Tk.22.00 each including a premium of Tk.12.00 per share is justified as details below:

Justification of Offering Price Under Different Methods	Amount (in Tk.)
Method 1(a): Net Asset Value (NAV) per share	22.59
Method 1(b): Net Asset Value (NAV) per share without considering Asset Revaluation	14.98
Method 2: Historical Earnings based value per share	20.76

Method 1–Price based on Net Asset Value (NAV) based price per share:

Particulars	Net Amount
Share Capital	1,500,000,000.00
Revaluation Reserve	1,141,578,189.00
Tax Holiday Reserve	-
Retained Earnings	774,891,292.00
Shareholders' Funds	3,416,469,481.00
Net Assets after adjusting Fictitious Assets(Rangs Bhaban)	3,388,528,965.00
Number of shares before IPO	150,000,000
Net Assets Value per share at BDT 10.00 per share, as per Audited Financial Statement	22.59
Net Assets Value per share at BDT 10.00 per share (without considering Asset Revaluation)	14.98

Method 2: Historical Earnings based value

Average Price Earnings of Engineering (August, September and October 2012)*
 $= (20.34+21.26+19.98)/3 = 61.58/3 = 20.53$

Average Price Earnings of market (August, September and October 2012)*
 $= (12.42+13.04+12.97)/3 = 38.43/3 = 12.81$

Lesser of 20.53 & 12.81 = 12.81

Financial Year	No. of Shares	Net Profit after Tax	Weight	Weighted Average Profit
30-Jun-12	150,000,000	354,049,675	0.34965	123,793,593
30-Jun-11	150,000,000	282,811,923	0.34965	98,885,288
30-Jun -10	43,000,000	264,115,211	0.100233	26,473,086
30-Jun -09	43,000,000	141,529,893	0.100233	14,185,980
30-Jun -08	43,000,000	-201,529,714	0.100233	-20,199,948
Total	429,000,000	840,976,988	1	243,137,999
No. of shares as on 30 June 2012				150,000,000
Weighted average EPS				1.62
3 (Three) months average P/E (Lesser of 20.53 & 12.81)				12.81
Earning Based Value Per Share				20.76

*Source: DSE Monthly Review

Market for the Securities Being Offered

The issuer shall apply to all the stock exchanges in Bangladesh within 07 (seven) working days from the date of consent accorded by the Commission to issue prospectus.

The issuer shall apply to:



DHAKA STOCK EXCHANGE LIMITED
9/E, Motijheel Commercial Area, Dhaka-1000

and



CHITTAGONG STOCK EXCHANGE LIMITED
CSE Building, 1080, Sheikh Mujib Road, Chittagong 4100

Declaration about listing of shares with the stock exchange(s)

None of the stock exchange(s), if for any reason, grants listing within 75 days from the closure of subscription, any allotment in terms of this prospectus shall be void and the company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock 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 fifteen days, the company directors, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (two percent) per month above the bank rate, to the subscribers concerned.

The issue manager, in addition to the issuer company, shall ensure due compliance of the above mentioned conditions and 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 shall apply in respect of trading and settlement of the shares of the Company

The issue shall be placed in Category "N" with DSE and CSE

Description of Securities outstanding or Being Offered

Dividend, voting, pre-emption rights

The Share Capital of the company is divided into Ordinary Shares, carrying equal rights to vote and receive dividend in terms of the relevant provisions of the Companies Act 1994 and the Articles of Association of the company. All shareholders shall have the usual voting right voting right in person or by proxy in connection with, among others, election of Directors & Auditors and other usual agenda of General Meeting – Ordinary or Extra Ordinary. On a show of hand, every shareholder present 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 in person 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.

Conversion and liquidation rights

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 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.

Dividend policy

- a) The profit of the Company, subject to any special right relating thereto created or authorized to be created by the Memorandum of Association 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.
- b) No larger dividend shall be declared than is recommended by the Directors, but the Company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of Net Profit of the Company shall be conclusive.
- c) 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.
- d) 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.
- e) A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- f). There is no limitation on the payment of dividends to the common stockholders of the Company.

Other rights of stockholders

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

The Directors shall present the financial statements as required under the law & International Accounting Standard. Financial statements will be prepared in accordance with the International Accounting Standards consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and International Accounting Standard to the shareholders regarding the financial and operational position of the company. The shareholders shall have the right to receive all periodical statement and reports, audited as well as unaudited, published by the company from time to time.

The shareholder holding minimum of 10% shares of paid-up capital of the company shall have the right to requisition Extra-ordinary General Meeting of the company as provided in section 84 of the Companies Act 1994.

Debt Securities

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

SECTION - X

PLAN OF DISTRIBUTION

Underwriting of shares

The Initial Public Offering (IPO) is for 100,000,000 ordinary shares of Tk.22/- each including a premium of Tk.12/- per share amounting to Tk. 2,200,000,000/-. As per BSEC's guideline of the BSEC (Public Issue) Rules, 2006, 50% of the said amount i.e. 50,000,000 ordinary shares of Tk. 22/- each including a premium of Tk. 12/- per share amounting to Tk. 1,100,000,000/- has been underwritten on a firm commitment basis by the following underwriters:

Sl. No.	Name and address of underwriters	Number of shares underwritten	Amount (Tk)
1	ICB Capital Management Ltd. BDBL Bhaban (Level – 16), 8 DIT Avenue, Dhaka 1000.	9,825,000	216,150,000
2	Phoenix Insurance Co. Ltd. 1/A, Dilkusha C/A, Dhaka-1000.	20,000,000	440,000,000
3	Bangladesh Mutual Securities Limited Shareef Mansion, 56-57 Motijheel C/A , Dhaka-1000.	3,385,000	74,470,000
4	Rupali Life Insurance Co. Ltd. Rupali Bima Bhaban, 7 Rajuk Avenue, Dhaka-1000.	8,000,000	176,000,000
5	Bank Asia Limited Tea Board Building, 111-113, Motijheel C/A, Dhaka-1000.	5,000,000	110,000,000
6	Sonali Investment Limited Sara Tower, 11 th Floor, 11/A Toynbee Circular Road, Motijheel C/A, Dhaka-1000.	3,500,000	77,000,000
7	Prime Finance Capital Management Limited 63, Dilkusha C/A (3 rd Floor), Dhaka 1000.	290,000	6,380,000
	Total	50,000,000	1,100,000,000

Principal terms and conditions of underwriting agreement

1. If and to the extent that the shares offered to the public by a Prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within 10 (ten) days of the closure of subscription call upon the underwriter in writing with a copy of said writing to the 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 in cash in full 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.
2. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his underwriting commitment under the Agreement, until such time as the Cheque/Bank Draft has been en-cashed and the Company's account credited.
3. In any case within 7 (seven) days after the expiry of the aforesaid 15 (fifteen) days, the Company shall send proof of subscription and payment by the underwriter to the Commission.
4. In the case of failure by the underwriter to pay for the shares under the terms mentioned above, the said Underwriter will not be eligible to underwrite any issue, until such time as he fulfils his underwriting commitment under the Agreement and also other penalties as may be determined by the Commission may be imposed on him.
5. In case of failure by any underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under the Agreement.

6. In case of failure by the Company to call upon the underwriter for the aforementioned purpose within the stipulated time, the Company and its Directors shall individually and collectively be held responsible for the consequences and/or penalties as determined by the Bangladesh Securities and Exchange Commission under the law may be imposed on them.

Commission for the Underwriters

The company shall pay to the underwriter an underwriting commission at the rate of 0.50% of 50% of the IPO amount of the issue value of shares underwritten by them out of the Public Issue.

Right of Underwriters on Company's Board

Underwriters have not acquired any right to have their representatives in the Board of Directors of the Company.

Allotment

The company reserves the right of accepting any application, either in whole, or in part, successful applicants will be notified by the dispatch on an allotment letter by registered post/courier. Letter of allotment and refund warrants will be issued within 5 (five) weeks from the closing of the subscription list. After allotment the company will have to transfer the shares to the allottees' Beneficiary Owners (BO) account, which has been mentioned in the application form.

The company shall issue share allotment letter to all successful applicants, within 5 (five) weeks, from the date of the subscription closing date. At the same time, the unsuccessful application shall be refunded with the application money within 5 (five) weeks from the closing of the subscription date, by Account Payee Cheque, without interest payable at Dhaka/Chittagong/Khulna/Rajshahi/Barisal/Sylhet as the case may be.

Where allotment is made, in whole or in part in respect of joint application, the allotment letter will be dispatched to the person whose name appears first in the application form notwithstanding that the shares have been allotted to the joint applicants. Where joint applicant is accepted in part, the balance of any amount paid on application will be refunded without interest to the person named first in the application form.

ALLOTMENT, SUBSCRIPTION AND MARKET

Lock-in on Sponsors' Share

All issued shares of the issuer at the time of according consent to public offering shall be subject to a lock-in period of 3 (Three) years from the date of issuance of prospectus or commercial operation, whichever comes later.

Provided that the persons, other than directors and those who hold 5% or more, who have subscribed to the shares of the Company within immediately preceding 2 (Two) years of according consent, shall be subject to a lock-in period of 1 (One) year from the date of issuance of prospectus or commercial operation, whichever comes later.

Sl. No.	Name of Shareholders	Status	No. of shares hold	% Holding	Allotment Date/Transfer	Lock In period from the date of prospectus issuance
1	Mr. Deen Mohammad	Chairman	8,220,000	5.4800	31.12.1994	3 years
2	*Mr. Md. Ansar Ali	Director & MD	5,000,000	3.3333	31.12.1994	3 years
3	Mr. Abdur Rahman	Director & DMD	5,000,000	3.3333	31.12.1994	3 years
4	Mr. M. A. Majid	Director	6,998,400	4.6656	31.12.1994	3 years
5	Mr. Md. Shoeb	Director	6,220,000	4.1467	31.12.1994	3 years
6	*Mr. Md. Rafique	Director	5,000,000	3.3333	31.12.1994	3 years
7	M/S. Crescent Limited	Shareholder	7,425,000	4.9500	15.12.2010	one year
8	M/S. Pharmatek Chemicals	Shareholder	7,425,000	4.9500	15.12.2010	one year
9	Mr. Abdur Rouf (Nominated M/S. Crystal Construction and Engineering Ltd.)	Shareholder	7,425,000	4.9500	15.12.2010	3 years
10	Mr. Mosfequr Rahman (Nominated by M/S. Jupiter Business Ltd.)	Shareholder	7,425,000	4.9500	15.12.2010	3 years
11	Mr. Momtazur Rahman (M/S. Art International Ltd.)	Shareholder	7,400,000	4.9333	15.12.2010	3 years
12	M/S. Central Land & Building Ltd.	Shareholder	7,400,000	4.9333	15.12.2010	one year
13	Mr. Md. Mozammel Haque	Shareholder	7,128,800	4.7525	31.12.1994	3 years
14	M/S. Advent Equity Management Ltd	Shareholder	7,000,000	4.6667	15.12.2010	one year

15	M/S. Innovative Capital Management Ltd	Shareholder	7,000,000	4.6667	15.12.2010	one year
16	Mr. Md. Sirajul Haque	Shareholder	6,830,800	4.5539	31.12.1994	3 years
17	M/S. New England Equity Limited	Shareholder	6,000,000	4.0000	15.12.2010	one year
18	Mrs. Roxshana Begum	Shareholder	4,070,000	2.7133	31.12.1994	3 years
19	Ms. Fahmida Begum	Shareholder	4,070,000	2.7133	31.12.1994	3 years
20	M/S. Absolute Return Ltd.	Shareholder	4,000,000	2.6667	15.12.2010	one year
21	M/S. Equity Growth Ltd.	Shareholder	4,000,000	2.6667	15.12.2010	one year
22	M/S. Phoenix Finance & Investments Ltd	Shareholder	3,300,000	2.2000	15.12.2010	one year
23	Mrs. Shamima Rahman	Shareholder	2,075,000	1.3833	15.12.2010	one year
24	M/S. Shore Cap. Holdings Ltd.	Shareholder	2,500,000	1.6667	15.12.2010	one year
25	*S.Co. Power Plant Limited.	Shareholder	23,94,000	1.596	20.07.2013	3 years
26	Mrs. Sadia Anjum Siddique	Shareholder	900,000	0.6000	15.12.2010	one year
27	Mr. S. M. Intekhab Alam	Shareholder	1,350,000	0.9000	15.12.2010	one year
28	Mrs. Alamara Khatun	Shareholder	600,000	0.4000	15.12.2010	one year
29	Mr. Anwer Hossain	Shareholder	540,000	0.3600	15.12.2010	one year
30	Mr. A. K. M. Zakaria Hossain	Shareholder	500,000	0.3333	15.12.2010	one year
31	Mr. Abdul Muhith	Shareholder	500,000	0.3333	15.12.2010	one year
32	Mr. Hasan Shahzad Hannan	Shareholder	480,000	0.3200	15.12.2010	one year
33	Mrs. Farzana Imam	Shareholder	450,000	0.3000	15.12.2010	one year
34	Mrs. Niher Parven	Shareholder	400,000	0.2667	15.12.2010	one year
35	Mr. Md. Hafizur Rahman Sarker	Shareholder	370,000	0.2467	15.12.2010	one year
36	Mr. Sk. Abul Hassan	Shareholder	340,000	0.2267	15.12.2010	one year
37	Mr. Md. Mustafizul Haque	Shareholder	333,000	0.2220	31.12.1994	3 years
38	Mr. Kamran Sadique	Shareholder	320,000	0.2133	15.12.2010	one year
39	Mr. Khondaker Shahdat Hossain	Shareholder	250,000	0.1667	15.12.2010	one year
40	Mr. Mohammed Sadiquer Rahman	Shareholder	250,000	0.1667	15.12.2010	one year
41	Mr. Mostafa Zamanul Bahar	Shareholder	250,000	0.1667	15.12.2010	one year
42	Mr. Md. Abdus Salam (Masum)	Shareholder	200,000	0.1333	15.12.2010	one year
43	Mrs. Fahmida Quadir Chowdhury	Shareholder	100,000	0.0667	15.12.2010	one year
44	Mr. A. K. M. Harun Chowdhury	Shareholder	100,000	0.0667	15.12.2010	one year
45	Mr. Md. Shamsul Haq Mughal	Shareholder	100,000	0.0667	15.12.2010	one year

46	Mr. Md. Afsar Hossain	Shareholder	100,000	0.0667	15.12.2010	one year
47	Ms. Tanjina Islam	Shareholder	100,000	0.0667	15.12.2010	one year
48	Mr. Md. Zahid Hasan Ameli	Shareholder	100,000	0.0667	15.12.2010	one year
49	Ms. Murshida Haque (Usha)	Shareholder	35,000	0.0233	31.12.1994	3 years
50	Ms. Silveya Rahman	Shareholder	25,000	0.0167	31.12.1994	3 years
Grand Total			150,000,000	100.00		

*N.B. Changes As per order dated 26th October 2011 High Court against company Matter No. 250 of 2011 and 251 of 2011 14,40,000 shares of Tk. 10/- each is transferred from Mr. Md. Ansar Ali and 9,54,000 shares of Tk. 10/- each is transferred from Mr. Md. Rafique to M/S. S. Co. Power Plant Ltd. on the 20th July 2013 as per executed Form-117 submitted by Mr. Md. Sirajul Haque, Managing Director of S.Co. Power Plant Ltd. After this transfer Mr. Md. Ansar Ali left with 50,00,000 shares and Mr. Md. Rafique left with 50,00,000 shares, which after I.P.O will be 2% of total paid up capital of Tk. 250.00 crore.

Refund of Subscription Money

As per BSEC Notification Dated February 9, 2010, the issuer shall refund application money to the unsuccessful applicant of the public offer by any of the following manner based on the option given by the applicant in the application form;-

- Through banking channel for onward deposit of the refund money into the applicant's bank account as provided in the respective application form for subscription; or
- Through issuance of refund warrant in the name and address of the applicant as provided in the respective application form for subscription:
 Provided that, in case of deposit into the applicant's bank account, the applicant will bear the applicable service charge, if any, of the applicant's banker, and the issuer shall simultaneously issue a letter of intimation to the applicant containing, among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected.

Subscription by and Refund to Non-Resident Bangladeshi (NRB)

- A non-resident Bangladeshi shall apply either directly by enclosing a foreign demand draft drawn on a bank payable at Dhaka, or through a nominee by paying out of foreign currency deposit account maintained in Bangladesh or in Taka, supported by foreign currency encashment certificate issued by the concerned bank, for the value of securities applied for through crossed bank cheque marking "Account Payee only".
- The value of securities applied for by such person may be paid in Taka or US Dollar or UK Pound Sterling or EURO at the rate of exchange mentioned in the securities application form.
- Refund against oversubscription shall be made in the currency in which the value of securities was paid for by the applicant through Account Payee bank cheque payable at Dhaka with bank account number, bank's name and branch as indicated in the securities application form. If the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with the Bankers to the Issue, refund amount of those applicants will be directly credited into the respective bank accounts as mentioned in their IPO Application Forms.

Availability of securities

Offer

1. Shares

Particulars	No. of shares	Amount in Tk.
A. 20% of IPO i.e. 20,000,000 Ordinary Shares shall be reserved for affected small investor (ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী)	20,000,000	440,000,000
B. 10% of IPO i.e. 10,000,000 Ordinary Shares shall be reserved for Non Resident Bangladeshis	10,000,000	220,000,000
C. 10% of IPO i.e. 10,000,000 Ordinary Shares shall be reserved for Mutual funds and Collective investment schemes registered with the Commission	10,000,000	220,000,000
D. The remaining 60% of IPO i.e. 60,000,000 Ordinary Shares shall be opened for subscription by the General Public	60,000,000	1,320,000,000
Total	100,000,000	2,200,000,000

2. All shares as stated in clause 1.A, 1.B, 1.C and 1.D shall be offered for subscription and subsequent allotment by the issuer, subject to any restriction, which may be imposed, from time to time, by the Bangladesh Securities and Exchange Commission.
3. In case of over-subscription under any of the categories mentioned in 1.A, 1.B, 1.C and 1.D the Issue Manager shall conduct an open lottery of all the applications received under each category separately in accordance with the letter of consent issued by the Bangladesh Securities and Exchange Commission.
4. In case of under-subscription under any of the 20% and 10% categories mentioned in 1.A, 1.B and 1.C, the unsubscribed portion shall be added to the general public category and, if after such addition, there is over-subscription in the general public category, the issuer and the issue manager shall jointly conduct an open lottery of all the applicants added together.
5. In case of under-subscription of the public offering, the unsubscribed portion of securities shall be taken up by the underwriter(s).
6. The lottery as stated in clause (3) and (4) shall be conducted in presence of representatives from the issuer, the stock exchanges, and the applicants, if there be any.

Application for subscription

1. Application for shares may be made for a minimum lot for **200** Ordinary shares to the value of **Tk 4,400/-** and should be made on the Company's Printed Application forms. Application Form and Prospectus may be obtained from the Registered Office & Corporate Office of the Company, members of Dhaka Stock Exchange Ltd. and Chittagong Stock Exchange Ltd. or from the Bankers to the Issue. In case adequate forms are not available, applicants may use photocopied/cyclostyled/hand written/typed copies of the forms. Applications must not be for less than **200** shares. Any application not meeting this criterion will not be considered for allotment purpose.
2. Joint application form for more than two (2) persons will not be accepted. In the case of joint application each party must sign the application form.
3. Application must be made in full name of individuals or limited companies or trusts or societies and not in the name of firms, minors or persons of unsound mind. Applications from insurance, financial and market intermediary companies must be accompanied by Memorandum and Articles of Association.
4. An applicant cannot submit more than two applications, one in his own name and another jointly with another person. In case an applicant makes 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.
5. The applicant shall provide with the same bank account number in the application form as it is in the BO account of the application.
6. The applicant 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%(Fifteen percent) of their subscription money too.
7. An IPO applicant shall ensure his/her BO account remains operational till the process of IPO (including securities allotment or refund of IPO application) is completed. If any BO account mentioned in the IPO application is found closed, the allotted security may be forfeited by BSEC.
8. Bangladeshi Nationals (including non-resident Bangladeshi Nationals working abroad) and foreign nationals shall be entitled to apply for the share.
9. Payment for subscription by investors other than Non-Resident Bangladeshi may be made to the said branches/offices of the banks mentioned in the application forms in Cash/Cheque/Pay Order/Bank Draft. The

Cheque/ Pay Order/ Bank Draft shall be made payable to the bank to which it is sent, be marked "Appollo Ispat Complex Limited" shall bear the crossing "A/C Payee Only" and must be drawn on a bank in the same town of the bank to which application form is deposited.

10. All completed application forms together with remittances for the full amount, payable on application, shall be lodged by investors other than Non-Resident Bangladeshis with any of the branches of the Bankers to the Issue.
11. A Non-Resident Bangladeshi (NRB) shall apply against the Public Offer either directly by enclosing a foreign demand draft, drawn on a bank payable at Dhaka, or through a nominee (including a Bank or a Company) by paying out of foreign currency deposit account maintained in Bangladesh, for the value of securities applied for.

The value of securities applied for may be paid in Taka, US Dollars, Great Britain Pounds or Euro Dollars at the spot buying (TT Clean) rate of exchange prevailing the date of opening of subscription. Refund against over subscription of shares shall be made in the currency, in which the value of shares, applied for, was paid by the applicant. Shares application form against the quota for NRB shall be sent by the applicant directly along with a bank draft or cheque to the company at its registered office. Copies of application form and prospectus shall be available with the Bangladesh Embassy/High Commission in USA, UK, Saudi Arabia, UAE, Qatar, Kuwait, Oman, Bahrain, Malaysia, and South Korea and on the website of the BSEC, Issuer Company, Issue Manager, DSE and CSE.

12. The IPO subscription money collected from investors (other than non-resident Bangladeshis) by the Bankers to the Issue will be remitted to the 'Appollo Ispat Complex Limited' STD (BDT): 00736000764 of Bank Asia Limited, Scotia Branch for this purpose.
13. The subscription money collected from Non-Resident Bangladeshis in US Dollars or Great Britain Pounds or Euro Dollars shall be deposited to three FC accounts opened by the Company for IPO purpose as follows:

Sl.	Name of FC Accounts	Currency	Account No.	Bank & Branch
1.	Appollo Ispat Complex Limited	US	00744000234	Bank Asia Ltd, Scotia Branch
2.	Appollo Ispat Complex Limited	Euro	00744000235	Bank Asia Ltd, Scotia Branch
3.	Appollo Ispat Complex Limited	GBP	00744000236	Bank Asia Ltd, Scotia Branch

14. In the case of over-subscription of securities to the NRB applicants, refund shall be made by Appollo Ispat out of the "FC Account for IPO NRB Subscription". Appollo Ispat Complex Limited has already opened the aforesaid FC Accounts and shall close these accounts after refund of oversubscription, if any.

15. ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারীগণ সকল পাবলিক ইস্যুতে একক অথবা যৌথ হিসাবের যে কোনটি অথবা উভয়টি হতে সংরক্ষিত ২০% কোটায় আবেদন করতে পারবেন। তবে ইচ্ছা করলে ক্ষতিগ্রস্ত সংরক্ষিত ২০% কোটায় আবেদন না করে সাধারণ বিনিয়োগকারীদের জন্য নির্ধারিত কোটায়ও আবেদন করতে পারবেন।

APPLICATIONS NOT IN CONFORMITY WITH THE ABOVE REQUIREMENTS AND THE INSTRUCTIONS PRINTED ON THE APPLICANT FORM ARE LIABLE TO BE REJECTED.

Material Contracts & Others

Material Contracts

1. Underwriting Agreements between the Company and the Underwriters.
2. Issue Management Agreement between the Company and ICB Capital Management Limited.
3. Contract between the company and the credit rating agency
4. Contract betwbetween the company and Central Depository of Bangladesh Limited (CDBL) yet to be done.

The copies of the aforementioned contracts and documents and a copy of Memorandum of Association and Articles of Association of the Company and the Consent Order from BSEC may be inspected, on any working day, during office hours, at the Registered Office of the Company and the Issue Manager.

Manager to the Issue

ICB Capital Management Limited, BDBL Bhaban (Level-16),8 Rajuk Avenue, Dhaka - 1000 is acting as the Issue Manager to the Issue. The Company shall pay a fee of Tk.1,800,000/- (Taka Eighteen Lac Only) as issue management services.

Commission to the Bankers to the Issue

Commission at the rate of 0.10% of the amount collected will be paid to the Bankers to the Issue for the services to be rendered by them.

CORPORATE DIRECTORY

Registered and Corporate Office

Appollo Ispat Complex Limited

407, Tejgaon Industrial Area, Dhaka-1208

Tel: +88(02)9114946, 9115098

Fax: +88(02) 9126291

E-mail: rani@accesstel.net, rani@appollo-ispac.com

Web: <http://www.appollo-ispac.com>

Auditors

A.Matin& Co.

Chartered Accountants

91,Kakrail(3rd Floor), Flat No.-08,Dhaka-1000

Phone: 8318191,01199-835489,01713-453596

E-mail: akmatinmatin@Yahoo.com

Legal Advisor

Mr. Abu Khaled Al-Mamun

Barrister at-Law

G.P.Cha 115/1

North Badda, Gulshan, Dhaka - 1212

Tel: +88(02)8821140

E-mail: mamun76@yahoo.com

Manager to the Issue

ICB Capital Management Ltd.

BDBL Bhaban (Level - 16),

8 DIT Avenue, Dhaka 1000

Company's Compliance Officer

Mr. Md. Hafizur Rahman Sarker

Chief Financial Officer

All investors are hereby informed that **Mr. Md. Hafizur Rahman Sarker**, Chief Financial Officer would be designated as Compliance Officer who will monitor the compliance of the Acts, and rules, regulations, notification, guidelines, conditions, orders/directions etc. issued by the Commission and/ or stock exchange(s) applicable to the conduct of the business activities of the Company so as to promote the interest of the investors in the security issued by the Company, and for redressing investors' grievances.



Bankers to the Issue

Bankers to the Issue

<p>Bank Asia Ltd. Principal Office Branch, Dhaka MCB Dilkusha Br., Dhaka Corporate Br., Dhaka Soolia Br. Karwan Bazar, Dhaka Gulshan Br., Dhaka MCB Banani Br., Dhaka Uttara Br., Dhaka Milford Br., Dhaka North South Rd Br., Dhaka Dhanmondi Br., Dhaka Bashundhara Br., Dhaka Sylhet Main Br., Sylhet Sylhet Uposahar Br., Sylhet Agrabad Branch, Chittagong Khatunjonj Br. Chittagong NCSK Mirpur Road, Chittagong Bahadderhat Br., Chittagong Moghbar Br., Dhaka CDA Avenue Br., Chittagong Station Road Br., Chittagong Rajshahi Br., Rajshahi Khulna Br., Khulna Mohakhali Br., Dhaka Mirpur Br., Dhaka Bogra Br., Bogra Jessore Br., Jessore Anderkilla Br., Chittagong Shantinagar Br., Dhaka Pragati Sarani Br., Dhaka Kamal Bazar Br., Chittagong Strand Road Branch, Chittagong Paltan Branch, Dhaka Shyamoli Branch, Dhaka</p>	<p>Investment Corporation of Bangladesh (ICB) Head Office, NSC Tower, Dhaka Chittagong Branch, Chittagong Rajshahi Branch, Rajshahi Sylhet Branch, Sylhet Khulna Branch, Khulna Barisal Branch, Barisal Bogra Branch, Bogra Local Office, Nayapaltan, Dhaka</p> <p>IFIC Bank Limited Federation Branch, Mirpur Road, Dhaka Mohakhali Branch, Dhaka Elephant Road Branch, Dhaka Kawranbazar Branch, Dhaka Uttara Branch, Dhaka Narsingdi Branch, Narsingdi Narayanganj Branch, Narayanganj Faridpur Branch, Faridpur Dhanmondi Branch, Mirpur Road, Dhaka Banani Branch, Dhaka Shantinagar Branch, Dhaka Islampur Branch, Dhaka Naya Paltan Branch, Dhaka Malibagh Branch, Dhaka North Brooke Hall Br., Sirajgonj, Dhaka Mymensingh Branch, Mymensingh Stock Exchange Branch, Mirpur Road, Dhaka Pragati Sarani Br., Utrabazar, Dhaka Mirpur Branch, Mirpur, Dhaka. Agrabad Branch, Chittagong Main Bazar Branch, Chittagong Sk. Mujib Rd. Br., Chittagong B. Baria Branch, Brahmanbaria Feni Branch, Feni CDA Avenue Branch, Chittagong Cox's Bazar Branch, Cox's Bazar Comilla Branch, Comilla Choumuhani Br., Noakhali Alanker More Branch, Chittagong Rajshahi Branch, Rajshahi Bogra Branch, Bogra Dinajpur Branch, Dinajpur Rangpur Branch, Rangpur Pabna Branch, Pabna Khulna Branch, Khulna Jessore Branch, Jessore Boro Bazar Br., Kalibari, Khulna Kushtia Branch, Kushtia Barisal Branch, Barisal Sylhet Branch, Sylhet Upashahar Branch, Sylhet Mouli Bazar Branch, Mouli Bazar Tultikar, Ambarkhana, Sylhet</p>	<p>Panthapath Branch, Dhaka Principal Branch, Dhaka Pragati Sarani Branch, Dhaka Savar Br., Savar, Dhaka Shanir Akhra Branch, Dhaka Tongi Branch, Gazipur Uttara Model Town Br., Uttara, Dhaka Narayanganj Branch, Narayanganj Sonargaon Branch, Narayanganj Agrabad Branch, Chittagong Alankar Mour Branch, Chittagong CDA Avenue Branch, Chittagong Jubilee Road Br, Chittagong Khatunjonj Branch, Chittagong Feni Branch, Feni Rajshahi Branch, Rajshahi Rangpur Branch, Rangpur Bogra Branch, Bogra Pabna Branch, Pabna Kushtia Branch, Kushtia Sylhet Branch, Sylhet Mouli Bazar Branch, Mouli Bazar Gourami Branch, Barisal Jessore Branch, Jessore Habigonj Branch, Habigonj</p> <p>National Bank Limited Agrabad Branch, Chittagong Anderkilla Branch, Chittagong Asadgate Branch, Dhaka Babubazar Branch, Dhaka Banani Branch, Dhaka Bangshal Road Branch, Dhaka Barista Branch, Barisal CDA Avenue Branch, Chittagong Chawkbazar Branch, Chittagong Chomuhani Branch, Chittagong Comilla Branch, Comilla Dhanmondi Branch, Dhaka Dilkusha Branch, Dhaka Elephant Road Branch, Dhaka Faridpur Branch, Faridpur Feni Branch, Feni Foreign Exchange Br, Dhaka Gazipur Branch, Gazipur Gulshan Branch, Dhaka Halishahar Branch, Chittagong Imamgonj Branch, Dhaka Islampur Branch, Dhaka Jatrabari Branch, Dhaka Jubilee Road Branch, Chittagong Kawranbazar Branch, Dhaka Khatunjonj Branch, Dhaka Khulna Branch, Khulna Kishoregonj Branch, Kishoregonj Lake Circus Branch, Dhaka Malibag Branch, Dhaka Mirpur Branch, Dhaka Mohakhali Branch, Dhaka Mohammadpur Branch, Dhaka Motijheel Branch, Dhaka Mouvibazar Branch, Chittagong Muradpur Branch, Chittagong Mymensingh Branch, Mymensingh Narayanganj Branch, Narayanganj Narsingdi Branch, Narsingdi Netaigonj Branch, Narayanganj New Eskaton Branch, Dhaka North Brooke Hall Branch, Dhaka Pagla Brazzar Branch, Narayanganj Pahartoli Branch, Chittagong Pragati Sarani Branch, Dhaka Rajshahi Branch, Rajshahi Rokeya Sarani Branch, Dhaka Simanto Square Branch, Dhaka S.K. Mojib Road Branch, Chittagong Savar Bazar Branch, Savar Sunamgonj Branch, Sunamgonj Sylhet Branch, Sylhet Tangail Branch, Tangail Tongi Branch, Gazipur Uttara Branch, Dhaka Z.H. Sikder M.C. Branch, Dhaka Zidnabazar Branch, Sylhet</p>	<p>Progoli Sarani Branch, Dhaka Elephant Road Br., Dhaka Jatrabari Branch, Dhaka Nawabgonj Branch, Dhaka Bangshal Branch, Dhaka Ring Road Branch/ Shamoli Branch Ganakbari (EPZ) Branch, Dhaka Imamganj Branch, Dhaka Narayanganj Branch, Narayanganj Joypara Branch, Dhaka Agrabad Branch, Chittagong Khatunjonj Br, Chittagong CDA Avenue Branch, Chittagong Nanupurbazar Branch, Chittagong Cox's Bazar Br, Chittagong Jubilee Road Br, Chittagong Boalkhali Branch, Chittagong Chowmuhani Branch, Noakhali Chandragonj Branch, Lakshimpur Feni Branch, Feni Raipur Branch, Lakshimpur Dagon Bhuiyan Branch, Feni Sylhet Branch, Sylhet Sherpur Branch, Mouli Bazar Islampur Branch, Sylhet Jessore Branch, Jessore Bogra Branch, Bogra Serajgonj Branch, Serajgonj Sadar Laksham Branch, Laksham Ramgonj Branch, Lakshimpur Majdee Court Branch, Noakhali Banashri Branch, Dhaka Rajshahi Branch, Rajshahi Rangpur Branch, Rangpur Shahjadpur Branch, Sirajgonj Jagannathpur Branch, Nadda, Dhaka Tongi SME/Agriculture Branch, Gazipur Comilla Branch, Comilla Bashabo Branch, Dhaka Satkhira Branch, Satkhira Madhabdi Branch, Narsingdi Rangamati Branch, Rangamati Sitakunda Branch, Sitakunda Moghbar Branch, Dhaka Laidighirpar Branch, Sylhet Khulna Branch, Khulna Ranirhat Branch, Chittagong Chandgaon Branch, Chittagong Brahmanbaria Branch, Brahmanbaria</p>	<p>Chawkbazar Branch, Chittagong Narayanganj Branch, Narayanganj Jessore Branch, Jessore Rangpur Branch, Rangpur Barishal Branch, Barishal South Banosree Branch, Dhaka Mohakhali Branch, Dhaka Feni Branch, Feni</p> <p>Southeast Bank Ltd. Principal Branch, Dhaka Corporate Branch, Dhaka Imamganj Branch, Dhaka Dhanmondi Branch, Dhaka Uttara Branch, Dhaka New Elephant Road Br., Dhaka Gulshan Branch, Dhaka Kakrail Branch, Dhaka Banani Branch, Dhaka Bangshal Branch, Dhaka New Eskaton Branch, Dhaka Pragati Sarani Br., Dhaka Sat Mosjid Road Branch, Dhaka Shyamoli Branch, Dhaka Aqargoan Branch, Dhaka Karwan Bazar Branch, Dhaka Madhabdi Branch (Rural), Narsingdi Ashulia Branch (Rural), Dhaka Narayanganj Branch, Narayanganj Joypara Branch (Rural), Dhaka Savar Branch, Dhaka Mouchak Branch, Dhaka Konabari Branch, Gazipur Tongi Branch, Rangpur Bashundhara Branch, Dhaka Mohammadpur Branch, Dhaka Bandar Bazar Branch, Sylhet Moulibazar Br. Sylhet Madambirhat, Chittagong Comilla Branch, Comilla Heltingonj Branch, Sylhet Chouhatta Branch, Sylhet Laidighirpar Branch, Sylhet Shahjalal Uposahar, Sylhet Kulaura Branch (Rural), Sylhet Panthatula Branch, Sylhet Agrabad Branch, Chittagong Khatunjonj Branch, Chittagong Jubilee Branch, Chittagong Halishahar Branch, Chittagong Chowmuhani Branch, Noakhali Cox's Bazar Br, Chittagong Chhagalnaiya Branch, Feni Feni Branch, Feni Pahartali Branch, Chittagong Bashurhat Branch (Rural), Nohakhali Momin Road Branch, Chittagong Rangpur Branch, Rangpur Bogra Branch, Bogra Khulna Branch, Khulna Barisal Branch, Barisal B. Baria Branch, B. Baria Naogoon Branch, Naogoon Rajshahi Branch, Rajshahi</p>
<p>BRAC Bank Ltd. Asad gate Br., Dhaka Banani Br., Dhaka Bashundhara Br., Dhaka Donia Br., Dhaka Eskaton Br., Dhaka Graphics Building Br., Dhaka Gulshan Br., Dhaka Manda Br., Dhaka Mirpur Br., Dhaka Narayanganj Br., Narayanganj Nawabpur Br., Dhaka Rampura Br., Dhaka Shyamoli Br., Dhaka Uttara Br., Dhaka Agrabad Br., Chittagong CDA Avenue Br., Chittagong Halishahar Br., Chittagong Kazirdeuri Br., Chittagong Momin Road Br., Chittagong Bogra Br., Bogra Rajshahi Br., Rajshahi Jessore Br., Jessore Khulna Br., Khulna Barisal Br., Barisal Zindabazar Br., Sylhet</p>	<p>Jamuna Bank Limited Mohakhali Branch, Dhaka Sonargaon Road Branch, Dhaka Dilkusha Branch, Dhaka Shantinagar Branch, Dhaka Gulshan Branch, Dhaka Dhanmondi Branch, Dhaka Islampur Branch, Dhaka Ring Road Branch, Dhaka Sylhet Branch, Sylhet Kushtia Branch, Kushtia Motijheel Branch, Dhaka Dholaikhal Branch, Dhaka Banani Branch, Dhaka Uttara Branch, Dhaka Mirpur Branch, Dhaka Malibagh Branch, Dhaka Narayanganj Br, Narayanganj Agrabad Branch, Chittagong Rajshahi Branch, Rajshahi Bogra Branch, Bogra Jubilee Road Branch, Chittagong Khatunjonj Branch, Chittagong Comilla Branch, Comilla Feni Branch, Feni Jessore Branch, Jessore Barishal Branch, Barisal</p>	<p>Mutual Trust Bank Limited Babubazar Branch, Dhaka Banani Branch, Dhaka Dhanmondi Branch, Dhaka Dholaikhal Branch, Dhaka Dikusha Branch, Dhaka Elephant Road Branch, Dhaka Fulbaria Branch, Dhaka Gulshan Branch, Dhaka Mohammadpur Branch, Dhaka MTB Corporate Office Branch, Dhaka Pallabi Branch, Dhaka</p>	<p>Shahjalal Islami Bank Limited Dhaka Main Br., Dilkusha, Dhaka. Dhanmondi Br., Dhaka. Gulshan Br., Gulshan, Dhaka. Foreign Ex. Br., Motijheel, Dhaka. Kawran Bazar Br., Dhaka. Motijheel Branch, Dhaka Bijoyagar Br., Kakrail, Dhaka. Banani Br., Banani, Dhaka. Agrabad Branch, Chittagong. Khatunjonj Branch, Chittagong. Jubilee Road Br, Chittagong. Sylhet Branch, Sylhet. Satmasjid Road Br., Dhanmondi, Dhaka. Uttara Br., Uttara, Dhaka. Mirpur Br., Mirpur-10, Dhaka. Gulshan South Avenue Br., Gulshan, Dhaka. Jodevpur Chowrasta Branch, Gazipur Narayanganj Branch, Narayanganj Eskaton Branch, Dhaka Panthapath Branch, Dhaka</p>	<p>Social Islami Bank Limited Principal Branch, Dhaka Agrabad Branch, Chittagong Khulna Branch, Khulna Sylhet Branch, Sylhet Rajshahi Branch, Rajshahi Gulshan Branch, Dhaka Babu Bazar Branch, Dhaka Begum Rokeya Sarani Branch, Dhaka Panthopath Branch, Dhaka Sonargaon Branch, Narayanganj Foreign Exchange Branch, Dhaka Dhanmondi Branch, Dhaka Uttara Branch, Dhaka Mirpur Branch, Dhaka Banani Branch, Dhaka Rampura Branch, Dhaka Dania Rasulpur Branch, Dhaka South Surma Branch, Sylhet Comilla Branch, Comilla Islampur Branch, Dhaka New Eskaton Branch, Dhaka Chandpur Branch, Chandpur</p>
<p>The City Bank Ltd. B.B. Avenue Branch, Dhaka Principal Branch, Dhaka Dhanmondi Branch, Dhaka Shyamoli Branch, Dhaka Imamganj Branch, Dhaka Johnson Road Branch, Dhaka Kawranbazar Branch, Dhaka New Market Branch, Dhaka VIP Road Branch, Dhaka Islampur Branch, Dhaka Nawabgonj Branch, Dhaka Nawabpur Branch, Dhaka Pragati Sarani Br., Dhaka Bangabandhu Road Branch, Narayanganj Zinzira Br., Dhaka Tongi Branch, Gazipur Agrabad Branch, Chittagong Jubilee Road Branch, Chittagong Khatunjonj Branch, Chittagong Anderkilla Br., Chittagong Cox's Bazar Br., Chittagong Chawkbazar Br., Chittagong Pahartoli Br., Chittagong Comilla Branch, Comilla Narsingdi Br., Narsingdi Zinda Bazar Branch, Sylhet Bandar Bazar Branch, Sylhet Amborkhana Br., Sylhet Mouli Bazar Br., Sylhet Rajshahi Branch, Rajshahi Bogra Branch, Bogra Rangpur Br., Rangpur Sirajgonj Br., Sirajgonj Khulna Branch, Khulna Jessore Br., Jessore Barisal Branch, Barisal</p>	<p>Standard Bank Ltd. Principal Branch, Dhaka Foreign Exchange Br. Dhaka Tophkana Road Br. Dhaka Imamgonj Br, Dhaka Gulshan Br., Gulshan – 2, Dhaka Dhanmondi Br., Dhaka Mirpur Branch, Dhaka Uttara Br., Dhaka Panthapath Br., Dhaka Banani Branch, Dhaka Pragoti Sarani Branch, Dhaka Nawabpur Road Branch, Dhaka Green Road Branch, Dhaka Narayanganj Br., Narayanganj Jubilee Road Br., Chittagong Agrabad Br., Chittagong Khatunjonj Br., Chittagong CDA Avenue Branch, Chittagong Sadarghat Branch, Chittagong Rajshahi Branch, Rajshahi. Kustia Branch, Kustia Sylhet Br., Sylhet Beani Bazar Branch, Sylhet Mouli Bazar Branch, Sylhet Mymensingh Branch, Mymensingh Rangpur Branch, Rangpur Khulna Br., Khulna Jessore Branch, Jessore</p>	<p>ONE Bank Limited Principal Branch, Dhaka Motijheel Branch, Dhaka Kanwan Branch, Dhaka Gulshan Branch, Dhaka Mirpur Branch, Dhaka Uttara Branch, Dhaka Dhanmondi Branch, Dhaka Banani Branch, Dhaka Kakrail Branch, Dhaka</p>	<p>Standard Bank Ltd. Principal Branch, Dhaka Foreign Exchange Br. Dhaka Tophkana Road Br. Dhaka Imamgonj Br, Dhaka Gulshan Br., Gulshan – 2, Dhaka Dhanmondi Br., Dhaka Mirpur Branch, Dhaka Uttara Br., Dhaka Panthapath Br., Dhaka Banani Branch, Dhaka Pragoti Sarani Branch, Dhaka Nawabpur Road Branch, Dhaka Green Road Branch, Dhaka Narayanganj Br., Narayanganj Jubilee Road Br., Chittagong Agrabad Br., Chittagong Khatunjonj Br., Chittagong CDA Avenue Branch, Chittagong Sadarghat Branch, Chittagong Rajshahi Branch, Rajshahi. Kustia Branch, Kustia Sylhet Br., Sylhet Beani Bazar Branch, Sylhet Mouli Bazar Branch, Sylhet Mymensingh Branch, Mymensingh Rangpur Branch, Rangpur Khulna Br., Khulna Jessore Branch, Jessore</p>	<p>Standard Bank Ltd. Principal Branch, Dhaka Foreign Exchange Br. Dhaka Tophkana Road Br. Dhaka Imamgonj Br, Dhaka Gulshan Br., Gulshan – 2, Dhaka Dhanmondi Br., Dhaka Mirpur Branch, Dhaka Uttara Br., Dhaka Panthapath Br., Dhaka Banani Branch, Dhaka Pragoti Sarani Branch, Dhaka Nawabpur Road Branch, Dhaka Green Road Branch, Dhaka Narayanganj Br., Narayanganj Jubilee Road Br., Chittagong Agrabad Br., Chittagong Khatunjonj Br., Chittagong CDA Avenue Branch, Chittagong Sadarghat Branch, Chittagong Rajshahi Branch, Rajshahi. Kustia Branch, Kustia Sylhet Br., Sylhet Beani Bazar Branch, Sylhet Mouli Bazar Branch, Sylhet Mymensingh Branch, Mymensingh Rangpur Branch, Rangpur Khulna Br., Khulna Jessore Branch, Jessore</p>

Auditor's Report and Related Certificates

Auditors' Report to the Shareholders of Appollo Ispat Complex Limited

Report on Financial Statements

We have audited the accompanying Financial Statements of **APPOLLO ISPAT COMPLEX LIMITED**, which comprises the Statement of Financial Position as at June 30, 2012 and the related statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the presentation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards and for such internal control a management determines is necessary to enable the presentation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion of these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). These standards require that we comply ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from all material misstatements.

Scope

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of materials misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements along with notes there on prepared in accordance with Bangladesh Accounting Standards (BAS) give a true and fair view of the state of the Company's affairs as of June 30, 2012 and of the results of its operation and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS).

Report on other Legal & Regulatory Requirements

In our opinion, the Financial Statements comply with the applicable section of the Companies Act, 1994, Securities and Exchange Rules 1987, Income Tax Ordinance 1984 and other applicable Laws and Regulations.

We also report that:

- 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;
- in our opinion, proper books of account as required by law have been kept by the company as far as it appeared from our examination of those books;
- the Company's Statement of Financial Position, Statement of Comprehensive Income and its Statement of Cash Flows dealt with by the report are in agreement with the books of accounts and returns;
- the expenditure incurred was for the purpose of the company's activities.

Dated: Dhaka
23rd September, 2012

A. Matin & Co.
Chartered Accountants

APOLLO ISPAT COMPLEX LIMITED
Statement of Financial Position
As on 30th June, 2012

Particulars	Notes	Amounts in Taka		
		30th June 2012	30th June 2011 Restated	1st July 2010 Restated
Application of Funds				
Non-Current Assets				
Property, Plant and Equipment	3.00	2,534,845,438	1,408,959,622	1,439,478,383
Deferred Expenses	4.00	-	-	-
Investment	5.00	106,500,000	106,500,000	106,500,000
		2,641,345,438	1,515,459,622	1,545,978,383
Current Assets				
Inventories	6.00	3,315,217,388	2,886,393,490	2,419,173,931
Trade Debtors	7.00	721,637,949	673,711,027	505,641,710
Advances, Deposits and Prepayments	8.00	618,763,668	465,020,637	232,469,359
Cash and Bank balances	9.00	61,493,794	58,197,995	38,562,270
		4,717,112,799	4,083,323,149	3,195,847,270
TOTAL ASSETS		7,358,458,237	5,598,782,771	4,741,825,653
Source of Funds				
Shareholders Equity				
Share Capital	10.00	1,500,000,000	1,500,000,000	430,000,000
Revaluation reserve	11.00	1,141,578,189	-	-
Tax Holiday Reserve	12.00	-	-	169,088,918
Retained Earnings	13.00	774,891,292	420,841,617	(43,390,376)
		3,416,469,481	1,920,841,617	555,698,542
Non-Current Liabilities				
Long Term Borrowings	14.00	1,358,026,425	1,773,657,711	2,372,290,736
		1,358,026,425	1,773,657,711	2,372,290,736
Current Liabilities				
Short Term Borrowings	15.00	1,343,518,830	1,061,167,199	996,589,838
Bank Overdraft	16.00	168,405	5,228,018	59,241,821
Current Portion of Long Term Borrow.	14.00	769,652,921	598,633,024	674,634,206
Liabilities for Expenses	17.00	24,076,670	16,740,383	11,321,748
Trade Creditors	18.00	3,558,389	3,513,389	1,243,580
Provision against Investments	19.00	2,150,000	1,000,000	-
Provision for Bad Debts	20.00	14,432,759	13,474,221	10,112,834
Provision for Income Tax	21.00	348,459,764	204,527,209	60,692,348
Liabilities for Deferred Taxes	22.00	77,944,593	-	-
		2,583,962,331	1,904,283,443	1,813,836,375
TOTAL EQUITY AND LIABILITIES		7,358,458,237	5,598,782,771	4,741,825,653
CONTINGENT LIABILITIES AND COMMITMENT	35.00			

These financial statements should be read in conjunction with the annexed notes from 1 to 36 and were approved by the Board of Directors on 20th September 2012 and were signed on its behalf by:

Chief Financial Officer

Managing Director

Director

Signed in terms of our separate report of even date annexed

Dated: Dhaka
 23rd September, 2012

A. Matin & Co.
 Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement of Comprehensive Income
For the year ended June 30, 2012

Particulars	Notes	Amounts in Taka	
		30th June 2012	30th June 2011
Net Turnover	23.00	4,998,531,483	4,820,320,983
Cost of Goods Sold	24.00	(3,939,225,965)	(3,937,602,169)
Gross Profit		1,059,305,518	882,718,814
Operating Expenses:			
Administrative Expenses	25.00	(75,138,808)	(64,631,379)
Selling and Distribution Expenses	26.00	(25,214,011)	(26,611,233)
Total Operating Expenses		(100,352,819)	(91,242,612)
Profit from Operation		958,952,698	791,476,202
Financial Expenses	27.00	(352,300,394)	(378,360,425)
Net Profit from Operation		606,652,304	413,115,777
Non Operating Income	28.00	18,785,715	26,862,159
Net Profit Before Provisions		625,438,019	439,977,936
Provision against Investment Loss	19.00	(1,150,000)	(1,000,000)
Net Profit Before Tax		624,288,019	438,977,936
Provision for Taxation	21.00	(192,293,751)	(156,166,013)
Deferred Tax Liabilities	22.00	(77,944,593)	-
Net Profit after Tax		354,049,675	282,811,923
Earning per share (Taka)	29.00	2.36	2.80

These financial statements should be read in conjunction with the annexed notes 1 to 36 and were approved by the Board of Directors on 20th September 2012 and were signed on its behalf by:

Chief Financial Officer

Managing Director

Director

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

Dated: Dhaka
 23rd September, 2012

A. Matin & Co.
 Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement of Cash Flows
For the year ended 30th June 2012

Particulars	Amounts in Taka	
	30th June 2012	30th June 2011
Cash Flow from Operating Activities		
Cash receipts from customers and others	4,950,604,561	4,652,251,666
Cash receipts from others income	18,785,715	26,862,159
Cash payment to Suppliers	(4,109,091,411)	(4,358,974,594)
Tax Paid	(48,361,196)	-
Cash payment for operating expenses	(749,202,921)	(618,955,691)
Net Cash used in Operating Activities	62,734,748	(298,816,460)
Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(92,119,578)	(87,477,166)
Investment	-	-
Net Cash used in Investing Activities	(92,119,578)	(87,477,166)
Cash Flow from Financing Activities		
Proceeds from issue of share capital	-	1,070,000,000
Increase/Decrease in bank overdraft	(5,059,613)	(54,013,803)
Proceeds from short term borrowings	282,351,631	64,577,361
Repayment of long term borrowings	(244,611,389)	(674,634,207)
Net Cash from Financing Activities	32,680,629	405,929,351
Net increase in Cash and Bank Balances	3,295,799	19,635,725
Cash and Bank balances at beginning of period	58,197,995	38,562,270
Cash and Bank Balances at end of Period	61,493,794	58,197,995

These financial statements should be read in conjunction with the annexed notes 1 to 36 and were approved by the Board of Directors on 26th September 2012 and were signed on its behalf by:

Chief Financial Officer

Managing Director

Director

Signed in terms of our separate report of even date annexed

Dated: Dhaka
 23rd September, 2012

A. Matin & Co.
 Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement Of Changes In Equity
For the year ended 30th June, 2012

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Revaluation Reserve	Total Equity
Balance as at 30-06-2009	430,000,000	126,926,584	(265,343,253)	-	291,583,331
Net Profit transfer from statement of Comprehensive Income			324,807,559		324,807,559
Prior year adjustment for excess Provision of Tax			(60,692,348)		(60,692,348)
Adjustment of Tax holiday reserve		42,162,334	(42,162,334)		-
Closing Balance (30-06-2010)	430,000,000	169,088,918	(43,390,376)	-	555,698,542
Balance as at 30-06-2010	430,000,000	169,088,918	(43,390,376)	-	555,698,542
Net Profit after Tax			282,811,923	-	282,811,923
Prior year adjustment for excess provision of tax			12,331,152	-	12,331,152
Increased in Paid up capital	1,070,000,000			-	1,070,000,000
Adjustment of Tax holiday reserve		(169,088,918)	169,088,918	-	-
Revaluation surplus			-	-	-
Closing Balance (30-06-2011)	1,500,000,000	-	420,841,617	-	1,920,841,617
Balance as at 30-06-2011 (Restated)	1,500,000,000	-	420,841,617	-	1,920,841,617
Net Profit after Tax	-	-	354,049,675	-	354,049,675
Revaluation surplus				1,141,578,189	1,141,578,189
Closing Balance (30-06-2012)	1,500,000,000	-	774,891,292	1,141,578,189	3,416,469,481

These financial statements should be read in conjunction with the annexed notes from 1 to 36 and were approved by the Board of Directors on 26th September 2012 and were signed on its behalf by:

Chief Financial Officer

Managing Director

Director

Signed in terms of our separate report of even date annexed

Dated: Dhaka
 23rd September, 2012

A. Matin & Co.
 Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED

407, Tejgoan Industrial Area
Dhaka-1208

Notes to the Financial Statements For the year ended 30 June, 2012

1.00 Reporting Entity and its Activities

1.01 Legal forms of the Entity

Appollo Ispat Complex Limited (hereinafter referred to as "AICL"/"Appollo"/"the company") is a public limited company was incorporated in Bangladesh on December 31, 1994 as a private company limited by shares. Subsequently, the company was converted into "Public Company" limited by shares vide special resolution passed in Extraordinary General Meeting held on March 30, 2010.

The registered office of the company is located at 407, Tejgaon Industrial Area, Dhaka-1208. The industrial units are located at Shimril, Siddhirgong, Narayangang.

1.02 Nature of Business Activities

The Company is engaged in manufacturing and marketing of CI (Corrugated Iron) Sheet of different thickness, ranging from 0.120 mm to 0.420 mm, which is used mainly in rural and semi-urban areas of Bangladesh under its well established brand " Rani Marka Dheutin".for construction of traditional houses and fencing

1.03 Factory Operations

Appollo Ispat Complex Limited set up its factory at Shimrail ,Siddhirgong, Narayangang only 14 Km. away from Dhaka and went into commercial production in its Ist CGL line in early July 1997' (Continuous Galvanizing line unit) and 2nd CGL line early 2002 and Cold Rolled Manufacturing unit in January 2005. The factory comprise of land measuring 1461.40 decimals, around 12 buildings like factory buildings (CGL, CRM) different factory sheds, office building and guest house etc. constructed in different years and plant and machineries like CGL, CRM, Effluent Treatment Plant, Boiler, Acid Regenerating Plant, Corrugation Machine, Sharing Machine, Softener Plant, DM Plant, Dryer Machine, EOT Crane, Compressor, Gas Generator and Cooling Machine etc. were purchased from different countries viz India, Japan, Germany etc.

2.00 Significant Accounting Policy for the presentation of the financial Statements

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

2.01 Corporate Financial Statements

This comprises Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow, notes and explanatory materials covering accounting policies. This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994 and the Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as well as those standards, disclosures recommended by BASs and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements. The preparation of the financial statements in conformity with the Bangladesh Accounting Standards (BASs) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at the date of the reporting period.

Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates. Statement of Financial Position as at 30th June 2012 has been prepared based on the restated Financial Statement of previous year.

2.02 Use of Estimates and Judgments:

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates and under lying assumptions are reviewed on an ongoing basis.

2.03 Going Concern

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

2.04 Foreign Currency Translation

Transactions in foreign currencies are translated to Bangladesh Taka at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities are converted at the rates prevailing at the balance sheet 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.

2.05 Reporting Period

The period of the financial statements covers one financial year from 1st July to 30th June of following year consistently.

2.06 Segmental Reporting:

No segmental reporting is applicable for the company as required by BAS 14: Segment Reporting as the company operates in a single industry segment and within a single geographical segment.

2.07 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on Accrual concept and such other convection as required by BAS-1 and BFRS for fair presentation of financial statements.

Comparative Information and Re-arrangement Thereof

2.08

Comparative Information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements. Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial Statements.

2.09 Compliance with BAS

The following BAS is applicable to the financial statements for the year under review:

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Cash Flow Statement
BAS 10	Events after the Balance Sheet Date
BAS 12	Income Taxes
BAS 16	Property, Plant And Equipment
BAS 18	Revenue
BAS 19	Employee Benefits
BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 25	Investment
BAS 33	Earnings Per Share
BAS 34	Interim Financial Reporting
BAS 36	Impairment of Assets
BAS 37	Provisions, Contingent Liabilities and Contingent Assets

The related BFRS are also complied for the preparation of this financial statement.

2.10 Events after the Reporting Date

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

2.11 Net Profit Before Tax

Net Profit Before Tax for the year were not materially affected by:

- (a) Transaction of a nature not usually undertaken by the company;
- (b) Circumstances of an exceptional or non-recurring nature;
- (c) Changes of credits relating to prior years ; and
- (d) Changes in accounting policies.

2.12 Comparative Information and Rearrangement Thereof

In accordance with the provisions of BAS-34: Interim Financial Reporting, Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements

2.13 Regulatory Compliance

The financial Statement have been prepared in compliance with the following laws and regulations

- The Company Act, 1994
- The Income Tax Ordinance, 1984
- The Income Tax Rules, 1984
- The Value Added Tax (VAT) Act, 1991
- The Value Added Tax (VAT) Rules, 1991
- The Custom Act 1969
- Securities & Exchange Rules, 1987
- Securities & Exchange Ordinance, 1969

2.14 Recognition and measurement of Tangible Fixed Assets

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

2.14.1 Revaluation of property, plant & Equipment (PPE)

PPE have been stated at revalued amounts in accordance with BAS : 16 Property , Plant & Equipment.

i) Effective date of revaluation to the Financial Statements 30-06-2012.

ii) Land has been revalued by A. Wahab & Co. Chartered Accountants a Govt. approved independent valuer.

iii) Revaluation surplus of Land & Land development has been transferred to Revaluation Reserve and distribution of such surplus to the shareholders is restricted.

2.14.2 Depreciation of Tangible Fixed Assets

Depreciation on fixed assets other than Land & Land Development had been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition and retirement irrespective of date of retirement.

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

Land & Land Development	Nil
All other Fixed Assets	10%

2.14.3 Impairment of assets

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

2.14.4 Subsequent Costs

The cost of replacing part of an items of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future benefit embodied within the part will flow to the company and its cost can be measured reasonably. The costs of the day to day servicing of Property, Plant and equipment are recognized in the profit & loss as expenses.

2.15 Inventories

Inventories are measured at the lower of cost and net realizable value as prescribed by BAS-2. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the Case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operation capacity.

Nature of Inventories	Cost Formula
Raw Materials	Weighted Average Cost
Work-in Progress	Material cost Plus Proportionate conversion cost based on percentage of completion.
Chemicals, Stores and Spares	Weighted Average Cost
Finished Goods	Valued at cost or net realizable value whichever is lower

2.16 Trade Debtors

Trade debtors are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end.

Cash & Cash

2.17 Equivalents

According to BAS 7 'Cash Flow Statement' cash comprises of cash in hand, demand deposits and Cash equivalents which are short term highly liquid investments that are readily convertible to Cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balances have been treated as Cash & Cash Equivalents.

2.18 Income Tax

2.18.1 Provision For Tax

Provision for taxation has been made as per rates prescribed in Finance Act 2012 and the Income Tax Ordinance, 1984 on the profit made by the company. As per BAS-12 Income Tax provision has been made during the year as the company earned taxable income.

2.18.2 Deferred Tax

The company has decided to adopt policy of reorganization of deferred tax in accordance with the Bangladesh Accounting Standard 12 (BAS). Deferred tax is provided using the liability method for temporary difference between the carrying value of fixed assets as per accounts and the corresponding income tax written down value. Deferred tax is calculated at the effective Income Tax rate.

2.19 Revenue Recognition

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates exclusive of VAT as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associates costs and possible return of goods can be estimated reliably & there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents and invoices to customers.

2.20 Employee Benefit

At present the company does not have any employees benefit scheme except Gratuity but a plan to create a Provident fund and in which both company and employees will contribute an equal amount is under consideration.

2.21 Financial expenses

Finance expenses comprise interest expenses on bank loan, finance lease and other borrowings. All borrowing cost is recognized in the Comprehensive income statement based on the statement received from Financial Institutions.

2.22 Statement of Cash Flow

Statement of Cash Flow has been prepared principally in accordance with BAS-7 “Statement of Cash Flow” and the cash flows from the operating activities have been presented under direct method.

2.23 Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. Reliable estimates can be made of the amount of the obligation.

2.24 Earnings Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share is the basic earnings dividing by the weighted average number of ordinary shares outstanding the end of the year.

2.25 Components of Financial Statements

- Statement of Financial Position as on 30th June 2012
- Statement of Comprehensive Income for the year ended 30th June 2012
- Statement of Change in Equity for the year ended 30th June 2012
- Statement of Cash Flow for the year ended 30th June 2012
- Accounting Policies and explanatory notes to the accounts.

2.26 Confirmation of Balances

We have sent balance confirmation request to the respective creditors but till the period of finalization of this report no one has confirmed the balance held by them on the closing date. As of now the Social Islami bank Ltd, Mutual Trust bank Ltd, Basic Bank and Dhaka bank Ltd. have replied to our request. Balance provided by them as on June 30, 2012 are in conformity with that provided by the management.

**Notes to the Financial Statements
For the year ended 30 June, 2012**

3.00 Property, Plant and Equipment	Amounts in Taka		
	30th June 2012	30-06-2011 Restated	01-07-2010 Restated
These have arrived at as under:			
Cost (Opening Balance)	2,808,842,935	2,721,365,769	2,663,157,171
Add: Revaluation surplus of land	1,141,578,189	-	-
	3,950,421,124	2,721,365,769	2,663,157,171
Add: Addition during the period	92,119,578	87,477,166	58,208,598
Total Cost	4,042,540,702	2,808,842,935	2,721,365,769
Less: Accumulated Depreciation (Opening Balance)	1,399,883,313	1,281,887,386	1,153,810,682
Add: Charged during the period	107,811,952	117,995,927	128,076,704
Total	1,507,695,264	1,399,883,313	1,281,887,386
Written down value	2,534,845,438	1,408,959,622	1,439,478,383

a) The above assets includes Tk. 43,940,516 being cost of office building (Rangs Bhaban) has been demolished by RAJUK against which the company filed a money suit (No.13/2009) with Dhaka District Judge for Tk. 284,600,366 against RAJUK. Depreciation has not been charged on the value of this assets since after demolition.

b) In the year of 2011-2012 the company acquired 117.40 decimal land for TK. 26,475,675 and incurred Tk.35,18,373 for development expenses. The Land is duly mutated in the name of the company and upto date rent paid.

c) Addition to Non Oxide Furnace (NOF) building Tk. 45,969,356 included in Factory Building. Depreciation has not been charged on the value of this assets as the construction was not completed and building not put into use.

d) The company revalued its Land by independent valuer M/S Masih Muhith Haque & Co, Chartered Accountants as on 31 December 2010. But some inadvertent mistake in the title deeds of 154.15 decimal land was detected, out of which title deeds of 139.40 decimal Land has already been corrected. Correction for remaining 14.75 decimal land is yet to be done and the value of that portion of Land has been transferred from books and shown as advance, since the entire payment was made and economic benefit is enjoyed by the company. None the less the Company reviewed the valuation afresh and further revalued the total 1461.40 decimal of land by the another independent valuer M/S A.Wahab & Co. Chartered Accountants as on 30 June 2012. The surplus over book value of Land has been accounted for "**Revaluation Reserve**" (A schedule of Fixed Assets is given in Annexure-A)

4.00 Deferred Expenses (unallocated expenses)

This has been arrive at as under\

Last year balance (CGL)	-	-	1,360,705
Less: Current year write off	-	-	(1,360,705)
Total	-	-	-

This represent the expenses incurred before commercial operation of the project. The balance of expenses has been written off entirely within the year 2010 as per management decision.

5.00 Investment

This amount consists as follows;

Quoted

Popular Life Insurance Company Limited First Mutual Fund 500,000 shares of Tk. 10 each.

Un-Quoted

Palash Spinning Mills Ltd. Note 5.01
Phoenix Holdings Ltd. Note 5.02

Total

30th June 2012	Amounts in Taka	
	30-06-2011 Restated	01-07-2010 Restated
5,000,000	5,000,000	5,000,000
100,000,000	100,000,000	100,000,000
1,500,000	1,500,000	1,500,000
101,500,000	101,500,000	101,500,000
106,500,000	106,500,000	106,500,000

5.01 The Company acquired 225,000 ordinary share of Tk.100 each at a premium of Tk. 344.44 of Palash Spinning Mills which is 45% of total share.

5.02 The Company acquired 15,000 ordinary share out of 50,000 shares of Tk.100 each of Phoenix Holdings Ltd. which is 30% of total share.

6.00 Inventories

Finished goods	1,183,679,271	462,656,251	459,250,600
Work in Process	800,086,655	656,448,726	869,786,590
Raw Materials	1,330,763,669	1,766,481,331	1,089,538,828
Spare Parts	687,793	807,182	597,913
	3,315,217,388	2,886,393,490	2,419,173,931

The above Inventories are as per Physical counting made and valued by the inventory team consists of management staff. Inventories in hand have been valued at lower of cost and net realizable value as per BAS-2.

7.00 Trade Debtors

Trade Debtors	721,637,949	673,711,027	505,641,710
	721,637,949	673,711,027	505,641,710

Trade receivable have been stated at their nominal value. Trade receivable are accrued in the ordinary course of business. All receivable has been considered as good and realizable.

A district wise break down given below:

B.Baria	2,945,189	1,070,776	37,455
Bagerhat	2,436,348	(1,533,971)	1,492,766
Barisal	21,410,055	2,959,302	1,194,827
Bhola	(294,143)	2,406,123	1,901,361
Bogra	84,585,237	69,889,242	29,006,593
Borguna	(2,257,742)	(1,989,178)	2,200,046
Chandpur	11,687,420	6,709,715	4,699,086
Chapainawabgonj	4,178,537	2,078,504	875,418
Chittagong	(38,737,502)	(608,608)	18,427,714
Chuadanga	17,480,308	16,688,906	40,026,041
Comilla	254,220	270,229	270,729
Dhaka	441,742,550	338,918,885	229,645,120
Dinajpur	3,591,398	2,827,630	1,845,410
Faridpur	2,175,948	2,068,469	(2,149,969)

Amounts in Taka

A district wise break down Continuing

	30th June 2012	30-06-2011 Restated	01-07-2010 Restated
Feni	(8,375,982)	(3,989,435)	(154,106)
Gaibandha	(860,663)	6,286,748	(1,251,919)
Gazipur	37,236,215	25,943,659	4,078,490
Gopalganj	(71,259)	(62,249)	(42,974)
Hobigonj	6,593,629	9,497,580	8,557,999
Jamalpur	28,822,048	25,873,764	25,918,645
Jessore	1,736,388	116,272	6,210,977
Jhalokati	(3,075,061)	(1,253,762)	523,719
Jhenaidah	4,242,401	5,851,707	5,494,392
Khulna	39,083,153	8,376,905	31,913,870
Kustia	(825,780)	2,156,023	1,902,098
Kishorgonj	(673,639)	8,226,296	2,528,083
Lalmonirhat	1,283,666	687,807	565,736
Laxmipur	1,239,364	2,089,950	2,806,315
Madaripur	(435,306)	148,045	278,045
Mymensing	3,402,805	5,234,760	1,606,877
Manikgang	(134,125)	-	-
Naogaon	5,688,687	9,713,606	6,999,951
Narail	4,448,852	5,119,122	3,803,115
Narayanganj	1,933,626	15,357,523	28,030,866

Natore	(2,578,657)	2,798,575	217,349
Netrokona	(759,535)	490,275	(200,000)
Nilfamary	14,236,079	14,959,901	14,639,526
Noakhali	16,083,410	11,988,920	(1,101,180)
Norshingdhi	12,135,976	11,623,912	9,759,310
Pabna	4,842,815	4,637,251	3,639,623
Panchagar	(123,581)	8,829,928	8,673,495
Potuakhali	646,794	6,498	585,500
Pirojpur	3,275	-	-
Rajbari	(26,576,600)	(2,000,161)	(18,731,566)
Rajshahi	16,866,939	10,936,097	2,523,840
Rangpur	46,407,948	29,709,807	13,791,674
Satkhira	3,359,731	3,359,731	3,359,732
Sherpur	(14,360,213)	(1,014,390)	1,124,633
Sirajgonj	5,159,702	(86,850)	(3,950)
Sylhet	201,638	-	-
Tangail	(1,663,824)	596,256	(500,370)
Thakurgaon	(24,700,789)	9,744,932	8,621,318
Total	721,637,949	673,711,027	505,641,710

8.00 Advances, Deposits and Prepayments

Advances	Note- 8.01	583,347,916	416,633,358	182,805,369
Deposits	Note- 8.04	35,415,752	48,387,279	49,663,990
		618,763,668	465,020,637	232,469,359

8.01 Advances

Amounts in Taka				
		30th June 2012	30-06-2011 Restated	01-07-2010 Restated
Against goods and services		30,571,321	11,397,824	8,184,924
Against Salary		1,812,023	2,310,848	2,232,448
Against Land purchase	Note- 8.02	76,112,750	87,419,000	71,350,000
Advance Income Tax	Note- 8.03	235,378,519	189,884,632	68,805,935
Factory current account		3,416,898	3,251,324	2,729,967
L/C margin account for raw material		111,486,709	15,299,581	2,630,259
L/C margin for capital machinery		94,242,505	80,476,500	-
VAT current account		30,327,191	26,593,649	26,871,836
		583,347,916	416,633,358	182,805,369

8.02 Advance against Land purchase

Tk.7,61,12,750 has been paid as advance against purchase of 151.85 decimal of land in different date & value.

8.03 Advance Income Tax

Opening Balance	189,884,633	68,805,935	47,308,372
Add Addition during the year	100,733,192	121,078,698	21,497,563
	290,617,825	189,884,633	68,805,935
Less: Refund during the year	6,878,110	-	-
Less : Adjusted after Tax Assessment	48,361,196	-	-
	55,239,306	-	-
Closing Balance	235,378,519	189,884,633	68,805,935

Deposits

8.04

Advance against customs duty	-	12,971,527	14,290,138
Security deposit	35,415,752	35,415,752	35,373,852
Total	35,415,752	48,387,279	49,663,990

9.00 Cash and Bank balances

Cash in Hand		4,544,096	5,392,750	4,673,410
Cash at Bank	Note- 9.01	56,949,698	52,805,245	33,888,860
		61,493,794	58,197,995	38,562,270

Above amount was Company's Cash Balance as on 30th June 2012. We have obtained cash custody certificate duly signed by the management confirming the balance held by them on the closing date.

9.01 Cash at Bank

Agrani Bank Ltd	1,387,019	486,459	235,962
Al-Arafah Islami Bank Ltd	318,396	533,472	254,324
Bank Asia Ltd	12,105,376	22,845,124	15,527,606
Basic Bank Ltd	121,776	23,560	255,590
BRAC Bank Ltd	1,585	69,425	-
City Bank Ltd	595,429	1,004,746	30,999
Dhaka Bank Ltd	862,346	272,268	143,989
Dutch Bangla Bank Ltd	2,083,791	3,289,365	1,895,307
Eastern Bank Ltd	1,329,523	74,045	120,799
Exim Bank Ltd	301,080	946,255	-

Cash at Bank..... Continuing

	Amounts in Taka		
	30th June 2012	30-06-2011 Restated	01-07-2010 Restated
First Security Bank Ltd	752,115	159,414	228
IFIC Bank Ltd	272,831	1,596,788	490,505
Islami Bank BD Ltd	4,931,442	763,790	2,072,474
Jamuna Bank Ltd	9,762,912	35,238	159,266
Janata Bank Ltd	1,267,899	1,265,310	1,911,356
Mutual Trust Bank Ltd	149,286	1,968,281	13,068
Mercantile Bank Ltd.	7,040	-	-
National Bank Ltd	951,544	1,555,109	288,139
NCC Bank Ltd	4,425	97,744	666,094
One Bank Ltd	649,687	706,100	209,346
Prime Bank Ltd	279,792	21,845	287,801
Pubali Bank Ltd	1,005,802	893,857	271,373
Rupali Bank Ltd	431,397	13,838	50,553
Shajalal Bank Ltd	8,830	1,677	1,525
Social Investment Bank Ltd	1,798,742	2,352,867	1,111,202
Sonali Bank Ltd	630,401	2,637,739	1,729,195
Southeast Bank Ltd	12,128,015	124,830	98,833
Standard Chartered Bank	49,586	359,888	11,884
State Bank Of India	464	34,964	2,746,514
United Commercial Bank Ltd	741,312	5,270,799	2,577,392
Uttara Bank Ltd	1,582,524	740,985	727,536
AB Bank Ltd	437,331	659,843	-
Premier Bank Ltd	-	1,999,620	-
Total	56,949,698	52,805,245	33,888,860

All the above Bank Balance has been reconciled and agreed with the Bank Statement.

10.00 Share Capital**Authorized Capital :**

500,000,000 Ordinary share of Tk.10 each.	5,000,000,000	5,000,000,000	5,000,000,000
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Issued, Subscribed and paid up Capital

150,000,000 Ordinary Share of Tk.10 each, fully paid up in cash	1,500,000,000	1,500,000,000	430,000,000
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The company raised its paid up capital from TK.430,000,000 to Tk. 1,500,000,000 divided into 150,000,000 ordinary shares of Tk. 10 each on 15-12-2010 after obtaining permission from BSEC vides letter no. BSEC/CI/CPLC-253/2010/493 dated 15-11-2010.

10.01 A distribution schedule of the above shares is given below:
A. Director's Shareholding

Name	Status with the Company	As on 30th June 2012	
		% of Holding	No. of shares
Deen Mohammad	Chairman	5.4800	8,220,000
Md. Ansar Ali	Director	4.2933	6,440,000
Abdur Rahman	Director & DMD	3.3333	5,000,000
M.A Majid	Director	4.6657	6,998,400
Md. Shoeb	Director	4.1467	6,220,000
Md Rafique	Director	3.9693	5,954,000
Abdur Rouf (Nominated by M/S Crystal construction and Engineering Limited)	Director	4.9500	7,425,000
Mostafequr Rahman (Nominated by Jupiter Business Ltd.)	Director	4.9500	7,425,000
Momtazur Rahman (Nominated by M/S Art Int.Ltd)	Director	4.9333	7,400,000
Total		40.72	61,082,400

B. Other Shareholders

Name	Status with the Company	As on 30th June 2012	
		% of Holding	No. of shares
Above 5 % shareholding:	Shareholders	-	-
Below 5% shareholdings	shareholders	59.2784	88,917,600
Total		59.2784	88,917,600
Grand Total (A+B)		100	150,000,000

Classification of Shareholders by holding

Holdings	As on 30th June 2012		
	No. of holders	% of Holding	No. of shares
Less than 100,000 Shares	2	0.04	60,000
100,001- 2,000,000 Shares	23	5.76	8,633,000
2,000,001- 4,000,000 Shares	5	10.58	15,875,000
4,000,001- 6,000,000 Shares	5	16.73	25,094,000
6,000,001- 8,000,000 Shares	13	61.41	92,118,000
8,000,001- Above Shares	1	5.48	8,220,000
	49	100	150,000,000

11.00 Revaluation Reserve

Revaluation Reserve has been created out by the amount of revaluation surplus of Land and Land Development by A.Wahab & Co Chartered Accountants on 30-06-2012. The Surplus arrived at over book value of land has been accounted for under " Revaluation Reserve".

Details are given below-

Book Value of Land & Land Development as on 30th June 2012

Revalued Amount as on 30th June 2012

Revaluation Surplus/ Revaluation Reserve

Amount
349,049,811
1,490,628,000
1,141,578,189

12.00 Tax Holiday Reserve

Amounts in Taka		
30th June 2012	30-06-2011 Restated	01-07-2010 Restated
-	-	169,088,918

The company was allowed tax holiday of CR Coil manufacturing unit for periods of five years from the date of commencement of commercial production i.e. 01, January 2005. vide National Board of Revenue's Order ref. 11(656) Anu-1/2005/483 dated 18-06-2005. The period of tax holiday of the company expired in 31st December 2009.

13.00 Retained Earnings

Balance brought forward	420,841,617	(43,390,376)	(265,343,253)
Add. Profit for the period	354,049,675	282,811,923	264,115,211
Add. Transferred from tax holiday reserve	-	169,088,918	-
Add Prior year adjustment for excess provision of tax	-	12,331,152	-
Less. Tax holiday reserve	-	-	(42,162,334)
Balance carried forward	774,891,292	420,841,617	(43,390,376)

14.00 Long Tern Borrowings

Name of Bank	30th June 2012		As on 30th June 2011 Restated	
	Due within one year	Due after more than one year	Due within one year	Due after more than one year
Southeast Bank limited	99,270,000	176,194,969	38,341,085	238,891,067
Mercantile Bank limited	66,000,000	183,920,768	60,843,390	212,497,511
NCC Bank limited	92,037,000	237,107,901	70,144,171	251,438,373
State Bank of India	45,364,275	17,708,452	23,559,646	48,866,816
Shahajalal Islami Bank ltd	10,382,591	-	17,258,883	-
Dhaka Bank limited	53,400,000	74,768,249	54,239,901	100,783,910
Eastern Bank limited	20,850,264	118,703,897	26,002,924	150,507,681
Jamuna Bank limited	25,440,000	2,100,877	18,327,414	21,641,102
Dutch Bangla Bank limited	35,485,713	50,457,417	26,823,465	74,230,178
Prime Bank limited	24,587,190	37,174,382	31,121,623	40,191,148
Mutual trust Bank limited	47,670,660	117,913,462	36,876,357	131,332,731
Phoenix Finance and Invest Ltd	18,664,032	25,343,572	5,784,784	42,492,358
BRAC Bank limited	15,324,000	17,444,844	17,780,422	23,228,101
Social Islami Bank limited	88,380,000	129,571,493	48,955,316	186,432,603
Uttara Bank limited	14,446,296	10,043,600	14,294,415	19,789,555
Premier Bank limited	33,924,000	67,546,546	27,726,957	88,897,906
IDLC	26,119,800	48,877,498	10,418,114	70,544,546
IFIC Bank Ltd.	-	-	-	-
First Security Bank Ltd.	-	-	-	-
Standard Chartered Ltd(Syd)	52,307,100	43,148,498	70,134,157	71,892,125
	769,652,921	1,358,026,425	598,633,024	1,773,657,711

This represent the present outstanding balances of the above term loans. The above loans are secured by personal guarantee of the director of the company and the pari passu sharing agreement between banks on fixed and floating assets of the company. The interest rate of this loans are varying from 13%-17%. The Payment of installment were being made regularly.

				Amounts in Taka		
15.00 Short Term Borrowings	30th June 2012	30-06-2011 Restated	01-07-2010 Restated			
Bank Asia Ltd	199,831,970	203,237,713	153,483,921			
Jamuna Bank Ltd	97,397,936	99,250,025	100,641,440			
Mutual Trust Bank Ltd	127,720,346	133,293,304	128,676,749			
Southeast Bank Ltd	573,075,207	625,386,157	613,787,728			
IFIC Bank Ltd.	345,493,371	-	-			
	1,343,518,830	1,061,167,199	996,589,838			
16.00 Bank overdraft	30th June 2012	30-06-2011 Restated	01-07-2010 Restated			
<i>This consist of the following:</i>						
AB Bank Ltd	-	-	324,766			
City Bank Ltd	-	-	885,914			
Exim Bank Ltd	-	-	42,654,365			
Bank Asia Ltd	-	2,364,483	-			
National Bank Ltd	168,405	2,863,535	-			
First Security Bank Ltd	-	-	13,825,178			
Sonali Bank Ltd	-	-	1,551,598			
	168,405	5,228,018	59,241,821			
17.00 Liabilities for Expenses						
<i>This consist of the following:</i>						
Audit fee	150,000	100,000	115,000			
Electricity	10,861,630	2,289,299	2,777,441			
Gas	5,790,611	5,595,212	2,242,243			
Salary and Allowances	5,081,164	5,454,400	4,465,317			
Mobile and Telephone Expenses	-	166,548	87,561			
Wages and Salary	1,577,418	1,791,527	1,577,418			
Telephone	615,847	1,343,397	56,768			
	24,076,670	16,740,383	11,321,748			
17.01 Salary, wages & allowance Payable						
The company pays salary & allowance on accrual basis i.e. current's month salary is accrued for the month and it is paid on following month. The accrued salary & allowances of Tk. 6,658,582 was payable for the month of June, 12 and subsequently it was paid in next month so at the date of signing of audit report above accrued salary & allowances and wages & salary has paid.						
18.00 Trade Creditors						
Party wise break down given below:						
AK Traders	1,654,022	351,384	194,134			
Mr.Jalil	1,002,137	2,782,100	2,155,000			
Kamal Hossain	902,230	-	(1,491,956)			
Vanish Chemical Industries	-	379,905	386,402			
	3,558,389	3,513,389	1,243,580			

19.00 Provision against Investments

Name of the company	Market value 30.06.2012	Book value as on 30.06.2012	Loss on Investment	Market value 30.06.2011
Share:				
Popular Life First Mutual Fund	2,850,000	5,000,000	2,150,000	4,000,000
	<u>2,850,000</u>	<u>5,000,000</u>	<u>2,150,000</u>	<u>4,000,000</u>

The Company made Provision for loss on Investment for the above difference in value.

				Amounts in Taka		
				30th June 2012	30-06-2011 Restated	01-07-2010 Restated
20.00 Provision for Bad Debts						
Opening balance	13,474,221	10,112,834	-			
Add. Addition made during the period	958,538	3,361,387	10,112,834			
Closing balance	<u>14,432,759</u>	<u>13,474,221</u>	<u>10,112,834</u>			
21.00 Provision for Income Tax						
Opening balance	204,527,209	60,692,348	-			
Provision made during the year	192,293,751	156,166,013	60,692,348			
	396,820,960	216,858,361	60,692,348			
Less: Prior year adjustment	-	12,331,152	-			
Adjusted/Paid during the year	48,361,196	-	-			
Closing balance	<u>348,459,764</u>	<u>204,527,209</u>	<u>60,692,348</u>			
22.00 Liabilities for Deferred Taxes						
This has been arrived as Under						
	As Per Accounts 30-06-2010	As Tax Base 30-6-2011	Temporary Difference			
Carrying Value Of Fixed Assets	1,180,630,850	739,268,058	441,362,792			
Less- Addition not included in Tax Base	(157,927,908)	-	(157,927,908)			
Net Temporary Difference	<u>1,022,702,942</u>	<u>739,268,058</u>	<u>283,434,884</u>			
Differed Tax Liabilities			<u>77,944,593</u>			

The company has decided to adopt policy of recognition of deferred tax in accordance with the Bangladesh Accounting Standard 12 (BAS-12). Deferred tax is provided using the liability method for temporary difference between the carrying value of Fixed assets as per accounts and corresponding income Tax written down value. Deferred Tax has been calculated based on inherent Income Tax Rate.

23.00 Net Turnover

Turnover is shown net of VAT.

4,998,531,483	4,820,320,983	4,701,086,562
4,998,531,483	4,820,320,983	4,701,086,562

4.00 Cost of Goods Sold

This has been arrived as under;

Work in process (opening)

Add: Raw Material Consumed Note- 24.01

656,448,726	869,786,590	909,143,815
4,544,973,461	3,456,959,988	3,572,267,239

Total Work in Process

Less: Work in Process (Closing)

5,201,422,187	4,326,746,578	4,481,411,054
800,086,655	656,448,726	869,786,590

Total Consumption

Add: Factory Overhead Note- 24.02

4,401,335,532	3,670,297,852	3,611,624,464
258,913,453	270,709,968	266,955,472

Cost of Production

Add: Finished Goods (Opening)

4,660,248,985	3,941,007,820	3,878,579,936
462,656,251	459,250,600	425,067,932

Finished Goods Available

Less: Finished Goods (Closing)

5,122,905,236	4,400,258,420	4,303,647,868
1,183,679,271	462,656,251	459,250,600

3,939,225,965	3,937,602,169	3,844,397,268
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Amounts in Taka

24.01 Raw Material Consumed

30th June 2012	30-06-2011 Restated	01-07-2010 Restated
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Opening Stock of Raw Materials

HR Coil

Zinc Ingot

Chemical

Spare parts

1,146,806,122	593,798,661	284,922,980
431,729,761	345,383,809	137,549,025
187,945,448	150,356,358	68,774,512
807,182	597,913	-
1,767,288,513	1,090,136,741	491,246,517

Add: Raw Material Purchased

HR Coil

Zinc Ingot

Chemical

Spare parts

3,180,784,380	3,378,969,499	2,630,471,252
742,375,819	736,163,156	1,237,583,839
178,817,609	18,979,105	303,102,372
7,158,602	-	-
4,109,136,410	4,134,111,760	4,171,157,463
5,876,424,923	5,224,248,501	4,662,403,980

Raw Material available for Consumption

Less: Closing Stock of Raw Materials

HR Coil

Zinc Ingot

Chemical

Spare parts

802,743,711	1,146,806,122	593,798,661
367,873,245	431,729,761	345,383,809
160,146,713	187,945,448	150,356,358
687,793	807,182	597,913
1,331,451,462	1,767,288,513	1,090,136,741
4,544,973,461	3,456,959,988	3,572,267,239

Raw Material Consumption

24.02 Factory Overhead

This consist of the following:

Depreciation

Electricity

102,151,825	111,801,141	121,352,677
48,266,305	44,673,084	48,690,575

Gas	28,863,038	29,161,350	29,083,645
Iftary Expenses	792,938	826,652	291,000
Insurance Premium	1,282,622	3,187,470	2,045,830
Other Production Materials	1,923,025	-	-
Labour and carrying charge	409,720	964,058	939,018
Medical Expenses	200,484	64,789	122,265
Repair and Maintenance	26,857,645	31,866,707	33,015,354
Salary and Allowances	18,004,860	12,318,444	10,162,493
Spares and Parts	-	5,105,790	3,026,193
Telephone	464,520	500,752	158,915
Wages and Allowances	29,696,471	30,239,731	18,067,507
	258,913,453	270,709,968	266,955,472

a) Salary and Allowance includes salary and allowances, bonus and leave pay.

b) Repair and Maintenance includes Factory maintenance, Forklift maintenance, Generator maintenance, Machinery maintenance, Boiler Machine maintenance, Factory building maintenance, Crane maintenance and Vehicle maintenance.

c) Electricity bill increased due to increased in production quantity and production continued in peak hours.

25.00 Administrative Expenses

This consist of the following:

	Amounts in Taka		
	30th June 2012	30-06-2011 Restated	01-07-2010 Restated
Audit Fee	324,500	100,000	115,000
AGM Expenses	219,536	-	-
Bond Stamp	39,900	57,855	36,585
Board Meeting Expenses	30,950	150,000	122,000
Business Development	5,295,780	2,528,329	3,725,628
Canteen Expenses	776,542	655,191	448,792
Consultancy	1,275,188	336,500	984,844
Conveyance	1,136,380	1,687,019	1,446,782
Director Remuneration	1,552,320	1,552,320	1,552,320
Depreciation	5,660,127	6,194,786	6,724,027
Donation	344,195	-	-
Electricity	389,240	291,911	324,650
Entertainment	2,074,032	2,252,993	1,229,745
Fees and Professional Charges	3,217,913	274,111	318,038
Foreign Expert Expenses	16,379	845,668	802,447
Foreign Tour	341,218	540,544	537,383
Gift & Presentation	283,560	-	-
Iftary Allowances	101,562	100,818	205,750
Legal Fee	2,075,591	1,418,750	537,912
License and Renewal Fee	200,720	725,311	193,856
Liveries and Uniform	210,954	287,967	192,339
Repair and Maintenance	4,581,060	5,731,255	3,183,712
Miscellaneous Expenses	4,000	644,578	394,939
Medical Expenses	128,008	71,927	62,592
Newspaper and Periodicals	36,338	27,082	27,471
Office Rent	1,575,000	1,575,000	3,143,983
Office Refreshment Expenses	389,155	240,946	205,646
Plantation	35,491	63,921	47,370
Postage and courier	22,563	26,569	38,375
Printing	346,424	141,600	144,852
Pre-IPO Expenses	1,266,083	-	-
Rent Rates and Taxes	725,702	735,799	545,194
Salary and Allowances	38,628,193	31,994,044	21,233,950
Stationery expenses	373,973	732,056	389,208
Telephone & Internet	975,321	2,613,529	2,903,876
Training Expenses	-	33,000	30,500
Traveling & Conveyance	484,910	-	-
Unallocated expenses	-	-	1,360,705
	75,138,808	64,631,379	53,210,471

Note: Salary and allowance includes salary and allowance, Bonus, overtime and Leave pay. Repair and Maintenance includes maintenance of air condition, maintenance of office and maintenance of vehicles. Fees & Professional Charge includes Professional fees, Fees & Fines, Renewal fees.

26.00 Selling and Distribution Expenses	Amounts in Taka		
	30th June 2012	30-06-2011 Restated	01-07-2010 Restated
This consist of the following:			
Advertisement	8,027,315	2,959,136	926,573
Bonus	176,217	722,488	651,247
Delivery charges	1,442,556	3,338,800	3,719,305
Entertainment	19,590	80,317	132,037
Other Expenses	2,648,859	7,057,028	8,521,960
Salary and Allowances	5,893,141	5,695,683	4,128,504
Sales promotion expenses	5,965,003	3,165,391	3,741,210
Bad debts	958,538	3,361,387	10,112,834
Telephone Expenses	82,792	231,003	145,769
	25,214,011	26,611,233	32,079,439

27.00 Financial Expenses	Amounts in Taka		
Bank Asia Ltd.	-	18,081,805	-
BRAC Bank Ltd.	5,328,171	6,720,892	7,779,042
Dhaka Bank Ltd.	20,702,438	24,905,853	28,597,288
Dutch-Bangla Bank Ltd.	13,341,487	15,209,640	132,694,942
Eastern Bank Ltd.	22,723,835	26,529,052	29,841,667
First Security Bank Ltd.	-	118,070	5,121,282
IFIC Bank Ltd.	-	9,294,803	18,848,778
IDLC	17,200,772	-	-
Jamuna Bank Ltd.	6,027,361	7,339,764	10,172,689
Mercantile Bank Ltd.	42,696,867	40,262,215	38,977,713
Mutual Trust Bank Ltd.	28,480,144	25,135,720	10,424,908
National Credit & Commerce Bank Ltd.	51,303,357	50,439,158	46,674,456
Phoenix Finance & Investment	5,067,968	19,633,628	10,113,456
Premier Bank Ltd.	18,070,497	18,431,392	19,286,721
Prime Bank Ltd.	9,960,801	11,303,772	12,428,935
Shahjalal Bank Ltd.	2,256,208	3,614,554	456,611
Standard Chartered Bank Ltd	13,004,435	-	-
Social Investment Bank Ltd.	31,409,574	34,058,989	13,464,957
Southeast Bank Ltd	46,682,817	46,142,233	46,886,653
State Bank of India	10,085,265	11,770,518	13,620,225
Uttara Bank Ltd.	4,350,910	5,112,313	6,163,637
Bank Charge	3,220,849	513,595	587,918
Bank guarantee commission	386,638	3,742,459	4,790,328
	352,300,394	378,360,425	456,932,206

28.00 Non Operating Income	Amounts in Taka		
Scrap sales and Others	14,214,755	26,862,159	10,340,381
Other Income-Interest Received	4,570,960	-	-
	18,785,715	26,862,159	10,340,381

29.00 Earning Per Share	Amounts in Taka		
	30th June 2012	30-06-2011 Restated	01-07-2010 Restated

The composition of earning per shares (EPS) is given below:

Earning per share (Taka) 2.36 2.80 6.14

a) Earning attributed during the year to the ordinary shareholdings Tk. 354,049,675 (2011: Tk. 282,811,923)

b) Weighted average number of ordinary shares at the close of business 150,000,000 (2011: 100,958,333)

30.00 Net Assets Value Per Share	Amounts in Taka		
Net Assets Value Per share	<u>22.78</u>	<u>19.03</u>	<u>12.92</u>

The composition of net assets value per share is given below:

a) Net Assets Value during the year Tk.3,416,469,481/- (2011:Tk. 1,920,841,617)

b) Weighted average number of ordinary shares at the close of business 150, 000, 000 (2011: 100, 958, 333)

31.00 Cash flow per share from operating activities
Cash inflow/ (outflow) per share
0.42
(2.96)
(3.35)

The composition of cash inflow/(outflow) value per share is given below

a) Operating cash inflow/outflow during the year Tk. 62,734,748/- 2011: Tk. (298, 816, 460)

b) Weighted average number of ordinary shares at the close of business 150,000,000 (2011: 100,958,333)

32.00 Related parties transaction

As per Bangladesh Accounting standards (BAS) 24 "Related party Disclosure" , Parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party is making financial and operating decision. APPOLLO ISPAT COMPLEX Ltd carried out transaction in the ordinary course of the business on an arm's length basis at commercial rate with is related parties. During the year, the company carried out transactions with related parties. The name of the related parties and nature of these transactions have been set out in accordance with the provisions of BAS-24. Related parties disclosure are given below:

Name of the parties	Relationship	Nature of	Outstanding value	Outstanding value
Phoenix Finance and Investments Ltd.	Common Shareholder	Term Loan	44,007,604	48,277,142
Phoenix Insurance Company Ltd.	Common Shareholder	Insurance	Nil	Nil
Eastern Dyeing and Calendaring Works Ltd.	Common Shareholder	Office Rent	Nil	Nil

33.00 Employees

The Company had 411 Permanent and 11 provisional employees as on 30 June 2012 (2011:492) and a varying number of seasonal and temporary workers (about 133) as required. The table given below shows the segregation of those employees.

Particulars	Permanent	Provisional	Total No of Employee	Below Basic Tk 3,000/-
Officer	97	9	106	-
Staff	104	2	106	27
Workers	211	-	211	32
	412	11	423	59

34.00 Capacity Utilization

 Installed Capacity
 Actual Equivalent production
 Capacity Utilizes

Amounts in Taka		
30th June 2012	30-06-2011 Restated	01-07-2010 Restated
85,000 M. Ton	85,000 M. Ton	85,000 M. Ton
50817 M. Ton	47,380 M. Ton	45,050 M. Ton
59.78%	55.74%	53%

35.00 Contingent Liabilities

Contingent Liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non occurrence of one or more uncertain future events which are not within the control of the company. The above claim has been made by the Customs & VAT Authority against the Company for Duties and VAT on Imported Raw Materials amounting to Taka 211,326,867. The Company filed writ Petitions against the said claim to the High Court Division which is awaiting hearing and final decision.

36.00 Material Commitment for Capital expenditure for NOF Project.

Particulars	L/C number	US Dollars	Amounts in Taka
Capital Machinery	BAL- 208411010011	2,500,000	187,500,000
Gas Plant	BAL- 208411010364	250,000	18,750,000
Over head Crane	BAL- 208411010363	151,841	11,388,075
Machinery for Galvanize line	BAL- 208411020037	2,250,000	168,750,000
		5,151,841	386,388,075

The above expenditure will be met from public offering otherwise from internal sources of the company and borrowing from banks. This machinery would be used in NOF Project. Shipment has already been started.

APOLLO ISPAT COMPLEX LIMITED
 Schedule of Property, Plant and Equipments
 As at 30th June 2012

Annexure-A
 Fig. in Taka

Category of Assets	Cost				Total Cost as at 30.06.2012	Rate %	Depreciation			Written Down Value as on 30.06.2012
	Balance as on 01.07.2011	Addition	Revaluation	V. Surplus			Balance as on 01.07.2011	Charge During the year	Disposal	
Land and Land Development	319,055,763	29,994,048	-	1,141,578,189	1,490,628,000	-	-	-	-	1,490,628,000
Plant and Machinery	1,708,399,434	59,092	-	-	1,708,458,526	10%	1,084,937,294	62,352,123	-	1,147,289,417
Factory Building	531,887,555	58,113,397	-	-	590,000,952	10%	224,923,739	31,910,786	-	256,834,525
Office Building	56,495,053	-	-	-	56,495,053	10%	19,963,622	3,653,143	-	23,616,765
Office Building (Rangs Bhaban)	43,940,516	-	-	-	43,940,516	10%	16,000,000	-	-	16,000,000
Factory Office Equipment	1,766,910	-	-	-	1,766,910	10%	509,513	125,740	-	635,252
Gas Generator	33,165,197	-	-	-	33,165,197	10%	9,002,221	2,416,298	-	11,418,518
Water Installation	6,653,542	128,409	-	-	6,781,951	10%	2,986,978	379,497	-	3,366,475
Telephone Installation	2,718,726	734,598	-	-	3,453,324	10%	1,452,731	200,059	-	1,652,790
Gas Installation	4,158,425	-	-	-	4,158,425	10%	2,142,655	201,577	-	2,344,232
Electric Installation	53,005,533	388,782	-	-	53,394,315	10%	19,315,108	3,407,921	-	22,723,029
Vehicle and Transport	14,739,571	1,300,000	-	-	16,039,571	10%	6,692,124	934,745	-	7,626,869
Tools and Equipment	14,954,813	167,025	-	-	15,121,838	10%	4,598,592	1,052,325	-	5,650,917
Office Equipment	3,444,972	359,810	-	-	3,804,782	10%	1,201,928	260,285	-	1,462,214
Furniture and Fixture	5,760,633	117,417	-	-	5,878,050	10%	3,013,139	286,491	-	3,299,630
Air Condition	5,083,110	88,900	-	-	5,172,010	10%	2,008,036	316,397	-	2,324,433
Other Assets	3,613,182	668,100	-	-	4,281,282	10%	1,135,633	314,565	-	1,450,198
Total: 2011-2012	2,808,842,935	92,119,578	-	1,141,578,189	4,042,540,702		1,399,883,313	107,811,952	-	1,507,695,265
Total: 2010-2011 (Restated)	2,721,365,769	87,477,166	-	-	2,808,842,935		1,281,887,386	117,995,927	-	1,399,883,313

A) Allocation of Depreciation

Factory overhead	102,151,825
Administrative overhead	5,660,127
Total	107,811,952

B) Addition to Non Oxide furnace (NOF) building Tk. 45,969,356 included in Factory Building. Depreciation has not been charged on the value of this assets because till now it is unused.

Appollo Ispat Complex Limited
Auditors' certificate regarding calculation of EPS and other ratios

We have examined the following earning per share (EPS) and other ratios of Appollo Ispat Complex Limited for the years ended 30 June 2012, 2011, 2010, 2009, and 2008 which have been produced by the management of the company to us. The preparation of the EPS and other ratios is the responsibility of the company's management. Our responsibility is to review them and certify as to whether they have been properly prepared using acceptable principles on the basis of the audited financial statements for the years ended 30 June 2012, 2011, 2010, 2009, and 2008.

Based on our review, we certify that the company has properly prepared the following EPS and other ratios using acceptable principles on the basis of audited financial statements for the years ended 30 June 2012, 2011, 2010, 2009, and 2008.

For the year ended	30-Jun-12	30-Jun-11	30-Jun-10	30-Jun-09	30-Jun-08
Liquidity ratios					
Current ratio	1.8	2.1	1.8	5.4	239.6
Quick (Acid Test) ratio	0.5	0.6	0.4	1.4	114.1
Times interest earned ratio	2.8	2.2	1.7	1.4	0.6
Debt to equity ratio	1.0	1.8	7.4	12.7	21.0
Operating ratios					
Accounts receivable turnover ratio (Times)	6.9	7.2	9.3	7.1	3.2
Inventory turnover ratio (Times)	1.2	1.4	1.6	1.6	2.1
Asset turnover ratio (Times)	0.7	0.9	1.0	0.9	0.8
Profitability ratios					
Gross profit margin	21.2%	18.3%	18.2%	17.2%	9.3%
Operating profit margin	19.2%	16.4%	16.4%	14.9%	7.0%
Net profit margin	7.1%	5.9%	5.6%	4.1%	-7.8%
Return on Assets (ROA)	4.8%	5.1%	5.6%	3.5%	-6.1%
Return on Equity (ROE)	10.4%	14.7%	47.5%	48.5%	-134.3%
Earning Per Share (Taka)	2.36	2.80	6.14	32.91	-46.87
Weighted No. Of Share	150,000,000	100,958,333	43,000,000	4,300,000	4,300,000

		Formula
Liquidity ratios	Current ratio	Current assets / Current liabilities
	Quick (Acid Test) ratio	(Current assets-Inventories-goods in transit)/Current liabilities
	Times interest earned ratio	(Net profit before interest expense + other income)/Net finance cost
	Debt to equity ratio	Total debt / Total equity
Operating ratios	Debtors turnover ratio	Net credit sales /net receivable
	Inventory turnover ratio	Cost of sales / (inventory +goods in transit)
	Asset turnover ratio	Turnover /total assets
Profitability ratios	Gross profit margin	Gross profit /Turnover
	Operating profit margin	Operating profit/Turnover
	Net profit margin	Net profit after tax/Turnover
	Return on Assets (ROA)	Net profit after tax/ total assets
	Return on Equity (ROE)	Net profit after tax/Total equity
	Earnings Per Share (Taka)	Net profit after tax attributable to ordinary shareholders/ Number of ordinary shares outstanding

**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 Appollo Ispat Complex Limited for the years ended 30 June 2012, 2011, 2010, 2009 and 2008. In pursuance of Section-135 (1) and Para-24 (1) of Part-II of Schedule-III of the Companies Act 1994, we report that:

A) The statement of assets and liabilities of the company was as under

For the year ended	Restated				
	30-Jun-12 Taka	30-Jun-11 Taka	30-Jun-10 Taka	30-Jun-09 Taka	30-Jun-08 Taka
Non-Current Assets					
Property, plant and equipments	2,534,845,438	1,408,959,622	1,439,478,383	1,509,346,490	1,149,220,140
Property, plant and equipments Cost	4,042,540,702	2,808,842,935	2,721,365,769	2,663,157,171	2,134,022,473
Less: Accumulated depreciation	1,507,695,265	1,399,883,313	1,281,887,386	1,153,810,681	984,802,333
Deferred Exp		-	-	1,360,705	1,511,894
Investments	106,500,000	106,500,000	106,500,000	-	-
Total Non-Current Assets	2,641,345,438	1,515,459,622	1,545,978,383	1,510,707,195	1,150,732,034
Current Assets					
Inventories	3,315,217,388	2,886,393,490	2,419,173,931	1,825,458,264	1,131,221,763
Trade debtors	721,637,949	673,711,027	505,641,710	490,679,406	819,676,783
Advances and deposits	383,385,149	275,136,005	163,663,424	110,727,870	127,432,579
Advance income tax	235,378,519	189,884,632	68,805,935	47,308,372	54,600,198
Cash and cash equivalents	61,493,794	58,197,995	38,562,270	25,531,646	26,055,555
Total current Assets	4,717,112,799	4,083,323,149	3,195,847,270	2,499,705,558	2,158,986,878
Total Assets	7,358,458,237	5,598,782,771	4,741,825,653	4,010,412,753	3,309,718,912
Equity & Liabilities					
Shareholders' equity					
Share capital	1,500,000,000	1,500,000,000	430,000,000	430,000,000	430,000,000
Retained earnings	774,891,292	420,841,617	(43,390,376)	(265,343,253)	(406,873,146)
Revaluation Reserve	1,141,578,189	-	-	-	-
Tax holiday reserve			169,088,918	126,926,584	126,926,584
Total shareholders' equity	3,416,469,481	1,920,841,617	555,698,542	291,583,331	150,053,438
Non-Current liabilities					
Term Loan - Long Term Portion					
Long term borrowings	1,358,026,425	1,773,657,711	2,372,290,736	3,251,772,007	3,150,654,619
Current liabilities					
Short term finance	1,343,518,830	1,061,167,199	996,589,838	451,644,775	-
Bank Overdraft	168,405	5,228,018	59,241,821	-	-
Liabilities for expense	24,076,670	16,740,383	11,321,748	14,369,140	9,010,855
Current Portion of Long Term Loan	769,652,921	598,633,024	674,634,206	-	-
Provision against Investment	2,150,000	1,000,000	-	-	-
Provision for Income tax	348,459,764	204,527,209	60,692,348	-	-
Trade creditors	3,558,389	3,513,389	1,243,580	1,043,500	-
Liabilities for Deferred Taxes	77,944,593				
Provision for Bad Debt	14,432,759	13,474,221	10,112,834	-	-
Total current liabilities	2,583,962,331	1,904,283,443	1,813,836,375	467,057,415	9,010,855
Total equity and liabilities	7,358,458,237	5,598,782,771	4,741,825,653	4,010,412,753	3,309,718,912

B) The statement of operating results of the company was as follow

For the year ended	30-Jun-12	30-Jun-11	30-Jun-10	30-Jun-09	30-Jun-08
	Taka	Taka	Taka	Taka	Taka
Turnover	4,998,531,483	4,820,320,983	4,701,086,562	3,491,389,195	2,600,346,610
Cost of sales	3,939,225,965	3,937,602,169	3,844,397,268	2,891,790,902	2,358,410,728
Gross profit	1,059,305,518	882,718,814	856,689,294	599,598,293	241,935,882
Administrative expenses	75,138,808	64,631,379	53,210,471	65,640,944	51,601,619
Selling and distribution expenses	25,214,011	26,611,233	32,079,439	13,195,403	9,511,787
Profit from operation	958,952,698	791,476,202	771,399,384	520,761,946	180,822,476
Financial expense	352,300,394	378,360,425	456,932,206	395,914,458	492,308,554
Net profit from operation	606,652,304	413,115,777	314,467,178	124,847,488	(311,486,077)
Non operating income	18,785,715	26,862,159	10,340,381	16,682,405	109,956,363
Net profit before provisions	625,438,019	439,977,936	324,807,559	141,529,893	(201,529,714)
Provision against Investment	1,150,000	1,000,000	-	-	-
Net profit before tax	624,288,019	438,977,936	324,807,559	141,529,893	(201,529,714)
Provision for income tax	192,293,751	156,166,013	60,692,348	-	-
Defere Tax Liabilities	77,944,593				
Net profit after tax	354,049,675	282,811,923	264,115,211	141,529,893	(201,529,714)

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

For the year ended	30-Jun-12 Taka	30-Jun-11 Taka	30-Jun-10 Taka	30-Jun-09 Taka	30-Jun-08 Taka
Cash flow from operating activities					
Cash receipts from customers	4,950,604,561	4,652,251,666	4,686,124,258	3,929,603,361	3,387,323,558
Cash receipts from Others Income	18,785,715	26,862,159	10,340,381	16,682,405	-
Payment to suppliers and others	(4,109,091,411)	(4,358,974,594)	(4,248,437,89)	(3,429,300,708)	(3,173,361,868)
Tax paid	(48,361,196)				
CashPayment for operating expenses	(749,202,921)	(618,955,691)	(669,627,344)	(541,136,432)	(243,071,826)
Net cash generated/(used) from operating activities	62,734,748	(298,816,460)	(221,600,597)	(24,151,374)	(29,110,137)
Cash flow from investing activities					
Acquisition of fixed assets	(92,119,578)	(87,477,166)	(58,208,598)	(529,134,698)	(136,410,651)
Investment		-	(106,500,000)	-	-
Net cash generated/(used) from investing activities	(92,119,578)	(87,477,166)	(164,708,598)	(529,134,698)	(136,410,651)
Cash flows from financing activities					
Proceed from issue of share capital		1,070,000,000	-	-	-
Increase/Decrease in bank overdraft	(5,059,613)	(54,013,803)	59,241,821	-	-
Proceeds from short term borrowing	282,351,631	64,577,361	544,945,063	-	-
Repayment of long term borrowing	(244,611,389)	(674,634,207)	(204,847,065)	552,762,163	184,630,507
Net cash generated/(used) from financing activities	32,680,629	405,929,351	399,339,819	552,762,163	184,630,507
Net increase /decrease in cash and cash equivalents (a+b+c)	3,295,799	19,635,725	13,030,624	(523,909)	19,109,720
Cash and bank balances at beginning of period	58,197,995	38,562,270	25,531,646	26,055,555	6,945,835
Cash and bank balances at end of period (D+E)	61,493,794	58,197,995	38,562,270	25,531,646	26,055,555

D) Dividend

The company's data relating to dividend is as follows:

	30-Jun-12	30-Jun-11	30-Jun-10	30-Jun-09	30-Jun-08
Cash Dividend Not Yet Declared		-	-	-	-
Stock dividend Not Yet Declared		-	-	-	-

E) The company was incorporated as a private company limited by shares under the Companies Act, 1994 on December 31, 1994, Subsequently it was converted to " Public Company" limited by share vide special resolution passed in the extra ordinary general meeting held on March 30,2010. The share of the Company is denominated from Tk. 100/- to Tk. 10/- at March 30,2010.

F) The company has no subsidiary company.

G) No proceeds or part of proceeds of the Issue of Shares were applied directly or indirectly by the Company in the purchase of any other business.

H) The company did not prepare any account for any period subsequent to 30 June 2011.

I) Figures related to previous years have been rearranged where considered necessary.

Dhaka, 01 October, 2012

A.Matin & Co.
 Chartered Accountants

Auditors Disclosure:

- Quantity-wise schedule of inventory as per requirement of Schedule XI, Part II of the Companies Act, 1994 is not provided. Disclose information regarding such inventories (mentioning quantity of each item) as per requirement of Schedule XI of the Act;

Auditors clarification:
Item wise schedule of inventory as under:

	<u>Unit (MT)</u>	<u>Amount (BDT)</u>
Stock of Raw Material:	14,069	1,331,451,462
HR Coil	11,350	802,743,711
Zinc Ingot	1,803	367,873,245
Chemical & Spare Parts	916	160,834,506
Work in Process :	9,654	800,086,655
Ungalvanized Coil	3,862	299,802,655
Galvanized Coil	5,792	500,284,000
Finished Goods-CI Sheet	12,907	1,183,679,271

- Please provide aging of accounts receivable as per companies act 1994 and also provide subsequent realization of account receivables with name-wise schedule;

Auditors clarification:

These are considered good; No amount is due from any directors or related parties.

Aging schedule as given below:

Dues upto 6 months	62,40,00,335	58,25,57,925
Dues above 6 Months	<u>9,76,37,614</u>	<u>9,11,53,101</u>
	72,16,37,949	67,3,711,027

Regular transactions are being done with all these parties. Subsequently an amounting Tk. 559,894,002/- from July'12 to September'12 was realized.

Party wise schedule is attached per Annexure-1.

- Disclose details of accounts payable whether there is any related party transactions as per BAS-24;

Auditors' clarification:

These are unsecured, payable within one year and there is no related party transaction. Name wise details have already been shown in the Notes-18 of the Submitted Financial Statement on 2011-2012.

- It appears from note No. 3 to the financial statements for the year ended on June 30, 2012 that office building situated at Rangs Bhaban was demolished by RAJUK which now is not in existence. It is not clear as to how such demolished asset(Office space at Rangs Bhaban) has been shown as fixed asset in the Balance Sheet as well as not inclusion of such loss in the Financial Statements;

Auditors clarification:

The Company purchased a commercial space measuring 10,653 sft and we are claiming that basis on the 7th floor and parking space for 9 (nine) cars each measuring 300sft approximately with proportionate, undivided and under marketed land at Rangs Bhaban, 113-116 Old Airport Road, Dhaka at a cost of Tk. 43,940,516/-. The said Rangs Bhaban was demolished by RAJUK on 03-07-2007, under an order/judgment of Appellate Division of the Hono. Supreme Court of Bangladesh. Against this the company filed a Money Suit No. 13/2009 in the Court of District Judge, Dhaka for Tk. 284,600,366/- claiming for loss of property, loss of valuable belonging to the company, business loss and for loss of reputation. The money suit is under trial.

Since it has been carried in the Financial Statement since 2007-2008 and the status had been disclosed in the Notes-3 of the Financial Statement. Therefore we did not think it appropriate to be qualified in the audit report for the year under review.

- It appears from note No. 5 to the financial statements for the year ended on June 30, 2012 that investment in quoted mutual fund has been shown at cost price, but it is not clear as to why market price of such investment is not disclosed as per BAS-25;

Auditors clarification:

Market price has been considered in this regard appropriately and the provision for investment loss is being provided in the Income Statement and Statement of Financial position in this regard each year and is being consistently followed, this has been disclosed in Note-19 in the Financial Statement.

- Transfer of tax holiday reserve to retained earnings is not clear to us;

Auditors' clarification:

As per provision of Income Tax Ordinance 1984, The Company's Tax holding for five years was expired on 31st December, 2009. As per provisions of Income Tax Ordinance 1984 the company had to invest 30% profit in the industry. Accordingly the company made required investment. Since the tax holding period is over Tax Holiday reserve has been transferred to retained earnings. The company complied with provisions of Income Tax Ordinance 1984.

- It is not clear as to why all types of fixed assets have not been revalued as per BAS-16;

Auditors' clarification:

As per BAS-16 para 37 that it is permitted to revalue any particular class of the fixed assets. So, in this regard the company revalued Land and Land Development class of fixed assets only.

- It appears from note No. 14 to the financial statements for the year ended on June 30, 2012 that Appollo Ispat Complex has long term borrowings of Tk.212,76,79,346.00, but no disclosure is made with regard to mortgage against such loan. Disclosure also need in respect of separate classification of such loan such as term loan, syndicate loan, lease facilities and other term loan;

Auditors' clarification:

Details disclosure on the above Loan has been in Annexure-2

9. It appears from note No. 15 to the financial statements for the year ended on June 30, 2012 that Appollo Ispat Complex has short term borrowings of Tk. 134,35,18,830.00, but no disclosure is made for such a huge loan. Bank wise disclosure mentioning loan limit, security/collateral of such loan, interest rate etc are need to be mentioned;

Auditors' clarification:

Details disclosure on the above Loan has been in Annexure-3

10. Disclose year-wise break-up of interest charged on different banks loan, capitalization of loan interest and interest charged as financial expenses on the income statement;

Auditors' clarification:

No interest has been capitalized. And the details Bank wise Financial Expenses has been shown in the Notes-27 of the Financial Statements.

11. EPS as shown on the face of the income statement for the year ended on June 30, 2012 is not in line with rule 8.B.(20)(h) of the 'Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2006;

Auditors' clarification:

Since the revenue of the company is generated evenly throughout the year, so, there is no chance of substantial ups and downs in EPS of quarterly or half yearly. So, there is no effect of quarterly or half yearly EPS on annual EPS.

12. EPS and Net Profit is not shown on the face of the income statement for the year ended on June 30, 2012 as per requirement of rule 8.B.20(g) of the 'Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2006;

Auditors' clarification:

The company's EPS calculation is shown under:

	<u>30-06-2012</u>	<u>30-06-2011</u>
Earnings Per Share (Weighted Average)	2.36	2.80
Fully Diluted EPS	2.36	1.89
EPS from Recurring Income (Weighted Average)	2.24	2.53
EPS from Recurring Income (Fully Diluted)	2.24	1.71
EPS from Non-Recurring Income (Weighted Average)	0.12	0.27
EPS from Non-Recurring Income (Fully Diluted)	0.12	0.18

13. It appears from note 8.02 to the financial statements for the year ended on June 30, 2012 that the company has given advance of taka 7,61,12,750.00 against land purchase, which is not clear to us; please mention details of such advance including date of advance, total value of land, current status and also disclose the matter in the draft prospectus;

Auditors clarification:

Details of advance against Land is given below:

Sl. No.	Decimal	Agreed Amount	Paid	Remarks
1	30	19,300,000	19,180,000	Total Tk. 7,891,000/- is due to a single vendor and Registration is under process.
2	21	19,750,000	19,589,000	
3	48	27,360,000	26,000,000	
4	33	13,750,000	7,500,000	
5	14.75	150,000	150,000	Title deed completed but Mutation is under process.
6	5.1	3,693,750	3,693,750	Title deed completed but Mutation is under process.
	151.85	76,112,750	84,003,750	

14. It appears from the Cash flow Statement and Auditors' report under Section-135 that the company has been running with negative cash flows from operating activities for four consecutive years i.e. from the year 2007-2008 to 2010-2011 which is a threat for the company to continue as a going concern. Justify your position and give auditors' explanation regarding the matter;

Auditors' clarification:

The nature of the business demand instant payment to supplier while the company receives the LC document but the company cannot raise the cash from customer as it is paid to the supplier. Besides, company taking up the modern unit NOF-new project have been involving bigger amount of investment to that effect. But now the debtors' turnover is reducing and some credit facilities are being availed from the regular supplier. As a result Operating cash flow became positive in the financial year 2011-2012.

In near future, the turnover of the company would reach a commendable figure by availing the NOF- New Project. As such, we do not find any threat of going concern neither in short term and long term.

15. It appears from Auditors' Certificate regarding calculation of EPS and other ratios that most of the ratios as on June 30, 2008 showed abnormal figure which is not clear to us. Justify your position and give auditors' explanation regarding the matter;

Auditors' clarification:

In 2007-08, current liabilities consist of only liability of Exp. and there is no other substantial amount regarding Current Liabilities but Current Assets are substantial larger than the Current Liabilities. So, Current Ratio and Quick Ratio shows an abnormality. On the other hand due to operating loss, all 'Return' related ratios are negative.

16. Please provide additional disclosure whether there is any related party transactions in trade creditors as per BAS-24;

Auditors' clarification:

These are unsecured, payable within one year and there is no related party transaction. Name wise details have already been shown in the Notes-18 of the Submitted Financial Statement on 2011-2012.

Annexure-1

**Sundry Debtors
Party Wise Balance
1-July-2011 to 30 - June 2012**

Name	District Name	Amount
PABNA		
ACME Traders	Pabna	701,476.00
Aminul & Co.	Pabna	4,609,486.00
Aysha Trading	Pabna	158,835.00
Babu & Brothers	Pabna	(349,246.00)
Babul Traders	Pabna	1,841,728.00
Badsha Mollah	Pabna	149,370.00
Dewan Bagi Traders	Pabna	(100,010.00)
Haque Traders	Pabna	24,500.00
Jahirul Islam	Pabna	(4,997,773.98)
Kazi Tahirul Islam	Pabna	2,576,263.00
Mollah & Sons	Pabna	(586,799.97)
Mollah Traders	Pabna	(234,040.00)
Mondal & Brothers	Pabna	482,276.00
Nripoti Shaha	Pabna	217,429.00
Prottay Traders	Pabna	(50,000.00)
Sahanara Trading	Pabna	(900,000.00)
Shahanara Trading	Pabna	743,658.00
Sunrise Traders	Pabna	555,664.00
Sub Total		4,842,815.05

Name	District Name	Amount
BOGRA		
A. Kuddus & Brothers	Bogra	54,795,289.00
A. Quddus & Brothers	Bogra	(26,030,078.73)
A. Salam & Sons	Bogra	6,898,268.00
A. Samad Sarder	Bogra	8,983,725.68
A.B Siddik	Bogra	22,371,244.93
A.B. Traders	Bogra	(1,922,422.00)
Anisar Rahman	Bogra	(26,218,493.96)
Anowarul Islam	Bogra	(11,238,100.00)
Anwarul Islam Nantu	Bogra	11,255,450.00
Arifur Rahman	Bogra	18,260,546.49
Ataur Rahman	Bogra	306,034.00
Azizul Haque	Bogra	(13,741,667.50)
Bina Pani Store	Bogra	(90,300.00)
Fahim Enterprise	Bogra	7,210,194.00
H R Traders	Bogra	(810,179.00)
Mahfuz & Brothers	Bogra	10,073,422.16
Quddus & Brothers	Bogra	(2,208,992.00)
Roshid Traders	Bogra	(1,442,843.00)
Salam & Sons	Bogra	5,052,666.00
Samad Sarder	Bogra	(5,429,990.00)
Satata Traders	Bogra	(1,842,187.00)
Zahidur Rahman Bitu	Bogra	30,353,650.00
Sub Total		84,585,237.07

Name	District Name	Amount
NILFAMARY		
Akml Traders	Nilfamary	920,409.00
Beauty Store	Nilfamary	(51,700.00)
Gupto Traders	Nilfamary	(2,405.00)
Iddris Traders	Nilfamary	1,388,244.00
Nice Traders	Nilfamary	(1,370,371.00)
Rustum & Sons	Nilfamary	3,470,214.00
S.S Trading	Nilfamary	8,453,634.21
Sudip Chandra Shaha	Nilfamary	302,725.00
Sukhima Hardware	Nilfamary	199,686.00
Tin Bitan	Nilfamary	925,643.00
Sub Total		14,236,079.21

Name	District Name	Amount
DHAKA		
A C S Engineeers	Dhaka	(21,750.00)
A Hamid Miah	Dhaka	(65,916.00)
A K Enterprise	Dhaka	(117,845.00)
A. Jabbar & Sons	Dhaka	(208,716.00)
A.B.R Spinin Mills	Dhaka	(30.00)
A.K.M. Mahfuzul Haque	Dhaka	(68,685.00)
Abdul Hamid Miah	Dhaka	(172,100.00)
Abdur Rahman	Dhaka	(2,672,933.00)

Abul Hasan	Dhaka	10,822.00
Aktarul Haque	Dhaka	1,050.00
Alamgir (Kamal)	Dhaka	(55.00)
Al-Rashid Enterprise	Dhaka	(3.00)
Al-Sams	Dhaka	(50,009.00)
Amin Enterprise	Dhaka	592,414.00
Amin Steel Corporation	Dhaka	(8,000.00)
An Noor Mozzid Com	Dhaka	2,000.00
Asad Enterprise	Dhaka	(320,500.00)
Ashraf uddin	Dhaka	(43,667.00)
Asma Akter	Dhaka	(195.50)
Azmiri Steel	Dhaka	716,151.00
Basumis Business Line	Dhaka	134,495.00
Bazlur Rahman	Dhaka	(4.00)
Bismillah Traders (Demra)	Dhaka	(415,804.00)
Borthers Eng.	Dhaka	117,095.00
Bosunia Business Line	Dhaka	(164,495.00)
Brac Center	Dhaka	(33,382,720.75)
Byajid Hossain Sujon	Dhaka	(500,000.00)
Chand Miah Traders	Dhaka	(857,700.00)
Chand Miah Trading	Dhaka	553,300.00
Chemica Trading Corporation	Dhaka	22,404.48
Chemotex (Armanitoal)	Dhaka	(83,379.00)
Chittagong Hardware	Dhaka	(16,000.00)
Colonel Dowla	Dhaka	(504.00)
Concern Worldwide	Dhaka	7,755,185.80
Deen Mohammad	Dhaka	(96,996,696.00)
Dhaka Insulation Com.	Dhaka	(18.00)
Dohor Chemical	Dhaka	17,209.00
Dulal Miah	Dhaka	(12,942.00)
Eastern Cement Industirs	Dhaka	125,614.00
Eastern Dying	Dhaka	248,025.00
F.M Steel House	Dhaka	89,333.00
Faizul Ulum Madrasha	Dhaka	4,300.00
Farid Ahmed	Dhaka	(1,869,953.00)
Farid Ahmed (Appollo Staff)	Dhaka	11,664.00
Gopal Chandro Shaha	Dhaka	1,250.00
Green Markeing	Dhaka	55.00
Habibur Rahman	Dhaka	(14,871.00)
Habitat for Hamanity	Dhaka	(9,782,799.70)
Hafizul Enterprise	Dhaka	(464,560.00)
Hamid & Sons	Dhaka	(25,000.00)
Harun Shaheb	Dhaka	4.00
Hazi Anser Ali	Dhaka	26,780.00
Hazi MA Gafur	Dhaka	96,170.00
Hazi Md. Gulam Mustafa(Demra)	Dhaka	(96,170.00)
Hazi. A. Rahman	Dhaka	(55.00)
Hossain Brothers	Dhaka	(50,000.00)
Ibrahim Traders	Dhaka	9,990.00
Islam Traders	Dhaka	139,053.00
Islamic Relief.	Dhaka	33,111,620.00
Jaman & sons	Dhaka	(12,250.00)
Jamanm & Hassan Enterprise	Dhaka	2,790,358.00
Jony trading	Dhaka	(62,037.00)
Jubbar Enterprise	Dhaka	98,137.00
Julhas Mia	Dhaka	1.00
Kachpur Jame Mosque.	Dhaka	(1.00)
Kamrul Hassan	Dhaka	32.00
Kamrul Islam	Dhaka	(34.00)
Kawser Mridha	Dhaka	1.00
Khadiza Iron Store	Dhaka	1,506.00
Khandakar Hardware	Dhaka	(51.00)
Khurshed Alom	Dhaka	(11,902.00)
L.K. Transport	Dhaka	(50,000.00)
Lamiya Enterprise	Dhaka	(10,500.00)
Logisticion Soldarites	Dhaka	25,545,051.75
Lt.C.L.Jahir Hossain	Dhaka	1,000.00
M A Khalek	Dhaka	137,317.00
M O A Swater	Dhaka	(6.00)
M.A. Majid	Dhaka	16,440.00
M.I.Steel Corporation	Dhaka	2,368,772.00
M.K. Traders	Dhaka	(55,275.00)
M.S. Hafizul Enterprise	Dhaka	464,560.00
Maks Trading Ltd	Dhaka	77,747,500.00
Maradin Packaging Ltd.	Dhaka	(57,863.00)
Mayer Doa Enterprise	Dhaka	(1,287,275.00)
Mazharul Islam	Dhaka	135.00
Maznu miah	Dhaka	(18,690.00)
Md. A Ariz	Dhaka	(1,578.00)
Md. Abdur Rahman	Dhaka	104,668.00
Md. Abdur Rahman F Staff	Dhaka	29,565.00
Md. Abul Hasan	Dhaka	(23,100.00)
Md. Amjad Hossain	Dhaka	4,704.00
Md. Anwer Hossain Staff	Dhaka	(1,000.00)
Md. Ashraf uddin	Dhaka	43,667.00
Md. Babul hossain	Dhaka	(82,004.00)
Md. Bazlur Rahman	Dhaka	(267,074.00)
Md. Belal Hossen	Dhaka	81,956.00
Md. Delouar Hossain	Dhaka	(13.00)
Md. Dulal Miah	Dhaka	10,093.00
Md. Enayet Haque	Dhaka	29,436.00
Md. Faruk	Dhaka	(501.00)
Md. Giasuddin Khan	Dhaka	(10.00)
Md. Habibur Rahman	Dhaka	14,860.00
Md. Hafiz	Dhaka	10,001.00
Md. Jaforullah Asulia	Dhaka	47,275.00
Md. Jalal Uddiin	Dhaka	18,157.00
Md. Kabir Hossain	Dhaka	7,097.00

Md. Khalik	Dhaka	(137,325.00)
Md. Khoka Mridha Demra	Dhaka	(8.00)
Md. Khorshe Alom	Dhaka	11,902.00
Md. Lokman	Dhaka	(331,000.00)
Md. Mahfuzul Haque	Dhaka	6,468.00
Md. Mahmudur Rahman	Dhaka	15,014.00
Md. Masud Khandokar	Dhaka	62,216.00
Md. Mizanur Rahaman	Dhaka	73,898.00
Md. Mofiz Hossain	Dhaka	(21,919.00)
Md. Mohosin Sphani	Dhaka	(65.00)
Md. Mohosin Staff	Dhaka	(56,400.00)
Md. Monir Hossain	Dhaka	(115,062.00)
Md. Mosaddeque Hossain	Dhaka	991,103.00
Md. Mozibur Rahman	Dhaka	40,929.00
Md. Munirul Islam	Dhaka	(14.00)
Md. Nasiruddin	Dhaka	29,287.00
Md. Nazmul Ahsan	Dhaka	(17.00)
Md. Nazrul (F Staff)	Dhaka	191,377.25
Md. Noor Hossain	Dhaka	52,961.00
Md. Nurul Haque	Dhaka	(262,327.00)
Md. Nurul Islam	Dhaka	0.34
Md. Rahamatullah	Dhaka	(107,928.00)
Md. Salam Mia	Dhaka	61,574.00
Md. Salim miah	Dhaka	(21,574.00)
Md. Samad Ullah	Dhaka	(84,840.00)
Md. Samsuzzaman	Dhaka	19,738.00
Md. Shafiq	Dhaka	(30,672.00)
Md. Shahajan Kabir Demra	Dhaka	14,852.00
Md. Shahidul Islam	Dhaka	(5.00)
Md. Shukur Miah	Dhaka	(33.00)
Md. Zafarullah	Dhaka	(36,293.00)
Md. Zahir	Dhaka	36.00
Md. Zakir Hossen	Dhaka	6.00
Md. Zayed	Dhaka	40,210.00
Md. Ansar Ali	Dhaka	(564,788.00)
Milon Traders	Dhaka	181,187.00
Mirpur Ceramic	Dhaka	(112.00)
Mirza Suddin Beg & Sons	Dhaka	650,500.00
Mizanur Rahaman	Dhaka	(62,857.00)
Mofiz Sikder	Dhaka	(501,455.50)
Mohammad Ali	Dhaka	137,229.42
Mohammad Ansar Ali	Dhaka	3,038.00
Moklesur Rahaman	Dhaka	82.00
Mokter Mridha	Dhaka	(99,489.00)
Mol. Nasiruddin Sarker	Dhaka	(29,287.00)
Mondal Traders	Dhaka	895,603.00
Monir Hossen	Dhaka	21,458.00
Moriom	Dhaka	(102,334.00)
Moshiur Rahman	Dhaka	638,590.00
Mowlovi Traders	Dhaka	1,616,500.00
Mr. Maznu Miah	Dhaka	18,690.00
Mr. Muzahid	Dhaka	151,905.00
Mr. Samsuddin Ahmed Dhali	Dhaka	122,950.00
Mr. Samsuzzaman	Dhaka	23,364.00
Mrs. Atia Khanom	Dhaka	1.00
Mrs. Moriam	Dhaka	41,850.00
Mukter Hossain	Dhaka	155,832.00
Muslim Aid-Uk	Dhaka	80,091,391.90
Muzahid	Dhaka	(151,905.00)
N Alam Enterprise	Dhaka	(7,407,812.22)
N.K. Bhowmik	Dhaka	1,537.00
Narendra Nath Pal	Dhaka	(899,718.00)
Nazim Hossain	Dhaka	1,624,998.00
Nazrul Islam	Dhaka	15,931.00
New Popular Store	Dhaka	1,229,150.00
Niki Dyeing & Printing	Dhaka	(1,535.00)
Nirman Enterprise	Dhaka	450,000.00
Nirmata	Dhaka	(45,780.00)
Nizamudding Enterprise	Dhaka	(1,294,800.00)
Noor .Steel	Dhaka	472,508.00
Noor -E-Alom	Dhaka	(1.00)
Noor Hossain	Dhaka	(52,961.00)
Norshingdi Steel	Dhaka	411,871.00
Nova Poultry Ltd.	Dhaka	330.00
Nurul Haque	Dhaka	(32,849.00)
Nurul Islam	Dhaka	(151,330.00)
Obit Trade Network	Dhaka	123,800,000.00
Patrick Elliot Shelter Delegate4	Dhaka	31,826,763.00
Phoenix Finance & Industries Ltd	Dhaka	2,346,494.00
Phonix Insurance Company Ltd.	Dhaka	(3,234,635.00)
Polash Enterprise	Dhaka	334,631.00
Probir Kumar	Dhaka	3,000.00
Quazi Brothers	Dhaka	(5,000.00)
R K Enterprise	Dhaka	110,475.00
R.S.L Chemical	Dhaka	628,723.00
Rabin Enterprise	Dhaka	29,955.00
Rahim Metal Jame Mosq	Dhaka	(897.00)
Rahman Enterprise	Dhaka	(8,404,681.00)
Rahmat Ullah	Dhaka	107,928.00
Rainbow Printing & Packaging	Dhaka	(1.00)
Raju Ahmed	Dhaka	4,957,772.00
Rangs Electronics	Dhaka	(32.00)
Rashedul Enterprise (Bolta)	Dhaka	670,810.00
Raton	Dhaka	(166.00)
Razu traders	Dhaka	(5,775,800.00)



Razzak & Sons	Dhaka	300.00
RDRS Bangladesh	Dhaka	100,152,702.72
Renwick Jajneswar & Co. (BD) Ltd.	Dhaka	6,800,500.00
Rima Enterprise	Dhaka	177,725.00
Rubi Enterprise	Dhaka	(80.00)
S.I Trading	Dhaka	(330,000.00)
S.J. Trading	Dhaka	257,400.00
S.K. Abul Hossain	Dhaka	150,702.00
S.R. Enterprise	Dhaka	2,181,073.00
S.R. Trading	Dhaka	(665,770.00)
Saber	Dhaka	7,268,623.13
Saiful Islam	Dhaka	(98.00)
Saim Trading Corporation	Dhaka	(13.00)
Samad Hardware Bangladesh Ag.	Dhaka	319,108.00
Samd Ullah	Dhaka	84,929.00
Samsuddin Miah & Asso	Dhaka	(618,379.99)
Save the Children	Dhaka	84,029,591.80
Sayed Mizanur Rahaman	Dhaka	62,857.00
Sayed Traders	Dhaka	490,275.00
Shabahan Farmas	Dhaka	354,893.00
Shafiqul Islam	Dhaka	30,582.00
Shaiful Islam	Dhaka	(600.00)
Shajalal	Dhaka	(24,860.00)
Shamsuj Zaman	Dhaka	(23,364.00)
Shoyeb & Borthers	Dhaka	(140,251,168.00)
Shumon Bhuyan	Dhaka	112,306.00
Solidarties, Gulshan-2	Dhaka	(3,217,009.00)
Steel Bitan	Dhaka	(100,000.00)
Subecha Banijjalay	Dhaka	(36,900.00)
Subhan	Dhaka	(2,100.00)
Sumon	Dhaka	(3,000.00)
Sumon Bhuyan	Dhaka	112,306.00
Syed Amirul Haque	Dhaka	26,200.00
Tania Enterprise	Dhaka	760,910.00
Tanveer Paper Mills Ltd.	Dhaka	660,920.00
Tanvie Elahi Muslim Aid-Uk	Dhaka	59,972,471.02
Tanvir Paper Mills Ltd.	Dhaka	(660,920.00)
Tejgaon Textile Mills	Dhaka	155,156.00
Trade Bnagla	Dhaka	15,420.00
Trade Debtors	Dhaka	(18,794,766.46)
World Vision of Bangaldesh	Dhaka	113,962,562.50
Zabbar Enterprise	Dhaka	(106,703.00)
Zafar Ali	Dhaka	(10,987.00)
Zamia Islamia Wahedia Madrasha	Dhaka	157,810.00
Sub Total		441,742,549.99

Manikgonj

Name	District Name	Amount
Zinnat Enterprise	Manikgonj	(134,125.00)
Sub Total		(134,125.00)

NARAYANGONJ

Name	District Name	Amount
A. Hamid & Sons	N.gonj.	(100,000.00)
Abdul . Jabbar & Sons	N.gonj.	206,024.00
Abdul Awel	N.gonj.	(97,783.00)
Abu. Sayed	N.gonj.	700.00
Abul Hasan	N.gonj.	(7,001.00)
Abul Kalam	N.gonj.	2.00
Adv. Billal Hossan	N.gonj.	79,253.00
Ahmed & Brothers	N.gonj.	(5.00)
Aktar Hossain	N.gonj.	(50.00)
Al-Amin Enterprise	N.gonj.	(1,000,000.00)
Al-Amin Enterprise	N.gonj.	4,065.00
Ali Akbar Master	N.gonj.	(93.50)
Al-Safa Enterprise	N.gonj.	(810,000.00)
Ashik Enterprise	N.gonj.	226,963.00
Belal Hossain	N.gonj.	(79,304.00)
Classic Foils	N.gonj.	(1,691.00)
H Traders	N.gonj.	669,705.00
Hashem Paper Mills	N.gonj.	(29.50)
Kakoli Enterprise	N.gonj.	(4,650.00)
Khaja Enterprise	N.gonj.	(25,500.00)
Lokman Hossain	N.gonj.	331,000.00
M E B Galss Ltd.	N.gonj.	(55.00)
Ma. Abdul Mannan	N.gonj.	11,560.00
Maduria Packaging Ltd.	N.gonj.	57,715.00
Mahmudur Rahman	N.gonj.	9,475.00
Md. Sumon	N.gonj.	18.00
Mohammad Nayem	N.gonj.	(191,000.00)
Mominul Islam	N.gonj.	(74,980.00)
Moniruzzaman	N.gonj.	(9.00)
Mosharraf Hossain	N.gonj.	3,958,385.00
Naysha Kalin Quran	N.gonj.	6,903.00
Nurul Islam Traders	N.gonj.	(800,000.00)
Poli Fabric's	N.gonj.	(56.00)
Purnima Enterprise	N.gonj.	372,235.00
Rashedul Enterprise	N.gonj.	826,260.00
Rima Enterprise	N.gonj.	(178,355.00)
Sanjida Eng & Lubricants	N.gonj.	(309,507.00)
Sanjida Enterprise	N.gonj.	931,072.00
Sharif Rahaman	N.gonj.	(2,716,000.00)
Shofiur Rahman	N.gonj.	1,208,260.00
Tania Traders	N.gonj.	(760,910.00)
Wasim Enterprise	N.gonj.	231,220.00
Zayed	N.gonj.	(40,210.00)
Sub Total		1,933,626.00

RANGPUR

Name	District Name	Amount
A. Hamid Sarker	Rangpur	407,715.00
Abul Kalam Azad	Rangpur	(208,950.00)
Arif & Brothers	Rangpur	(74,026.00)
Asha Enterprise	Rangpur	1,066,614.00
Bengal & Co.	Rangpur	(5,112,238.99)
Bismillah Steel	Rangpur	5,169,320.00
D.K Sarker (Saidpur)	Rangpur	(50,000.00)
Fokrul Islam	Rangpur	9,846,879.00
Hasan Traders	Rangpur	1,564,257.00
Hassan Co.	Rangpur	1,670,710.00
Kali Store	Rangpur	(2,185,413.00)
M Traders (Kurigram)	Rangpur	(274,457.00)
Md Mazaur Rahman	Rangpur	(82,898.00)
Mosaddeque Hossain	Rangpur	(991,100.00)
P.K Bonik & Brothers	Rangpur	39,577,520.66
Sakil Traders	Rangpur	(6,972,860.00)
Santa Traders	Rangpur	585,025.00
Sena Traders	Rangpur	(142,000.00)
Shakil Traders	Rangpur	1,351,140.00
Shanta Traders	Rangpur	1,262,710.00
Sub Total		46,407,947.67

SIRAJGONJ

Name	District Name	Amount
Alauddin & Brothers	Sirajgonj	13,150.00
Alom Brothers	Sirajgonj	2,183,052.00
Al-Sams Enterprise	Sirajgonj	(150,000.00)
Master Traders	Sirajgonj	100,000.00
Sarker Traders	Sirajgonj	1,050.00
Shaha Traders	Sirajgonj	3,012,450.00
Sub Total		5,159,702.00

PANCHAGAR

Name	District Name	Amount
Amin Enterprise	Panchagar	(2,580,171.00)
Ayub & Sons	Panchagar	(607,225.00)
Azad Enterprise	Panchagar	(672,245.00)
Azad Traders	Panchagar	891,325.00
Bokul Enterprise	Panchagar	1,733,407.00
Bonul Enterprise	Panchagar	(450,000.00)
Emdad Store	Panchagar	66,040.00
Hazi Abdur Roaf	Panchagar	2,800.00
Kamolesh Trders	Panchagar	(2,317,300.00)
Komles Traders	Panchagar	2,280,250.00
MahbudbCorporation	Panchagar	414,230.00
Moudud Traders	Panchagar	(184,250.00)
Mowdud traders	Panchagar	(10,000.00)
Sheikh Ayub & Sons	Panchagar	(11,155,179.50)
Sheikh Brothers	Panchagar	1,102,383.21
Sheikh Enterprise	Panchagar	(646,860.00)
Sheikh Traders	Panchagar	263,673.94
SK. Ayub & Sons	Panchagar	11,745,540.00
Sub Total		(123,581.35)

GAIBANDHA

Name	District Name	Amount
Akota Trades	Gaibandha	(1,494,646.00)
Hazi Mazammel Haque	Gaibandha	(505,354.00)
Partho Shah	Gaibandha	390,287.85
Razu traders	Gaibandha	749,049.00
Sub Total		(860,663.15)

CHUADANGHA

Name	District Name	Amount
Abul Kashem	Chuadangha	(6,202,385.00)
H. Nozir Ahmed Traders	Chuadangha	1,763,100.00
Hazi Abul Kashem	Chuadangha	8,182,770.04
Hazi. Nazir Ahmed Tra	Chuadangha	38,869,950.25
Mollah Hardware Store	Chuadangha	1,877,834.00
Nazir Ahmed Trading	Chuadangha	(20,690,136.00)
Nil Ratan Shaha	Chuadangha	1,087,262.91
Popular traders	Chuadangha	(908,649.97)
Rahman Traders	Chuadangha	(6,688,802.00)
Rashid Hatchery & Poltry LTd.	Chuadangha	189,364.00
Sub Total		17,480,308.23

RAJSHAHI

Name	District Name	Amount
A. Rob Hardware	Rajshahi	(67,860.00)
Al Modina Traders	Rajshahi	(200.00)
Azmat Traders	Rajshahi	(2,597,060.00)
Kismot Traders	Rajshahi	103,750.00
M.A. Traers	Rajshahi	3,851,916.00
Macca Traders	Rajshahi	10,974,375.14
Milon Traders	Rajshahi	1,314,922.00
Mondol Hardware	Rajshahi	(2,500.00)
Rahman Hardware	Rajshahi	(100,000.00)
Rajshahi Sugar Mills	Rajshahi	(45,926.02)
Risha Enterprise	Rajshahi	1,588,420.00
S.K Enterprise	Rajshahi	1,847,102.00
Sub Total		16,866,939.12

NATORE

Name	District Name	Amount
Amin & Sons	Natore	256,928.00
North Bangla Sugar Mills	Natore	16,583.00
Shaha Traders	Natore	(2,825,762.98)
Sonali Traders	Natore	(1,405.00)
Sree Durga Hardware	Natore	(25,000.00)
Sub Total		(2,578,656.98)

DINAJPUR

Name	District Name	Amount
Bogra Traders	Dinajpur	(310.00)
Habib Enterprise	Dinajpur	2,858.00
Habib Traders	Dinajpur	3,434,391.00
M.R. Enterprise	Dinajpur	1,243,177.00
M.R. Traders	Dinajpur	409,490.00
Moni Traders	Dinajpur	566,867.00
Purnogra Traders	Dinajpur	(613,000.00)
R M Traders	Dinajpur	(1,448,600.00)
Sunrise Corportation	Dinajpur	(3,475.00)
Sub Total		3,591,398.00

CHAPAINABAGONJ

Name	District Name	Amount
Islam & Brothers	C.nababgonj	4,180,837.00
Rakib & Brothers	C.nababgonj	(2,300.00)
Sub Total		4,178,537.00

KHUSTIA

Name	District Name	Amount
Amin Enterprise	Khustia	(11,002.26)
Janata Biponi	Khustia	2,167,024.84
Poddar & Sons	Khustia	(2,981,803.00)
Sub Total		(825,780.42)

KHULNA

Name	District Name	Amount
Al- Ahsan Enterprise	Khulna	1,715,006.00
M.M Brothers	Khulna	7,774,396.00
Monir Ahmed	Khulna	3,207,750.00
Monir Ahmed & Broters	Khulna	(2,568,743.00)
Nahar Enterprise	Khulna	(1,347,914.00)
Salam Trading Corporation	Khulna	572,164.00
Sharif & Co.	Khulna	56,346,268.87
Shorif & Co.	Khulna	(46,627,625.00)
Sikander ALi & Sons	Khulna	1,822,000.00
Sikder & Sons	Khulna	534,175.00
Star Enterprise	Khulna	(344,325.00)
Zaman Brothers	Khulna	18,000,000.00
Sub Total		39,083,152.87

NAOGAON

Name	District Name	Amount
Liton Traders	Naogaon	1,819,597.00
Liton Traders	Naogaon	(445,084.00)
Maruf Traders	Naogaon	(998,129.00)
Noresh Chandra Shaha	Naogaon	2,807,372.00
Pritom Trading	Naogaon	2,278,561.04
Progati Traders	Naogaon	226,370.00
Sub Total		5,688,687.04

TANGAIL

Name	District Name	Amount
Ajmot Traders	Tangail	(1,838,579.00)
Bashar & Sons	Tangail	(88,690.00)
Fahad & Brothers	Tangail	(20,000.00)
Haque Mollah & Sons	Tangail	1,389,350.00
Kamal & Brothers	Tangail	(3,000,000.00)
Latif Tradrs	Tangail	(50,000.00)
Mahmud Machinery	Tangail	3,956,197.00
Mowlovi Steel Corpo.	Tangail	(1,974,324.94)
Rais Uddin Talukder	Tangail	(20,000.00)
Sahti Enterprise	Tangail	(17,770.00)
Shirin Spinning Mills Ltd.	Tangail	(7.00)
Sub Total		(1,663,823.94)

NOAKHALI

Name	District Name	Amount
Allardan Store	Noakhali	100,371.00
B.k. Nath	Noakhali	(934,522.00)
Gopal Hardware Store	Noakhali	1,263,579.00
Haque & Sons	Noakhali	500,000.00
Hyder Enterprise	Noakhali	(1,825,600.00)
Maa Fatema	Noakhali	(51,717.00)
Motiz	Noakhali	(41,023.00)
Monir & Sons	Noakhali	463,330.00
Noor Traders	Noakhali	799,360.00
Popular traders	Noakhali	1,681,710.00
R.M. Enterprise	Noakhali	414,036.00
Rahmat & Brothers	Noakhali	480,070.00
Rupali Traders	Noakhali	(6,015.00)
Salim & Brothers	Noakhali	(685,000.00)
Satata Enterprise	Noakhali	(15,000.00)
Sebarhat Khadday Vander	Noakhali	708,853.00
Shabarhat Khadda Vander	Noakhali	(3,632,034.00)
Shavarhat Khadday Vander	Noakhali	710,276.00
Shofi Traders	Noakhali	(1,162,137.00)

Shubho Traders	Noakhali	1,631,000.00
Soberhat Khadday Vander	Noakhali	360,175.00
Sobuz Enterprise	Noakhali	(112,000.00)
Sofi Traders	Noakhali	15,103,985.00
Taj Enterprise	Noakhali	331,713.00
Sub Total		16,083,410.00

GAZIPUR

Name	District Name	Amount
Anowara Trading Co.	Gazipur	11,270,197.00
Babar Dua Steel Bitan	Gazipur	20,330,083.80
Bay Agro Industries Ltd.	Gazipur	25.00
Bhuyan Traders	Gazipur	(300,000.00)
Brother Steel Traders	Gazipur	595,550.00
Dhaka Malti Feed Ltd	Gazipur	130,377.00
Dherandrah Kumer Sarker	Gazipur	(25,000.00)
Diganta Sweaters Ltd	Gazipur	(8.00)
Duct Asia International	Gazipur	(1.00)
H.A Salam Traders	Gazipur	(449,558.00)
Hazi Md. Fazlur Rahman	Gazipur	217,042.00
Lata Enterprise	Gazipur	480,998.95
Mayin & Brothers	Gazipur	1,593,380.00
Moyein & Brothers	Gazipur	(1,598,425.00)
Noman Enterprise	Gazipur	508,518.00
Salbahan Farms	Gazipur	(339,029.00)
Shabahan Farms Ltd.	Gazipur	(15,600.00)
Shamim & Brothers	Gazipur	5,015,740.00
Shamsuddin Ahmed Dilu	Gazipur	(178,308.00)
Sherajul Islam	Gazipur	(562,000.00)
Shoha Trading Corporation	Gazipur	5,064,239.00
Sirajul Islam Khan	Gazipur	562,000.00
Suha Trading	Gazipur	(5,064,000.00)
Ticotex Sweater Ltd.	Gazipur	(44,917.00)
Ticotex Sweaters Ltd.	Gazipur	44,910.00
Sub Total		37,236,214.75

BARISAL

Name	District Name	Amount
Aktaruzzaman	Barisal	(1,140,949.92)
Hazi Sanaullah Enterorise	Barisal	21,937,424.00
Mainul Enterprise	Barisal	(44,630.00)
Mawlana Abuzar	Barisal	(1,000.00)
Mir Kadim Storer	Barisal	759,211.00
Nuna Enterprise	Barisal	(100,000.00)
Sub Total		21,410,055.08

NORSHINGDHI

Name	District Name	Amount
Al-Amin Enterprise	Norshingdhi	150,048.00
Bhabots Day	Norshingdhi	914,013.96
Faruk & Brothers	Norshingdhi	3,957,763.05
Hazi Traders	Norshingdhi	1,408,614.00
Kala Chan Dash	Norshingdhi	1,702,560.00
Rafiq Traders	Norshingdhi	(674,550.00)
Rafiqul Islam	Norshingdhi	(2.00)
Rafiz Traders	Norshingdhi	908,870.00
S.A. Traders	Norshingdhi	3,801,110.97
Shapla Traders	Norshingdhi	(22,952.00)
Sonia Traders	Norshingdhi	(9,500.00)
Sub Total		12,135,975.98

KISHORGONJ

Name	District Name	Amount
Anjan Kumer Shaha	Kishargong	10,065,216.00
Famous Iron Store	Kishargong	100,315.00
Firoz & Brothers	Kishargong	2,800.00
Hazi Shahabuddin Ent.	Kishargong	(1,232,052.00)
Kazol Ghosh	Kishargong	(500,000.00)
Khan Traders	Kishargong	(45,000.00)
Mojibur Rahman	Kishargong	2,541,760.03
Muzibur Rahman	Kishargong	(2,576,559.96)
Salim Traders	Kishargong	2,175,780.98
Samotaa Iron Store	Kishargong	2,643,953.00
Satata Iron Store	Kishargong	744,000.00
Seven Brothers	Kishargong	541,881.03
Shahabudin Enterprise	Kishargong	(300,000.00)
Somota Iron Store	Kishargong	(3,483,100.00)
Sree Anzan Kumar Shaha	Kishargong	(9,546,350.00)
Subhani Traders	Kishargong	(37,622.98)
Zaman & Hassan Enterprise	Kishargong	(1,768,660.00)
Sub Total		(673,638.90)

FARIDPUR

Name	District Name	Amount
A Khalek	Faridpur	(13,505.00)
Abdul Aziz	Faridpur	(200.00)
Amin & Sons	Faridpur	(15,926.00)
Ashok Traders	Faridpur	1,086,070.00
Baishakhi Traders	Faridpur	(1,389,186.00)
Endropuri Traders	Faridpur	66,040.00
Fazle Rabbi Ali	Faridpur	632,700.00
H.R Traders	Faridpur	349,358.00
Jahidul Islam	Faridpur	1,740,887.00
Md. Abdul Khalek	Faridpur	13,505.00
Ram Chandra Traders	Faridpur	(78,675.00)
Ruma Enterprise	Faridpur	(1,683,000.00)
Ruma Enterprise	Faridpur	1,487,880.03
Shimul Enterprise (Shoriatpur)	Faridpur	(20,000.00)

Sub Total		2,175,948.03
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JHALOKATI

Name	District Name	Amount
Alam & Brothers	Jhalokati	(2,183,000.00)
Al-Mamun Enterprise	Jhalokati	1,320,722.00
New Marwa Ent.	Jhalokati	(726,325.00)
Nishi Enterprise	Jhalokati	(1,486,458.00)
Sub Total		(3,075,061.00)

FENI

Name	District Name	Amount
A Momin Traders	Feni	(1,326,000.00)
Abdul Momen Traders	Feni	1,670,975.00
Babul & Brothers	Feni	(659,459.00)
Kazal Enterprise	Feni	(36.00)
Kazi Kobir Ahmed	Feni	(3.00)
Pubali Trading	Feni	483.00
Sarder Enterprise	Feni	(8,061,942.00)
Sub Total		(8,375,982.00)

Sylhet

Name	District Name	Amount
Kazi & Sons	Sylhet	1,680.00
Borhan Enterprise	Sylhet	(3.00)
Hossain Enterprise	Sylhet	199,961.00
Sub Total		201,638.00

SHERPUR

Asima Traders	Sherpur	2,855,664.10
Juel trader	Sherpur	(1,875.00)
Mofazzal Enterprise	Sherpur	8,769,268.00
Nahid Enterprise	Sherpur	(25,786,537.00)
Oshima Traders	Sherpur	(121,733.00)
Rabea Enterprise	Sherpur	(25,000.00)
Sumon Enterprise	Sherpur	(50,000.00)
Sub Total		(14,360,212.90)

POTUAKHALI

Name	District Name	Amount
Biswas Traders	Potuakhali	(382,502.00)
Imran Traders	Potuakhali	189,000.00
Islamiah Traders	Potuakhali	(222,250.00)
Kajol Store	Potuakhali	(110,000.00)
Kazal Store	Potuakhali	1,172,546.00
Sub Total		646,794.00

Piroipur

Name	District Name	Amount
Khan & sons	Pirijpur	3,275.00
Sub Total		3,275.00

BHOLA

Name	District Name	Amount
Bikrumpur Enterprise	Bhola	2,627,632.00
Next Traders	Bhola	2,031,175.00
Niamot Enterprise		47,050.00
Sanaulah Enterprise	Bhola	(5,000,000.00)
Sub Total		(294,143.00)

JESSORE

Name	District Name	Amount
Golam Mostofa & Sons	Jessore	(209,629.00)
Golam Mostofa Sikder	Jessore	(400,000.00)
Hera Enterprise	Jessore	1,496,591.00
Mostafiz Traders	Jessore	(16,555.00)
Nabarun Traders	Jessore	(50,000.00)
New Luxmi Narayan Saha	Jessore	1,978,416.00
Pabna Traders	Jessore	(5,072,485.94)
Sharif & Brothers	Jessore	(50,000.00)
Tarafdar Enterprise	Jessore	497,150.00
Towhid Traders	Jessore	3,562,901.00
Sub Total		1,736,388.06

LAXMIPUR

Name	District Name	Amount
Haider Enterprise	Laxmipur	1,661,447.00
Suvo traders	Luxmipur	(1,457,975.00)
Zilani Traders	Laxmipur	1,035,892.00
Sub Total		1,239,364.00

CHITTAGONG

Name	District Name	Amount
K Y Cr Coil	Chittagong	(122,000.00)
Mowlana & Sons (Cox Bazar)	Chittagong	624,589.08
P.H.P Cold Rolling Mills Ltd.	Chittagong	(38,754,133.00)
S N Corporation	Chittagong	650.00
S. Alom Syndicate	Chittagong	36,200.00
Sagir & Brothers	Chittagong	(522,808.17)
Sub Total		(38,737,502.09)

SATKHIRA

Name	District Name	Amount
Satkhira Feed Ind. Ltd.	Satkhira	(1.00)
Solidarties Islampur	Satkhira	3,359,732.00
Sub Total		3,359,731.00

NARAIL

Name	District Name	Amount
Bahar Enterprise	Narail	4,448,852.00
Sub Total		4,448,852.00

BORGUNA

Name	District Name	Amount
Gopal Vander	Borguna	(1,524,200.00)
Minar Store	Borguna	465,039.01
Modern Iron Store	Borguna	(858,708.00)
Razon & Brother	Borguna	(9,358.00)
Sanjib Iron Store	Borguna	(1,935,174.00)
Sikder Traders	Borguna	1,604,659.00
Sub Total		(2,257,741.99)

NETROKONA

Name	District Name	Amount
Hazi Traders	Netrokona	(400,000.00)
Syed Traders	Netrokona	(359,535.00)
Sub Total		(759,535.00)

MADARIPUR

Name	District Name	Amount
Al-Islahul Ummah Hafiji	Madaripur	(1.00)
Concord Trading	Madaripur	(32,000.00)
Radeshem Karmoker	Madaripur	(282,125.00)
Hanif Kazi	Madaripur	(121,180.00)
Sub Total		(435,306.00)

GOPALGONJ

Name	District Name	Amount
F. Jaman & Brothers	Gopalganj	3,691,890.00
F. Zaman & Brothers	Gopalganj	(3,763,149.00)
Sub Total		(71,259.00)

BAGERHAT

Name	District Name	Amount
Harandro Nath Pal	Bagerhat	1,786,259.00
Nondi Traders	Bagerhat	650,089.00
Sub Total		2,436,348.00

B. BARIA

Name	District Name	Amount
Heru & Brothers	B.Barua	1,068,293.00
Hobigonj Trading	B.Barua	(300,000.00)
M. Islam & Brothers	B.Barua	2,097,931.00
Masud Enterprise	B.Barua	(21,034.81)
Razu Enterprise	B.Barua	100,000.00
Sub Total		2,945,189.19

THAKURGAON

Name	District Name	Amount
Forhad Traders	Thakurgaon	250.00
Rahman Traders	Thakurgaon	7,447,110.00
Zahurul Traders	Thakurgaon	(32,148,149.00)
Sub Total		(24,700,789.00)

JHINAIDHA

Name	District Name	Amount
Hossain Enterprise	Jhenaidah	(3,135,000.00)
Hossain Traders	Jhenaidah	2,906,489.00
Mithu Traders	Jhenaidah	4,470,912.00
Sub Total		4,242,401.00

MAYMENSINGH

Name	District Name	Amount
Islamia Traders	Mymensingh	(200,250.00)
Janani Enterprise	Mymensingh	38.00
Mahbubur Rahman	Mymensingh	(24,546.00)
Nobi trading	Mymensingh	(160,000.00)
Sabitri Traders	Mymensingh	3,787,563.00
Sub Total		3,402,805.00

CHANDPUR

Name	District Name	Amount
A.Awal	Chanpur	836,798.00
A.Mannan	Chanpur	(11,560.00)
Abdul Mabub Malitha	Chanpur	1,066,275.00
Abdur Razzak	Chanpur	(8,634.00)
Amjad Hossain	Chanpur	(4,684.00)
Md. Shahabuddin	Chanpur	(76.00)
Moazzam Hossen	Chanpur	(3,009.00)
Mosarof Hossain	Chanpur	9,812,310.00
Sub Total		11,687,420.00

JAMALPUR

Name	District Name	Amount
Bhai Bhai Store	Jamalpur	2,613,642.86
Modina Trading	Jamalpur	2,379,685.00
Modina Trading	Jamalpur	5,529,737.00
Sekander Ali & Sons	Jamalpur	(1,682,350.00)
Three Star	Jamalpur	(250,000.00)
Trade Debtors (Al-Amin Ent.)	Jamalpur	1,700,000.00
Trade Debtors (Azizul Haq)	Jamalpur	17,500,000.00
Trade Debtors (Noor Steel-Zinzira)	Jamalpur	231,333.00
Trade Debtors (Rovin Enterprise)	Jamalpur	800,000.00
Sub Total		28,822,047.86

HOBIGONJ

Name	District Name	Amount
Nazmul & Brother	Hobigonj	5,606,379.00
Sattar & Company	Hobigonj	987,250.00
Sub Total		6,593,629.00

COMILLA

Name	District Name	Amount
Md. Shahidul Islam	Comilla	(65,237.00)
Nurul Islam Sarker	Comilla	262,327.00
S.I.Raju Ahmed	Comilla	18,413.00
S.k Salekuzzaman	Comilla	588.00
S.P Trading	Comilla	83,500.00
Sirajuddawlah	Comilla	(4,662.00)
Soyd Amirul Haque	Comilla	(26,200.00)
Sumon Traders	Comilla	(14,509.00)
Sub Total		254,220.00

LALMONIRHAT

Name	District Name	Amount
Awlad & Brothers	Lalmonirhat	1,868,171.00
Awlad & Brothers	Lalmonirhat	(584,488.00)
Ananna Traders	Lalmonirhat	(17.00)
Sub Total		1,283,666.00

RAJBARI

Name	District Name	Amount
A.Wadud	Rajbari	(30,860.00)
Anwara Traders	Rajbari	(7,411,201.00)
Aynul Haque	Rajbari	(29,436.00)
Azmir Store	Rajbari	15.00
Belal Corporation	Rajbari	323,575.00
Belayet Hossain (Pirojpur	Rajbari	90,926.00
Cel Chemical	Rajbari	(19,377,119.00)
Garib Enterprise	Rajbari	(143,000.00)
Hamid Traders	Rajbari	500.00
Sub Total		(26,576,600.00)

GRAND TOTAL
721,637,949.48
Annexure -2
Disclosure of Long Term borrowings as on 30th June - 2012
TERM LOAN

Name of Bank	Security / Mortgage	Classification of Loan	As on 30th June -2012
Mutual Trust Bank Ltd	Hypothecation of machinerries-both present and future, Imported raw materials, work in process, Finished goods, Spare parts, accessories etc stored/to be stored godown /factory premises and others. 2nd Charge creation for land and project of company, Un dated Cheque for covering the loan amount. Personal guarantee of all the Directors of the Company.	Term Loan	165,584,122
Jamuna Bank Ltd	Un dated cheque for covering the loan amount, Hypothecation of the stocks of raw materials, work in process, finished goods of the industry with IGPA for sale of stocks duly insured covering appropriate risk including Fire and RSD, personal guarantee of all Directors.	Term Loan	27,540,877
NCC Bank Ltd	1.2nd charge on Fixed and floating Assets of the Company with RJSC. 2. 2nd Mortgage on entire asstes & book debts of the Company 3. Personal Guarantee of the Directors in their personal capacity as well as the Directors of the Company jointly & serveally. 4. An undated cheque for covering the full amount of term loan.	Term Loan	329,144,901
Premier Bank Ltd	1. 1 (one) MICR cheque covering full amount 2. 48(forty eight) MICR Cheque against each Installment. 3. Personal guarantee of all the Directors of the Company 4. Usal charge documents.	Term Loan	101,470,546
Dutch Bangla Bank Ltd	1. 1 (one) MICR cheque covering full amount 2. MICR Cheque against each Installment. 3. Personal guarantee of all the directors of the Company 4. Usal charge documents.	Term Loan	85,943,130
Mercantile Bank Ltd	1. Hypothecation of raw materials, work in process, finished goods stord in the Factory /godown. 2. Personal guarantees of all the directors of the Company. 3. cheque covering the entire Loan amount.4. charge on floating assets of the Company with the RJSC.5. Usual bank charge documents.	Term Loan	249,920,768
Shahjalal Islami Bank Ltd	1. One post dated master cheque covering the entire facility with profit.2.Personal Guarantee of all Directors of the Company.3. Usual charge documents.4. Modification of charge to be created on the fixed and floating assets (present & future) of the Company	Term Loan	10,382,591
Social Islami Bank Ltd.	The post dated Cheque for covering the amount, Documentations and continuation of charge on the fixed and floating Assets of the company, Personal Guarantee of all the Directors of the Company, Hypothecation of the stocks of raw materials, work in process, finished goods of the industry of stocks duly insured covering appropriate risk including Fire and RSD.	Term Loan	217,951,493
Uttara Bank Ltd	1. Registered First pari passu hypothecation charge on entire inventory of customer , Pari passu charge, Pari passu assignment of benefit of insurance on raw Materials covering risk on fire, RSD, Flood & Cyclone. 2. Registered first pari passu hypothecation on entire book debt of Personal Guarantee of all Directors of the Company 2. Insurance Guarantee from Phoenix Insurance Company Ltd.	Term Loan	24,489,896
Dhaka Bank Ltd	1. Personal guarantee of Mr. Deen Mohammad, Mr. Md. Ansar Ali, Mr. Mohammad Shueb, Mr. Md. Rafique, Mr. Abdur Rahman and Mr. M. A. Majid, Directors of the Company. 2. 18 (eighteen) post- dated cheques covering each installments for term loan liability. 3. 01 (one) post dated cheque covering full rescheduled amount the term loan liability. 4. Usual charge Documents.	Term Loan	128,168,249
State Bank of India	1. Registered First pari passu hypothecation charge on entire inventory of customer , Pari passu charge, Pari passu assignment of benefit of insurance on raw Materials covering risk on fire, RSD, Flood & Cyclone. 2. Registered first pari passu hypothecation on entire book debt of Personal Guarantee of all Directors of the Company 2. Insurance Guarantee from Phoenix Insurance Company Ltd.	Term Loan	63,072,727
Eastern Bank Ltd	1. Registered First pari passu hypothecation charge on entire inventory of customer , Pari passu charge, Pari passu assignment of benefit of insurance on raw Materials covering risk on fire, RSD, Flood & Cyclone. 2. Registered first pari passu hypothecation on entire book debt of Personal Guarantee of all Directors of the Company 2. Insurance Guarantee from Phoenix Insurance Company Ltd.	Term Loan	139,554,161
Prime Bank Ltd	1. Registered First pari passu hypothecation charge on entire inventory of customer , Pari passu charge, Pari passu assignment of benefit of insurance on raw Materials covering risk on fire, RSD, Flood & Cyclone. 2. Registered first pari passu hypothecation on entire book debt of Personal Guarantee of all Directors of the Company 2. Insurance Guarantee from Phoenix Insurance Company Ltd.	Term Loan	61,761,572
Brac Bank Ltd	1. First pari-Passu floating charge over present and future assets of Apollo Ispat Complex Ltd. 2. Assignment of project cash flow. All the lenders and lessors shall share pari-passu charge on the cash flow. 3. Establishment of an escrow /central collection account mechanism for disbursements and collections to be maintained with agent 4. Sponsors undertaking to remain the majority shareholders of the project during the tenor of the facilities .to be in control of the management of the Company .Personal Guarantee of all the Directors of the company.	Term Loan	32,768,844
Southeast Bank Ltd	Hypothecation of stocks and finished products as well as raw materials, Register 3rd party mortgage of 1020 decimal land at gazipur, 2nd ranking pari- passu charge on Fixed and floating Aseets, Personal Gurantee of all the Directors , Post dated Cheques for covering the full amount.	Term Loan	275,464,969

LEASE FACILITIES			
Phoenix Finance & Investments Ltd.	3rd party mortgage of 153, decimal land at gagipur sadar, gazipur executed by Mr. Md. Shahnewaz in favor of Mr. Abdur Rahman, Asma Sobhan, Syed Shafiqur Rahman, Undertaking, Letter of Guarantee of all the Directors, Declaration Irrevocable power of Attorney, And also 3rd party mortgage 264, decimal land at gagipur.	Lease Facilities	44,007,604
IDLC FINANCE LTD.	Legal mortgages on land measuring 11.91 acres in the name of the borrower along with an irrevocable general power of attorney to sell the said land, A first priority fixed charge over all plant and machinery finaced by the lenders in favor of lenders on pari passu basis. A first priority fixed charge over all existing plant and machinery of the borrower in favor of the lenders on pari passu basis, A first priority floating charge over other plant and machinery including futur addition of the borrower infavor of the lenders on pari passu basis.	Lease Facilities	74,997,298
SYNDICATED TERM LOAN			
Standard Chartered Bank Ltd.	Legal mortgages on land measuring 11.91 acres in the name of the borrower along with an irrevocable general power of attorney to sell the said land, A first priority fixed charge over all plant and machinery finaced by the lenders in favor of lenders on pari passu basis. A first priority fixed charge over all existing plant and machinery of the borrower in favor of the lenders on pari passu basis, A first priority floating charge over other plant and machinery including futur addition of the borrower infavor of the lenders on pari passu basis.	Syndicated Term Loan	95,455,598
Total Long Term Borrowings			2,127,679,346

Annexure-3

Disclosure of Short term borrowings as on 30th June -2012

Name of the Bank	Security/ Collateral / Mortgage	Limit (Crore)	Interest rate (Revised)	As on 30th June -2012
Southeast Bank Ltd	Hypothecation of stocks and finished products as well as raw materials, Register 3rd party mortgage of 1020 decimal land at gazipur, 2nd ranking pari- passu charge on Fixed and floating Aseets, Personal Gurantee of all the Directors , Post dated Cheques for Tk 60.00 crore covering full amount.	60.00	17.5%	573,075,207
Jamuna Bank Ltd	Letter of Trust receipt, un dated cheque for 9.75 crore, Hypothecation of the stocks of raw materials, work in process, finished goods of the industry with IGPA for sale of stocks duly insured covering appropriate risk including Fire and RSD, personal gurantee of all Directors.	9.75	18.0%	97,397,936
Mutual Trust Bank Ltd	Letter of Trust receipt, un dated cheque for Tk 12.80 crore covering limit, Hypothecation of the stocks of raw materials, work in process, finished goods of the industry duly insured covering appropriate risk including Fire and RSD, personal gurantee of all Directors of the Company.	12.80	17%	127,720,346
Bank Asia Ltd	800,000 Shares of the City Bank Ltd., Mortgage of 267 decimal project of land for NOF, 3rd party mortgage of 60 katha land with 8 storied builing at 407, Tejgaon Industrial Area, Dhaka -1208.	20.00	16%	199,831,970
IFIC Bank Ltd.	D. P Note, letter of arrangement, Acceptance of bill, Trust receipt, pari-passu charge on fixed and floating assets of the company supported by NOC, Personal Gurantee of all Directors, A declaration by the borrower , An unconditional Undertaking by the borrower.	38.88	17%	345,493,371
Total Short term borrowings				1,343,518,830

Additional Disclosure (a):

Appollo Ispat Complex Ltd. (AICL) was given consent on 13th December 2012 for raising of capital through Initial Public Offering (IPO) and issuance of prospectus by Bangladesh Securities and Exchange Commission (BSEC). Accordingly prospectus was issued on 20th December 2012, with IPO subscription opening on March 3, 2013 and closing on March 7, 2013 for Resident Bangladeshis and March 16, 2013 for Non-Resident Bangladeshis.

Meanwhile, Mr. Md. Sirajul Haque a former Director and at present a shareholder of the company (AICL), gave a complaint letter to BSEC which was known by the company vide Commission's letter dated January 29, 2013. According the company (AICL) gave its explanation by our letter dated January 31, 2013. The said Mr. Md. Sirajul Haque who met the Honourable Finance Minister and put some baseless allegations against the company (AICL) upon the said allegations the Honourable Finance Minister advised BSEC to temporarily postpone IPO subscription of the company (AICL) and to make investigation in four areas.

- 1) The interest of the terminated Directors or Shareholders
- 2) The liabilities of the company (AICL) with National Board of Revenue (NBR)
- 3) Information from Bangladesh Bank to the effect that, how much fund was defalcated by the company (AICL), through local L/Cs.
- 4) Present accounts of the company (AICL).

Accordingly BSEC on 20th February 2013 postpone the IPO subscription of the company (AICL), until further instruction of the commission.

Meanwhile a team from the company (AICL) met the Hon'ble Finance Minister on 7th March 2013, with a request letter from the Chairman of the company (AICL) Mr. Deen Mohammad, to withdraw suspension of IPO of the company (AICL) and explaining the company's position against the allegations brought against it. The Hon'ble Finance Minister on being satisfied by the deliberation of the team and explanation against the allegations, issued a letter to BSEC on the same day that is on 7th March 2013, on the subject of withdrawal of suspension of IPO of Appollo Ispat Complex Limited signed by the Personal Secretary to Hon'ble Minister, Ministry of Finance mentioning, "Holdia Shipping's S R Choudhury met me on this issue. I told them that Chairman BSEC has as per my advice (not order) taken action. BSEC has allowed IPO and will act according to their judgment."

After investigating all the matters BSEC issued a letter No. BSEC/CI/IPO-171/2011/2502 dated August 1, 2013 as under to give explanation and to include the same as an additional disclosure in the prospectus.

SEC/CI/IPO-171/2011/2502
August 01, 2013

Managing Director
Appollo Ispat Complex Ltd.
407, Tejgaon Industrial Area
Dhaka-1208, Bangladesh
Fax No.: 88-02-9126291

Dear Sir:

Subject: IPO subscription of Appollo Ispat Complex Limited (AICL).

With reference to the above subject, you are requested to explain the position of your company along with submitting documents, supporting the explanation and make disclosures in the prospectus regarding the following matters:

- 1) The Commission has received a complaint letter on January 15, 2013 from Md. Sirajul Haque, one of the sponsor shareholders of Appollo Ispat Complex Limited regarding deprivation by your company to him and his elder brother late Md. Mozammel Haque through giving them no offer for shares when your company raised it's paid up capital from Tk. 43 (forty three) crore to Tk. 150 (One hundred Fifty) crore. You are also informed that the Commission received another complaint letter on February 06, 2013 from Honourable Minister, Ministry of Finance, Govt. of the Peoples Republic of Bangladesh. In the letter the Honourable Minister, among others, claimed that the institution named Appollo Ispat Complex Ltd. is paralyzed/inactive for some days and it has arranged robbery of asset through IPO. The Honourable Finance Minister also informed the Commission that it is heard by him that your company is not capable to mitigate the dues of different parties relating to your company and your company is also a tax defaulter to NBR. You are also requested to justify your position regarding these allegation raised by Honourable Finance Minister and Mr. Md. Sirajul Haque.

In this respect, you are also requested to inform the Commission about the current status of the dispute with your terminated and or existing directors and shareholders.

- 2) It is also mentionable here that NBR has informed the Commission regarding tax status of your company vide its letter dated March 14, 2013 and it is found that there is no tax dues of your company to NBR up to the assessment year 2010-2011 but there is a tax dues of Tk. 1,59,47,150 of your company to NBR for the assessment year 2011-2012. In this respect you are also requested to mention the current tax status of your company, provision for taxes and contingent declaration for tax dues to NBR.
- 3) The Commission also has got 03(three) letters from Bangladesh Bank on 28-04-13, 05-06-13 and 09-07-13 respectively regarding loan information and financial fraud (if any) by Appollo Ispat Complex Limited though opening of local L/C. In the first letter (dated 31-03-2013) Bangladesh Bank informed that as per their CIB information total outstanding loan of Appollo Ispat Complex Ltd. is Tk. 437.35 crore. Bangladesh Bank also informed that among this loan two banks namely IFIC Bank Ltd. and Southeast Bank Ltd. have classified the loan of 62.88 crore taken by Appollo Ispat Complex Ltd. as substandard. Bangladesh Bank also informed the Commission that Standard Chartered Bank has classified 1.12 crore term loan taken by your company as bad debt and in this consideration your company is a loan defaulter. It may be mentioned here that as per our demand, Bangladesh Bank informed the Commission vide it's second letter (dated June 05, 2013) that Appollo Ispat Complex Limited is a loan defaulter in nine banks namely 1. State Bank of India 2. Dutch-Bangla Bank Limited 3. The Premier Bank Limited 4. Standard Chartered Bank 5. Prime Bank Limited 6. Brack Bank Limited 7. Mutual Trust Bank Limited 8. NCC Bank Limited and 9. The Eastern Bank Limited as per latest monthly loan information of the bruae lastly reported on April, 2013. In response Commission's demand Bangladesh Bank again has provided CIB status of Appollo Ispat Complex Limited vide it's letter dated, July 08, 2013 (3rd letter) and informed the Commission that as per the information lastly reported at May, 2013 in their data base, Appollo Ispat Complex Limited and all of it's 09 (nine) directors are free from loan default. Bangladesh Bank also informed the Commission vide the said letter that among 09 (nine) directors of the said company the name of three directors namely (a) MR. ABDUR ROUF (Nominee of Crystal Construction & Engineering Ltd.) (b) MR. MOSFEQUR RAHMAN (Nominee of Jupiter Business Ltd.) & (c) MR. MOMTAZUR RAHMAN (Nominee of Art International Ltd.) have not found in their data base.

In addition, the Commission also has received two letters from Premier Bank and Prime Bank Limited on June 06, 2013 and June 12, 2013 respectively. In the said letter Premier Bank, among others, claimed that Appollo Ispat Complex Ltd. did not pay their liability and in fact they have been extremely irregular in repayment of the loan and the rescheduled Term Loan is classified as doubtful with an outstanding of Tk. 1005.15 lac as on 31st May 2013. Prime Bank Limited also informed the Commission that total outstanding loan of your company is Tk. 631.80 lac among which they have classified Tk. 86.15 lac as Bad & loss. So, it is observed by the Commission that your company is suffering from financial sickness. You are requested to mention the reason of such financial weakness and how could the company be able to overcome this in future to protect the interest of the prospective investors.

- 4) It is also mentionable here that the Commission has approved your proposal regarding transfer of shares by sponsor director(s) as per the judgment dated 26-10-2011 of the Honourable company judge of the Honourable High Court Division of the Supreme Court in Company matter No. 250 of 2011 and 251 of 2011. In this regard you are requested to submit executed Form 117 certified by RJSC and other valid documents relating to the said transfer. You are also requested to provide the certified copy of the judgment dated 16-06-2013 regarding vacate of the order of temporary injunction dated 13-03-2013 restraining the company to go into IPO. You are further requested to incorporate the audited financial statement of Appollo Ispat Complex Limited for the period from 1st July 2012 to 28th February, 2013 in the revised prospectus as additional disclosure.

Thanking you,
For Bangladesh Securities and Exchange Commission

Sd/-

Md. Faruq Hossain
Deputy Director (CI)

Accordingly we explained to BSEC vide our letter no. AICL/Adm/13/175 dated 05-08-2013 as under:

Ref: AICL/Adm/13/175

Dated: August 5, 2013

The Chairman
Bangladesh Securities and Exchange Commission
Jibon Bima Tower (15, 16, 17 & 21st Floor)
10, Dilkusha Commercial Area
Dhaka-1000

Dear Sir,

Sub: Initial Public Offering (IPO) of Appollo Ispat Complex Ltd.

Reference to your letter No. BSEC/CI/IPO-171/2011/2502 dated August 1, 2013 on the noted subject we inform that,

- (1) The complain letter of Mr. Sirajul Haque dated January 15, 2013 is baseless. Nobody was deprived by the company, the fact is that, the Board of Directors of the Company in its meeting dated 06.06.2010 decided to raise the paid up capital of the Company from Tk. 43 crore to Tk. 150 crore. Accordingly, the Company sought permission from BSEC, who after due scrutiny and assessment, provided consent to such raising of capital. Thereafter, the Company, in compliance with its Articles of Association and the Companies Act, 1994 issued notice to all of its existing shareholders offering them to subscribe to their proportionate number of shares. In case of Mr. Md. Sirajul Haque, the Company vide letter No. AICL/ADM/GA/10/ dated 08.06.2010 offered 23,82,000 shares of total value of Tk. 23,82,00,000.00 (Taka Twenty three crore and Eighty Two lac) and in case of Mr. Md. Mozammel Haque, the Company vide letter No. AICL/ADM/GA/10/ dated 08.06.2010 offered 24,87,000 shares of total value of Tk. 24,87,00,000.00 (Taka Twenty Four crore and Eighty Seven lac). In the said letter Mr. Md. Sirajul Haque and Mr. Md. Mozammel Haque was given fifteen (15) days time to respond to the offers. The said letters have been sent by registered post with AD. However Mr. Md. Sirajul Haque or Mr. Md. Mozammel Haque did not reply to such offers of the Company nor did they ever express any intention to subscribe to any of the offered shares. In fact they did not send any letter to the Company in relation to the said offered shares. In such situation, as per the Companies Act, 1994, the Company offered the said unsubscribed shares of Mr. Md. Sirajul Haque and Mr. Md. Mozammel Haque to others who subscribed the said shares. This we informed you earlier vide our letter No. AICL/Adm/13 dated 31-01-2013.

Regarding the complaint letter of the Honourable Finance Minister dated 6th February 2013 as published at that time in different daily newspapers, we inform that, the Director of the company Mr. Md. Sirajul Haque, who was a convict in a number of cases at that time and was absconding, somehow managed to meet the minister and complained about the company. The Hon'ble minister without giving a hearing to the other side that is the company accused it unilaterally and advised Bangladesh Securities and Exchange Commission (BSEC) to suspend IPO and make investigation. Among the complain, one was that, the company is not in operation. In this respect we would like to inform that, high officials of different banks including Bangladesh Bank and different regulatory authorities visit our factory frequently and they have never complained that the factory is not in operation. It is worth mentioning here that prior to approving IPO subscription by BSEC, officials from Dhaka Stock Exchange Ltd. and ICB Capital Management Ltd. (who is the issue manager) visited our factory and they reported that our factory is in operation. In fact the operation of the company was never suspended ever since it went into operation.

Secondly, the robbery of asset through IPO does not arise at all because the company have clearly disclosed in its prospectus how the IPO proceeds will be used, Tk. 153.00 crore will be paid to different banks, for reducing liabilities and Tk. 60.00 crore will be used for implementing new NOF (Non Oxidized Furnace) Project and the balance Tk. 7.00 crore will be used for meeting IPO expenses.

Thirdly, the company is not capable to mitigate the dues of different parties relating to the company, is not fact because the company is having regular transactions with its related parties and there is no complain in this regard.

Fourthly, the company is not a tax defaulter, it is paying tax regularly, BSEC upon being satisfied that the company is not a tax defaulter and it has no dues with National Board of Revenue (NBR) allowed IPO subscription. You have also mentioned in your above noted letter that NBR has informed the commission that, there is no tax dues of the company with NBR upto the assessment year 2010-2011.

Relating to the current dispute with existing and or terminated directors and shareholders, we would like to mention that no Director was terminated by the Company. The office of Director of two of the Directors namely Mr. Md. Sirajul Haque and Mr. Md. Mozammel Haque was vacated under Section 108(f) of the Companies Act, 1994 as they had been absent from the meeting of the Board of Directors in consecutive three meetings and for more than three months without notice or without any leave of absence from the Board.

In this connection, we are submitting herewith the details of disputes as follows:

The interest of the terminated Director/ Shareholder :

Through a letter No. AICL/am/13/75, Dated 31 March 2013 AICL informed BSEC that no Director was terminated by the Company. The office of Director of two of the Directors namely Mr. Md. Sirajul Haque and Mr. Md. Mozammel Haque was vacated under Section 108(f) of the Companies Act, 1994 as they had been absent from the meeting of the Board of Directors in consecutive three meetings and for more than three months without notice or without any leave of absence from the Board. And the following disputes are pending and some are already being verdict.

The Company is involved in disputes with two of its sponsors/ former directors namely Mr. Md. Sirajul Haque and Mr. Md. Mozammel Haque (now deceased). The details of the disputes are provided below:

- a. **GR Case No. 793/06 arising out of Tejgaon Police Station Case No. 64(12)2006 dated 26.12.2006:** The Company lodged Tejgaon Police Station Case No. 64(12)2006 against Mr. Md. Sirajul Haque under sections 420, 467, 468 and 471 of the Penal Code, 1860 for forging and fabricating a Board resolution of the Company dated 19.12.2006 along with signatures of the directors of the Company and submitting the same to Southeast Bank Limited to obtain undue benefit for his own company namely S. Co. Colour Coating Ltd. After investigation, the Police submitted charge sheet, being Charge Sheet No. 19 dated 16.01.2007, under sections 420, 467, 468 and 471 of the Penal Code, 1860 against Mr. Md. Sirajul Haque. *The said case is under trial.*
- b. **Siddhirganj Police Station Case No. 43(12)2006:** Mr. Md. Sirajul Haque, Mr. Md. Mozzammel Haque and others on 13.12.2006 by demonstrating false delivery orders stole 1200 tons of CI sheet from the factory of the Company at Shimrail, Narayanganj. Thereafter, a case was filed against them at Siddhirganj Police Station, being Siddhirganj Police Station Case No. 43(12)2006. *The said case is under trial.*
- c. **Non GR Case No. 755/2007 arising out of Siddhirganj Police Station Case No. Non FIR 83/2007 dated 09.12.2007:** Mr. Md. Sirajul Haque filed a case against other shareholders of Appollo Ispat Complex Limited, being Siddhirganj Police Station Case No. 56(12) 2006 dated 23.12.2006 under section 448, 471, 323, 380, 506(ii) and 109 of the Penal Code. Upon investigation, the Police submitted final report and found that Mr. Haque had filed the said case with false allegations only to harass the said shareholders of the Company. Accordingly the investigation officer filed Siddhirganj Police Station Case No. Non FIR 83/2007 dated 09.12.2007. The Non GR Case No. 755/2007 arising out of Siddhirganj Police Station Case No. Non FIR 83/2007 dated 09.12.2007 was heard by the Court of Senior Judicial Magistrate, Narayanganj who vide judgment dated 23.09.2009 was pleased to find Mr. Haque guilty under section 211 of the Penal Code and sentenced him to *two (2) years imprisonment with a fine of Tk. 5000.00 (Taka seventy lakh)*. He has made an appeal against this and the same is under trail.
- d. **Criminal Appeal No. 1709 of 2010:** The Company filed the said Criminal Appeal No. 1709 of 2010 before the Hon'ble High Court Division of the Supreme Court of Bangladesh against the order of acquittal of Md. Sirajul Haque and another in Metropolitan Session Case No. 2917 of 2009 filed under section 138 of the Negotiable Instruments Act, 1881. Upon hearing, the Hon'ble High Court comprising of Mr. Justice Mohammad Marzi-ul-Huq vide judgment dated 29.03.2011 held Mr. Md. Sirajul Haque and another as guilty under section 138 of the Negotiable Instruments Act, 1881 and sentenced them each to *simple imprisonment for six (6) months with a fine of Tk. 35,00,000.00 (Taka thirty five lakh) each.*

- e. **Metropolitan Session Case No. 3595 of 2008 arising out of CR Case No. 1270 of 2007:** The Company filed the said CR Case No. 1270 of 2007 against Md. Sirajul Haque and another under section 138 of the Negotiable Instruments Act, 1881. The learned Fifth Court of Joint Metropolitan Session Judge upon hearing, vide order dated 27.09.2011, found Mr. Md. Sirajul Haque and another guilty of the offence under section 138 of the Negotiable Instruments Act, 1881 and was pleased to sentence Mr. Haque and another to *one (1) year simple imprisonment each with a fine of Tk. 70,00,000.00 (Taka seventy lakh)*.
- f. **Metropolitan Session Case No. 1836 of 2007 arising out of CR Case No. 540 of 2007:** The Company filed the said CR Case No. 540 of 2007 against Md. Sirajul Haque and another under section 138 of the Negotiable Instruments Act, 1881. The learned Fifth Court of Joint Metropolitan Session Judge upon hearing, vide order dated 18.06.2012, found Mr. Md. Sirajul Haque and another guilty of the offence under section 138 of the Negotiable Instruments Act, 1881 and was pleased to sentence was pleased to sentence Mr. Haque and another to *eleven (11) months simple imprisonment each with a penalty of Tk. 30,00,000.00 (Taka thirty lakh)*.
- g. **Title Suit No. 29 of 2009:** Mr. Md. Ansar Ali, the Managing Director of the Company, as plaintiff filed Title Suit No. 29 of 2009 before the Fourth Court of Joint District Judge, Dhaka against Mr. Md. Sirajul Haque and another. The learned Court vide judgment and order dated 11.10.2009 restrained Mr. Haque by an order of temporary injunction from disturbing Mr. Ansar Ali functioning as Managing Director of Appollo Ispat Complex Limited and forcibly occupying any portion of the head office of the Company and also restrained Mr. Haque from functioning as Managing Director of the Company till disposal of the suit. Against the said judgment and order dated 11.10.2009, Mr. Haque filed FMAT No. 638 of 2009 before the High Court Division of the Supreme Court of Bangladesh and obtained Civil Rule No. 721 (FM) of 2009 arising out of FMAT No. 638 of 2009 vide order passed by Mr. Justice Mirza Hussain Haider and Mr. Justice Mohammad Bazlur Rahman dated 01.11.2009 staying operation of the judgment and order dated 11.10.2009 passed by the learned Fourth Court of Joint District Judge, Dhaka. Subsequently, Mr. Md. Ansar Ali filed an application for withdrawing the said Title Suit No. 27 of 2007, and the learned Fourth Court of Joint District Judge, Dhaka vide order dated 26.10.2011 was pleased to withdraw the said Title Suit. Thereafter, the Hon'ble High Court Division presided over by Mr. Justice Nazrul Islam Chowdhury and Mr. Justice K. M. Kamrul Kader vide order dated 29.11.2011 was also pleased to dismiss and discharge the FMA No. 300 of 2009 with Civil Rule 721 (FM) of 2009. *As such, the said case is no longer pending before the High Court Division of the Supreme Court of Bangladesh or the Fourth Court of Joint District Judge, Dhaka.*
- h. **Company Matter No. 366 of 2011:** Mr. The said Company Matter No. 366 of 2011 has been filed in the High Court Division of the Supreme Court of Bangladesh by Mr. Md. Sirajul Haque and another against the legal heirs of Mr. Md. Mozammel Haque claiming 7,12,880 shares of late Mr. Md. Mozammel Haque. The Company has been impleaded as respondent No. 1 in the said case. Initially, Mr. Md. Sirajul Haque, by misleading the Hon'ble Court obtained an interim order dated 12.12.2011 restricting the Company from allotting new shares, thereby restraining the Company to go into Initial Public Offering (IPO). Thereafter, on the prayer of the Company, the Hon'ble Court comprising of Mr. Justice AFM Abdur Rahman vide order date 21.03.2012 modified its earlier order dated 12.12.2011 and recalled the part of the order which restricted the Company from allotting new shares. Further, the Hon'ble Court in the said order dated 21.03.2012 specifically provided the following:

“The respondent company is allowed to float the IPO of the respondent Company Appollo Ispat Complex Limited.”

The said case is pending before the High Court Division of the Supreme Court of Bangladesh

As the above mentioned case, are pending before courts, the company will act as per court's decision to settle those disputes.

- (2) The Current tax status of our company is that, the company's assessment up to the assessment year 2011-2012 has been completed. The net liability for the said period was fixed at Tk. 1.59 crore by the appellate division. Out of which Tk. 20 lac has been paid off and as the matter is now in appellate tribunal, the balance amount will be paid as per assessment order given after decision of the tribunal.

Assessment for the year 2012-2013 has been completed by the Learned DCT against which appeal is pending before Appellate Commissioner of Taxes. There is tax assessment of Tk. 23,45,52,416/- against this provision has been made for Tk. 19,22,93,752/- . There is an Advance Income Tax of Tk. 10,07,33,192/- so there is a contingent liability of Tk. 13,38,19,224/-. It is worth mentioning here that, we are expecting substantial benefit in the appeal and our tax liability will reduce significantly.

- (3) The commission's observation “company is suffering from financial sickness” is not fact. The fact is that, Appollo is a big industrial concern engaged in manufacturing of C.I. Sheet which has been producing the best

quality of C.I. Sheet in the country. The entire industrial complex is comprised of one Cold Rolling Mill, Acid Regeneration Plant, Roll Grinding Unit, Pickling Line, Rewinding Line, two units of Continuous Galvanizing Line (CGL), Corrugation Unit, High Capacity Effluent Treatment (ETP) Plant, 33/11 KV Power Sub-station, Water Recycling Complex etc. It is a big investment in terms of project cost and operational cost. The present market value of such big project is more than 1,000 crore and to run these type of project approximately Tk. 250- Tk. 300 crore is required as working capital. Due to this big requirement, working capital finance has been arranged from a number of banks as it is difficult for a single bank to finance entirely such big amount.

The nature of steel business is such that the sales varies round the year in correlation with season, crop pattern & harvest, international price fluctuation etc. During the off-season usually we build stocks by continuous production so that finished products can be supplied during peak season. Moreover, this is such type of business that a significant portion of sales is done on credit basis resulting huge amount get blocked with wholesalers which take substantial time to recover. For all these reasons, sometimes fund get blocked in stocks and credit to customers, as a result, the payment to bank gets delayed. But again when sales take peak and stock starts getting liquidated during season, the bank payment also become regular. This trend has been continuing with all the steel mills in Bangladesh engaged C.I. Sheet manufacturing.

Flat Steel sector is such type that it requires continuous expansion and integration either vertically or horizontally to achieve economy of scale in overall operational cost. With this view, from time to time ever since its inception we have been doing continuous expansion and integration which is evident in the gigantic size of Appollo's Plant by putting up 2nd line of CGL, backward linkage and integration by Cold Rolling Mill, Acid Regeneration Plant, Roll Grinding Unit, Pickling Line, Rewinding Line, expand of Corrugation Unit, putting High Capacity Effluent Treatment (ETP) Plant etc one by one. In continuation of our project expansion, last year we took initiative for horizontal diversification by putting one Non-oxidized Furnace (NOF) based Galvanizing plant of German Technology which will facilitate producing premium quality product with better shininess and design. A part of financing of this project was assumed from IPO proceeds and accordingly all initiatives were taken. But unfortunate suspension of IPO has put the project expansion works in problem. To avoid the delay in project implementation, Appollo has been continuing project works from company fund. The purchase of substantial land, required civil works, import of machinery, fabrication works etc. – for all these purposes huge amount has incurred. Mention to be made that, due to the heavy dynamic and static weight of material and plant structure the required civil works are also very detailed and expensive. For involving huge amount in all these works the regular payment to various banks was hampered to some extent though still we are servicing the loan and interest with all banks.

For all the above reason, our cash flow was a bit slow to cover the servicing of entire bank debts. Appollo has been doing business with various banks since more than last two decades with repute while the total loan exposure today is around 400 crore. Only recently due to the issues stated above, the payment to various banks was a bit interrupted during the last few months.

Regarding the directors whose names were not found in database, are (1) Abdur Rouf (2) Mr. Mosfequr rahman and (3) Mr. Momtazur Rahman and their names are mentioned in the prospectus.

On the other hand ever since we were given consent for IPO and prospectus was issued, we went on informing all our bankers that their outstanding liabilities will be paid off as per schedule published in our prospectus, when IPO proceeds will be received. Accordingly we slowed down payments to our banks because we needed to inject fund to our NOF (Non Oxidized Furnace) Project, due to delay in IPO. It is worth mentioning here that, partial cost of Tk. 60.00 crore out of total cost of Tk. 95.00 crore of NOF (Non Oxidized Furnace) Project was supposed to be financed from IPO proceeds. As a result CIB status with some banks became unsound for the time being. It is worth mentioning here that due to shut down of Meghna Gomoti Bridge for repairing work and political unrest in March and April' 2013 our operation was interrupted and our cash flow was mismatched. Subsequently the same was regularized and our CIB once again became clean. It is worth mentioning here that the letter of Prime Bank Limited dated 12th June 2013 was sent prior to payment made to them on 29th June 2013 and the letter of Premier Bank Limited dated 6th June 2013 is not justifiable as they vide their letter No. Pre/Gul/Cr/2013/1691 dated 10th June 2013 informed that our account with them is S.S. not doubtful.

The company will definitely be able to overcome these issues in payment to its banks after IPO proceeds are received, because after payment of Tk. 153.16 crore to banks from IPO proceeds the liability position of the company will substantially reduce. Further with the commercial operation of NOF (Non Oxidized Furnace) Project, the cash flow of the company will improve and the company will be in a position to pay off its liabilities as per schedule. On the other hand the company has a strong asset backing of Tk. 813.00 crore against its

liabilities. Company's Net Asset value per share as on 28th February 2013 is Tk. 24.37, so interest of the prospective investors will be very much protected.

- (4) Regarding transfer of share, we would like to inform you that the said transfer has been approved by the Board of Director, of the company in its meeting held on the 20th July 2013. Accordingly transfer fee was deposited in the Registrar Joint Stock Companies and Firms and the Transferee M/S. S.Co. Power Plant has been informed accordingly. (RJSC certified Form 117 was annexed in the original letter)

The Honorable High Court Division of the Supreme Court of Bangladesh, in the company matter No. 69 of 2013 passed an order of injunction on I.P.O. of the company. Later upon hearing from both the parties the said honorable court was kind enough to vacate the order of injunction on 16-06-2013. (The certified copy of which was annexed with the original letter.)

We are incorporating the Audited Financial Statement of the company for the period from 1st July 2012 to 28th February 2013 in the revised prospectus as additional disclosure.

We now request you to kindly withdraw suspension on our IPO and declare a fresh subscription date immediately.

Thanking you,

Yours faithfully
For Appollo Ispat Complex Ltd.

Sd/-

(MD. ANSAR ALI)
Managing Director

Additional Disclosure (b):

Enclosed Audited Financial Statements of Appollo Ispat Complex Ltd. for the period of July 01, 2012 to February 28, 2013 which was submitted to BSEC as on 31st March 2013.



এ, মতীন এন্ড কোং
A. MATIN & CO.
Chartered Accountants

PARTNERS : MR. A.K.ABDUL MATIN, M.COM., FCA. MR. NETAI CHAND TALUKDER, M.COM., FCA.
OFFICE : PARK LANE COMPLEX, 64/4, NAYA PALTAN (3rd FLOOR), DHAKA-1000., TEL : 8318191, CELL : 01199-835489, 01713-453596, E-mail : akmatinmatin@yahoo.com

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF APPOLLO ISPAT COMPLEX LIMITED

Report on Financial Statements

We have audited the accompanying Financial Statements of APPOLLO ISPAT COMPLEX LIMITED, which comprises the Statement of Financial Position as at February 28, 2013 and the related statement of Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the presentation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards and for such internal control a management determines is necessary to enable the presentation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion of these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). These standards require that we comply ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from all material misstatements.

Scope

We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of materials misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements along with notes there on prepared in accordance with Bangladesh Accounting Standards (BAS) give a true and fair view of the state of the Company's affairs as of February 28, 2013 and of the results of its operation and cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS).

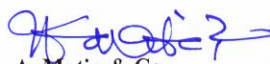
Report on other Legal & Regulatory Requirements

In our opinion, the Financial Statements comply with the applicable section of the Companies Act, 1994 and other applicable laws and regulations.

We also report that:

- 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;
- in our opinion, proper books of account as required by law have been kept by the company as far as it appeared from our examination of those books;
- the Company's Statement of Financial Position, Statement of Comprehensive Income and its Statement of Cash Flows dealt with by the report are in agreement with the books of accounts and returns;
- the expenditure incurred was for the purpose of the company's activities.

Dated: Dhaka
25 March, 2013


A. Matin & Co.
Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement of Financial Position
As on 28 February, 2013

Particulars	Notes	Amounts in Taka	
		February, 2013	30 June 2012
Application of Funds			
Non-Current Assets			
Property, Plant and Equipment	3.00	2,970,359,863	2,534,845,438
Investment	4.00	101,500,000	106,500,000
		3,071,859,863	2,641,345,438
Current Assets			
Inventories	5.00	3,701,846,898	3,315,217,388
Trade Debtors	6.00	922,337,553	721,637,949
Advances, Deposits and Prepayments	7.00	397,002,086	618,763,668
Cash and Bank balances	8.00	38,454,223	61,493,794
		5,059,640,760	4,717,112,799
TOTAL ASSETS		8,131,500,623	7,358,458,237
Source of Funds			
Shareholders Equity			
Share Capital	9.00	1,500,000,000	1,500,000,000
Revaluation reserve	10.00	1,141,578,189	1,141,578,189
Retained Earnings	11.00	1,013,216,313	774,891,292
		3,654,794,502	3,416,469,481
Non-Current Liabilities			
Long Term Borrowings	12.00	2,006,979,382	1,358,026,425
		2,006,979,382	1,358,026,425
Current Liabilities			
Short Term Borrowings	13.00	1,037,900,937	1,343,518,830
Bank Overdraft	14.00	29,126	168,405
Current Portion of Long Term Borrow.	12.00	818,615,634	769,652,921
Liabilities for Expenses	15.00	23,813,127	24,076,670
Trade Creditors	16.00	5,535,786	3,558,389
Provision against Investments	17.00	-	2,150,000
Provision for Bad Debts	18.00	14,432,759	14,432,759
Provision for Income Tax	19.00	491,454,777	348,459,764
Liabilities for Deferred Taxes	20.00	77,944,593	77,944,593
TOTAL EQUITY AND LIABILITIES		2,469,726,739	2,583,962,331
		8,131,500,623	7,358,458,237
Net Assets Value per Share	29.00	24.37	22.78

These financial statements should be read in conjunction with the annexed notes from 1 to 33 and were approved by the Board of Directors on and were signed on its behalf by:

Sd/-

Chief Financial Officer

Sd/-

Managing Director

Sd/-

Director

Signed in terms of our separate report of even date annexed

25th March 2013.

Sd/-

A. Matin & Co.
Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement of Comprehensive Income
For the Period ended 28 February, 2013

Particulars	Notes	Amount in Taka	
		2012-13 July-12 to Feb-13	2011-12 July-11 to Feb-12
Net Turnover	21.00	3,311,488,302	3,261,728,565
Cost of Goods Sold	22.00	(2,662,216,254)	(2,629,767,567)
Gross Profit		649,272,048	631,960,998
Operating Expenses:			
Administrative Expenses	23.00	(53,357,800)	(48,327,683)
Selling and Distribution Expenses	24.00	(9,128,883)	(16,470,039)
Total Operating Expenses		(62,486,683)	(64,797,722)
Profit from Operation		586,785,365	567,163,276
Financial Expenses	25.00	(215,645,451)	(169,730,149)
Net Profit from Operation		371,139,914	397,433,127
Non Operating Income	26.00	9,530,120	10,750,862
Net Profit Before Provisions		380,670,034	408,183,989
Profit on Sale of Investment	27.00	650,000	(550,000)
Net Profit Before Tax		381,320,034	407,633,989
Provision for Taxation	19.00	(142,995,013)	(152,862,746)
Deferred Tax Liabilities	20.00	-	
Net Profit after Tax		238,325,021	254,771,243
Earning per share (Taka)	28.00	1.59	1.70

These financial statements should be read in conjunction with the annexed notes 1 to 33 and were approved by the Board of Directors onand were signed on its behalf by:

Sd/-
Chief Financial Officer

Sd/-
Managing Director

Sd/-
Director

Signed in terms of our separate report of even date annexed

25th March 2013.

Sd/-
A. Matin & Co.
 Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement of Cash Flows
For the Period ended 28 February, 2013

Particulars	Amounts in Taka	
	2012-13 July, 12 to Feb, 13	2011-12 July, 11 to Feb, 12
Cash Flow from Operating Activities		
Cash receipts from customers and others	3,110,788,698	2,518,653,488
Cash receipts from others income	9,530,120	8,582,103
Cash payment to Suppliers	(2,716,269,571)	(2,078,987,394)
Cash payment for operating expenses	(360,609,419)	(293,872,594)
Tax Paid/Advance Tax	(33,007,546)	(48,361,196)
Net Cash used in Operating Activities	10,432,282	106,014,407
Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(429,130,352)	(61,431,594)
Investment Sale	3,500,000	-
Net Cash used in Investing Activities	(425,630,352)	(61,431,594)
Cash Flow from Financing Activities		
Increase/(Decrease) in share capital	-	-
Increase/Decrease in bank overdraft	(139,279)	618,289
Repayment/Received of short term borrowings	(305,617,893)	90,986,408
Repayment/Received of long term borrowings	697,915,670	(137,898,838)
Net Cash from Financing Activities	392,158,498	(46,294,141)
Net increase/(Decrease) in Cash and Bank Balances	(23,039,572)	(1,711,328)
Cash and Bank balances at beginning of period	61,493,794	58,197,995
Cash and Bank Balances at end of Period	38,454,223	56,486,667

These financial statements should be read in conjunction with the annexed notes 1 to 33 and were approved by the Board of Directors onand were signed on its behalf by:

Sd/-
Chief Financial Officer

Sd/-
Managing Director

Sd/-
Director

Signed in terms of our separate report of even date annexed

25th March 2013.

Sd/-
A. Matin & Co.
 Chartered Accountants

APPOLLO ISPAT COMPLEX LIMITED
Statement Of Changes In Equity
 As on 28 February, 2013

Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Revaluation Reserve	Total Equity
Balance as at 30-06-2011 (Restated)	1,500,000,000	-	420,841,617	-	1,920,841,617
Net Profit after Tax	-	-	354,049,675	-	354,049,675
Revaluation surplus	-	-	-	1,141,578,189	1,141,578,189
Closing Balance (30-06-2012)	1,500,000,000	-	774,891,292	1,141,578,189	3,416,469,481
Balance as at 30-06-2012	1,500,000,000	-	774,891,292	1,141,578,189	3,416,469,481
Net Profit after Tax	-	-	238,325,021	-	238,325,021
Revaluation surplus	-	-	-	-	-
Closing Balance (28-02-2013)	1,500,000,000	-	1,013,216,313	1,141,578,189	3,654,794,502

These financial statements should be read in conjunction with the annexed notes from 1 to 33 and were approved by the Board of Directors on..... and were signed on its behalf by:

Sd/-
Chief Financial Officer

Sd/-
Managing Director

Sd/-
Director

Signed in terms of our separate report of even date annexed

Sd/-
A. Matin & Co.
 Chartered Accountants

25th March 2013.

APPOLLO ISPAT COMPLEX LIMITED

407, Tejgoan Industrial Area
Dhaka-1208

**Notes to the Financial Statements
as at 28 February, 2013**

1.00 Reporting Entity and its Activities

1.01 Legal forms of the Entity

Appollo Ispat Complex Limited (hereinafter referred to as "AICL"/"Appollo"/"the company") is a public limited company was incorporated in Bangladesh on December 31, 1994 as a private company limited by shares. Subsequently, the company was converted into "Public Company" limited by shares vide special resolution passed in Extraordinary General Meeting held on March 30, 2010.

The registered office of the company is located at 407, Tejgaon Industrial Area, Dhaka-1208. The industrial units are located at Shimril, Siddhirgong, Narayangang Dhaka.

1.02 Nature of Business Activities

The Company is engaged in manufacturing and marketing of CI (Corrugated Iron) Sheet of different thickness, ranging from 0.120 mm to 0.420 mm, which is used mainly in rural and semi-urban areas of Bangladesh under its well established brand " Rani Marka Dheutin".for construction of traditional houses and fencing

1.03 Factory Operations

Appollo Ispat Complex Limited set up its factory at Shimrail, Siddhirgong, Narayangang only 14 Km. away from Dhaka and went into commercial production in its 1st CGL line in early July 1997' (Continuous Galvanizing line unit) and 2nd CGL line early 2002 and Cold Rolled Manufacturing unit in January 2005. The factory comprise of land measuring 1481.5 decimals, around 12 buildings like factory buildings (CGL, CRM) different factory sheds, office building and guest house etc. constructed in different years and plant and machineries like CGL, CRM, Effluent Treatment Plant, Boiler, Acid Regenerating Plant, Corrugation Machine, Sharing Machine, Softener Plant, DM Plant, Dryer Machine, EOT Crane, Compressor, Gas Generator and Cooling Machine etc. were purchased from different countries viz India, Japan, Germany etc.

2.00 Significant Accounting Policy for the presentation of the financial Statements

The specific accounting policies selected and applied by the company's management for significant transactions and events that have material effect within the framework of BAS-1 "Presentation of Financial Statements", in preparation and presentation of financial statements have been consistently applied throughout the year and were also consistent with those used in earlier years.

2.01 Corporate Financial Statements

This comprises Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow, notes and explanatory materials covering accounting policies. This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act, 1994 and the Bangladesh Accounting Standards (BASs) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) as well as those standards, disclosures recommended by BASs and as applicable to this Company. The Board of Directors are responsible for preparing and presenting the financial statements including adequate disclosures, who approved and authorized for issue of this financial statements. The preparation of the financial statements in conformity with the Bangladesh Accounting Standards (BASs) requires Board of Directors to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities at the date of the reporting period.

Due to the inherent uncertainty involved in making estimates, actual result could differ from those estimates. Statement of Financial Position as at 30th June 2012 has been prepared based on the restated Financial Statement of previous year.

2.02 Use of Estimates and Judgments:

The preparation of Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates and under lying assumptions are reviewed on an ongoing basis.

2.03 Going Concern

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

2.04 Foreign Currency Translation

Transactions in foreign currencies are translated to Bangladesh Taka at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities are converted at the rates prevailing at the balance sheet 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.

2.05 Reporting Period

The period of the financial statements covers one financial year from 1st July to 30th June of following year consistently. This interim report has been made for the period ended 28th February 2013.

2.06 Segmental Reporting:

No segmental reporting is applicable for the company as required by BAS 14: Segment Reporting as the company operates in a single industry segment and within a single geographical segment.

2.07 Fundamental Accounting Concepts/ Assumption

The financial statements have been prepared under historical cost convention on Accrual concept and such other convention as required by BAS-1 and BFRS for fair presentation of financial statements.

2.08 Comparative Information and Re-arrangement Thereof

Comparative Information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements. Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial Statements.

2.09 Compliance with BAS

The following BAS is applicable to the financial statements for the year under review:

BAS 1	Presentation of Financial Statements
BAS 2	Inventories
BAS 7	Cash Flow Statement
BAS 10	Events after the Balance Sheet Date
BAS 12	Income Taxes
BAS 16	Property, Plant And Equipment
BAS 18	Revenue
BAS 19	Employee Benefits
BAS 23	Borrowing Costs
BAS 24	Related Party Disclosures
BAS 25	Investment
BAS 33	Earnings Per Share
BAS 36	Impairment of Assets
BAS 37	Provisions, Contingent Liabilities and Contingent Assets

The related BFRS are also complied for the preparation of this financial statement.

2.10 Events after the Reporting Date

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

2.11 Regulatory Compliance

The financial Statement have been prepared in compliance with the following laws and regulations

The Company Act, 1994
 The Income Tax Ordinance, 1984
 The Income Tax Rules, 1984
 The Value Added Tax (VAT) Act, 1991
 The Value Added Tax (VAT) Rules, 1991
 The Custom Act 1969
 Security and Exchange Rules, 1987
 Security and Exchange Ordinance, 1969

2.12 Recognition and measurement of Tangible Fixed Assets

These are capitalized at cost of acquisition and subsequently stated at cost less accumulated depreciation. The cost of acquisition comprises of purchase price, including import duties and non-refundable Taxes and any directly attributable cost of bringing the assets to its state of its intended use. Expenditure incurred after the assets have been put into operation, such as repairs and maintenance is normally charged off as revenue expenditure in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefit expected to be obtained from the use of the fixed assets, the expenditure is capitalized as an additional cost of the assets.

2.12.1 Revaluation of property, plant & Equipment (PPE)

PPE have been stated at revalued amounts in accordance with BAS : 16 Property , Plant & Equipment.

- i) Effective date of revaluation to the Financial Statements 30-06-2012.
- ii) Land has been revalued by A. Wahab & Co. Chartered Accountants a Govt. approved independent valuer.
- iii) Revaluation surplus of Land & Land development has been transferred to Revaluation Reserve and distribution of such surplus to the shareholders is restricted.

2.12.2 Depreciation of Tangible Fixed Assets

Depreciation on fixed assets other than Land & Land Development had been computed during the year using the reducing balance method so as to write off the assets over their expected useful life. Depreciation has been charged on addition and retirement irrespective of date of retirement.

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

Land & Land Development	Nil
All other Fixed Assets	10%

2.12.3 Impairment of assets

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

2.12.4 Subsequent Costs

The cost of replacing part of an items of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future benefit embodied within the part will flow to the company and its cost can be measured reasonably. The costs of the day to day servicing of Property, Plant and equipment are recognized in the profit & loss as expenses.

2.13 Inventories

Inventories are measured at the lower of cost and net realizable value as prescribed by BAS-2. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the Case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operation capacity.

Nature of Inventories	Cost Formula
Raw Materials	Weighted Average Cost
Work-in Progress	Material cost Plus Proportionate conversion cost based on percentage of completion.
Chemicals, Stores and Spares	Weighted Average Cost
Finished Goods	Valued at cost or net realizable value whichever is lower

2.14 Trade Debtors

Trade debtors are carried at original invoice amount less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end.

2.15 Cash & Cash Equivalents

According to BAS 7 'Cash Flow Statement' cash comprises of cash in hand, demand deposits and Cash equivalents which are short term highly liquid investments that are readily convertible to Cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash & Cash Equivalents are not restricted in use. Considering the provision of BAS 7 & BAS 1, Cash in Hand & Bank Balances have been treated as Cash & Cash Equivalents.

2.16 Income Tax

2.16.1 Provision For Tax

Provision for taxation has been made as per rates prescribed in Finance Act 2012 and the Income Tax Ordinance, 1984 on the profit made by the company. As per BAS-12 Income Tax provision has been made during the year as the company earned taxable income.

2.16.2 Deferred Tax

The company has decided to adopt policy of reorganization of deferred tax in accordance with the Bangladesh Accounting Standard 12 (BAS). Deferred tax is provided using the liability method for temporary difference between the carrying value of fixed assets as per accounts and the corresponding income tax written down value. Deferred tax is calculated at the effective Income Tax rate.

2.17 Revenue Recognition

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates exclusive of VAT as per BAS-18. Revenue is recognized when the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associates costs and possible return of goods can be estimated reliably & there is no continuing management involvement with the goods sold. Transfer of risk and rewards occurs for the sale of goods when the product is delivered along with dispatch documents and invoices to customers.

2.18 Employee Benefit

At present the company does not have any employees benefit scheme except Gratuity but a plan to create a Provident fund and in which both company and employees will contribute an equal amount is under consideration.

2.19 Financial expenses

Finance expenses comprise interest expenses on bank loan, finance lease and other borrowings. All borrowing cost is recognized in the Comprehensive income statement based on the statement received from Financial Institutions.

2.20 Statement of Cash Flow

Statement of Cash Flow has been prepared principally in accordance with BAS-7 “Statement of Cash Flow” and the cash flows from the operating activities have been presented under direct method.

2.21 Provisions

In accordance with the guidelines as prescribed by BAS-37: Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation (legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. Reliable estimates can be made of the amount of the obligation.

2.22 Earnings Per Share

This has been calculated in compliance with the requirements of BAS 33: Earnings Per Share is the basic earnings dividing by the weighted average number of ordinary shares outstanding the end of the year.

2.23 Components of Financial Statements

- Statement of Financial Position as on 28th February 2013
- Statement of Comprehensive Income for the year ended 28th February 2013
- Statement of Change in Equity for the year ended 28th February 2013
- Statement of Cash Flow for the year ended 28th February 2013
- Accounting Policies and explanatory notes to the accounts.

2.24 Confirmation of Balances

We have send balance confirmation request to the respective debtors & creditors but till the period of finalization of this report no one has confirmed the balance held by them on the closing date. As of now the Social Islami bank Ltd, Mutual Trust bank Ltd and Dhaka bank Ltd have replied to our request. Balance provided by them as on 28th February 2013 are in conformity with that provided by the management.

APOLLO ISPAT COMPLEX LIMITED
 407, Tejgoan Industrial Area
 Dhaka-1208

Notes to the Financial Statements
For the Period ended 28 February, 2013

3.00 Property, Plant and Equipment	Amounts in Taka	
	2012-13 July, 12 to Feb, 13	30-06-2012
These have arrived at as under:		
Cost (Opening Balance)	4,042,540,702	2,808,842,935
Add: Revaluation surplus of land	-	1,141,578,189
	4,042,540,702	3,950,421,124
Add: Addition during the period	505,243,102	92,119,578
Total Cost	4,547,783,804	4,042,540,702
Less: Accumulated Depreciation (Opening Balance)	1,507,695,265	1,399,883,313
Add: Charged during the period	69,728,676	107,811,952
Total	1,577,423,941	1,507,695,264
Written down value	2,970,359,863	2,534,845,438

Addition to Fixed assets represent 151.85 decimal land procured during the period at a cost of Tk. 84,003,750 through deed no.422, 423, 919,920,987,2794,7682,15057 executed on 28/01/13, 28/01/13, 12/02/13,12/02/13,17/02/13,03/04/12,30/12/12,30/12/12 respectively. The land has been duly mutated in the name of the company and rent has been paid upto date.Tk. 94,23,193 was expended for registration & development of the land.

A schedule of Fixed Assets is given in Annexure-A)

4.00 Investment	Amounts in Taka	
	2012-13 July, 12 to Feb, 13	30-06-2012
This amount consists as follows:		
Quoted		
Popular Life Insurance Company Limited First Mutual Fund 500,000 shares of Tk. 10 each.	5,000,000	5,000,000
Less: Sale of Share	5,000,000	0
Total	5,000,000	0
Net Amount	0	5,000,000
Un-Quoted		
Palash Spinning Mills Ltd. Note 5.01	100,000,000	100,000,000
Phoenix Holdings Ltd. Note 5.02	1,500,000	1,500,000
	101,500,000	101,500,000
Total	101,500,000	106,500,000

4.01 The Company acquired 225,000 ordinary share of Tk.100 each at a premium of Tk. 344.44 of Palash Spinning Mills which is 45% of total share.

4.02 The Company acquired 15,000 ordinary share out of 50,000 shares of Tk.100 each of Phoenix Holdings Ltd. which is 30% of total share.

5.00 Inventories	2012-13	30-06-2012
Finished goods	864,502,952	1,183,679,271
Work in Process	740,296,865	800,086,655
Raw Materials	2,095,931,235	1,330,763,669
Spare Parts	1,115,846	687,793
	3,701,846,898	3,315,217,388

The above Inventories are as per Physical counting made and valued by the inventory team consists of management staff. Inventories in hand have been valued at lower of cost and net realizable value as per BAS-2.

6.00 Trade Debtors	2012-13	30-06-2012
Trade Debtors	922,337,553	721,637,949
	922,337,553	721,637,949

Trade receivable have been stated at their nominal value. Trade receivable are accrued in the ordinary course of business. All receivable has been considered as good and realizable.

A district wise break down given below:

B.Baria	3,815,787	2,945,189
Bagerhat	3,156,532	2,436,348
Barisal	27,738,867	21,410,055
Bhola	(381,092)	(294,143)
Bogra	109,588,633	84,585,237
Borguna	(2,925,131)	(2,257,742)
Chandpur	15,142,221	11,687,420
Chapainawabgonj	5,413,713	4,178,537
Chittagong	(50,188,308)	(38,737,502)
Chuadanga	22,647,487	17,480,308
Comilla	329,367	254,220
Dhaka	553,757,784	441,742,550
Dinajpur	4,653,015	3,591,398
Faridpur	2,819,158	2,175,948
Feni	(4,925,209)	(8,375,982)
Gaibandha	(1,115,075)	(860,663)
Gazipur	48,243,240	37,236,215
Gopalganj	(92,323)	(71,259)
Hobigonj	8,542,706	6,593,629
Jamalpur	37,341,845	28,822,048
Jessore	2,249,664	1,736,388
Jhalokati	(3,984,049)	(3,075,061)
Jhenaidah	5,496,455	4,242,401
Khulna	50,636,133	39,083,153
Kustia	(1,069,881)	(825,780)
Kishorgonj	(872,767)	(673,639)
Lalmonirhat	1,663,118	1,283,666

A district wise break down Continuing

Laxmipur	1,605,720	1,239,364
Madaripur	(563,982)	(435,306)
Mymensing	4,408,674	3,402,805
Manikgang	(173,772)	(134,125)
Naogaon	7,370,263	5,688,687
Narail	5,763,933	4,448,852
Narayangonj	2,505,206	1,933,626
Natore	(3,340,908)	(2,578,657)
Netrokona	(984,054)	(759,535)
Nilfamary	18,444,264	14,236,079
Noakhali	20,837,666	16,083,410
Norshingdhi	15,723,371	12,135,976
Pabna	6,274,351	4,842,815
Panchagar	(160,112)	(123,581)
Potua khali	837,986	646,794
Pirojpur	4,243	3,275
Rajbari	(34,432,643)	(26,576,600)
Rajshahi	21,852,806	16,866,939
Rangpur	60,126,137	46,407,948
Satkhira	4,352,867	3,359,731
Sherpur	(18,605,092)	(14,360,213)
Sirajgonj	6,684,910	5,159,702
Sylhet	281,819	201,638
Tangail	(2,155,650)	(1,663,824)
Thakurgaon	(32,002,342)	(24,700,789)
Total	922,337,554	721,637,949

7.00 Advances, Deposits and Prepayments

		Amounts in Taka	
		2012-13	30-06-2012
		July, 12 to Feb, 13	
Advances	Note- 7.01	361,586,334	583,347,916
Deposits	Note- 7.03	35,415,752	35,415,752
		397,002,086	618,763,668

7.01 Advances

Against goods and services		38,170,869	30,571,321
Against Salary		1,515,993	1,812,023
Against Land purchase		268,000	76,112,750
Advance Income Tax	Note-7.02	268,386,065	235,378,519
Factory current account		4,085,656	3,416,898
L/C margin account for raw material		20,126,064	111,486,709
L/C margin for capital machinery		-	94,242,505
VAT current account		29,033,687	30,327,191
		361,586,334	583,347,916

7.02 Advance Income Tax

Opening Balance		235,378,519	189,884,633
Add Addition during the Period		33,007,546	100,733,192
		268,386,065	290,617,825
Less: Refund during the Period		-	6,878,110
Less : Adjusted after Tax Assessment		-	48,361,196
		-	55,239,306
Closing Balance		268,386,065	235,378,519

7.03 Deposits

Advance against customs duty		-	-
Security deposit		35,415,752	35,415,752
Total		35,415,752	35,415,752

8.00 Cash and Bank balances

Cash in Hand		6,600,792	4,544,096
Cash at Bank	Note- 8.01	31,853,431	56,949,698
		38,454,223	61,493,794

Above amount was Company's Cash Balance as on 28,February,2013 which was physically counted and found agreed.

8.01 Cash at Bank

		Amounts in Taka	
		2012-13	30-06-2012
		July, 12 to Feb, 13	
Agrani Bank Ltd		104,650	1,387,019
Al-Arafah Islami Bank Ltd		1,108,396	318,396
AB Bank Ltd		51,276	437,331
Bank Asia Ltd		2,420,875	12,105,376
Basic Bank Ltd		134,413	121,776
BRAC Bank Ltd		-	1,585
City Bank Ltd		17,366,222	595,429
Dhaka Bank Ltd		3,535,314	862,346
Dutch Bangla Bank Ltd		1,024,147	2,083,791
Eastern Bank Ltd		23,963	1,329,523
Exim Bank Ltd		65,434	301,080
First Security Bank Ltd		148,095	752,115
IFIC Bank Ltd		51,198	272,831
Islami Bank BD Ltd		1,464,877	4,931,442
Jamuna Bank Ltd		32,039	9,762,912

A bank wise break down Continuing

Janata Bank Ltd	103,001	1,267,899
Mutual Trust Bank Ltd	20,007	149,286
Mercantile Bank Ltd.	5,140	7,040
National Bank Ltd	448,666	951,544
NCC Bank Ltd		4,425
One Bank Ltd	32,015	649,687
Prime Bank Ltd	347,857	279,792
Primer Bank Ltd	-	
Pubali Bank Ltd	1,747,549	1,005,802
Rupali Bank Ltd	166,530	431,397
Shajalal Bank Ltd	4,661	8,830
Social Investment Bank Ltd	95,717	1,798,742
Sonali Bank Ltd	332,628	630,401
Southeast Bank Ltd	514,314	12,128,015
Standard Chartered Bank	139,837	49,586
State Bank Of India	880	464
United Commercial Bank Ltd	36,747	741,312
Uttara Bank Ltd	326,983	1,582,524
Total	31,853,431	56,949,698

All the above Bank Balance has been reconciled and agreed with the Bank Statement.

9.00 Share Capital
Authorized Capital :

500,000,000 Ordinary share of Tk.10 each.	<u>5,000,000,000</u>	<u>5,000,000,000</u>
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Issued, Subscribed and paid up Capital

150,000,000 Ordinary Share of Tk.10 each, fully paid up	<u>1,500,000,000</u>	<u>1,500,000,000</u>
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The company raised its paid up capital from TK.430,000,000 to Tk. 1,500,000,000 divided into 150,000,000 ordinary shares of Tk. 10 each on 15-12-2010 after obtaining permission from SEC vides letter no. SEC/CI/CPLC-253/2010/493 dated 15-11-2010.

9.01 A distribution schedule of the above shares is given below:
A. Director's Shareholding

Name	Status with the Company	As on 28 February 2013	
		% of Holding	No. of shares
Deen Mohammad	Chairman	5.4800	8,220,000
Md. Ansar Ali	Director	4.2933	6,440,000
Abudur Rahman	Director & DMD	3.3333	5,000,000
M.A Majid	Director	4.6657	6,998,400
Md.Shoeb	Director	4.1467	6,220,000
Md Rafique	Director	3.9693	5,954,000
Abudur Rouf (Nominated by M/S Crystal construction & Mostafequre Rahman)	Director	4.9500	7,425,000
(Nominated by Jupiter Business)	Director	4.9500	7,425,000
Momtazur Rahman (Nominated by M/S Art International Limited)	Director	4.9333	7,400,000
Total		40.7216	61,082,400

B. Other Shareholders

Name	Status with the Company	As on 28 February, 2013	
		% of Holding	No. of shares
Above 5 % shareholding:	Shareholders	-	-
Below 5% shareholdings	shareholders	59.2784	88,917,600
Total		59.2784	88,917,600
Grand Total (A+B)		100	150,000,000

Classification of Shareholders by holding

Holdings	As on 28 February, 2013		
	No. of holders	% of Holding	No. of shares
Less than 100,000 Shares	2	0.04	60,000
100,001- 2,000,000 Shares	23	5.76	8,633,000
2,000,001- 4,000,000 Shares	5	10.58	15,875,000
4,000,001- 6,000,000 Shares	5	16.73	25,094,000
6,000,001- 8,000,000 Shares	13	61.41	92,118,000
8,000,001- Above Shares	1	5.48	8,220,000
	49	100	150,000,000

10.00 Revaluation Reserve

Revaluation Reserve has been created out by the amount of revaluation surplus of Land and Land Development by A.Wahab & Co Chartered Accountants on 30-06-2012. The Surplus arrived at over book value of land has been accounted for under " Revaluation Reserve".

Details are given below-

Opening balance	1,141,578,189	-
Book Value of Land & Land Development as on 30th June 2012	-	349,049,811
Revalued Amount as on 30th June 2012	-	1,490,628,000
Revaluation Surplus/ Revaluation Reserve	1,141,578,189	1,141,578,189

11.00 Retained Earnings

This has been arrived at as under;

Balance brought forward	774,891,292	420,841,617
Add. Profit for the period	238,325,021	354,049,675
Add. Transferred from tax holiday reserve	-	-
Add Prior year adjustment for excess provision of tax	-	-
Less. Tax holiday reserve	-	-
Balance carried forward	1,013,216,313	774,891,292

12.00 Long Tern Borrowings

This represent the present outstanding balance of the following term loans;

Name of Bank	28-02-13		30-06-12	
	Due within eight month	Due after more than one year	Due within one year	Due after more than one year
BRAC Bank limited	10,116,000	23,502,559	15,324,000	17,444,844
Bank Asia Ltd	60,000,000	173,755,191	-	
Dhaka Bank limited	71,200,000	69,697,496	53,400,000	74,768,249
Dutch Bangla Bank limited	39,143,200	54,229,612	35,485,713	50,457,417
Eastern Bank limited	30,760,400	120,615,559	20,850,264	118,703,897
IDLC	26,026,400	49,972,178	26,119,800	48,877,498
IFIC Bank Ltd	88,240,000	270,709,958	-	
Jamuna Bank limited	16,960,000	6,305,734	25,440,000	2,100,877
Mercantile Bank limited	60,000,000	208,996,227	66,000,000	183,920,768
Mutual trust Bank limited	31,780,440	148,604,143	47,670,660	117,913,462
NCC Bank limited	66,936,000	284,737,489	92,037,000	237,107,901
Prime Bank limited	30,400,000	33,067,702	24,587,190	37,174,382
Phoenix Finance and Invest Ltd	24,497,405	21,247,529	18,664,032	25,343,572
Premier Bank limited	22,616,000	73,716,667	33,924,000	67,546,546
Southeast Bank limited	88,240,000	214,435,806	99,270,000	176,194,969
State Bank of India	40,323,800	27,336,814	45,364,275	17,708,452
Shahajalal Islami Bank ltd	7,953,725	236,360	10,382,591	-
Social Islami Bank limited	58,920,000	172,315,451	88,380,000	129,571,493
Standard Chartered Ltd(Syd)	34,871,400	45,126,433	52,307,100	43,148,498
Uttara Bank limited	9,630,864	8,370,474	14,446,296	10,043,600
	818,615,634	2,006,979,382	769,652,921	1,358,026,425

This represent the present outstanding balances of the above term loans. The above loans are secured by personal guarantee of the director of the company and the pari passu sharing agreement between banks on fixed and floating assets of the company. The interest rate of this loans are varying from 13%-17%. The Payment of installment were being made regularly.

13.00 Short Term Borrowings

Amounts in Taka	
2012-13 July,12 to Feb,13	30-06-2012

This loan is taken from following banks as and when required to meet up the operational expenses as well as capital expenditures. The outstanding position of the loan as on February 28, 2013 is as follows.

Bank Asia Ltd	206,500,534	199,831,970
Jamuna Bank Ltd	99,565,864	97,397,936
Mutual Trust Bank Ltd	119,096,155	127,720,346
Southeast Bank Ltd	612,738,384	573,075,207
IFIC Bank Ltd.		345,493,371
	1,037,900,937	1,343,518,830

This loan are secured by mortgage on Buildings, Hypothecation of plant and machinery, Raw and packing materials, work-in-process, Finished stock and Book debt respectively.

14.00 Bank overdraft

This loan is taken from following banks as and when required to meet up the operational expenses as well as capital expenditures. The outstanding position of the loan as on February 28, 2013 is as follows.

This consist of the following:

Dutch Bangla Bank Ltd	6	
Janata Bank Ltd	29,120	
National Bank Ltd		168,405
	29,126	168,405

15.00 Liabilities for Expenses

This consist of the following:

Audit fee		68,925	150,000
Electricity		6,030,652	10,861,630
Gas		9,917,048	5,790,611
Salary and Allowances	Note- 15.01	4,154,848	5,081,164
Wages and Salary	Note- 15.01	3,048,305	1,577,418
Telephone		593,349	615,847
		23,813,127	24,076,670

15.01 Salary, wages & allowance Payable

The company pays salary & allowance on accrual basis i.e. current's month salary is accrued for the month and it is paid on following month. The accrued salary & allowances of Tk. 4,154,848+3,048,305=7,203,153 was payable for the month of February, 13 and subsequently it was paid in next month so at the date of signing of audit report above accrued salary & allowances and wages & salary has paid.

16.00 Trade Creditors

This consist of the following:

Party wise break down given below:

AK Traders	1,717,919	1,654,022
Mr. Jalil	2,002,137	1,002,137
Kamal Hossain	902,230	902,230
M/s Abdus Subhan	913,500	
	5,535,786	3,558,389

17.00 Provision (loss) against Investments

This is as per last account

2,150,000

	Amounts in Taka	
	2012-13 July,12 to Feb,13	30-06-2012
18.00 Provision for Bad Debts		
Opening balance	14,432,759	13,474,221
Add. Addition made during the period	-	958,538
Closing balance	14,432,759	14,432,759
19.00 Provision for Income Tax		
Opening balance	348,459,764	204,527,209
Provision made during the Period	142,995,013	192,293,751
	491,454,777	396,820,960
Less: Prior year adjustment	-	-
Adjusted/Paid during the Period	-	48,361,196
Closing balance	491,454,777	348,459,764
20.00 Liabilities for Deferred Taxes	77,944,593	77,944,593

This is as per last account. Since this is a interim report and no difference could be calculated between tax base value, no Deffered Tax liability has been calculated for the period.

The company has decided to adopt policy of recognition of deferred tax in accordance with the Bangladesh Accounting Standard 12 (BAS-12). Deferred tax is provided using the liability method for temporary difference between the carrying value of Fixed assets as per accounts and corresponding income Tax written down value. Deferred Tax has been calculated based on inherent Income Tax Rate.

	July,12 to Feb,13	July,11to Feb,12
21.00 Net Turnover		
Turnover is shown net of VAT.	3,311,488,302	3,261,728,565
	3,311,488,302	3,261,728,565
22.00 Cost of Goods Sold	Amounts in Taka	
This has been arrived as under;	2012-13 July,12 to Feb,13	2011-12 July,11to Feb,12
Work in process (opening)	800,086,655	656,448,726
Add. Raw Material Consumed Note- 22.01	2,131,044,184	2,897,442,256
Total Work in Process	2,931,130,839	3,553,890,982
Less: Work in Process (Closing)	(740,296,865)	(676,782,206)
Add: Factory Overhead Note- 22.02	152,205,961	152,860,471
Cost of Production	2,343,039,935	3,029,969,247
Add: Finished Goods (Opening)	1,183,679,271	462,656,251
Finished Goods Available	3,526,719,206	3,492,625,498
Less: Finished Goods (Closing)	(864,502,952)	(862,857,931)
	2,662,216,254	2,629,767,567

22.01 Raw Material Consumed
Opening Stock of Raw Materials

HR Coil	802,743,711	1,146,806,122
Zinc Ingot	367,873,245	431,729,761
Chemical	160,146,713	187,945,448
Spare parts	687,793	807,182
	1,331,451,462	1,767,288,513

Add: Raw Material Purchased

HR Coil	2,145,994,113	1,897,920,790
Zinc Ingot	641,316,931	519,861,736
Chemical	103,432,699	11,033,240
Spare parts	5,896,060	2,526,593
	2,896,639,803	2,431,342,359

Raw Material available for Consumption

	4,228,091,265	4,198,630,872
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Less: Closing Stock of Raw Materials

HR Coil	1,463,918,545	867,220,979
Zinc Ingot	569,823,345	359,231,789
Chemical	62,189,345	73,385,987
Spare parts	1,115,846	1,349,861
	2,097,047,081	1,301,188,616

Raw Material Consumption

	2,131,044,184	2,897,442,256
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Amounts in Taka
22.02 Factory Overhead

This consist of the following:

	2012-13	2011-12
	July,12 to Feb,13	July,11to Feb,12
Depreciation	65,893,599	64,932,732
Electricity	25,222,233	27,775,040
Gas	18,198,628	19,287,688
Iftary Expenses	909,000	792,938
Insurance Premium	693,097	880,110
Labour and carrying charge	635,690	287,470
Medical Expenses	101,662	86,259
Repair and Maintenance	9,990,063	10,690,658
Salary and Allowances	10,216,272	9,171,067
Telephone	-	91,967
Wages and Allowances	19,756,637	18,864,542
Other production Materials	589,080	
	152,205,961	152,860,471

a) Salary and Allowance includes salary and allowances, bonus and Notice ,leave pay & Wages and allowance includes Wages & Overtime

b) Repair and Maintenance includes Factory maintenance, Forklift maintenance, Generator maintenance, Machinery maintenance, Boiler Machine maintenance, Factory building maintenance, Crane maintenance and Vehicle maintenance.

c) Electricity bill increased due to increased in production quantity and production continued in peak hours.

23.00 Administrative Expenses

This consist of the following:

	July,12 to Feb,13	July,11to Feb,12
Audit Fee	85,000	102,250
Bond Stamp	35,390	18,220
Board Meeting Expenses	45,045	250,486
Business Development	2,818,165	2,821,980
Canteen Expenses	464,252	445,852
Consultancy	371,420	995,188
Conveyance	696,225	753,537
Director Remuneration	1,034,880	1,034,880
Depreciation	3,835,077	3,843,601
Donation	182,125	259,650
Electricity	337,577	239,105
Entertainment	588,425	1,429,153
Fees and Professional Charges	1,342,600	655,975
Foreign Expert Expenses	118,500	16,379
Gift & Presentation	49,450	114,890
Iftary Allowances	144,158	101,562
Legal Fee	945,720	1,512,691
License and Renewal Fee	215,425	2,244,678
Liveries and Uniform	378,810	205,654
Repair and Maintenance	2,865,858	2,735,687
Miscellaneous Expenses	257,896	411,510
Medical Expenses/welfare expenses	100,160	-
Newspaper and Periodicals	24,912	23,388
Office Rent	1,050,000	1,050,000
Office Refreshment Expenses	142,438	276,730
Plantation	53,460	20,811
Postage and courier	18,314	12,393
Printing	98,947	267,106
Pre-IPO Expenses	8,949,002	966,083
Rent Rates and Taxes	408,713	530,702
Salary and Allowances	23,954,814	24,016,897
Stationery expenses	245,589	222,013
Telephone & Internet	1,259,070	634,327
Traveling & Conveyance	240,384	114,305
	53,357,800	48,327,683

Note: Salary and allowance includes salary and allowance, Bonus, overtime and Leave pay. Repair and Maintenance includes maintenance of air condition, maintenance of office and maintenance of vehicles. Fees & Professional Charge includes Professional fees, Fees & Fines, Renewal fees.

24.00 Selling and Distribution Expenses
 This consist of the following:

	July,12 to Feb,13	July,11to Feb,12
Advertisement	1,937,513	6,000,521
Bonus	1,350,931	176,217
Delivery charges	640,485	1,442,556
Entertainment	367,679	19,590
Other Expenses	-	2,648,859
Salary and Allowances	2,020,247	2,693,141
Sales promotion expenses	2,624,428	3,432,813
Bad debts	-	-
Telephone Expenses	187,600	56,342
	9,128,883	16,470,039

25.00 Financial Expenses

This consist of the following:

Amounts in Taka	
2012-13	2011-12
July,12 to Feb,13	July,11to Feb,12
Bank Charge & Commission	1,040,293
Bank Guarntee Commission	-
Interest on Loan	168,689,856
Total	169,730,149

26.00 Non Operating Income

This consist of the following:

	July,12 to Feb,13	July,11to Feb,12
Scrap sales and Others	7,588,742	7,600,816
Other Income-Interest Received	1,941,378	3,150,046
	9,530,120	10,750,862

27.00 Profit on sale of Investment:

This has been arrived as under;

	July,12 to Feb,13	July,11to Feb,12
Cost of Bond Purchased	5,000,000	
Less Provision for Unrealized Loss	(2,150,000)	(550,000)
Book value of Bond	2,850,000	(550,000)
Sales of Investment	3,500,000	-
Realized Gain	650,000	(550,000)

28.00 Earning Per Share

July,12 to Feb,13	July,11 to Feb,12
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The composition of earning per shares (EPS) is given below:

Earning per share (Taka)	1.59	1.70
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29.00 Net Assets Value Per Share

Net Assets Value Per share	24.37	22.78
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30.00 Cash flow per share from operating activities

Amounts in Taka		
2012-13 July,12 to Feb,13	July,11 to Feb,12	
Cash inflow/ (outflow) per share	0.07	.71

31.00 Related parties transaction

As per Bangladesh Accounting standards (BAS) 24 "Related party Disclosure" , Parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party is making financial and operating decision. APPOLLO ISPAT COMPLEX Ltd carried out transaction in the ordinary course of the business on an arm's length basis at commercial rate with is related parties. During the year, the company carried out transactions with related parties. The name of the related parties and nature of these transactions have been set out in accordance with the provisions of BAS-24. Related parties disclosure are given below:

Name of the parties	Relationship	Nature of	Outstanding value
Phoenix Finance and Investments Ltd.	Common Shareholder,	Term Loan	45,744,934
Phoenix Insurance Company Ltd.	Shareholder,	Insurance	Nil
Works Ltd.	Shareholder,	Office Rent	Nil

32.00 Employees

The Company had 412 Permanent and 11 provisional employees as on 28 February ,2013(2012:423) and a varying number of seasonal and temporary workers (about 133) as required. The table given below shows the segregation of those employees.

Particulars	Permanent	Provisional	Total No of Employee
Officer	97	9	106
Staff	104	2	106
Workers	211	0	211
	412	11	423

33.00 Contingent Liabilities

Contingent Liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non occurrence of one or more uncertain future events which are not within the control of the company. 1) A claim has been made by the Customs & VAT Authority against the Company for Duties and VAT on Imported Raw Materials for Taka 211,326,867. The Company filed writ Petitions against the said claim to the High Court Division which is awaiting hearing and final decision. 2) After adjusting the TDS with the Assessed Tax there will be Tax Liabilty og Tk. 1,59,47,150.00 for the assesment year of 2011-2012.

APPOLLO ISPAT COMPLEX LIMITED
Schedule of Property, Plant and Equipments
 As at 28 February, 2013

Annexure
Fig. in

Category of Assets	Cost				Depreciation					
	Balance as on 01.07.2012	Addition	Revaluation	V.Surplus	28-02-2013	Rate %	Balance as on 01.07.2012	Charge During the year	Disposal	Accumulated Dep. as on 28-02-2013
Land and Land Development	1,490,628,000	91,714,244			1,582,342,244	-	-	-	-	-
Plant and Machinery	1,708,458,526				1,708,458,526	10%	1,147,289,417	37,411,274	-	1,184,700,690
Stock of Machinery-NOF		411,816,159			411,816,159	10%				
Factory Building	590,000,952	1,463,816			591,464,768	10%	256,834,525	22,308,683	-	279,143,208
Office Building	56,495,053				56,495,053	10%	23,616,765	2,191,886	-	25,808,650
Office Building (Rangs Bhaban)	43,940,516				43,940,516	10%	16,000,000	1,862,701	-	17,862,701
Factory Office Equipment	1,766,910	57,900			1,824,810	10%	635,253	79,304	-	714,557
Gas Generator	33,165,197				33,165,197	10%	11,418,519	1,449,779	-	12,868,298
Water Installation	6,781,951				6,781,951	10%	3,366,475	227,698	-	3,594,174
Telephone Installation	3,453,324	61,550			3,514,874	10%	1,652,790	124,139	-	1,776,929
Gas Installation	4,158,425				4,158,425	10%	2,344,232	120,946	-	2,465,178
Electric Installation	53,394,315				53,394,315	10%	22,723,029	2,044,752	-	24,767,781
Vehicle and Transport	16,039,571				16,039,571	10%	7,626,869	560,847	-	8,187,716
Tools and Equipment	15,121,838	56,333			15,178,171	10%	5,650,917	635,150	-	6,286,067
Office Equipment	3,804,782	36,700			3,841,482	10%	1,462,213	158,618	-	1,620,831
Furniture and Fixture	5,878,050	10,300			5,888,350	10%	3,299,630	172,581	-	3,472,211
Air Condition	5,172,010				5,172,010	10%	2,324,433	189,838	-	2,514,271
Other Assets	4,281,282	26,100			4,307,382	10%	1,450,198	190,479	-	1,640,678
Total: 2011-2012	4,042,540,702	505,243,102			4,547,783,804		1,507,695,265	69,728,676		1,577,423,941

A) Allocation of Depreciation

Factory overhead	65,893,599
Administrative overhead	3,835,077
	69,728,676

B) Addition to Non Oxide furnace (NOF) Machinery Tk. 42,14,72,112 and building Tk. 45,969,356 included in Factory Building. Depreciation has not been charged on the value of this assets be till now it is unused.

Comments on the fore going Financial Statements:

The Management of the issuer company to fulfill the following deficiencies on Audited Financial Statements for the period ended 28th February 2013 to be followed in their Audited Financial Statements as on 30 June, 2013:

- establish Worker's Participation Fund and Workers' Welfare Fund as per section-234 of Bangladesh Labor Act-2006,
- recognize Income Taxes, deferred tax expense/income as per BAS-12,
- account for the investment under equity method as per BAS-28 of Palash Spinning Mills and Phoenix Holdings Ltd.,
- depreciation shall be calculated considering consumption pattern as per para-60 of BAS-16,
- current year depreciation shall be consistent with prior year,
- to incorporation amount of gratuity in the financial statements in their next Audited Financial Statements as on 30 June, 2013.

Additional Disclosure: (c)

1. Regarding Share Transfer

As per order dated 26th October 2011 High Court against company Matter No. 250 of 2011 and 251 of 2011 14,40,000 shares of Tk. 10/- each is transferred from Mr. Md. Ansar Ali and 9,54,000 shares of Tk. 10/- each is transferred from Mr. Md. Rafique to M/S. S. Co. Power Plant Ltd. on the 20th July 2013 as per executed Form-117 submitted by Mr. Md. Sirajul Haque, Managing Director of S.Co. Power Plant Ltd. After this transfer Mr. Md. Ansar Ali left with 50,00,000 shares and Mr. Md. Rafique left with 50,00,000 shares, which after I.P.O will be 2% of total paid up capital of Tk. 250.00 crore. The judgment against the above noted two cases that is 250 of 2011 and 251 of 2011 is the same the summary of which is as under:

The Managing Director of the M/S. Appollo Ispat Complex Limited is directed to register the transfer of the shares in favour of the petitioner No. 2 as affected by him through executing the Form 117 within thirty days from date and the petitioner No. 2 is directed to submit the executed Form 117 in original before the company for effecting the registration of transfer and rectification of the share register of the respondent No. 1 company Appollo Ispat Complex Limited and the respondent No. 2 is directed to hand over the share certificate to the petitioner No. 2 so far he transferred the same to the petitioner No. 2 within the said period.

It is worth mentioning here that is both the cases petitioner No. 2 is Mr. Md. Sirajul Haque and Respondent No. 2 for Company Matter 250 is Mr. Md. Ansar Ali and for Company Matter 251 is Mr. Md. Rafique. It is further to mention that as the shares of Mr. Md. Ansar Ali and Mr. Md. Rafique was locked in (as per consent dated 13-12-2012) the said transfer is effected after obtaining consent from Bangladesh Securities and Exchange Commission (BSEC)

2. Plan to get out from Classified Loan:

The nature of steel business is such that the sales varies round the year in correlation with season, crop pattern & harvest, international price fluctuation etc. During the off-season usually we build stocks by continuous production so that finished products can be supplied during peak season. Moreover, this is such type of business that a significant portion of sales is done on credit basis resulting huge amount get blocked with wholesalers which take substantial time to recover. For all these reasons, sometimes fund get blocked in stocks and credit to customers, as a result, the payment to bank gets delayed. For this at the 2nd quarter of the year 2013 regular payment of loan installment of lender bank was delayed and they classified our loan as doubtful for a time being. Consequently we made the payment of those installment upto date, and those lender banks again rescheduled our term loan as SS. The company will definitely be able to overcome these issues in payment to its banks after IPO proceeds are received, because after payment of Tk. 153.16 crore to banks from IPO proceeds the liability position of the company will substantially reduce and will stand at Tk. 232.00 crore. It is worth mentioning here that before withdrawal of suspension of I.P.O our loan was regular and we understand that, BSEC obtained clean CIB from Bangladesh Bank. It is worth mentioning here that, the letter of Prime Bank Limited dated 12th June 2013 was sent to BSEC, prior to payment made to them on the 29th June 2013 and the letter of Premier Bank Limited date 6th June 2013 is not justifiable as they vide their Letter No. Pre/Gul/Cr/2013/1691 dated 10th June 2013 informed that, our account with them is S.S. not doubtful. Further with the commercial operation of NOF (Non Oxidized Furnace) Project, the cash flow of the company will

improve and the company will be in a position to pay off its liabilities. AICL, though has high debt financing its huge turnover cannot affect cash flow and profitability. Moreover after payment of liabilities of the syndicated lenders the mortgaged properties of the company will be free. Using these as collateral the management of AICL has a plan to arrange for foreign soft loan with very low interest to further pay off the existing liabilities with different local banks as a result company's interest burden will reduce significantly and later the company will be in a position to pay off the said foreign loan gradually in a shorter span of time.

3. Compliance of Hon'ble High Court order against Company Matter No. 69 of 2013 will be as follows:

According to the judgment dated 16-06-2013 in the above noted case if Mr. Md. Sirajul Haque deposits Tk. 16,99,16,000/- with the company within 60 (sixty) days of receipts of the certified copy of the Judgment the company will act as per judgment. It is worth mentioning here that the above mentioned certified copy was received on the 24th July 2013 accordingly 60 (sixty) days will expire on 23rd September 2013.

The summary of judgment is as under:

The respondent No. 1 is directed to allot 1,69,91,600 (One Crore nine lac Ninety one thousand and Six hundred) ordinary shares of Taka 10/- each out of 10,70,00,000 ordinary shares and rectify the share register of respondent no. 1 company by entering the name of the petitioner in the share register as holder and owner of 2,38,22,400 (Two crore Thirty eight lac, Twenty two thousand and Four hundred) number shares in total on receipt of payment of Taka 16,99,16,000 (Sixteen crore Ninety nine lac and Sixteen thousand) for the 1,69,91,000 number shares not offered to the petitioner before making allotment of 10,70,00,000 on 15.12.2010 to respondent nos. 2-7 and 11-48 within a period of 60 (sixty) days from the receipt of the certified copy of the Judgment and order of this court.

It is worth mentioning here that the respondent No. 1 is Appollo Ispat Complex Ltd. and respondent No. 2-7 and 11-48 are the shareholders to whom shares were allotted on 15-12-2010.

Credit Rating Report

Appollo Ispat Complex Limited

Particulars	Ratings	Remarks
Appollo Ispat Complex Limited	BBB ₁	Entity
BDT 2,129.68 million aggregate long term outstanding	BBB ₁ (Lr)	
BDT 1,025.40 million aggregate short term fund based limits	ST-3	Please see Appendix-1 for details
BDT 592.00 Million aggregate short term non fund based limits	ST-3	
Outlook	Stable	

Lr - Loan rating; ST - Short Term

Date of Rating: 19 July 2012.

Validity: The entity rating is valid up to 30 June 2013 and the loan ratings are valid up to limit expiry date of respective credit facilities or 30 June 2013 whichever is earlier.

Rating based on: Audited financial statements up to 30 June 2012, bank Liability position as on 30 June 2012 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

Auditor: A. Matin & Co.

Methodology: CRAB's Corporate Rating Methodology (www.crab.com.bd)

Analysts:

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Financial Highlights

(Mil. BDT)	~ Year Ended June 30 ~		
	2012	2011	2010
Net Sales	4,998.5	4,820.3	4,701.1
EBITDA	1,105.8	936.3	889.6
EBITDA Margin (%)	22.1	19.4	18.9
Net Profit Margin (%)	7.1	5.9	5.6
Return on Asset (ROA)	4.8	5.1	5.6
Quick Ratio (x)	0.5	0.6	0.4
Cash Conversion Cycle (Days)	360	319	269
Borrowed Fund to Equity (x)	0.9	1.8	8.1
Borrowed Fund to EBITDA (x)	2.8	3.7	5.1
Cash Flow from Operations (CFO)	1,202.9	808.2	-
Free Cash Flow (FCF)	1,290.3	2,041.9	-
EBIT/Interest (x)	2.8	2.2	1.7

■ PROFILE

Appollo Ispat Complex Limited (herein after referred as "AICL" or "the Company") a public limited company, incorporated in 1994 and started its commercial operation in 1997. The company is engaged in manufacturing and selling of Galvanized Corrugated Iron (GCI) sheet through Galvanizing unit and manufacturing Cold Sheet from Hot Roll coil. Based on audited financial statements the company has reported sales of BDT 7,998.53 million and net profit of BDT 354.05 million in FY12.

■ RATIONALE

Credit Rating Agency of Bangladesh Limited (CRAB) has affirmed the rating of Appollo Ispat Complex Limited to BBB₁ (pronounced as Triple B One) based on the recent performance of the Company. CRAB has also assigned BBB₁(Lr) rating to BDT 2,129.68 million aggregate Long term loan outstanding and ST-3 rating to BDT 1,025.40 million aggregate fund based limit and BDT 592.00 million aggregate non fund based limit of the Company.

The ratings are primarily supported by the increased equity base, group strength and stable business performance of the Appollo Ispat Complex Limited. AICL is well known for its "Rani Marka Dhew Tin" in the CI sheet industry in Bangladesh.

In FY12, AICL experienced 3.7% sales growth, which generated 7.1% net profit margin. In FY11, the Company observed 2.5% sales growth with 5.9% profit margin. In FY11, the Company increased its paid up capital by BDT 1,070.00 million. Borrowed Fund to Equity reduced from 1.8x to 0.9x, Borrowed Fund to EBITDA decreased from 3.7x to 2.8x and Borrowed Fund to Total Asset reduced from 0.6x to 0.4x in FY12 compare to the previous year.

The Company witnessed high inventory in recent years. High inventory period which increased the Cash Conversion Cycle to 360 days in FY12 from 319 days in FY11 put pressure on its cash flow. As of 30 Jun 2012, the Company had Inventory of BDT 3,315.22 million which was BDT 2,886.39 million one year back in FY11. Price hike of HR coil and intention to pile up more raw materials increased inventory value. This high inventory affected the cash flow of the Company. Therefore, the FFO to Debt was 15.5% in FY12 and 11.6% in FY11.

Borrowed fund to EBITDA was 2.8x and 3.7x in FY12 and FY11 respectively. The debt ratios had a better look in FY12, still it was tight for the Company to manage borrowed fund from its internal cash generation. In FY12, current ratio and quick ratio were 1.8x and 0.5x respectively which were 2.1x and 0.6x in FY11.

The rating considers also group support of the Company. AICL is one of the associated companies of Phoenix Group. Phoenix Group started its first industrial venture in early seventies. The group is continuing its operation through establishing weaving and spinning mills, leather processing industries, CI sheet industries as well as diversifying in financial sectors –insurance and leasing companies.

AICL has a plan to expand its production capacity from 50,000 MT to 90,000 MT. It intends to increase its production capacity to meet the demand gap of CI sheet in the country. The project will be financed from IPO (subject to approval from Bangladesh Securities and Exchange Commission) proceeds and loan taken from financial institutions.

RATING POSITIVES

- Improved equity position and moderate debt burden
- Group support
- Quality raw materials from world reputed suppliers i.e. POSCO, Nippon Steel etc.

RATING CHALLENGES

- Input price fluctuation in international market
- Shifting of consumer preference to substitute house building materials
- Risk associated with new project

■ BACKGROUND

Appollo Ispat Complex Limited, a concern of Phoenix group, was incorporated as a Private Limited Company in 1994 for manufacturing and marketing of corrugated iron sheets and started commercial operation in 1997. The factory of the Company is located at Siddhirgonj in Narayangonj on 17 acres land owned. In its primary stage the Company was involved with the trading of CI sheets and in later time it started manufacturing finished CI sheets. Earlier, in 1987 Appollo began its own manufacturing facility with a sheet-to-sheet GI line in the name of Appollo Steel Mills Ltd. In 1993, Appollo Steel Mills expanded the facilities into the second line. In 1997, the company established the modern and sophisticated Continuous Galvanizing Line (CGL) with a capacity of producing 60,000 metric tons, which was the first of its kind in Bangladesh. The entire facility was imported from Nippon Denro of Japan. In early 2002, the second line of manufacturing facility went into operation. This continuous galvanizing plant has the capacity of producing 80,000 metric tons. The Japanese technicians installed this and at the same time, the first line re-flourished and upgraded. Now the total manufacturing capacity is over 130,000 metric tons and it was the single largest flux line producer of CI sheet in the South Asian region.

In 2004, AICL vertically expanded its operations and went into backward linkage industry by establishing a Cold Rolled coil manufacturing plant of 120,000 metric tons capacity. The corporate head office located at Tejgaon industrial area in Dhaka controls the whole operation. In 2005, AICL incorporated an acid regeneration project which facilitates recovery of 90% of the used acid and thus ensure an environment friendly production. Recently, AICL has expanded its business horizon outside Bangladesh by exporting to Thailand. The Company looks forward for exporting its products to other countries in the world.

Table: 01

APPOLLO ISPAT COMPLEX LIMITED AT A GLANCE	
Type of Company	Public Limited Company
Industry	Steel/CI Sheet
Incorporated	31 December, 1994 (converted to public limited in 30 March 2010)
Head Office	407, Tejgaon Industrial Area, (3 rd floor), Dhaka-1208, Bangladesh.
Factory	Shimrail, Siddirgonj, Narayangonj.
Authorized Capital	BDT 5,000.00 million
Paid Up Capital	BDT 1,500.00 million
Product	Corrugated Iron (CI) / Galvanized Plain (GP) Sheet.
Brand	Rani (Rani Marka Dhew Tin)

Overview of Phoenix Group and Associated Companies

Phoenix Group started its first industrial venture in early seventies by taking over Phoenix Cotton Products Ltd., one of the leading mosquito net manufacturing industries of that time. Later the promoter established weaving and spinning mills, leather processing industries, CI sheet industries as well as diversified in financial sectors through establishing insurance and leasing companies.

The group established its first 100% export oriented leather industry in 1977 in the name and style of Phoenix Leather Complex Ltd. which was also the first Public Limited Company of the Group. The Group established a modern textile dyeing, printing and finishing mill in 1978 in the name and style of Phoenix Textile Mills Ltd. and second dyeing and finishing unit Eastern Dyeing and Calendering Works Ltd. in 1980. The Group took over M.M. Dyeing and finishing Mills Ltd., a 100% synthetic textile dyeing and finishing unit in 1982. Phoenix group established its 100% export oriented readymade garments manufacturing industry in 1983. In the same year with active support of the Group and untiring effort by the Chairman Mr. Deen Mohamed, „The City Bank Ltd.“ was established, which is a leading commercial bank in the private sector of the country. In 1984 Phoenix Fabrics Ltd. a synthetic dyeing finishing unit was established.

Phoenix Group established its largest unit Phoenix Spinning Mills Ltd., a combined spinning cum weaving mill consisting of 25,000 spindles and 400 looms at Ganakbari near Savar, Dhaka in 1985. In 1986 at the personal initiative of the Chairman Mr. Deen Mohammed and with the co-operation of Phoenix Group, Phoenix Insurance Company Ltd., one of the leading general insurance companies of the country was established. In 1987, the Group entered into iron and steel business and established Appollo Steel Mills Ltd., a Galvanized Corrugated Iron sheet manufacturing industry. The Group established the largest Steel Mill in the private sector in 1987 in the name and style Appollo Steel Mills. The recent achievement of the Group particularly of its Chairman is the establishment of Phoenix Leasing Company Ltd. in 1995, the third leasing company of the country. In the month of April 2000, another expansion of Phoenix Spinning Mills was established namely "Rangdhanu Spinning Mills Ltd. Its products are mainly consumed by the 100% export oriented Knitting industries.

■ OPERATION, BUSINESS & FINANCIAL RISK PROFILE

Operation	Industry/ Market
Management	Financial
Credit Facility	Collateral

Major threat associated with threat from substitute products as well as local competitors, price hike of raw materials and single product concentration.

AICL has flexibility in raw material sourcing but input cost hike may put adverse affect on its profitability and pricing. AICL procures raw materials of CI sheet from reputed HR coil suppliers for keeping desired product quality. POSCO and Hyundai from South Korea, Nippon and JFE from Japan and China Steel from Taiwan are the major suppliers of AICL. CI sheet manufacturers are highly dependent on international suppliers to purchase raw materials (HR coil) because there is no iron ore mines in Bangladesh. Volatility of price in iron and steel materials will affect extremely into the cost of CI sheet.

Though demand for CI sheet is growing in different locality in the country, substitute products of CI sheet for house building materials like – bricks, cement, steel etc. also put pressure for this industry. In line with industry growth, AICL"s production remained same in FY12. Currently in FY12, AICL"s production capacity of CR coil was 120,000 MT (capacity utilization: 62%) and capacity of CI sheet was 85,000 MT (capacity utilization: 60%). Capacity utilization has increased to some extent in FY12 compared to FY11. Purchase of raw materials in FY12 was BDT 4,109.14 million and sales of CI sheet were BDT 4,998.53 million in the same year. The inventory pile up in FY11 has decreased to some extent in FY12. Besides, high cash conversion cycle (360 days in FY12) put large pressure on its cash flow.

Operation	Industry/ Market
Management	Financial
Credit Facility	Collateral

Major threat associated with threat from substitute products as well as local competitors, price hike of raw materials and single product concentration.

AICL uses contemporary technology through using entire machinery facilities of Nippon Denro, Japan. With Japanese technology, AICL monitors its quality by maintaining international standard i.e. ASTM (American Society for Testing and Materials), JIS (Japanese Standards Association), SI (International System of Units) and BS etc.

CI Sheet industry is directly related to the growth of construction and housing sector especially in semi-urban and rural areas. However, shift in consumer preference and use of CI sheet from different region changes the demand outlook. At present, total demand for CI sheet in the country stands around 600-700 thousand MT for both residential and commercial needs, but about 400-450 thousand MT of CI sheet is manufactured by local CI sheet manufacturers. Some portion is imported by small local traders. But still, there is a shortage to meet total demand of CI sheet in the country. Local CI sheet manufacturing industry is dominated by strong presence of 5-6 manufacturers i.e. Abul Khair Steel Mills (Goru brand), PHP Steel Mills (Arabian Horse brand), KY Steel Mills (Murgi brand), S Alam Cold Rolled Steel Mills, Galco Steels and TK Steel Mills. According to the Company, AICL has around 10%-12% market share in local market.

Operation	Industry/ Market
Management	Financial
Credit Facility	Collateral

Any economic events in steel industry in the international and domestic market may affect acutely to the cost structure of AICL, because the company is engaged in producing single product-CI sheet and most of the raw material is procured from international source. Other CI sheet manufacturers in the country have already diversified their operation into substitute industries like cement and steel. However, the company focuses on northern part of Bangladesh and deploys sales teams to explore new markets and forecast demand of CI sheet through local traders.

Shareholding and Board

Current authorized capital of AICL is BDT 5.0 billion and the face value per share is BDT 10. As on 30 June 2012, paid up capital was BDT 1.5 billion divided into 150 million ordinary shares of BDT 10 each.

Table:02

Name	Designation	% Ownership	No of Share
Mr. Deen Mohammad	Chairman	5.48%	8,220,000
Mr. Md. Ansar Ali	Managing Director	4.29%	6,440,000
Mr. Abdur Rahman	Director & DMD	3.33%	5,000,000
Mr. M.A Majid	Director	4.67%	6,998,400
Mr. Md. Shoeb	Director	4.15%	6,220,000
Mr. Md. Rafique	Director	3.97%	5,954,000
Mr. Abdur Rouf	Director	4.95%	7,425,000
Mr. Mostafequr Rahman	Director	4.95%	7,425,000
Mr. Momtazur Rahman	Director	4.93%	7,400,000
Other Shareholders	Share Holder	59.28%	88,917,600
Total		100%	150,000,000

The financial policy of AICL is to require borrowed fund in the form of LC and term loan respectively for procuring raw materials from imported sources as well as for capacity expansion and machinery addition. Due to fresh equity infusion as well as repaying a portion of its term loan in FY12, AICL transformed its business from debt-ridden to moderately-leveraged. Moreover, the internal fund generation capacity of the company is stabilizing as retained earnings of the company have increased by 84.29% in FY12.

Total sales of the Company have been increased from BDT 4,820.32 (FY11) million to BDT 4,998.53 (FY12) which marked 3.7% growth which reflects the stable sales growth in FY12. Cost of sales was stable in FY12 (which was about 81.8%) and this led AICL to a moderate profit during the period. Other profitability indicators were relatively same in last 3 years due to stable nature of business.

Operation	Industry/ Market
Management	Financial
Credit Facility	Collateral

Due to the nature of CI sheet industry which is prone to the international price fluctuation of raw materials, tend to procure large volume of HR-coils to cushion its inventory position. AICL"s inventory position was around 45% of its total assets where around 40% of inventory was raw materials in FY12.

Borrowed Fund to Equity reduced from 1.8x to 0.9x, Borrowed Fund to EBITDA decreased from 3.7x to 2.8x and Borrowed Fund to Total Asset reduced from 0.6x to 0.4x in FY12 compare to the previous year.

As of 30 June 2012, AICL had 18 term loans with 16 Banks and 2 Non Banking Financial Institutions. Details of credit were exhibited in „Appendix 1“.

[End of the report]

APPENDIX 1: Credit Facilities of Appollo Ispat Complex Limited

Loan Type	Bank	Nature of Facility	Limit	Outstanding	Limit Expiry	
Long Term	Funded	Prime Bank	Term Loan	N/A	61.76	30-Jun-2014
		State Bank of India	Term Loan	N/A	63.07	30-Sep-2013
		NCC Bank	Term Loan	N/A	329.14	31-Dec-2016
		Dhaka Bank	Term Loan	N/A	128.17	31-Dec-2013
		Dutch Bangla Bank	Term Loan	N/A	82.72	30-Jun-2014
		BRAC Bank	Term Loan	N/A	32.77	30-Dec-2014
		Social Islami Bank	Term Loan	N/A	217.95	30-Jun-2015
		Mercantile Bank	Term Loan	N/A	249.92	31-Dec-2016
		Uttara Bank	Term Loan	N/A	24.49	30-Jun-2014
		Premier Bank	Term Loan	N/A	101.47	30-Apr-2016
		Jamuna Bank	Term Loan	N/A	27.54	30-Sep-2013
		Mutual Trust Bank	Term Loan	N/A	165.58	30-Jun-2017
		Southeast Bank	Term Loan	N/A	275.46	30-Jun-2015
		Shahjalal Islami Bank	Term Loan	N/A	10.38	31-Mar-2013
		Eastern Bank	Term Loan	N/A	139.55	31-Dec-2015
		Phoenix Finance	Term Loan	N/A	49.25	30-Jun-2014
		IDLC	Term Loan	N/A	75.00	20-Apr-2015
		SCB	Term Loan	N/A	95.46	31-Dec-2013
		Sub Total			2,129.68	
		Total Long Term			2,129.68	
Short Term	Funded	Southeast Bank	Loan against Trust Receipt	600.00	573.08	30-Nov-12
		Jamuna Bank	Loan against Trust Receipt	97.50	97.40	30-Jun-13
		Mutual Trust Bank	Loan against Trust Receipt	128.00	127.72	30-Sep-12
		Bank Asia	Loan against Trust Receipt	199.90	199.83	30-Aug-12
		Sub Total		1,025.4	998.03	
	Non Funded	Jamuna Bank	Letter of Credit	120.00	110.67	30-Jun-2013
		Mutual Trust Bank	Letter of Credit	72.00	67.44	30-Nov-2012
		Bank Asia	Letter of Credit	400.00	395.24	30-Aug-2012
		Sub Total		592.00	573.35	
		Total Short Term		1,617.40	1,571.38	

Note: Loan Outstanding on 30 June 2012

Appendix 2: Key Financial Indicators of Appollo Ispat Complex Limited

Categories	(Mil. BDT)	~ Year Ended June 30 ~		
		2012	2011	2010
Sta bilit y Ear nin gs Profita bili ty,	Net Sales	4,998.5	4,820.3	4,701.1
	Net Sales Growth (%)	3.7	2.5	-
	COGS as % of Net Sales	81.8	81.7	78.8
	EBITDA	1,105.8	936.3	889.6
	EBITDA Growth (%)	18.1	5.3	-
	EBITDA Margin (%)	22.1	19.4	18.9
	Financial Expenses	352.3	378.4	456.9
	Net Profit after Tax	354.0	282.8	264.1
	Net Profit after Tax Growth (%)	25.2	7.1	-
	Gross Profit Margin	21.2	18.3	18.2
	Operating Profit Margin	19.2	16.4	16.4
	Net Profit Margin	7.1	5.9	5.6
	Return on Asset (ROA)	4.8	5.1	5.6
	Return on Equity (ROE)	10.4	14.7	47.5
	Liqui dity an d Capit al manageme nt Workin g g	Current Ratio	1.8	2.1
Quick Ratio		0.5	0.6	0.4
Net Working Capital to Operating Income		2.2	2.8	1.8
Accounts Receivable Turnover Ratio		6.9	7.2	9.3
Receivable Collection Period (Days)		53.0	52.0	40.0
Inventory Turnover Ratio		1.2	1.4	1.6
Inventory Processing Period (Days)		308	268	230
Accounts Payable Turnover Ratio		1,107.0	1,120.7	3,091.4
Payable Payment Period (Days)		1.0	1.0	1.0
Cash Conversion Cycle (Days)		360	319	269
C a p it al Lev era ge Cov era ge	Equity	3,416.5	1,920.8	555.7
	Total Asset	7,358.5	5,598.8	4,741.8
	Total Liabilities	3,942.0	3,677.9	4,186.1
	Borrowed Fund	3,471.4	3,438.7	4,102.8
	Fund Flow from Operations (FFO)	482.1	400.8	371.9
	Cash Flow from Operations (CFO)	1,202.9	808.2	0.0
	Free Cash Flow (FCF)	1,290.3	2,041.9	0.0
	Borrowed Fund to Equity (x)	1.0	1.8	7.4
	Borrowed Fund to EBITDA (x)	3.1	3.7	4.6
	Borrowed Fund to Total Asset (x)	0.5	0.6	0.9
FFO/Debt (%)	13.9	11.7	9.1	
CFO/Debt (%)	34.7	23.5	-	
EBIT/Interest (x)	2.8	2.2	1.7	
FCF/Interest (x)	3.7	5.4	0.0	
(EBITDA-Capex)/ Interest (x)	3.1	2.5	1.9	

Appendix 3: Previous Ratings of Appollo Ispat Complex Limited

Particulars	Ratings	Remarks
Appollo Ispat Complex Limited	BBB ₁	Entity
BDT 2,372.28 Million Long-Term Outstanding	BBB ₁ (Lr)	Please see Appendix-1 for details
BDT 1,025.40 Million Short-Term Fund Limits	ST-3	
BDT 720.00 Million Short-Term Non Fund based Limits	ST-3	

Crab Rating Scales and Definition - Long Term Operations (Corporate)

Long Term Rating	Definition
AAA Triple A	Companies rated in this category have extremely strong capacity to meet financial commitments. These companies are judged to be of the highest quality, with minimal credit risk.
AA ₁ , AA ₂ , AA ₃ * Double A	Companies rated in this category have very strong capacity to meet financial commitments. These companies are judged to be of very high quality, subject to very low credit risk.
A ₁ , A ₂ , A ₃ Single A	Companies rated in this category have strong capacity to meet financial commitments, but are susceptible to the adverse effects of changes in circumstances and economic conditions. These companies are judged to be of high quality, subject to low credit risk.
BBB ₁ , BBB ₂ , BBB ₃ Triple B	Companies rated in this category have adequate capacity to meet financial commitments but more susceptible to adverse economic conditions or changing circumstances. These companies are subject to moderate credit risk. Such companies possess certain speculative characteristics.
BB ₁ , BB ₂ , BB ₃ Double B	Companies rated in this category have inadequate capacity to meet financial commitments. Have major ongoing uncertainties and exposure to adverse business, financial, or economic conditions. These companies have speculative elements, subject to substantial credit risk.
B ₁ , B ₂ , B ₃ Single B	Companies rated in this category have weak capacity to meet financial commitments. These companies have speculative elements, subject to high credit risk.
CCC ₁ , CCC ₂ , CCC ₃ Triple C	Companies rated in this category have very weak capacity to meet financial obligations. These companies have very weak standing and are subject to very high credit risk.
CC Double C	Companies rated in this category have extremely weak capacity to meet financial obligations. These companies are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
C Single C	Companies rated in this category are highly vulnerable to non-payment, have payment arrearages allowed by the terms of the documents, or subject of bankruptcy petition, but have not experienced a payment default. Payments may have been suspended in accordance with the instrument's terms. These companies are typically in default, with little prospect for recovery of principal or interest.
D (Default)	D rating will also be used upon the filing of a bankruptcy petition or similar action if payments on an obligation are jeopardized.

**Note: CRAB appends numerical modifiers 1, 2, and 3 to each generic rating classification from AA through CCC. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.*

LONG-TERM RATING: LOANS/FACILITIES FROM BANKS/FIS
(All loans/facilities with original maturity exceeding one year)

RATINGS	DEFINITION
AAA (Lr) (Triple A) Highest Safety	Loans/facilities rated AAA (Lr) are judged to offer the highest degree of safety, with regard to timely payment of financial obligations. Any adverse changes in circumstances are unlikely to affect the payments on the loan facility.
AA (Lr)* (Double A) High Safety	Loans/facilities rated AA (Lr) are judged to offer a high degree of safety, with regard to timely payment of financial obligations. They differ only marginally in safety from AAA (Lr) rated facilities.
A (Lr) Adequate Safety	Loans/facilities rated A (Lr) are judged to offer an adequate degree of safety, with regard to timely payment of financial obligations. However, changes in circumstances can adversely affect such issues more than those in the higher rating categories.
BBB (Lr) (Triple B) Moderate Safety	Loans/facilities rated BBB (Lr) are judged to offer moderate safety, with regard to timely payment of financial obligations for the present; however, changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal than for issues in higher rating categories.
BB (Lr) (Double B) Inadequate Safety	Loans/facilities rated BB (Lr) are judged to carry inadequate safety, with regard to timely payment of financial obligations; they are less likely to default in the immediate future than instruments in lower rating categories, but an adverse change in circumstances could lead to inadequate capacity to make payment on financial obligations.
B (Lr) High Risk	Loans/facilities rated B (Lr) are judged to have high risk of default; while currently financial obligations are met, adverse business or economic conditions would lead to lack of ability or willingness to pay interest or principal.
CCC (Lr) Very High Risk	Loans/facilities rated CCC (Lr) are judged to have factors present that make them very highly vulnerable to default; timely payment of financial obligations is possible only if favorable circumstances continue.
CC (Lr) Extremely High Risk	Loans/facilities rated CC (Lr) are judged to be extremely vulnerable to default; timely payment of financial obligations is possible only through external support.
C (Lr) Near to Default	Loans/facilities rated C (Lr) are currently highly vulnerable to non-payment, having obligations with payment arrearages allowed by the terms of the documents, or obligations that are subject of a bankruptcy petition or similar action but have not experienced a payment default. C is typically in default, with little prospect for recovery of principal or interest. C (Lr) are typically in default, with little prospect for recovery of principal or interest.
D (Lr) Default	Loans/facilities rated D (Lr) are in default or are expected to default on scheduled payment dates.

**Note: CRAB appends numerical modifiers 1, 2, and 3 to each generic rating classification from AA through CCC. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.*

SHORT-TERM CREDIT RATING: LOANS/FACILITIES OF BANKS/FIS
(All loans/facilities with original maturity within one year)

RATINGS	DEFINITION
ST-1 Highest Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is very strong.
ST-2 High Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is strong; however, the relative degree of safety is lower than that for issues rated higher.
ST-3 Adequate Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is adequate; however, the issues are more vulnerable to the adverse effects of changing circumstances than issues rated in the two higher categories.
ST-4 Marginal	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is marginal; and the issues are quite vulnerable to the adverse effects of changing circumstances.
ST-5 Inadequate Grade	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is minimal, and it is likely to be adversely affected by short-term adversity or less favorable conditions.
ST-6 Lowest Grade	This rating indicates that the loans/facilities are expected to be in default on maturity or is in default.

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“শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ।
জেনে ও বুঝে বিনিয়োগ করুন”

APPLICATION FORM

“Interested persons are entitled to a prospectus, if they so desire. Copies of the prospectus may be obtained from the issuer and the issue manager”

Appollo Ispat Complex Limited

APPLICATION FORM

APPLICATION FOR SHARES BY INVESTORS OTHER THAN NON-RESIDENT BANGLADESHI(S)

Warning: Please read the instructions on the back of this form. Incorrectly filled applications or applications failing to comply with any of the instructions therein may be rejected.

The Managing Director
Appollo Ispat Complex Limited
407, Tejgaon Industrial Area, Dhaka-1208

Bankers Sl. No.

Dear Sir,
I/we apply for and request you to allot me/us numbers of Shares and I/we agree to accept the same or any smaller number that may be allotted to me/us upon terms of the Company's Prospectus approved by the Bangladesh Securities and Exchange Commission subject to the Memorandum and Articles of Association of the Company. Further, I/we authorize you to place my/our name(s) on the Register of Member(s) of the Company and deposit the said ordinary shares in my Beneficiary Owner ("BO") account; I/we further authorize you to send a crossed (Account Payee only) cheque in respect of any Application money refundable to me/us by post/courier at my/our risk to the first applicant's address stated below:

- No. of Ordinary Sharesof Tk. **22.00** each including a premium of Tk. **12.00** each.
- Total subscription money of the amount of Tk. (in figures),Taka (in words)only deposited vide cash/Cheque/Draft/Pay Order No.Datedon..... Bank.....Branch
- Beneficiary Owner (BO) Account Number**

(If you do not mention your valid BO (Beneficiary Owner) Account Number, your application will be treated as invalid)
- I/we agree to fully abide by the instructions given herein.
- Particulars of Applicant (s) :**

a) Sole/First Applicant

Name :	
Father's/Husband's Name :	
Mother's Name:	
Postal Address :	
Phone Number (if any):	
Occupation :	Nationality :
For Refund Warrant: Please write the correct and full name of bank and branch (Application will not be treated as valid if any one uses a non-scheduled bank. To avoid this complication, investors are requested not to use the name of any non-scheduled bank).	
For refund purpose: I/we want refund through <input type="checkbox"/> Bank Account <input type="checkbox"/> Hand Delivery/Courier (Please put tick mark in which refund will be made). The applicant shall provide with the same Bank Account Number in the application form as it is in the BO account of the applicant. Otherwise the application will be considered invalid and the subscription money may be forfeited	
Applicants Bank A/c no.	
Name of the Bank :	Branch :

b) Second Applicant

Name:		
Father's/Husband's Name :		
Mother's Name:		
Postal Address :		
Occupation :	Nationality	Telephone No. (if any):
6. I/we hereby declare that I/we have read the Prospectus of APPOLLO ISPAT COMPLEX LIMITED and have willingly subscribed for No. of Ordinary Shares of 22.00 each including a premium of Tk. 12.00 per share.		
7. Specimen Signature(s) :		
1 st Applicant : Name (in Block Letters)		Signature:
2 nd Applicant : Name (in Block Letters)		Signature:

In case of deposit into the applicant's bank account, the applicant will bear the applicable service charge, if any, of the applicant's banker, and the issuer shall simultaneously issue a letter of intimation to the applicant containing, among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected.

BANKERS' ACKNOWLEDGEMENT

Certified that this Bank has received Tk. (in figures)..... (in word Ordinary Shares of APPOLLO ISPAT COMPLEX LIMITED. being the Application money for

Banker's SL. No.

Seal & Date

Authorized Signature
(Name & Designation)

INSTRUCTIONS

- As per provision of Depository Act, 1999 and regulations made there under shares will only be issued in dematerialized condition. Please mention your Beneficiary Owner (BO) Account number in the Application form. If you do not mention your valid BO account number your application will be treated as invalid.
- All information must be typed or written in full (in Block letters) in English or in Bengali and must not be abbreviated.
- Application must be made on the Company's printed form/photocopy or on typed copy/hand written form thereof.
- Application must not be for less than 200 Ordinary Shares and must be for a multiple of 200 Ordinary Shares. Any Application not meeting these criteria will not be considered for allotment purpose.
- Remittance for the full amount of the Shares must accompany each Application and must be forwarded to any of the Bankers to the Issue. Remittance should be in the form of Cash/Cheque/Bank Draft/Pay Order payable to one of the Bankers to the favoring A/C "APOLLO ISPAT COMPLEX LIMITED" and crossed "A/C Payee only" and must be drawn on a Bank in the same town as the Bank to which the Application Form has been sent.
- In the case of Joint Application Form, the Allotment Letter will be dispatched to the person whose name appears first on this Application Form and where any amount is refundable in whole or in part the same will be refunded by Account Payee Cheque by post/courier service to the person named first on this Application Form in the manner prescribed in the Prospectus.
- Joint Application Form for more than two persons will not be accepted. In case of Joint Application, each party must sign the Application Form.
- Application must be in full name of individuals or companies or societies or trusts and not in the name of firms, minors or persons of unsound mind. Application from financial and market intermediary companies must be accompanied by Memorandum and Articles of Association and Certificate of Incorporation.
- An applicant can not submit more than two applications, one in his/her own name and another jointly with another person. In the event an applicant makes 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 Bangladesh Securities and Exchange Commission and balance amount will be refunded to the applicant.
- No receipt will be issued for the payment made with Application, but the bankers will issue a provisional acknowledgement to the Issue for Application lodged with them.
- In the case of non-allotment of securities, if the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with the bankers to the Issue, refund amount of those applicants will be directly credited in to the respective bank "Account Payee" cheque(s) with bank account number and name of bank branch as mentioned in the application payable at Dhaka or Chittagong, as the case may be.
- Allotment shall be made solely in accordance with the instructions of the Bangladesh Securities and Exchange Commission (BSEC).
- Making of any false statement in the Application or supplying of incorrect information therein or suppressing any relevant information shall make the Application liable to rejection and subject to forfeiture of application money and/or forfeiture of the 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 specified by the Bangladesh Securities and Exchange Commission (BSEC). This may be in addition to any other penalties as may be provided for by law.
- Applications, which do not meet the above requirements, or Applications, which are incomplete, shall not be considered for allotment purposes.
- The Bankers to the Issue Banks shall be obliged to receive the A/C Payee Cheque(s) on the closing day of the subscription.
- No sale of securities shall be made, nor shall any money be taken from any person, in connection with such sale until 25 (twenty five) days after the prospectus has been published.
- 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% (fifteen percent) of their subscription money too.

<p>Bank Asia Ltd. Principal Office Branch, Dhaka MCB Dikusha Br., Dhaka Corporate Br., Dhaka Scotti Br. Karwan Bazar, Dhaka Gulshan Br., Dhaka MCB Barani Br., Dhaka Uttara Br., Dhaka Milford Br., Dhaka North South Rd Br., Dhaka Diamond Br., Dhaka Bashundhara Br., Dhaka Sylhet Main Br., Sylhet Sylhet Uposhahar Br., Sylhet Agrabad Branch, Chittagong Khatungonj Br., Chittagong MCB Barani Branch, Dhaka Bahadurhat Br., Chittagong Moghbazar Br., Dhaka CDA Avenue Br., Chittagong Station Road Br., Chittagong Rajshahi Br., Rajshahi Khulna Br., Khulna Mohakhali Br., Dhaka Mirpur Br., Dhaka Bogra Br., Bogra Jessore Br., Jessore Andekilla Br., Chittagong Shantinagar Br., Dhaka Pragati Sarani Br., Dhaka Karnal Bazar Br., Chittagong Strand Road Branch, Chittagong Paltan Branch, Dhaka Shyamoli Branch, Dhaka</p>	<p>Investment Corporation of Bangladesh (ICB) Head Office, NSC Tower, Dhaka Chittagong Branch, Chittagong Rajshahi Branch, Rajshahi Sylhet Branch, Sylhet Khulna Branch, Khulna Barisal Branch, Barisal Bogra Branch, Bogra Local Office, Nayapattan, Dhaka</p> <p>IFIC Bank Limited Federation Branch, Dhaka Mohakhali Branch, Dhaka Elephant Road Branch, Dhaka Kawranbazar Branch, Dhaka Uttara Branch, Dhaka Narsingdi Branch, Narsingdi Narayanganj Branch, Narayanganj Fardpur Branch, Fardpur Dhanmondi Branch, Dhaka Banani Branch, Dhaka Shantinagar Branch, Dhaka Islampur Branch, Dhaka Naya Pallan Branch, Dhaka Maitag Branch, Dhaka North Brooke Hall Br., Dhaka Mymensingh Branch, Mymensingh Stock Exchange Branch, Dhaka Pragati Sarani Branch, Dhaka Mirpur Branch, Mirpur, Dhaka Agrabad Branch, Chittagong Maitag Branch, Dhaka Sk. Mujib Rd. Br., Chittagong B. Baria Branch, Brahmanbaria Feni Branch, Feni CDA Avenue Branch, Chittagong Cox's Bazar Branch, Cox's Bazar Comilla Branch, Comilla Choumuhani Br., Noakhali Alanker More Branch, Chittagong Rajshahi Branch, Rajshahi Bogra Branch, Bogra Dinapur Branch, Dinapur Rangpur Branch, Rangpur Pabna Branch, Pabna Khulna Branch, Khulna Jessore Branch, Jessore Boro Bazar Br., Kalbari, Khulna Kushtia Branch, Kushtia Barisal Branch, Barisal Sylhet Branch, Sylhet Upashahar Branch, Sylhet Mouli Bazar Branch, Moulbar Tulbar, Ambarkhana, Sylhet</p> <p>Jamuna Bank Limited Mohakhali Branch, Dhaka Sonargaon Road Branch, Dhaka Dikusha Branch, Dhaka Shantinagar Branch, Dhaka Gulshan Branch, Dhaka Dhanmondi Branch, Dhaka Islampur Branch, Dhaka Ring Road Branch, Dhaka Sylhet Branch, Sylhet Kushtia Branch, Kushtia Mojibheel Branch, Dhaka Dholaikhal Branch, Dhaka Banani Branch, Dhaka Uttara Branch, Dhaka Mirpur Branch, Dhaka Maitag Branch, Dhaka Narayanganj Br., Narayanganj Agrabad Branch, Chittagong Rajshahi Branch, Rajshahi Bogra Branch, Bogra Jubilee Road Branch, Chittagong Khatungonj Branch, Chittagong Comilla Branch, Comilla Feni Branch, Feni Jessore Branch, Jessore Barishal Branch, Barisal</p> <p>Mutual Trust Bank Limited Babubazar Branch, Dhaka Banani Branch, Dhaka Dhanmondi Branch, Dhaka Dholaikhal Branch, Dhaka Dikusha Branch, Dhaka Elephant Road Branch, Dhaka Fulbaria Branch, Dhaka Gulshan Branch, Dhaka Mohammadpur Branch, Dhaka MTB Corporate Office, Dhaka Pallabi Branch, Dhaka</p>	<p>Panthapath Branch, Dhaka Principal Branch, Dhaka Pragati Sarani Branch, Dhaka Savar Br., Savar, Dhaka Shani Akhra Branch, Dhaka Tongy Branch, Gazipur Uttara Model Town Br., Dhaka Narayanganj Branch, Narayanganj Sonargaon Branch, Narayanganj Agrabad Branch, Chittagong Alikar Moul Branch, Chittagong CDA Avenue Branch, Chittagong Jubilee Road Br., Chittagong Khatungonj Branch, Chittagong Feni Branch, Feni Rajshahi Branch, Rajshahi Rangpur Branch, Rangpur Bogra Branch, Bogra Pabna Branch, Pabna Kushtia Branch, Kushtia Sylhet Branch, Sylhet Mouli Bazar Branch, Moulbar Feni Branch, Feni Jessore Branch, Jessore Habigonj Branch, Habigonj</p> <p>National Bank Limited Agrabad Branch, Chittagong Anderkhal Branch, Chittagong Asadgate Branch, Dhaka Babubazar Branch, Dhaka Banani Branch, Dhaka Bangshal Road Branch, Dhaka Barisala Branch, Barisal CDA Avenue Branch, Chittagong B. Baria Branch, Chittagong Choumuhani Branch, Chittagong Comilla Branch, Comilla Dhanmondi Branch, Dhaka Dikusha Branch, Dhaka Elephant Road Branch, Dhaka Feni Branch, Feni Foreign Exchange Br., Dhaka Gazipur Branch, Gazipur Gulshan Branch, Dhaka Halishahar Branch, Chittagong Imanganj Branch, Dhaka Islampur Branch, Dhaka Jessore Branch, Jessore Boro Bazar Br., Kalbari, Khulna Kushtia Branch, Kushtia Barisal Branch, Barisal Sylhet Branch, Sylhet Upashahar Branch, Sylhet Mouli Bazar Branch, Moulbar Tulbar, Ambarkhana, Sylhet</p> <p>Shahjalal Islami Bank Limited Dhaka Main Br., Dikusha, Dhaka. Dhanmondi Br., Dhaka. Gulshan Br., Gulshan, Dhaka. Foreign Ex. Br., Mojibheel, Dhaka. Kawran Bazar Br., Dhaka. Mojibheel Branch, Dhaka Bijoyganj Br., Kakrail, Dhaka. Banani Br., Banani, Dhaka. Agrabad Branch, Chittagong. Khatungonj Branch, Chittagong. Jubilee Road Br., Chittagong. Sylhet Branch, Sylhet. Salmasjid Road Br., Dhanmondi, Dhaka. Uttara Br., Uttara, Dhaka. Mirpur Br., Mirpur-10, Dhaka. Gulshan South Avenue Br., Gulshan, Dhaka. Jodevpur Chowrasta Branch, Gazipur Narayanganj Branch, Narayanganj Eskaton Branch, Dhaka Panthapath Branch, Dhaka</p> <p>Social Islami Bank Limited Principal Branch, Dhaka Agrabad Branch, Chittagong Khulna Branch, Khulna Sylhet Branch, Sylhet Rajshahi Branch, Rajshahi Gulshan Branch, Dhaka Babu Bazar Branch, Dhaka Begum Rokaya Sarani Branch, Dhaka Panthapath Branch, Dhaka Sonargaon Branch, Narayanganj Foreign Exchange Branch, Dhaka Dhanmondi Branch, Dhaka Uttara Branch, Dhaka Mirpur Branch, Dhaka Banani Branch, Dhaka Rampura Branch, Dhaka Dania Rasulpur Branch, Dhaka South Sumra Branch, Sylhet Comilla Branch, Comilla Islampur Branch, Dhaka New Eskaton Branch, Dhaka Chandpur Branch, Chandpur</p>	<p>Chawkabzar Branch, Chittagong Narayanganj Branch, Narayanganj Jessore Branch, Jessore Rangpur Branch, Rangpur Barishal Branch, Barishal South Banores Branch, Dhaka Mohakhali Branch, Dhaka Feni Branch, Feni</p> <p>Principal Bank Ltd. Principal Branch, Dhaka Corporate Branch, Dhaka Imanganj Branch, Dhaka Dhanmondi Branch, Dhaka Uttara Branch, Dhaka New Elephant Road Br., Dhaka Gulshan Branch, Dhaka Kakrail Branch, Dhaka Banani Branch, Dhaka Bangshal Branch, Dhaka New Eskaton Branch, Dhaka Pragati Sarani Br., Dhaka Sat Masjid Road Branch, Dhaka Sharpor Branch, Mouli Bazar, Dhaka Agamou Branch, Dhaka Kawran Bazar Branch, Dhaka Madhabadi Branch (Rural), Narsingdi Ashula Branch (Rural), Dhaka Narayanganj Branch, Narayanganj Joypara Branch (Rural), Dhaka Savar Branch, Dhaka Moucha Branch, Dhaka Korabari Branch, Gazipur Tongi Branch, Gazipur Bashundhara Branch, Dhaka Mohammadpur Branch, Dhaka Babubazar Branch, Sylhet Moulbazar Br., Sylhet Moulbazar Br., Chittagong Comilla Branch, Comilla Helimgonj Branch, Sylhet Chouhatta Branch, Sylhet Lalighar Branch, Sylhet Shahjalal Uposhahar, Sylhet Kulaura Branch (Rural), Sylhet Pathantula Branch, Sylhet Agrabad Branch, Chittagong Khatungonj Branch, Chittagong Jubilee Road Branch, Chittagong Halishahar Branch, Chittagong Choumuhani Branch, Noakhali CDA Avenue Br., Chittagong Cox's Bazar Br., Chittagong Chhaganaiyaya Branch, Feni Feni Branch, Feni Maharal Branch, Chittagong Bashuth Branch (Rural), Noakhali Momin Road Branch, Chittagong Rangpur Branch, Rangpur Bogra Branch, Bogra Khulna Branch, Khulna Barisal Branch, Barisal B. Baria Branch, B. Baria Naogaon Branch, Naogaon Rajshahi Branch, Rajshahi</p> <p>Standard Bank Ltd. Principal Branch, Dhaka Foreign Exchange Br., Dhaka Tophkhana Road Br., Dhaka Imanganj Br., Dhaka Gulshan Br., Gulshan - 2, Dhaka Dhanmondi Br., Dhaka Mirpur Branch, Dhaka Uttara Br., Dhaka Panthapath Br., Dhaka Banani Branch, Dhaka Pragati Sarani Branch, Dhaka Nawabpur Road Branch, Dhaka Green Road Branch, Dhaka Narayanganj Br., Narayanganj Jubilee Road Br., Chittagong Agrabad Br., Chittagong Khatungonj Br., Chittagong CDA Avenue Branch, Chittagong Sagarhat Branch, Chittagong Rajshahi Branch, Rajshahi, Kushtia Branch, Kushtia Sylhet Br., Sylhet Beeni Bazar Branch, Sylhet Mouli Bazar Branch, Sylhet Mymensingh Branch, Mymensingh Rangpur Branch, Rangpur Khulna Br., Khulna Jessore Branch, Jessore</p>
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INSTRUCTIONS

1. As per provisions of Depository Act, 1999 and regulations made thereafter shares will only be issued in dematerialized condition. Please mention your BO (Beneficiary Owner) account number in the Application Form. If you do not mention your valid BO (Beneficiary Account) account number, your application will be treated as invalid.
2. All information must be written or typed in Block Letters in English and must not be abbreviated.
3. Application must not be for less than **200 Ordinary Shares** and must be for a multiple of **200 Ordinary Shares**. Any application not meeting this criterion will not be considered for allotment purpose.
4. Application must be accompanied by a foreign demand draft drawn on a bank payable at Dhaka or cheque drawn out of foreign currency deposit account maintained in Bangladesh for the full value of Shares favoring “APPOLLO ISPAT COMPLEX LIMITED” and crossed “ACCOUNT PAYEE ONLY”.
5. Application shall be sent by the applicant directly to the Company within October 10, 2013 so as to reach the Company within October 19, 2013. Any Application sent after October 10, 2013 or received by the Company after October 19, 2013 will not be considered for allotment purpose.
6. Refund against over-subscription shall be made in the currency in which the value of Shares was paid for by the applicant through A/C Payee Cheque payable at Dhaka with bank account number, Bank's name and Branch.
7. In case of over-subscription, allotment shall be made by lottery solely in accordance with the instructions of the Bangladesh Securities and Exchange Commission (BSEC).
8. Money receipt of clearance of draft or cheque, as the case may be, shall be sent by post to the applicant by the Company.
9. Joint Application by two persons will be acceptable. In such a case, allotment or refund shall be made by post to the first applicant. Note that a non-resident Bangladeshi (“NRB”) applicant cannot submit more than two applications, one in his/her own name and another jointly with another person by one cheque/DD/PO/ by US \$/UK Pound Sterling/EURO/Taka (supported by a foreign currency encashment certificate). More than two applications by one cheque/DD/PO by US \$/UK Pound Sterling/EURO/Taka (supported by a foreign currency encashment certificate) will not be allowed.
10. Application must be made by an individual, a corporation or Company, a trust or a society and not by a firm, minor or persons of unsound mind.
11. Making of any false statement in the application or supplying of incorrect information therein on suppressing any relevant information shall make the application liable to rejection and subject to forfeiture of application money and/or forfeiture of the 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 specified by Bangladesh Securities and Exchange Commission (BSEC). This may be in addition to any other penalties as may be provided for by law.
12. The intending NRB applicants shall deposit the share subscription money by a US \$/UK Pound Sterling/EURO demand draft drawn on any bank and payable in Dhaka, Bangladesh, or through a nominee paying out of a non-resident foreign currency deposit account maintained in Bangladesh or in Taka, supported by a foreign currency encashment certificate issued by the bank concerned, for the price of the ordinary shares applied for, through a crossed bank cheque marked “Account Payee only”, such that the issuer's collecting bank can clear the proceeds and deposit the same into the issuer's account in time.
13. The spot buying rate (TT Clean) in US \$ / UK Pound Sterling / EURO of Sonali Bank Limited as prevalent on the date of opening of subscription will be applicable for the Non Resident Bangladeshi (NRB) applicants.
14. **The applicant shall furnish photocopies of relevant pages of valid passport(s) in support of his/her being a NRB , dual citizenship or of the foreign passport bearing an endorsement from the concerned Bangladeshi Embassy to the effect that no visa is required for him/her to travel to Bangladesh.**
15. In case of joint application, the joint applicant shall also submit supporting papers / documents in support of his being an NRB as mentioned in para- 14 (above).
16. **An applicant can not submit more than two applications, one in his/her own name and another jointly with another person. In the event an applicant makes 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 Bangladesh Securities and Exchange Commission and balance amount will be refunded to the applicant.**
17. **No issue of ordinary shares shall be made nor shall any money be taken from any person, in connection with such issue and subscription, until 25 days after the Prospectus has been published.**
18. In the case of non-allotment of the ordinary shares, if the applicants' bank accounts as mentioned in their application forms are maintained with any of the bankers to the issue, the amount refunded to those applicants will be directly credited into their ordinary respective bank accounts as mentioned in their application forms. Otherwise, refunds will be made only through “Account Payee” cheque(s) with bank account number and name of bank branch as mentioned in the application form, payable at Dhaka, Chittagong, Khulna, Barisal, Rajshahi or Sylhet, as the case may be.
19. **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% (fifteen percent) of their subscription money too.**

THE NRB APPLICATION ALONG WITH THE FOREIGN CURRENCY DRAFT, AS ABOVE, IS TO BE SUBMITTED TO THE COMPANY'S HEAD OFFICE DIRECTLY WITHIN THE STIPULATED TIME MENTIONED IN PARA -5.

INSTRUCTIONS

- As per provision of Depository Act, 1999 and regulations made there under shares will only be issued in dematerialized condition. Please mention your Beneficiary Owner (BO) Account number in the Application form. If you do not mention your valid BO account number your application will be treated as invalid.
- All information must be typed or written in full (in Block letters) in English or in Bengali and must not be abbreviated.
- Application must be made on the Company's printed form/photocopy or on typed copy/hand written form thereof.
- Application must not be for less than **200 Ordinary Shares and must be for a multiple of 200 Ordinary Shares**. Any Application not meeting these criteria will not be considered for allotment purpose.
- Remittance for the full amount of the Shares must accompany each Application and must be forwarded to any of the Bankers to the Issue. Remittance should be in the form of Cash/Cheque/Bank Draft/Pay Order payable to one of the Bankers to the favoring A/C “**APOLLO ISPAT COMPLEX LIMITED**” and crossed “A/C Payee only” and must be drawn on a Bank in the same town as the Bank to which the Application Form has been sent.
- In the case of Joint Application Form, the Allotment Letter will be dispatched to the person whose name appears first on this Application Form and where any amount is refundable in whole or in part the same will be refunded by Account Payee Cheque by post/courier service to the person named first on this Application Form in the manner prescribed in the Prospectus.
- An Application must be in full name of individuals or companies or societies or trusts and not in the name of firms, minors or persons of unsound mind. Application from financial and market intermediary companies must be accompanied by Memorandum and Articles of Association and Certificate of Incorporation.
- An applicant can not submit more than two applications, one in his/her own name and another jointly with another person. In the event an applicant makes 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 Bangladesh Securities and Exchange Commission and balance amount will be refunded to the applicant.
- No receipt will be issued for the payment made with Application, but the bankers will issue a provisional acknowledgement to the Issue for Application lodged with them.
- In the case of non-allotment of securities, if the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with the bankers to the Issue, refund amount of those applicants will be directly credited in to the respective bank “Account Payee” cheque(s) with bank account number and name of bank branch as mentioned in the application payable at Dhaka or Chittagong, as the case may be.
- Allotment shall be made solely in accordance with the instructions of the Bangladesh Securities and Exchange Commission (BSEC).
- Making of any false statement in the Application or supplying of incorrect information therein or suppressing any relevant information shall make the Application liable to rejection and subject to forfeiture of application money and/or forfeiture of the 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 specified by the Bangladesh Securities and Exchange Commission (BSEC). This may be in addition to any other penalties as may be provided for by law.
- Applications, which do not meet the above requirements, or Applications, which are incomplete, shall not be considered for allotment purposes.
- The Bankers' to the Issue Banks shall be obliged to receive the A/C Payee Cheque(s) on the closing day of the subscription.
- No sale of securities shall be made, nor shall any money be taken from any person, in connection with such sale until 25 (twenty five) days after the prospectus has been published.
- 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% (fifteen percent) of their subscription money too.
- স্বাক্ষরিত সফল বিনিয়োগকারীগণ সকল পাবলিক ইস্যুতে একক অথবা বৌথ হিসাবে যে কোনটি অথবা উভয়টি হতে সংশ্লিষ্ট ২০% কোটায় আবেদন করতে পারবেন। তবে ইচ্ছা করলে স্বাক্ষরিত সফল ২০% কোটায় আবেদন না করে সাধারণ বিনিয়োগকারীদের জন্য নির্ধারিত কোটায়ও আবেদন করতে পারবেন।

Bankers to the Issue

<p>Bank Asia Ltd. Principal Office Branch, Dhaka MCB Dilkusha Br., Dhaka Corporate Br., Dhaka Scotta Br. Kawan Bazar, Dhaka Gulshan Br., Dhaka MCB Banani Br., Dhaka Uttara Br., Dhaka Miffood Br., Dhaka North South Rd. Br., Dhaka Dhanmondi Br., Dhaka Bashundhara Br., Dhaka Syhet Main Br., Syhet Syhet Uposhahar Br., Syhet Agrabad Branch, Chittagong Khatungonj Br., Chittagong MCSB (Rajshahi) Branch, Rajshahi Bahadurhat Br., Chittagong Moghbazar Br., Dhaka CDA Avenue Br., Chittagong Stalton Road Br., Chittagong Rajshahi Br., Rajshahi Khuina Br., Khuina Mohakhali Br., Dhaka Mirpur Br., Dhaka Bogra Br., Bogra Jessore Br., Jessore Anderkilla Br., Chittagong Shantinagar Br., Dhaka Progoti Sarani Br., Dhaka Kamal Bazar Br., Chittagong Strand Road Branch, Chittagong Paltan Branch, Dhaka Shyamoli Branch, Dhaka</p>	<p>Investment Corporation of Bangladesh (ICB) Head Office, NSC Tower, Dhaka Chittagong Branch, Chittagong Rajshahi Branch, Rajshahi Syhet Branch, Syhet Khuina Branch, Khuina Banisal Branch, Banisal Bogra Branch, Bogra Local Office, Nayapalton, Dhaka</p> <p>IFIC Bank Limited Federation Branch, Dhaka Mohakhali Branch, Dhaka Elephant Road Branch, Dhaka Kawanbazar Branch, Dhaka Uttara Branch, Dhaka Paltan Branch, Dhaka Narsingdi Branch, Narsingdi Narayangonj Branch, Narayangonj Faridpur Branch, Faridpur Dhanmondi Branch, Dhaka Banani Branch, Dhaka Shantinagar Branch, Dhaka Islampur Branch, Dhaka Naya Paltan Branch, Dhaka Malibagh Branch, Dhaka North Brooke Hall Br., Dhaka Mymensingh Branch, Mymensingh Stock Exchange Branch, Dhaka Pragati Sarani Br., Dhaka Mirpur Branch, Mirpur, Dhaka Agrabad Branch, Chittagong MCSB (Rajshahi) Branch, Rajshahi St. Majo Rd. Br., Chittagong B. Baria Branch, Brahmanbaria Feni Branch, Feni CDA Avenue Branch, Chittagong Cox's Bazar Branch, Cox's Bazar Comilla Branch, Comilla Choumuhani Br., Noakhali Alankar More Branch, Chittagong Rajshahi Branch, Rajshahi Bogra Branch, Bogra Dinapur Branch, Dinapur Rangpur Branch, Rangpur Pabna Branch, Pabna Khuina Branch, Khuina Jessore Branch, Jessore Boro Bazar Br., Kalibari, Khuina Kushlia Branch, Kushlia Banisal Branch, Banisal Syhet Branch, Syhet Upashahar Branch, Syhet Mouli Bazar Branch, Moulbar Tulikar, Ambarkhana, Syhet</p> <p>Jamuna Bank Limited Mohakhali Branch, Dhaka Sonargonj Road Branch, Dhaka Dikusha Branch, Dhaka Shantinagar Branch, Dhaka Gulshan Branch, Dhaka Dhanmondi Branch, Dhaka Islampur Branch, Dhaka Ring Road Branch, Dhaka Syhet Branch, Syhet Kushlia Branch, Kushlia Motijheel Branch, Dhaka Dholaikhal Branch, Dhaka Banani Branch, Dhaka Uttara Branch, Dhaka Mirpur Branch, Dhaka Malibagh Branch, Dhaka Narayangonj Br., Narayangonj Agrabad Branch, Chittagong Rajshahi Branch, Rajshahi Bogra Branch, Bogra Narayangonj Br., Narayangonj Jubilee Road Branch, Chittagong Khatungonj Branch, Chittagong Comilla Branch, Comilla Feni Branch, Feni Jessore Branch, Jessore Banisal Branch, Banisal</p> <p>Mutual Trust Bank Limited Babubazar Branch, Dhaka Banani Branch, Dhaka Dhanmondi Branch, Dhaka Dholaikhal Branch, Dhaka Dikusha Branch, Dhaka Elephant Road Branch, Dhaka Fulbaria Branch, Dhaka Gulshan Branch, Dhaka Mohammadpur Branch, Dhaka MTB Corporate Office, Dhaka Paltan Branch, Dhaka</p>	<p>Parthagathi Branch, Dhaka Principal Branch, Dhaka Pragati Sarani Branch, Dhaka Savar Br., Savar, Dhaka Shari Akhra Branch, Dhaka Tongi Branch, Gazipur Uttara Model Town Branch, Dhaka Narayangonj Branch, Narayangonj Sonargonj Branch, Narayangonj Agrabad Branch, Chittagong Alankar Mour Branch, Chittagong CDA Avenue Branch, Chittagong Jubilee Road Br., Chittagong Khatungonj Branch, Chittagong Feni Branch, Feni Rajshahi Branch, Rajshahi Rangpur Branch, Rangpur Bogra Branch, Bogra Pabna Branch, Pabna Kushlia Branch, Kushlia Syhet Branch, Syhet Mouli Bazar Branch, Moulbar Gournadi Branch, Banisal Jessore Branch, Jessore Habgonj Branch, Habgonj</p> <p>National Bank Limited Agrabad Branch, Chittagong Anderkilla Branch, Chittagong Asagaga Branch, Dhaka Babubazar Branch, Dhaka Banani Branch, Dhaka Bangshal Road Branch, Dhaka Banisal Branch, Banisal CDA Avenue Branch, Chittagong Chawkbazar Branch, Chittagong Choumuhani Branch, Chittagong Comilla Branch, Comilla Bashob Branch, Dhaka Dilkusha Branch, Dhaka Elephant Road Branch, Dhaka Faridpur Branch, Faridpur Feni Branch, Feni Foreign Exchange Br., Dhaka Gazipur Branch, Gazipur Gulshan Branch, Dhaka Halishahar Branch, Chittagong Imamganj Branch, Dhaka Islampur Branch, Dhaka Jatrabani Branch, Dhaka Jubilee Road Branch, Chittagong Mohammadpur Branch, Dhaka Khatungonj Branch, Dhaka Khuina Branch, Khuina Kishoregonj Branch, Kishoregonj Lake Circus Branch, Dhaka Malibag Branch, Dhaka Mirpur Branch, Dhaka Mohakhali Branch, Dhaka Mohammadpur Branch, Dhaka Motijheel Branch, Dhaka Moulibazar Branch, Moulibazar Mymensingh Branch, Mymensingh Narayangonj Branch, Narayangonj Narsingdi Branch, Narsingdi Netaigonj Branch, Narayangonj New Eskaton Branch, Dhaka North Brooke Hall Branch, Dhaka Pagla Brazor Branch, Narayangonj Pahartoli Branch, Dhaka Pragati Sarani Branch, Dhaka Rajshahi Branch, Rajshahi Rokeya Sarani Branch, Dhaka Simanto Square Branch, Dhaka S.K. Moja Road Branch, Dhaka Syhet Branch, Syhet Sunamgonj Branch, Sunamgonj Syhet Branch, Syhet Tangali Branch, Tangali Tongi Branch, Gazipur Uttara Branch, Dhaka Z.H. Sikder M.C. Branch, Dhaka Zidnabazar Branch, Syhet</p> <p>ONE Bank Limited Principal Branch, Dhaka Motijheel Branch, Dhaka Kawan Bazar Branch, Dhaka Gulshan Branch, Dhaka Mirpur Branch, Dhaka Uttara Branch, Dhaka Dhanmondi Branch, Dhaka Banani Branch, Dhaka Kakral Branch, Dhaka</p>	<p>Progoti Sarani Branch, Dhaka Elephant Road Br., Dhaka Jatrabani Branch, Dhaka Nawabgonj Branch, Dhaka Bangshal Branch, Dhaka Ring Road Branch/ Shamoli Branch Ganakkari (EP2) Branch, Dhaka Imamganj Branch, Dhaka Narayangonj Branch, Narayangonj Joyra Branch, Dhaka Agrabad Branch, Chittagong Khatungonj Br., Chittagong CDA Avenue Branch, Chittagong Nampubazar Branch, Chittagong Cox's Bazar Br., Chittagong Jubilee Road Br., Chittagong Boakhal Branch, Chittagong Chowmuhani Branch, Noakhali Chandrongonj Branch, Lakshimpur Feni Branch, Feni Raipur Branch, Lakshimpur Dagon Bhujan Branch, Feni Syhet Branch, Syhet Sherpur Branch, Mouli Bazar Islampur Branch, Syhet Jessore Branch, Jessore Bogra Branch, Bogra Serajgonj Branch, Serajgonj Sadar Laksham Branch, Laksham Rangpur Branch, Lakshimpur Majilee Cour Branch, Noakhali Banashahi Branch, Dhaka Rajshahi Branch, Rajshahi Rangpur Branch, Rangpur Shahjapur Branch, Sirajgonj Jagannathpur Branch, Nadda, Dhaka Tongi SME/Agriculture Branch, Gazipur Comilla Branch, Comilla Sakhira Branch, Sakhira Madhabdi Branch, Narsingdi Rangamali Branch, Rangamali Sitakunda Branch, Sitakunda Moghbazar Branch, Dhaka Lalidighir Branch, Syhet Khuina Branch, Khuina Ranirhat Branch, Chittagong Chandgonj Branch, Chittagong Brahmanbaria Branch, Brahmanbaria</p> <p>Shahjalal Islami Bank Limited Dhaka Main Br., Dilkusha, Dhaka. Dhanmondi Br., Dhaka. Gulshan Br., Gulshan, Dhaka. Foreign Ex. Br., Motijheel, Dhaka. Kawan Bazar Br., Dhaka. Motijheel Branch, Dhaka Bijoyagar Br., Kakral, Dhaka. Banani Br., Banani, Dhaka. Agrabad Branch, Chittagong Khatungonj Branch, Chittagong. Jubilee Road Br., Chittagong. Syhet Branch, Syhet. Satabasjid Road Br., Dhanmondi, Dhaka. Uttara Br., Uttara, Dhaka. Mirpur Br., Mirpur-10, Dhaka. Gulshan New South Avenue Br., Gulshan, Dhaka. Jodhpur Chowrasta Branch, Gazipur Narayangonj Branch, Narayangonj Eskaton Branch, Dhaka Panthapath Branch, Dhaka</p> <p>Social Islami Bank Limited Principal Branch, Dhaka Agrabad Branch, Chittagong Khuina Branch, Khuina Syhet Branch, Syhet Rajshahi Branch, Rajshahi Gulshan Branch, Dhaka Babu Bazar Branch, Dhaka Begun Rokeya Sarani Branch, Dhaka Panthapath Branch, Dhaka Sonargonj Branch, Narayangonj Foreign Exchange Branch, Dhaka Dhanmondi Branch, Dhaka Uttara Branch, Dhaka Mirpur Branch, Dhaka Banani Branch, Dhaka Rampura Branch, Dhaka Dania Rasulpur Branch, Dhaka South Sumra Branch Syhet Comilla Branch, Comilla Islampur Branch, Dhaka New Eskaton Branch, Dhaka Chandpur Branch, Chandpur</p>	<p>Chawkbazar Branch, Chittagong Narayangonj Branch, Narayangonj Jessore Branch, Jessore Rangpur Branch, Rangpur Banisal Branch, Banisal South Banosree Branch, Dhaka Mohakhali Branch, Dhaka Feni Branch, Feni</p> <p>Southeast Bank Ltd. Principal Branch, Dhaka Corporate Branch, Dhaka Imamganj Branch, Dhaka Dhanmondi Branch, Dhaka Uttara Branch, Dhaka New Elephant Road Br., Dhaka Gulshan Branch, Dhaka Kakral Branch, Dhaka Banani Branch, Dhaka Bangshal Branch, Dhaka New Eskaton Branch, Dhaka Pragati Sarani Br., Dhaka Sal Mosjid Road Branch, Dhaka Shyamoli Branch, Dhaka Agargaon Branch, Dhaka Kawan Bazar Branch, Dhaka Machhad Branch (Rural), Narsingdi Ashulia Branch (Rural), Dhaka Narayangonj Branch, Narayangonj Joyra Branch (Rural), Dhaka Savar Branch, Dhaka Mouchari Branch, Dhaka Tongi Branch, Gazipur Bashurhat Branch, Dhaka Mohammadpur Branch, Dhaka Bandar Bazar Branch, Syhet Moulibazar Br., Syhet Bashurhat Br., Chittagong Comilla Branch, Comilla Hellingonj Branch, Syhet Chouhailta Branch, Syhet Lalidighir Branch, Syhet Shahjalal Uposhahar, Syhet Kulaura Branch (Rural), Syhet Pahantula Branch, Syhet Agrabad Branch, Chittagong Chandgonj Branch, Chittagong Jubilee Branch, Chittagong Halishahar Branch, Chittagong Chowmuhani Branch, Noakhali CDA Avenue Br., Chittagong Cox's Bazar Br., Chittagong Chhagalnaya Branch, Feni Feni Branch, Feni Patanal Branch, Chittagong Bashurhat Branch (Rural), Nohakhali Momin Road Branch, Chittagong Rangpur Branch, Rangpur Bogra Branch, Bogra Khuina Branch, Khuina Banisal Branch, Banisal B Baria Branch, B. Baria Naogon Branch, Naogon Rajshahi Branch, Rajshahi</p> <p>Standard Bank Ltd. Principal Branch, Dhaka Foreign Exchange Br., Dhaka Topkhana Road Br., Dhaka Imamganj Br., Dhaka Gulshan Br., Gulshan - 2, Dhaka Dhanmondi Br., Dhaka Mirpur Branch, Dhaka Uttara Br., Dhaka Panthapath Br., Dhaka Banani Branch, Dhaka Pragati Sarani Branch, Dhaka Nawabpur Road Branch, Dhaka Green Road Branch, Dhaka Narayangonj Br., Narayangonj Jubilee Road Br., Chittagong Agrabad Br., Chittagong Khatungonj Br., Chittagong CDA Avenue Branch, Chittagong Saesarghat Branch, Chittagong Rajshahi Branch, Rajshahi, Kustia Branch, Kustia Syhet Br., Syhet Banda Bazar Branch, Syhet Mouli Bazar Branch, Syhet Mymensingh Branch, Mymensingh Rangpur Branch, Rangpur Khuina Br., Khuina Jessore Branch, Jessore</p>
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