

RIGHTS SHARE OFFER DOCUMENT

Date: December 19, 2017

Rights Offer of **109,396,895** Ordinary Shares of BDT **10.00** each (at par) totaling BDT **1,093,968,950.00** offered on the basis of **1(R):1** (i.e. one rights share for one existing share) on the record date.

RECORD DATE FOR ENTITLEMENT OF RIGHTS OFFER

Record Date	January 11, 2018	
Date of Subscription	Opens on	Close on
	January 30, 2018	February 15, 2018
Within banking hours both days inclusive		

MANAGER TO THE ISSUE



Citizen Securities & Investment Limited

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FULLY UNDERWRITTEN BY

Citizen Securities & Investment Limited Al-Razi Complex (8 th Floor), 165-167 S.S NazrullslamSarani, PuranaPaltan, Dhaka-1000	Banco Finance And Investment Limited Shefali Complex (4th Floor), 218/3/A West Kafrul Begum Rokeya Sharani, Taltola, Sher-e-Bangla Nagar, Dhaka-1207
BMSL Investment Limited Shareef Mansion (4th Floor), Dhaka-1000	CAPM Advisory Limited Rupsha Tower (Flat - C4), Plot - 07, Road - 17, Banani C/A, Dhaka-1213



Alif Manufacturing Company Ltd.

(Previously known as CMC-Kamal Textile Mills Limited)

Bilquis Tower (9th Floor), House # 6

Road # 46, GulshanCircle-2, Dhaka-1212.

Telephone: +880-2-8825504, 8825508, Fax: +880-2-8825518

E-mail: lkcb@bangla.net; Website: www.alifgroup-bd.com/amcl

Factory: KaichaBari, Bashbari, Ashulia (Savar), Dhaka.

As per provision of the Depository Act, 1999 and regulation made there under, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Accountnumberintheapplicationform.

TABLE OF CONTENTS

PARTICULARS	PAGE NUMBER
The Rights Issue of Shares	04
Highlights of the Company	05
Corporate Information	05
Existing Product & Services rendered by the Company	05
Risk Factors & Management's Plans for reduction of such Risk	06-08
Purpose of the Rights Issue	09
Utilization of Rights Issue Fund	09-17
Utilization of IPO & Previous Right Issue Fund	18
Statement of AGM held and Dividend Performance	19
Production Capacity	19
Justification of the Issue Price of Rights Shares	19-20
Length of Time the Company has Carried on Business	20
Highlights of the Company	21-22
Quantity of Shares Held by each Director on the Date of the Rights Share Offer Document	22
Beneficial Owners Holding Shares 5% Or Above	23
Details Of Directors, Managing Director & Company Secretary	23
Public Listed Company Under Common Management	23
Classified Information & Underwriters	24
Directors' Take-Up In The Rights Offer	25
Bankers to the Issue of Rights Share	25-26
Terms and Conditions of the Rights Issue	27-28
Lock-in on Rights Share	28
Material Contracts	29
Declaration by the Issue Manager (Form-A), Underwriters (Form-B), Auditor (Form-C) and Directors (Form-D)	30-32
Auditors Report to the Shareholders, Audited Financial Statement	33-50
Auditors Report in pursuance of Section 135 (1) under para -24 (1) of part-II of the Third Schedule of the Companies Act 1994	51-53
Ratio Analysis	54-55
Letter of offer for Rights Issue to the Shareholders	56
Form of Acceptance and Application for Shares, Form-A	57
Form of Renunciation, Form-B	58
Application by Renouncee (s), Form-C	59

Definition and Elaboration of the abbreviated words and Technical terms used in the Rights Share Offer Document (ROD)

CSIL	:	Citizen Securities & Investment Limited
Allotment	:	Allotment of Share
Commission	:	Bangladesh Securities and Exchange Commission
Companies Act	:	Companies Act, 1994 (Act. No. XVIII of 1994)
DSE	:	Dhaka Stock Exchange Limited
CSE	:	Chittagong Stock Exchange Limited
Issue	:	Rights Issue
Issue Manager	:	Citizen Securities & Investment Limited
Issuer Company	:	Alif Manufacturing Company Ltd.(Previously known as CMC-Kamal Textile Mills Limited)
NAV	:	Net Assets Value
Offering Price	:	Price of the Securities of Alif Manufacturing Company Ltd.(Previously known as CMC-Kamal Textile Mills Limited)
Registered Office	:	Head Office of the Company
RI	:	Rights Issue
Rights Issue Rule	:	Bangladesh Securities and Exchange Commission (Rights Issue) Rules, 2006
RJSC	:	Registrar of Joint Stock Companies & Firms
BSEC	:	Bangladesh Securities and Exchange Commission
Securities	:	Shares of Alif Manufacturing Company Ltd.(Previously known asCMC-Kamal Textile Mills Limited)
Securities Market	:	The Share Market of Bangladesh
Sponsor	:	The Sponsor Shareholders of Alif Manufacturing Company Ltd.(Previously known as CMC-Kamal Textile Mills Limited)
Stockholder	:	Shareholder
Subscription	:	Application Money

Alif Manufacturing Company Ltd.

(Previously known as CMC-Kamal Textile Mills Limited)

Bilquis Tower (9th Floor), House # 6

Road # 46, Gulshan Circle-2, Dhaka-1212.

Telephone: +880-2-8825504, 8825508, **Fax:** +880-2-8825518

E-mail: lkc@bangla.net; **Website:** www.alifgroup-bd.com/amcl

RIGHTS ISSUE OF SHARES

December 20, 2017

Dear Shareholder(s)

We are pleased to inform you that the shareholders of the company in its Annual General Meeting (AGM) held on 15.12.2016 approved Rights Share issue of 1(R):1 (i.e. one right share for one existing share held) for BDT 10.00/- each totaling to BDT 1,093,968,950.00/-. The purpose of issuance of Rights Share is to raise further paid up capital for BMRE and Capacity Expansion. For that reason, the management of the company has decided to increase paid-up capital to the extent of BDT2,187,937,900.00/- from BDT 1,093,968,950.00/-.

Having satisfactory operation, the company has earned Net Profit (after tax) of BDT 143,688,340/- for the period ended on 31.03.2017. The success could have been possible with the support of our customers and efficient direction of the Board of Directors as well as patronization and active participation of our valued shareholders.

To maintain the growth and to increase the capital base of your Company, we hope you would come forward with your full support and assistance to make the offer a success.

A self-explanatory Rights Share Offer Document is prepared according to the Bangladesh Securities and Exchange Commission (Rights Issue) rules, 2006 is enclosed herewith for your kind information and evaluation.

On behalf of the Board of Directors,

Sd/-

Md. Azimul Islam

Managing Director

THE RIGHTS SHARE OFFER

Highlights of the Company

Alif Manufacturing Company Ltd.(Previously known as CMC-Kamal Textile Mills Limited)was incorporated in Bangladesh under the Companies Act 1913 on May 25, 1995. The Company has Manufacturing and Marketing of High Quality “Cotton Yarn” for making clothes for apparel purpose by the local weavers, textile mills, and the Ready Made Garments sector. The Company was changed its name from CMC-Kamal Textile Mills Limited to Alif Manufacturing Company Ltd. through special resolution in EGM dated September 28, 2017. At present the paid up capital of the company is BDT 1,093,968,950.00/- and authorized capital is BDT 5,000,000,000.00/-.

Corporate Information:

Corporate Headquarters and Registered Office	:	Bilquis Tower (9th Floor), House # 6, Road # 46, Gulshan Circle-2, Dhaka-1212. Telephone: +880-2-8825504, 8825508 Fax: +880-2-8825518, E-mail: lkc@bangla.net Website: www.alifgroup-bd.com/amcl
Factory	:	Kaicha Bari, Bashbari, Ashulia (Savar), Dhaka
Date of incorporation	:	25 May 1995
Commercial Production	:	July 1998
Principal Business Line	:	Manufacturing of Cotton Yarn of different counts
Listing Status	:	Listed as a Public Limited Company
Listing date	:	1997
Stock Exchange Listing	:	Dhaka and Chittagong
Authorized Capital as on 27/09/17	:	BDT 500 Crore
Paid-Up-Capital (after considering 13% bonus issue)	:	BDT 1,093,968,950.00/-
Number of Shareholders as on 21 September 2017.	:	14,306
Face value of Share	:	BDT 10.00
Current market price per Shares	:	BDT 25.20 as on 27/09/2017
Production Capacity	:	1,080,000 per quarter (Equivalent 26/1 count yarn (Kg)
Number of Employees	:	1440

Existing Product & Services rendered by the Company:

Alif Manufacturing Company Ltd.(Previously known as CMC-Kamal Textile Mills Limited) produces only one item in its factory, “Cotton Yarn”. The product is used for making clothes for apparel purpose by the local weavers, textile mills, and also by the Ready Made Garments (RMG) sector for exporting abroad.

The Rights Issue

The meeting of the Board of Directors of the Company held on October 31, 2016 Proposed to raise paid-up capital by BDT 1,093,968,950.00/-through issuance of Rights share of 109,396,895 ordinary shares of BDT 10.00 each at par at a ratio of 1(R):1 (one right share for one existing share) on the basis of existing paid-up capital to raise it to BDT 2,187,937,900.00/-.

Issue Price

An Annual General Meeting (AGM) of the Company was held on December 15, 2016 for this purpose. In the AGM the honorable shareholders approved Rights Offer of 109,396,895 Ordinary Shares at an offer price of BDT 10.00 each on the basis of 1(one) rights share for every 1 (one) existing share held on the record date.

RISK FACTORS AND MANAGEMENT'S PERCEPTION ABOUT THE RISKS

Interest Rate Risk

Interest rate risk is the risk that company faces due to unfavorable movements in interest rates. Changes in the government's monetary policy along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management Perception:

The management of the company is always aware of interest rate, which is concerned to the cost of fund of the company. The management prefers in procuring of long-term fund with minimum fixed interest rate and short-term fund with reasonable competitive rate. On the other hand management of the company is emphasizing on equity based financing. For the quarter ended September 30, 2016 the Company has no long term and short term debt.

Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. The Company imports only machineries from abroad. All the Raw materials are procured locally and sales are also made locally and through sister concern. Unfavorable volatility or currency fluctuations may affect the profitability of the Company.

Management Perception:

The Company imports only machineries for abroad. All the Raw materials are procured locally and sales are also made locally and through sister concern. Therefore, Unfavorable volatility or currency fluctuations will not affect the profitability of the Company much. Moreover, the exchange rate of the company is traditionally witnessed of upward trends, which make ample opportunity of export. On the other hand management perceives revaluation of local currency i.e. down trend to exchange rate will have little impact on profitability of the company.

Industry Risks

Profitability may reduce

The Company is operating in a highly competitive industry with low profit & highly sensitive to the market. Moreover the Company faces competition from a number of private & public sector Textile mills those are found to be very aggressive in the market. Inability of attracting more buyers and keeping up with the competition in the market will hinder the company's growth potential.

Management Perception:

The company has successfully accessed the market till date and is offering new and better quality products at competitive terms. Moreover the company's track record in the past years of operating in this highly competitive market establishes its capability.

New Entrants may enhance competition

New entrants of similar/higher scale may push the company in a competitive scenario.

Management Perceptions

Implementation of similar project generally have ahead time of few years, furthermore with the track record of Alif Manufacturing Company Ltd.(Previously-CMC-Kamal Textile Mills Limited) and its market reputation it will be very difficult for new comers to make inroads into the quality cotton yarn and fabrics market.

Market Risks

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the

company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management Perception:

The company set its focus in both local market and countries export market through inland back-to-back letter of credits. The management is trying to sell through direct contact with the customers (RMG & Knitting industries) in the selected regions understanding their needs. The company also has established relationship with potential buyers across the country and expects to find market for its capacity despite competition prevailing in the sector. Further, the commercial banks and financial institutions provide a thrust in the textile sector as they provide credit facilities to RMG & Knitting industries to acquire the yarn for their final products.

Technology Related Risks

Technology always plays a vital role for each and every type of business. Better technology can increase productivity and reduce costs of production. Firms are exposed to technology risks when there are better technologies available in the market than the one used by the company which may cause technological obsolescence and negative operational efficiency.

Management Perception:

The project is equipped with world's modern and latest machinery and technology and to cope with the pace in harmony with modern textile world the Company is continuing modernization program of its machinery. The plant and machinery implanted in the company's manufacturing plant, which are imported from world renowned brand name, are efficient and cost effective in its kind. The management of the company is aware of any technological changes in the future.

Potential or Existing Government Regulations

The Company operates under the Company's Act 1994 and other related regulations, Income Tax Ordinance 1984, Income Tax Rules 1984, Customs Act, 1969, Value Added Tax (VAT) Act and 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 adverse policies are made, which may materially affect the industry as a whole; the business of the Company will not be affected.

Potential Changes in the Global or National Policies

The performance of the Company may be affected due to unavoidable circumstances both in Bangladesh and worldwide, such as war, terrorism, political unrest in the country.

Management Perception:

The Company has different level of customers across the country to reduce the risk.

History of Non-Operation, if any

The company does not have any history of non-operation.

Operational Risks

Non-availabilities of materials/equipment/services may affect the smooth operational activities of the Company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management Perception:

The compensation as well the benefit package will restrain the employees to leave their assignment and go for any employee movement for higher benefit packages. The Company is equipped with power backup and security systems, which reduce operational risk. Besides, the equipment is under insurance coverage in order to get reasonable compensation for any damages.

DATE OF OPENING AND CLOSING OF SUBSCRIPTION

Subscription opens for the rights shares offer on **January 30, 2018** and subscription closes for the rights shares offer on **February 15, 2018**.

Purpose of the Right Issue

The purpose of issuance of Rights Share is to raise further paid up capital for BMRE and Capacity Expansion.

Utilization of Right Issue Fund:

Overview	BDT	Time of Implementation
A) Building Extension of 50000 Sft. (Civil cost for Washing & Yarn Dyeing Facilities)	101,002,915	Within 1 (one) year from receipt of Right Issue fund
B) New ETP construction cost	20,131,120	Within 1 (one) year from receipt of Right Issue fund
C) Underground Ducting	50,127,038	Within 1 (one) year from receipt of Right Issue fund
D) Humidification Room-01. Room-02 and Room-03	16,716,000	Within 1 (one) year from receipt of Right Issue fund
E) Overhead Air Ducting	19,112,500	Within 1 (one) year from receipt of Right Issue fund
F) Electrification & Others	5,823,290	Within 1 (one) year from receipt of Right Issue fund
G) Expenditure for capital machineries expansion:		
G-1) Spinning Machinery Expenditure	446,493,156	Within 15 (fifteen) months from receipt of Right Issue fund
G-2) Washing Machinery	59,113,045	Within 15 (fifteen) months from receipt of Right Issue fund
G-3) ETP Machine	14,260,825	Within 15 (fifteen) months from receipt of Right Issue fund
G-4) Yarn Dyeing	296,670,340	Within 15 (fifteen) months from receipt of Right Issue fund
H) Covered Van	15,397,120	Within 3 (three) months from receipt of Right Issue fund
I) BMRE Spare Parts	13,230,640	Within 6 (six) months from receipt of Right Issue fund
J) Spinning, Washing, ETP & Yarn Dyeing Machinery Erection & Commissioning	18,187,765	Within 15 (fifteen) months from receipt of Right Issue fund
SUB TOTAL	1,076,265,754	
Right Issue Expense	17,703,196	As and when required
Grand Total	1,093,968,950	

Note: the projection has been made on estimated cost and may vary from 5% to 10%.

A) Building Extension of 50,000 Sft. (Civil cost for Washing & Yarn Dyeing Facilities)	BDT 101,002,915.20
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SL. NO.	DESCRIPTION OF ITEM	Quoted Company	UNIT	QUANTITY	UNIT RATE	TOTAL(BDT)
1	SAND FILLING F.M.9-1.2 well compacted by roller with water after 150mm layer by layer.	Real Trade concern	CFT	637,752	16	10,204,032
2	R.C.C FLOOR 6" thick,materials uses Portland cement, Sylhet sand, chips, 60 grade rod binding, mason,labor,mixture machine workmanship up to complete work.	Real Trade concern	SFT	34,062	380	12,943,712
3	R.C.C footing/column pedestal/grade beam/machine base , side wall materials uses cement, Sylhet sand, 60grade rod, rod binding by 24 wire and block, mason,labourmixturemachine,vibrator,concretingworkmanship up to total complete work.	Real Trade concern	CFT	28,624	680	19,464,320
4	Shuttering works (Board making, column, footing, grade beam,drain slab,floor edge,24 weir, pin, sheet total up to finishing)	Real Trade concern	SFT	28,096	60	1,685,760
5	Steel structure works(M.S Traper Column/ I- Beam (W-350/750x10, F-300x5, fixing with anchorbolt,base plate (Web + Flange), outer column, Purlin(W-300/30X30X2.5 fixing with nuts, bolts,seg rod, profile sheet .47mm roof & wall shetting, erection& fabrication up to finishing.	Real Trade concern	SFT	35,979	550	19,788,560
6	Tiles Works (1'X1' homogeneous tiles, cement, sand, tiles motor, tiles fixing up to finishing)	Real Trade concern	SFT	36,800	95	3,496,000
7	3" soling under floor and machine base and footing	Real Trade concern	SFT	32,091	58	1,861,290
8	5" Brick works with plastering up to finishing with paint.	Real Trade concern	SFT	11,894	155	1,843,632
9	Mezzanine floor (Office room), bricks works, thai& glass partition, stair,bath room, false ceiling up to finishing.	Real Trade concern	SFT	1,954	2,800	5,470,080
10	5" Pointing brick works	Real Trade concern	SFT	1,411	280	395,135
11	Earth excavation (footing, column)	Real Trade concern	CFT	65,933	12	791,194
12	Drain works.(Earth excavation, R.C.C base, slab,10" brick wall,both side plastering with net cement uses water tight admixture foam lub, up to finishing)	Real Trade concern	RFT	2,352	2,200	5,174,400
13	SAND FILLING F.M.9-1.2 well compacted by heavy roller with water after 150mm layer by layer.(250'x100'x15'(avg.)	Real Trade concern	CFT	894,240	20	17,884,800
TOTAL						101,002,915

SL. NO.	DESCRIPTION OF ITEM	Quoted Company	UNIT	QUANTITY	UNITRATE	TOTAL(BDT)
B) New ETP construction cost		BDT 20,131,120.00				
1	<u>New clarifier R.C.C waste water tank</u> :- R.C.C wall , column,Base concreting Material uses - OPC cement, crusing brick chips,sylhet sand, foam lub chemical mixing,60grade Ms Rod & shuttering up to finishing workmanship	Real Trade concern	CFT	7,250	720	5,220,000
2	<u>Out let waste water tank</u> :-R.C.C wall, column,Base concreting -Materials - OPC cement, crusing brick chips,sylhet sand, 60grade Ms Rod &shuttering up to finishing workmanship	Real Trade concern	CFT	5,890	710	4,181,900
3	<u>Aeration waste water Tank</u> -R.C.C wall , column,Base concreting, Material uses - OPC cement , crusing brick chips,sylhet sand, 60 grade Ms Rod &workmanship	Real Trade concern	CFT	9,952	710	7,065,920
4	<u>Filter feed waste water tank 15'X10'X10'</u> :- R.C.C wallcolumn,Base concreting Materials - OPC cement , crusingbrick,sylhet sand, 60grade Ms Rod &workmanship	Real Trade concern	CFT	4,380	710	3,109,800
5	<u>Filter press room</u> : Tin shed, Bricks/cement/sand/workmanship	Real Trade concern	SFT	320	1,025	328,000
6	<u>Control Room</u> - Tin shetting/brickworks /Renovation works	Real Trade concern	SFT	220	1,025	225,500
TOTAL						20,131,120

SL. No.	DESCRIPTION OF ITEM	Quoted Company	UNIT	QUANTITY	UNITRATE	TOTAL(BDT)
C) Underground Ducting		BDT 50,127,038.00				
1	Underground duct -Finishing, Ring,Simplex,Drawingsection,R.C.C mosaic floor demolish and rubbish remove outside, earth excavation, f R.C.C base,wall,slabconcreting,rod binding,shuttering,plastering net cement and maintainappropriate slop all kind of civil works up to finishing)	Real Trade concern	SFT	17903	2,800	50,127,038

SL. No.	DESCRIPTION OF ITEM	Quoted Company	UNIT	QNTY	RATE/UNIT	TOTAL(BDT)
D) Humidification Room-01. Room-02 and Room-03		BDT 16,716,000.00				
1	HUMIDEFICATION PLANT-1 Finishing section-(R.C.C floor, slab ,wall demolish , earth excavation,underground drum filter setting ,R.C.C wall for fan setting,R.C.C floor, slab,beam,column all kinds of civil works up to finishing)	Real Trade concern	SFT	1,320.00	4,200.00	5,544,000
2	HUMIDEFICATION PLANT-2 Ring section – R.C.C floor slab wall demolish , earth excavation,underground drum filter setting,R.C.C wall for fan setting,washer base construction,R.C.C floor, slab,beam, column all kinds of civil works up to finishing)	Real Trade concern	SFT	1,380.00	4,200.00	5,796,000
3	HUMIDEFICATION PLANT-3 simplex, carding, drawing section R.C.C floor slab wall demolish, earth excavation,underground drum filter setting, R.C.C wall for fan setting,R.C.C floor, slab,beam,column all kinds of civil works up to finishing)	Real Trade concern	SFT	1,280.00	4,200.00	5,376,000
TOTAL						16,716,000

SL. No.	Section	Particulars	Quoted Company	Unit	SFT/Duct	No. of duct	Total SFT.	Estimated unit price in BDT.	Estimated Total price in BDT.
E) Overhead Air Ducting		BDT 19,112,500.00							
1	A/C - 1(Ring)	Square Air supply duct (Size: L=280', W=6.5')= 7280SFT	M/S. Al Razi Enterprise	SFT	7280	3	10,840	520	5,636,800
2	A/C - 2 (Ring)	Square Air supply duct (Size: L=280', W=6.5')X3 = 7280SFT	M/S. Al Razi Enterprise	SFT	7280	3	10,840	520	5,636,800
3	A/C - 3 (Finishing)	Square Air supply duct (Size: L=240', W=4.5')X4 = 4800SFT	M/S. Al Razi Enterprise	SFT	4800	6	15,800	430	6,794,000
4	A/C - 4 (DSC)	Square Air supply duct (Size: L= 25', W= 3.5')X4 = 350SFT	M/S. Al Razi Enterprise	SFT	350	5	1,250	430	537,500
		Square Air supply duct (Size: L= 120 ', W= 3.5')X4 = 1680SFT	M/S. Al Razi Enterprise	SFT	1680	1	1,180	430	507,400
Total									19,112,500

F)	Electrification & Others	5,823,290.00				
SL.N O.	Particulars	Quoted Company	Unit	No. of duct	Total SFT	Estimated Total price in BDT.
1	Louver set, T5, 14WX4=56Watt(Complete set)	Rupa& Abdulla Engineering	Set	870	3,200	2,784,000
2	Wall mounting LED tube light, T8 (Single, Complete set),(As per choice of Mr. Sharath)	Rupa& Abdulla Engineering	Set	120	1,150	138,000
3	Helogen light, 400Watt(Complete set)	Rupa& Abdulla Engineering	Pcs	5	7,500	37,500
4	Emergency LED light, 7W	Rupa& Abdulla Engineering	Pcs	20	1,400	28,000
5	ON line UPS, 6KVA (1-P, 220VAC)	Rupa& Abdulla Engineering	Set	1	180,000	180,000
6	Cable NYY 4X16RM	Rupa& Abdulla Engineering	Meter	480	2,400	1,152,000
7	Cable NYY 4X6RM	Rupa& Abdulla Engineering	Meter	380	450	171,000
8	Cable BYA 1X2.5RM(Red)	Rupa& Abdulla Engineering	Coil	25	2,400	60,000
9	Cable BYA 1X2.5 RM(Black)	Rupa& Abdulla Engineering	Coil	30	2,400	72,000
10	Cable BYA 1X1.5RM(Red)	Rupa& Abdulla Engineering	Coil	18	1,400	25,200
11	Cable BYA 1X1.5 RM(Black)	Rupa& Abdulla Engineering	Coil	18	1,400	25,200
12	PVC Tape (R,Y,B)	Rupa& Abdulla Engineering	Dozns	12	280	3,360
13	Cable tie 150mm	Rupa& Abdulla Engineering	Pakts	10	120	1,200
14	Cable tie 200mm	Rupa& Abdulla Engineering	Pakts	10	150	1,500
15	MS Welding rod	Rupa& Abdulla Engineering	Pakts	4	720	2,880
16	PVC Connector, 15A	Rupa& Abdulla Engineering	Pcs	800	4	3,200
17	Cable lug(Pin Type), 2.5RM	Rupa& Abdulla Engineering	Pcs	100	4	400
18	Cable lug(Pin Type), 1.5RM	Rupa& Abdulla Engineering	Pcs	150	3	450
19	Ampere tube (No-3, 50Pcs), (no-4, 50Pcs)	Rupa& Abdulla Engineering	Pcs	100	2	200
20	SDB (China0, 10"X14"	Rupa& Abdulla Engineering	Pcs	8	1,000	8,000
21	PVC Pipe, 3/4"	Rupa& Abdulla Engineering	Pcs	1,800	35	63,000
22	PVC Circular box, 3 & 3Way	Rupa& Abdulla Engineering	Pcs	600	12	7,200
23	MCB, SP-4A	Rupa& Abdulla Engineering	Pcs	60	8,500	510,000
24	MCB, SP-6A	Rupa& Abdulla Engineering	Pcs	60	7,500	450,000
25	MCB, TP-16A	Rupa& Abdulla Engineering	Pcs	45	2,200	99,000
Total						5,823,290

G) Expenditure for capital machineries expansion:

G-1)	Spinning Machinery Expenditure	BDT 446,493,155.65			
SL. NO.	Particulars	Quoted Company	Value in\$ (USD)	BDT Rate	Amount inBDT
1	CARDING MACHINE C-70	MaschinenfabrikRieter AG	2,133,000.00	78.5	167,440,500.00
2	DRAWING MACHINE RSB-D50		192,000.00	78.5	15,072,000.00
3	YARN CONDITIONING PLANT	M/S. AB Reiniger Industries Pvt. Ltd.,	54,000.00	78.5	4,239,000.00
4	HUMIDIFICATION SYSTEM NECESSARY SPARE & FDB FOR BLOW ROOM & CARDING MACHINERY.	Qingdao Peter's Textile Machinery Imp. & Exp. Co. Ltd.	225,000.00	78.5	17,662,500.00
5	RING MACHINE	Shanghai P&E Import and Export Co. Ltd.	1,212,288.00	78.5	95,164,608.00
6	ELECTRONIC CONTROL BOX	Amsler Tex AG	125,000.00	78.5	9,812,500.00
7	SLUB YARN M/C	Pinter Caipo S.A.U	23,000.00	78.5	1,805,500.00
8	FINAL SLUB YARN COUNT M/C	M/S. AB Reiniger Industries Pvt. Ltd.,	46,000.00	78.5	3,611,000.00
9	CONTIFID CFC	Fine Tex Machine Co. Ltd.	15,000.00	78.5	1,177,500.00
10	JWF 1436B-FLY FRAME (132 SPANDLE PER MACHINEM)	MessersMobarak Hossain Bhuiyan	378,000.00	78.5	29,673,000.00
11	JWF 1310-DRAWING FRAME WITH CONE		114,000.00	78.5	8,949,000.00
12	Caterpillar Generator-1 MW	Bangla Trac Limited	360,000.00	78.5	28,260,000.00
13	Industrial Chiller for cooling tower	EMI Engineering PTE Ltd.	435,310.00	78.5	34,171,835.00
Textile Machinery Spare					
14	RING CAP.FRONT BOBBIN,NEEILE DEARING, MIDDLE ROLER ARBOUR BOUR,FRONT BACR ROLER ARBOUR	Qingdao Fortex International Co. Ltd.	71,981.00	78.5	5,650,508.50
15	ROVING HANGER,ROVING HANGER CAP,TOP WOODEN LEANER,NDDILE BEARING,WEIGHTING ARM	Qingdao Fortex International Co. Ltd.	137,560.00	78.5	10,798,460.00
16	TOP APRON CARDLE,DISTANCE CLIP,	Saurer Components GmbH	24,186.90	78.5	1,898,671.65
17	OHTC MODEL ABB-15	M/S. AB Reiniger Industries Pvt. Ltd.,	26,000.00	78.5	2,041,000.00
18	ROLLER STAND, SUCTION FAN	Sanghainanshi Foreign Economic Cooperation & Trading Company Ltd.	12,160.00	78.5	954,560.00
19	SPINNING CARD CAN	Spin Can Manufacturing Company	13,998.00	78.5	1,098,843.00
20	SPANDLE TAPE	Mangal Singh Bros Pvt Ltd.	3,000.00	78.5	235,500.00

21	UV LAMP	Parikh Patel & Co.	1,630.00	78.5	127,955.00
22	ABS SIMPLEX BOBBIN	Qingdao Seavin Imp. &Exp Co. Ltd.	8,100.00	78.5	635,850.00
23	RING TRAVELLER	Bengal Roots	6,252.00	78.5	490,782.00
24	SPANDLE BREAK MOD.131,7 HP	Legrom GmbH	14,025.00	78.5	1,100,962.50
25	ROVING TOP CLEANER,BOTTOM CLEANER,FALSE TWESTER, OVERHEAD TRAVELLING CLEANER,RING BOBBIN,HOSE PIPE,OHTCFLAT BELT,BEARING	Beijing Zhongheng Alliance International Co. Ltd.	26,000.00	78.5	2,041,000.00
26	DC TO AC CONVERSION WORK	Global Spintex Ltd.	9,000.00	78.5	706,500.00
27	SEA FREIGHT		21,320.00	78.5	1,673,620.00
TOTAL					446,493,155.65

G-2)	Washing Machinery	BDT 59,113,045.00			
SL. NO.	Particulars	Quoted Company	Value in\$ (USD)	BDT Rate	Amount inBDT
1	XGP-800 LBS WASHING MACHINE(WITH INVERTER)	Guangzhou PanyuJunyeHongda Washing and Dyeing Machine Co. Ltd.	216,680.00	78.5	17,009,380.00
2	XGP-550 LBS WASH MACHINE(WITH INVERTER)		52,360.00	78.5	4,110,260.00
3	YP-200 DIP DYEING MACHINE		34,843.42	78.5	2,735,208.47
4	GDP-400P ENERGY SAVING DRYER MACHINE (CAPACITY 180 KG)		193,290.00	78.5	15,173,265.00
5	HS-1200 HYDRO EXTRACTOR (WITH INVERTER)		102,048.00	78.5	8,010,768.00
6	STEAM BLOWER		17,689.88	78.5	1,388,655.58
7	XGP-100 LBS WASHING MACHINE (WITH INVERTER)		35,680.00	78.5	2,800,880.00
8	XGP-50 LBS WASHING MACHINE (WITH INVERTER)		16,838.24	78.5	1,321,801.84
9	XGP-30 LBS WASHING MACHINE (WITH INVERTER)		15,002.88	78.5	1,177,726.08
10	KZ-20A HYDRO EXTRACTOR (WITH INVERTER)		35,000.00	78.5	2,747,500.00
11	GDP-100 DRYER(STREAM HEATING)		13,800.00	78.5	1,083,300.00
12	SEA FREIGHT		19,800.00	78.5	1,554,300.00
TOTAL					59,113,044.97

G-3)	ETP Machine	BDT 14,260,825.00			
SL. NO.	Particulars	Quoted Company	Value in\$ (USD)	BDT Rate	Amount inBDT
1	SUPPLY, ERECTION & COMMISSIONING OF BIO CHEMICALS ETP 60 M3/HR, BAR SCREEN,SETTLING CLARIFIER,MULTI MEDIA FILTER VESSEL,ACTIVATED CARBON FILTER,SLUDGE THICKENER MECHANISM, ALL PIPE LINE FOR ETP AND INTER CONNECTING VALVES, FLANGES,WITH ALL OTHER ACCESSORIES,ALLELECTRICAL PENELS, INTER CONNECTING CABLING,STARTERS,CONTROLLING SYSTEM,DESIGN & SUPERVISION AND ALL DOCUMENTS	Techno Bangla Engineering	3,000,000.00	1	3,000,000.00
2	EFFLUENT TRANSFER PUMPS -OPEN IMPILLER 60M/HR @ 15 M	Shimy International Corp.	7,500.00	78.5	588,750.00
3	FILTER PRESS FEED PUMP-DOUBLE DIAPHARM,20M3/HR @ 6 BER.		10,000.00	78.5	785,000.00
4	FILTER FEED PUMP-CENTRIFUAL TYPE,60M3/HR@3M		5,350.00	78.5	419,975.00
5	HYDRAULIC FILTER PRESS-710X710 WITH 49 PLATE,WITH HYDRAULIC POWER PACK		37,000.00	78.5	2,904,500.00
6	MIXING AGITATOR-130 RPM @ 1 HP		7,500.00	78.5	588,750.00
7	MIXING AGITATOR-30 RPM @ 2 HP		2,000.00	78.5	157,000.00
8	OPEN DRAIN FLOW METER-ULTRA TWIN WITH DB 6		12,000.00	78.5	942,000.00
9	CHEMICAL DOSING PUMP-AHA 52, CAPACITY 396 LPH @5 BER		5,350.00	78.5	419,975.00
10	CHEMICAL DOSING PUMP-AHA 42, CAPACITY 270 LPH @5 BER		13,500.00	78.5	1,059,750.00
11	CHEMICAL DOSING PUMP-AHA 32, CAPACITY 270 LPH @5 BER		6,750.00	78.5	529,875.00
12	AUTO PH CONTROLLER-PC 3100		4,500.00	78.5	353,250.00
13	ROOTS AIR BLOWERS-1200 M3/HR @ 40HP		18,000.00	78.5	1,413,000.00
14	FINE BUBBLE DIFFUSER WITH ALL STANDARD ACCESORIS-DISC TYPE 250 MM		7,500.00	78.5	588,750.00
15	Shipment, Inspection, Eng. Daily allowance, Air Ticket		3,500.00	78.5	274,750.00
16	SEA FREIGHT		3,000.00	78.5	235,500.00
TOTAL					14,260,825.00

G-4) Yarn Dyeing		BDT 296,670,340.00			
SL. NO.	Particulars	Quoted Company	Value in\$ (USD)	BDT Rate	Amount inBDT
1	LABWIN SERIES-FONGS LABORATORY PACKAGE DYEING MACHINE LABWIN-6(KO),LABWIN-12(KO)	Pacific Associates Ltd.	94,000.00	78.5	7,379,000.00
2	ALLWIN -FONG'S HIGH TEMPERATURE PACKAGE DYEING MACHINE < AIR PAD>(ALLIN-45 6A-30KG)-(ALLIN-70 6A-60KG)-(ALLIN-85 6A-120 KG)-(ALLIN-120 9A-360 KG)-(ALLIN-120 13A-520 KG)-(ALLIN-145A-731.25 KG)-(ALLIN-166 13A- 1007.50 KG-(ALLIN-205 13A-1576.25 KG)		1,216,000.00	78.5	95,456,000.00
3	FTDW SERIES (WATER COOLED)FONGS RADIO FREQUENCYER-FTDW-85-102 L/H, FTDW-170-204 L/H		252,000.00	78.5	19,782,000.00
4	CENTRIFUGAL HYDROEXTRACTOR-HEB-48-48 PACKAGE, HEB-32-32 PACKAGE		73,000.00	78.5	5,730,500.00
5	ACCESSORIES		35,000.00	78.5	2,747,500.00
6	SOFT WINDING MACHINE		1,292,760.00	78.5	101,481,660.00
7	HARD WINDING MACHINE		816,480.00	78.5	64,093,680.00
TOTAL					296,670,340.00

H)	Covered Van: 5 Pcs (3,079,424 per Pc)	BDT 15,397,120.00
I)	BMRE Spares Parts	BDT 13,230,640.00
j)	Spinning, Washing,ETP & Yarn Dyeing MachineryErection &Commissioning	BDT 18,187,765.00

Sd/-
(Mohammad Hanif)
Chief Financial Officer

Sd/-
(Md. Azimul Islam)
Managing Director

Utilization of IPO Fund:

Alif Manufacturing Company Ltd.(Previously - CMC-Kamal Textile Mills Limited)went for Public Issue in the year 1997and raised total of BDT 86,000,000.00 through public offer. The fund was raised and utilized as per our plan submitted to SEC at the time of IPO, which had already been reflected in the audited accounts of 1997.

UTILIZATION OF IPO FUND

1. Machinery &Equipment	BDT 78,650,127.00
2. Land Development	BDT 5,439,239.00
3. Office Equipment	BDT 317,905.00
4. Furniture & Fixtures	BDT 892,773.00
5. Other Assets	BDT 699,956.00

Total BDT 86,000,000.00

Utilization of Rights Share Fund dated 2011

Alif Manufacturing Company Ltd.(Previously - CMC-Kamal Textile Mills Limited) went for Right Issue in the year 2011 by issuing 37,840,000 Ordinary Shares of BDT 17.50/- (Per Share BDT 10/- with premium BDT 7.50/) each totaling BDT 662,200,000/-. The entire funds were used for BMRE of existing plant and business expansion with a capacity of 12,000 spindles.

Particulars of Utilization

Particulars	Amount in BDT
A. Building and Civil construction	
Staff Quarter and Worker Accommodation Shed	46,850,000
B. Procurement of Capital Machineries	
Textile Spinning Machinery	302,180,000
Finishing Machinery	131,220,000
Utilities Machinery	42,950,000
Laboratory	65,030,000
Other Accessories	57,160,000
Electrification	24,500,000
Total	669,890,000

Means of Finance:

Particulars	Amount in BDT
Right Issue (Sponsors & Shareholder equity)	662,200,000
Company's own fund	7,690,000
Total Source	669,890,000

AGM held by the Company & Dividend Performance:

Financial Year	No. of AGM	Record Date	AGM Date	Venue	Dividend Declared	
					Stock	Cash
2010	16	15-May-11	28-Jun-11	Factory Premises, KaichaBari, Bashbari, Ashulia (Savar), Dhaka	12.5%	NIL
2011	17	24-May-12	21-Jun-12	Factory Premises, KaichaBari, Bashbari, Ashulia (Savar), Dhaka	12.5%	NIL
2012	18	23-May-13	17-Jun-13	Factory Premises, KaichaBari, Bashbari, Ashulia (Savar), Dhaka	15.0%	NIL
2013	19	29-May-14	30-Jun-14	Factory Premises, KaichaBari, Bashbari, Ashulia (Savar), Dhaka	12.5%	NIL
2014	20	17-May-15	31-May-15	"All Community Club Ltd" House# 40, Road # 35, Gulshan-2, Dhaka-1212	12.5%	NIL
2015	21	19-May-16	15-Dec-16	"Gulshan Club Limited", House no NWJ-2/A, Bir Uttam Sultan Mahmud Road, Gulshan-2, Dhaka-1212	13.0%	NIL

Sd/-
(Mohammad Hanif)
Chief Financial Officer

Sd/-
(Md. Azimul Islam)
Managing Director

Annualized Production Capacity: As per audited financial statements

Particulars	Installed Capacity Equivalent 26/1 Count Yarn (KG)	Actual Production Equivalent 26/1 Count Yarn (KG)	Utilization
Spinning	4,320,000	1,988,654	92.07%

JUSTIFICATION OF THE ISSUE PRICE OF PROPOSED RIGHTS OFFER

The rights issue price of BDT 10.00 each is justified as per the guidelines of the Bangladesh Securities & Exchange Commission as detailed below:

Method-1(a) Price based on Net Asset Value per share (with revaluation)

Particulars	Amount in BDT
Share Capital as at March 31, 2017	1,093,968,950
Reserve & Surplus as at March 31, 2017	623,524,021
Retained Earnings as at March 31, 2017	298,448,934
Total Shareholders' Equity as at March 31, 2017	2,105,941,905
Number of shares as at March 31, 2017	109,396,895
Net Asset Value per share	18.43

Method-1(b) Price based on Net Asset Value per share (without revaluation)

Particulars	Amount in BDT
Share Capital as at March 31, 2017	1,093,968,950
Retained Earnings as at March 31, 2017	298,448,934
Total Shareholders' Equity as at March 31, 2017	1,392,417,884
Number of shares as at March 31, 2017	109,396,895
Net Asset Value per share as at March 31, 2017	12.73

Methods-2: Historical Earnings Based Value per Share

Year	No. of Share	Net Profit After Tax	Weight of No. of Shares	Weighted Average of Net Profit After Tax
01 Jul'16 – 31 Mar'17	109,396,895	143,688,340	0.25133025	36,113,227
01 Jan'15 – 30 Jun'16	96,811,412	198,287,422	0.22241615	44,102,326
01 Jan'14 – 31 Dec'14	86,054,589	115,278,743	0.19770325	22,790,982
01 Jan'13 – 31 Dec'13	76,492,968	99,250,341	0.17573622	17,441,880
01 Jan'12 – 31 Dec'12	66,515,625	104,718,512	0.15281411	16,002,466
Total	435,271,489	661,223,358	1	136,450,883
Total Number of Shares				109,396,895
Weighted Average Earnings per Share (EPS)				1.25
Market PE (May 02, 2017)				14.72
Earnings Based Value per Share (1.25 x 14.72)				18.36

Methods-3: Average Market price per Share of the Company for last 6 (six) months:

Date	Face Value	Market Value
Market Price at September 27, 2017	BDT 10	25.3
Market Price at August 31, 2017	BDT 10	26.0
Market Price at July 31, 2017	BDT 10	27.2
Market Price at June 29, 2017	BDT 10	25.5
Market Price at May 30, 2017	BDT 10	24.4
Market Price at April 30, 2017	BDT 10	25.8
Average Market Price per Share		25.7

Source: DSE Monthly Review

From above analysis, it appears that the offer price of BDT 10.00 could be considered reasonable.

LENGTH OF TIME DURING WHICH THE ISSUER HAS CARRIED ON BUSINESS [Rule-8(j)]

Alif Manufacturing Company Ltd.(Previously known as CMC-Kamal Textile Mills Limited)is a public limited Company carries its commercial operation for the last 21 (Twenty One) years.

HIGHLIGHTS OF THE COMPANY

EXECUTIVE SUMMARY

Alif Manufacturing Company Ltd.(Previously known as CMC-Kamal Textile Mills Limited) produces only one item in its factory, namely, 'Cotton Yarn'. The product is used for making cloths for apparel purpose by the local weavers, textile mills and of course, by the Ready Made Garments sector for exporting abroad. The raw material is also of only one item, namely 'Raw Cotton'.

There are, however, various types of yarn as produced by the Company. The variation is in the form of Combed Yarn or Carded Yarn as well as in counts of yarn. Combing process is done to clear various kinds of impurities which are found in the natural fiber of raw cotton. Being a natural fiber, it also contains short fiber which is cleared in combing process. The end product thus comes out as 'Combed Yarn'.

Another type of yarn, namely, Carded Yarn do not go through the combing process and the yarn thus produced contains the above mentioned impurities and the price of the end product is comparatively less than combed yarn. There is, however, a great demand for Carded Yarn, especially by the middle class and low middle class people of the country who do not consume much fine quality of cloths always.

The yarn is also classified by its counts, higher the counts number, finer it is and costlier; and lower the counts number, it is coarser and less expensive. Alif Manufacturing Company Ltd.(Previously known as CMC-Kamal Textile Mills Limited) produces many & various counts of yarn, namely, 10s to 20s, 30s to 50s, 60s to 80s. 30s counts is produced in the form of both combed and carded while all other counts are in the carded form – even the fine counts of 60s to 80s.

It may be stated that if the production is in higher counts, actual production quantity decreases on the same machine whereas production quantity increases if it is of lower counts. Accordingly, although the actual production for the last few years show considerable variation year to year, it happened due to changes made in counts pattern the right yard-stick should, therefore, the efficiency achieved as shown in the table in previous page.

BOARD OF DIRECTORS

Md. Azizul Islam, Chairman-has a reputation to be a commercially important Person (CIP) for the last 20 years. He is the honorable chairman of Alif Group that has been awarded the National Export Trophy Gold for 4 (Four) years being the highest exporters by the Bangladesh Export Promotion Bureau. He has been operating one of the largest export oriented business group in the country since 1984.

Md. Azimul Islam, Managing Director - has obtained his MBA from USA. He is also the Managing Director of Alif group, and the honorable Chairman of Alif SSL Sports Holdings Limited (A concern of Alif group). He started his career in Yarn manufacturing and export oriented business since 2009.

Mrs. LutfunNessa Islam, Director - is a Director of Alif group. She has completed her B.A (Hon's) and M.A with an outstanding result being first class first. She is the wife of the honorable Chairman of Alif group.

Mrs. Lubna Islam, Nominated Director (Representing Alif Apparels Ltd.)-is the eldest daughter of Mr. Azizul Islam, honorable chairman of the Alif group. Dr. Lubna Islam is an MBBS doctor by profession. She also completed her MBA.

Mrs. Nabila Salam, Nominated Director (Representing Alif Outwears Ltd.) -has completed her O' Levels from Scholastica and then she went to university college of London for higher studies, completed graduation on economics and statistics as major. She came back to country in 2008. Worked in HSBC and Green Delta Insurance. She also represents in the board of Directors of Alif group. Travelled more than 25 countries worldwide with great exposure to international culture and business trade. Also have keen interest in retail business and development. Mrs. Nabila Salam is married to Mr. Azimul Islam, Managing Director of Alif group.

Mrs. RezwanIslam, Nominated Director (Representing Alif Bengal Holdings Ltd.) -is the youngest daughter of Mr. Azizul Islam, honorable chairman of Alif group. She has completed her MBA from USA.

Mr. NiazMorshed, Nominated Director (Representing Alif Textiles Mills Ltd.) -has completed MBA (Finance) from IUC and obtained the Chancellor Award (Gold Medal). He started his professional career from Industry and then worked at IT, Media, Power Sector & Textile industry. He has the expertise in operation and business development.

Mr. Md. RafiqulIslam, Nominated Director (Representing Alif Real Estate Ltd.) -has completed Masters in Accounting from Rajshahi University. He started his professional career from 1992 in the garments industry. He is expert in business accounting and management development.

Mr. Golam Mostafa, Independent Director –has completed MBA from Dhaka University. He started his professional career from Dhaka Bank Limited– Bangladesh. Subsequently, worked for ICB Islamic Bank Limited-Bangladesh, IDLC finance Limited- Bangladesh and joined in Garments Industries in 2005. He is expert in business accounting and management development and his leadership capabilities contributing greatly to the company.

Mr. Md. Shafiqul Islam, Independent Director – has completed the LLB (Hon's) and LLM from Rajshahi University. He started his professional career form 1991 in the garments industry. He is expert in administrative and commercial business operation.

QUANTITY OF SHARES HELD BY EACH DIRECTOR AND PERSON ON THE DATE OF SUBMISSION OF THE RIGHTS SHARE OFFER DOCUMENT [(ROD) (Rule-8(I))]

(as on 31-03-2017)

Sl. No.	Name	Position	Number of Share held	Percentage (%)
1	Md. Azizul Islam	Chairman	4,652,178	4.25%
2	Md. Azimul Islam	Managing Director	10,671,055	9.75%
3	LutfunNessa Islam	Director	2,704,566	2.47%
4.	Lubna Islam	Nominated Director (Representative of Alif Apparels Ltd.)	2,216,741	2.03%
5	NiazMorshed	Nominated Director (Representative of Alif Textiles Mills Ltd.)	7,423,597	6.79%
6	Rezwana Islam	Nominated Director (Representative of Alif Bengal Holdings Ltd.)	2,216,741	2.03%
7	Md. Rafiqul Islam	Nominated Director (Representative of Alif Real Estate Ltd.)	2,198,130	2.01%
8	Nabila Salam	Nominated Director (Representative of Alif Outwears Ltd.)	2,216,741	2.03%
9	Golam Mostafa	Independent Director	Nil	Nil
10	Md. Shafiqul Islam	Independent Director	Nil	Nil
Total			34,299,749	31.36%

BENEFICIAL OWNERS HOLDING SHARES 5% OR ABOVE [Rule-8(I)]

(as on 31-03-2017)

Name	Position	Number of shares held	Percentage (%)
Md. Azimul Islam	Managing Director	10,671,055	9.75%
NiazMorshed	Nominated Director	7,423,597	6.79%

COMPOSITION OF SHAREHOLDING POSITION OF THE COMPANY

(as on 31-03-2017)

Particulars	No. of Shares Held	Total Amount of Shares	% of Total Shares
Sponsors & Directors	34,299,749	342,997,490	31.35%
General Public	71,157,051	711,570,510	65.04%
Institutions	3,940,095	39,400,950	3.60%
Government	NIL		NIL
Total	109,396,895	1,093,968,950	100%

DETAILS OF DIRECTORS, MANAGING DIRECTOR & COMPANY SECRETARY [Rule-8(m)]

SL. No.	Name of Directors	Age	Education Qualification	Address	Occupation
1	Md. Azizul Islam	66	MA (political Science)	NEB, 2/A, Road no-71, Gulshan-2, Dhaka.	Business
2	Md. Azimul Islam	32	MBA	NEB, 2/A, Road no-71, Gulshan-2, Dhaka.	Business
3	LutfunNessa Islam	61	MA	NEB, 2/A, Road no-71, Gulshan-2, Dhaka.	Business
4	Lubna Islam	35	MBBS	NEB, 2/A, Road no-71, Gulshan-2, Dhaka.	Business
5	NiazMorshed	41	MBA	House: 69, Post Office Road, Badda, Gulshan, Dhaka- 1212	Business
6	Rezwana Islam	29	MBA	NEB, 2/A, Road no-71, Gulshan-2, Dhaka.	Business
7	Md. Rafiqul Islam	51	M.Com (Accounting)	10-E/2, HaziCinu Miya Road, Block-F, Mohammadpur, Dhaka	Business
8	Nabila Salam	29	B.Sc (Economics & Statistics)	NEB, 2/A, Road no-71, Gulshan-2, Dhaka.	Business
9	Golam Mostafa	36	MBA	Bilquis Tower (9 th floor), House: 06, Road: 46, Gulshan, Dhaka.	Business
10	Md. Shafiqul Islam	53	MA (LLB)	House: 316/7/1, Nikunjo, Road: 7 No. Goli, South Goran, Khilgaon, Dhaka - 1219	Business

DETAILS OF COMPANY SECRETARY [Rule-8(m)]

Name	Age	Educational Qualification	Address	Occupation
Md. Mahfuzur Rahman	46	M.Com (Accounting)	House: 08, Road: 1/A, Section:12, Uttara, Dhaka	Business

PUBLIC LISTED COMPANIES UNDER COMMON MANAGEMENT [Rule-8(n)]

There is no Public Listed Company under common management of the Company.

CLASSIFIED INFORMATION & UNDERWRITERS [Rule-8 (o)]

Auditor	Rahman Mostafa Alam & Co. Chartered Accountants Paramount Heights (7 th Floor-D2), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000.
Banker(s)	The City Bank Limited EXIM Bank Limited Sonali Bank Limited Dutch Bangla Bank Limited
Issue Manager(s)	CITIZEN SECURITIES & INVESTMENT LIMITED Al-Razi Complex, 165-167 Shaheed Syed Nazrul Islam Sarani, Suite # G-802(8 th Floor), Purana Paltan, Dhaka-1000, Bangladesh.
Underwriter	Citizen Securities & Investment Limited Banco Finance And Investment Limited BMSL Investment Limited CAPM Advisory Limited
Banker to the Issue	Investment Corporation of Bangladesh (ICB) EXIM Bank Limited

Name of the Underwriters

Name of Underwriters	No. of Shares to be Underwritten	Offer price (BDT)	Total Amount of Underwritten (BDT)	% of Total Underwritten
Citizen Securities & Investment Limited Al-Razi Complex, 165-167 S.S Nazrul Islam Sarani, (8 th Floor), Purana Paltan, Dhaka-1000	29,396,895	10.00	293,968,950.00	26.87
Banco Finance And Investment Limited Shefali Complex (4th Floor), 218/3/A West Kafrul Begum Rokeya Sharani, Taltola Sher-e-Bangla Nagar, Dhaka-1207.	60,000,000	10.00	600,000,000.00	54.85
BMSL Investment Limited Shareef Mansion (4 th Floor) 56-57 Motijheel C/A, Dhaka- 1000.	10,000,000	10.00	100,000,000.00	9.14
CAPM Advisory Limited Rupsha Tower (Flat - C4), Plot - 07, Road – 17, Banani C/A, Dhaka-1213	10,000,000	10.00	100,000,000.00	9.14
Total	109,396,895	10.00	1,093,968,950.00	100

Underwriters' information and obligation

If and to the extent that the shares offered to the existing shareholders by the Rights Share Offer Document authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within **10 (ten)** days of the closure of subscription call upon the underwriters (**for full unsubscribed amount**) in writing with a copy of said writing to the Bangladesh Securities and Exchange Commission, to subscribe for shares not subscribed by the closing date and to pay for in cash in full, for such unsubscribed shares within **15 (fifteen)** days after being called upon to do so. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his commitment under this Agreement, until such time as the Cheque/Bank Draft has been encashed and the Company's account has been credited. In any case, within **7 (seven)** days after the expiry of the aforesaid **15 (fifteen) days**, the Company shall send proof of subscription and payment by the underwriters, to the Commission.

DIRECTORS' TAKE-UP IN THE RIGHTS OFFER [Rule-8(q)]

Directors and sponsors are expected to exercise in full of their portion of Rights Share Offer:

Sl. No.	Name	Status	Number of Share held	Nos. of Shares to be taken	Nos. of Shares to be renounced
1.	Md. Azizul Islam	Chairman	4,652,178	4,652,178	Nil
2.	Md. Azimul Islam	Managing Director	10,671,055	10,671,055	Nil
3.	LutfunNessa Islam	Director	2,704,566	2,704,566	Nil
4.	Lubna Islam	Nominated Director (Representative of Alif Apparels Ltd.)	2,216,741	2,216,741	Nil
5.	NiazMorshed	Nominated Director (Representative of Alif Textiles Mills Ltd.)	7,423,597	7,423,597	Nil
6.	Rezwana Islam	Nominated Director (Representative of Alif Bengal Holdings Ltd.)	2,216,741	2,216,741	Nil
7.	Md. Rafiqul Islam	Nominated Director (Representative of Alif Real Estate Ltd.)	2,198,130	2,198,130	Nil
8.	Nabila Salam	Nominated Director (Representative of Alif Outwears Ltd.)	2,216,741	2,216,741	Nil
9.	Golam Mostafa	Independent Director	Nil	Nil	Nil
10.	Md. Shafiquel Islam	Independent Director	Nil	Nil	Nil

BANKERS TO THE ISSUE

EXPORT IMPORT BANK OF BANGLADESH LIMITED (EXIM BANK)

Region	Sl. No.	Branch	Address
Dhaka	1	Motijheel Branch	Holding # 56-57, Sharif Mansion, Motijheel C/A, Motijheel, Dhaka-1000
	2	Rajuk Avenue Branch	Holding # 9, D.I.T Avenue, Ali Bhaban, Motijheel C/A, Motijheel, Dhaka-1000
	3	Paltan Branch	BM Tower (Ground & 1 st Floor), 209/A, Shaheed Sayed Nazrul Islam Sarani, Bijoy Nagar, Purana Paltan, Dhaka-1000
	4	New Eskaton Branch	Holding # 27/1, Standard Center, New Eskaton Road, Dhaka-1000
	5	Shantinagar Branch	Nasir Uddin Tower (1 st Floor), 104/1, Kakrail, Shantinagar, Dhaka
	6	Gulshan Branch	Plot # 37, Road # 45 & 90, Delta Life Tower, Gulshan Circle-2, Dhaka-1212
	7	Head Office Corporate	Plot # SE(F):9, Road # 142, Symphony, Gulshan Avenue, Dhaka-1212
	8	Banani Branch	House # 49, Block # H, Road # 11, Kazi's Heritage, Banani, Dhaka-1213
	9	Satarkul Branch	Holding # 233, Satarkul Road, Mustafa's Drem (1 st Floor), Uttar Badda, Dhaka-1212
	10	Bashundhara Road Branch	Holding # KA-24, Pragati Sarani, A Mozid (Tower, 1 st Floor), Kuril, Vatar, Dhaka-1229
	11	Garib-e-Newaz Branch	Plot # 29, Garib-e-Newaz Avenue, Sector # 11, Uttara, Dhaka-1230
	12	Uttara Branch	House # 61/A, Road # 7, Sector # 4, Uttara Model Town, Uttara, Dhaka-1230
	13	Gazipur Chowrasta Branch	Plot# 727, Block # C, Dhaka Road, MAS Squire, Chandona Chowrasta, Gazipur-1702
	14	Board Bazar Branch	Dhaka-Mymensing Highway, Hazi Fazlul Haque Plaza (1 st Floor), Board Bazar, Gazipur-1704
	15	Mawna Chowrasta	Mawna Chowrasta, Kitab Ali Plaza, Sreepur, Gazipur-1740
	16	Ashulia Branch	Road # 6, DEPZ Road, Rifat Squire Plaza, Jamgora, Ashulia, Savar, Dhaka-1349
	17	Hemayetpur Branch	Plot # 251, Dhaka-Aricha Highway, Hazi Ashraf Shopping Complex & Tower (2 nd Floor), Jadur Char (West Para), Hemayetpur, Tetuljhora, savar, dhaka-1340

	18	Savar Bazar Branch	Holding # 44/A, Savar Bazar Road, Amin Tower, Savar, Dhaka-1340
	19	Karwan Bazar Branch	Holding # 23/1, Panthapath Link Road, BGMEA Complex (2 nd Floor), Karwan Bazar, Dhaka-1215
	20	Elephant Road Branch	Holding # 218, Dr. Kudrat-E-Khuda Road, Bata Signal, Elephant Road, Dhaka-1205
	21	Panthapath Branch	Plot # 55-2. Union Heights 1st & 2nd floor, West Panthapath. Dhaka - 1205
	22	Satmasjid Branch	Holding # 755, Road # 12/A, Satmasjid Road, Green Rowshanara Tower, Dhanmondi, Dhaka-1209
	23	Dhanmondi Branch	House # 4/A, Plot # 4, Road # 16 (Old-27), Dhanmondi Tower, Dhanmondi, Dhaka-1207
	24	Kazi Nazrul Islam Avenue Branch	BSEC Bhaban (1 st Floor), 102 Kazi Nazrul Islam Avenue, Kawran Bazar, Dhaka
	25	Ring Road Branch	Industrial Plot # 6/A, Ring Road, Ring Tower, Mohammadpur, Dhaka-1207
	26	Mirpur Branch	Plot # 7, Main Road # 3, Begum Rokeya Sarani, Srayoshe Tower (1 st , 2 nd & 3 rd Floor), Morpur-10, Dhaka-1216
	27	Nawabpur Branch	Holding # 198/1, Nawabpur Road (Adjacent to Nawabpur Tower), Nawabpur, Dhaka-1100
	28	Imamgonj Branch	Holding # 16-17, Nurani Center (1 st & 2 nd Floor), Imamgonj, Chawkbazar, Dhaka-1211
	29	Narayanganj Branch	Holding # 50, S M Maleh road, Sattar Tower, Tanbazar, Narayanganj-1400
Chittagong	30	Agrabad Branch	Holding # 102-103, Commerce College Road, World Trade Center, Agrabad C/A, Agrabad, Chittagong - 4100
	31	Khatungonj Branch	Holding # 1078. Ramjoy Mahajan Lane. Amaan-Usmaan Plaza, Khatungonj, Chittagone - 4000
	32	Jubilee Road Branch	Holding 3 63-64, Jubilee Road, Enayat bazar, Chittagong-4000
	33	CDA Avenue Branch	Holding # 191, CDA Avenue, Commerce View Complex, East Nasirabad, Chittagong-4209
	34	Comilla Branch	A K Fazlul Haque Road, Goni Bhuiyan Mansion, Monoharpur, Comilla-3500
Rajshahi	35	Rangpur Branch	Holding # 268, Station Road (Jahaj Company More), shah Amanat Shopping Complex, Rangpur Sadar, Rangpur-5400
	36	Rajshahi Branch	Holding # 76, Station Road (Aloker More), Chamber Building, Boalia, Rajshahi-6100
Khulna	37	Khulna Branch	Holding # 4, Sir Iqbal Road, A Hossain plaza, Khulna sadar, Khulna-9100
Barisal	38	Barisal Branch	Holding # 105, Sadar Road, Nasim Biswas Lane, Barisal Sadar, Barisal-8200
Sylhet	39	Sylhet Branch	Holding # 6-1, Mujtaba Tower (1 st & 2 nd Floor), Zindabazar, Sylhet-3100
	40	Ashuganj Branch	Main Road, Haji Zahirul Haque Munshi Shoping Complex, Ashuganj, Brahmanbaria-3402

INVESTMENT CORPORATION OF BANGLADESH

Region	Sl. No.	Branch	Address
Dhaka	1	Head Office	NSc Tower (12 th – 13 th Floors), 62/3 Purana Paltan, Dhaka-1000
	2	Local Office	Kashfia Plaza, 35/C, Nayapaltan, VIP Road, Dhaka-1000
Chittagong	3	Chittagong Branch	Delwar Bhaban (3 rd Floor), 104, Agrabad Commercial Area, Chittagong
Rajshahi	4	Rajshahi Branch	Dr. Gaffar Plaza (2 nd Floor), Main Road, Shaheb Bazar, Rajshahi-6100
	5	Bogra Branch	Afsar Ali Complex, Rajabazar, Barogola, Bogra
Khulna	6	Khulna Branch	Shilpa Bank Bhaban, 25-26, K.D.A. Commercial Area, Khulna
Barisal	7	Barisal Branch	87/88, Hemahyet Uddin Road, Barisal
Sylhet	8	Sylhet Branch	Anondo Tower, Jail road, Sylhet

TERMS AND CONDITIONS OF THE RIGHTS ISSUE:

BASIS OF THE OFFER

The Company records its share register of members on **January 11, 2018** for determining the shareholders who are eligible to receive this offer of shares on AGM declaration basis. The ordinary shares are now being offered on a rights basis to the shareholders holding shares on the book closure in the ratio of 1R:1 i.e. One right share for One existing share held.

ENTITLEMENT

As a shareholder of the Company on the record date on **January 11, 2018** the shareholders are entitled to this Rights Offer. Only the holder(s) of a minimum of one fully paid ordinary share is entitled to receive the Rights Offer.

ACCEPTANCE OF THE OFFER

A shareholder may accept and apply for the shares hereby offered, wholly or in part by filling in Application - Form A and submitting the same along with the application money to the Bankers to the Issue on or before the Closing Date of subscription of **February 15, 2018**.

RENUNCIATION

A shareholder may renounce all or part of the shares he/she is entitled to in favor of any other person(s) other than an infant or person of unsound mind. He/she can renounce his/her rights/entitlement of shares by signing Renunciation Form-B. Renounce (s) shall fill in Form-C appropriately.

GENERAL

All applications should be made on the printed form provided by the Company in this Rights Share Offer Documents only and should be completed in all respects. Applications, which are not completed in all respects or are made otherwise than as herein provided or are not accompanied by the proper application amount of deposit, are liable to be rejected and the application money received in respect thereof shall be refunded.

All communications in connection with the application for the Rights Share should be addressed to the Company quoting the registered folio number/BO ID number in the form.

CONDITION OF SUBSCRIPTION

Rights Offer of **109,396,895** Ordinary Shares of BDT **10.00** each (at par) totaling BDT **1,093,968,950.00/-** offered on the basis of 1(R): 1 i.e. one right share for one existing share held by the shareholders whose name appeared in the Company's share register at the record date as on **January 11, 2018**.

PAYMENT OF SHARE PRICE

Payments for the full value of Shares applied for shall be made with designated branches of Bankers to the issue by Cash/Pay Order/Demand Draft payable to "**Alif Manufacturing Company Limited**" and crossed. The Pay Order/Demand Draft for payment of share price must be drawn on a bank in the same town to which the application form has been submitted.

SUBSCRIPTION STATUS	
Opens on	Closes on
January 30, 2018	February 15, 2018
Within banking hours both days inclusive	

Any change or extension regarding subscription period will be notified through national dailies.

LOCK-IN ON RIGHTS SHARE

The rights share of Directors and other shareholders holding 5% or more shares shall be subject to lock-in for a period of 3 (three) years from the date of closure of the rights share subscription. In the event of renunciation of rights shares by aforesaid persons, the renounced shares shall also be subject to lock-in for the same period.

Name of Director	Status	No. of Share Held	Lock in portion of Rights Share	Date of Subscription Close	Expiry Date of Lock-in
Md. Azizul Islam	Chairman	4,652,178	4,652,178	February 15, 2018	3 Years from the date of subscription close
Md. Azimul Islam	Managing Director	10,671,055	10,671,055	February 15, 2018	3 Years from the date of subscription close
Lutfun Nessa Islam	Director	2,704,566	2,704,566	February 15, 2018	3 Years from the date of subscription close
Lubna Islam	Nominated Director (Representative of Alif Apparels Ltd.)	2,216,741	2,216,741	February 15, 2018	3 Years from the date of subscription close
Niaz Morshed	Nominated Director (Representative of Alif Textiles Mills Ltd.)	7,423,597	7,423,597	February 15, 2018	3 Years from the date of subscription close
Rezwana Islam	Nominated Director (Representative of Alif Bengal Holdings Ltd.)	2,216,741	2,216,741	February 15, 2018	3 Years from the date of subscription close
Md. Rafiqul Islam	Nominated Director (Representative of Alif Real Estate Ltd.)	2,198,130	2,198,130	February 15, 2018	3 Years from the date of subscription close
Nabila Salam	Nominated Director (Representative of Alif Outwears Ltd.)	2,216,741	2,216,741	February 15, 2018	3 Years from the date of subscription close
Golam Mostafa	Independent Director	Nil	Nil	-	N/A
Md. Shafiqul Islam	Independent Director	Nil	Nil	-	N/A
Total:		34,299,749	34,299,749		

OTHERS

The application not properly filled in shall be treated as cancelled and deposited money will be refunded. For any reason, no profit/compensation will be paid on the refunded amount.

The offer will be deemed to have been declined if completed Application Form-A with necessary payments have not been received by **February 15, 2018** (Within banking hours both days inclusive) or by such later date as may be notified through national dailies to that effect.

MATERIAL CONTRACTS:

Material Contracts of the vendors'

There is no Vendors' Agreement of the Company with any others.

Acquisition of property and plant

Alif Manufacturing Company Ltd.(Previously - CMC-Kamal Textile Mills Limited)acquired no property or made any agreement with any party for acquisition of property after the balance sheet date 31.03.2017.

BANKERS TO THE ISSUE

Investment Corporation of Bangladesh (ICB)and**Export Import Bank of Bangladesh Limited (EXIM Bank)**are the Bankers to the Issue who will collect the subscription money of the Rights Offer. The Rights Issue subscription money collected from the shareholders by the Bankers to the Issue will be remitted to the Company's **Mudaraba Special Notice Deposit (MSND)A/C No.03513100166891**with **EXIM Bank Limited, Karwan BazarBranch, Dhaka.**

UNDERWRITERS

The full amount of Rights Offer of **Alif Manufacturing Company Ltd.**(Previously - CMC-Kamal Textile Mills Limited)as shown in the classified information part of ROD has been underwritten by 04 (Four) underwriters on firm commitment basis. Each underwriter will be paid underwriting commission **@0.55%** of the underwritten amount. Simultaneously, with the calling upon an underwriter to subscribe or procure subscriber and pay for any number of shares, the company will pay no additional commission to that underwriter on the nominal value of shares required to be subscribed by them.

MANAGER TO THE ISSUE

Citizen Securities & Investment Limited isappointed as Manager to the Issue of the Rights Issue of the Company. Accordingly, an agreement has been made between the Issue Manager and the Company. The Company will pay **BDT 30.00** (thirty) lac to the Issue Manager as issue management fee.

FORM – A

**DECLARATION (DUE DILIGENCE CERTIFICATE) ABOUT RESPONSIBILITY OF THE ISSUE MANAGER
IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF CMC-KAMAL TEXTILE MILLS LIMITED**

This rights share offer document has been reviewed by us and we confirm after due examination that the rights share offer document constitutes full and fair disclosures about the rights issue and the issuer and complies with the requirements of the Securities and Exchange Commission (Rights Issue) Rules, 2006; and that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006.

Place: Dhaka

Dated: September 28, 2017

Sd/-
Managing Director & CEO
Citizen Securities & Investment Limited

FORM – B

**DECLARATION (DUE DILIGENCE CERTIFICATE) ABOUT RESPONSIBILITY OF THE UNDERWRITER(S)
IN RESPECT OF THE RIGHTS SHARE OFFER DOCUMENT OF CMC-KAMAL TEXTILE MILLS LIMITED**

This rights share offer document has been reviewed by us and we confirm after due examination that the issue price is justified under the provisions of the Securities and Exchange Commission (Rights Issue) Rules, 2006, and also that we shall subscribe for the under-subscribed rights shares within fifteen days of calling thereof by the issuer. The issuer shall call upon us for such subscription within ten days of closure of the subscription lists for the rights issue.

Place: Dhaka

Dated: September 27, 2017

For
(Name of Underwriters)

Citizen Securities & Investment Limited
Banco Finance And Investment Limited
BMSL Investment Limited
CAPM Advisory Limited

Sd/-
(Managing Director/Chief Executive Officer)

Form –C
[See rule 8 (h), 8 (i) & 8 (t)]
Securities and Exchange Commission (Rights Issue) Rules, 2006
Auditors’ Report to the Shareholders of
CMC-Kamal Textile Mills Limited

We have audited the accompanying financial statements for the period from July 01, 2016 to March 31, 2017 of **CMC-Kamal Textile Mills Limited** in accordance with the International Standards of Auditing, as applicable in Bangladesh and we state that we have obtained all the information and explanations which we have required and after due verification thereof, we report that, in our opinion:

- (a) These financial statements have been drawn up in accordance with the requirements of the Securities and Exchange Rules, 1987, as amended, the Companies Act, 1994 and other relevant laws where applicable and the International Accounting Standards, as applicable in Bangladesh.
- (b) These financial Statements which are in agreement with the books of account of the issuer company give a true and fair view of the state of its affairs as at March 31, 2017 and of the result of its operations and cash flows for the period then ended.
- (c) Proper Books of Account have been kept by the company as required by the relevant laws.
- (d) The expenditure incurred was for the purposes of the issuer company’s business.

We also certify that the above company has declared the following dividend for each of the following five years immediately preceding the issue of rights share offer document under the Securities and Exchange Commission (Rights Issue) Rules, 2006, and that the company has duly issued shares/paid off the following amounts of the declared dividend mentioned against respective year-

Financial year/Period	Date of Declaration	Declared Dividend			
		Rate (%)		Total Amount (TK.)	Amount of Share Issued (TK.)
		Stock	Cash		
2011 (Jan. 01, 2011 to Dec. 31,2011)	April 30, 2012	12.5%	NIL	73,906,250	73,906,250
2012(Jan. 01, 2012 to Dec. 31,2012)	April 30, 2013	15.0%	NIL	99,773,430	99,773,430
2013(Jan. 01, 2013 to Dec. 31,2013)	April 30, 2014	12.5%	NIL	95,616,210	95,616,210
2014(Jan. 01, 2014 to Dec. 31,2014)	April 30, 2015	12.5%	NIL	107,568,230	107,568,230
2015-16 (Jan.01,2015 to June 30,2016)	April 28, 2016	13.0%	NIL	125,854,836	125,854,836

Dated: Dhaka
April30, 2017

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

FORM-D
[see rule 8(t)]

**Due diligence certificate by the Directors about their personal responsibility
in respect of the Rights Share Offer document of CMC-Kamal Textile Mills Limited**

This Rights Share Offer Document has been prepared, seen, reviewed and approved by us, and we collectively and individually accept full responsibility for the accuracy of the information given in the Rights Share Offer document, relevant documents and financial statements submitted to the Commission and others concerned under the Bangladesh Securities and Exchange Commission (Rights Issue) rules, 2006.

We confirm, after making all reasonable enquiries, that all conditions concerning this Rights Issue and Rights Share Offer Document have been met. We further confirm that we have not concealed any information or statement which might have any bearing on the information already made.

In case of any default or failure on our part, civil, criminal or administrative action may be taken against us.

Sd/-
(Md. Azizul Islam)
Chairman

Sd/-
(Md. Azimul Islam)
Managing Director

Sd/-
(LutfunNessa Islam)
Director

Sd/-
(Lubna Islam)
Representative of Alif Apparels
Ltd.

Sd/-
(NiazMorshed)
Representative of Alif Textiles
Mills Ltd.

Sd/-
(Rezwana Islam)
Representative of Alif Bengal
Holdings Ltd.

Sd/-
(Md. Rafiqul Islam)
Representative of Alif Real
Estate Ltd.

Sd/-
(Nabila Salam)
Representative of Alif Outwears
Ltd.

Sd/-
(Golam Mostafa)
Independent Director

Sd/-
(Md. Shafiqul Islam)
Independent Director

Place: Dhaka

Dated: September 28, 2017



**Auditors' Report
To
The Shareholders' of CMC- Kamal Textile Mills Limited**

We have audited the accompanying Financial Statements of **CMC - Kamal Textile Mills Limited** ("the Company") which comprise the Statement of Financial Position as at March 31, 2017 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period then ended and a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 24.

Management's Responsibility for the Financial Statements

Management of the company is responsible for the preparation and fair presentation of these Financial Statements in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of Financial Statement that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management of the company as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of **CMC- Kamal Textile Mills Limited** as at March 31, 2017 and its financial performance and its cash flows for the period then ended in accordance with Bangladesh Financial Reporting Standards (BFRSs) and comply with the applicable section of the Companies Act 1994 and other applicable laws and regulation.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by the law have been kept by the Company so far as it appeared from our examination of these books ;
- c) the Company's Statement of Financial Position and the Statement of Profit and Loss and Other Comprehensive Income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purpose of the company's business.

Dated: Dhaka
April 30, 2017

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants



CMC- KAMAL TEXTILE MILLS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT March 31, 2017

Particulars	Notes	Amount in Taka	
		March 31, 2017	June 30, 2016
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	04.00	1,570,206,958	1,530,846,812
Other Non- Current Asset		4,629,801	4,472,302
Long Term Deposit	05.00	4,629,801	4,472,302
Current Assets:		617,079,667	474,568,005
Advance & Prepayment	6.00	96,709	3,935,647
Inventories	7.00	204,357,990	199,904,333
Trade Receivable	8.00	261,716,747	209,970,124
Cash & Cash Equivalents	9.00	150,908,221	60,757,901
Total Assets		2,191,916,426	2,009,887,119
EQUITY AND LIABILITIES			
Shareholders' Equity			
		2,015,941,905	1,871,940,971
Share Capital	10.00	1,093,968,950	968,114,120
Reserve & Surplus	11.00	623,524,021	625,295,390
Retained Earnings		298,448,934	278,531,461
Non Current Liabilities		31,492,857	32,319,353
Deferred Tax Liabilities	12.00	31,492,857	32,319,353
Current Liabilities		144,481,664	105,626,795
Accrued Expense	13.00	20,754,519	15,606,990
Dividend Payable		86,885	86,885
Provision for Income Tax	14.00	108,308,989	80,871,448
Provision for WPPF	15.00	15,331,271	9,061,472
Total Equity and Liabilities		2,191,916,426	2,009,887,119
Net assest Value (NAV) per share of TK. 10		18.43	19.34

The annexed notes from 1 to 24 form an integral part of these Financial Statements.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated: Dhaka
April 30,2017

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants



CMC- KAMAL TEXTILE MILLS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2017

Particulars	Notes	Amount in Taka			
		For the period from July 01, 2016 to March 31, 2017	For the period from July 01, 2015 to March 31, 2016 (Un-audited)	From January 01, 2017 to March 2017	From January 01, 2016 to March 2016
Turnover	16.00	479,698,327	392,230,192	192,813,528	125,844,377
Less: Cost of goods sold	17.00	282,492,739	235,880,219	120,471,308	72,042,869
Gross Profit		197,205,588	156,349,973	72,342,220	53,801,508
Less: Operating Expense		18,514,827	18,264,226	7,307,020	5,323,972
Administrative expense	18.00	18,514,827	18,264,226	7,307,020	5,323,972
Operating Profit		178,690,761	138,085,747	65,035,200	48,477,536
Add: Non Operating Income	19.00	451,818	821,272	174,999	107,278
Profit Before WPPF & Taxes		179,142,579	138,907,019	65,210,199	48,584,814
Less: Workers Profit Participation fund		8,530,599	6,424,475	3,105,248	2,313,563
Profit Before Taxes		170,611,980	132,482,544	62,104,951	46,271,251
Less: Provision for Income Tax		26,923,640	19,719,538	9,140,863	6,783,358
Deferred Tax		(513,902)	(483,317)	(174,880)	(157,330)
Current Tax		27,437,542	20,355,699	9,315,743	6,940,688
Net Profit After Tax and Total comprehensive income for the Period		143,688,340	112,763,006	52,964,088	39,487,893
Earning Per Share (EPS)		1.31	1.03	0.48	0.36

The annexed notes from 1 to 24 form an integral part of these Financial Statements.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary

Signed in terms of our separate report of even date.

Dated: Dhaka
April 30,2017

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants



CMC- KAMAL TEXTILE MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2017

Particulars	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total
Balance as at July 01, 2016	968,114,120	271,847,108	353,448,282	278,531,461	1,871,940,971
Bonus Share Issue	125,854,830	-	-	(125,854,830)	-
Net Profit during the period	-	-	-	143,688,340	143,688,340
Decrease of revaluation	-	-	-	-	-
Adjustment for Depreciation of revalued Assets	-	-	(2,083,963)	2,083,963	-
Deferred Tax Adjustment	-	-	312,594	-	312,594
Balance at March 31, 2017	1,093,968,950	271,847,108	351,676,913	298,448,934	2,015,941,905
Balance as at July 01, 2015	860,545,890	271,847,108	354,629,195	250,304,126	1,737,326,319
Bonus Share Issue	107,568,230	-	-	(107,568,230)	-
Net Profit during the period	-	-	-	112,763,006	112,763,006
Decrease of revaluation	-	-	-	-	-
Adjustment for Depreciation of revalued Assets	-	-	(590,456)	590,456	-
Deferred Tax Adjustment	-	-	-	-	-
Balance at March 31, 2016	968,114,120	271,847,108	354,038,739	256,089,358	1,850,089,325

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary



CMC- KAMAL TEXTILE MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2017

Particulars	Notes	Amount in Taka		
		For the period from July 01, 2016 to March 31, 2017	For the period from July 01, 2015 to March 31, 2016 (Un-audited)	For the period from January 01, 2015 to June 30, 2016
A. Cash Flows from Operating Activities		161,655,707	25,076,996	137,386,780
Collection against Local Sale		235,246,730	174,310,823	431,608,854
Collection against CMT Sale		193,511,554	80,480,404	110,056,378
Non-Operating Income		451,818	357,159	1,311,498
Payment against Purchase		(181,569,818)	(153,394,756)	(241,094,653)
Payment against Operating Expense		(83,056,135)	(73,776,008)	(154,314,333)
VAT and Tax Paid		(667,642)	(744,478)	(578,302)
Payment against WPPF		(2,260,800)	(2,156,148)	(9,602,662)
B. Cash Flows from Investing Activities		(71,505,387)	(536,392)	(458,814)
Acquisition of Property Plant & Equipment		(71,347,888)	(429,114)	(29,700)
Realized Interest Re-Invested in FDR for Bank Guarantee		(157,499)	(107,278)	(429,114)
C. Cash Flows from Financing Activities		-	-	7,830
Short Term Loans Repaid		-	-	-
Fraction Share Sale Proceed under Dividend payable Realized from Related Parties		-	-	7,830
Net Cash Inflow for the year (A+B+C)		90,150,320	24,540,604	136,935,796
D. Opening balance of Cash & Cash Equivalents		60,757,901	6,058,667	6,058,667
E. Closing balance of Cash & Cash Equivalents		150,908,221	30,599,271	142,994,463
Net operating cash inflow per share		1.38	0.28	1.31
Sd/- Managing Director	Sd/- Director	Sd/- Chief Financial Officer	Sd/- Company Secretary	



CMC-KAMAL TEXTILE MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2017

1.00 BACKGROUND AND ACTIVITIES OF THE COMPANY:

1.01 Background of the Company:

The company was incorporated on 25 May 1995 as a 'Public' company limited by shares registered under the Companies Act 1994 vide registration No.C-28468(2314)/95 dated 25 May 1995. The Company went for Initial Public Offering (IPO) in August 1997. The company is a publicly traded company and is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited since December 1997. At present the company is maintaining listing status with only Dhaka Stock Exchange Limited.

1.02 Address of the Registered and Corporate Office:

The registered office of the company is located at Bilquis Tower (9th Floor), House # 46, Gulshan Circle - 2, Dhaka – 1212.

1.03 Nature of Business Activities:

The principal activities of the company are to carry on the business of Textile Spinning Mills to produce various counts of yarn ranging from 10/1 to 80/1 for the apparel industry.

1.04 Production Unit:

Production unit of the company is situated at Kaichabari, Ashulia (Savar), Dhaka.

2.00 SIGNIFICANT ACCOUNTING POLICIES:

2.01 Basis of Preparation and Presentation of the Financial Statements:

The Financial Statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange as applicable and BAS's adopted by the institute of Chartered Accountants of Bangladesh (ICAB), Bangladesh Financial Reporting Standard (BFRS) as applicable to the company. The Statement of Financial Position and Statements of Profit or Loss and Other Comprehensive Income have been prepared according to BAS 1 'Presentation of Financial Statements' based on accrual basis of accounting consistent applied following going concern assumption under generally accepted accounting principles and practices in Bangladesh. Cash Flow Statement of the company has been prepared direct method in accordance with BAS 7.

2.02 Accounting Convention and Assumption:

The Financial Statements are prepared under the Historical Cost Convention.

2.03 Principle Accounting Policies:

The specific accounting policies have been selected and applied by the company's management for significant transactions and events that have a material effect within the Framework for the preparation and presentation of Financial Statements. Financial Statements have been prepared and presented in compliance with applicable BASs. Previous year's figures were re-arranged where necessary. There were no significant changes in the accounting policies and valuation policies affecting the financial position and performance of the company. However, changes (as applicable) made to the presentation are explained into the note for the respective items.



2.04 Application of accounting Standards:

The following BAS are applicable to the financial statements for the period under review:

- BAS 1 Presentation of Financial Statements
- BAS 2 Inventories
- BAS 7 Cash Flow Statements
- BAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- BAS 10 Events after the Balance Sheet Date
- BAS 12 Income Tax
- BAS 16 Properties, Plant and Equipment
- BAS 18 Revenue
- BAS 19 Employee Benefits
- BAS 21 The Effects of Changes of Foreign Exchange Rates
- BAS 23 Borrowing Costs
- BAS 24 Related Parties Disclosure
- BAS 33 Earning Per Share
- BAS 36 Impairment of Asset

2.05 Valuation of Inventories:

Inventories are stated at the lower of cost or net realizable value in compliance with the requirements of Para 21 and 25 of BAS 2.

Category of Stocks

Basis of Valuation

Raw Materials, Packing Materials and Work in Process	: Weighted Average cost
Finished Goods at Factory	: At lower of cost or net realizable value
Store Items	: Weighted Average cost

Cost comprises of the value of materials and attributable direct labor, depreciation and production overheads. The management conducted annual physical verification of inventories on the closing date of business as at March 31, 2017 in presence of the representative from audit firm and made valuation thereof on the basis stated above.

2.06 Cash Flow Statements:

Statement of Cash Flow is prepared principally in accordance with BAS 7 'Cash Flow Statement' and the cash flows from operating activities have been presented under direct method as required by the Securities and Exchange Rules 1987 and Considering the provisions that "Enterprises are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method".

2.07 Accounting Policies, Changes in Accounting Estimates and Errors:

As per BAS 8 The preparation of financial Statements in conformity with the International Accounting Standards requires management to make judgment to estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statement.

During the year under review no remarkable change were found that make judgment to estimates and assumptions that affect the application of accounting policies reported amounts of assets, liabilities, income and expenses.



2.08 Income Tax

The company makes provision for income tax as per requirement of the Income Tax Ordinance 1984. The applicable tax rate for the Company is 15% as per SRO/LAW/IT/2008 dated June 30, 2008 or 0.60 percent of Gross Receipt as per provision of section 82/C of the Income Tax Ordinance 1984 whichever is higher. Provision for Deferred Tax as per requirement by BAS 12 is done in the financial statements. Income tax return of the company for the assessment year 2013-2014, 2014-2015, 2015-2016 has not yet been filed. It is also noted that, the company has not yet filed any return of withholding tax as per provision of Section 75A of The Income Tax Ordinance 1984.

2.09 Property, Plant and Equipment:

Tangible fixed assets are accounted for according to BAS 16 Property, Plant and Equipment at historical cost less accumulated depreciation. Tangible assets are depreciated according to Straight-line method of depreciation.

2.10 Revenue Recognition:

The company recognizes revenues when risk of ownership has been transferred to the buyer which satisfied all the condition for the revenue recognition as provided in BAS -18 "Revenue Recognition".

2.11 Employee Benefits (BAS 19):

The company provides no additional benefits to its employees other than regular salary, allowances and bonus. Provision at the rate of 5% has been made for Companies Profit (Workers Participation) Fund during the year. However, the Companies Profit (Workers Participation) Fund is not being maintained as per provisions of law. The company has not yet introduced provident fund and gratuity fund scheme although these are required by law.

2.12 The Effects of Changes of Foreign Exchange Rates:

Foreign currency transactions are recorded at the rates applicable on the date of transaction in accordance with BAS-21 (The Effects of Changes in Foreign Exchange Rates). Gains or losses out of foreign currency transactions are charged/credited to the profit and loss account whenever arises. This year the company made transactions in foreign currency for import of raw material which has been accounted for properly.

2.13 Borrowing Costs:

In compliance with the requirements of BAS-23 'Borrowing Costs' borrowing costs of operational period on short-term loan and overdraft facilities from Banks was charged off as revenue expenditure as those were incurred.

2.14 Related Parties Disclosure:

In compliance with the requirements of BAS 24, the company carried out a number of transactions with related parties in the normal course of business. However, there is no balance against Related Parties Transaction in the financial statements as on March 31, 2017. During the period the company made export finished goods and purchase of raw material through Alif Unitex Company Limited (former L.K UNITEX COMPANY LIMITED.)

2.15 Earning per Shares:

The company calculates earning of share (EPS) in according with BAS 33 'Earning per Shares' which has been shown on the face of Income Statement. The same has been calculated dividing surplus available for ordinary shareholders by weighted number of ordinary shares outstanding at the end of the period.



2.16 Impairment of Assets:

In compliance with the requirements of BAS 36, Impairment of Assets, the carrying amount of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated and impairment losses are recognized in profit and loss account. But there are 5 Rotor Spinning Machine having 192 Spindle each are not in operation.

2.17 Depreciation of Fixed Assets:

Depreciation is charged on all fixed assets except land and land development on straight-line method. Depreciation has been charged on assets when the assets are available for use.

The depreciation/amortization rate(s) are as follows:

<u>Category of Fixed Assets</u>	<u>Rate %</u>
Factory Building and civil Constructions	2.5
Plant and Machinery	2.5
Electrical Installation	5.0
Gas Line Installation	2.5
Office Equipment	5.0
Furniture and Fixture	5.0
Transport and Vehicles	7.5
Factory Building and civil Constructions	2.5
Plant and Machinery	2.5
Electrical Installation	5.0

2.18 Provision:

The preparation of financial statements in conformity with Bangladesh Accounting Standards (BAS) 37 provides that, Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumption that affect the reported amounts of revenues and expense, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

In accordance with the guidelines as prescribed by BAS 37 provisions were recognized in the following situations:

- ✚ When the company has a present obligation as a result of past event.
- ✚ When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- ✚ Reliable estimate can be made of the amount of the obligation.

Provisions in the financial statements at an appropriate level with regard to an adequate provision of risks and uncertainties. An amount recorded as a provision represents the best estimate of the probable expenditure required fulfilling the current obligation on the balance sheet date.

2.19 Intangible Assets:

In compliance with requirements of BAS 38 intangible assets are usually absorbed as revenue charges as and when incurred. The Company has no intangible assets written off during the period under review.



2.20 Cash and Cash Equivalents:

Cash and Cash Equivalents include cash in hand, cash at banks, etc. which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

2.21 Trade and Other Payable:

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

2.22 Repairs and Maintenance Charges:

These are usually charged out as revenue expenditure in the period in which it is incurred.

2.23 Bad and doubtful debts:

No provision for bad and doubtful debts has been made since sales/export are based on 100% confirm of cash received.

2.24 Promotional Expenses:

All costs associated with promotional activities are charged in the year those were incurred like sample issued.

2.25 Insurance Coverage:

Fixed Assets and Inventories of the company are not covered by general insurance policies.

3.00 COMPLIANCE AND OTHERS:

3.01 Compliance with Local Laws:

The Financial Statements have been prepared in compliance with requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and other relevant local laws and rules.

3.02 Compliance with International Accounting Standards (IAS)/BAS:

The Financial Statements have been prepared in compliance with requirements of IAS/IFRS adopted by the Institute of Chartered Accounts of Bangladesh (ICAB) as BAS and as applicable in Bangladesh.

3.03 Reporting Currency and Level of Precision:

The figures in the Financial Statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

3.04 Comparative Information:

Comparative information have been disclosed in respect of the period previous for all numerical information in the Financial Statements and also for the narrative and descriptive information when it is relevant for understanding of the current period's Financial Statements.

3.05 Reporting Period:

The Financial year of the company covers period from July 01, 2016 to March 31, 2017 consistently.



04.00 PROPERTY, PLANT AND EQUIPMENT: Tk. 1,570,206,958

Schedule of property ,plant and equipment as at March 31, 2017:

Sl. No.	Particulars	Cost			Rate (%)	Depreciation			Written Down Value as at 31.03.2017
		Opening Balance (01-07-2016)	Addition during the period	Closing Balance (31-03-2017)		Opening Balance (01-07-2016)	Charged during the period	Closing Balance (31-03-2017)	
A)	At Cost								
01	Land and Land Development	15,598,031	-	15,598,031		-	-	-	15,598,031
02	Building and Civil Constructions	140,837,044	1,725,000	142,562,044	2.5	51,359,834	2,673,038	54,032,872	88,529,172
03	Plant and Machinery	1,324,912,796	67,713,672	1,392,626,468	2.5	326,370,778	26,111,746	352,482,524	1,040,143,944
04	Furniture and Fixtures	4,410,623	-	4,410,623	5.0	1,429,007	165,398	1,594,405	2,816,218
05	Vehicle and Transport	4,771,190	-	4,771,190	7.5	4,071,656	268,379	4,340,035	431,155
06	Electrical Installation	10,550,720	1,836,216	12,386,936	5.0	7,355,319	464,510	7,819,829	4,567,107
07	Office Equipment	1,857,193		1,857,193	5.0	802,565	69,645	872,210	984,983
08	Tools and Equipments	1,399,009	73,000	1,472,009	5.0	1,221,443	55,200	1,276,643	195,366
09	Gas Line Installation	5,112,610	-	5,112,610	2.5	1,813,310	95,861	1,909,171	3,203,439
	Sub-Total	1,509,449,216	71,347,888	1,580,797,104		394,423,912	29,903,779	424,327,691	1,156,469,413
B)	At Revaluation								
01	Land and Land Development	314,401,969	-	314,401,969		-	-	-	314,401,969
02	Building and Civil Constructions	111,144,702	-	111,144,702	2.5	9,725,163	2,083,963	11,809,126	99,335,576
	Sub-Total	425,546,671	-	425,546,671		9,725,163	2,083,963	11,809,126	413,737,545
	Grand Total	1,934,995,887	71,347,888	2,006,343,775		404,149,075	31,987,742	436,136,817	1,570,206,958
	Previous Period	1,934,966,187	29,700	1,934,995,887		383,740,369	20,408,706	404,149,075	1,530,846,812

Allocation of Depreciation:

Factory Overhead	30,388,355
Administrative Expenses	1,599,387
	<u>31,987,742</u>



Amount in taka	
March 31, 2017	June 30, 2016

05.00 Long Term Deposits

Advance			
Security for Electricity		437,856	437,856
Security for Gas		1,117,782	1,117,782
FDR for Margin on Bank Guarantee	5.01	3,074,163	2,916,664
		4,629,801	4,472,302

5.01 FDR for Margin on Bank Guarantee

Opening Balance		2,916,664	2,916,664
Add: Interest		157,499	-
		3,074,163	2,916,664

FDR included Tk. 22,36,000 as 100% Margin on Bank Guarantee and balance are interest.

6.00 Advance & Prepayment

VAT Current Account		765	157,345
Advance against Raw Cotton		-	3,700,000
Advance Income Tax		95,944	78,302
		96,709	3,935,647

7.00 Inventories, Valued at Cost

<u>Particulars</u>	<u>Quantity (Kg)</u>	<u>Rate</u>		
Raw Materials	761,171	138.5	105,422,140	109,966,682
Packing Materials	-	-	995,600	1,013,534
Work in Process	87,803	182	15,980,265	15,630,870
Stores & Spares	-	-	415,465	558,883
Finished Goods	317,494	256.84	81,544,520	72,734,364
			204,357,990	199,904,333

8.00 Trade Receivables

Receivable against Export		22,972,554	-
Alif LK Unitex Co. Ltd.		238,744,193	209,970,124
		261,716,747	209,970,124

9.00 Cash & Cash Equivalent

Cash in Hand		4,018,962	4,355,258
Cash at Bank	Note 9.01	146,889,259	56,402,643
		150,908,221	60,757,901



9.01 Cash at Bank

Break up of the amount is given below:

Particulars	Account No		
The City Bank Ltd	CD-3102025419002	4,614	4,903
The City Bank Ltd	CD-3102025419001	100,625	101,682
The City Bank Ltd	CD-2922025419001	-	(8,781)
The City Bank Ltd	CD-1101008203001	53,486	53,981
EXIM Bank	CD-03511100048316	146,324,745	55,842,403
Sonali Bank	CD-000236001903	13,901	14,395
Sonali Bank	CD-000233059226	17,449	18,024
Dutch Bangla Bank	CD-1161100000910	362,323	363,398
Dutch Bangla Bank	CD-1161200001460	5,165	5,688
Sonali Bank	CD-0116433003565	6,951	6,951
		146,889,259	56,402,643

10.00 Share Capital

This is made up as follows:

i Authorized Capital:

200,000,000 Ordinary Share of TK 10 each **2,000,000,000** **2,000,000,000**

ii Issued, Subscribed & Paid-up

96,811,412 Ordinary Share of TK 10 each 968,114,120

109,396,895 Ordinary Share of TK 10 each 1,093,968,950

1,093,968,950 **968,114,120**

iii Composition of Share Holding:

Particulars	31.03.2017		30.06.2016	
	No.of Share	% of Shares	No.of Share	% of Shares
Sponsor/ Directors	34,299,749	31.35%	30,353,763	31.35%
Institutions	3,940,095	3.60%	3,486,810	3.6%
General Public	71,157,051	65.05%	62,970,839	65.05%
	109,396,895	100%	96,811,412	100%

iv The Share holding position of the company are as follows:

Particulars	31.03.2017		30.06.2016	
	No.of Share	Value of shares	No.of Share	Value of shares
Mr. Md. Azizul Islam	4,652,178	46,521,780	4,116,972	41,169,720
Mr. Md. Azimul Islam	10,671,055	106,710,550	9,443,412	94,434,120
Mrs. Lutfun Nessa Islam	2,704,566	27,045,660	2,393,422	23,934,220
M/s Alif Apparels Ltd	2,216,741	22,167,410	1,961,718	19,617,180
M/s Alif Textile Mills Ltd	7,423,597	74,235,970	6,569,555	65,695,550
M/s Alif Bengal Holdings Ltd	2,216,741	22,167,410	1,961,718	19,617,180
M/s Alif Outwear Ltd	2,198,130	21,981,300	1,945,248	19,452,480
M/s Alif Real Estate Ltd	2,216,741	22,167,410	1,961,718	19,617,180
Institutions	3,940,095	39,400,950	3,486,810	34,868,100
General Public	71,157,051	711,570,510	62,970,839	629,708,390
	109,396,895	1,093,968,950	96,811,412	968,114,120

11.00 Reserve & Surplus

Revaluation Reserve Note 11.01 351,676,913 353,448,282

Share Premium 271,847,108 271,847,108

623,524,021 **625,295,390**

11.01 Revaluation Reserve

Land & Land Development 267,241,674 267,241,674

Building & Civil Construction 86,206,608 87,387,521

Less: Depreciation on Building & Civil Construction 1,771,369 1,180,913

351,676,913 **353,448,282**



12.00	Deferred Tax Liability		
a)	For revaluation		
	Opening Balance of Deferred Tax Liability	62,373,226	62,581,622
	Less: Adjustment for Depreciation	312,594	208,396
	Closing Balance of Deferred Tax Liability	62,060,632	62,373,226
b)	For Normal Operation		
	Opening Balance of Deferred Tax Assets	30,053,873	29,739,436
	Add: Deferred tax expenses/(income) during the period	(513,902)	(314,437)
	Closing Balance of Deferred Tax Assets	30,567,775	30,053,873
	Total Deferred Tax Assets (a-b)	31,492,857	32,319,353
13.00	Accrued Expenses		
	Salary & Allowance	1,343,642	898,250
	Listing Fees	-	484,057
	Factory Wages & Overtime	4,743,790	4,350,500
	Electricity Bill	3,910,830	2,650,821
	VAT	1,480,680	1,458,180
	Audit Fee	150,000	150,000
	Gas Bill	7,870,403	4,112,592
	Insurance	1,255,174	1,502,590
		20,754,519	15,606,990
14.00	Provision for Income Tax		
	Opening Balance	80,871,447	69,721,587
	Add: Addition made during the period	25,591,797	11,149,861
	Add: Penalty for non submission return	1,845,745	
		108,308,989	80,871,448
		108,308,989	80,871,448
15.00	Workers Profit Participation Fund (WPPF)		
	Beginning balance	9,061,472	10,647,478
	Add: During the period	8,530,599	3,542,343
		17,592,071	14,189,821
	Less: Payment	2,260,800	5,290,366
		15,331,271	8,899,455
	Add: Interest	-	162,017
		15,331,271	9,061,472



Particulars	From July 01, 2016 to March 31, 2017	From July 01, 2015 to March 31, 2016 Un-audited	From January 01, 2017 to March 2017	From January 01, 2016 to March 2016
	(9 Months)	(9 Months)	(3 Months)	(3 Months)

16.00 Turnover

Yarn Sales:	455,193,436	376,990,380	192,689,103	126,140,468
Local Sales	209,935,259	212,834,274	82,857,454	66,464,339
Export Sales	22,972,554	-	22,972,554	-
CMT Sales	222,285,623	164,156,106	86,859,095	59,676,129
Sales of Waste Cotton	25,311,471	15,945,242	625,000	-
	480,504,907	392,935,622	193,314,103	126,140,468
Less: VAT	806,580	705,430	500,575	296,091
	479,698,327	392,230,192	192,813,528	125,844,377

17.00 Cost of Goods Sold

This is made up as follows:

i Raw Materials Consumed

Opening Stock	109,966,682	98,218,269	112,821,197	95,532,730
Add: Purchase	173,194,786	134,969,144	66,757,873	56,270,753
Less: Closing stock	105,422,140	102,505,258	105,422,140	102,505,258
	177,739,328	130,682,155	74,156,930	49,298,225

ii Packing Materials

Opening Stock	1,013,534	1,578,715	1,052,048	612,380
Add: Purchase	9,035,331	6,053,421	3,287,408	4,457,871
Less: Closing Stock	995,600	165,755	995,600	165,755
	9,053,265	7,466,381	3,343,856	4,904,496

iii Store & Spares

Opening Stock	558,883	2,391,138	606,388	462,118
Add: Purchase	3,039,701	7,372,191	1,504,607	5,033,804
Less: Closing Stock	415,465	510,858	415,465	510,858
	3,183,119	9,252,471	1,695,530	4,985,064

iv Factory Overhead

Factory Wages	39,128,874	41,007,618	14,676,274	16,320,594
Electricity & Gas	24,962,255	19,078,586	14,806,817	7,632,015
Oil & Lubricants	691,288	441,901	305,760	138,094
Repair & Maintenance	6,505,806	6,174,450	3,558,291	1,816,015
Depreciation Expense	30,388,355	28,730,532	10,129,452	9,342,262
	101,676,578	95,433,087	43,476,594	35,248,980

v Work In Process

Beginning Work In Process	15,630,870	11,587,565	16,850,078	14,809,236
Closing Work in Process	15,980,265	15,301,853	15,980,265	15,301,853
	(349,395)	(3,714,288)	869,813	(492,617)

vi Cost of Goods Manufactured

	291,302,895	239,119,806	123,542,723	93,944,148
Add: Beginning Finished Goods	72,734,364	89,026,254	78,473,105	70,364,562
Less: Closing Finished Goods	81,544,520	92,265,841	81,544,520	92,265,841
Cost of Goods Sold	282,492,739	235,880,219	120,471,308	72,042,869



18.00 Administrative Expense

AGM Expense	352,000	-	257,000	-
Annual Listing Fees	-	484,057	-	-
Audit Fees	322,500	322,500	150,000	150,000
BTMA	92,380	36,434	89,920	36,434
Board Meeting Fees	42,000	31,500	-	10,500
Car Maintenance	366,862	77,612	194,449	21,559
Credit Rating	150,000	-	50,000	-
CDBL	234,912	-	234,912	-
Directors Remuneration	899,990	900,000	-	300,000
Eid Bonus	1,083,025	481,700	-	-
EGM Expense	150,000	337,500	-	-
Entertainment	249,721	449,191	57,732	102,089
Fire License	4,750	-	-	-
General Expense	81,500	-	-	-
Insurance premium	-	286,500	-	-
Misc. Expense	167,682	424,931	90,272	204,907
Office Rent	82,650	180,000	-	60,000
Printing & Stationary	185,300	408,315	57,709	97,219
Rent, Rates and Taxes	900,000	62,711	-	43,630
Office Maintenance	135,000	77,240	-	61,350
Salary and Allowance	10,897,736	11,426,576	5,415,572	3,962,431
Telephone, Fax & Internet	137,980	109,496	8,500	33,099
Travelling & Conveyance	319,438	271,270	140,668	67,818
Legal Expense	-	615,392	-	-
Depreciation	1,599,387	1,187,871	533,129	167,436
Interest on WPPF	-	87,930	-	-
Bank Charges	60,014	5,500	27,157	5,500
	18,514,827	18,264,226	7,307,020	5,323,972

19.00 Non Operating Income

Bank Interest	176,417	371,451	174,999	107,278
Sales of Scrap	275,401	449,821	-	-
	451,818	821,272	174,999	107,278



Amount in taka	
March 31, 2017	June 30, 2016

20.00 Related party transactions :

The names and nature of the related parties, the nature of these transaction and their total value are as follows:

A.	Name of the parties	Relationship	Nature of transaction	Value of Transaction	Closing Balance
	LK-Unitex Co. Ltd.	Sister Concern	Short Term Loan (interest free)	223,113,013	239,571,583

B. Payment / Perquisites to directors:

The aggregate amounts paid / provided during the year in respect of directors are disclosed below :

Managerial remuneration	899,990	1,200,000
Board Meeting fees	42,000	42,000
	941,990	1,242,000

Managerial remuneration paid to the directors for their full time services, rendered are :

Mr. MD. Azimul Islam	900,000	600,000
----------------------	----------------	----------------

(a) No compensation was made to the Managing Director of the company except as stated in above.

(b) No amount was spent by the company for compensating any member of the Board of Directors except as stated in above.

There is no other related party except as stated in (22) above

21.00 This company not taken any services from the external auditor except statutory audit.

22.00 Capacity utilization :

Particulars	Installed Capacity (Kg)	Actual Production (Kg)	Utilization (%)*
Spinning	4,320,000	1,988,654	92.07

*Annualized

23.00 Value of material consumption:

Value of consumption of raw materials, spare parts and components and percentage of consumption are as follows :

Particular	Raw Cotton	Spare Parts	Packing Materials	Total
Opening Stock	109,966,682	558,883	1,013,534	111,539,099
Purchase	173,194,786	3,039,701	9,035,331	185,269,818
Closing Stock	105,422,140	415,465	995,600	106,833,205
Consumption	177,739,328	3,183,119	9,053,265	189,975,712
% of Consumption	93.56%	1.68%	4.77%	100%

24.00 Number of employees :

The company paid an aggregate amount more than Taka 3,000 per month to all the 1440 employees who were in employment for the year.



CMC Kamal Textile Mills Ltd.
Property, Plant & Equipment Schedule- Tax Base
As at March 31, 2017

Annexure - A

Particulars	Cost				Rate (%)	Depreciation				W.D.V 30.06.2016
	Balance as on 01.07.2016	Addition during the year	Disposal during the year	Balance as on 31.03.2017		Balance as on 01.07.2016	Charged during the year	Adjustment during the year	Balance as on 31.03.2017	
Land and Land Development	15,598,031			15,598,031	0%		-		-	15,598,031
Building and Civil Constructions	121,173,448	1,725,000	-	122,898,448	2.5%		2,304,346		2,304,346	120,594,102
Plant and Machinery	1,162,608,991	67,713,672	-	1,230,322,663	2.5%		23,068,550		23,068,550	1,207,254,113
Furniture and Fixtures	2,865,646	-	-	2,865,646	10%		214,923		214,923	2,650,723
Vehicle and Transport	2,009,426	-	-	2,009,426	10%		150,707		150,707	1,858,719
Electrical Installation	5,248,844	1,836,216	-	7,085,060.00	10%		531,380		531,380	6,553,681
Office Equipment	1,002,236	-		1,002,236	10%		75,168		75,168	927,068
Tools and Equipments	635,684	73,000		708,684	10%		53,151		53,151	655,533
Gas Line Installation	4,242,150			4,242,150	2.5%		79,540		79,540	4,162,610
Total	1,315,384,456	71,347,888		1,386,732,344			26,477,765		26,477,765	1,360,254,579

Deferred Tax Calculation

Normal operation

WDV as per accounts	1,156,469,413
WDV as per tax base	<u>1,360,254,579</u>
Temporary Difference	(203,785,166)
Company tax rate	15%
Deferred Tax as on 30.06.2016	(30,567,775)

Deferred Tax assets (513,902)

For revaluation

Depreciation charged during the year	2,083,963
Capital gain tax rate	15%
	<u>312,594</u>
Rest of the amount (revaluation reserve)	<u>1,771,369</u>



CMC-Kamal Textile Mills Ltd

Auditors' Report in pursuance of section 135(1) under paragraph 24(1) of Part -II of Third Schedule of the Companies Act 1994 [As per Security Exchange Commission (Right Issue) Rules, 2006, Rule-8, 8 (i) and 8 (t)]

We have audited the financial statements of CMC-Kamal Textile Mills Ltd. for the period from July 01, 2016 to March 31, 2017 & from January 01, 2016 to June 30, 2016 and for the year ended December 31, 2015. The financial statements for the year ended December 31, 2014, 2013 & 2012 was audited by Toha Khan Zaman & Co. (Chartered Accountants). In pursuance of Section 135(1) under Paragraph 24(1) of Part -II of Third Schedule of the Companies Act 1994 and Rule 8(h), 8 (i) and 8 (t) of SEC (right issue) Rules, 2006. We report that:

The Statement of financial position of the company are as under:

Particulars	Amount in taka					
	March 31,2017	June 30, 2016	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2012
ASSETS						
Non-Current Assets	1,570,206,958	1,530,846,812	1,551,225,818	1,592,043,228	1,597,593,951	1,094,290,573
Property, Plant & Equipment	1,570,206,958	1,530,846,812	1,551,225,818	1,592,043,228	1,597,593,951	1,094,290,573
Other Non- Current Asset	4,629,801	4,472,302	4,472,302	4,063,588	-	-
Long Term Deposit	4,629,801	4,472,302	4,472,302	4,063,588	-	-
Current Assets:	617,079,667	474,568,005	389,125,803	252,262,647	161,348,174	549,803,996
Advance & Prepayment	96,709	3,935,647	78,214	-	1,576,038	1,576,038
Inventories	204,357,990	199,904,333	181,781,026	167,765,388	122,843,700	152,830,922
Trade Receivable	261,716,747	209,970,124	202,204,280	82,829,313	-	-
Related Party Transaction	-	-	-	-	26,891,535	26,891,535
Cash & Cash Equivalents	150,908,221	60,757,901	5,062,283	1,667,946	10,036,901	368,505,501
Total Assets	2,191,916,426	2,009,887,119	1,944,823,923	1,848,369,463	1,758,942,125	1,644,094,569
EQUITY AND LIABILITIES						
Shareholders' Equity	2,015,941,905	1,871,940,971	1,811,191,888	1,673,028,360	1,572,899,489	1,473,649,148
Share Capital	1,093,968,950	968,114,120	968,114,120	860,545,890	764,929,680	665,156,250
Reserve & Surplus	921,972,955	903,826,851	843,077,768	812,482,470	807,969,809	808,492,898
Non Current Liabilities	31,492,857	32,319,353	32,842,186	33,742,296	18,785,755	18,952,967
Deferred Tax Liabilities	31,492,857	32,319,353	32,842,186	33,742,296	18,785,755	18,952,967
Current Liabilities	144,481,664	105,626,795	100,789,849	141,598,807	167,256,881	151,492,454
Bank Loan & Overdraft	-	-	-	77,845,841	129,453,899	124,969,374
Accrued Expense	20,754,519	15,606,990	19,804,070	12,099,326	10,988,276	15,000,042
Dividend Payable	86,885	86,885	87,454	79,055	79,055	79,055
Provision for Income Tax	108,308,989	80,871,447	70,118,532	44,836,623	26,735,651	11,443,983
Provision for WPPF	15,331,271	9,061,472	10,779,793	6737962	-	-
Total Equity and Liabilities	2,191,916,426	2,009,887,119	1,944,823,923	1,848,369,463	1,758,942,125	1,644,094,569
Net Assets Value (NAV)	18.43	19.34	18.71	17.28	16.25	15.22
(Considering latest total no.of outstanding shares)	18.43	17.11	16.56	15.29	14.38	13.47

Date: Dhaka
April 30,2017

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants



CMC-Kamal Textile Mills Ltd

The Statement of operating results of the company are as under:

Particulars	Amount in taka					
	July 01, 2016 to March 31, 2017	Jan. 01, 2016 to June 30, 2016	2015	2014	2013	2012
Turnover	479,698,327	206,956,026	461,350,017	718,041,067	636,714,644	513,181,307
Less: Cost of goods sold	282,492,739	121,659,371	267,032,228	542,044,756	500,444,211	418,572,526
Gross Profit	197,205,588	85,296,655	194,317,789	175,996,311	136,270,433	94,608,781
Less: Operating Expense	18,514,827	11,270,085	21,676,521	32,560,504	34,341,639	39,116,421
Administrative expense	18,514,827	11,240,616	19,272,940	14,668,562	14,312,018	15,523,997
Financial Charges	-	29,469	2,403,581	17,891,942	20,029,621	23,592,424
Operating Profit	178,690,761	74,026,571	172,641,268	143,435,807	101,928,794	55,492,360
Add: Non Operating Income	451,818	362,623	948,874	840,020	14,666,846	67,136,101
Profit Before WPPF & Taxes	179,142,579	74,389,194	173,590,142	144,275,827	116,595,640	122,628,461
Less: Workers Profit Participation fund	8,530,599	3,542,343	8,266,197	6,737,962	-	-
Profit Before Taxes	170,611,980	70,846,851	165,323,945	137,537,865	116,595,640	122,628,461
Less: Provision for Income Tax	26,923,640	10,835,424	24,798,592	19,480,503	17,345,298	17,909,949
Deferred Tax	(513,902)	(314,437)	(483,317)	(193,332)	(167,212)	(540,985)
Current Tax	27,437,542	11,149,861	25,281,909	19,673,835	17,512,511	18,450,934
Net Profit After Tax	143,688,340	60,011,427	140,525,353	118,057,361	99,250,341	104,718,512
Other Comprehensive Income						
Add: Deferred tax on Revaluation Reserve	-	-	416,793	416,793	-	-
Less: Depreciation on revalued amount of assets	-	-	2,778,618	2,778,618	-	-
Total Comprehensive Income for the year	143,688,340	60,011,427	138,163,528	115,695,536	99,250,341	104,718,512
Earning Per Share (EPS)	1.31	0.62	1.45	1.37	1.30	1.57
EPS (considering latest total no. of outstanding shares)	1.31	0.55	1.26	1.06	0.91	0.96

Date: Dhaka
April 30, 2017

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants



CMC-Kamal Textile Mills Ltd

Statement of cash flows of the company are as under:

Particulars	Amount in taka					
	July 01, 2016 to March 31, 2017	Jan. 01, 2016 to June 30, 2016	2015	2014	2013	2012
A. Cash Flows from Operating Activities	161,656,776	55,725,887	81,660,893	68,834,541	166,970,528	84,550,311
Collection against local sales	235,246,730	148,814,311	282,794,544	637,358,369	638,686,601	589,592,512
Collection against CMT sales	193,511,554	50,875,871	59,180,507	-	-	-
Non operating income	451,818	362,623	948,874	840,020	14,666,846	-
Payment against purchase	(181,569,818)	(75,600,455)	(165,494,198)	(495,802,765)	(385,960,226)	(371,187,687)
Payment against oper. expenses	(83,055,066)	(62,935,890)	(91,378,443)	(71,088,220)	(96,229,893)	(119,027,173)
VAT & Tax Paid	(667,642)	(500,207)	(78,095)	(2,472,863)	(4,192,800)	(14,827,341)
Payment against WPPF	(2,260,800)	(5,290,366)	(4,312,296)	-	-	-
B. Cash Flows from Investing Activities	(71,505,387)	(29,700)	(429,114)	(34,595,031)	(529,923,653)	(304,615,628)
Acquisition of Property Plant & Equipment & BMRE	(71,347,888)	-	-	(34,343,481)	(529,923,653)	(263,915,526)
Loans repaid to sister concerns	-	-	-	-	-	(40,700,102)
Realized interest re-invested in FDR for B/G	(157,499)	(29,700)	(429,114)	(251,550)	-	-
C. Cash Flows from Financing Activities	-	(569)	(77,837,442)	(42,608,465)	4,484,525	(50,669,408)
Long Term Loan Repaid	-	-	-	-	-	(35,352,662)
Security Deposit Repaid	-	-	-	-	-	(16,000,000)
Fraction Share Sale	-	(569)	8,399	-	-	-
Short Term Loan Received	-	-	-	-	4,484,525	683,254
Realized from Related Parties	-	-	-	26,891,535	-	-
Short Term Loans Paid	-	-	(77,845,841)	(69,500,000)	-	-
Net Cash Inflow for the year (A+B+C)	90,151,389	55,695,618	3,394,337	(8,368,955)	(358,468,600)	(270,734,725)
Opening balance of Cash in Hand and Bank	60,757,901	5,062,283	1,667,946	10,036,901	368,505,501	639,240,226
Closing balance of Cash in Hand and with Bank	150,909,290	60,757,901	5,062,283	1,667,946	10,036,901	368,505,501

Point to be noted:

1. Dividend Declared:

	March 31, 2017	30-Jun-16	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2012
Stock Dividend (%)	-	13.0%		12.5%	12.5%	15.0%
Cash Dividend (%)	-	0%		0%	0%	0%

2. The company was incorporated on May 25, 1995 .

3. The Statement of Assets and Liabilities (Statement of Financial Positions) as at March 31,2017, June 30, 2016 and December 31 2015 of the Company has been duly certified by us;

4. The Statement of Operating Results (Statement of Profit or Loss and Other Comprehensive Income) for the nine months from July 01, 2016 to March 31, 2017, six months from 01 January 2016 to June 30, 2016 and for the year ended 31 December 2015 of the Company has been duly certified by us;

5. The Statement of Cash Flows for the nine months from July 01, 2016 to March 31, 2017, six months from 01 January 2016 to June 30, 2016 and for the year ended 31 December 2015 of the Company are enclosed and certified by us;

6. 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;

7. The Company did not prepare any financial statements for any period subsequent to March 31, 2017; and

8. Figures related to previous years have been rearranged wherever considered necessary.

Dated : Dhaka
April 30,2017

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants



CMC-Kamal Textile Mills Ltd.
Statement of Ratio Analysis
For the periods from January 01,2012 to March 31, 2017

The following ratios have been computed from the audited financial statements of CMC-Kamal Textile Mills Ltd. for the period from July 01, 2016 to March 31, 2017, January 01, 2016 to June 30, 2016 and for the years ended December 31, 2012, 2013, 2014 and 2015:

Name of Ratio	July 01, 2016 to March 31, 2017	January 01, 2016 to June 30, 2016	2015	2014	2013	2012
---------------	---------------------------------------	---	------	------	------	------

A. Liquidity Ratios

1 Current Ratio (Times)	4.27	4.49	3.86	1.78	0.96	3.63
2 Quick Ratio (Times)	2.86	2.60	2.06	0.60	0.23	2.62
3 Times Interest Earned Ratio (Times)	NA	2,512.02	71.83	8.02	5.09	2.35
4 Debt to Equity Ratio (Times)	0.00	0.00	0.00	0.05	0.08	0.08

B. Operating Ratios

1 Accounts Receivable Turnover Ratio	2.03	1.00	3.24	17.34	NA	130.50
2 Inventory Turnover Ratio (Times)	1.40	0.64	1.53	3.73	3.63	2.90
3 Fixed Assets Turnover Ratio	0.31	0.13	0.29	0.45	0.47	0.53
4 Assets Turnover Ratio (Times)	0.23	0.10	0.24	0.40	0.37	0.31

C. Profitability Ratios

1 Gross Margin Ratio (%)	41.11	41.21	42.12	24.51	21.40	18.44
2 Operating Income Ratio (%)	37.25	35.77	37.42	19.98	16.01	10.81
3 Net Income Ratio (%)	29.95	29.00	30.46	16.44	15.59	20.41
4 Return on Assets Ratio (%)	6.84	3.03	7.41	6.55	5.83	6.38
5 Return on Equity Ratio (%)	7.13	3.21	7.76	7.06	6.31	7.11
6 Earning Per Share	1.31	0.62	1.45	1.37	1.30	1.57

We have examined the calculation of the above ratios of CMC-Kamal Textile Mills Ltd. for the period from July 01, 2016 to March 31, 2017, January 01, 2016 to June 30, 2016 and for the years ended 31 December 2012, 2013, 2014 and 2015 and found them correct. The details calculation is presented in Annexure-1.

Dated : Dhaka
April 30,2017

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants



Name of Ratio	Amount in Taka												
	July 01, 2016 to March 31, 2017		January 01, 2016 to June 30, 2016		2015		2014		2013		2012		
	Calculation	Result	Calculation	Result	Calculation	Result	Calculation	Result	Calculation	Result	Calculation	Result	
A. Liquidity Ratios													
1 Current Ratio (Times)	$\frac{\text{Current Assets}}{\text{Current Liability}}$	$\frac{617,079,667}{144,481,664}$	4.27	$\frac{474,568,005}{105,626,795}$	4.49	$\frac{389,125,803}{100,789,849}$	3.86	$\frac{252,262,647}{141,598,807}$	1.78	$\frac{161,348,174}{167,256,881}$	0.96	$\frac{549,803,996}{151,492,454}$	3.63
2 Quick Ratio (Times)	$\frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liability}}$	$\frac{412,721,677}{144,481,664}$	2.86	$\frac{274,663,672}{105,626,795}$	2.60	$\frac{207,344,777}{100,789,849}$	2.06	$\frac{84,497,259}{141,598,807}$	0.60	$\frac{38,504,474}{167,256,881}$	0.23	$\frac{396,973,074}{151,492,454}$	2.62
3 Times Interest Earned Ratio (Times)	$\frac{\text{Operating Profit}}{\text{Net Interest Expenses}}$	$\frac{178,690,761}{-}$	NA	$\frac{74,026,571}{29,469.00}$	2512.02	$\frac{172,641,268}{2,403,581}$	71.83	$\frac{143,435,807}{17,891,942}$	8.02	$\frac{101,928,794}{20,029,621}$	5.09	$\frac{55,492,360}{23,592,424}$	2.35
4 Debt to Equity Ratio (Times)	$\frac{\text{Total Debt}}{\text{Total Shareholders' Equity}}$	$\frac{-}{2,015,941,905}$	0.00	$\frac{-}{1,871,940,971}$	0.00	$\frac{-}{1,811,191,888}$	0.00	$\frac{77,845,841}{1,673,028,360}$	0.05	$\frac{129,453,899}{1,572,899,489}$	0.08	$\frac{124,969,374}{1,473,649,148}$	0.08
B. Operating Ratios													
1 Accounts Receivable Turnover Ratio (Times)	$\frac{\text{Sales}}{\text{Average Receivables}}$	$\frac{479,698,327}{235,843,436}$	2.03	$\frac{206,956,026}{206,087,202}$	1.00	$\frac{461,350,017}{142,516,797}$	3.24	$\frac{718,041,067}{41,414,657}$	17.34	$\frac{636,714,644}{-}$	NA	$\frac{513,181,307}{3,932,552}$	130.50
2 Inventory Turnover Ratio (Times)	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$	$\frac{282,492,739}{202,131,162}$	1.40	$\frac{121,659,371}{190,842,680}$	0.64	$\frac{267,032,228}{174,773,207}$	1.53	$\frac{542,044,756}{145,304,544}$	3.73	$\frac{500,444,211}{137,837,311}$	3.63	$\frac{418,572,526}{144,261,830}$	2.90
3 Fixed Assets Turnover Ratio (Times)	$\frac{\text{Sales}}{\text{Average Fixed Assets}}$	$\frac{479,698,327}{1,550,526,885}$	0.31	$\frac{206,956,026}{1,541,036,315}$	0.13	$\frac{461,350,017}{1,571,634,523}$	0.29	$\frac{718,041,067}{1,594,818,590}$	0.45	$\frac{636,714,644}{1,345,942,262}$	0.47	$\frac{513,181,307}{972,341,628}$	0.53
4 Assets Turnover Ratio (Times)	$\frac{\text{Sales}}{\text{Average Total Assets}}$	$\frac{479,698,327}{2,100,901,773}$	0.23	$\frac{206,956,026}{1,977,355,521}$	0.10	$\frac{461,350,017}{1,896,596,693}$	0.24	$\frac{718,041,067}{1,803,655,794}$	0.40	$\frac{636,714,644}{1,701,518,347}$	0.37	$\frac{513,181,307}{1,642,453,546}$	0.31
C. Profitability Ratios													
1 Gross Margin Ratio (%)	$\frac{\text{Gross Profit}}{\text{Sales}}$	$\frac{197,205,588}{479,698,327}$	41.11	$\frac{85,296,655}{206,956,026}$	41.21	$\frac{194,317,789}{461,350,017}$	42.12	$\frac{175,996,311}{718,041,067}$	24.51	$\frac{136,270,433}{636,714,644}$	21.40	$\frac{94,608,781}{513,181,307}$	18.44
2 Operating Income Ratio (%)	$\frac{\text{Operating Profit}}{\text{Sales}}$	$\frac{178,690,761}{479,698,327}$	37.25	$\frac{74,026,571}{206,956,026}$	35.77	$\frac{172,641,268}{461,350,017}$	37.42	$\frac{143,435,807}{718,041,067}$	19.98	$\frac{101,928,794}{636,714,644}$	16.01	$\frac{55,492,360}{513,181,307}$	10.81
3 Net Income Ratio (%)	$\frac{\text{Profit after Tax}}{\text{Sales}}$	$\frac{143,688,340}{479,698,327}$	29.95	$\frac{60,011,427}{206,956,026}$	29.00	$\frac{140,525,353}{461,350,017}$	30.46	$\frac{118,057,361}{718,041,067}$	16.44	$\frac{99,250,341}{636,714,644}$	15.59	$\frac{104,718,512}{513,181,307}$	20.41
4 Return on Assets Ratio (%)	$\frac{\text{Profit after Tax}}{\text{Average Total Assets}}$	$\frac{143,688,340}{2,100,901,773}$	6.84	$\frac{60,011,427}{1,977,355,521}$	3.03	$\frac{140,525,353}{1,896,596,693}$	7.41	$\frac{118,057,361}{1,803,655,794}$	6.55	$\frac{99,250,341}{1,701,518,347}$	5.83	$\frac{104,718,512}{1,642,453,546}$	6.38
5 Return on Equity Ratio (%)	$\frac{\text{Profit after Tax}}{\text{Shareholders' Equity}}$	$\frac{143,688,340}{2,015,941,905}$	7.13	$\frac{60,011,427}{1,871,940,971}$	3.21	$\frac{140,525,353}{1,811,191,888}$	7.76	$\frac{118,057,361}{1,673,028,360}$	7.06	$\frac{99,250,341}{1,572,899,489}$	6.31	$\frac{104,718,512}{1,473,649,148}$	7.11
6 Earning Per Share	$\frac{\text{Profit after Tax}}{\text{Number of Shares}}$	$\frac{143,688,340}{109,396,895}$	1.31	$\frac{60,011,427}{96,811,412}$	0.62	$\frac{140,525,353}{96,811,412}$	1.45	$\frac{118,057,361}{86,054,589}$	1.37	$\frac{99,250,341}{76,492,968}$	1.30	$\frac{104,718,512}{66,515,625}$	1.57



Alif Manufacturing Company Ltd.

(Previously known as CMC-Kamal Textile Mills Limited)

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Road # 46, Gulshan Circle-2, Dhaka-1212.

Telephone: +880-2-8825504, 8825508, **Fax:** +880-2-8825518

E-mail: lkc@bangla.net; **Website:** www.alifgroup-bd.com/amcl

Factory: Kaicha Bari, Bash bari, Ashulia (Savar), Dhaka.

Folio/BO Account No :
Name :
Address :

LETTER OF OFFER FOR RIGHTS ISSUE

Dear Shareholder (s)

We are pleased to inform you that the Board of Directors in its meeting recommended to issue 109,396,896 Ordinary Shares as rights shares of **Tk.10.00** each at par share on the basis of **01[R]:01** i.e. 01 (one) Rights Share for every 01 (one) existing share held, which was approved by the Shareholders in the Annual General Meeting (AGM) held on December 15, 2016. As a registered Shareholder as on **January 11, 2018** (Record date for entitlement), you are entitled to subscribe your rights share.

If you wish to accept the above Rights Share in full or in part, you are required to submit completed Application Form-A annexed hereto with necessary payments. You may, however, renounce your rights in respect of all or part of your entitlement in favor of others in which case the Renunciation Form-B and Form-C annexed here to be submitted duly filled in by you and the renounee(s) along with necessary payments.

The rights cannot be exercised for fraction of a share i.e. below full unit of share.

All the payments for accepted shares are to be made in cash or by P.O/DD/Cheque @ **Tk.10.00 each**, share and to be deposited with any of the Branches of Bankers to the Issue during Companying hours from **January 30, 2018 to February 15, 2018**(both days inclusive). Any extension of time will be notified through national dailies. Payments through P.O/DD/Cheque, must be payable to "**Alif Manufacturing Company Limited**" and must be drawn on a Company in the same town where the Branch of Bankers to the Issue in which the application form has been submitted is situated. It is to be noted that all transactions above **Tk.1.00 lac** must be effected through Demand Draft/Crossed Cheque/Pay Orders.

The offer will be deemed to have been declined if completed Application **Form-A** and /or Renunciation **Form-B** and **Form-C** with necessary payments have not been received by **February 15, 2018** or by such later date as may be notified through national dailies to that effect.

A self-explanatory Rights Share Offer Documents is attached for your kind information and evaluation.

By order of the Board

Md. Azimul Islam
Managing Director

“শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ।
জেলে ও বুকে বিনিয়োগ করুন”

Application Form-A



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E-mail: lkc@bangla.net; Website: www.alifgroup-bd.com/amcl

Factory: Kaicha Bari, Bash bari, Ashulia (Savar), Dhaka.

Rights Offer of **109,396,895** Ordinary Shares of **Tk.10.00** each at par, totaling **Tk.1,093,968,950.00** offered on the basis of **01[R]:01**, i.e. 01 (one) Rights Share for every 01 (one) existing share held on the record date **January 11, 2018**.

SUBSCRIPTION STATUS	
Opens on	Closes on
January 30, 2018	February 15, 2018
Within banking hours both days inclusive	

FORM OF ACCEPTANCE AND APPLICATION FOR SHARES

The Managing Director

Alif Manufacturing Company Ltd.

(Previously known as CMC-Kamal Textile Mills Limited)

Bilquis Tower (9th Floor), House # 6, Road # 46, Gulshan Circle-2, Dhaka-1212.

Dated:/...../2018

Application Sl. No. #

(Bank's Seal)

Dear Sir,

I/We apply for allotment of ordinary shares indicated below in response to your letter of Rights Offer and Subject to the Memorandum and Articles of Association of the Company. I/We hereby agree to accept the shares as may be allotted to me/us on the terms laid down in the letter of offer and enclose the necessary remittance @ **Tk.10.00** each share in cash or by Draft/Pay order/Cheque on.....dated.....drawn on..... Bank..... Branch.

Holder's Folio/BO Account No.	No. of Shares held at the close of business on January 11, 2018	No. of Shares offered	No. of Shares Accepted	Total Amount Paid

Yours faithfully,

- Name (in block letters) : _____
Address : _____
Signature
- Name (in block letters) : _____
Address : _____
Signature

BO Account No.

As per provision of the Depository Act, 1999 and regulations made thereunder, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) Account number in the application form.

Note: Signature must be the same as furnished earlier. Incomplete or incorrectly filled application form may be rejected.

ACKNOWLEDGEMENT RECEIPT OF SHARE MONEY

Received with thanks Tk.....(Taka.....) only from Mr./Ms.....Folio/BO Account No.....for.....no.(s) of rights shares of **Alif Manufacturing Company Ltd.** In Cash/Pay Order/Draft/Cheque No.....date.....of.....Bank.....Branch.

Application Sl. No.

(Bank's Seal)

Signature of Receiving Officer
Date:

“শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ।
জেনে ও বুঝে বিনিয়োগ করুন”

Application Form-B



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E-mail: lkc@bangla.net; Website: www.alifgroup-bd.com/amcl

Factory: Kaicha Bari, Bash bari, Ashulia (Savar), Dhaka.

Rights Offer of **109,396,895** Ordinary Shares of **Tk.10.00** each at par, totaling **Tk.1,093,968,950.00** offered on the basis of **01[R]:01**, i.e. 01 (one) Rights Share for every 01 (one) existing share held on the record date **January 11, 2018**.

SUBSCRIPTION STATUS	
Opens on	Closes on
January 30, 2018	February 15, 2018
Within banking hours both days inclusive	

FORM OF RENUNCIATION

(যার বিত্তে শেয়ার আছে তার জন্য প্রযোজ্য)

The Managing Director

Alif Manufacturing Company Ltd.

(Previously known as CMC-Kamal Textile Mills Limited)

Bilquis Tower (9th Floor), House # 6, Road # 46, Gulshan Circle-2, Dhaka-1212.

Dated:/...../2018

Application Sl. No. #

(Bank's Seal)

Dear Sir,

I/We hereby renounce my/our rights to the shares offered to me/us as noted below in favor of person(s) accepting the same and signing in application by renouncee(s) and apply for allotment in his/her/their name(s).

Holder's Folio/BO Account No. (যার বিত্তে শেয়ার আছে তার জন্য প্রযোজ্য)	No. of Shares held at the close of business on January 11, 2018	No. of Shares offered	No. of Shares Renounced	Value of Shares Renounced

Yours faithfully,

- Name (in block letters) : _____
Address : _____
Signature
- Name (in block letters) : _____
Address : _____
Signature

Name(s) of Renouncee(s) (যার বিত্তে শেয়ার যাবে তার জন্য প্রযোজ্য)	BO A/C No.
1 Name: _____	_____
2 Name: _____	_____

N.B. Use photocopy in case of renouncement favoring more than 2 (two) persons

As per provision of the Depository Act, 1999 and regulations made there under, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) account number in the application form.

Note: Signature must be the same as furnished earlier. Incomplete or incorrectly filled application form may be rejected.

“শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ।
জেনে ও বুঝে বিনিয়োগ করুন”

Application Form-C



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E-mail: lkc@bangla.net; Website: www.alifgroup-bd.com/amcl

Factory: Kaicha Bari, Bash bari, Ashulia (Savar), Dhaka.

Rights Offer of **109,396,895** Ordinary Shares of **Tk.10.00** each at par, totaling **Tk.1,093,968,950.00** offered on the basis of **01[R]:01**, i.e. 01 (one) Rights Share for every 01 (one) existing share held on the record date **January 11, 2018**.

SUBSCRIPTION STATUS	
Opens on	Closes on
January 30, 2018	February 15, 2018
Within banking hours both days inclusive	

APPLICATION BY RENOUNCEE(S)

(যার বিত্তে শেয়ার যাবে তার জন্য প্রযোজ্য)

The Managing Director

Alif Manufacturing Company Ltd.

(Previously known as CMC-Kamal Textile Mills Limited)

Bilquis Tower (9th Floor), House # 6, Road # 46, Gulshan Circle-2, Dhaka-1212.

Dated:/...../2018

Application Sl. No. #

(Bank's Seal)

Dear Sir,

As the shareholder(s) at pre-page has/have renounced his/her/their rights to the shares offered, in my/our favor, I/We do hereby apply for the number of share noted above as renounced, by making payment of Tk. being the value ofShare @ **Tk.10.00** each share.

Yours faithfully,

1	Signature:	2	Signature:
Name (in block letters):		Name (in block letters):	
S/O. D/O. W/O.:		S/O. D/O. W/O.:	
Address:		Address:	
BO No.	<input type="text"/>	BO No.	<input type="text"/>

(যার বিত্তে শেয়ার যাবে তার জন্য প্রযোজ্য)

N.B. use photocopy in case of renouncement favoring more than 2 (two) persons

Signature of the Renouncer(s): (যার বিত্তে শেয়ার আছে তার জন্য প্রযোজ্য)	1	<input type="text"/>	2	<input type="text"/>
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As per provision of the Depository Act, 1999 and regulations made there under, rights share shall only be issued in dematerialized condition. An applicant must apply for allotment of rights shares mentioning his/her Beneficiary Owner (BO) account number in the application form.

Note: Folio No. is to be mentioned only in case of existing shareholder(s). Incomplete or incorrectly filled application form may be rejected.

ACKNOWLEDGEMENT RECEIPT OF SHARE MONEY

(যার বিত্তে শেয়ার যাবে তার জন্য প্রযোজ্য)

Received with thanks Tk.....(Taka.....) only from Mr./Ms.....Folio/BO Account No.....for.....no.(s) of rights shares of Alif Manufacturing Company Ltd. in Cash/PayOrder/Draft/ChequeNo.....date.....Of.....Bank.....Branch.

Application Sl. No.

(Bank's Seal)

Signature of Receiving Officer
Date: