



“If you have any query about this document, you may consult issuer, issue manager and underwriters.”

**PROSPECTUS
OF
BANGLADESH BUILDING SYSTEMS LTD.**

**PUBLIC ISSUE OF 14,000,000 ORDINARY SHARES OF TK. 10.00 PER SHARE
TOTALING TK. 140,000,000/-**

Opening date for subscription: -----

Closing date for subscription: -----

For Non-Resident Bangladeshi quota,

Opening date for subscription: -----

Closing date for subscription: -----

UNDERWRITERS

Janata Capital and Investment Limited	48, Motijheel C/A, (3rd floor), Dhaka
Sonali Investment Limited	11/A, Toyenbee Circular Road, SARA TOWER (11th Floor), Motijheel C/A, Dhaka-1000
Royal Green Capital Market Limited	Shah Ali Tower (2nd floor), Kawran Bazar, Tejgaon, Dhaka

The issue shall be placed in “N” category

Issue date of the Prospectus: -----

**Manager to the Issue
Janata Capital and Investment Limited
48, Motijheel C/A, (3rd floor), Dhaka-1000.
Bangladesh.**

Phone: 7176720, 7176421

Fax: 88-02-7110496

Email: info@jcil.com.bd

Web: www.jcil-bd.com



BANGLADESH BUILDING SYSTEMS LTD.

House#26, Road#03, Block#I, Banani, Dhaka-1213, Bangladesh. Tel:+88-02-9894402,+88-02-9871401; Fax:+88-02-9871630; Email:info@bbspeb.com; Web:www.bbspeb.com

“CONSENT OF THE SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2006. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER, ISSUE MANAGER, UNDERWRITER AND/OR AUDITOR.”



Factory Premises of Bangladesh Building Systems Ltd.





AVAILABILITY OF PROSPECTUS

Prospectus of **Bangladesh Building Systems Ltd.** may be available at the following addresses:

Name & Address	Contact Person	Tel No.
Company		
Bangladesh Building Systems Ltd. House#26, Road#03, Block#I, Banani, Dhaka-1213, Bangladesh. Web: www.bbspeb.com	Engr. Abu Noman Howlader Managing Director	02-9894402, 02-9871401 Fax: 88-02-9871630
Issue Manager		
Janata Capital and Investment Limited 48, Motijheel C/A, (3 rd floor), Dhaka-1000, Bangladesh. Web: www.jcil-bd.com	Mr. Md. Jahangir Miah Chief Executive	02-9564825 Fax: 88-02-7110496
Underwriters		
Janata Capital and Investment Limited 48, Motijheel C/A, (3 rd floor), Dhaka-1000, Bangladesh. Web: www.jcil-bd.com	Mr. Md. Jahangir Miah Chief Executive	02-9564825 Fax: 88-02-7110496
Sonali Investment Limited 11/A, Toyenbee Circular Road, SARA TOWER (11th Floor), Motijheel C/A, Dhaka-1000 Web:www.silbd.com	Dr. Md. Waliar Rahman Chief Executive Officer	02-9556940 02-7170001 Email:info@silbd.com Fax: 88-02-7170001 (Ext-126)
Royal Green Capital Market Limited Shah Ali Tower (2 nd floor) Kawran Bazar, Tejgaon, Dhaka	Mr. Nomanur Rashid Executive Officer	02-9142823 02-8122845 Fax: 88-02-8143347
Stock Exchanges		
Dhaka Stock Exchange (DSE) 9/f, Motijheel, C/A, Dhaka-1000.	DSE Library	02-9564601-7 02-9666944-8 Fax: +88-02-9564727
Chittagong Stock Exchange (CSE) CSE Building, 1080, SK Mujib, Road, Agrabad C/A, Chittagong.	CSE Library	02-714632-3 02-720871-3 Fax: +88(0) 31-714101

Stock Exchanges Contact Person & Contact Number

Prospectus would also be available on the web site of BSEC (www. secbd.org), DSE (www. dsebd.org), CSE (www.csebd.com), **Bangladesh Building Systems Ltd.** (www.bbspeb.com) and Issue Managers Janata Capital and Investment Limited (www.jcil-bd.com) and Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and study.

Name and Address of the Auditor:

KAZI ZAHIR KHAN & CO.

Chartered Accountants

67/4, Kakrail, Dhaka-1000. Phone: 8356107, 9349740, Fax: 880-2-9358166

E-mail: kzkc_bd@yahoo.com



DEFINITION AND ELABORATION OF THE ABBREVIATED WORDS AND TECHNICAL TERMS USED IN THE PROSPECTUS

BBSL	:	Bangladesh Building Systems Ltd.
Allotment	:	Letter of allotment for shares
BO A/C	:	Beneficiary Owner Account or Depository Account
Certificate	:	Share certificate
Commission	:	Bangladesh Securities and Exchange Commission
BSEC	:	Bangladesh Securities and Exchange Commission
Companies Act	:	Companies Act, 1994 (Act. No. XVIII of 1994)
CSE	:	Chittagong Stock Exchange Limited
DSE	:	Dhaka Stock Exchange Limited
FC Account	:	Foreign Currency Account
NBFI	:	Non-Banking Financial Institution
GOB	:	Government of the People's Republic of Bangladesh
IPO	:	Initial Public Offering
Issue	:	Public Issue
Issuer	:	Bangladesh Building Systems Ltd.
NAV	:	Net Asset Value of the Company
NBR	:	National Board of Revenue
NPAT	:	Net Profit after Tax
NRB	:	Non Resident Bangladeshi
Offering Price	:	Price of the share of Bangladesh Building Systems Ltd. being offered
PEB	:	Pre-Engineered Steel Building
RJSC	:	Registrar of Joint Stock Companies and Firms
Securities/shares	:	Shares of Bangladesh Building Systems Ltd.
Share Market	:	Market of the Securities
Sponsors	:	The sponsor shareholders of Bangladesh Building Systems Ltd.
Stockholders	:	Shareholders of Bangladesh Building Systems Ltd.
SND Account	:	Short Noticed Deposit Account
STD Account	:	Short Term Deposit Account
Subscription	:	Application money
Company/Issuer	:	Bangladesh Building Systems Ltd.



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DISCLOSURE IN RESPECT OF ISSUANCE OF SECURITY IN DEMAT FORM

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

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

PART-A

1. The company shall go for Initial Public Offer (IPO) for 14,000,000 ordinary shares of Tk. 10.00 each at par totaling Tk. 140,000,000.00 following the Securities and Exchange Commission (Public Issue) Rules, 2006, the Depository Act, 1999 and regulations made there under.
2. The abridged version of the prospectus, as approved by the Commission, shall be published by the issuer in 4 (four) national daily newspapers (two in Bangla and two in English), within 3 (three) working days of issuance of the consent letter. The issuer shall post the full prospectus, vetted by the Securities and Exchange Commission, in the issuer's website and shall also put on the websites of the Commission, stock exchanges, and the issue manager, within 3 (three) working days from the date of issuance of this letter shall remain posted till the closure of the subscription list. The issuer shall submit to Bangladesh SEC, the stock exchanges and the issue managers a diskette containing the text of the vetted Prospectus in “MS-Word” format.
3. Sufficient copies of prospectus shall be made available by the issuer so that any person requesting a copy may receive one. A notice shall be placed on the front of the application form distributed in connection with the offering, informing that interested persons are entitled to a prospectus, if they so desire, and that copies of prospectus may be obtained from the issuer and the issue managers. The subscription application shall indicate in bold type that no sale of securities shall be made, nor shall any money be taken from any person, in connection with such sale until twenty five days after the prospectus has been published.
4. The company shall submit 40 (forty) copies of the printed prospectus to the Bangladesh Securities and Exchange Commission for official record within **5 (five) working days** from the date of publication of the abridged version of the prospectus in the newspaper.
5. The issuer company and the issue managers shall ensure transmission of the prospectus, abridged version of the prospectus and relevant application forms for NRBs through email, simultaneously with publication of the abridged version of the prospectus, to the Bangladesh Embassies and Missions abroad and shall also ensure sending of the printed copies of abridged version of the prospectus and application forms to the said Embassies and Missions within 5 (five) working days of the publication date by express mail service (EMS) of the postal department. A compliance report shall be submitted in this respect to the Bangladesh SEC jointly by the issuer and the issue managers within 2 (two) working days from the date of said dispatch of the prospectus & the forms.
6. The paper clipping of the published abridged version of the prospectus, as mentioned at **condition no. 2 above** shall be submitted to the Commission within 24 hours of the publication thereof.
7. The company shall maintain separate bank account(s) for collecting proceeds of the Initial Public Offering and shall also open Foreign Currency (FC) account(s) to deposit the application money of the Non- Resident Bangladeshis (NRBs) for IPO purpose, and shall incorporate full particulars of said FC account(s) in the prospectus. The company shall open the above-mentioned accounts for IPO purpose; and close these accounts after refund of over-subscription money. Non-Resident Bangladeshi (NRB) means Bangladeshi citizens staying abroad including all those who have dual citizenship (provided they have a valid Bangladeshi passport) or those, whose foreign passport bear a stamp from the concerned Bangladesh Embassy to the effect that no visa is required for traveling to Bangladesh.



8. The issuer company shall apply to all the stock exchanges in Bangladesh for listing within **07 (seven) working days** from the date of issuance of this letter and shall simultaneously submit the vetted prospectus with all exhibits, as submitted to Bangladesh SEC, to the stock exchanges.
9. The following declaration shall be made by the company in the prospectus, namely:

“Declaration about Listing of Shares with the Stock Exchange(s)”

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

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

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

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



16. The IPO shall stand cancelled and the application money shall be refunded immediately (but not later than **5 (five) weeks** from the date of the subscription closure), if any of the following events occur:
 - (a) Upon closing of the subscription list it is found that the total number of valid applications (in case of under subscription including the number of the underwriter) is less than the minimum requirement as specified in the listing regulations of the stock exchange(s) concerned; or
 - (b) At least 50% of the IPO is not subscribed.
17. **20% of the total public offering shall be reserved for ঈঊঋঌ ঈউঊঋঌ঎এ, in the in the manner/ procedure as directed by the commission, 10% of total public offering shall be reserved for non-resident Bangladeshi (NRB) and 10% for mutual funds and collective investment schemes registered with the Commission, and the remaining 60% shall be open for subscription by the general public. In case of under-subscription under any of the 20% and 10% categories mentioned above, the unsubscribed portion shall be added to the general public category and, if after such addition, there is over subscription in the general public category, the issuer and the issue manager to the issue shall jointly conduct an open lottery of all the applicants added together.**
18. All the applicants shall first be treated as applied for one minimum market lot of **500 shares worth Tk. 5,000/-** (Taka five thousand only). If, on this basis, there is over subscription, then lottery shall be held amongst the applicants allocating one identification number for each application, irrespective of the application money. In case of oversubscription under any of the categories mentioned hereinabove, the issuer and the issue manager shall jointly conduct an open lottery of all the applications received under each category separately in presence of representatives from the issuer, the stock exchanges and the applicants, if there be any.
19. **An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% of the application money will be forfeited by the commission and the balance amount will be returned to the applicant.**
20. **The applicant shall provide with the same bank account number in the application form as it is in the BO account of the application.**
21. The applicant who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15%(Fifteen percent) of their subscription money too.
22. Lottery (if applicable) shall be held within **4 (four) weeks** from closure of the subscription date.
23. The company shall issue share allotment letters to all successful applicants within **5 (five) weeks** from the date of the subscription closing. Within the same time, refund to the unsuccessful applicants shall be made in the currency in which the value of securities was paid for by the applicants without any interest, through direct deposit to the applicants bank account as far as possible/Account payee cheque/refund warrants with bank account no, Bank's name and branch as indicated in the securities application form's payable at Dhaka/Chittagong/Khulna/Rajshahi/Barisal/Sylhet/Bogra, as the case may be subject to condition no.19 and 20 above.
Refund money of the unsuccessful applicants shall be credited directly to their respective Bank accounts, who have chosen the option in the IPO application forms, as maintained with the bankers to the issue or any other banks mentioned in the application.
A compliance report in this regard shall be submitted to the Commission within **7 (seven) weeks** from the date of closure of subscription.
24. The company shall furnish the List of Allotees to the Commission and the Stock Exchange(s) simultaneously in which the shares will be listed, within **24 (twenty four) hours** of allotment.



25. In the event of under-subscription of the public offering, the un-subscribed portion of Securities shall be taken up by the underwriter(s) (subject to para-16 above). The issuer must notify the underwriter to take up the underwritten shares within **10 (ten) days** of the closing of subscription on full payment of the share money within **15 (fifteen) days** of the issuer's notice. The underwriter shall not share any underwriting fee with the issue manager, other underwriters, issuer or the sponsor group.
26. All issued shares of the issuer at the time of according this consent shall be subject to a **lock-in period of 3 (three) years** from the date of issuance of prospectus or commercial operation, whichever comes later. Provided that the persons (other than Directors and those who hold 5% or more shares in the company), who have subscribed to the shares of the company within immediately preceding two years of according consent, shall be subject to a **lock-in period of 1 (one) year** from the date of issuance of prospectus or commercial operation, whichever comes later.
27. **In respect of shares of Sponsor/Directors/Promoters (if in paper format) shall be handed over to security custodian bank registered with Bangladesh SEC and shall remain till completion of lock in and the name and branch of the bank shall be furnished to the commission jointly by the issuer and the issue managers, along with a confirmation thereof from the custodian bank, within one week of listing of the shares with the stock exchanges(s). Or they (shares of Sponsor/Directors/Promoters) can be demated and will remain in lock-in under CDBL system and issuer will submit a dematerialization confirmation report generated by CDBL and attested by the Managing Director of the company along with lock-in confirmation with Bangladesh SEC within one week of listing of the shares with the Stock Exchanges(s). In respect of shares other than Sponsor/Directors/Promoters, the issuer will ensure their lock-in of those shares and submit a statement to this effect to Bangladesh SEC.**
28. The company shall apply to the stock exchanges for listing within **7 (seven) working days** of issuance of this letter and shall simultaneously submit to the Commission attested copies of the application filed with the stock exchanges.
29. **The company shall deposit 3% tax to the Government Treasury on the share premium of the IPO and submit authenticated copy of "Treasury Chalan" to the Commission, among others, to obtain consent for holding of lottery in line with the NBR's Order No. Rviwew/AuqKi e4RU/2010/97 dated 30.06.2010 and Rviwew/Ki-4/Aw4i11/11(4)/2003(Ask)-1/225 dated 06.07.2010**
30. The company shall not declare any benefit/dividend based on the financial statements for the year ended 30 June, 2012 before listing of its capital with Stock Exchange(s).

PART-B

1. The issuer and Issue Manager shall ensure that the abridged version of the prospectus and the full prospectus is published correctly and in strict conformity with the condition of this letter without any error/omission, as vetted by the Bangladesh Securities and Exchange Commission.
2. The issue manager shall carefully examine and compare the published abridged version of the prospectus on the date of publication with the copy vetted by Bangladesh SEC. If any discrepancy/inconsistency is found, both the issuer and the issue managers shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to Bangladesh SEC and the Stock Exchange(s) concerned, correcting the discrepancy/inconsistency as required under "Due Diligence Certificates" provided with Bangladesh SEC.
3. Both the issuer company and the issue manager shall, immediately after publication of the prospectus and its abridged version, jointly inform the Commission in writing that the published prospectus and its abridged version are verbatim copies of the same as vetted by the Commission.
4. The fund collected through Public Offering shall not be utilized prior to listing with stock exchange and that utilization of the said fund shall be effected through banking channel, i.e. through account payee cheque, pay order or bank drafts etc.



5. The company shall furnish report to the Commission on utilization of Public Offering proceeds within **15 (fifteen) days** of the closing of **each month** until such fund is fully utilized, as mentioned in the schedule contained in the prospectus, and in the event of any irregularity or inconsistency, the Commission may employ or engage any person, at issuer's cost, to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.
6. All transactions, excluding petty cash expenses, shall be effected through the company's bank account(s).
7. Proceeds of the Public Offering shall not be used for any purpose other than those specified in the prospectus. Any deviation in this respect must have prior approval of the shareholders in the Shareholders meeting under intimation to Bangladesh SEC and stock exchange(s).
8. Directors of the company's Board will be in accordance with the applicable laws, rules and regulations.
9. The financial statements should be prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) as required by the Securities and Exchange Rules, 1987.

PART-C

1. All the above conditions imposed under section 2CC of the Securities and Exchange Ordinance, 1969 shall be incorporated in the prospectus immediately after the page of the table of contents, with a reference in the table of contents, prior to its publication.
2. The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company.

PART-D

1. As per provision of the Depository Act, 1999 and regulations made there under, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of shares (including right/bonus) will be made in dematerialized form only.
An applicant (including NRB) shall not be able to apply for allotment of shares without Beneficial Owner (BO) Account.
2. The company and the issue manager shall ensure due compliance of all above conditions and the Securities and Exchange Commission (Public Issue) Rules, 2006.



GENERAL INFORMATION

1. Janata Capital and Investment Limited has prepared this Prospectus based on the information provided by the Bangladesh Building Systems Ltd. and also upon several discussions with the Chairman, Managing Director and related executives of the Company. The Directors of both Bangladesh Building Systems Ltd. and Janata Capital and Investment Limited collectively and individually, having made all reasonable inquiries, confirm that to the best of their knowledge and belief, the information contained herein is true and correct in all material respect and that there are no other material facts, the omission of which, would make any statement herein misleading.
2. No person is authorized to give any information or to make any representation not contained in this Prospectus and if given or made, any such information or representation must not be relied upon as having been authorized by the Company or Janata Capital and Investment Limited.
3. The Issue as contemplated in this document is made in Bangladesh and is subject to the exclusive jurisdiction of the courts of Bangladesh. Forwarding this Prospectus to any person resident outside Bangladesh in no way implies that the Issue is made in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.
4. A copy of this Prospectus may be obtained from the Head Office of Bangladesh Building Systems Ltd. and Janata Capital and Investment Limited, the Underwriters and the Stock Exchanges where the securities will be traded.

DECLARATION AND DUE DILIGENCE CERTIFICATES

DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS INCLUDING THE CEO OF THE ISSUER COMPANY IN RESPECT OF THE PROSPECTUS

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

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

Sd/-
Engr. Hasan Morshed Chowdhury
Chairman

Sd/-
Engr. Abu Noman Howlader
Managing Director & Director

Sd/-
Engr. Mohammed Badrul Hassan
Director

Sd/-
Engr. Mohammad Ruhul Majid
Director

Sd/-
Md. Ashraf Ali Khan
Director



CONSENT OF DIRECTOR(S) TO SERVE AS DIRECTOR(S)

We hereby agree that we have been serving as Director(s) of Bangladesh Building Systems Ltd. and will continue to act as a Director(s) of the Company:

Sd/-
Engr. Hasan Morshed Chowdhury
Chairman

Sd/-
Engr. Abu Noman Howlader
Managing Director & Director

Sd/-
Engr. Mohammed Badrul Hassan
Director

Sd/-
Engr. Mohammad Ruhul Majid
Director

Sd/-
Md. Ashraf Ali Khan
Director

DECLARATION ABOUT FILING OF PROSPECTUS WITH THE REGISTRAR OF JOINT STOCK COMPANIES AND FIRMS

A dated and signed copy of this Prospectus will be filed for registration with the Registrar of Joint Stock Companies and Firms, Bangladesh, as required by Section 138 (1) of the Companies Act, 1994, on or before the date of publication of the prospectus.

DECLARATION BY THE ISSUER ABOUT THE APPROVAL FROM BANGLADESH SECURITIES AND EXCHANGE COMMISSION FOR ANY MATERIAL CHANGES REGARDING PROSPECTUS OF BANGLADESH BUILDING SYSTEMS LTD.

In case of any material changes in any agreement, contract, instrument, facts and figures, operational circumstances and statement made in the Prospectus subsequent to the preparation of the Prospectus and prior to its publication shall be incorporated in the Prospectus and the said Prospectus should be published with the approval of the Commission.

For Issuer
Sd/-
Engr. Abu Noman Howlader
Managing Director & Director
Bangladesh Building Systems Ltd.

DECLARATION BY THE ISSUE MANAGER ABOUT THE APPROVAL FROM BANGLADESH SECURITIES AND EXCHANGE COMMISSION FOR ANY MATERIAL CHANGES REGARDING PROSPECTUS OF BANGLADESH BUILDING SYSTEMS LTD.

In case of any material changes in any agreement, contract, instrument, facts and figures, operational circumstances and statement made in the Prospectus subsequent to the preparation of the Prospectus and prior to its publication shall be incorporated in the Prospectus and the said Prospectus should be published with the approval of the Commission.

For Manager to the Issue

Sd/-
Md. Jahangir Miah
Chief Executive
Janata Capital and Investment Limited



DUE DILIGENCE CERTIFICATE OF MANAGER TO THE ISSUE

Sub: Public Offer of 14,000,000 Ordinary Shares of Taka 10.00 each at par of Bangladesh Building Systems Ltd.

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

1. We, while finalizing the draft Prospectus pertaining to the said Issue, have examined various documents and other materials as relevant for adequate disclosures to the investors; and
2. On the basis of such examination and the discussion with the issuer Company, its directors and officers, and other agencies; independent verification of the statements concerning objects of the Issue and the contents of the documents and other materials furnished by the issuer Company.

WE CONFIRM THAT:

- a. the draft Prospectus forwarded to the Commission is in conformity with the documents, materials and papers relevant to the Issue;
- b. all the legal requirements connected with the said Issue have been duly complied with; and
- c. the disclosures made in the draft Prospectus are true, fair and adequate to enable the investors to make a well-informed decision for investment in the proposed Issue.

For Manager to the Issue

Sd/-
Md. Jahangir Miah
Chief Executive
Janata Capital and Investment Limited



DUE DILIGENCE CERTIFICATE OF THE UNDERWRITER(S)

Sub: Public Offer of 1,40,00,000 Ordinary Shares having face value of Taka 10.00 each totaling to TK. 14,00,00,000 of Bangladesh Building Systems Ltd.

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

1. We, while underwriting the above mentioned Issue on a firm commitment basis, have examined the draft Prospectus, other documents and materials as relevant to our underwriting decision; and
2. On the basis of such examination, and the discussion with the Issuer Company; its directors and other officers, and other agencies; independent verification of the statements concerning objects of the Issue and the contents of the documents and other materials furnished by the Issuer Company.

WE CONFIRM THAT:

- a. All information as are relevant to our underwriting decision have been received by us and the draft Prospectus forwarded to the Commission has been approved by us;
- b. We shall subscribe and take up or procure subscription for taking up the un-subscribed Securities against the above-mentioned Public Issue within 15 (fifteen) days of calling up thereof by the Issuer; and
- c. This underwriting commitment is unequivocal and irrevocable.

For Underwriter(s)

Sd/-
Chief Executive/Managing Director/CEO
Janata Capital and Investment Limited
Sonali Investment Limited
Royal Green Capital Market Limited



RISK FACTORS & MANAGEMENT'S PERCEPTION ABOUT THE RISKS

Every equity investment is associated with risks. Among those risks some can be averted, others are beyond control. Before making any investment decision, investors should take the risk factors into consideration. Major such risk factors are described in brief as under:

1. Interest Rate Risk:

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

Management Perception:

In order to manage this risk and overcome it, the company exercise good management in its cash flows, coupled with continued strength in sales and marketing. BBSL is very careful in forecasting the prices of international steels and manage its costs in an effective manner, so as to ensure that the debt repayments are met on schedule, even if the interest rates were to rise. BBSL will try to enhance its equity capital rather than borrowed fund.

2. Exchange Rate Risk:

Exchange rate risk occurs due to changes in foreign currency exchange rates. As the company imports equipment from abroad and earns revenue in local currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If exchange rate is decreased against local currency opportunity will be created for generating more profit.

Management Perception:

Appropriate and responsible hedging mechanisms are employed by BBSL in the past in case of significant taka devaluation in order to keep the cost minimum and same will be followed in future. However, if the price of the US dollar appreciates too sharply against the BDT, this will be a nationwide phenomena experienced by the whole industry. In such a scenario, there will be a market adjustment in end product prices.

3. Industry Risks:

I. Profitability may be affected:

The company is operating in a moderate competitive industry with low profit & highly sensitive to the market. Moreover the company faces competition from a small number of private sector mills those are found to be steady in the market. Inability of offering competitive products will hinder the company's growth potential.

Management Perception:

The company has successfully accessed the market till date and is working on offering new and better quality products at competitive terms. Moreover, the company's track record of previous years for operating profitability and highly market potential environment establishes its capability.

II. New Entrants may enhance competition:

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

Management Perception:

Implementation of similar project generally have a lead time of 2 (two) years and before the earliest entrant the company will be able to consolidate its both financial as well as market position. Furthermore, with the track record of BBSL and its market reputation it will be very difficult for new comers to make the quality steels building. Moreover, Steel Building Manufacturing is a high capital-intensive and engineering industry and therefore, barriers to entry are high. Hence, first-mover's advantage is big and BBSL, with its past experience and performance, will enjoy this advantage.



4. Market and 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 company is aware of technological changes and has adopted new technology according to its needs. Furthermore, routine and proper maintenance of the equipment carried out by the company ensures longer service life for the existing equipment and facilities.

5. Potential or Existing Government Regulations:

The company operates under Companies Act 1994, Customs Act 1969, and Labor Law 2006, Income Tax Ordinance 1984, Income Tax Rules 1984, Value Added Tax (VAT) Act 1991, Value Added Tax (VAT) Rules 1991 and other related regulations. Any abrupt changes of the policies made by the regulatory authorities may adversely affect the business of the company.

Management Perception:

Since, the company operates in steel sector; the Government regulations are mostly investment-friendly. However, unless any policy change that may negatively and materially affect the industry as a whole, the business of the company is expected not to be affected. As it is an emerging sector, it is highly expected that the Government will not frustrate the growth of the industry with adverse policy measures.

6. Potential Changes in Global or National Policies:

Changes in the existing global or national policies can have either positive or negative impacts for the company. Any scarcity or price hike of raw materials due to changes in policy in the international market might hamper the production and profitability. Furthermore, the performance of the company would also be hampered due to unavoidable circumstances both in Bangladesh and abroad like political turmoil. Since, the risk involved with the potential changes in global or national policies is a macro factor, it is beyond the capability of BBSL to control.

Management Perception:

The management of BBSL is always concerned about the prevailing and upcoming future changes in the global or national policy and shall respond appropriately and timely to safeguard its interest. The strong brand equity of the company in the local market and deep and profound knowledge of the sponsors will always endeavor to withstand the unexpected changes or any such potential threats. Nevertheless, political stability and a congenial business environment is definitely the best situation in which BBSL will achieve its maximum potential. Political turmoil and the disturbance are bad for the economy as a whole and also for the company. On the other hand, Government has special attention to the growth of the industry as it is related to infrastructure development of the country.

7. History of Non-Operation, if any:

There is no history of non-operation in the case of the company.

Management Perception:

BBSL has no history of non operation till now. The company has an independent body that is operated by its Memorandum & Articles of Association and other applicable laws implemented by the Government. Besides, the company's financial strength is satisfactory. So, the chance of becoming non-operative for the company is insignificant.

8. Operational Risks:

Non-availability 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 company is equipped with power backup and security system, which reduce operational risk. Besides, the equipments have Insurance coverage in order to get reasonable compensation for any damages. Apart from these, routine security check and proper maintenance of the equipment also reduce/eliminate the operational risk.

9. Availability of Power:

PEB industries require huge amount of power supply. Any unfavorable change in power related regulations may affect the company's business.

Management Perception:

BBSL has enjoying BPDB power supply. Besides this facility it has enough capacity to produce power through diesel generators. It is not dependent on gas.

10. Sourcing of Raw Materials:

As steel market price is so variable, sourcing of raw material is so important. Shortage or price hike of raw materials will affect the company's operation.

Management Perception:

The main raw materials of the company are MS Coil, Hot Roll, Cold Roll, Roof Sheet, and Decking Sheet which are available in the international market and local market as well. The company has bilateral arrangement with a group of independent suppliers of raw materials. Therefore, it is expected that the company will have smooth flow of raw materials.

11. Distribution Risks:

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

Management Perception:

BBSL has strong presence all over the country since long. Sponsors'/Directors' experience of more than decades in this sector is considered the key of BBSL marketing and distribution network. Moreover, BBSL has one Covered Van and one Delivery Van with capacity of 5 tons and 1.5 tons respectively which are engaged for delivery of building materials to customer's project site. BBSL also maintained rented vehicles under the control of the company regular basis for products distribution purposes.

12. Risk Associated with Labor Unrest:

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

Management Perception:

BBSL maintains good atmosphere at the work place and provides all sort of facilities to the workers as per law of the land. BBSL employees/workers have been provided with all necessary facilities according to service rules. So, it is unlikely for them to create such unrest. The company has healthy remuneration and welfare policies for its human resources, which reduces the risk of labor unrest. Again, to meet unique situations, company has alternative ways to overcome such critical circumstances.



ISSUE SIZE AND PURPOSE OF THE PUBLIC OFFERING

A. The financial structure of Bangladesh Building Systems Ltd. as follows:

Particulars	No. of Shares	Face Value (Taka)	Amount in Taka
Before IPO			
Authorized Capital (ordinary shares of Tk. 10 each)	150,000,000	10	1,500,000,000
Paid-up Capital as on 30-06-2012	50,000,000	10	500,000,000
Total Paid-up before IPO (A)	<u>50,000,000</u>	10	<u>500,000,000</u>

B. Financial structure after Initial Public Offering (IPO):

Particulars	No. of Shares	Face Value (Taka)	Amount in Taka
i. Initial Public Offer (NRB)	1,400,000	10	14,000,000
ii. Initial Public Offer (Mutual Fund)	1,400,000	10	14,000,000
iii. Initial Public Offer for Affected Small Investors (পরিভুক্ত ক্ষুদ্র বিনিয়োগকারীদের জন্য)	2,800,000	10	28,000,000
iv. Initial Public Offer (General Public)	8,400,000	10	84,000,000
Total collection from IPO (B)	<u>14,000,000</u>	10	<u>140,000,000</u>
Total Paid-up Capital after Initial Public Offering (IPO)(A+B)	<u>64,000,000</u>	10	<u>640,000,000</u>



USE OF PROCEEDS FROM IPO

Bangladesh Building Systems Ltd. will raise paid-up capital amounting to Tk. 14,00,00,000 through Initial Public Offering (IPO) in order to meet the present business needs for the purpose of business augmentation and repayment of its debt to enhance profitability in the following manner:

Description	Amount in Taka
a. Debt Reduction	
(Long Term Loan and Short Term Loan) repayment	12,80,00,000
b. Expenses for IPO (approx.)	1,20,00,000
Total	<u>14,00,00,000</u>

Sd/-
Mohammad Golam Sabur, FCMA
Company Secretary

Sd/-
Engr. Abu Noman Howlader
Managing Director & Director

IMPLEMENTATION SCHEDULE OF IPO FUND

Description	Amount in Taka	Schedule of Implementation
a. Debt Reduction		
(Long Term Loan and Short Term Loan) repayment	12,80,00,000	Within 30 days of getting of the IPO Proceeds
b. Expenses for IPO (approx.)	1,20,00,000	Within 30 days of getting of the IPO Proceeds
Total	<u>14,00,00,000</u>	

Note: As of today, the company has not made any contract with anyone in regards to utilization of this IPO fund as per rule 8B4(c) of Securities and Exchange Commission (Public Issue) Rules, 2006.

Sd/-
Mohammad Golam Sabur, FCMA
Company Secretary

Sd/-
Engr. Abu Noman Howlader
Managing Director & Director



DESCRIPTION OF THE BUSINESS

Corporate Status and Background:

The company was incorporated in 19 July, 2003 as a 'Private' company limited by shares and registered with the Registrar of Joint Stock Companies & Firms of Bangladesh under the Companies Act, 1994. It has started its commercial production in the year 2005. On 30 October, 2010 the company registered itself as a Public Limited Company under the Companies Act, 1994. The registered office of the company is located at House No. 26, Road No. 03, Block-I, Banani, Dhaka-1213 and its factory is situated in it's own premises at Jaina Bazar, Dhaka Mymensingh Highway, Telehate, Sreepur, Gazipur

Nature of Business:

BBSL always gear up to excel stakeholders' expectation with its modern technology and sophisticated professional work force. The principal activities of the company are to manufacture of various Pre-Engineered Steel Buildings Structure according to the designs and provide full pledge architectural and consultancy services and marketing of the Pre-Engineered Steel Building under "BBS" brand. Simultaneously to expedite this race BBSL Product Research and Development Department (PRD) works to innovate or introduce new concept and machinery in the production line for the diversified demand of their reverence clients.

1. Principal Products and Services:

BBSL builds pre-engineered steel buildings like factories, warehouses, convention centers, workshop, air craft hangers, commercial show rooms, distribution centers, restaurants, CNG stations, multi storied buildings and so on. It also provides 3 (three) years after sales services for any type of damages on its build structure. BBSL provides high valued services in terms of designing, fabricating and installation of Steel Buildings to its esteem clients.

The company has good market image for providing a wide range of building materials products and services. The basic products of the company are produced both by imported and local materials. The segments of products are as follows:

- M.S. plate;
- Pre painted Zn/Al sheeting coils;
- Different diameters nut and bolts;
- Glass wool;
- Aluminum foil;
- Different diameters screws;
- Rotary and power ventilators;
- Shutter doors motors;
- Sag rods;
- Silicon;
- Anchor bolts;
- Both way tape;
- Stove bolts;
- Checker plates;
- M.S pipes etc.

2. Relative Contribution of Products Contributing more than 10% of the Total Revenue:

The company produces a single product - pre-engineered steel buildings, which accounts for more than 10% of total revenue.

3. Associates, subsidiary/related holding company & their core areas of business

There is no associate, subsidiary related holding company.

4. Distribution Channel:

BBSL has one Covered Van and one Delivery Van for smooth delivery of building materials products to customers at project site. Capacity of which are 5.00 tons and 1.50 tons respectively. Moreover, regular basis distributions of products have been made through rented vehicles under the control of BBSL.



5. Competitive Market Condition in the Business:

Pre-Engineered Steel Building Market in Bangladesh was dominated by some foreign companies up to 2005. But, due to setting up of Pre-Engineered Building Manufacturing Plant by some local companies like Bangladesh Building Systems Ltd. and due to their leadership, innovative design, customer satisfaction, product diversification, superior product quality and effective after sales service, foreign companies are losing their market share rapidly in Bangladesh. Normally, Pre-Engineered Building Market increases 30%-35% every year in Bangladesh. Experts are assuming that due to Global warming and natural disaster like Earthquake putting a great impact of PEB usage. BBSL has approx. 15% of total Pre-Engineered Steel Building Market share in Bangladesh. The following are the major Pre-Engineered Steel Building Manufacturer and competitor of BBSL in Bangladesh:

- | | |
|-----------------------------------|----------------------------|
| 1. Build Trade Engineering Ltd.; | 6. Steel Mark; |
| 2. PEB Steel Alliance Ltd.; | 7. Zakir Steel Zone Ltd.; |
| 3. Zamil Steel; | 8. Modern Structural Ltd.; |
| 4. McDonalds Steel Building Ltd.; | 9. Sarker Steel Ltd. |
| 5. Kirby Building Systems Ltd. | 10. Others |

6. Sources and Availability of Raw Materials and Principals Suppliers:

Bangladesh Building Systems Ltd. procures 50% of raw materials from foreign suppliers of China, Japan, Hong-Kong & India and Rest of the 50% Raw Material is procured locally. BBSL Principal Supplier's list is given below:

Sl. No.	Materials name	Sources	Country of origin
01.	MS Plate	Kyodo Co. Inc.	Japan
02.	MS Plate	SKM Trade Link PTE Ltd.	Singapore
03.	MS Plate	DAI Thien Loc Corp.	Vietnam
04.	MS Plate	FINECCO N.V	Belgium
05.	MS Plate & Purlin Coil	IPC Export Commodities Company Ltd.	Vietnam
06.	MS Plate	Canadian Steel Network Inc.	Canada
07.	MS Plate	Tianjin Jianghailong Steel Co., Ltd.	China
08.	Roof and Wall Sheeting	Jiangsu Huaxi International Trade Co. Ltd.	China
09.	Roof Sheeting and Decking Sheet	Tianjin Century Xinlei Import & Export Trading Co., Ltd.	China
10.	Roof and Wall Sheeting	Tata Blue Scope Steel Ltd.	Australia
11.	Roof and Wall Sheeting	Wuxi Zhongcai New Material Co., Ltd.	China
12.	Roof and Wall Sheeting	Jiangyin City Huaxi Color Steel Plate Co. Ltd.	China
13.	Purlin Coil	Tianjin Zejian Trading Co., Ltd.	China
14.	Purlin Coil	Shandong Lu Steel Co.,Ltd	China
15.	Welding Wire & Flux	HEBEI Machinery Import & Export Com. Ltd.	China
16.	Not Bolt, Welding Flux & Motor for Shutter Door	Shenzhen Juntu Industry Co., Ltd.	China
17.	Glass Wool Insulation	Owens Corning	Hongkong
18.	Rotary & Power Ventilation	Artith Ventilators Ltd.	Thailand
19.	Nut Bolt and Fasteners	Ningbo Zhongbin Fastner Mfg. Co. Ltd.	China
20.	Aluminum Foil & Nut Bolt	UD Trading Company Ltd.	Hongkong
21.	Aluminum Foil	NEOMA Herbel Sciences Ltd.	India
22.	Aluminum Foil	Landy (Guangzhou) Plastic Products Co., Ltd.	China
23.	Steel Shot & Cut Wire	Shandong Kaitai Ind. Technologies Co. Ltd.	China
24.	Steel Shot & Cut Wire	UMA Export	India
25.	Fastener	Corroshield	Singapore
26.	Paint	Roxy Paints Ltd.	Bangladesh
27.	Paint	Barger Paints Ltd.	Bangladesh
28.	Paint	Asain Paints Ltd.	Bangladesh
29.	Welding Wire	Bangladesh Oxygen Company	Bangladesh
30.	Welding Wire	BWEL	Bangladesh
31.	MS Plate	Rahim Steel Mills Co., Ltd.	Bangladesh



7. Sources of and requirement for Power and Water or any others utilities:

Power: Bangladesh Building Systems Ltd. meets up its power requirement from Rural Electrification Board (REB) with 11KVA and 33KVA lines and two of its own Generators (500KVA & 270KVA).

Water: Water requirement is met by its own 3 nos. deep tube well.

8. Name of the customers who purchase 10% or more of the company's products:

As BBSL producing "Project Base" production which means product is customized as per clients requirement so there is no such type of customer who is purchasing 10% or more individual products of the company. Clients need to procure full package solution.

9. Contract with principal suppliers or customers:

There is no contract with principal suppliers or customers other than the normal course of business.

10. Material patents, trademarks, license or royalty agreement:

The company has not entered into any such agreement.

11. Number of total employees as on 30 June, 2012

Officer & Staff		Workers	Total Employee
Factory	Head Office		
33	90	364	487

All the employees of the company are full time employees and receive more than Tk. 3,000 per month. Details break-up of Officer and Staff are as follows:

Sl. No.	Name of the Department	Nos. of Officer	Nos. of Staff	Total
1	Operation	2	-	2
2	Finance & Accounts	9	-	9
3	Customers Service	1	-	1
4	HR & Administration	3	18	21
5	Procurement	2	-	2
6	Receivable Management	3	-	3
7	Internal Audit	1	-	2
8	Engineering	14	-	14
9	Sales	8	-	8
10	Implementation	10	19	28
Total		53	37	90

12. Production Capacity and Current Utilization as per audit report:

The utilization of production capacity of the company is increasing gradually due to expansion of sales network and customer demand which has commensurate with cost control as well as efficient and effective measures taken by the management. Summary of year wise production capacity are:

(As per audited accounts)

Particulars	30-06-2012	30-06-2011
Installed Capacity (in MT)	12,700.00	9,600.00
Actual Production (in MT)	12,400.00	9,138.00
Capacity Utilization	97.64%	95.19%

Capacity 9,600 MT from July, 2011 to March, 2012 (9 months) =	7,200.00
Capacity 22,000 MT from April, 2012 to June, 2012 (3 months) =	5,500.00
Weighted average capacity of production	<u>12,700.00</u>
Actual Production (In MT)	<u>12,400.00</u>

% of actual production to weighted average capacity **97.64%**



DESCRIPTION OF PROPERTY
AS ON 30 June, 2012

a) The company has set up its plant & machineries in its own premises at Jaina Bazar, Telehate, Sreepur, Gazipur to run operations and the corporate office is situated at House#26, Road#03, Block#I, Banani, Dhaka-1213. The company possess the following fixed assets:

Particulars	Cost			Depreciation				Written down Value as at 30 June, 2012
	Balance as at 01 July, 2011	Addition during the year	Balance as at 30 June, 2012	Rate %	Balance as at 01 July, 2011	Charged during the year	Balance as at 30 June, 2012	
Land & Land Development	19,696,705	25,587,992	45,284,697	-	-	-	-	45,284,697
Factory Building & Other Construction	91,905,599	117,285,984	209,191,583	5	11,310,117	9,894,073	21,204,190	187,987,393
Plant & Machinery	306,607,254	108,471,401	415,078,655	5	47,770,585	18,365,404	66,135,989	348,942,666
Electric Installation	2,685,178	4,728,327	7,413,505	15	1,415,135	899,756	2,314,891	5,098,614
Furniture & Fixture	13,405,275	2,299,497	15,704,772	10	4,149,854	1,155,492	5,305,346	10,399,426
Office Equipment & Computer	3,498,345	3,125,781	6,624,126	15	1,484,165	770,994	2,255,159	4,368,967
Office Decoration	1,090,936	2,695,306	3,786,242	10	557,833	322,841	880,674	2,905,568
Motor Vehicle	5,725,873	5,498,063	11,223,936	5	286,293	546,882	833,175	10,390,761
As at 30-06-2012	444,615,165	269,692,351	714,307,516		66,973,982	31,955,442	98,929,424	615,378,092
As at 30-06-2011	261,010,825	183,604,340	444,615,165		47,155,655	19,818,327	66,973,982	377,641,183

b) All the assets are owned by the company except 5 logistics vehicles which are taken on lease basis from Union Capital Limited (quantity 2 vehicles), United Leasing Company Ltd. (quantity 2 vehicles) and IIDFC (quantity 01 vehicle). All plant & machineries have been purchased in brand new condition.

c) 351.51 decimals land, factory building and plant & machineries have been mortgaged with United Commercial Bank Ltd., Mohakhali Branch, Dhaka against Loan and on lease finance on different financial institutions.

d) Entire plant & machineries are owned by the company.

e) Total land of the Company and its location is as under:

Location	Area in decimals	Status
Jaina Bazar, Telehate, Sreepur, Gazipur	351.51	Purchased land (Factory Building)
Total	351.51	



f) The date of expiration of the lease with the name of leasor is given as under:

Sl. No.	Name of Bank/NBFI	Type of Loan	Total Amount	Rate of Interest	Sanction Date	Monthly Installment	Outstanding Balances as on 30-06-2012
1	Union Capital Limited	Lease	1,300,000	15.00%	25-05-2010	36,200	736,029
2	Union Capital Limited	Lease	2,300,000	15.00%	25-08-2010	64,020	1,492,840
3	United Leasing Company Ltd.	Lease	2,070,000	15.50%	24-03-2011	58,136	1,380,160
4.	IIDFC	Lease	5,000,000	19.00%	10-05-2012	129,703	4,949,464

Apart from the above, the company has given an advance amounting to Tk. 1,25,00,000.00 on 27/02/2010,29/07/2010,08/09/2010,12/12/2010,15/12/2010,01/02/2011,15/02/2011 and 17/02/2011 as advance against land purchase (note 6.00 of the audited accounts and point 6 of additional disclosures by auditor) located at Jaina Bazar, Telehate, Sreepur, Gazipur measuring 116.06 decimals. It may be mentioned that the company purchased 116.06 decimals of land vide deed no. 11231 dated 11.07.2012 and mutation of land in the name of the company has been completed.



PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION

1. Internal and External Sources of Cash:

(As per audited accounts in BDT)

Particulars	for the year ended			
	30-06-2012	30-06-2011	30-06-2010	30-06-2009
Internal Sources of Cash:				
Share Capital	500,000,000	100,000,000	50,000,000	50,000,000
Share Money Deposit	-	95,750,000	-	-
Retained Earnings	153,343,429	88,181,538	58,034,916	34,736,932
Sub Total	653,343,429	283,931,538	108,034,916	84,736,932
External Sources of Cash:				
Long Term borrowing net off current maturity	47,590,366	78,791,087	109,297,070	125,036,858
Sub-Total	47,590,366	78,791,087	109,297,070	125,036,858
Grand Total	<u>700,933,795</u>	<u>362,722,625</u>	<u>217,331,986</u>	<u>209,773,790</u>

2. Material Commitment for Capital Expenditure:

The Company has given an advance against purchase of 116.06 decimals land at Jaina Bazar, Telehate, Sreepur, Gazipur amounting to Tk. 12,500,000 which is also accounted for in the financial statements as on 30 June, 2012. Otherwise, BBSL has not made any material commitment for capital expenditure except for those that are required in the course of caring out of normal business operations and require fund to be supported by Company's revenue.

3. Material changes from period to period:

(As per audited accounts in BDT)

Particulars	for the year ended			
	30-06-2012	30-06-2011	30-06-2010	30-06-2009
Turnover	1,154,305,498	848,686,058	616,336,469	518,184,194
Cost of Goods Sold	(926,957,689)	(687,561,479)	(500,410,860)	(420,740,877)
Gross Profit/(Loss)	227,347,809	161,124,579	115,925,609	97,443,317
Administrative Expenses	(37,633,994)	(41,137,628)	(22,649,342)	(16,252,369)
Marketing & Selling Expenses	(14,336,339)	(15,431,994)	(7,668,414)	(4,457,254)
Operating Profit	175,377,476	104,554,957	85,607,853	76,733,694
Other Income	1,710,501	305,394	119,562	1,044,395
Financial Expenses	(67,616,001)	(54,214,025)	(46,586,802)	(44,892,337)
Profit/(Loss) before WPPF	109,471,976	50,646,326	39,140,613	32,885,752
Contribution to Workers' Profit Participation Fund	(5,212,951)	(2,411,730)	(1,863,839)	(1,565,988)
Profit/(Loss) before Tax	104,259,025	48,234,596	37,276,774	31,319,764
Income Tax Expenses	(39,097,134)	(18,087,974)	(13,978,790)	(11,744,912)
Current Tax	(13,467,336)	(1,191,488)	(7,729,053)	(3,213,366)
Deferred Tax	(25,629,798)	(16,896,486)	(6,249,737)	(8,531,546)
Net Profit/(Loss) after Tax	<u>65,161,891</u>	<u>30,146,622</u>	<u>23,297,984</u>	<u>19,574,852</u>



The revenue earnings of the company are increasing gradually due to increasing demand, sincerity and cordial efforts of the management. The Management of the company is always attempting to maximize production with cost efficiency as a result profit is also showing greater in size.

4. Seasonal aspect:

There is no seasonal aspect in the business of Pre-engineered Steel Building industry of the country. The demand of the products sustain in the market all over the year.

5. Any known trends, events, or uncertainties etc.:

There are no known trends in customer preferences that affect company's operations. However, political unrest, hartal, and power crisis are the known events in our country that may affect the company's business/operations.

6. Changes in the Assets:

No asset of the company has been used for payment of the liabilities.

7. Loan taken or given by the company either from or to its holding/parent or subsidiary company:

The company has no holding/parent/associate or subsidiary company. So loan taking from or giving to such concerns does not arise.

8. Future contractual liabilities within one year:

The company does not have any plan other than the land purchase contract given in description of property amounting to Tk. 12,500,000 within next one year to contract any new liabilities except those that are required by way of contract in the ordinary business operations.

9. Estimated amount for future capital expenditure:

The company has no plan in the near future for any capital expenditure other than day to day operation.

10. Income Tax, VAT, Custom Duty & Contingent liabilities along with reason:

(a) VAT:

The company has VAT registration no. 5141025044 and it pays VAT in time and submitted return accordingly. The company has not any VAT liabilities as on 30 June, 2012.

(b) Custom duty: The Company pays all custom duty as per country's rules and regulations at the time of importing goods. There is no liability pending in regard to custom duty.

Contingent liability:

An amount of Taka 2,241,595 claimed by Customs Authority on differential amount of import duty against Aluminum Foil with Bubble during the year 2007. The Company has made deposition several times to concern Custom Authority with proper grounds protesting the claim. As such the Company has filed petition to the High Court which is Subjudice.

(c) Income Tax:

Year wise income tax status of the company is a under:

Financial Year	Assessment Year	Status
2003-2004	2004-2005	Assessment Completed
2004-2005	2005-2006	Assessment Completed
2005-2006	2006-2007	Assessment Completed
2006-2007	2007-2008	Assessment Completed
2007-2008	2008-2009	Appealed
2008-2009	2009-2010	Appealed
2009-2010	2010-2011	Assessment completed by DCT and filling for appeal is under process
2010-2011	2011-2012	Assessment under process
2011-2012	2012-2013	Return submitted



11. Lease commitment:

The company has entered into operating lease commitment in last five years is as under:

Name of the NBFI	Sanction Date	Total Amount	Outstanding Balance as on 30-06-2012
Islamic Finance and Investment Ltd.	10-10-2011	80,000,000	70,575,300

12. Finance lease and other financial commitment during last five years:

Bangladesh Building Systems Ltd. has financial lease commitments during last five years is as follows:

Name of the NBFI	Sanction Date	Total Amount	Monthly Installment	Lease Period	Outstanding Balance as on 30-06-2012
Union Capital Ltd.	25-05-2010	1,300,000	36,200	4 years	736,029
Union Capital Ltd.	25-08-2010	2,300,000	64,020	4 years	1,492,840
United Leasing Company Ltd.	24-03-2011	2,070,000	58,136	4 years	1,380,160
IIDFC	10-05-2012	5,000,000	129,703	4 years	4,949,464
Islamic Finance and Investment Ltd.	10-10-2011	80,000,000		1 year	70,575,300

13. Details of personnel related scheme:

The company has adequate programs for human resource development. Company also has a well-designed compensation plan for attracting highly capable professional staff with high degree of integrity. The compensation package includes Salary & Allowances, Bonus, Leave Salary; Performance based Reward Scheme, Provident Fund (non-funded) and WPPF etc. The existing Compensation plans are as follows:

Salary/Allowances	Traveling	Bonus
Basic pay, house allowance, conveyance/transport and medical allowances	Fare and daily Allowances	Paid on the basis of 1 month's basic pay for each Eid Festival. There is an incentive Bonus Scheme based on performance. Contributory Provident Fund and WPPF.

The company considers its human resources as the most valuable assets and the profitability of company largely depends on the efficient & effective productivity of human resources. With a view to supporting these lofty objectives, the company makes provision for Workers' Profit Participation Fund (WPPF) @ (non-funded) 5% of the net profit after charging such contribution but before tax contribution by the company and pay Festival Bonus. The company provides 10% contributory provident fund (non-funded) on basic salary to its permanent staff.

14. Revaluation of companies assets & summary thereof:

No revaluation has been made to the company's assets and liabilities.



15. Break-down of IPO expenses:

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

Particulars	Rate	Amount in Tk.
Manager to the issue fees	1% on the public offering amount	1,400,000

Regulatory Expenses:		
Listing Related Expenses:		
Service Charge for DSE	Fixed	5,000
Annual Fee for DSE & CSE	Fixed	150,000
Listing Fees for Stock Exchanges (DSE & CSE)	@ 0.25% on up to Taka 10 crore of paid up capital. & 0.15% on the balance amount (Max Tk. 20.00 lac) each	
DSE Fees		1,060,000
CSE Fees		1,060,000
BSEC Fees		
Application Fee	Fixed	10,000
Consent Fee	@ 0.15% on the public offering amount	210,000

IPO Commission:		
Underwriting Commission	0.50% on the underwritten amount	350,000
Bankers to the issue Commission	@ 0.1% on collected amount (Estimated; to be paid as actual)	400,000
CDBL Fees and Expenses:		
Security Deposit of Eligible Securities	Fixed	300,000
Documentation Fee	As actual	2,500
Annual Fee	As actual	75,000
Issue Fee	0.025% on the public offer	35,000
Connection Fee	As actual	6,000

Printing, Publication and Others:		
Publication of Abridge Version of Prospectus	Estimated	1,526,500
Printing of Prospectus	Estimated	
Printing of Application Forms	Estimated	
Fee for Conduction of Lottery		

Post Issue Expenses:		
Data Collection, Data Entry, Data Processing and other related job	Estimated	5,410,000
Printing of Allotment Letters and Refund Warrant		
Distribution of Allotment Letter and Refund Warrant (including courier)		
Total		<u>12,000,000</u>

NB: The cost of the above mentioned IPO expenses may vary and will be adjusted accordingly.

16. Transaction between holding/subsidiary/associate company and the subsidiary:

As the company has no Associate/Subsidiary/Holding company, so, no transaction has taken place between subsidiary and holding company.



Bangladesh Building Systems Ltd.

Auditors' Certificate regarding deposit of an amount equivalent to the Paid-up Capital

This is to certify that the paid-up capital of Bangladesh Building Systems Ltd. as of 30 June, 2012 was Tk. 500,000,000 divided into 50,000,000 ordinary shares of Tk. 10 each. Details are as follows:

Sl No.	Allotment as on	Basis			Total Amount in Taka
		In Cash	Other than Cash	Bonus Share	
1	At the time of Incorporation on 19-07-2003	3,000,000	-	-	3,000,000
2	Issued as on 18-06-2006	47,000,000	-	-	47,000,000
3	Issued as on 07-10-2010	50,000,000	-	-	50,000,000
4	Issued as on 12-02-2012	400,000,000	-	-	400,000,000
Total		<u>500,000,000</u>	-	-	<u>500,000,000</u>

The Company had subdivided the face value of its ordinary share from Tk. 100 to Tk. 10 at 30 October, 2010 through special resolutions in the Extra Ordinary General Meeting and necessary amendments in the capital clause of the Memorandum of Association and the Articles of Association were made accordingly.

We also certify that the above mentioned paid-up capital (in cash only) has been deposited in Bank as follows:

Sl. No.	Name of the Bank	Branch Name	Amount in Taka
1	Sonali Bank Limited	Local Office	50,000,000
2	United Commercial Bank Ltd.	Mohakhali	440,000,000
3	Jamuna Bank Limited	Banani	10,000,000
Total			<u>500,000,000</u>

Dated, Dhaka
20 January, 2013

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants.

DECLARATION REGARDING NON- SUPPRESSION OF MATERIAL INFORMATION

This is to declare that, to the best of our knowledge and belief no material information is suppressed, which is likely to have an impact on the offering or change the terms and conditions under which the offer has been made to the public.

Sd/-
Engr. Abu Noman Howlader
Managing Director & Director
Bangladesh Building Systems Ltd.



INFORMATION ABOUT DIRECTORS AND OFFICERS

DIRECTORS OF THE COMPANY

Sl. No.	Name of Director	Position	Qualification	Age (Years)	Experience (Years)
1	Engr. Hasan Morshed Chowdhury	Chairman	B.Sc. Engr. (Civil), BUET	41	18
2	Engr. Abu Noman Howlader	Managing Director	B.Sc. Engr. (Mechanical), BUET	40	16
3	Engr. Mohammed Badrul Hassan	Director	B.Sc. Engr. (Civil), IIT, India & M.Sc, BUET	38	15
4	Engr. Mohammad Ruhul Majid	Director	B.Sc. Engr. (Civil), BUET	40	17
5	Md. Ashraf Ali Khan	Director	B.Com, Rajshahi University.	49	22

INFORMATION REGARDING DIRECTORS AND DIRECTORSHIP

Sl. No.	Name of Director	Position	Date of becoming a Director for the first time	Date of expiration of current term
1	Engr. Hasan Morshed Chowdhury	Chairman	03 November, 2006	AGM in 2014
2	Engr. Abu Noman Howlader	Managing Director	16 July, 2003	17-07-2013
3	Engr. Mohammed Badrul Hassan	Director	16 July, 2003	AGM in 2013
4	Engr. Mohammad Ruhul Majid	Director	03 November, 2006	AGM in 2013
5	Md. Ashraf Ali Khan	Director	03 November, 2006	AGM in 2014



DIRECTORS INVOLVEMENT IN OTHER ORGANIZATIONS

Sl. No.	Name of Director	Involvement in the other Organization	Position
01	Engr. Hasan Morshed Chowdhury	BBS Cables Ltd. BBS Metallurgic Industries Ltd. Xiamen Reflective Insulation Ltd. Prithvi Engineers Ltd. BBS Developers Ltd. Total Knit Composite Ltd.	Director Director Director Director Director Director
02	Engr. Abu Noman Howlader	BBS Cables Ltd. BBS Metallurgic Industries Ltd. Xiamen Reflective Insulation Ltd. Prithvi Engineers Ltd. BBS Developers Ltd. Speed Builders and Engineers Ltd. Nahee Aluminum Composite Panel Ltd Total Knit Composite Ltd.	MD MD MD Director Director MD MD Director
03	Engr. Mohammed Badrul Hassan	BBS Cables Ltd. BBS Metallurgic Industries Ltd. Xiamen Reflective Insulation Ltd. Prithvi Engineers Ltd. BBS Developers Ltd. Speed Builders and Engineers Ltd. Total Knit Composite Ltd.	Director Director Director MD MD Director Director
04	Engr. Mohammad Ruhul Majid	BBS Cables Ltd. BBS Metallurgic Industries Ltd. Xiamen Reflective Insulation Ltd. Prithvi Engineers Ltd. BBS Developers Ltd. Total Knit Composite Ltd.	Director Director Director Director Director Director
05	Md. Ashraf Ali Khan	BBS Cables Ltd. BBS Metallurgic Industries Ltd. Xiamen Reflective Insulation Ltd. Prithvi Engineers Ltd. BBS Developers Ltd. Total Knit Composite Ltd.	Director Director Director Director Director MD

FAMILY RELATION BETWEEN DIRECTORS AND OFFICERS

There is no family relationship among the Directors and officers of the company.



SHORT BIO DATA OF DIRECTORS

Engr. Hasan Morshed Chowdhury, Chairman:

Hasan Morshed Chowdhury is a Civil Engineer, who completed his graduation from BUET. He was born in Dharmapur under Gaibandha district. He completed SSC from Gobindhaganj Bahumukhi Uchchay Biddalaya and HSC from Tejgaon College, Dhaka.

He started his professional career in “Multi-Build” under management of Jonson Control-USA. In his service under Multi-build, he worked in Singapore, Sri Lanka & India. He received training on “Building Management System: Air Conditioning System, Fire Protection System & Safety Issue” under direct supervision of Professor John of USA. Later, he joined in Zamil Steel Industries Ltd. (K.S.A based Pre-Engineered Steel Building manufacturer) as a Sales Engineer. He got “Best Sales Award” in 1999 & 2000 from Zamil Steel industries Ltd. for his outstanding sales performance. In 2003, he along with some entrepreneurs established BBSL.

He is a Fellow member of IEB. He is a regular contributor of many social organizations. He donated to build a monument at “Dharmapur Govt. Primary School & Girls high School” in Gaibandha district. In his professional career he visited Saudi Arabia, Malaysia, UAE, Egypt, Sri Lanka, Bahrain, Thailand, China, Singapore and Canada.

Engr. Abu Noman Howlader, Managing Director:

Engr. Abu Noman Howlader, the Managing Director of BBSL is a Graduate in Mechanical Engineering from BUET. He was born in Bhola District. He completed his SSC from Karimgonj High School, Lalmohon, Bhola and HSC from Rajshahi City College.

He Started his Professional Career as a Project Engineer (Mechanical) in 1997 in Sinha Textile Group. In 2000 he started exploring new scopes for business with an ambition to be an Industrialist and to be a direct contributor in employment generation. In 2003 his dream came true, he along with some entrepreneurs established BBSL, one of the leading brand in pre-engineered steel building in Bangladesh.

He is an optimist man, good leader and also a perfectionist. His inner vision, leadership and early adaptability have made BBSL a trusted name in pre-engineered steel building sector in Bangladesh.

Now BBS Group has 05(Five) business units which has made an array in industrial sector.

He is an active member of many social and business community clubs. He is a regular contributor of many social organizations also. In his professional career he visited India, China, England, Thailand, Hongkong, Srilanka and KSA.

Engr. Mohammad Badrul Hassan, Director:

Mohammad Badrul Hassan is a Graduate in Civil Engineering from I.I.T. Kanpur, India and completed Masters in Advanced Engineering Management from BUET. He was born in Noakhali District. He completed SSC from Motijheel Govt. Boys' High School and HSC from Notre Dame College, Dhaka.

He started his professional career in 1998 as a Design Engineer in Engineering & Planning Consultancy Ltd (EPC). In 1999 he joined in BMI holdings (Pvt.) Ltd. Sri Lanka as a Sales Engineer. In 2001, he joined in Zamil Steel, Saudi Arabia. In 2003, he along with some entrepreneurs established BBS, one of the leading brand in pre-engineered steel buildings.

He was the President of Rotary Club of Dhaka Pioneer. He is a regular contributor of many social organizations. In his professional career he visited India, Sri Lanka, Canada, China, Thailand, Malaysia, Singapore. He is a member of Malaysia Chamber of Commerce in Bangladesh.



Engr. Mohammad Ruhul Majid, Director:

Mohammad Ruhul Majid is a Civil Engineer, who completed his graduation from BUET in the year 1996. He was born in Dhaka. His native village name is Sonua under Bashkahli thana in Chittagong district. His village residence is known as “Monu Miagi Bari”. He completed SSC from Dhanmondi Govt. Boys’ High School and HSC from Dhaka Residential Model School & College. During his study in BUET, he was awarded “Best Organizer” of CESA in 1996.

He started his professional career as a site supervisor in “Jamuna Bridge Project” under Hyundai Corporation in 1996. During his service in “Jamuna Bridge Project”; he was awarded “Best Supervisor” in safety matter. He joined in Zamil Steel Industries Ltd. (K.S.A based Pre-Engineered Steel Building manufacturing) as a Sales Engineer in 1998. In 2003 he along with some entrepreneurs established BBSL.

He is a fellow member of IEB (FIEB-9048). He is a regular contributor of many social organizations. In his professional career he visited Saudi Arabia, Egypt, Bahrain, Thailand, China & Singapore.

Md. Ashraf Ali Khan, Director:

Md. Ashraf Ali Khan is a Management Graduate from Rajshahi University. He was born in Pakshi under Pabna district. He completed SSC from CPVP High School, Pakshi , Pabna and HSC from Rajshahi Government City College.

He started his professional career in Construction Business. Later he involved in Garments and Textile business. In 2003 he along with some entrepreneurs established BBSL.

He is the “Vice President” of Ishwardi Janakalyan Samity, Dhaka. He is a regular contributor of many social organizations. In his professional career he visited USA, UK, CANADA, China, Thailand, Malaysia, Singapore and other countries.

CIB Report:

Neither Bangladesh Building Systems Ltd. nor any of its Sponsors or Directors or Shareholders who hold 5% or more shares in Paid-up capital of the issuer is loan defaulter in terms of the CIB Report of the Bangladesh Bank.



PARTICULARS OF TOP TEN EXECUTIVES

Sl No	Name of Officers	Position	Educational Qualification	Date of Joining Company	Names of Organization worked during the last five years
1	Engr. Abu Noman Howlader	Managing Director	B.Sc. Engr. (Mechanical), BUET	16-07-2003	BBSL
2	Engr. Hasan Morshed Chowdhury	Director-Engineering	B.Sc. Engr. (Civil), BUET	03-11-2006	BBSL
3	Engr. Mohammed Badrul Hassan	Director-Sales	B.Sc. Engr. (Civil), IIT, India & M.Sc, BUET	16-07-2003	BBSL
4	Engr. Mohammad Ruhul Majid	Director-Implementation	B.Sc. Engr. (Civil), BUET	03-11-2006	BBSL
5	Md. Ashraf Ali Khan	Director-Administration	B.Com, Rajshahi University.	03-11-2006	BBSL
6	Mohammad Golam Sabur, FCMA	Company Secretary	Cost & Management Accountant	15-12-2009	Manager-HR BRAC Bank Ltd.
7	Mohammad Jahurul Islam Sheikh	Chief Financial Officer	M.B.A.(Finance)	01-10-2012	Alltex Group
8	Muhammad Fayjuzaman	Head of Internal Audit	B.Com, C.A.(CC)	01-10-2012	Paradise Group
9	Engr. Parimal Chakraborty	GM Operations	B.Sc. Engr. (Mech.), BUET	01-08-2011	BRB Group
10	Engr. Syed Ferdous Raihan Kirmany	DGM-Operation	B.Sc. Engr. (Civil), MIEB	16-07-2003	BBSL

INVOLVEMENT OF DIRECTORS AND OFFICERS IN CERTAIN LEGAL PROCEEDINGS

No Directors or Officer of the company was involved in any of the following types of legal proceedings in the past ten years:

1. Any bankruptcy petition filed by or against any company of which any officer or director of the issuer company filling the prospectus was a director, officer or partner at the time of the bankruptcy;
2. Any conviction of director, officer in criminal proceedings or any criminal proceedings pending against him.
3. Any order, judgment or decree of any Court of competent jurisdiction against any director, officer permanently or temporarily enjoying, barring, suspending or otherwise limiting the involvement of any director or officer in any type of business, securities or Banking activities.
4. Any order of the Securities and Exchange Commission or other regulatory authority or foreign financial regulatory authority suspending or otherwise limiting the involvement of any director or officer in any type of business of securities or Banking activities.



CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The company does not have any transaction during the last two years, or any proposed transaction, between the issuer and any of the following persons:

- a. Any Director or Executive officer of the Issuer.
- b. Any director or officer.
- c. Any person owning 5% or more of the outstanding share capital of the Issuer.
- d. Any member of the immediate family (including spouse, parents, brothers, sisters, children and in-laws) of any of the above persons.
- e. Any transaction or arrangement entered into by the Issuer or its subsidiary for a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus.
- f. The company did not take or give any loan from or to any Director or any person connected with any Director nor did any Director or any person connected with any Director of the company.
- g. 5 Directors name in Engr. Abu Noman Howlader, Engr. Hasan Morshed Chowdhury, Engr. Mohammed Badrul Hassan, Engr. Mohammad Ruhul Majid & Md. Ashraf Ali Khan as a Managing Director, Director-Engineering, Director-Sales, Director-Implementation & Director-Administration working in the company.
- h. The Directors of Bangladesh Building Systems Ltd. do not take any other facilities except salaries received by the 5 Directors which is given under the head of “Executive Compensation” of the prospectus.

EXECUTIVE COMPENSATION

Remuneration paid to top ten salaried officers in the last accounting year:

(Amount in Taka)

Sl. No.	Name	Designation	2011-2012	2010-2011
1	Engr. Abu Noman Howlader	Managing Director	2,433,000	1,658,000
2	Engr. Hasan Morshed Chowdhury	Director- Engineering	2,433,000	1,658,000
3	Engr. Mohammed Badrul Hassan	Director-Sales	2,433,000	1,658,000
4	Engr. Mohammad Ruhul Majid	Director-Implementation	2,433,000	1,658,000
5	Md. Ashraf Ali Khan	Director-Administration	2,433,000	1,658,000
6	Mohammad Golam Sabur, FCMA	Company Secretary	1,440,000	1,290,000
7	Mohammad Jahurul Islam Sheikh	Chief Financial Officer	-	-
8	Muhammad Fayjuzaman	Head of Internal Audit	-	-
9	Engr. Parimal Chakraborty	GM Operations	1,200,000	-
10	Engr. Syed Ferdous Raihan Kirmany	DGM-Operation	1,520,000	1,210,000

Aggregate amount of Remuneration paid to Directors and Officers during the last accounting year:

(Amount in Taka)

Sl. No	Name	2011-2012	2010-2011
1	Directors Fees & Remuneration	-	-
2	Officers & Executives Salaries	40,594,017	40,310,582



- **Remuneration paid to any Director who was not an officer during the last fiscal year:**
The Company did not pay any remuneration to any director who was not an officer of the company during the last accounting year.
- **Future compensation to Directors or Officers:**
The company has no contract with any director/officer for providing the payment of future compensation.
- **Pay Increase Intentions:**
The company does not have any plan to substantially increase remuneration to Officers/Directors except normal & additional annual increments/awards of salaries/allowances as per Service Regulations/Articles of Association and in line with the performance achieved by individuals.

OPTION GRANTED TO OFFICERS, DIRECTORS AND EMPLOYEES

The company has not offered any option for issue of shares to any of the officers, directors and employees.

TRANSACTION WITH THE DIRECTORS AND SUBSIDIERIES TO THE MEMORANDUM

Benefit from the Company:

The directors and subscribers to the memorandum have not received any benefit and the company also has not received anything from them except fund against allotment of Shares and salaries as mentioned in executive compensation part of the prospectus.

Promoters' Asset to Company

Directors and subscribers to the memorandum have not transferred any asset to the company.

TANGIBLE ASSETS VALUE PER SHARE

Auditors' Certificate Regarding Net Assets Value per Share based on Shareholders' Equity

We have examined the following calculation of net assets value per share of Bangladesh Building System Ltd.

Based on our examination, we certified that these have been correctly prepared on the basis of audited financial statements of the company as at and for the year ended 30 June, 2012 showing the effect of post issue capital. Details information is presented below:

Sl. No.	Particulars	Amount in Taka
A.	Shareholders' Equity	
	Share Capital	500,000,000
	Retained Earnings	153,343,429
	TOTAL SHAREHOLDERS' EQUITY (A)	653,343,429
B.	NO. OF SHARE SHOWING THE EFFECT OF POST ISSUE CAPITAL	50,000,000
C.	NET ASSET VALUE PER SHARE (A/B)	13.07

Dated, Dhaka
20 January, 2013

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants.



Ownership of the Company's Securities
Shareholding Position as on 30-06-2012

Sl. No.	Name	Status	Address	No. of Share	Amount in Taka	Percentage of Ownership
1	Engr. Hasan Morshed Chowdhury	Director & Chairman	Vill-Dharmapur, PO-Kajla, PS-Gobindagonj, Dist-Gaibandha	2,350,000	23,500,000	4.70%
2	Engr. Abu Noman Howlader	Director & Managing Director	Vill-Bheduria, PO-Shirajia Bazar, PS- Lalmohan, Dist-Bhola	6,013,900	60,139,000	12.03%
3	Mr. Md. Ashraf Ali Khan	Director	Vill-Pakshey Bazar, PO-Pakshey, PS-Ishuardi, Dist-Pabna	5,145,000	51,450,000	10.29%
4	Mohammed Badrul Hassan	Director	Vill-Mohammadnagar, PO-K.T.M. Hat, PS-Companygonj, Dist-Noakhali	4,787,500	47,875,000	9.58%
5	Engr. Mohammad Ruhul Majid	Director	Vill-Charua, PO-Charua, PS-Banchkhali, Dist-Chittagong	2,150,000	21,500,000	4.30%
6	Ms. Khadija Tahera Syria	Shareholder	A-4, Ramna Apartment, Moghbazar, Dhaka	3,001,194	30,011,940	6.00%
7	Ms. Monira Noman	Shareholder	House # 208, Road # 02, Baridhara DOHS, Dhaka-1206	3,000,000	30,000,000	6.00%
8	Mr. Abdul Hannan Howlader	Shareholder	Vill: Vedhuria, P.O: Serajia, P.S: Lalmohon, Dist: Bhola	2,912,500	29,125,000	5.83%
9	Ms. Shahnaj Begum	Shareholder	289 Bara Magbazar, Ramna, Dhaka	2,505,000	25,050,000	5.01%
10	Mr. Abu Neaim Howlader	Shareholder	Vill: Vedhuria, P.O: Serajia, P.S: Lalmohon, Dist: Bhola-8330	2,000,000	20,000,000	4.00%
11	Ms. Shamima Akhter	Shareholder	House # 38, Road # 07, Sector # 04, Uttara Model Town, Dhaka	1,900,000	19,000,000	3.80%
12	Mr. Imran Ali Khan	Shareholder	House # 504, Road # 20, Mirpur DOHS Dhaka	1,500,000	15,000,000	3.00%
13	Mr. Maksudur Rahman	Shareholder	Nahar Mantion, 116 CDA Avenue, Muradpur, Chittagong	1,200,000	12,000,000	2.40%
14	Ms. Sabrina Ahmed Chowdhury	Shareholder	166/1, Mirpur Road, Kalabaghan, Dhaka-1205	1,146,920	11,469,200	2.29%
15	Md. Sazzad Ali Khan	Shareholder	House # 101/Ka, Piciculture, Shamoli, Dhaka-1207	1,000,000	10,000,000	2.00%
16	Ms. Sharmin Sultana Lima	Shareholder	281/3, Jafrabad (Sankor), Dhaka-1207	1,000,000	10,000,000	2.00%
17	Ms. Razia Kalim	Shareholder	House # 289, Bara Maghbazar, Ramna, Dhaka-1217	996,432	9,964,320	1.98%
18	Md. Mamun Howlader	Shareholder	House # 26, DMC, West Nakhhal Para, Tajgoan, Dhaka	910,000	9,100,000	1.82%
19	Ms. Taufika Sultana	Shareholder	Vill-Hatashi, PO-North Noadia, PS-Monohordi, Dist-Narsingdi	909,805	9,098,050	1.82%
20	Mr. Md. Abul Hosen		Vill: Vedhuria, P.O: Serajia, P.S: Lalmohon, Dist: Bhola-8330	893,249	8,932,490	1.79%
21	Janata Capital and Investment Ltd.	Shareholder	48, Motijeel C/A, (3rd Floor), Dhaka-1000	600,000	6,000,000	1.20%
22	Ms. Mamotaz Ara	Shareholder	House # 186/B, Road # 20, New DOHS, Mohakhali, Dhaka	500,000	5,000,000	1.00%
23	Ms. Anjuman Ara Begum	Shareholder	House # 2/E/5/3, Mirpur, Dhaka	500,000	5,000,000	1.00%
24	Mr. Md. Kamrul Hasan	Shareholder	House # 170/1, Road # 04, Mohammadia Housing Ltd., Mohammadpur, Dhaka	500,000	5,000,000	1.00%
25	Mr. Fakir Kamrul Hossain	Shareholder	Vill-Jamalpur, PO. Bhowal Jamalpur, Thana-Kaliganj, Gazipur	400,000	4,000,000	0.80%
26	Mr. Mizanur Rahman	Shareholder	Nahar Mantion, 116 CDA Avenue, Muradpur, Chittagong	300,000	3,000,000	0.60%
27	Ms. Marzanur Rahman	Shareholder	Rupayan Golden Age (7th Floor), 99 Gulshan Avenue, Gulshan, Dhaka-1212	300,000	3,000,000	0.60%
28	Mr. Shamsun Nahar Rahman	Shareholder	Nahar Mantion, 116 CDA Avenue, Muradpur, Chittagong	200,000	2,000,000	0.40%



Sl. No.	Name	Status	Address	No. of Share	Amount in Taka	Percentage of Ownership
29	Md. Azim Hasan	Shareholder	12/2 Madhumita Road, Tongi, Gazipur-1710	200,000	2,000,000	0.40%
30	Mr. Syed Ferdous Raihan Kirmani	Shareholder	1/2 , Block -D, Lalmatia, Dhaka - 1207	193,000	1,930,000	0.39%
31	Md. Obaidul Kabir	Shareholder	1/A, New Baily Road, Dhaka	150,000	1,500,000	0.30%
32	Md. Sahedul Islam	Shareholder	House # 87, Road # 03, Apt:1-A, Block#F, Banani, Dhaka	120,000	1,200,000	0.24%
33	Sosanta Kumer Podder	Shareholder	333/1 (New 8/1) Segun Bagicha, 2nd Floor , Dhaka-1000	100,000	1,000,000	0.20%
34	Dr. Shopna Rani Dhar	Shareholder	Flat # E-4, Sky View Kakoli, 23 Siddeswari Road, Ramna, Dhaka-1217	100,000	1,000,000	0.20%
35	Mr. Mohammad Jahurul Islam Sheikh	Shareholder	48/2 Baddanagar Lane (oposit of Baitunnur Zamea Mosque), Hazaribagh, Dhaka	100,000	1,000,000	0.20%
36	Mr. Md. Obaidur Rahman	Shareholder	ENA Kingdom, Flat - Olymia -C5, 32 Lake Circus, Kalabagan, Dhaka	60,000	600,000	0.12%
37	Mr. Shahriar Hossain (Roman)	Shareholder	Plot-5, Road # 10, Kodomtali, 1/A Shampur, Dhaka-1204	50,000	500,000	0.10%
38	Ms. Bilkis Parvin Hassan	Shareholder	Flat # F-5, House # 49, Road # 15A, Hammond R/A Dhaka	50,000	500,000	0.10%
39	Ms. Dilara Islam	Shareholder	House# 03, Road # 03, Block# E, Mirpur, Dhaka	50,000	500,000	0.10%
40	Mr. GM Muid-Ur-Rahman	Shareholder	House # 04,Kawlar, uttorpara Road, P.O.- Khilkhet, PS- Dakhinkhan, Uttara, Dhaka-1229	50,000	500,000	0.10%
41	Mr. Muhammad Mahbub Hasan	Shareholder	897, Shahidbagh (4th Floor), Razarbagh, Dhaka	50,000	500,000	0.10%
42	Md. Lutfur Rahman	Shareholder	67/4 , Kakrail, Dhaka	30,000	300,000	0.06%
43	Ms. Farah Alam	Shareholder	H#1/6, R#1, Shamoli, Dhaka	27,500	275,000	0.06%
44	Md. Harun ar Rashid	Shareholder	House # 22/B, R # 7, BL# F, Banani, Dhaka-1213	26,000	260,000	0.05%
45	Mr. Md. Salahuddin	Shareholder	MDC College Square, Flat No-18B, Chandan Pura, Chittagong	12,000	120,000	0.02%
46	Mr. Ahad-uz-Zaman	Shareholder	Flat no-E, 5/2, Block – D, Lalmatia Housing Society, Mohammad pur, Dhaka – 1207	10,000	100,000	0.02%
Total				<u>50,000,000</u>	<u>500,000,000</u>	<u>100%</u>



Securities of the Company owned by the Directors:

Sl. No	Name	Address	Position	No of Shares	Percentage before IPO	Percentage after IPO
1	Engr. Hasan Morshed Chowdhury	Vill-Dharmapur, PO-Kajla, PS-Gobindagonj, Dist-Gaibandha	Director & Chairman	2,350,000	4.70%	3.67%
2	Engr. Abu Noman Howlader	Vill-Bheduria, PO-Shirajia Bazar, PS-Lalmohan, Dist-Bhola	Director & Managing Director	6,013,900	12.03%	9.40%
3	Engr. Mohammed Badrul Hassan	Vill-Mohammadnagar, PO-K.T.M. Hat, PS-Companygonj, Dist-Noakhali	Director	4,787,500	9.58%	7.48%
4	Engr. Mohammad Ruhul Majid	Vill-Chanua, PO-Charua, PS-Banchkhali, Dist-Chittagong	Director	2,150,000	4.30%	3.36%
5	Md. Ashraf Ali Khan	Vill-Pakshey Bazar, PO-Pakshey, PS-Ishuardi, Dist-Pabna	Director	5,145,000	10.29%	8.04%
Total				<u>20,446,400</u>	<u>40.90%</u>	<u>31.95%</u>

Securities of the Company owned by top salaried officers and all other officers as a group:

Securities owned by salaried officers are given below:

Sl. No	Name	Address	Position	No of Shares	Percentage
1	Engr. Abu Noman Howlader	Vill-Bheduria, PO-Shirajia Bazar, PS- Lalmohan, Dist-Bhola	Managing Director	6,013,900	12.03%
2	Engr. Hasan Morshed Chowdhury	Vill-Dharmapur, PO-Kajla, PS-Gobindagonj, Dist-Gaibandha	Director-Engineering	2,350,000	4.70%
3	Engr. Mohammed Badrul Hassan	Vill-Mohammadnagar, PO-K.T.M. Hat, PS-Companygonj, Dist-Noakhali	Director-Sales	4,787,500	9.58%
4	Engr. Mohammad Ruhul Majid	Vill-Charua, PO-Charua, PS-Banchkhali, Dist-Chittagong	Director-Implementation	2,150,000	4.30%
5	Md. Ashraf Ali Khan	Vill-Pakshey Bazar, PO-Pakshey, PS-Ishuardi, Dist-Pabna	Director-Administration	5,145,000	10.29%
6	Syed Ferdous Raihan Kirmani	1/2 , Block -D, Lalmatia, Dhaka -1207	DGM-Operation	193,000	0.39%
7	Mohammad Jahurul Islam Sheikh	48/2 Baddanagar Lane (oposit of Baitunnur Zamea Mosque),Hazaribagh,Dhaka.	Chief Financial Officer	100,000	0.25%



Determination of Offering Price

The offering of the ordinary share of Bangladesh Building Systems Ltd. has been determined by assessing the Net Asset Value (NAV) per share. The financial calculation presented below is from the Audited Financial Statements as on 30-06-2012 showing the effect of post issue capital:

The Net Asset Value (NAV) is also equivalent to the shareholders' equity as follows:



Sl. No.	Particulars	Amount in Taka
A.	Shareholders' Equity	
	Share Capital	500,000,000
	Retained Earnings	153,343,429
	TOTAL SHAREHOLDERS' EQUITY (A)	653,343,429
B.	NO. OF SHARE SHOWING THE EFFECT OF POST ISSUE CAPITAL	50,000,000
C.	NET ASSET VALUE PER SHARE (A/B)	13.07

Net Asset Value (NAV) of Bangladesh Building Systems Ltd. is Tk. 13.07. The offer price for IPO is Tk.10.00 per share which is lower than NAV. The management of Bangladesh Building Systems Ltd. believes that the issue price of Tk. 10.00 is fair and justified.



MARKET FOR THE SECURITIES BEING OFFERED

The issuer shall apply to

	Dhaka Stock Exchange Limited (DSE) 9/F, Motijheel C/A, Dhaka-1000.	And		Chittagong Stock Exchange Limited (CSE). CSE Building, 1080 Sheikh Mujib Road, Chittagong.
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Within 7 (seven) working days from the date of consent accorded by the Commission to issue prospectus.

"DECLARATION ABOUT LISTING OF SHARES WITH THE STOCK EXCHANGE(s)"

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

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

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

Trading and settlement

Trading and settlement regulation of the stock exchanges shall apply in respect of trading and settlement of the share of the company.

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

DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED

Dividend, Voting, Preemption Rights:

a) Subject to any special rights and restrictions as to voting upon which any share may be held, on a show of hands every member present in person or by proxy or by attorney or representative of a corporation appointed in accordance with the provisions of the Section 86 of the Act, shall have one vote and upon a poll every member present in person or by proxy or by attorney or representative under Section 86 of the Act, shall have one vote for every share held by him, provided that no company shall vote by proxy so long as a resolution of its Directors under the provisions of Section 86 of the Act, is not in force.

b) Where a company registered under the provisions of the Act, is a member of the company, a person duly appointed to represent such company at a meeting of the company in accordance with the provisions of Section 86 of the Act, shall not be deemed to be a proxy, and the production at the meeting of a copy of such resolution duly signed by Chairman of such company and certified by him as being a true copy of the resolution shall on production at the meeting be accepted by the company as sufficient evidence of the validity of his appointment.



c) Any person entitled under the Transmission article to transfer any shares, may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such shares provided that forty eight hours at least before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot, minor or non-compose mentis, he may vote whether by a show of hands or at poll by his committee of curators or other legal curator and such last mentioned persons may give their votes by proxy.

Where there are joint registered holders of any share any of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he was solely entitled thereto and if more than one of such joint holders be present at any meeting either personally or by proxy, that one of the said persons so present whose name stands first on the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of these Articles be deemed as joint-holders thereof.

Votes may be given either personally or proxy, or in the case of a company, by a representative duly authorized as aforesaid.

The instrument appointing a proxy, and the Power of Attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority, shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.

g) The instrument appointing proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing or if such appointer is a corporate body under its common seal under the hand of its Attorney. A proxy who is appointed for specified meeting only shall be called a special proxy. Any other proxy shall be called a General proxy.

h) A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the death or insanity of the principal or revocation of the instrument of transfer of the share in respect of which the vote is given provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the office before the meeting. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

i) Every instrument appointing a Special Proxy shall, as nearly as circumstances will admit, be in the form or to the effect following and shall be retained by the company.

j) No member shall be entitled to be present or to vote on question either personally or otherwise in the capacity or attorney, representative or proxy at any General Meeting or upon a pool or be reckoned in a quorum whilst any call or other sums shall be due and payable to the Company in respect of any of the shares of such member.

Conversion & Liquidation Right

If the company at any time issues convertible preference shares or Debenture with the consent of SEC, such holders of Securities shall be entitled to convert such securities into ordinary shares if it is so determined by the company.

Subject to the provisions of the Companies Act, 1994, Articles of Association of the company and other relevant Rules in force, the Shares, if any, of the company are freely transferable, the company shall not change any fee for registering transfer of shares. No transfer shall be made to firms, minors or persons of unsound mental health.



Dividend policy:

- a) The profit of the company, subject to any special right relating thereto created or authorized to be created by the Memorandum of Association and subject to the provisions of the Articles of Association, shall be divisible among the members in proportion to the capital paid-up on the shares held by them respectively.
- b) No larger dividend shall be declared than is recommended by the Directors, but the company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of Net Profit of the company shall be conclusive.
- c) No dividend shall be payable except out of profits of the company or any other undistributed profits. Dividend shall not carry interest as against the company.
- d) The Directors may from time to time pay the members such interim dividend as in their judgment the financial position of the company may justify.
- e) A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- f) There is no limitation on the payment of dividends to the common stockholders of the company.

Other Rights of Stockholders

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

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

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

DEBT SECURITIES

Bangladesh Building Systems Ltd. issued or planning to issue any debt securities within next six months.

LOCK IN PROVISION

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

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



Shareholding above 5%

Sl. No.	Name of shareholder	Status	Number of Shares held	Amount in Taka	Percentage of Ownership	Last Allotment Date	Period of lock In from the Date of Issuance of Prospectus
1	Engr. Hasan Morshed Chowdhury	Director & Chairman	2,350,000	23,500,000	4.70%	12.02.12	
2	Engr. Abu Noman Howlader	Director & Managing Director	6,013,900	60,139,000	12.03%	12.02.12	
3	Mr. Md. Ashraf Ali Khan	Director	5,145,000	51,450,000	10.29%	12.02.12	
4	Mohammed Badrul Hassan	Director	4,787,500	47,875,000	9.58%	12.02.12	
5	Engr. Mohammad Ruhul Majid	Director	2,150,000	21,500,000	4.30%	12.02.12	
6	Ms. Khadija Tahera Syria	Shareholder	3,001,194	30,011,940	6.00%	12.02.12	
7	Ms. Monira Noman	Shareholder	3,000,000	30,000,000	6.00%	12.02.12	
8	Mr. Abdul Hannan Howlader	Shareholder	2,912,500	29,125,000	5.83%	12.02.12	
9	Ms. Shahnaj Begum	Shareholder	2,505,000	25,050,000	5.01%	12.02.12	
Sub Total			31,865,094	318,650,940	63.74%		

Shareholding below 5%

Sl. No.	Name of shareholder	Status	Number of Shares held	Amount in Taka	Percentage of Ownership	Last Allotment Date	Period of lock In from the Date of Issuance of Prospectus
10	Mr. Abu Neaim Howlader	Shareholder	2,000,000	20,000,000	4.00%	12.02.12	
11	Ms. Shamima Akhter	Shareholder	1,900,000	19,000,000	3.80%	12.02.12	
12	Mr. Imran Ali Khan	Shareholder	1,500,000	15,000,000	3.00%	12.02.12	
13	Mr. Maksudur Rahman	Shareholder	1,200,000	12,000,000	2.40%	12.02.12	
14	Ms. Sabrina Ahmed Chowdhury	Shareholder	1,146,920	11,469,200	2.29%	12.02.12	
15	Md. Sazzad Ali Khan	Shareholder	1,000,000	10,000,000	2.00%	12.02.12	
16	Ms. Sharmin Sultana Lima	Shareholder	1,000,000	10,000,000	2.00%	12.02.12	
17	Ms. Razia Kalim	Shareholder	996,432	9,964,320	1.98%	12.02.12	
18	Md. Mamun Howlader	Shareholder	910,000	9,100,000	1.82%	12.02.12	
19	Ms. Taufika Sultana	Shareholder	909,805	9,098,050	1.82%	12.02.12	
20	Mr. Md. Abul Hosen		893,249	8,932,490	1.79%	12.02.12	
21	Janata Capital and Investment Ltd.	Shareholder	600,000	6,000,000	1.20%	12.02.12	
22	Ms. Mamotaz Ara	Shareholder	500,000	5,000,000	1.00%	12.02.12	
23	Ms. Anjuman Ara Begum	Shareholder	500,000	5,000,000	1.00%	12.02.12	
24	Mr. Md. Kamrul Hasan	Shareholder	500,000	5,000,000	1.00%	12.02.12	
25	Mr. Fakir Kamrul Hossain	Shareholder	400,000	4,000,000	0.80%	12.02.12	
26	Mr. Mizanur Rahman	Shareholder	300,000	3,000,000	0.60%	12.02.12	
27	Ms. Marzanur Rahman	Shareholder	300,000	3,000,000	0.60%	12.02.12	
28	Mr. Shamsun Nahar Rahman	Shareholder	200,000	2,000,000	0.40%	12.02.12	
29	Md. Azim Hasan	Shareholder	200,000	2,000,000	0.40%	12.02.12	
30	Mr. Syed Ferdous Raihan Kirmani	Shareholder	193,000	1,930,000	0.39%	12.02.12	



Sl. No.	Name of shareholder	Status	Number of Shares held	Amount in Taka	Percentage of Ownership	Last Allotment Date	Period of lock In from the Date of Issuance of Prospectus
31	Md. Obaidul Kabir	Shareholder	150,000	1,500,000	0.30%	12.02.12	
32	Md. Sahedul Islam	Shareholder	120,000	1,200,000	0.24%	12.02.12	
33	Sosanta Kumer Podder	Shareholder	100,000	1,000,000	0.20%	12.02.12	
34	Dr. Shopna Rani Dhar	Shareholder	100,000	1,000,000	0.20%	12.02.12	
35	Mr. Mohammad Jahurul Islam Sheikh	Shareholder	100,000	1,000,000	0.20%	12.02.12	
36	Mr. Md. Obaidur Rahman	Shareholder	60,000	600,000	0.12%	12.02.12	
37	Mr. Shahriar Hossain (Roman)	Shareholder	50,000	500,000	0.10%	12.02.12	
38	Ms. Bilkis Parvin Hassan	Shareholder	50,000	500,000	0.10%	12.02.12	
39	Ms. Dilara Islam	Shareholder	50,000	500,000	0.10%	12.02.12	
40	Mr. GM Muid-Ur-Rahman	Shareholder	50,000	500,000	0.10%	12.02.12	
41	Mr. Muhammad Mahbub Hasan	Shareholder	50,000	500,000	0.10%	12.02.12	
42	Md. Lutfur Rahman	Shareholder	30,000	300,000	0.06%	12.02.12	
43	Ms. Farah Alam	Shareholder	27,500	275,000	0.06%	12.02.12	
44	Md. Harun ar Rashid	Shareholder	26,000	260,000	0.05%	12.02.12	
45	Mr. Md. Salahuddin	Shareholder	12,000	120,000	0.02%	12.02.12	
46	Mr. Ahad-uz-Zaman	Shareholder	10,000	100,000	0.02%	12.02.12	
Sub Total			18,134,906	181,349,060	36.26%		
Grand Total			50,000,000	500,000,000			

REFUND OF SUBSCRIPTION MONEY

As per SEC notification dated 09 February, 2010 the issuer shall refund application money to the unsuccessful Applicant of the Public offer by any of the following manner based on the option given by the applicant in the application form:

- Through banking channel for onward deposit of the refund money into the applicant's bank account as provided in the respective application form for subscription; or
- Through issuance of refund warrant in the name and address of the applicant as provided in the respective application form for subscription:

Provided that, in case of deposit into the applicant's bank account, the applicant will bear the applicable service charge, if any, of the applicant's banker, and the issuer shall simultaneously issue a letter of intimation to the applicant containing, among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected"

SUBSCRIPTION BY AND REFUND TO NON-RESIDENT BANGLADESHI (NRB)

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



AVAILABILITY OF SECURITIES

IPO will be **14,000,000** ordinary shares @ TK. 10.00 each totaling Tk. **140,000,000** as per the Securities and Exchange Commission (Public Issue) Rules, 2006, 20% of total public offering shall be reserved for affected small investors, 10% for non-resident Bangladeshi (NRB) and 10% for mutual funds and collective investment schemes registered with the commission and remaining 60% shall be open for subscription by the general public. The position is thus as follows:

1. Securities:

Sl. No.	Securities	Number of shares	Total amount (Tk.)
A	10% of IPO i.e. 14,00,000 ordinary shares shall be reserved for Non-Resident Bangladeshis (NRB).	1,400,000	14,000,000
B	10% of IPO i.e. 14,00,000 ordinary shares shall be reserved for mutual funds and collective investment schemes registered with the Commission.	1,400,000	14,000,000
C	20% of IPO i.e. 28,00,000 ordinary shares are reserved for affected small investors (পরিচালিত - পরিচালিত/কবি)	2,800,000	28,000,000
D	Remaining 60% of IPO i.e. 1,12,00,000 ordinary shares shall be open for subscription by the general public.	8,400,000	84,000,000
Total		<u>14,000,000</u>	<u>140,000,000</u>

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

Application for subscription:

- Application for Shares may be made for a minimum lot for **500 (Five Hundred)** Ordinary Shares to the value of **Tk. 5,000** respectively and should be made on the company's Printed Application Forms. Application Forms and the Prospectus may be obtained from the Registered Office of the company, Members of the Dhaka and Chittagong Stock Exchange Ltd. or from the Bankers to the Issue. In case of adequate Forms are not available, applicants may use photocopied/cyclostyled/typed/handwritten copies of the Forms. Application must not be for less than **500 Shares**. Any application not meeting the criterion will not be considered for allotment purpose.



02. Joint Application form for more than two persons will not be accepted. In the case of a joint application each party must sign the Application Form.
03. Application must be in full name of individuals or limited companies or trusts or societies and not in the name of firms, minors or persons of unsound mind. Applications from insurance, financial and market intermediary companies must be accompanied by the Memorandum and Articles of Association.
- 04. An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.**
- 05. The applicant shall provide with the same bank account number in the application form as it is in the BO account of the application.**
- 06. The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money too.**
- 07. An IPO applicant shall ensure his/her BO account remains operational till the process of IPO (including securities allotment or refund of IPO application) is completed. If any BO account mentioned in the IPO application is found closed, the allotted security may be forfeited by Bangladesh SEC.**
08. Bangladeshi Nationals (including non-resident Bangladeshi Nationals working abroad) and Foreign Nationals shall be entitled to apply for shares.
09. Payment for subscription by investors other than Non-Resident Bangladeshi may be made to the said branches/office of the Banks mentioned below in Cash/Cheque/Pay Order/Bank Draft. The Cheque/Pay Order/Bank Draft shall be made payable to the Bank to which it is sent and be marked **“BANGLADESH BUILDING SYSTEMS LTD.”** And shall bear the crossing **“Account Payee only”** and must be drawn on a Bank in the same town of the Bank to which Application Form is deposited.
10. A Non-Resident Bangladeshi (NRB) shall apply against the IPO either directly by enclosing a foreign demand draft drawn on a bank payable at Dhaka, or through a nominee (including a Bank or a Company) by paying out of foreign currency deposit account maintained in Bangladesh, for the value of securities applied for. The value of securities applied for may be paid in Taka, US Dollar or UK Pound Sterling or EURO at the spot Buying (TT Clean) rate of exchange prevailing on the date of opening of subscription. Refund against over subscription of shares shall be made in the currency in which the value of shares applied for was paid by the applicant. Share application form against the quota for NRB shall be sent by the applicant directly along with a draft or cheque to the Company at its registered office. Copies of application form and prospectus shall be available with the Bangladesh Embassy/High Commission in USA, UK, Saudi Arabia, UAE, Qatar, Kuwait, Oman, Bahrain, Malaysia and South Korea and web site of the issuer, issue manager, DSE, CSE and the Bangladesh SEC.
11. All completed Application forms together with remittance for the full amount payable on Application shall be lodged by investors other than Non-Resident Bangladeshis with any of the branches of the Bankers to the Issue.



12. The IPO subscription money collected from investors (other than non resident Bangladeshis) by the Bankers to the Issue will be remitted to the Company's **STD A/C No. 007813200000140**, United Commercial Bank Ltd., Mohakhali Branch, Dhaka, Bangladesh for this purpose.
13. The subscription money collected from Non-Resident Bangladeshis in US Dollar or UK Pound Sterling or Euro shall be deposited to below mentioned "FC Account for IPO" with United Commercial Bank Ltd., Mohakhali Branch, Dhaka. In case of over subscription, the company out of the respective FC Accounts shall make refund:

Sl. No.	Name of the FC Accounts	Account No.	Bank & Branch
1.	US Dollar	007814100000499	United Commercial Bank Ltd., Mohakhali Branch, Dhaka
2.	UK Pound Sterling	007814200000012	United Commercial Bank Ltd., Mohakhali Branch, Dhaka
3.	Euro	007814400000017	United Commercial Bank Ltd., Mohakhali Branch, Dhaka

14. In the case of over-subscription of securities to the NRB applicants, refund shall be made by United Commercial Bank Ltd. out of the "FC Account for IPO". Bangladesh Building systems Ltd. has already opened the aforesaid FC Accounts and shall close these FC Accounts after refund of over-subscription if any.
15. *Zvij Kvfz̄ j̄wZM̄Z j̄z̄ā w̄b̄t̄q̄MKvīMY mKj̄ c̄v̄w̄j̄ K Bm̄j̄Z GKK A_ev th̄s̄ w̄n̄m̄t̄ēi th̄ t̄K̄v̄b̄U A_ev Df̄q̄U n̄Z m̄s̄īw̄j̄Z 20% t̄K̄v̄Uq̄ Āt̄ē`b̄ K̄īZ̄ c̄v̄īt̄ēb̄ | Z̄t̄ē Z̄v̄īv̄ B̄P̄Q̄r̄ K̄īt̄j̄ m̄s̄īw̄j̄Z 20% t̄K̄v̄Uq̄ Āt̄ē`b̄ b̄r̄ K̄īt̄j̄ m̄v̄ār̄ī b̄ w̄b̄t̄q̄MKvīt̄`ī R̄b̄` w̄b̄āt̄ī Z̄ t̄K̄v̄Uq̄ Āt̄ē`b̄ K̄īZ̄̄ c̄v̄īt̄ēb̄ | 0*

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

Underwriting of Shares:

As per Bangladesh Securities and Exchange Commission's guideline 50% of the Public Offer of 14,000,000 ordinary share i.e., 7,000,000 ordinary shares of TK. 10.00 each at par i.e., for TK 70,000,000 will be Underwritten by the following Underwriters for the IPO of Bangladesh Building Systems Ltd. with the Underwriting Commission @ 0.50% (zero point fifty percent)

Sl. No	Name of Underwriter	Number of Shares	Amount in Tk.
1	Janata Capital and Investment Ltd.	3,000,000	30,000,000
2	Sonali Investment Ltd.	2,000,000	20,000,000
3	Royal Green Capital Market Ltd.	2,000,000	20,000,000
Total		<u>7,000,000</u>	<u>70,000,000</u>

Principal Terms and Conditions Of Underwriting Agreements:

1. If and to the extent that the shares offered to the public by a Prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the company shall within 10 (Ten) days of the closure of subscription call upon the underwriter in writing with a copy of said writing to the Bangladesh Securities and Exchange Commission, to subscribe for the shares not



- subscribed by the closing date and to pay for in cash in full for such unsubscribed shares in cash in full within 15 (Fifteen) days of the date of said notice and the said amount shall have to be credited into shares subscription account within the said period.
2. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his underwriting commitment under the Agreement, until such time as the Cheque/Bank Draft has been en-cashed and the company's account credited.
 3. In any case within 7 (seven) days after the expiry of the aforesaid 15 (fifteen) days, the company shall send proof of subscription and payment by the underwriter to the Commission.
 4. In the case of failure by the underwriter to pay for the shares under the terms mentioned above, the said Underwriter will not be eligible to underwrite any issue, until such time as he fulfils his underwriting commitment under the Agreement and also other penalties as may be determined by the Commission may be imposed on him.
 5. In case of failure by any underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under the Agreement.
 6. In case of failure by the Company to call upon the underwriter for the aforementioned purpose within the stipulated time, the company and its Directors shall individually and collectively be held responsible for the consequence and/or penalties as determined by the Bangladesh Securities and Exchange Commission under the law may be imposed on them.

Commission for the Underwriters:

The company shall pay to the underwriter an underwriting commission at the rate of 0.50% of the whole public offering amount i.e. Tk. 70,000,000 of the issue value of shares.

Right of Underwriters on Company's Board:

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

Allotment:

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

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

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



MATERIAL CONTRACTS

The following are material contracts in the ordinary course of business, which have been entered into by the company.

- a) Underwriting Agreement between the company and the underwriters.
- b) Issue Management Agreement between the company and the Manager to the Issue, Janata Capital and Investment Ltd.
- c) Contract between the company and the Central Depository Bangladesh Ltd. (CDBL).

Copies of the aforementioned contracts and documents and a copy of Memorandum and Articles of Association of the company and the Consent Order from the Bangladesh Securities and Exchange Commission may be inspected on any working day during office hours at the company's Registered Office.

Manager to the Issue

Janata Capital and Investment Limited, 48, Motijheel C/A (3rd Floor), Dhaka-1000, is acting as the Issue Manager.

The Issue management fee for the Issue manager is 1% of the Issue size or Tk. 2,000,000.00 whichever is lower.

Commission to the Banker to the Issue

Commission at the rate of 0.1% of the amount collected will be paid to the Bankers to the Issue for the services to be rendered by them.



LIST OF BANKERS TO THE ISSUE

Investment Corporation of	of	of	
<p>Bangladesh (ICB) Head office, Dhaka</p> <p>Chittagong Br., Chittagong</p> <p>Rajshahi Br., Rajshahi</p> <p>Khulna Br., Khulna</p> <p>Barisal Br., Barisal</p> <p>Sylhet Br., Sylhet</p> <p>Bogra Br., Bogra</p> <p>Local Office, Dhaka</p> <p>United Commercial Bank Ltd.</p> <p>Principal Br., Motijheel</p> <p>Nayabazar Br., Dhaka</p> <p>Dhanmondi Br., Dhaka</p> <p>Narayanganj Br., Dhaka</p> <p>Mirpur Br., Dhaka</p> <p>Uttara Br., Dhaka</p> <p>Corporate Br., Gulshan Avenue, Dhaka</p> <p>Gulshan Br., Dhaka</p> <p>Mohakhali Br., Dhaka</p> <p>Banani Br., Dhaka</p> <p>Tejgaon Br., Dhaka</p> <p>Bijoy nagar Br., Dhaka</p> <p>Khatunganj Br., Chittagong</p> <p>Agrabad Br., Chittagong</p> <p>Jubilee Road Br., Chittagong</p> <p>Cox's Bazar Branch</p> <p>Comilla Branch</p> <p>Mymensingh Branch</p> <p>Majidee Court Br., Noakhali</p> <p>Sylhet Branch</p> <p>Pabna Branch</p> <p>Rangpur Branch</p> <p>Dinajpur Branch</p> <p>Bogra Branch</p> <p>Rajshahi Branch</p> <p>Khulna Branch</p> <p>Jessore Branch</p> <p>Kushtia Branch</p> <p>Barisal Branch</p> <p>Faridpur Branch</p> <p>Janata Bank Ltd.</p> <p>Banani Branch, Dhaka</p> <p>Dhanmondi Branch, Dhaka</p> <p>Elephant road corporate Branch, Dhaka</p> <p>Gulshan-2 corporate Branch, Dhaka</p> <p>Uttara model town Branch, Dhaka</p> <p>Mohakhali Branch, Dhaka</p> <p>Mohammadpur Branch, Dhaka</p> <p>Imamgonj Branch, Dhaka</p> <p>Mouchak market Branch, Dhaka</p> <p>Shantinagar corporate Branch, Dhaka</p> <p>Dhaka university Branch, Dhaka</p> <p>Kawran Bazar Branch, Dhaka</p> <p>Rajarbagh Branch, Dhaka</p> <p>Satmaszid Road Branch, Dhaka</p> <p>Motijheel Branch, Dhaka</p> <p>Mirpur-10 Branch, Dhaka</p> <p>B.B Road Branch, Narayanganj</p> <p>Laldigi Branch, Chittagong</p> <p>Sheikh Mujib Road Branch, Chittagong</p> <p>Khulna corporate Branch, Khulna</p> <p>Sylhet corporate Branch, Sylhet</p> <p>Foreign exchange Branch, Sylhet</p> <p>Rajshahi Branch, boalia, Rajshahi</p> <p>Kushtia Branch</p> <p>Comilla Branch</p> <p>Barisal Branch</p> <p>Majidee Court Br., Noakhali</p> <p>Mymensingh Branch</p> <p>Norshingdi Branch</p> <p>Rangpur Branch</p> <p>Faridpur Branch</p> <p>Bogra Branch</p> <p>Dinajpur Branch</p> <p>Gopalgonj Branch</p> <p>Southeast Bank Limited</p> <p>Principal Branch, Dhaka</p> <p>Corporate Branch, Dhaka</p> <p>Imamgonj Branch, Dhaka</p> <p>Dhanmondi Branch, Dhaka</p> <p>Uttara Branch, Dhaka</p> <p>New Elephant Road Branch, Dhaka</p> <p>Gulshan Branch, Dhaka</p> <p>Kakrail Branch, Dhaka</p> <p>Banani Branch, Dhaka</p> <p>Bangshal Branch, Dhaka; New Eskaton Branch, Dhaka</p>	<p>Pragati Sarani Branch, Dhaka</p> <p>Agargaon Branch, Dhaka</p> <p>Sat masjid Road Branch, Dhaka</p> <p>Shaymoli Branch, Dhaka</p> <p>Aganagar Branch, Dhaka</p> <p>Kawran Bazar Branch, Dhaka</p> <p>Ashulia Branch, Dhaka</p> <p>Rokeya sarani Branch, Dhaka</p> <p>Savar Branch, Dhaka</p> <p>Mouchak Branch, Dhaka</p> <p>Bashundhara Branch, Dhaka</p> <p>Mohammadpur Branch, Dhaka</p> <p>Motijheel Branch, Dhaka</p> <p>Dhanian Branch, Dhaka</p> <p>Islampur Branch, Dhaka</p> <p>Hemayetpur Branch, Dhaka</p> <p>Madhabdi Branch, Narshingdi</p> <p>Narayanganj Branch</p> <p>Konabari Branch, Gazipur</p> <p>Tongi Branch, Gazipur</p> <p>Joydebpur Branch, Gazipur</p> <p>Madambibir Hat Branch, Chittagong</p> <p>Agrabad branch, Chittagong</p> <p>Khatunganj Branch, Chittagong</p> <p>Jubilee Road Branch, Chittagong</p> <p>Halishahar Branch, Chittagong</p> <p>CDA avenue Branch, Chittagong</p> <p>Pahartali Branch, Chittagong</p> <p>Momin Road Branch, Chittagong</p> <p>Comilla Branch</p> <p>Munshigong Branch</p> <p>Chouhata Branch, Sylhet</p> <p>Laldighirpaar Branch, Sylhet</p> <p>Bandar Bazar Branch, Sylhet</p> <p>Shahjalal Uposahar Branch, Sylhet</p> <p>Pathantula Branch, Sylhet</p> <p>Khulna Branch</p> <p>Chowmuhan Branch, Noakhali</p> <p>Cox's Bazar Branch</p> <p>Chahagalaia Branch, Feni</p> <p>Feni Branch</p> <p>Bashurhat Branch, Noakhali</p> <p>Bogra Branch</p> <p>Jessore SME Branch</p> <p>Barisal Branch</p> <p>Naogaon Branch</p> <p>Mouluvibazar Branch</p> <p>Satkira SME Branch</p> <p>Narsingdi SME Branch</p> <p>Rajshahi Branch</p> <p>Tangail SME Branch</p> <p>Dinajpur Branch</p> <p>Chapainawabganj Branch</p> <p>Prime Bank Limited</p> <p>Asad Gate Branch, Dhaka</p> <p>Bangshal Branch, Dhaka</p> <p>Banani Branch, Dhaka</p> <p>Dhanmondi Branch, Dhaka</p> <p>Elephant Road Branch, Dhaka</p> <p>IBB Dilkusha Branch, Dhaka</p> <p>IBB Mirpur Branch, Dhaka</p> <p>Kawran Bazar Branch, Dhaka</p> <p>Foreign exchange Branch, Dhaka</p> <p>Mohakhali Branch, Dhaka</p> <p>Mouchak Branch, Dhaka</p> <p>New Eskaton Branch, Dhaka</p> <p>Sat masjid Road Branch, Dhaka</p> <p>S.B.C Tower, Dhaka</p> <p>Uttara Branch, Dhaka</p> <p>Bashundhara Branch</p>	<p>Tongi Branch, Gazipur</p> <p>Narayanganj Branch</p> <p>Agrabad Branch, Chittagong</p> <p>Khatunganj Branch, Chittagong</p> <p>Jubilee Road Branch, Chittagong</p> <p>IBB, O.R. Nizam road, Chittagong</p> <p>Laldighi East Branch, Chittagong</p> <p>Probortok More, Chittagong</p> <p>Subid Bazar Branch, Sylhet</p> <p>Upashahar Branch, Sylhet</p> <p>Court Road Branch, moulvibazar</p> <p>Sremongal Branch, moulvibazar</p> <p>Bogra Branch</p> <p>Rajshahi Branch</p> <p>Rangpur Branch</p> <p>Jessore Branch</p> <p>Faridpur Branch</p> <p>Dinajpur Branch</p> <p>Comilla Branch</p> <p>Feni Branch</p> <p>Khulna Branch</p> <p>Natore Branch</p> <p>Sunamgonj Branch</p> <p>Mymensingh Branch</p> <p>BRAC BANK LIMITED</p> <p>Asad Gate Branch, Dhaka</p> <p>Banani Branch, Dhaka</p> <p>Bashundhara Branch, Dhaka</p> <p>Donia Branch</p> <p>Eskaton Branch</p> <p>Graphics building Branch, Dhaka</p> <p>Gulshan Branch, Dhaka</p> <p>Manda Branch</p> <p>Mirpur Branch, Dhaka</p> <p>Narayanganj Branch</p> <p>Nawabpur Branch, Dhaka</p> <p>Rampura Branch, Dhaka</p> <p>Shyamoli Branch, Dhaka</p> <p>Uttara Branch, Dhaka</p> <p>Agrabad Branch, Chittagong</p> <p>CDA Avenue Branch, Chittagong</p> <p>Momin Road Branch, Chittagong</p> <p>Halisorh Branch, Chittagong</p> <p>Kazirdeuri Branch, Chittagong</p> <p>Bogra Branch</p> <p>Rajshahi Branch</p> <p>Khulna Branch</p> <p>Jessore Branch</p> <p>Barisal Branch</p> <p>Zindabazar Branch, Sylhet</p> <p>Commercial bank of Ceylon PLC</p> <p>Motijheel Branch</p> <p>Dhanmondi Branch</p> <p>Mirpur Branch</p> <p>Uttara Branch</p> <p>Gulshan Branch</p> <p>Sonargaon Branch</p> <p>Bangshal Road Branch</p> <p>Progati sharani Branch</p> <p>Shantinagar Branch</p> <p>Tongi Branch</p> <p>Agrabad Branch, Chittagong</p> <p>Jubilee Road Branch, Chittagong</p> <p>CDA Avenue Branch, Chittagong</p> <p>Sylhet Branch</p> <p>Narayanganj Branch</p> <p>Jamuna Bank Limited</p> <p>Mohakhali Branch, Dhaka</p> <p>Sonargaon Road Branch, Dhaka</p>	<p>Dilkusha Branch, Dhaka</p> <p>Shantinagar Branch, Dhaka</p> <p>Gulshan Branch, Dhaka</p> <p>Dhanmondi Branch, Dhaka</p> <p>Islampur Branch, Dhaka</p> <p>Moulvibazar Branch, Dhaka</p> <p>Motijheel Branch, Dhaka</p> <p>Dholaikhal Branch, Dhaka</p> <p>Banani Branch, Dhaka</p> <p>Mirpur Branch, Dhaka</p> <p>Malibagh Branch, Dhaka</p> <p>Ring Road Branch, Dhaka</p> <p>Savar Branch, Dhaka</p> <p>Mawna Branch, Gazipur</p> <p>Narayanganj Branch</p> <p>Agrabad Branch, Chittagong</p> <p>Jubilee Road Branch, Chittagong</p> <p>Khatunganj Branch, chittagong</p> <p>Kushtia Branch</p> <p>Rajshahi Branch</p> <p>Bogra Branch</p> <p>Comolla Branch</p> <p>Feni Branch</p> <p>Jessore Branch</p> <p>Barisal Branch</p> <p>Sylhet Branch</p> <p>IFIC BANK LIMITED</p> <p>Federation Branch, Dhaka</p> <p>Mohakhali Branch, Dhaka</p> <p>Elephant Road Branch, Dhaka</p> <p>Kawran Bazar Branch, Dhaka</p> <p>Uttara Branch, Dhaka</p> <p>Pallabi Branch, Dhaka</p> <p>Narsingdi Branch, Dhaka</p> <p>Narayanganj Branch, Narayanganj</p> <p>Faridpur Branch, Faridpur</p> <p>Dhanmondi Branch, Dhaka</p> <p>Banani Branch, Dhaka</p> <p>Shantinagar Branch, Dhaka</p> <p>Islampur Branch, Dhaka</p> <p>Naya Paltan Branch, Dhaka</p> <p>Malibagh Branch, Dhaka</p> <p>Noth Brook Hall Road Branch, Dhaka</p> <p>Maymensingh Branch, Maymensingh</p> <p>Stock Exchange Branch, Dhaka</p> <p>Mirpur Branch, Dhaka</p> <p>Agrabad Branch, Chittagong</p> <p>Madam Bibir Hat Branch, Chittagong</p> <p>Sheikh Mojib Road Branch, Chittagong</p> <p>Brahmanbaria Branch, Chittagong</p> <p>Feni Branch, Feni</p> <p>CDA Avenue Branch, Chittagong</p> <p>Cox's Bazar Branch</p> <p>Comilla Branch</p> <p>Chumuhani Branch</p> <p>Alanker More Branch, Chittagong</p> <p>Rajshahi Branch, Rajshahi</p> <p>Bogora Branch, Bogora</p> <p>Dinazpur Branch, Dinijpur</p> <p>Rangpur Branch, Rangpur</p> <p>Pabna Branch, Pabna</p> <p>Khulna Branch, Khulna</p> <p>Jessore Branch, Jessore</p> <p>Boro Bazar Branch, Khulna</p> <p>Kushtia Branch, Kushtia</p> <p>Barisal Branch, Barisal</p> <p>Sylhet Branch, Sylhet</p> <p>Moulvi Bazar Branch</p> <p>Uposhohor Branch, Sylhet</p> <p>Tultikar Branch Sylhet-3100</p>



CORPORATE DIRECTORY

Registered & Corporate Office	Bangladesh Building Systems Ltd. House # 26, Road # 03, Block # I, Banani, Dhaka-1213, Bangladesh. Web: www.bbspeb.com Phone: 02-9894402, 9871401 Fax: 88-02-9871630
Issue Manager	Janata Capital and Investment Limited 48, Motijheel C/A (3rd Floor), Dhaka-1000. Bangladesh. Web: www.jcil-bd.com Phone: 02-9564825 Fax: 88-02-7110496
Auditor	KAZI ZAHIR KHAN & CO. Chartered Accountants 67/4, Kakrail, Dhaka-1000 Phone: 02-8356107, 8321634, Fax:880-2-9358166 E-mail: kzkc_bd@yahoo.com
Compliance Officer of the Company	Mohammad Golam Sabur, FCMA Company Secretary Mobile : 01713114557, 01713114558

All investors are hereby informed that Mohammad Golam Sabur, FCMA would be designated as Compliance Officer who will monitor the compliance of the Acts, Rules, Regulations, Notifications, Guidelines, Conditions, Orders and Directions issued by the Commission and/or Stock Exchange(s) applicable to the conduct of the business activities of the company so as to promote the interest of the investors in the security issued by the company, and for redressing investors grievances.



Bangladesh Building Systems Ltd.

Determination of Offering Price

The offering of the common stock of Bangladesh Building Systems Ltd. has been determined by assessing the Net Asset Value (NAV) per share. The financial calculation presented below is from the Audited Accounts as on 30-06-2012:

Sl. No.	Particulars	Amount in Taka
A.	Non-Current Assets	615,378,092
	Property, Plant & Equipment	615,378,092
	Preliminary Expenses	-
	Intangible Assets	-
	Pre-Operating Expenses	-
	Capital Work-in-Progress	-
B.	Current Assets	604,432,802
	Inventories	203,272,620
	Accounts Receivables	239,308,318
	Advances, Deposits & Pre-payments	139,687,662
	Cash & Bank Balances	22,164,202
C.	TOTAL ASSETS (A+B)	1,219,810,894
D.	Non-Current Liabilities	120,413,925
	Long Term Loan	47,590,366
	Deferred Tax Liabilities	72,823,559
E.	Current Liabilities	446,053,540
	Short Term Loan	338,631,118
	Current Portion of Long Term Loan	37,596,708
	Creditors & Accrual	27,827,667
	Liability for Expenses	15,561,964
	Provision for Tax	26,436,083
F.	TOTAL LIABILITIES (D+E)	566,467,465
G.	NET ASSETS (C-F)	653,343,429
H.	NO. OF SHARE	50,000,000
I.	NET ASSET VALUE PER SHARE (G/H)	13.07

The Net Asset Value (NAV) is also equivalent to the shareholders' equity as follows:

Sl. No.	Particulars	Amount in Taka
A.	Shareholders' Equity	
	Share Capital	500,000,000
	Share Money Deposit	153,343,429
	TOTAL SHAREHOLDERS' EQUITY (A)	653,343,429
B.	NO. OF SHARE	50,000,000
C.	NET ASSET VALUE PER SHARE (A/B)	13.07

We have examined the above calculation of Net Asset Value (NAV) of Bangladesh Building Systems Ltd. and found it to be properly prepared based on the financial statements of the Company for the year ended on 30 June, 2012.

Dated: Dhaka
20 January, 2013

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants.



KAZI ZAHIR KHAN & CO.

CHARTERED ACCOUNTANTS

AUDITORS' REPORT TO THE SHAREHOLDERS OF BANGLADESH BUILDING SYSTEMS LTD.

Introduction

We have audited the accompanying Financial Statements of **Bangladesh Building Systems Ltd.**, which comprise the Statement of Financial Position as at 30 June, 2012, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994, the Securities & Exchange Rules, 1987 and other applicable laws and regulations. The responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the Company's affairs as at 30 June, 2012 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act, 1994, the Securities & Exchange Rules, 1987 and other applicable laws and regulations.

We also report that:

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

Sd/-

KAZI ZAHIR KHAN & CO.
Chartered Accountants
Dated: Dhaka
25 October, 2012



BANGLADESH BUILDING SYSTEMS LTD.
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE, 2012

Particulars	Note	2011-2012 Taka	2010-2011 Taka
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	3.00	615,378,092	377,641,183
		615,378,092	377,641,183
Current Assets			
Inventories	4.00	203,272,620	147,049,072
Account Receivables	5.00	239,308,318	287,501,040
Advances, Deposits & Pre-payments	6.00	139,687,662	78,167,396
Cash & Cash Equivalents	7.00	22,164,202	7,412,861
		604,432,802	520,130,369
Total Assets		1,219,810,894	897,771,552
EQUITY & LIABILITY			
Shareholders' Equity			
Share Capital	8.00	500,000,000	100,000,000
Share Money Deposit	9.00	-	95,750,000
Retained Earnings	10.00	153,343,429	88,181,538
		653,343,429	283,931,538
Non-Current Liabilities			
Long Term Loan	11.00	47,590,366	78,791,087
Deferred Tax Liabilities	12.00	72,823,559	47,193,761
		120,413,925	125,984,848
Current Liabilities			
Short Term Loan	13.00	338,631,118	374,859,566
Current Portion of Long term Loan	14.00	37,596,708	32,022,363
Creditors & Accruals	15.00	27,827,667	57,552,397
Liabilities for Expenses	16.00	15,561,964	10,452,093
Provision for Tax	17.00	26,436,083	12,968,747
		446,053,540	487,855,166
Total Liabilities		566,467,465	613,840,014
Total Equity & Liabilities		1,219,810,894	897,771,552
Net Asset Value (NAV) per Share	25.00	13.07	18.82

The accounting policies and other notes form an integral part of the financial statements.

Sd/-
Managing Director

Sd/-
Chairman

Sd/-
Chief Financial Officer

This is the Statement of Financial Position
referred to in our report of even date.

Dated: Dhaka
25 October, 2012

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants



KAZI ZAHIR KHAN & CO.
Chartered Accountants

BANGLADESH BUILDING SYSTEMS LTD.

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE, 2012**

Particulars	Note	2011-2012 Taka	2010-2011 Taka
Turnover	18.00	1,154,305,498	848,686,058
Cost of Goods Sold	19.00	(926,957,689)	(687,561,479)
Gross Profit		227,347,809	161,124,579
Operating Expenses :			
Administrative Overhead	20.00	(37,633,994)	(41,137,628)
Marketing & Selling Overhead	21.00	(14,336,339)	(15,431,994)
Operating Profit		175,377,476	104,554,957
Other Income	22.00	1,710,501	305,394
Financial Expenses	23.00	(67,616,001)	(54,214,025)
Profit before WPPF		109,471,976	50,646,326
Contribution to WPPF		5,212,951	2,411,730
Profit before Tax		104,259,025	48,234,596
Income Tax Expenses		(39,097,134)	(18,087,974)
Current Tax	17.00	(13,467,336)	(1,191,488)
Deferred Tax	12.00	(25,629,798)	(16,896,486)
Profit after Tax		65,161,891	30,146,622
Earning per Share (EPS)	24.00	2.58	3.01

The accounting policies and other notes form an integral part of the financial statements.

Sd/-
Managing Director

Sd/-
Chairman

Sd/-
Chief Financial Officer

This is the Statement of Comprehensive Income
referred to in our report of even date.

Dated: Dhaka
25 October, 2012

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants



KAZI ZAHIR KHAN & CO.
Chartered Accountants

**BANGLADESH BUILDING SYSTEMS LTD.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE, 2012**

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance at 1 July, 2010	50,000,000	-	58,034,916	108,034,916
Profit during the year	-	-	30,146,622	30,146,622
Deposit during the year	50,000,000	95,750,000	-	145,750,000
Balance at 30 June, 2011	100,000,000	95,750,000	88,181,538	283,931,538
Balance at 1 July, 2011	100,000,000	95,750,000	88,181,538	283,931,538
Profit during the year	-	-	65,161,891	65,161,891
Adjusted during the year	95,750,000	(95,750,000)	-	-
Deposit during the year	304,250,000	-	-	304,250,000
Balance at 30 June, 2012	500,000,000	-	153,343,429	653,343,429

The accounting policies and other notes form an integral part of the financial statements.

Sd/-
Managing Director

Sd/-
Chairman

Sd/-
Chief Financial Officer

This is the Statement of Changes in Equity referred to in our report of even date.

Dated: Dhaka
25 October, 2012

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants



KAZI ZAHIR KHAN & CO.
Chartered Accountants

BANGLADESH BUILDING SYSTEMS LTD.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE, 2012

Particulars	2011-2012 Taka	2010-2011 Taka
Cash Flows from Operating Activities		
Collection from Customers & Others	1,204,208,721	716,191,253
Payment to Supplier, Employees & Others	(1,094,544,204)	(735,820,141)
Net Cash Generated from Operating Activities	109,664,517	(19,628,888)
Cash Flows from Investing Activities		
Acquisition of Property Plant & Equipment	(269,692,351)	(196,104,340)
Net Cash used in Investing Activities	(269,692,351)	(196,104,340)
Cash Flows from Financing Activities		
Loan from/(Repayment) of Long Term Loan	(31,200,721)	(30,505,983)
Loan from/(Repayment) of Current Portion of Long Term Loan	5,574,345	11,333,341
Loan from/(Repayment) of Short Term Loan	(36,228,448)	131,864,193
Share Capital	304,250,000	50,000,000
Share Money Deposit	-	95,750,000
Bank Interest Paid	(67,616,001)	(54,214,025)
Net Cash Generated from Financing Activities	174,779,175	204,227,526
Net Cash Increase in Cash & Cash Equivalents	14,751,341	(11,505,702)
Cash & Cash Equivalents at the Beginning of the year	7,412,861	18,918,563
Cash & Cash Equivalents at the End of the year	22,164,202	7,412,861
Net Operating Cash Flows per Share (NOCFPS)	4.35	(1.96)

The accounting policies and other notes form an integral part of the financial statements.

Sd/-
Managing Director

Sd/-
Chairman

Sd/-
Chief Financial Officer

This is the Statement of Cash Flows
referred to in our report of even date.

Dated: Dhaka
25 October, 2012

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants



KAZI ZAHIR KHAN & CO.
Chartered Accountants

Bangladesh Building System Ltd. Notes to the Financial Statements for the year ended 30 June, 2012

1.00 The Company & It's Operations:

1.01 Legal form of the Company:

The Company was incorporated in 19 July, 2003 as a 'Private' Company limited by shares and registered with the Registrar of Joint Stock Companies & Firms of Bangladesh under the Companies Act, 1994. It has started its commercial production in the year 2005. On 30 October, 2010 the Company registered itself as a Public Limited Company under the Companies Act, 1994.

1.02 Address of the Registered & Corporate Office:

The registered office of the Company is located at House#26, Road#3, Block#1, Banani, Dhaka-1213 and its factory is situated at Janina Bazar, Dhaka Mymensingh Highway, Telehate, Sreepur.

1.03 Nature of Business Activities

The principal activities of the Company throughout the year continued to be manufacturing and marketing of Pre-Engineered Steel Building (PEB) in Bangladesh to meet-up the growing demand especially in the industrial sector.

Bangladesh Building System Ltd. (BBS) always eager for managing and seeking expertise and obtaining state of art technology to provide engineering solutions with world class quality and best customer services. It holds two world class quality certifications like "ISO 9001-2000" and "UKAS 018" from international organizations. Usually, BBS deals with pre-engineered steel buildings like factories, warehouses, hall rooms, workshops, aircraft hangers, office buildings, commercial showrooms, distribution centers, supermarkets, restaurants and residential buildings as well.

2.00 Summary of Significant Accounting & Valuation Principles:

2.01 Basis of Preparation & 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 and IAS and IFRS adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standard (BFRS). The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to BAS-1 "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and cash flow statement according to BAS-7 "Cash Flow Statement".

2.02 Accounting Convention and Assumption:

The financial statements are prepared under the historical cost convention.



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Chartered Accountants

2.03 Principal 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 preparation and presentation of financial statements. Financial statements have been prepared and presented in compliance with BAS-1 "Presentation of Financial Statements". The previous year's figures were formulated according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item.

Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per BAS-1.

2.03.1 Legal Compliance:

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act, 1994 and IASs adopted by the ICAB. On the basis of these regulations, Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) were applied with the applicable standards at the Statement of Financial Position date.

2.03.2 Critical Accounting Estimates, Assumptions and Judgments:

The preparation of the financial statements are in conformity with BFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

2.04 Application of Standards:

The following BASs and BFRSs are applicable for the financial statements for the year 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 Taxes;
- BAS-16 Property, Plant & Equipment;
- BAS-17 Leases;
- BAS-18 Revenue;
- BAS-19 Employee Benefits;
- BAS-23 Borrowing Costs;
- BAS-24 Related Parties Disclosure;
- BAS-33 Earnings per Share;
- BAS-37 Provisions, Contingent Liabilities and Contingent Assets;
- BAS-38 Intangible Assets.

2.05 Property, Plant & Equipment:

Tangible fixed assets are accounted for according to BAS-16: Property, Plant & Equipment at historical cost less cumulative depreciation and the capital work-in-progress is stated at cost. Both tangible and intangible assets are depreciated/amortized according to the diminishing balance method.



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Chartered Accountants

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized as non operating income and reflected in the profit & loss account.

2.06 Depreciation of the Fixed Assets:

Consistently, depreciation is provided on diminishing balance method based on written down value at which the asset is carried in the books of account.

Depreciation continues to be provided until such time as the written down value is reduced to Taka one.

Depreciation on acquisition is made for full year at the year of acquisition and charging no depreciation on item ceases for the year in which the deletion thereof takes place.

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

Category of Fixed Assets	Rate %
Land & Land Development	-
Factory Buildings	5
Plant & Machinery	5
Electrical Installation	15
Furniture & Fixtures	10
Office Equipment	15
Office Decoration	10
Vehicles	5

2.07 Valuation of Inventories:

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

Category of Inventories	Basis of Valuation
Raw & Packing Materials	: At Weighted Average Cost
Work-in-Progress	: At Standard Cost
Finished Goods	: At Standard Cost
Stores & Consumable Items	: At Cost
Materials-in-Transit	: At Cost

Standard cost comprises value of materials, standard activity cost and overheads.

2.08 Cash & Cash Equivalents:

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

2.09 Creditors & Accrued Expenses:

2.09.1 Trade & Other Payables:

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

2.09.2 Provision:

The preparation of financial statements in conformity with International Accounting Standards BAS-37 Provisions, Contingent Liabilities and Contingent Assets requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.



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Chartered Accountants

2.10 Employee Benefits (Staff Provident Fund):

The Company provides sufficient fund for staff provident fund each year for all eligible permanent employees but the staff provident fund is yet to recognize.

2.11 Workers' Profit Participation Fund:

Contribution to Workers' Profit Participation Fund has been made at 5% of the net profit after charging such contribution.

2.12 Taxation:

Provision is made at the ruling rate, considering tax, applied on 'estimated' taxable profit as a "Public Limited Company".

2.13 Deferred Tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Statement of Financial Position liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. BBS recognized deferred tax liabilities for all taxable temporary differences.

2.14 Contingent Liabilities and Assets:

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with BAS-37 Provision, Contingent Liabilities and Contingent Assets are disclosed in the notes to the financial statements.

2.15 Revenue Recognition:

In compliance with the requirements of BAS-18 "Revenue", revenue is recognized only when:

- The products are invoiced and dispatched to the customers; and
- Interest income is recognized on accrual basis.

2.16 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 commercial banks was charged off as revenue expenditure as they incurred.

2.17 Cash Flow Statement:

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.

2.18 Earning per Share:

The Company calculates Earning per Share (EPS) in accordance with BAS-33 "Earning per Share", which has been shown on the face of Statement of Comprehensive Income, and the computation of EPS is stated in the note.



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Chartered Accountants

2.18.1 Basic Earnings:

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

2.18.2 Weighted Average Number of Ordinary Shares Outstanding during the year:

Computation of weighted average number of ordinary shares is required, as number of shares outstanding has been changed during the year under review.

2.18.3 Basic Earnings per Share:

This has been calculated by dividing the basic earnings by number of weighted average ordinary shares outstanding during the year.

2.18.4 Diluted Earnings per Share:

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

2.19 Components of the Financial Statements:

According to the Bangladesh Accounting Standards (BAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components":

- Statement of Financial Position as at 30 June, 2012;
- Statement of Comprehensive Income for the year ended 30 June, 2012;
- Statement of Changes in Equity for the year ended 30 June, 2012;
- Statement of Cash Flows for the year ended 30 June, 2012 &
- Accounting Policies and Explanatory Notes.

2.20 Comparative:

Financial statements are presented as BAS-1 "Presentation of Financial Statements" and previous year's figures have been restated due to changes in some accounting policies as per BAS-8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2.21 General:

Wherever considered necessary, previous year's figures have been rearranged for the purpose of comparison;

Figures appearing in the financial statements have been rounded off to the nearest Taka.



3.00

Property, Plant & Equipment: Tk. 615,378,092

KAZI ZAHIR KHAN & CO

Chartered Accountants

Sl. No.	Particulars	Cost				Rate	Depreciation				Written down value as on 30 June 2012
		Balance at 1 July 2011	Addition during the year	Transfer/ Disposal during the year	Balance at 30 June 2012		Balance at 1 July 2011	Charge for the year	Transfer/ Disposal during the year	Balance at 30 June 2012	
1	Land & Land Development	19,696,705	25,587,992	-	45,284,697	-	-	-	-	-	45,284,697
2	Factory Building & Other Construction	91,905,599	117,285,984	-	209,191,583	5%	11,310,117	9,894,073	-	21,204,190	187,987,393
3	Plant & Machinery	306,607,254	108,471,401	-	415,078,655	5%	47,770,585	18,365,404	-	66,135,989	348,942,666
4	Electrical Installation	2,685,178	4,728,327	-	7,413,505	15%	1,415,135	899,756	-	2,314,891	5,098,614
5	Furniture & Fixtures	13,405,275	2,299,497	-	15,704,772	10%	4,149,854	1,155,492	-	5,305,346	10,399,426
6	Office Equipment & Computer	3,498,345	3,125,781	-	6,624,126	15%	1,484,165	770,994	-	2,255,159	4,368,967
7	Office Decoration	1,090,936	2,695,306	-	3,786,242	10%	557,833	322,841	-	880,674	2,905,568
8	Motor Vehicle-Lease	5,725,873	5,498,063	-	11,223,936	5%	286,293	546,882	-	833,175	10,390,761
Total 30-06-2012		444,615,165	269,692,351	-	714,307,516		66,973,982	31,955,442	-	98,929,424	615,378,092
Total 30-06-2011		261,010,825	183,604,340	-	444,615,165		47,155,655	19,818,327	-	66,973,982	377,641,183

Depreciation charged for the year has been allocated as follows:

	30-06-2012	30-06-2011
Manufacturing Overhead	29,159,233	18,088,976
Administrative Expenses	2,796,209	1,729,351
Total	31,955,442	19,818,327



KAZI ZAHIR KHAN & CO.
Chartered Accountants

	Qty (MT/SQ M /PCS)	2011-2012 Taka	Qty (MT/SQM /PCS)	2010-2011 Taka
4.00 Inventory: Tk. 203,272,620				
Raw Material (4.01)		120,890,836		102,934,350
Work-in-Process (4.02)		20,683,765		9,704,908
Finished Goods (4.03)		61,698,019		34,409,814
Total		203,272,620		147,049,072
4.01 Raw Material: Tk. 120,890,836				
Aluminium Foil	120,451	4,938,500	179,269	7,170,760
Bolt & Nut	197,194	8,873,762	326,649	12,884,811
Galvalume Steel Coils	222	23,437,092	205	19,510,820
Hot Roll Steel Sheet/Plate	774	58,384,950	643	41,215,291
Zink Aluminium Alloy Coated Steel Coils (Pre-Painted)	256	25,256,532	235	22,152,668
Total		120,890,836		102,934,350
4.02 Work-in-Process: Tk.20,683,765				
Bolt & Nut	397	17,888	751	25,975
D-Cool	10,431	1,908,170	8,222	1,318,673
Decking Sheet	14	1,436,945	26	2,086,460
Pre-fabricated I-Section	176	13,242,486	74	4,708,130
Roof Sheet	41	4,078,276	17	1,565,670
Total		20,683,765		9,704,908
4.03 Finished Goods: Tk. 61,698,019				
Bolt & Nut	861	38,746	1,603	56,260
D-Cool	21,614	3,953,712	9,192	1,384,802
Decking Sheet	18	1,889,736	34	2,743,921
Pre-fabricated I-Section	532	40,115,965	203	14,688,504
Roof Sheet	159	15,699,860	161	15,536,327
Total		61,698,019		34,409,814
5.00 Account Receivables: Tk. 239,308,318				
Receivables from Customers (5.01)		239,308,318		287,501,040
Total		239,308,318		287,501,040



KAZI ZAHIR KHAN & CO.

Chartered Accountants

2011-2012 **2010-2011**
Taka **Taka**

5.01 Receivables from Customers: Tk. 239,308,318

ACS Textile BD. Ltd.	-	900,000
ACI Formulation Ltd.	84,805	394,805
Al Habib Complex	-	12,200
Aftab Milk Ltd.	275,000	775,000
Afil Breeder Firm Ltd.	-	14,000,000
Akij Dyeing Ltd.	1,410,110	13,700,000
Aman Bd. Ltd.	4,646,999	-
Ananta Sandblast Ltd.	-	382,500
Bashundhara Paper Mills Ltd.	2,444,040	3,372,040
Bashundhara Group	2,450,741	4,564,160
Banito Button	1,435,000	-
Bengal Concept & Holding	39,764	-
Best Eastern CNG Filling Station	-	350,000
Basu Dev	-	14,837
Dada Bag Industries Ltd.	710,189	860,221
Dekko Accessories Ltd.	-	20,400
Dhaka Tobacco Ltd.	2,751,557	9,950,000
East West Human Resource Ltd.	1,078,492	1,253,515
Energypac Power Generation Ltd.	12,253,020	12,850,000
Energypac Power Engineering Ltd.	2,051,219	-
Envoy Textiles Ltd.	25,305,107	700,000
Envoy Power Plant	1,809,000	-
Euko Footwear Ltd.	120,000	270,000
Fahaim Washing Plant Ltd.	2,843,780	3,245,230
Fakir Fashion Ltd.	2,556,189	13,900,000
FB Fashion Ltd.	-	270,000
Gazipur Paper Mills Ltd.	-	3,660,000
GBBL	226,112	-
Giant Textiles Ltd.	11,803,149	-
GM Textile Ltd.	-	31,691,460
GMS Composite Knitting Industries Ltd.	-	698,829
Grameen Fabrics and Fashion Ltd.	328,000	2,196,000
Granville Group	-	31,000
Gulshan Spinning Trading	105,000	-
Hamim Danim Ltd.	-	2,277,977
Hamdard Laboratories	3,646,388	6,246,388
Hamim Gents Ware Ltd.	134,490	1,698,650



KAZI ZAHIR KHAN & CO.
Chartered Accountants

	2011-2012	2010-2011
	Taka	Taka
Hamim Denims	1,837,728	-
Iris Fabric Ltd.	3,817,958	-
Iron Bulding System Ltd.	231,300	-
Jamuna Denims Ltd.	-	2,410,858
Jobaida Karim Jute Ltd.	37,124,750	6,724,750
Karnaphuli Knitting & Dyeing Ltd.	550,000	-
KBC Agro Product Pvt. Ltd.	-	2,247,813
KM Bohumukhi Ltd.	4,000,970	3,600,970
Lafarge Surma Cement Ltd.	-	249,376
Lamia Enterprize	-	38,554
Lotus Kamal Group	755,180	1,604,728
Marico Bangladesh	3,724,685	-
M/S Mahmud Brothers	750,000	800,000
ML Steel Ltd.	-	7,300,000
MM Isphani Ltd.	-	706,393
Mobil Jamuna Lubricants Ltd.	862,229	-
Mozart Knit Ltd.	-	871,000
Nestle Bangladesh Ltd.	4,797,805	-
OTOBI Ltd.	-	2,164,254
P A Knit Composite Ltd.	2,000,000	2,890,000
Palmal Group	-	5,297,416
Partex Denim Ltd.	-	6,829
Partex Beverage Ltd.	3,441,132	6,184,747
Paragon Ceramic Industries Ltd.	716,797	3,233,594
Paragon Feed Mills Ltd.	740,000	3,740,000
Perfetti Van Melle BD Ltd	2,450,512	-
Prama Green Syndicate-2	-	350,000
Pran Distribution Co. Ltd.	-	5,811,278
Pran RFL Ltd.	8,250,000	4,471,607
Prantik Marin Ltd.	-	167,500
Print Asia Ltd.	-	790,952
Quantum Power Systems Ltd.	40,971,832	33,109,870
Rahman Knit Garments Ltd.	60,000	810,000
Reaz Enterprize	-	81,526
Runner Agro Product Ltd.	-	662,500
Runner Motors Ltd.	-	503,000
Rupom Shop and Chemical Ltd.	-	320,000
Sabazpur Tea Co. Ltd.	291,722	301,722
Sadelms S.P.A	-	334,772



KAZI ZAHIR KHAN & CO.
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	2011-2012	2010-2011
	Taka	Taka
Saiham Textiles Mills Ltd.	1,100,000	-
SAN Group	165,000	665,000
Sayem Enterprise	-	67,438
Seven Circle Gypsum Ltd.	1,497,654	-
Seven Circle Oil Ltd.	226,339	3,250,000
Shabab Fabrics Ltd.	-	64,592
Shah Amanat Enterprise	3,200,000	4,200,000
Shah Trims Ltd.	-	294,347
Shamoli Poultry Ltd.	5,428,640	6,928,640
Shayaam Corporation	4,324,956	1,600,000
Shafi Motors Ltd.	54,000	-
SIM Fabrics Ltd.	-	23,430,000
Simco Spinning & Textile Ltd.	-	1,250,000
Snow White Ltd.-2	-	500,000
Speed Builders Ltd.	-	137,919
Standard Engineering Ltd.	-	50,000
Standard Group	-	2,728,887
TAEIL Aluminum Ltd.	-	530,000
Tarashima Apparels Ltd.	950,000	-
Tasnim Chemical Complex Ltd.	2,281,942	6,436,942
The Civil Engineers Ltd.	656,000	-
Tharmex Group	3,500,000	1,776,232
Tharmex Yarn Dyeing Sizing Ltd.	-	800,000
Tradexcel Auto Bricks Ltd.	10,083,275	-
Trims International	261,575	-
Turag Garments & Hosiery Mills Ltd.	-	164,793
Unillance Trading	-	120,000
Unilever Bangladesh Ltd.	266,595	361,248
Viyellatex Group	5,385,470	515,000
Well Accessories Ltd.	1,915,520	2,415,180
Well Accessories Padma Ltd.	-	500,000
Zeil Wears Ltd.	128,601	143,601
Zeesan Kingshuq Huq	-	500,000
Total	239,308,318	287,501,040



KAZI ZAHIR KHAN & CO.
Chartered Accountants

	2011-2012 Taka	2010-2011 Taka
6.00 Advances, Deposits & Prepayments: Tk. 139,687,662		
Advance to Employees (6.01)	1,557,795	552,395
Advance Income Tax	73,750,302	33,373,576
Advance to Parties (6.02)	26,700,958	9,552,823
Advance against Land	12,500,000	12,500,000
Security Deposit	288,720	288,720
VAT Current Account	12,940,079	13,708,802
L/C Margin	5,250,176	6,362,204
Bank Guarantee Margin	6,699,632	1,828,876
Total	139,687,662	78,167,396
6.01 Advance to Employees: Tk. 1,557,795		
Mr. Abdul Gaffar	16,000	-
Mr. Alal	-	2,000
Mr. Ali Azgar	1,000	1,000
Mr. A S M Mobaidul Islam	138,950	-
Mr. Aminul Islam	-	2,000
Mr. Babul	-	18,930
Mr. Badrul Hasan	27,765	92,000
Mr. Bari	1,500	1,500
Mr. Bijoy	-	4,089
Mr. Champak Barua	6,000	-
Mr. Dilip Kumar	-	10,000
Mr. Enamul-Car Maintenance	1,670	-
Mr. Foisal Habib Rony	150,000	-
Mr. Golafer Rahman-Erection	157,058	-
Mr. Humayun Kabir-Erection	3,055	5,225
Mr. Humayun Kabir-Sales	18,650	3,000
Mr. Ibrahim	27,388	-
Mr. Imtiaz Ahmed (Factory)	12,000	-
Mr. Jakir	-	2,250
Mr. Jamal Uddin-Driver	2,000	-
Mr. Jewel	1,855	9,000
Mr. Julfikar Ali-Sales	5,000	-
Mr. Luckytullah	85,083	45,000
Mr. Mahade	-	2,470
Mr. Mahfuzur Rahman	-	18,457
Mr. Manjur Ahammed	-	6,632



KAZI ZAHIR KHAN & CO.
Chartered Accountants

	2011-2012	2010-2011
	Taka	Taka
Mr. Mashud	100,919	40
Mr. Mezbauddin (Factory)	6,000	-
Mr. Milon Kumar Erection	-	1,407
Mr. Mizan (Erection)	-	17,320
Mr. Mizan-2	1,340	6,230
Mr. Mosharrof	4,500	6,000
Mr. Mostak Ahmmad	50,000	-
Mr. Mukul	20,000	-
Mr. Nazmul	-	3,000
Mr. Nirob	288,618	132,438
Mr. Nur Hossain	5,324	3,324
Mr. Nurul Alom	-	2,000
Mr. Rahim	490	2,608
Mr. Ripon	4,000	40,000
Mr. Robiul	99,219	849
Mr. Ruhul Amin	-	5,180
Mr. Russel Mahmud	-	5,000
Mr. Salam	1,000	4,949
Mr. Saiful Alom	-	8,000
Mr. Shahed	1,515	-
Mr. Shaheb Ali	1,980	1,680
Mr. Shuvashis	5,000	-
Mr. Siddiqur Rahman Babul-Driver	157	-
Mr. Sumon	-	3,030
Mr. Suzan	-	583
Mr. Tota Miah	50,000	-
Mr. Younus	2,000	-
Mr. Yunus-Driver	170	4,500
Mr. Yousuf	115,000	-
Mr. Zaman	138,818	-
Mr. Zahirul Islam	1,250	6,150
Mr. Zilur for Erection	5,521	-
Mr. Zillur Rahman	-	74,554
Total	<u>1,557,795</u>	<u>552,395</u>

6.02 Advance to Parties: Tk. 26,700,958

Advance against Chittagong Office Rent	25,500	-
Advance to EPZ Authority	50,000	-
Ali Shah Refrigerator	-	230,000
Alom Hardware Store	56,000	-



KAZI ZAHIR KHAN & CO.
Chartered Accountants

	2011-2012	2010-2011
	Taka	Taka
Arif Zaman Enterprise	-	1,356,301
Arotech Software Ltd.	-	5,000
Ansar & BDP	-	583,624
Atlantic Traders	1,720,920	-
Aziz and Company Ltd.	-	24,360
Bashundhara LP Gas	146,221	-
Berger Paint Bangladesh Ltd.	100,237	-
BOC BD Ltd.	16,508	106,463
Cathweld Construction Co. Ltd.	-	98,800
Crane View	-	1,155,000
Dai Thien Loc Coporation	-	318
Delwar and Associates	-	660,000
Finaco NV	5,131,145	106,145
Hasan Ali	5,000	-
Himel Tours & Travels	-	122,724
Green delta Insurance Co. Ltd.	18,413	-
Global Insurance Ltd.	-	15,500
Glory Enterprise	199,500	-
GM Composit Textile Ltd.	50,000	-
IPC Export Commodities	6,230,068	-
Jalalabad Steel Ltd.	190,582	97,175
Janata Capital and Investment Ltd.	200,000	200,000
Khan & Associates	-	750,000
Lucky Steel Corporation	-	964,400
M/S Bhai Bhai Supply Agency	-	18,400
M/S R. S. Steel House	-	287,585
M/S CAP Trading International	-	4,510
Mizanur Rahman Enterprise	2,500,000	-
Mirzapur Filling Station Ltd.	28,300	-
Neoma Herbal Sciences Ltd.	41,500	-
Rahim Steel Mills Co.	53,918	1,783,277
Reliance	-	97,192
Ruhul Enterprise	-	30,000
Rupali Iron Enterprize	-	19,020
Rupa Appreals	1,000,000	-
Shajib Enterprise	-	5,113
Shenzher Juntu Industries Corp. Ltd.	8,309,404	-
Sony Enterprise	12,250	-
SKM Trade Link Ltd.	-	7,700
The Bengal Electric Ltd.	-	90,000



KAZI ZAHIR KHAN & CO.
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	2011-2012	2010-2011
	Taka	Taka
Techno Have Systems Ltd.	70,000	-
Tianjin Century Xinleirt	438,792	734,216
Uttara Telefilm	106,700	-
Total	<u>26,700,958</u>	<u>9,552,823</u>
7.00 Cash & Cash Equivalent: Tk. 22,164,202		
Cash in Hand	2,214,333	619,013
Balances with Bank:		
Term Deposits (FDR) (7.01)	18,218,776	2,683,350
Short Term Deposit (STD) (7.02)	1,649,804	3,842,523
Current & Collection Accounts (7.03)	81,289	267,975
	19,949,869	6,793,848
Total	<u>22,164,202</u>	<u>7,412,861</u>
7.01 Term Deposits (FDR): Tk. 18,218,776		
Eastern Bank Ltd., A/C No. 1015550002354	2,924,851	2,683,350
United Commercial Bank Ltd. A/C No.0078 41000001186	3,058,785	-
United Commercial Bank Ltd. A/C No.0078 41000001171	3,058,785	-
United Commercial Bank Ltd. A/C No.0078 41000001192	3,058,785	-
United Commercial Bank Ltd. A/C No.0078 41000001203	3,058,785	-
United Commercial Bank Ltd. A/C No.0078 41000001211	3,058,785	-
Total	<u>18,218,776</u>	<u>2,683,350</u>
7.02 Short Term Deposit Accounts (STD): Tk. 1,649,804		
Brac Bank Ltd., A/C No. STD-1507100399135001	33,549	101,110
Brac Bank Ltd., A/C No. STD-1518202275049001	51,567	-
Dutch-Bangla Bank Ltd., A/C No.SND- 0103120000001023	923,797	904,716
Eastern Bank Ltd., A/C No. SND-01041220000155	3,495	4,764



KAZI ZAHIR KHAN & CO.
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	2011-2012	2010-2011
	Taka	Taka
Habib Bank A/C No. STD-10005-4	275	1,619
IFIC Bank Ltd., A/C No. STD-1096366330-041	70,855	2,399,653
Islami Bank Bangladesh Ltd., A/C No. STD-20501770100365300	107,665	-
Jamuna Bank Ltd., A/C No.SND-0030-0320000122	46,131	40,115
Shajalal Islamic Bank Ltd. A/C No.SND-40131310000214	10,469	11,629
Southeast Bank Ltd. A/C No.STD-002413100000415	18,743	19,788
Standard Bank Ltd., A/C No. STD-0263600053	-	399
United Commercial Bank Ltd. A/C No.SND-00781320000134	359,845	-
United Commercial Bank Ltd. A/C No.SND-00781310000419	23,413	358,730
Total	<u>1,649,804</u>	<u>3,842,523</u>

7.03 Current & Collection Accounts: Tk. 81,289

Bank Alfala Ltd., A/C No.CD- 0370054	1,780	2,700
Brac Bank Ltd., A/C No: CD-1507200399135001	6,001	65,971
Eastern Bank Ltd., A/C No. CD-01041060008497	9,567	129,504
One Bank Ltd., A/C No. CD-001-0016602019	16,823	17,973
Premier Bank Ltd., A/C No. CD-112-111-00003557	-	735
Prime Bank Ltd. A/C No.CD-12611040013326	31,052	11,677
Sonali Bank Ltd., A/C No. A/C No. CD-33115846	1,325	2,590
Social Islami Bank Ltd. A/C No. AWCD-0081330014146	6,657	13,309
Standard Chartered Bank, A/C No.CD- 01-1053315-01	8,084	23,516
Total	<u>81,289</u>	<u>267,975</u>

8.00 Share Capital: Tk. 500,000,000

8.01 Authorized Capital

150,000,000 shares @ Tk 10 each	<u>1,500,000,000</u>	<u>1,500,000,000</u>
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KAZI ZAHIR KHAN & CO.
Chartered Accountants

	2011-2012	2010-2011
	Taka	Taka
8.02 Issued, Subscribed & Fully Paid-up Capital		
Number of Shares	50,000,000	10,000,000
Paid-up Capital	500,000,000	100,000,000
The Break-up of the Shares Capital (no. of shares) is as follows:		
Engr. Abu Noman Howlader	6,013,900	3,412,500
Engr. Mohammed Badrul Hassan	4,787,500	2,062,500
Mr. Md. Ashraf Ali Khan	5,145,000	2,275,000
Engr. Ruhul Mazid	2,150,000	650,000
Engr. Hasan Morshed Chowdhury	2,350,000	750,000
Mr. Abdul Hannan Howlader	2,912,500	412,500
Ms. Shahnaj Begum	2,505,000	275,000
Ms. Khadija Tahera Syria	3,001,194	62,500
Ms. Sabrina Ahmed Chowdhury	1,146,920	50,000
Ms. Taufika Sultana	909,805	50,000
Ms. Monira Noman	3,000,000	-
Mr. Abu Neaim Howlader	2,000,000	-
Ms. Shamima Akhter	1,900,000	-
Mr. Md. Abul Hosen	893,249	-
Mr. Imran Ali Khan	1,500,000	-
Md. Sazzad Ali Khan	1,000,000	-
Ms. Razia Kalim	996,432	-
Ms. Mamotaz Ara	500,000	-
Ms. Anjuman Ara Begum	500,000	-
Mr. Md. Kamrul Hasan	500,000	-
Mr. Maksudur Rahman	1,200,000	-
Mr. Mizanur Rahman	300,000	-
Ms. Marzanur Rahman	300,000	-
Mr. Shamsun Nahar Rahman	200,000	-
Mr. Shahriar Hossain (Roman)	50,000	-
Ms. Bilkis Parvin Hassan	50,000	-
Md. Mamun Howlader	910,000	-
Janata Capital and Investment Ltd.	600,000	-
Mr. Fakir Kamrul Hossain	400,000	-
Md. Azim Hasan	200,000	-
Md. Obaidul Kabir	150,000	-
Md. Sahedul Islam	120,000	-
Ms. Dilara Islam	50,000	-
Mr. GM Muid-Ur-Rahman	50,000	-
Mr. Md. Obaidur Rahman	60,000	-



KAZI ZAHIR KHAN & CO.
Chartered Accountants

	2011-2012	2010-2011
	Taka	Taka
Ms. Sharmin Sultana Lima	1,000,000	-
Sosanta Kumer Podder	100,000	-
Md. Lutfur Rahman	30,000	-
Mr. Md. Salahudddin	12,000	-
Ms. Farah Alam	27,500	-
Mr. Muhammad Mahbub Hasan	50,000	-
Dr. Shopna Rani Dhar	100,000	-
Mr. Syed Ferdous Raihan Kirmani	193,000	-
Mr. Mohammad Jahurul Islam Sheikh	100,000	-
Mr. Ahad-uz-Zaman	10,000	-
Md. Harun ar Rashid	26,000	-
Total	50,000,000	10,000,000
9.00 Share Money Deposit: Tk. Nil		
The Break-up of the Share Money Deposit is as follows:		
Engr. Abu Noman Howlader	-	15,000,000
Engr. Mohammed Badrul Hassan	-	14,400,000
Mr. Md. Ashraf Ali Khan	-	20,000,000
Engr. Ruhul Mazid	-	4,500,000
Engr. Hasan Morshed Chowdhury	-	7,000,000
Mr. Abdul Hannan Howlader	-	11,000,000
Ms. Shahnaj Begum	-	13,000,000
Ms. Khadija Tahera Syria	-	5,100,000
Ms. Sabrina Ahmed Chowdhury	-	2,850,000
Ms. Taufika Sultana	-	2,900,000
Total	-	95,750,000
10.00 Retained Earnings: Tk. 153,343,429		
Opening Balance	88,181,538	58,034,916
Add: Profit/(Loss) during the year	65,161,891	30,146,622
Total	153,343,429	88,181,538
11.00 Long Term Loan: Tk. 47,590,366		
Term Loan-IIDFC	3,393,028	-
Term Loan-IFIL	-	1,798,846
Term Loan-UCBL	42,488,581	71,772,683
Term Loan-Union Capital Limited	1,026,229	2,960,557
Term Loan-United Leasing Company Ltd.	682,528	2,259,001
Total	47,590,366	78,791,087



KAZI ZAHIR KHAN & CO.
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	2011-2012	2010-2011
	Taka	Taka
12.00 Deferred Tax Liabilities: Tk. 72,823,559		
Balance as on 1 July	47,193,761	30,297,275
Add: (Reduction)/addition during the year	25,629,798	16,896,486
Total	72,823,559	47,193,761
13.00 Short Term Loan: Tk. 338,631,118		
Bill Purchase (LDBP):	-	22,850,412
UCBL	-	21,975,855
SCB	-	874,557
Import Loan:	114,230,827	124,123,323
UCBL	114,230,827	113,532,668
SCB	-	10,590,655
Bank Overdraft-UCBL	103,795,692	103,031,050
SOD-UCBL	13,733,758	-
Deferred Acceptance-UCBL	15,793,000	47,894,000
Loan against Work Order-IFIL	70,575,300	58,770,406
CC Hypo-UCBL	20,502,541	18,190,375
Total	338,631,118	374,859,566
14.00 Current Portion of Long Term Loan: Tk. 37,596,708		
Islamic Finance and Investment Limited	-	7,257,200
IIDFC	1,556,436	-
Union Capital Limited	1,202,640	801,977
United Commercial Bank Ltd.	34,140,000	23,547,931
United Leasing Company Ltd.	697,632	415,255
Total	37,596,708	32,022,363
15.00 Creditors & Accruals: Tk. 27,827,667		
Trade Payable (15.01)	7,636,474	25,386,846
Accounts Payable (15.02)	7,691,926	16,909,059
Creditors for Project Advance (15.03)	12,499,267	15,256,492
Total	27,827,667	57,552,397
15.01 Trade Payable: Tk. 7,636,474		
Alom Engineering Works	464,808	719,858
Alom Hardware Store	-	39,303
Arif Zaman Enterprise	2,538,724	4,887,667
Asian Paints Ltd.	250,173	-
Bangladesh Welding Electrodes Ltd.	754,122	189,140
Builtrade Engineering Ltd.	82,094	73,993
Chistia Hardware Store	637,946	644,687
Gvencies Trading Corporation	-	13,840



KAZI ZAHIR KHAN & CO.
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	2011-2012	2010-2011
	Taka	Taka
Huaxi International Trading	-	78,423
HEBEI Machinery Export and Import Co. Ltd.	-	57,000
IPC Export Commodities Co. Ltd.	-	13,914,270
Joongbu Multi Moude Chemical Ltd.	282,373	532,373
Khaja Engineering Works	182,405	111,705
Khaja Ajmir Glass House	45,925	-
Kyodo Co. Inc.	-	196,999
Landy (Guanghou) Plastic Products Co. Ltd.	-	13,543
One Steel Ltd.	-	26,600
PEB Steel Alliances Ltd.	-	71,712
Shanong Kaitai Industrial Technologies Co. Ltd.	-	42,000
Shijiazuang Hebei Province	-	41,000
Trade Bangla	759,351	-
Tianjin Century Zinlei Import & Export Trading Co. Ltd.	-	38,745
United Iron Store	12,820	47,120
Uttara Motors Ltd.	96,063	-
UD Trading Company Limited	1,529,670	3,606,868
Well Accessories Ltd.	-	40,000
Total	<u>7,636,474</u>	<u>25,386,846</u>
15.02 Accounts Payable: Tk. 7,691,926		
ABC Company	96,115	49,305
Aget Corporation	-	3,030,853
Aiman Design Printer & Supply	-	35,500
Arrival Marketing and Communication Ltd.	-	100,000
Atlantic Traders-C & F	-	801,756
Bangladesh Business Directory	-	30,000
Bangladesh Garments and Textile Directory	-	19,000
Bangladesh Yellow Page Pvt. Ltd.	30,000	60,000
BD Jobs Ltd.	-	22,425
Bismillah Enterprise	90,000	-
Bhai Bhai Filling Station	-	53,300
Bishwas Enterprise	234,700	39,153
BM Engineering	-	15,650
Boishakhi Television Pvt. Ltd.	-	140,000
Classic Cleaning Services	46,400	23,200
Connect BD Ltd.	-	33,500
Erection Enterprise	1,446,210	3,909,081
Flowtide Printing	8,960	51,680
Green Delta Insurance Co. Ltd.	-	92,578



KAZI ZAHIR KHAN & CO.
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	2011-2012	2010-2011
	Taka	Taka
Jahid Office Equipment	-	103,000
Lucky Steel Corporation	32,075	-
Makka Engineering & Construction	90,750	43,250
M/S Fathima Enterprize	-	820
Modern Machinery Store	-	5,000
N Islam Transport Agency	751,550	1,130,885
New Star Advertising	-	30,000
Neoma Herbal Science Ltd.	-	9,000
Paramount Insurance Company Ltd.	250,000	-
R N Timber	29,831	100,846
Rabiul Construction	-	15,000
Roxy Paints Ltd.	1,345,506	1,825,205
Sharly Engineering Works	1,614,500	1,927,600
Shahid Trading Corporation	553,250	368,860
Shandongkitai Ind. Ltd.	42,000	-
Shophists Architect	158,333	-
Siraz Brothers	429,811	923,035
Sony Enterprize	-	70
ST Thai Aluminum	10,000	85,162
Summit Cutting	-	6,022
The Daily Khobor	-	1,500
Trade Bangla	-	801,222
Uttar Telefilm	-	63,300
Transport Enterprize	402,420	378,181
Tophim BD Ltd.	16,695	29,500
Toma Chemicals	12,820	-
United Cutting Center	-	554,620
Total	7,691,926	16,909,059
15.03 Creditors for Project Advance: Tk. 12,499,267		
AKW Burlap	-	300,000
Anlima Textiles Ltd.	-	169,000
BASF Bangladesh Ltd.	859,166	-
Bashundhara Paper Mills Ltd.	627,520	-
China Bangla Ceramics Ltd.	993,198	-
EPS Tecnologies	730,000	-
Fakir Fashion	500,000	-
Grand Sylhet Appart. Hotel	960,000	-
Karnafully Knitting & Dying Ltd.	-	2,000,000
Kedarpur Tea Company Ltd.	-	110,000
KAI Motors	1,000,000	-
Meghna Group	-	3,941,000



KAZI ZAHIR KHAN & CO.

Chartered Accountants

	2011-2012	2010-2011
	Taka	Taka
Mainetti Pvt. Ltd.	-	30,500
Mymensingh Agro Ltd.	-	89,694
Parex Beverage	1,756,385	-
Pioneer Knitwear	3,400,000	-
Ritzy Intimate Ltd.	-	600,000
RNJ Printing & Packaging Ltd.	-	39,110
Saiham Textile Ltd.	-	1,900,000
Seven Circle Zipsum	161,000	-
Shafi Motors Ltd.	-	800,000
Shovon Knitwear Ltd.	1,000,000	-
Star Delta Engineers Ltd.	-	319,918
STS Group	424,998	297,500
T & S Brtothers Trading	-	255,185
T & S Button Bangladesh	-	2,000,000
Tarasima Apparels Ltd.	-	1,545,600
Tasnim Chemicals Complex	87,000	-
Turag Garments Ltd.	-	33,900
Yester BD Ltd.	-	25,085
Zeal Textiles Ltd.	-	800,000
Total	12,499,267	15,256,492
16.00 Liabilities for Expenses: Tk. 15,561,964		
Salary & Allowances	2,411,738	2,469,783
Wages	3,461,543	1,293,318
Office Rent	76,300	76,300
Electricity Bill-Factory	228,657	334,689
Electricity Bill-Head Office	68,518	47,007
Telephone, Internet & Utility	6,751	75,680
Provident Fund	4,055,506	3,703,586
WPPF	5,212,951	2,411,730
Audit Fees	40,000	40,000
Total	15,561,964	10,452,093
17.00 Provision for Tax: Tk. 26,436,083		
Balance as on 1 July	12,968,747	11,777,259
Add: Provision made during the year	13,467,336	1,191,488
Total	26,436,083	12,968,747
18.00 Turnover: Tk. 1,154,305,498		
Sales Revenue-Local	1,136,810,882	826,956,582
Sales Revenue-Export	17,494,616	21,729,476
Total	1,154,305,498	848,686,058



KAZI ZAHIR KHAN & CO.

Chartered Accountants

	2011-2012	2010-2011
	Taka	Taka
19.00 Cost of Goods Sold: Tk. 926,957,689		
Opening Stock of Raw Material	102,934,350	65,237,143
Add: Purchase	870,714,703	663,723,885
Material Available for Use	973,649,053	728,961,028
Less: Closing Stock	120,890,836	102,934,350
Raw Material Consumed	852,758,217	626,026,678
Labour & Factory Overhead (19.01)	112,466,534	77,690,747
Total Manufacturing Cost	965,224,751	703,717,425
Add: Opening Work in Process	9,704,908	9,319,591
Manufacturing Cost to Account for	974,929,659	713,037,016
Less: Closing Work-in-Process	20,683,765	9,704,908
Cost of Goods Manufactured	954,245,894	703,332,108
Add: Opening Finished Goods	34,409,814	18,639,185
Cost of Goods Available for Sale	988,655,708	721,971,293
Less: Closing Finished Goods	61,698,019	34,409,814
COGS	926,957,689	687,561,479
19.01 Labour & Factory Overhead: Tk. 112,466,534		
Salary & Wages	26,917,308	19,013,236
Festival Bonus	4,141,986	2,695,306
Factory Insurance	582,240	535,570
Electricity Bill	2,735,138	3,155,323
Electrical Goods	577,952	352,087
Fuel for Generator & Vehicles	998,088	110,324
Labor Charges	689,456	655,231
Repair & Maintenances	1,552,132	1,360,163
Fabrication & Consumable Materials	43,372,898	31,724,531
Other Factory Overhead	1,740,103	-
Depreciation	29,159,233	18,088,976
Total	112,466,534	77,690,747
20.00 Administrative Overhead: Tk. 37,633,994		
Salary & Allowances	24,361,810	23,822,767
Festival Bonus	3,653,307	3,455,550
Insurance Expenses	-	545,610
Legal Expenses	176,500	176,400
Vehicle Maintenance	283,022	585,143
Office Rent	915,600	915,600
Credit Rating Fees	-	215,000
Stationery & Photocopy	503,702	714,602
Corporate Social Responsibility	-	1,215,000
Audit Fees	80,000	40,000
Entertainment	281,630	415,317



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	2011-2012	2010-2011
	Taka	Taka
Conveyance	401,795	824,552
Computer Accessories	627,180	278,402
Staff Welfare	132,749	527,074
Tree Plantation	88,927	76,500
Papers & Periodicals	17,689	15,675
Medical Treatment	84,551	349,373
SEC Application fees	-	5,000
RJSC Fees	-	687,026
Donation, Subscription & Gift	243,325	268,035
Office Expenses-Chittagong	307,008	429,833
Registration & Renewal	56,299	177,895
Office Maintenances	310,386	571,499
Fuel & Lubricant	749,896	740,964
Mobile Bill	458,406	667,745
Picnic Expenses	-	439,623
Postage	39,784	81,453
Telephone, Internet & Utility Bill	713,004	809,627
Miscellaneous Expenses	351,215	257,012
Association Fees	-	100,000
Depreciation	2,796,209	1,729,351
Total	<u>37,633,994</u>	<u>41,137,628</u>
21.00 Marketing & Selling Overhead: Tk. 14,336,339		
Salary & Allowances	12,578,900	12,032,265
Marketing Promotional Expenses	694,220	959,285
Advertisement	17,885	498,000
Business Promotion	334,780	1,135,628
Outsource Services	-	25,000
Conveyance & Outstation Allowances	406,401	320,085
Entertainment	197,815	165,615
Mobile Bill	84,571	290,616
Tender Schedule Purchase	21,767	5,500
Total	<u>14,336,339</u>	<u>15,431,994</u>
22.00 Other Income: Tk. 1,710,501		
Interest Income- FDR & STD Accounts	1,710,501	305,394
	<u>1,710,501</u>	<u>305,394</u>



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	2011-2012	2010-2011
	Taka	Taka
23.00 Financial Expenses: Tk. 67,616,001		
Overdraft Interest	16,881,310	11,950,713
Hypo Loan Interest	2,899,230	2,379,360
Import Loan Interest	29,808,050	19,566,808
Term Loan Interest	13,711,532	15,547,013
Bill Negotiation Interest & Charges (LBPD)	2,170,645	2,698,541
Bank Commission, Lease Interest & Charges	2,145,234	2,071,590
Total	67,616,001	54,214,025
24.00 Earning per Share (EPS)-Basic: Tk. 2.58		
The Computation of EPS is given below		
Earning attributable to the Shareholders (net profit after tax)	65,161,891	30,146,622
Weighted average number of Shares outstanding during the year	25,232,877	10,000,000
Basic Earning per Share (EPS) (Per value Tk. 10)	2.58	3.01
25.00 Net Assets Value per Share (NAV): Tk. 13.07		
The Computation of NAV is given below		
Net Assets	653,343,429	188,181,538
Number of Shares outstanding during the year	50,000,000	10,000,000
Net Assets Value per Share (NAV) (Per value Tk. 10)	13.07	18.82

26.00 Commission, Brokerage or Discount:

No brokerage and discount against sales was paid during the year.

27.00 Payment Made in Foreign Currency:

No expenses including Royalty, Technical Experts & Professional Advisory Fees and Interest etc. were incurred or paid in foreign currencies during the financial year.

28.00 Perquisites to Employees:

- i) Number of employees engaged for the whole year and drawing remuneration Tk. 36,000 and above per annum are 487.
- ii) Number of employees engaged for the part of the year and drawing remuneration @ Tk. 3,000 and above per month are nil.



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29.00 Capacity of Industrial Unit:

	2011-2012	2010-2011
Installed Capacity (In MT)	12,700.00	9,600.00
Actual Production (In MT)	12,400.00	9,138.00
Capacity Utilization	97.64%	95.19%
Capacity 9,600 MT from July, 2011 to March, 2012 (9 months) =	7,200.00	
Capacity 22,000 MT from April, 2012 to June, 2012 (3 months) =	5,500.00	
Weighted average capacity of production	<u>12,700.00</u>	
Actual Production (In MT)	<u>12,400.00</u>	
% of actual production to weighted average capacity	97.64%	

30.00 Audit Fees:

Auditors' remuneration comprises Audit Fees only which includes interim audit and annual audit fees.

31.00 Credit Contract:

There are no credit facilities available to the Company under any contract (other than credit available in ordinary course of business) at the Balance Sheet date .

32.00 Contingent Liabilities:

There are no claims against the company acknowledged as debts excepting claims, if any:

- i) An amount of Taka 2,241,595 claimed by Customs Authority on differential amount of sales against import duty Aluminum Foil with Bubble during the year 2007. The Company has made deposition several times to concern Customs Authority with proper grounds protesting the claim. As such the Company has filed petition to the High Court which is Subjudice.

33.00 Related Party Disclosure:

There is no related party transactions as per BAS-24 in trade payable for the period under audit.



**Information included as per SEC's notification no.
SEC/CMRRCD/2008/115/admin/30 dated October 05, 2011**

1. Earnings per Share (EPS) on fully diluted basis (The total existing no. of shares):

Particulars	Amount in Taka
Net profit after Tax	65,161,891
No. of shares before IPO showing the effect of post issue capital	50,000,000
Earnings per Share (EPS) on fully diluted basis	1.30

2. Net profit excluding Extra-ordinary income or non-recurring income coming from other than core operations:

Particulars	Amount in Taka
Net profit after Tax	65,161,891
Other Income	1,710,501
Net profit after tax except other income	63,451,390

3. Earnings per shares excluding extra-ordinary income or non-recurring income coming from other than core operations:

Particulars	Amount in Taka
Net profit after Tax	65,161,891
Other Income	1,710,501
Net profit after tax except other income	63,451,390
No. of shares before IPO showing the effect of post issue capital	50,000,000
Earnings per Share (EPS) on fully diluted basis	1.26

4. Net Asset Value per Share

a) No revaluation has been made to the company's asset and liabilities.

b) Net Asset Value without Revaluation Reserve based on fully diluted basis:

Particulars	Amount in Taka
Share Capital	500,000,000
Retained Earnings	153,343,429
Total Shareholders' Equity	653,343,429
Total Number of Ordinary Share showing the effect of post issue capital	50,000,000
Net Assets Value (NAV) at BDT 10.00 per share	13.07



KAZI ZAHIR KHAN & Co.
Chartered Accountants

Bangladesh Building Systems Ltd.

Auditors' Certificate regarding calculation of EPS & Ratios

We have examined the following earnings per share (EPS) and other ratios of Bangladesh Building Systems Ltd. as on 30 June, 2012, 30 June, 2011, 2010, 2009, 2008 and 2007, which have been produced by the management of the Company to us. The preparation of the EPS and other ratios is the responsibility of the Company's management. Our responsibility is to review them and certify as to whether they have been properly prepared using acceptable principles on the basis of audited financial statements for the period ended 31 December, 2011 and years ended 30 June 2011, 2010, 2009, 2008 and 2007.

Based on our review, we certify that the Company has properly prepared the following EPS and other ratios using acceptable principles on the basis of audited financial statements for the period ended 30 June, 2012 and years ended 30 June, 2011, 2010, 2009, 2008 and 2007.

Name of Ratio	Formula	Amount in Taka												
		30-06-12		30-06-2011		30-06-2010		30-06-2009		30-06-2008		30-06-2007		
		Calculation	Result %	Calculation	Result %	Calculation	Result %	Calculation	Result %	Calculation	Result %	Calculation	Result %	
A. Liquidity Ratios														
1	Current Ratio	Current Assets	604,432,802	1.36	520,130,369	1.07	341,701,416	1.11	204,427,019	1.05	258,971,677	1.03	55,070,059	40.08
		Current Liability	446,053,540		487,855,166		307,927,325		195,356,226		250,483,682		1,373,880	
2	Quick Ratio	Current Assets - Inventory	401,160,182	0.90	373,081,297	0.76	248,505,497	0.81	135,174,801	0.69	138,691,283	0.55	23,405,262	17.04
		Current Liability	446,053,540		487,855,166		307,927,325		195,356,226		250,483,682		1,373,880	
3	Time Interest Earned Ratio (Times)	Operating Income	175,377,476	2.59	104,554,957	1.93	85,607,853	1.84	76,733,694	1.71	58,153,552	1.99	8,049,197	0.81
		Interest expenses	67,616,001		54,214,025		46,586,802		44,892,337		29,151,320		9,905,197	
4	Debt to Equity Ratio	Total Debt	566,467,465	0.87	613,840,014	2.16	447,521,670	4.14	344,440,622	4.06	387,142,508	5.94	97,043,212	2.29
		Total stockholder's equity	653,343,429		283,931,538		108,034,916		84,736,932		65,162,080		42,394,582	
B. Operating Ratios														
1	Accounts Receivable	Turnover	1,154,305,498	4.38	848,686,058	3.84	616,336,469	4.85	518,184,194	5.49	499,415,690	11.20	228,919,532	Nil



	Turnover Ratio (Times)	Receivables	263,404,679		221,100,941		127,110,464		94,358,819		44,598,776		-	
2	Inventory Turnover Ratio (Times)	Cost of goods sold	926,957,689	5.29	687,561,479	5.72	500,410,860	6.16	420,740,877	4.44	418,814,081	5.51	207,263,745	6.55
		Inventory	175,160,846		120,122,496		81,224,069		94,766,306		75,972,596		31,664,797	
3	Assets Turnover Ratio (Times)	Turnover	1,154,305,498	0.95	848,686,058	0.95	616,336,469	1.11	518,184,194	1.21	499,415,690	1.10	228,919,532	1.64
		Total Assets	1,219,810,894		897,771,552		555,556,586		429,177,554		452,304,588		139,437,794	
C. Profitability Ratios														
1	Gross Margin Ratio	Grass Profit	227,347,809	19.70%	161,124,579	18.99 %	115,925,609	18.81 %	97,443,317	18.80 %	80,601,609	16.14 %	21,655,787	9.46%
		Turnover	1,154,305,498		848,686,058		616,336,469		518,184,194		499,415,690		228,919,532	
2	Operating Income Ratio	Operating Profit	175,377,476	15.19%	104,554,957	12.32 %	85,607,853	13.89 %	76,733,694	14.81 %	58,153,552	11.64 %	8,049,197	3.52%
		Turnover	1,154,305,498		848,686,058		616,336,469		518,184,194		499,415,690		228,919,532	
3	Net Income Ratio	Profit After Tax	65,161,891	5.65%	30,146,622	3.55%	23,297,984	3.78%	19,574,852	3.78%	18,031,248	3.61%	(1,795,531)	-
		Turnover	1,154,305,498		848,686,058		616,336,469		518,184,194		499,415,690		228,919,532	
4	Return on Assets Ratio	Profit After Tax	56,161,891	5.34%	30,146,622	3.36%	23,297,984	4.19%	19,574,852	4.56%	18,031,248	3.99%	(1,795,531)	-
		Total Assets	1,219,810,894		897,771,552		555,556,586		429,177,554		452,304,588		139,437,794	
5	Return on Equity Ratio	Profit After Tax	65,161,891	9.97%	30,146,622	10.62 %	23,297,984	21.57 %	19,574,852	23.10 %	18,031,248	27.67 %	(1,795,531)	-
		Shareholders Equity	653,343,429		283,931,538		108,034,916		84,736,932		65,162,080		42,394,582	
6	Earnings Per Share (EPS) (Tk.)	Profit After Tax	65,161,891	2.58	30,146,622	3.01	23,297,984	4.66	19,574,852	3.91	18,031,248	3.61	(1,795,531)	(0.36)
		Weighted Average No. of Shares Outstanding	25,232,877		10,000,000		5,000,000		5,000,000		5,000,000		5,000,000	

Dated, Dhaka
20 January, 2012

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants.



KAZI ZAHIR KHAN & Co.
Chartered Accountants

Bangladesh Building Systems Ltd.

Auditors' Report under section 135(1) and paragraph 24(1) of Part -II of Third Schedule of the Companies Act, 1994

for the period from 01 July, 2006 to 30 June, 2012

We have examined the financial statements of Bangladesh Building Systems Ltd. for the period ended 30 June, 2012 and years ended 30 June, 2011, 2010, 2009, 2008 & 2007. In pursuance of Section 135(1) under Paragraph 24(1) of Part -II of Third Schedule of the Companies Act, 1994 our report is as under:

A.	Statement of Assets and Liabilities:	as at						Amount in Taka
		30-06-2012	30-06-2011	30-06-2010	30-06-2009	30-06-2008	30-06-2007	
	ASSETS							
	Non-Current Assets							
	Property, Plant & Equipment	615,378,092	377,641,183	213,855,170	224,750,535	193,332,911	83,825,535	
	Preliminary Expenses	-	-	-	-	-	36,000	
	Pre-Production Expenses	-	-	-	-	-	506,200	
	Total Non-Current Assets	615,378,092	377,641,183	213,855,170	224,750,535	193,332,911	84,367,735	
	Current Assets							
	Inventories	203,272,620	147,049,072	93,195,919	69,252,218	120,280,394	31,664,797	
	Account Receivables	239,308,318	287,501,040	154,700,841	99,520,087	89,197,551	-	
	Advances, Deposits & Pre-payments	139,687,662	78,167,396	74,886,093	19,715,788	44,131,648	16,972,333	
	Cash & Cash Equivalents	22,164,202	7,412,861	18,918,563	15,938,926	5,362,084	6,432,929	
	Total Current Assets	604,432,802	520,130,369	341,701,416	204,427,019	258,971,677	55,070,059	
	TOTAL ASSETS	1,219,810,894	897,771,552	555,556,586	429,177,554	452,304,588	139,437,794	
	EQUITY & LIABILITIES							
	Shareholders' Equity							
	Share Capital	500,000,000	100,000,000	50,000,000	50,000,000	50,000,000	50,000,000	
	Share Money Deposit		95,750,000	-	-	-	-	
	Retained Earnings	153,343,429	88,181,538	58,034,916	34,736,932	15,162,080	(7,605,418)	
	Total Shareholders' Equity	653,343,429	283,931,538	108,034,916	84,736,932	65,162,080	42,394,582	
	Non-Current Liabilities							
	Long Term Loan	47,590,366	78,791,087	109,297,070	125,036,858	121,142,834	95,669,332	



Deferred Tax Liabilities	72,823,559	47,193,761	30,297,275	24,047,538	15,515,992	-
Total Non-Current Liabilities	120,413,925	125,984,848	139,594,345	149,084,396	136,658,826	95,669,332
Current Liabilities						
Short Term Loan	338,631,118	374,859,566	242,995,373	133,374,029	163,805,455	-
Current Portion of Long Term Loan	37,596,708	32,022,363	20,689,022	-	-	-
Creditors & Accruals	27,827,667	57,552,397	24,653,508	51,487,284	80,752,613	1,373,880
Liability for Expenses	15,561,964	10,452,093	7,812,163	6,446,707	5,090,774	-
Provision for Tax	26,436,083	12,968,747	11,777,259	4,048,206	834,840	-
Total Current Liabilities	446,053,540	487,855,166	307,927,325	195,356,226	250,483,682	1,373,880
Total Liabilities	566,467,465	613,840,014	447,521,670	344,440,622	387,142,508	97,043,212
TOTAL EQUITY & LIABILITIES	1,219,810,894	897,771,552	555,556,586	429,177,554	452,304,588	139,437,794

B. Statement of Operating Results:	for the period/year ended						Amount in Taka
	30-06-2012	30-06-2011	30-06-2010	30-06-2009	30-06-2008	30-06-2007	
Turnover	1,154,305,498	848,686,058	616,336,469	518,184,194	499,415,690	228,919,532	
Cost of Goods Sold	(926,957,689)	(687,561,479)	(500,410,860)	(420,740,877)	(418,814,081)	(207,263,745)	
Gross Profit/(Loss)	227,347,809	161,124,579	115,925,609	97,443,317	80,601,609	21,655,787	
Administrative Expenses	(37,633,994)	(41,137,628)	(22,649,342)	(16,252,369)	(17,221,004)	(9,915,138)	
Selling & Distribution Expenses	(14,336,339)	(15,431,994)	(7,668,414)	(4,457,254)	(5,227,053)	(3,691,452)	
Operating Profit	175,377,476	104,554,957	85,607,853	76,733,694	58,153,552	8,049,197	
Other Income	1,710,501	305,394	119,562	1,044,395	644,856	60,469	
Financial Expenses	(67,616,001)	(54,214,025)	(46,586,802)	(44,892,337)	(29,151,320)	(9,905,197)	
Net Profit/(Loss) before WPPF	109,471,976	50,646,326	39,140,613	32,885,752	29,647,088	(1,795,531)	
Contribution to Workers' Profit Participation Fund	(5,212,951)	(2,411,730)	(1,863,839)	(1,565,988)	(1,411,766)	-	
Net Profit/(Loss) before Tax	104,259,025	48,234,596	37,276,774	31,319,764	28,235,322	(1,795,531)	



Income Tax Expenses	(39,097,134)	(18,087,974)	(13,978,790)	(11,744,912)	(10,204,074)	-
Current Tax	(13,467,336)	(1,191,488)	(7,729,053)	(3,213,366)	(834,840)	-
Deferred Tax	(25,629,798)	(16,896,486)	(6,249,737)	(8,531,546)	(9,369,234)	-
Net Profit/(Loss) after Tax	65,161,891	30,146,622	23,297,984	19,574,852	18,031,248	(1,795,531)

C.	Statement of Cash Flows	Amount in Taka					
		for the period/year ended					
		30-06-2012	30-06-2011	30-06-2010	30-06-2009	30-06-2008	30-06-2007
	Cash Flow from Operating Activities:						
	Collection from Customer	1,204,208,721	716,191,253	561,275,277	508,906,053	410,862,995	228,919,532
	Payment to Supplier, Employees & Others	(1,094,544,204)	(735,820,141)	(625,757,850)	(383,424,367)	(452,020,696)	(253,853,630)
	Net Cash Flow Used in Operating Activities	109,664,517	(19,628,888)	(64,482,573)	125,481,686	(41,157,701)	(24,934,098)
	Cash Flow from Investing Activities:						
	Acquisition of Property, Plant & Equipment	(269,692,351)	(196,104,340)	(521,566)	(43,475,105)	(120,040,781)	-
	Machinery in Transit						
	Net Cash Used in Investing Activities	(269,692,351)	(196,104,340)	(521,566)	(43,475,105)	(120,040,781)	-
	Cash Flow from Financing Activities:						
	Share Capital	304,250,000	50,000,000	-	-	-	-
	Share Money Deposit		95,750,000	-	-	-	-
	Long Term Loan	(25,626,376)	(19,172,642)	4,949,234	3,894,024	25,473,502	-
	Loan from/(Repayment) of Short Term	(36,228,448)	131,864,193	109,621,344	(30,431,426)	163,805,455	35,436,457
	Bank Interest & Financial Charges	(67,616,001)	(54,214,025)	(46,586,802)	(44,892,337)	(29,151,320)	(9,905,197)
	Net Cash Generated from Financing Activities	174,779,175	204,227,526	67,983,776	(71,429,739)	160,127,637	25,531,260
	Net Cash Inflow/(Outflow) for the year	14,751,341	(11,505,702)	2,979,637	10,576,842	(1,070,845)	597,162



Opening Cash & Bank Balances	7,412,861	18,918,563	15,938,926	5,362,084	6,432,929	5,835,767
Closing Cash & Bank Balances	22,164,202	7,412,861	18,918,563	15,938,926	5,362,084	6,432,929

D. Dividend:									
The Company's data relating to dividend is as under:									
Cash Dividend - %	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Stock Dividend (Bonus shares) - %	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- E. The Company was incorporated on 19 July, 2003 as a Private Limited Company. On 30 October 2010, the Company registered itself as a Public Limited Company under the Companies Act, 1994. The share of the Company is denominated from Tk. 100 to Tk. 10 also at 30 October, 2010;
- F. The Statement of Assets and Liabilities (Statement of Financial Position) as at 30 June, 2012, 30 June, 2011, 2010 and 2009 of the Company has been duly certified by us;
- G. We also certify the Statement of Operating Results (Statement of Comparative Income) for the period ended 30 June, 2012 and years ended 30 June, 2011, 2010 and 2009 of the Company;
- H. The Statement of Cash Flows for the period ended 30 June, 2012 and years ended 30 June, 2011, 2010 and 2009 of the Company are enclosed and certified by us;
- I. The Company has no subsidiaries;
- K. 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;
- L. The Company did not prepare any financial statements for any period subsequent to 30 June, 2012; and
- M. Figures related to previous years have been rearranged wherever considered necessary.

Dated: Dhaka
20 January, 2012

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants.



Auditors' Certificate regarding the machineries of Bangladesh Building Systems Ltd.

After due verification of documents of machineries, we certify that all the machineries of Bangladesh Building Systems Ltd. have been purchased in brand new condition . Details list of machineries as on 30 June, 2012 are as follows:

List of Machineries Bangladesh Building Systems Ltd.

A. Imported Machineries:

Sl. No.	Name of Machineries	Qty.		Brand	Country of Origin	Year
1	Bubble Film Production Machine	1	Set	FENG YUAN	China	2008
2	Bending Machine	1	Set	ACL	China	2008
3	CNC Panel Drilling Machine	1	No.	Wuxi Hualian	China	2008
4	Shearing Machine ACL	1	No.	ACL	China	2008
5	Crimp Curve Machine -GWC28205	1	No.	Wuxi Hualian	China	2008
6	Down Pipe Bending Machine	1	No.	Wuxi Hualian	China	2008
7	Multiple Strips Cutting Machine	1	No.	Wuxi Hualian	China	2008
8	H-Beam Auto Assembly Machine	1	No.	Wuxi Hualian	China	2008
9	Automatic Arc Welding Machine	1	No.	Wuxi Hualian	China	2008
10	H-Beam Flange Straightening Machine	1	No.	Wuxi Hualian	China	2008
11	Shot Blasting Machine	1	No.	Wuxi Hualian	China	2008
12	Slitting Machine (Plasma Cutting Machine)	1	No.	Wuxi Hualian	China	2008
13	CO2 ARC Welding Machine	4	Nos.	KAIERBA	China	2008
14	DC Submerged ARC Welding Machine	4	Nos.	KAIERBA	China	2008
15	Flux Heater	1	No.	Wuxi Hualian	China	2008
16	Cold Rolling Mills for Roof/Wall	1	Set	Wuxi Hualian	China	2008
17	Cold Rolling Mills for Roll Shutter Door	1	Set	Wuxi Hualian	China	2008
18	Cold Rolling Mills for Boltless Wall	1	Set	Wuxi Hualian	China	2008
19	Generator 500KVA	1	No.	LEROY SOMER	Germany	2008
20	H-Beam Assembly Welding Straightening Unit	1	Set	Wuxi Hualian	China	2009
21	Generator 275KVA	1	No.	PRAMAC GSW275	China	2006
22	Crimp Curve M/C	1	No.	Wuxi Hualian	China	2006
23	Decking Sheet Forming M/C	1	No.	Wuxi Hualian	China	2006
24	Fork Lift	2	Nos.	DAEWOO	Japan	2006
25	Hydraulic Bending Machine	1	No.	Wuxi Hualian	China	2006
26	Purlin Forming M/C	1	No.	Wuxi Hualian	China	2006
27	Roof Forming M/C	1	No.	Wuxi Hualian	China	2006
28	Magnetic Drill	1	No.	Wuxi Hualian	China	2006
29	Automatic Gas Cutter	1	No.	Wuxi Hualian	China	2006
30	Slitting M/C	1	No.	Wuxi Hualian	China	2006
31	Welding Machine KH-500	10	No.	Wuxi Hualian	China	2011
32	Welding Machine KZ-1000	4	No.	Wuxi Hualian	China	2011



Sl. No.	Name of Machineries	Qty.		Brand	Country of Origin	Year
33	Roll Forming Machine	1	No	Wuxi Hualian	China	2011
34	Rod Breakdown Machine Niehoff Type M-85	1	Set	Niehoff	India	2011
35	Intermediate Drawing Line	1	Set	Niehoff	India	2011
36	Production Line Niehoff Type HM20	1	Set	Niehoff	India	2011
37	Double Twist Bunching Line	1	Set	Niehoff	India	2011
38	Tubular Standing Machine	1	No	Sarvasv	India	2011
39	Real to Spool Machine	2	No	Sarvasv	India	2011
40	Rod Breakdown Machine	1	No	Sarvasv	India	2011
41	Pointing Cum Threading Machine,	1	Set	Sarvasv	India	2011
42	Butt Welding Machine, 35 KVA	1	No	Sarvasv	India	2011
43	Butt Welding Machine, 6 KVA	2	No	Sarvasv	India	2011
44	Butt Welding Machine, 2 KVA	3	No	Sarvasv	India	2011
45	Cold Pressure Welding Machine Boney	4	No	Sarvasv	India	2011
46	Rewinding Line,3000MM,complete line	1	Unit	Sarvasv	India	2011
47	SDJ-65 Two Stage Compounding	1	Line	Shenjhen Juntu	China	2011
48	JLK630/6+12+18+24 Rigid Frame Strander	1	Set	Hefei Smarter	China	2011
49	GC at 035-Chiller Model GC Axial Fan AIR Condenser Tropicalized	2	Set	Euro Chiller	Italy	2011
50	72 Bobbing Armuring Machine	1	Set	Sarvasv	India	2011
51	GSB-2-24 Carrier Branding Machine	1	Set	Shenjhen Juntu	China	2011
52	1600MM Pay-Off and Take-up	1	Set	Shenjhen Juntu	China	2011
53	BSJ-5 Rewinding Machine	1	Set	Shenjhen Juntu	China	2011
54	NB-650P Doubletwist Bunching Machine	1	Set	Shenjhen Juntu	China	2011
55	TZ-50+35 Type Core Wire Extruder	1	Set	Shenjhen Juntu	China	2011
56	CNC/Multiple tips Cutting Machine,Ganty Type Double Side Drives, 4 way operating	1	Set	GS/Z II	China	2012
57	H-Beam (Heavy Steel) Automatic Welding Production Line	1	Set	Wuxi Hualian	China	2012
58	Heavy Duty Shearing Machine	1	Set	6000-12mm	China	2012
59	Purlin Machine with Pre-Punching	1	Set	Wuxi Hualian	China	2012
60	Forming Machine	1	Set	Wuxi Hualian	China	2012
61	H-Beam Flange Straightening Machine	1	Set	JZ	China	2012
62	H-Beam Automatic Heavy Steel Assembling Machine, Double Hydraulic CNC Type	1	Set	HG-1500 II	China	2012
63	H-Beam Hydrolic Straightening Machine	1	Set	YJ-60B	China	2012

B. Local Machineries:

Sl. No.	Name of Machineries	Qty.		Brand	Country of Origin	Year
1	Air Compressor With Gun	3	No.			2006, 2011
2	Argon Welding Machine	1	No.			2006
3	Auto Cutter Machine	4	Nos.			2006
4	Anchor Bolt Making Machine	3	No.			2008 & 2012
5	Bridge Scale	1	No.			2007
6	Welding Machine	42	Nos.			2006 & 2012
7	Compressor Machine	1	No.			2008



Sl. No.	Name of Machineries	Qty.		Brand	Country of Origin	Year
8	Dril Machine Magnetic	1	No.			2007
9	Grinding Machine	44	Nos.			2007 & 2012
10	Hammer Machine	1	No.			2008
11	Flux Crashing Machine	1	No.			2008
12	Over Head Crane (3MT-6, 7MT1, 5MT1, 8MT-1)	9	Nos.			2007, 08 & 2011
13	Roller Machine MS Plate	1	No.			2008
14	Power Press	1	No.			2007
15	Sheet Cutter Machine	1	No.			2006
16	Welding Machine Mig	2	Nos.			2007
17	Lathe Machine	2	Nos.			2012
18	Drill Machine	6	Nos.			2012
19	Milling Machine	3	Nos.			2012
20	Shapper Machine	1	No.			2012
21	Air Compressor with Dryer (22kw)	2	Nos.			2012
22	Fork Lift (5MT)	2	Nos.			2012
23	Weight Measuring Scale (50 MT Capacity)	1	No.			2012
24	Submersible Pump, Motor Pipe & Fittings	2	Nos.			2012
25	Steel Racks for Material Storage	1	No.			2012
26	Wooden/Plastic Pallet	1	No.			2012
27	Vertical Drill Machine	2	Nos.			2012
28	Hand Drill Machine	5	Nos.			2012
29	Maintenance Tools	1	No.			2012

Dated: Dhaka
20 January, 2013

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants

Compliance status of all conditions of the Securities and Exchange Commission's letter no SEC/CI/CPLC-307/2011/804 dated November 13, 2011

This is certify that Bangladesh Building Systems Ltd. has complied all the conditions of the Securities and Exchange Commission's letter no SEC/CI/CPLC-307/2011/804 dated November 13, 2011

Dated: Dhaka
07 October, 2012

Sd/-
KAZI ZAHIR KHAN & CO.
Chartered Accountants



**Auditors' additional disclosures relating to the financial statements for the year
from 01 July, 2011 to 30 June, 2012**

No. 1

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

In Note-4.00 following para is to be added:

**Schedule of Inventories
as at 30 June, 2012**

Raw Material:

Particulars	Qty. (MT/SQM /PCS)	Rate (Per MT/SQM/PCS)	30-06-2012 Taka	30-06-2011 Taka
Hot Roll Steel Sheet/Plate	774	75,432.75	58,384,950	41,215,291
Zink Aluminum Alloy Coated Steel Coils (Pre-Painted)	256	98,658.32	25,256,532	22,152,668
Galvanime Steel Coils	222	105,572.48	23,437,092	19,510,820
Bolt & Nut	197,194	45.00	8,873,762	12,884,811
Aluminum Foil	120,451	41.00	4,938,500	7,170,760
Total			<u>120,890,836</u>	<u>102,934,350</u>

Work-in-Process:

Particulars	Qty. (MT/SQM /PCS)	Rate (Per MT/SQM/PCS)	30-06-2012 Taka	30-06-2011 Taka
Pre-fabricated I-Section	176	75,241.39	13,242,486	4,708,130
Roof Sheet	41	99,470.14	4,078,276	1,565,670
Bolt & Nut	397	45.05	17,888	25,975
D-Cool	10,431	182.93	1,908,170	1,318,673
Decking Sheet	14	102,638.92	1,436,945	2,086,460
Total			<u>20,683,765</u>	<u>9,704,908</u>

Finished Goods:

Particulars	Qty. (MT/SQM /PCS)	Rate (Per MT/SQM/PCS)	30-06-2012 Taka	30-06-2011 Taka
Pre-fabricated I-Section	532	75,405.94	40,115,965	14,688,504
Roof Sheet	159	98,741.25	15,699,860	15,536,327
Bolt & Nut	861	45.00	38,746	56,260
D-Cool	21,614	182.92	3,953,712	1,384,802
Decking Sheet	18	104,985.33	1,889,736	2,743,921
Total			<u>61,698,019</u>	<u>34,409,814</u>



No. 2

Please provide aging of accounts receivable as per the Companies Act, 1994 and also provide subsequent realization of accounts receivables with name-wise schedule.

Disclosure as per schedule XI, Part-I of the Companies act, 1994 on accounts receivable as on 30 June, 2012:

Aging of accounts receivable as on 30 June, 2012 is given below:

Particulars	% (percentage)	30-06-2012 Taka	30-06-2011 Taka
0-90 Days	70.53%	168,781,023	133,123,643
91-180 Days	24.25%	58,035,746	150,067,397
181-365 Days	5.22%	12,491,549	4,310,000
Total	100.00	<u>239,308,318</u>	<u>287,501,040</u>

In regard to accounts receivable the following particulars shall be given separately:

Debt considered good in respect of which the company is fully secured

Accounts receivable occurred in the ordinary course of business are considered good but no security has been given by the debtors. However, most of the outstanding balance realized subsequently.

Debt considered good for which the company holds no security other than the debtor personal security

All the trade debtors have arisen in the ordinary course of business in good faith. For the above mentioned reason no personal security taken from debtors.

Debts considered doubtful or bad

The company considered all the debts given to the trade debtors is realizable as such no doubtful or bad debt provision has been created on 30 June, 2012.

Debt due by Directors or other officers of the company

There is no debt due by Directors or other officers of the company as on 30 June, 2012.

Debt due by common management

There is no debt due by common management.

The maximum amount due by Directors or other officers of the company

There are no such debts to Directors or other officers of the company as on 30 June, 2012.

Reserved for doubtful or bad debts

There is no such reserve created in this respect as on 30 June, 2012



The break-up of trade debtors which was collected within December, 2012 are as follows:

Name of the parties	Due amount	Value in Taka	Date of collection
ACI Formulation Ltd.	84,805	84,805	10-Sep-12
Aftab Milk Ltd.	275,000	275,000	7-Nov-12
Akij Dyeing Ltd.	1,410,110		
Aman Bd. Ltd.	4,646,999	4,646,999	23-Aug-12
Bashundhara Paper Mills Ltd.	2,444,040	2,444,040	7-Jul-12
Bashundhara Group	2,450,741		
Banito Button	1,435,000	1,000,000	23-Aug-12
Bengal Concept & Holding	39,764	39,764	17-Sep-12
Dada Bag Industries Ltd.	710,189	710,189	12-Nov-12
Dhaka Tobacco Ltd.	2,751,557		
East West Human Resource Ltd.	1,078,492	1,078,492	9-Apr-12
Energypac Power Generation Ltd.	12,253,020	10,861,395	17-Jul-12
Energypac Power Engineering Ltd.	2,051,219	1,755,000	7-Aug-12
		296,219	4-Oct-12
Envoy Textiles Ltd.	25,305,107	10,660,500	19-Jul-12
		9,045,450	7-Aug-12
		5,599,157	11-Sep-12
Envoy Power Plant	1,809,000	1,809,000	9-Jul-12
Euko Footwear Ltd.	120,000	120,000	16-Jul-12
Fahaim Washing Plant Ltd.	2,843,780	1,536,667	16-Jul-12
		1,307,113	30-Jul-12
Fakir Fashion Ltd.	2,556,189	2,556,189	22-Oct-12
GBBL	226,112	226,112	12-Aug-12
Giant Textiles Ltd.	11,803,149		
Grameen Fabrics and Fashion Ltd.	328,000	328,000	12-Jul-12
Gulshan Spinning Trading	105,000	105,000	7-Aug-12
Hamdard Laboratories Ltd.	3,646,388	300,000	8-Jul-12
		350,000	12-Jul-12
		350,000	17-Jul-12
		200,000	14-Aug-12
		300,000	14-Aug-12
		600,000	20-Dec-12
		500,000	30-Dec-12
Hamim Gents Ware Ltd.	134,490	134,490	30-Jul-12
Hamim Denims	1,837,728	1,583,191	14-Aug-12
		254,537	29-Nov-12
Iris Fabric Ltd.	3,817,958	1,500,000	14-Jul-12
		2,317,958	8-Nov-12
Iron Building System Ltd.	231,300	200,000	23-Jul-12
Jobaida Karim Jute Ltd.	37,124,750	8,500,000	15-Jul-12
		8,200,000	14-Aug-12
		6,000,000	21-Oct-12
		6,000,000	20-Dec-12
Karnaphuli Knitting & Dyeing Ltd.	550,000	550,000	22-Oct-12
KM Bohumukhi Ltd.	4,000,970		
Lotus Kamal Group	755,180	755,180	14-Aug-12
Marico Bangladesh	3,724,685		
M/S Mahmud Brothers	750,000		
Mobil Jamuna Lubricants Ltd.	862,229	862,229	16-Jul-12
Nestle Bangladesh Ltd.	4,797,805	4,797,805	14-Aug-12



Name of the parties	Due amount	Value in Taka	Date of collection
P A Knit Composite Ltd.	2,000,000	1,500,000	5-Jul-12
		500,000	12-Aug-12
Partex Beverage Ltd.	3,441,132	3,441,132	28-Nov-12
Paragon Ceramic Industries Ltd.	716,797	200,000	17-Jul-12
		200,000	18-Sep-12
Paragon Feed Mills Ltd.	740,000	500,000	9-Dec-12
Perfetti Van Melle BD Ltd	2,450,512	1,365,795	6-Aug-12
		398,314	30-Dec-12
Pran RFL Ltd.	8,250,000	6,000,000	13-Aug-12
		2,250,000	14-Aug-12
Quantum Power Systems Ltd.	40,971,832	5,000,000	18-Sep-12
		1,000,000	22-Oct-12
		15,000,000	8-Jul-12
Rahman Knit Garments Ltd.	60,000	60,000	2-Dec-12
Sabazpur Tea Co. Ltd.	291,722	291,722	10-Oct-12
Saiham Textils Mills Ltd.	1,100,000	300,000	14-Aug-12
SAN Group	165,000	165,000	15-Sep-12
Seven Circle Gypsum Ltd.	1,497,654	747,638	22-Oct-12
Seven Circle Oil Ltd.	226,339		
Shah Amanat Enterprise	3,200,000		
Shamoli Poultry Ltd.	5,428,640		
Shayaam Corporation	4,324,956		
Shafi Motors Ltd.	54,000	54,000	11-Dec-12
Tarashima Appreals Ltd.	950,000	500,000	6-Aug-12
		450,000	23-Sep-12
Tasnim Chemical Complex Ltd.	2,281,942	895,000	29-Nov-12
The Civil Engineers Ltd.	656,000	350,000	9-Oct-12
Tharmex Group	3,500,000	3,500,000	9-Aug-12
Tradexcel Auto Bricks Ltd.	10,083,275	5,000,000	14-Aug-12
Trims International	261,575	261,575	7-Oct-12
Unilever Bangladesh Ltd.	266,595		
Viyellatex Group	5,385,470	3,000,000	7-Oct-12
		800,000	5-Dec-12
Well Accessories Ltd.	1,915,520		
Zeil Wears Ltd.	128,601	128,601	4-Aug-12
Total	<u>239,308,318</u>	<u>154,599,258</u>	



The break-up of trade debtors which was not collected within December, 2012 are as follows:

Name of parties	Due amount
Akij Dyeing Ltd.	1,410,110
Bashundhara Group	2,450,741
Banito Button	435,000
Dhaka Tobacco Ltd.	2,751,557
Energypac Power Generation Ltd.	1,391,625
Giant Textiles Ltd.	11,803,149
Hamdard Laboratories Ltd.	1,046,388
Iron Building System Ltd.	31,300
Jobaida Karim Jute Ltd.	8,424,750
KM Bohumukhi Ltd.	4,000,970
Marico Bangladesh	3,724,685
M/S Mahmud Brothers	750,000
Paragon Ceramic Industries Ltd.	316,797
Paragon Feed Mills Ltd.	240,000
Perfetti Van Melle BD Ltd	686,403
Quantum Power Systems Ltd.	19,971,832
Saiham Textiles Mills Ltd.	800,000
Seven Circle Gypsum Ltd.	750,016
Seven Circle Oil Ltd.	226,339
Shah Amanat Enterprise	3,200,000
Shamoli Poultry Ltd.	5,428,640
Shayaam Corporation	4,324,956
Tasnim Chemical Complex Ltd.	1,386,942
The Civil Engineers Ltd.	306,000
Tradexcel Auto Bricks Ltd.	5,083,275
Unilever Bangladesh Ltd.	266,595
Viyellatex Group	1,585,470
Well Accessories Ltd.	1,915,520
Total	<u>84,709,060</u>

No. 3

It appears from note 5.00 to the financial statements for the year ended on June 30, 2012 that you have not made any provisions for bad debt though there are unsecured accounts receivable.

Accounts receivable have been occurred in the ordinary course of business are considered good but no security given by the debtors. However, most of the outstanding balance has been realized subsequently.

No. 4

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

There is no related party transaction as per BAS-24 for accounts payable for the year ended 30 June, 2012.



No. 5

Please provide aging for advance to parties taka 26,700,958 under note 6.02 to the financial statements for the year ended on June 30, 2012 as per the Companies Act, 1994 also provide subsequent realization of such advance.

In Note-6.02 following para is to be added

Disclosure as per schedule XI, Part-I of the Companies Act, 1994 on advance to parties as on 30 June, 2012:

Aging of Advance to Parties as on 30 June, 2012 are given below:

Particulars	%	30-06-2012 Taka	30-06-2011 Taka
0-90 Days	92.01	24,568,158	8,238,959
91-180 Days	7.24	1,932,800	809,087
181-365 Days	0.75	200,000	504,777
Total	100.00	<u>26,700,958</u>	<u>9,552,823</u>

a. Advances to subsidiaries.

There were no such advances and loans in this respect as on 30 June, 2012.

b. Advances to partnership Firms in which the company or any or its subsidiaries is a partner.

There were no such advances in this respect as on 30 June, 2012.

Instructions regarding “sundry debtors apply to advances” also:

i) Advances considered good in respect of which the company is fully secured.

The entire advances amounts are considered good and recoverable.

ii) Advances considered good for which the company holds no security other than the debtor personal security

There is no such debt in this respect as on 30 June, 2012.

iii) Advances considered doubtful or bad

There has been no advances which can be considered as doubtful or bad.

iv) Advances due by Directors or other officers of the company

This disclosure has been given in note-6.00 of the financial statements.

v) Advances due by common management

There is no such debt as on 30 June, 2012.

vi) The maximum amount due by Directors or other officers of the company

There is no such amount due by Directors or other officers of the Company.

Updated Status:

Subsequently, full amount of advance to parties have been realized/adjusted upto December, 2012.

No. 6

It appears from note 6.00 to the financial statements for the period ended on June 30, 2012 that your company has given advance to taka 1,25,00,000 against land which is not clear to us; please mention details of such advance including date of advance, total value of land, current status and also disclose in the draft prospectus.

BBSL made advance to Tk. 1,25,00,000 against total value of land Tk. 1,30,00,000 for purchase of 116.06 decimals of land located at Jaina Bazar, Telehate, Sreepur, Gazipur for expansion project in future through agreement. The above matter is shown in the audited financial statements as on 30 June, 2012 in note-6.00 under the head of advance against land purchase. Details payment schedule of the advances are as under:

**Advance against Land:**

Date	Mode of Payment	Taka
27-07-2010	Cheque	200,000
29-07-2010	Cheque	1,500,000
08-09-2010	Cheque	1,000,000
08-09-2010	Cheque	1,000,000
12-12-2010	Cheque	550,000
15-12-2010	Cheque	750,000
01-02-2011	Cheque	1,000,000
01-02-2011	Cheque	3,500,000
15-02-2011	Cheque	1,000,000
17-02-2011	Cheque	500,000
17-02-2011	Cheque	1,500,000
Total		<u>12,500,000</u>

Updated Status:

Already, BBSL physically got possession of 116.06 decimals of land and title deed was registered in favour of BBSL on 11-07-2012 at sub-registry office and mutation has been completed in the name of the Company.

No.7

Please provide detailed calculation of deferred tax liabilities under note 12.00 to the financial statements for the year ended on June 30, 2012.

In Note-12.00 following para is to be added

Details break-up of deferred tax liabilities are as follows:

Financial year	Assessment year	Net taxable temporary difference	Tax rate	Deferred tax
2005-2006	2006-2007	9,030,570	40%	3,612,228
2006-2007	2007-2008	6,336,325	40%	2,534,530
2007-2008	2008-2009	24,984,624	37.50%	9,369,234
2008-2009	2009-2010	22,750,789	37.50%	8,531,546
2009-2010	2010-2011	16,665,965	37.50%	6,249,737
2010-2011	2011-2012	45,057,296	37.50%	16,896,486
2011-2012	2012-2013	68,346,128	37.50%	25,629,798
Total				<u>72,823,559</u>

No. 8

Please provide additional disclose whether there is any related party transactions in trade payable of taka 12,636,474 as per BAS-24.

There is no related party transaction as per BAS-24 in trade payable for the year ended 30 June, 2012.



No. 9

It appears from note 15.03 to the financial statements for the year ended on June 30, 2012 that your company has creditors for project advance for taka 12,499,267 which is not clear to us.

BBSL supply Pre-Engineered Steel Building (PEB) after confirms work order/Letter of Credit from the customers. The value of each project is huge and the supply is made on turn-key basis, so most of the cases customers pay 10% to 30% advance as per the clause of work order, which is drawn after rigorous negotiation with the company. To avoid risk of the project/job abandonment by the customer and involvement of huge capital before starting the implementation of the job, BBSL usually impose the advance payment clause in the invoice and customers usually honor the advance payment clause. These advances from customers represents as "Creditors for project advance" in the financial statements.

No. 10

It appears from note 18 to the financial statements for the year ended on June 30, 2012 that turnover (sales revenue local) has increased @36% compare to previous period. Clarify the reason.

The turnover of the company (sales revenue local) has increased by 36% during the year from 2011-2012 compared to the same previous year 2010-2011. The basic reasons behind this are due to upward changes in price per MT, increase of production capacity and increase in capacity utilization. For instance, during this period actual sales volume was 12,400 MT compared to 9,138 MT in the previous year which represents net sales increased by

No. 11

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

There is no loan interest has been capitalized last five years. Year-wise break-up of interest charged on bank loan are as follows:

Particulars	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007
United Commercial Bank Ltd.						
Overdraft Interest	16,881,310	11,950,713	7,956,710	-	-	-
Hypo Loan Interest	2,899,229	2,379,360	1,854,918	-	-	-
Import Loan Interest	18,474,720	10,006,172	6,650,152	-	-	-
Term Loan Interest	12,537,816	13,964,638	11,691,187	-	-	-
Bill Negotiation Interest & Charges (LBPD)	2,225,106	2,243,106	2,062,411	-	-	-
Bank Guarantee Commission & Charge	2,041,462	1,429,620	2,870,005	-	-	-
Standard Chartered Bank						
Import Loan Interest	269,371	1,845,200	-	-	-	-
Bill Negotiation Interest & Charges (LBPD)	-	455,434	-	-	-	-
Islamic Finance and Investment Limited						
Overdraft Interest	11,063,959	7,715,435	407,203	-	-	-
Term Loan Interest	412,402	1,582,376	453,409	-	-	-
Union Capital Limited						
Interest on Lease Loan	369,051	359,409	-	-	-	-
United Leasing Company Ltd.						
Interest on Lease Loan	234,729	-	-	-	-	-
IIFDC						
Interest on Lease Loan	157,533	-	-	-	-	-
Eastern Bank Ltd.						
Interest on Time Loan	-	-	1,327,709	1,874,321	-	-
Interest on Demand Loan	-	-	1,401,362	6,626,273	3,596,567	-
Overdraft Interest	-	-	770,890	1,805,336	1,369,184	-
Project Loan	-	-	4,137,301	19,165,477	15,769,778	9,905,197
Import Loan Interest	-	-	3,629,209	13,113,223	5,544,203	-
Bank Guarantee Commission & Charge	-	-	1,271,758	489,255	1,407,083	-
Bill Negotiation Interest & Charges (LBPD)	-	-	-	1,445,589	1,464,505	-
CD & STD Bank Charges						



Particulars	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007
Brac Bank Ltd., STD	10,817	18,588	25,413	17,202	-	-
Brac Bank Ltd., A/C No. CD	1,270	1,615	4,138	12,105	-	-
Bank Alfala Ltd., A/C No. CD	-	1,589	4,227	-	-	-
Easter Bank Ltd. OD	-	-	19,449	77,671	-	-
Eastern Bank Ltd., A/C No. CD	690	82,015	4,470	6,513	-	-
Eastern Bank Ltd. STD	575	1,040	24,199	217,514	-	-
Habib Bank A/C No. STD	3,115	3,115	-	-	-	-
One Bank Ltd., A/C No. CD	-	3,710	-	-	-	-
Premier Bank Ltd., A/C No. CD	805	4,614	-	-	-	-
Prime Bank Ltd. A/C No. CD	-	8,523	-	-	-	-
IFIC Bank Ltd., A/C No. STD	575	915	-	-	-	-
Dutch-Bangla Bank Ltd., STD	3,645	10,979	6,431	-	-	-
Jamuna Bank Ltd., STD	1,291	7,925	2,712	1,540	-	-
Sonali Bank Ltd., A/C No. A/C No. CD	-	2,047	-	1,282	-	-
Standard Chartered Bank, A/C No. CD	25,955	130,471	3,279	-	-	-
Southeast Bank Ltd. A/C No. STD	575	1,509	345	-	-	-
Standard Bank Ltd., A/C No. STD	-	3,908	3,941	36,990	-	-
Shajalal Islamic Bank Ltd. A/C No. SND	-	-	3,975	2,045	-	-
Total	67,616,001	54,214,025	46,586,802	44,892,337	29,151,320	9,905,197

No.12

EPS and net profit is not shown on the income statement for the year ended on June 30, 2012 as per require of rule 8.B.20(g) of the "Securities and Exchange Commission" (Public Issue) Rules 2006;

As per require of rule 8.B.20(g) of the Securities and Exchange Commission (Public Issue) Rules 2006, EPS and Net Profit are shown separately after deducting the all extra-ordinary income or non-recurring income coming from other than core operations is added in note 24.00 are as follows:

Particulars	30-06-2012	30-06-2011
Net profit after Tax	65,161,891	30,146,622
Other Income	1,710,501	305,394
Net profit after tax except other income	63,451,390	14,213,710
No. of shares before IPO	50,000,000	10,000,000
Earnings per Share (EPS) on fully diluted basis	1.26	2.98

No.13

No disclosure has been made regarding going concern in the notes to the financial statements for the year ended on June 30, 2012 as per BAS-1 BSA-570;

Disclosure has been made regarding going concern under the note no. **2.01: Basis of preparation & presentation of the financial statements** to the financial statements for the year ended on 30 June, 2012 as per BAS-1 BSA-570. However, further it is mentioned that the company has adequate resources to continue in operation for the foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements.

No.14

No disclosure has been made for collection from customers and others and for payment to suppliers, employees and others;



Disclosure for collection from customers and others and for payment to suppliers, employees and others for the year from 01 July, 2011 to 30 June, 2012 are as follows:

Collection from customers and others:

Particulars	Taka
Collection from Customers:	
ACI Foundation Ltd.	310,000
Ashik Steel Building Ltd.	5,365,400
EPS Technologies Ltd.	730,000
Afil Breeder Farm Ltd.	40,700,000
Aftab Milk Ltd.	500,000
AG Auto Mobile Ltd	36,740
Ak Khan & Company Ltd.	3,027,525
Akij Group Dyeing Factory Ltd.	32,550,000
Al Habib Complex	12,200
Aman Bangladesh Ltd.	8,253,001
Amin Steel Building Ltd.	6,368,000
Ananta Sandblast	450,000
Asha Moni Iron Store Scrap	176,065
Asian Consumer Care (Pvt.) Ltd.	14,250,000
Badsha Textiles Generator Building	2,404,000
Banito Button Factory	500,000
BASF Bangladesh Ltd.	35,073,740
Bashundhara Paper Mills Ltd.	647,520
Basundhara Convention & Food	2,722,783
Basundhara Paper Mills Ltd.	928,000
Bengle Concept & Holdings Ltd.	517,500
Building Construction Design Ltd.	8,975,700
Chaina Bangla Ceramic Industries Ltd.	1,013,198
Crea Inter Chemical Ltd.	200,000
Colour & Fashion Ltd.	7,510,500
Design Concept	4,790,000
Dhaka Tobacco Ltd.	8,489,304
Ducati Apparels Ltd.	180,000
Energypac Engineering Ltd.	9,548,781
Energypac Power Generation Ltd.	61,119,657
Envoy Power Plant Ltd.	9,541,000
Envoy Textile Ltd.	97,839,369
EUCO Footwear Ltd.	700,000
Fakir Fashion Ltd.	48,812,296
Fakruddin Urme Group	16,363,706
FB Fashion Ltd.	275,000
Fresh Cement Ltd.	12,781,000
Gazipur Paper	3,660,000
GBBL	4,500,000
Giant Textiles Ltd.	36,801,128
GMS Composite	2,350,000
GMS Composite Knitting Ind. Ltd.	2,098,829
Grameen Fabrics & Fashion Ltd.	1,968,000
Grand Sylhet Apart Hotel	1,000,000
Granville Group	31,000
Hamdard Laboratories Ltd.	4,500,000



Particulars	Taka
Hameem Denims Ltd.	440,249
Hameem Jeans Ltd.	1,564,160
IRIS Fabrics Ltd.	1,500,000
Ironbuild Steel Building Systems Ltd.	326,000
Jobaida Karim Jute Mills Ltd.	66,900,000
Karnaphuly Dyeing	8,300,000
KBC Agro Product Ltd.	3,120,000
KBC Agro Trading	1,850,000
Kedarpur Tea Company Ltd.	1,560,000
KIA Motors	1,000,000
Lam-yea Enterprise	7,620,000
Lotus Kamal Tower	849,548
M/S Moni Enterprise	116,026
Mahafujz Rahaman	133,524
Marico Bangladesh Ltd.	24,786,100
Mark Wash & Dyeing	10,160,000
Meghna Group	11,850,000
ML Steel Ltd.	7,300,000
Mobil Jamuna Fuels Ltd.	15,970,216
Mozart Knit Ltd.	871,000
Mr. Jasim Uddin	130,425
Mr. Mainuddin Master	256,916
Mr. Shafique	30,125
MS Elastic & Accessories Ltd.	1,175,000
Multazim Spinning Mills Ltd.	5,000,000
Nestle Bangladesh Ltd.	45,955,038
Optimus Steel Building Ltd.	5,000,000
OTOBI Ltd.	2,479,491
PA Knit Composite Ltd.	4,400,000
Padma Engineering Works	2,535,000
Palmal Trading	2,300,000
Paragon Ceramic Industries Ltd.	2,516,797
Paragon Feed Mill Ltd.	3,000,000
Partex Beverage Gazipur	4,500,000
PCCN Bangladesh Ltd.	477,208
Perfetti Van Melle (BD) Pvt. Ltd.	28,462,181
Pioneer Knitwear Ltd.	3,700,000
Pran Beverage	5,402,073
Pran Distribution Ltd.	8,706,338
Pran FG Godown	789,078
Pran RFL EX-05	31,516,400
Pran RFL Export	91,885,915
Prantik Marin Ltd.	167,500
Print Asia Ltd.	700,000
Quantum Power Ltd.	17,500,000
Radiant Alliance Ltd.	336,774
Rahman Knit Garments Ltd.	750,000
Ribbon And Bow Factory Ltd.	1,000,000
Runner Agro Products Ltd.	662,500
Runner Motors Ltd.	2,203,000
Rupom Shop & Chemical Ltd.	320,000



Particulars	Taka
Saiham Textiles Mills Ltd.	17,500,000
SAN Group	500,000
Sayem Enterprise	52,142
Seven Circle	786,000
Seven Circle Gypsum Ltd.	5,002,346
Seven Circle Oil Ltd.	12,720,000
Shafi Motors Ltd.	3,150,000
Shah Amanat Enterprise	1,000,000
Shah Trims Ltd.	300,000
Shamoli Poultry	1,500,000
Shovon Knitwear Ltd.	1,000,000
Sim Fabrics	38,430,000
Simco Spinning & Textile Ltd.	1,250,000
Snow White Ltd.	480,000
Sonia & Sweaters Ltd.	400,000
Standard Group	4,195,816
Steel Frame Building Solution Ltd.	332,000
STS Group	127,498
T & S Brothers Trading	255,185
T & S Button Bangladesh	27,282,301
TAE IL Aluminum	530,000
Tarasima Apparels Ltd.	1,740,000
Tasnim Chemical Complex	3,635,000
Tasnim Chemical Ltd.	707,000
Tex Zipper (Bd) Ltd.	430,669
The Civil Engineers Ltd.	3,000,000
Thermax Group	30,658,000
Thermax Passage Sheet Extension	42,000
Thermax Textile Mills Ltd.	1,000,000
Thermax Yarn Dyeing Seizing	800,000
Tradexcel Auto Bricks Ltd.	18,998,000
Trims International (BD) Ltd.	49,663,867
Turag Garment & Hosiery Mills Ltd.	100,000
Unicom Tex Ltd.	2,040,000
Unilever Bangladesh	6,661,835
Uniliver DWH Ext	94,653
Unillance Textile Ltd.	130,000
Unique Eastern (Pvt.) Ltd	30,000
Viyella Tex Ltd.	514,530
Viyellatex Central Warehouse	22,315,000
Well Accessories Ltd.	1,000,000
Yester (BD) Ltd.	998,854
Zeesan Kingshuk Huq	500,000
Sub Total	1,202,498,220
Other Income:	
Interest Income-FDR & STD Accounts	1,710,501
Grand Total	1,204,208,721

**Payment to suppliers, employees and others:**

Particulars	Taka
ABC Company	14,768,704
Alom Hardware Store	95,303
Arif Zaman Enterprise	65,663,880
Arrival Marketing & Communication Ltd.	100,000
Asain Tools	80,500
Asian Paints	2,937,722
Atlantic Traders & C&F	75,015,600
Bangladesh Welding Electrodes Ltd.	1,441,248
Bashndhara LP Gas Ltd.	310,455
Berger Paints (Bangladesh) Ltd.	100,237
Bismillah JM Poultry	100,000
Biswas Enterprise C&F	6,876,178
Bluscope Steel	9,842,981
BM Engineering	75,294
BOC Bangladesh Ltd.	577,832
Builtrade Engineering Ltd.	1,357,350
Century Enterprise	292,260
Chattagram Samity-Dhaka	20,000
Chistia Hardware Store	3,029,298
Classic Cleaning Service (H/O)	255,200
Conect BD Ltd	142,500
Crane View	555,000
Desh Steel Erector For Crane	610,000
Dhaka Digital Survey	27,000
Digital Mapping Organization	12,000
Dulal Traders LDPE	3,922,800
Erection	55,085,322
Finaco NV	25,025,000
Flowtide Printing	202,490
Fright Charge Agaid	2,874,830
Golory Enterprise	56,769,500
Gvencis Trading Crop:	13,840
Hatim Industries Ltd.	5,916,245
Hebei Machinery Import & Export Co. Ltd.	7,143,786
Huaxi International Trading	6,572,557
IPC Export Commodities Co. Ltd.	195,388,713
Jahid Hassan Enterprise	72,864
Jahid Office Equipment	103,000
Jalalabad Steel Ltd.	10,164,567
Jasim Mahadi Iron Steel	3,612,920
Joint Star Steel Structure Ltd	1,887,340
Joongbu Multi Moude Chemical Ltd.	355,000
Khaja Ajmir Glass House	110,000
Khaza Engineering Works	200,000
Kingyang International Trade Co. Ltd.	189,647
KYODO CO. INC	197,000
Lucky Steel Corporation	12,396,300
M/S Postagola Iron Store	2,085,986
M/s Shaheen & Brothers	87,875
Magtek Communication System Ltd.	3,000
Makka Engineering & Construction	70,000



Particulars	Taka
Paid to Suppliers:	
Md. Hasan Ali	120,000
Modern Structures Limited	1,176,912
Mr. Alom (EG MAT) Supply	16,319,000
Mr. Mintu	815,480
Mr. Yasin (MS Rod)	249,146
N Islam Transport Agency	3,950,000
Navana Paints	23,571
Naymul & Sons	139,481
Neoma Herbal Sciences Ltd.	26,766,574
New Bahar & Sons	368,300
New Osmani Mill Store	2,940,720
NIT Creative Solutions	180,000
Overseas Marketing Corporation Ltd.	65,360
Parvin Enterprise	5,339,580
PEB Steel Alliance Ltd.	71,712
Petrolub Ltd.	47,900
R N Timber	225,000
Rahim Steel Mills Co. (Pvt.) Ltd.	64,040,000
Rana Enterprise	6,872,060
Roxy Paints	3,550,000
Rupali Iron Enterprise	1,200,000
Safiqul Enterprise	2,500
Sarker Steel Ltd.	345,750
Satota Enterprise	1,478,794
Shahid Trading Corporation	5,555,000
Sharly Engineering Works	2,752,700
Shenzhen Jntu RT	821,797
Shenzhen Juntu Industry Co. Ltd.	31,738,186
Shojib Enterprise	13,500
Siraz Brothers	2,675,620
Smart Technologies BD Ltd	36,500
Sonargoan Steel Ltd.	8,964,000
Sony Enterprise	7,497,095
Sophists Architects	268,000
SS Engineering Works	94,400
ST Thai Aluminum	75,162
Steel Trims Taiwan Ltd	219,257
Sumit Cutting	6,022
Suraiya Traders	16,650
Swiss Park Ltd.	5,782
Taj Enterprise	452,000
Talukdar Enterprise	232,000
Talukder UPVC Fittings	68,320
TATA Blue Scope Steel Ltd.	8,957,000
Techmo Havc Systems Ltd	148,400
Tianjin Century Xinlei	24,027,763
Toffim BD Ltd.	12,805
Toma Chemical	16,281,610
Trade Bangla	2,581,800
Transport	5,687,700
UD Trading	2,077,199



Particulars	Taka
Union Steel Tubes Ltd.	1,786,692
Unique Cement Ltd.	212,800
United Cutting	600
United Iron Store	39,806,553
Uttar Telefilm	170,000
Uttara Motors Ltd.	5,402,000
Well Accessories	40,000
Wuxi Zhongcai New Material Co. Ltd.	41,636,419
Sub Total	921,346,296
Payment to Employees	73,959,514
Paid to Others	99,238,394
Sub Total	173,197,908
Grand Total	<u>1,094,544,204</u>

No.15

It appears from schedule 135 of Companies Act 1994 that cash flow statement has not included for the year ended 30 June, 2007;

Cash flow statement for the year ended 30 June, 2007 has been included earlier in the Auditors' Report under section 135 of the Companies Act, 1994 dated 20 January, 2013.

No.16

Payment to suppliers to Tk. 1,094,544,204 shown in the statement of cash flow is not in agreement with the payment schedule. Justify the reason;

Payment to suppliers represents the figure to Tk. 900,439,433 which is given in earlier note no. 14 of cash flow statements. The figure amounting to Tk. 1,094,544,204 includes payment of suppliers, employees and others shown in the statement of cash flow for the year ended 30 June, 2012.

Dated: Dhaka
20 January, 2013

KAZI ZAHIR KHAN & CO.
Chartered Accountants



INSTRUCTIONS

- As per provision of Depository Act, 1999 and regulations made there under shares will only be issued in dematerialized condition. Please mention your BO (Beneficiary Owner) Account number in the application form. If you do not mention your valid BO (Beneficiary Owner) Account, your application will be treated as invalid.
- All information must be typed or written in full (in Block letters) in English or in Bengali and must not be abbreviated.
- Application must be made on the Company's printed form/photocopy or on typed copy/hand written form thereof.
- Application must not be for less than 500 Ordinary Shares and must be for a multiple of 500 Ordinary Shares. Any Application not meeting this criterion will not be considered for allotment purpose.
- Remittance for the full amount of the Shares must accompany each Application and must be forwarded to any of the Bankers to the Issue. Remittance should be in the form of Cash/ Cheque/ Bank Draft/ Pay Order payable to one of the Bankers to the Issue A/C "Bangladesh Building Systems Ltd." and crossed "Account Payee only" and must be drawn on a Bank in the same town as the Bank to which the Application form has been sent.
- In the case of Joint Application Form, the Allotment Letter will be dispatched to the person whose name appears first on this Application Form and where any amount each refundable in whole or in part the same will be refunded by account payee cheque by post / courier service to the person named first on this application form in the manner prescribed in the prospectus.
- Joint Application Form for more than two persons will not be accepted. In case of joint Application, each party must sign the Application Form.
- Application must be in full name of individuals or companies or societies or trusts and not in the name of firms, minors or untraced mind. Application from financial and market intermediary companies must be accompanied by Memorandum and Articles of Association and Certificate of Incorporation.
- An applicant cannot submit more than two applications, one in his/her own name and another jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, whole or part of application money may be forfeited by the Commission.
- No receipt will be issued for the payment made with Application, but the bankers will issue a provisional acknowledgment to the Issue for Application lodged with them.
- In the case of non-allotment of securities, if the applicant's bank accounts as mentioned in their IPO Application Forms are maintained with the Bankers to the Issue, refund amount of those applicants will be directly credited to the respective bank account as mentioned in their IPO Application Forms. Otherwise, refund will be made only through "Account Payee" cheque(s) showing bank account number and name of bank and branch as mentioned in the Application payable at Dhaka or Chittagong, as the case may be.
- Allotment will be made solely in accordance with the instructions of the Bangladesh Securities and Exchange Commission (BSEC).
- Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information shall make the application liable to rejection and subject to forfeiture of application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited Application money or share (unit) will be deposited in account specified by the Bangladesh Securities and Exchange Commission (BSEC). This may be in addition to any other penalties as may be provided for by the law.
- Applications, which do not meet the above requirements, or applications, which are incomplete, shall not be considered for allotment purpose.
- The Banker's to the Issue Banks shall be obliged to receive the A/C Payee Cheque(s) on the closing day of the subscription of the IPO.
- No sale of securities shall be made, nor shall any money be taken from any person, in connection with such sale until 25 (twenty five) days after the prospectus has been published.
- The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money too.

BANKERS TO THE ISSUE

Investment Corporation of Bangladesh (ICB)

Head office, Dhaka
Chittagong Br., Chittagong
Rajshahi Br., Rajshahi
Khulna Br., Khulna
Barisal Br., Barisal
Sylhet Br., Sylhet
Bogra Br., Bogra
Local Office, Dhaka
United Commercial Bank Ltd.
Principal Br., Motijheel
Nayabazar Br., Dhaka
Dhanmondi Br., Dhaka
Narayanganj Br., Dhaka
Mirpur Br., Dhaka
Utara Br., Dhaka
Corporate Br., Gulshan Avenue, Dhaka
Gulshan Br., Dhaka
Mohakhali Br., Dhaka
Banani Br., Dhaka
Tejgaon Br., Dhaka
Bijoynagar Br., Dhaka
Khatunganj Br., Chittagong
Agrabad Br., Chittagong
Jubilee Road Br., Chittagong
Cox's Bazar Branch
Comilla Branch
Mymensingh Branch
Majidee Court Br., Noakhali
Sylhet Branch
Pabna Branch
Rangpur Branch
Dinajpur Branch
Bogra Branch
Rajshahi Branch
Khulna Branch
Jessore Branch
Kushtia Branch
Barisal Branch
Faridpur Branch
Janata Bank Ltd.
Banani Branch, Dhaka
Dhanmondi Branch, Dhaka
Elephant road corporate Branch, Dhaka
Gulshan-2 corporate Branch, Dhaka
Utara model town Branch, Dhaka
Mohakhali Branch, Dhaka
Mohammadpur Branch, Dhaka
Imamgonj Branch, Dhaka
Mouchak market Branch, Dhaka
Shantinagar corporate Branch, Dhaka
Dhaka university Branch, Dhaka
Kawran Bazar Branch, Dhaka
Rajshahi Branch, Dhaka
Satmaszid Road Branch, Dhaka
Motijheel Branch, Dhaka
Mirpur-10 Branch, Dhaka
B.B Road Branch, Narayanganj
Lakighi Branch, Chittagong
Sheikh Mujib Road Branch, Chittagong
Khulna corporate Branch, Khulna
Sylhet corporate Branch, Sylhet
Foreign exchange Branch, Sylhet
Rajshahi Branch, boalia, Rajshahi
Kushtia Branch
Comilla Branch
Barisal Branch
Majidee Court Br., Noakhali
Mymensingh Branch
Narsingdi Branch
Rangpur Branch
Faridpur Branch
Bogra Branch
Dinajpur Branch
Gopalganj Branch

Southeast Bank Limited

Principal Branch, Dhaka
Corporate Branch, Dhaka
Imamgonj Branch, Dhaka

Dhanmondi Branch, Dhaka
Utara Branch, Dhaka
New Elephant Road Branch, Dhaka
Gulshan Branch, Dhaka
Kakrail Branch, Dhaka
Banani Branch, Dhaka
Bangshal Branch, Dhaka; New Eskaton Branch, Dhaka
Pragati Sarani Branch, Dhaka
Agarong Branch, Dhaka
Sat masjid Road Branch, Dhaka
Shaymoli Branch, Dhaka
Aganagar Branch, Dhaka
Kawran Bazar Branch, Dhaka
Ashulia Branch, Dhaka
Rokeya sarani Branch, Dhaka
Savar Branch, Dhaka
Mouchak Branch, Dhaka
Bashundhara Branch, Dhaka
Mohammadpur Branch, Dhaka
Motijheel Branch, Dhaka
Dhanmondi Branch, Dhaka
Islampur Branch, Dhaka
Hemayetpur Branch, Dhaka
Madhabdi Branch, Narsingdi
Narayanganj Branch
Konabari Branch, Gazipur
Tongi Branch, Gazipur
Joydebpur Branch, Gazipur
Madambhir Hat Branch, Chittagong
Agrabad branch, Chittagong
Khatunganj Branch, Chittagong
Jubilee Road Branch, Chittagong
Halishahar Branch, Chittagong
CDA avenue Branch, Chittagong
Palatoli Branch, Chittagong
Momin Road Branch, Chittagong
Comilla Branch
Munshigonj Branch
Chouhatti Branch, Sylhet
Lakighiripar Branch, Sylhet
Bandar Bazar Branch, Sylhet
Shahjalal Uposhahar Branch, Sylhet
Pathantala Branch, Sylhet
Khulna Branch
Chowmuhani Branch, Noakhali
Cox's Bazar Branch
Chagalnaiya Branch, Feni
Feni Branch
Bashurhat Branch, Noakhali
Bogra Branch
Jessore SME Branch
Barisal Branch
Naogaon Branch
Moulvibazar Branch
Satkhira SME Branch
Narsingdi SME Branch
Rajshahi Branch
Tangail SME Branch
Dinajpur Branch
Chapinawabganj Branch
Prime Bank Limited
Asad Gate Branch, Dhaka
Bangshal Branch, Dhaka
Banani Branch, Dhaka
Dhanmondi Branch, Dhaka
Elephant Road Branch, Dhaka
IBB Dilkusha Branch, Dhaka
IBB Mirpur Branch, Dhaka
Kawran Bazar Branch, Dhaka
Foreign exchange Branch, Dhaka
Mohakhali Branch, Dhaka
Mouchak Branch, Dhaka
New Eskaton Branch, Dhaka
Sat masjid Road Branch, Dhaka
S.B.C Tower, Dhaka
Utara Branch, Dhaka
Bashundhara Branch
Tongi Branch, Gazipur
Narayanganj Branch
Agrabad Branch, Chittagong
Khatunganj Branch, Chittagong

Jubilee Road Branch, Chittagong
IBB, O.R. Nizam road, Chittagong
Lakighi East Branch, Chittagong
Probortok More, Chittagong
Subid Bazar Branch, Sylhet
Upashahar Branch, Sylhet
Court Road Branch, moulvibazar
Sremongal Branch, moulvibazar
Bogra Branch
Rajshahi Branch
Rangpur Branch
Jessore Branch
Faridpur Branch
Dinajpur Branch
Comilla Branch
Feni Branch
Khulna Branch
Natore Branch
Sunamgonj Branch
Mymensingh Branch
BRAC BANK LIMITED
Asad Gate Branch, Dhaka
Banani Branch, Dhaka
Bashundhara Branch, Dhaka
Donia Branch
Eskaton Branch
Graphic's building Branch, Dhaka
Gulshan Branch, Dhaka
Manda Branch
Mirpur Branch, Dhaka
Narayanganj Branch
Nawalpur Branch, Dhaka
Rampura Branch, Dhaka
Shaymoli Branch, Dhaka
Utara Branch, Dhaka
Agrabad Branch, Chittagong
CDA Avenue Branch, Chittagong
Momin Road Branch, Chittagong
Haisobor Branch, Chittagong
Kazirdeuri Branch, Chittagong
Bogra Branch
Rajshahi Branch
Khulna Branch
Jessore Branch
Barisal Branch
Zindabazar Branch, Sylhet
Commercial bank of Ceylon PLC
Motijheel Branch
Dhanmondi Branch
Mirpur Branch
Utara Branch
Gulshan Branch
Sonargaon Branch
Bangshal Road Branch
Pragati sharani Branch
Shantinagar Branch
Tongi Branch
Agrabad Branch, Chittagong
Jubilee Road Branch, Chittagong
CDA Avenue Branch, Chittagong
Sylhet Branch
Narayanganj Branch
Jamuna Bank Limited
Mohakhali Branch, Dhaka
Sonargaon Road Branch, Dhaka
Dilkusha Branch, Dhaka
Shantinagar Branch, Dhaka
Gulshan Branch, Dhaka
Dhanmondi Branch, Dhaka
Islampur Branch, Dhaka
Moulvibazar Branch, Dhaka
Motijheel Branch, Dhaka
Dholaikhal Branch, Dhaka
Banani Branch, Dhaka

Mirpur Branch, Dhaka
Malibagh Branch, Dhaka
Ring Road Branch, Dhaka
Savar Branch, Dhaka
Mawna Branch, Gazipur
Narayanganj Branch
Agrabad Branch, Chittagong
Jubilee Road Branch, Chittagong
Khatunganj Branch, Chittagong
Kushtia Branch
Rajshahi Branch
Bogra Branch
Comilla Branch
Feni Branch
Jessore Branch
Barisal Branch
Sylhet Branch
IFIC BANK LIMITED
Federation Branch, Dhaka
Mohakhali Branch, Dhaka
Elephant Road Branch, Dhaka
Kawran Bazar Branch, Dhaka
Utara Branch, Dhaka
Palabi Branch, Dhaka
Narsingdi Branch, Dhaka
Narayanganj Branch, Narayanganj
Faridpur Branch, Faridpur
Dhanmondi Branch, Dhaka
Banani Branch, Dhaka
Shantinagar Branch, Dhaka
Islampur Branch, Dhaka
Naya Paltan Branch, Dhaka
Malibagh Branch, Dhaka
Noth Brook Hall Road Branch, Dhaka
Maymensingh Branch, Maymensingh
Stock Exchange Branch, Dhaka
Mirpur Branch, Dhaka
Agrabad Branch, Chittagong
Madam Bbir Hat Branch, Chittagong
Sheikh Moji Road Branch, Chittagong
Brahmanbari Branch, Chittagong
Feni Branch, Feni
CDA Avenue Branch, Chittagong
Cox's Bazar Branch
Comilla Branch
Chumuhani Branch
Alanker More Branch, Chittagong
Rajshahi Branch, Rajshahi
Bogora Branch, Bogora
Dinajpur Branch, Dinajpur
Rangpur Branch, Rangpur
Pabna Branch, Pabna
Khulna Branch, Khulna
Jessore Branch, Jessore
Boro Bazar Branch, Khulna
Kushtia Branch, Kushtia
Barisal Branch, Barisal
Sylhet Branch, Sylhet
Moulvi Bazar Branch
Uposhohor Branch, Sylhet
Tulikar Branch Sylhet-3100



Instructions

1. As per provision of the Depository Act, 1999 and regulations made there under shares will only be issued in dematerialized condition. Please mention your BO (Beneficiary Owner) account number in the Application Form. If you do not mention your valid BO (Beneficiary Owner) account, your application will be treated as invalid.
2. All information must be written or typed in block letters in English and must not be abbreviated.
3. An application must not be for less than 500 Ordinary Shares and must be for a multiple of 500 ordinary shares. Any application not meeting this criterion will not be considered for allotment purpose.
4. An application must be accompanied by a foreign demand draft drawn on a bank payable at Dhaka or cheque drawn out of foreign currency deposit account maintained in Bangladesh for the full value of shares favoring “**Bangladesh Building Systems Ltd.**” and crossed “**Account Payee only**”.
5. An application shall be sent by the applicant directly to the Company by so as to reach the Company by Applications sent after or received by the Company after will not be considered for allotment purpose.
6. Refund against over-subscription shall be made in the currency in which the value of shares was paid for by the applicant at the same rate as stated on the application form through Account Payee cheque payable at Dhaka with bank account number, Bank’s name and Branch as indicated in the securities application form.
7. In case of over-subscription allotment shall be made by lottery solely in accordance with the instructions by BSEC.
8. Money receipt on clearance of draft or cheque, as the case may be, shall be sent by post to the applicant by the Company.
9. Joint application by two persons will be acceptable. In such a case, allotment or refund shall be made by post to the first applicant.
10. Application must be made by an individual, a corporation or company, a trust or a society and not by a firm, minor or persons of unsound mind.
11. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information in the application shall make the Application liable to rejection and subject to forfeiture of application money and / or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited application money or share (unit) will be deposited in account specified by the Bangladesh Securities and Exchange Commission (BSEC). This may be in addition to any other penalties as may be provided for by the law.
12. The intending NRB applicants shall deposit share money by US\$ / UK Pound Sterling / EURO draft drawn on any Bank and payable in Dhaka, Bangladesh or through a nominee by paying out of foreign currency deposit account maintained in Bangladesh or in Taka, supported by foreign currency encashment certificate issued by the concern Bank, for the value of securities applied for through crossed bank cheque marking "Account payee only" So that the issuer’s collecting bank can clear the proceeds and deposit the same into issuer bank’s account in time.



13. The spot buying rate (TT Clean) in US Dollar, UK Pound Sterling and EURO of Sonali Bank at the day of subscription opening will be applicable for the Non Resident Bangladeshi (NRB) applicants.
14. **The applicant shall furnish photocopies of relevant pages of valid passports in support of his/her being a NRB, dual citizenship or of the foreign passport bearing an endorsement from the concerned Bangladeshi Embassy to the effect that no visa is required for him / her to travel to Bangladesh.**
15. In case of joint NRB application joint applicant shall also submit supporting papers /documents in support of their being a NRB as mentioned in para-14 (above).
16. **An applicant cannot submit more than two applications, one in his/her own name and another jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.**
17. **No sale of securities shall be made nor shall any money be taken from any person, in connection with such sale until twenty five days after the prospectus have been published.**
18. In the case of non-allotment of securities, if the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with the Bankers to the Issue, refund amount of those applicants will be directly credited into the respective bank accounts as mentioned in their IPO Application Forms. Otherwise, refund will be made only through "Account Payee" cheque(s) with bank account number and name of bank branch as mentioned in the application payable at Dhaka or Chittagong, as the case may be.
19. **The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% (fifteen) of their subscription money too.**

THE NRB APPLICATION ALONG WITH THE FOREIGN CURRENCY DRAFT, AS ABOVE, IS TO BE SUBMITTED TO THE COMPANY'S HEAD OFFICE DIRECTLY WITHIN THE STIPULATED TIME MENTIONED IN PARA 5.



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"Interested persons are entitled to a prospectus, if they so desire, and that copies of prospectus may be obtained from the issuer and the issue manager"

Bangladesh Building Systems Limited

Application Form

APPLICATION FOR SHARES BY AFFECTED SMALL INVESTORS (প্ৰভাৱিত ক্ষুদ্ৰ বিনিয়োগকাৰী)

Warning: Please read the instructions at the back of this form. Incorrectly filled applications may be rejected

The Managing Director
Bangladesh Building Systems Limited
 Building # 26, Road # 03, Block# 1
 Banani, Dhaka-1213

Banker's SI no:

Dear Sir,

I/we apply for and request you to allot me/us thenumber of Shares and I/we agree to accept the same or any smaller number that may be allotted to me/us upon the terms of the Company's approved Prospectus and subject to the Memorandum and Articles of Association of the Company. Further, I/we authorize you to place my/our name(s) on the Register of Members of the Company and deposit the said shares to my/our BO (Beneficiary Owner) Account and/or a Crossed (Account Payee only) Cheque in respect of any application money refundable by post/courier at my/our risk to the first applicant's address stated below:-

1. No. of Ordinary Sharesof Tk.10/- each at par.
2. Amount of Tk. (in figure),, Taka (in words)only deposited vide Cash/Cheque/Draft/Pay Order No.....dated OnBank..... Branch.
3. Beneficiary Owner (B/O) Account Number

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(If you do not mention your valid BO (Beneficiary Owner) account number, your application will be treated as invalid)

4. I/we agree to fully abide by the instructions given herein.
5. Particulars of Applicant(s):

a) Sole/First Applicant:

Name: Mr./Mrs./Ms.		
Father's/Husband's name:		
Mother's name:		
Postal address:		
Occupation:	Nationality:	Telephone No. (If any):
For refund warrant, (Application will not be treated as valid if any one uses a non-scheduled bank. To avoid this complication, investors are requested not to use the name of any non-scheduled bank) Please write the correct and full name of bank and branch		
For refund purpose: Applicant's Bank A/C No:		
Name of the Bank:		Branch:

The applicant shall provide the same bank account number in the application form as it is in the BO account of the applicant.

b) Second Applicant:

13. I/We hereby declare that I/We have read the Prospectus of **Bangladesh Building Systems Limited** and have willingly subscribed for

Name: Mr./Mrs./Ms.		
Father's/Husband's name:		
Mother's name:		
Postal address:		
Occupation:	Nationality:	Telephone No. (If any):

..... no. of shares of **Tk.10/-** each at par.

14. Specimen Signature(s):

	Name (in Block Letters)	Signature
Sole / First Applicant		
Second Applicant		

..... **BANK'S ACKNOWLEDGEMENT**

Certified that this Bank has received Tk. (in figure) (in words) only from Mr./Mrs./Ms.being the application money for nos. of ordinary shares of Bangladesh Building Systems Limited

Bankers SI. No.

Seal & Date

**Authorized Signature
(Name & Designation)**



INSTRUCTIONS

1. As per provision of the Depository Act, 1999 and regulations made there under shares will only be issued in dematerialized condition. Please mention your BO (Beneficiary Owner) account number in the Application Form. If you do not mention your valid BO (Beneficiary Owner) Account, your application will be treated as invalid.
2. All information must be typed or written in full (in block letters) in English or in Bengali and must not be abbreviated.
3. Application must be made on the Company's printed form/photocopy or on typed copy/hand written form thereof.
4. Application must not be for less than **500** ordinary shares and must be for a multiple of **500** ordinary shares. Any application not meeting these criterions will not be considered for allotment purpose.
5. Remittance for the full amount of the shares must accompany each application and must be forwarded to any of the Bankers' to the Issue. Remittance should be in the form of cash/cheque/bank draft/pay order payable to one of the Bankers' to the Issue favoring "**Bangladesh Building Systems Ltd. "** and crossed "**A/C Payee only**" and must be drawn on a bank in the same town as the bank to which the application form has been sent.
6. In the case of a joint application form, the Allotment letter will be dispatched to the person whose name appears first on this application form and where amount is refundable in whole or in part the same will be refunded by by Account Payee cheque by post/courier service to the person named first on this application form in the manner prescribed in the Prospectus.
7. Joint application form for more than two persons will not be accepted. In case of joint application, each party must sign the application form.
8. Applications must be in the full name of individuals or companies or societies or trusts and not in the name of firms, minors or persons of unsound mind. Application from financial and market intermediary companies and private companies must be accompanied by Memorandum of Association and Articles of Associations and Certificate of Incorporation.
9. **An applicant cannot submit more than two applications, one in his/her own name and another jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.**
10. No receipt will be issued for the payment made with application, but the bankers will issue a provisional acknowledgement to the issue for application lodged with them.
11. In the case of non-allotment of securities, if the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with the Bankers to the Issue, refund amount of those applicants will be directly credited into the respective bank accounts as mentioned in their IPO Application Forms. Otherwise, refund will be made only through "Account Payee" cheque(s) showing bank account number and name of bank and branch as mentioned in the application payable at Dhaka or Chittagong, as the case may be.
12. Allotment shall be made solely in accordance with the instructions of the Securities and Exchange Commission.
13. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information shall make the application liable to rejection and subject to forfeiture of application money and / or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited Application money or share (unit) will be deposited in account specified by the Bangladesh Securities and Exchange Commission (BSEC). This may be in addition to any other penalties as may be provided for by the law.
14. Applications, which do not meet the above requirements, or applications, which are incomplete, shall not be considered for allotment purpose.
15. The Bankers' to the Issue shall be obliged to receive the A/C Payee Cheque(s) on the closing day of the subscription of the IPO.
16. **No sale of securities shall be made nor shall any money be taken from any person, in connection with such sale until twenty-five days after the prospectus have been published.**
17. **The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% (fifteen) of their subscription money too.**
18. *Zmj KvfZ ýwZMOZ ýz`wmbtqumKvi iMY mKj cvej K BmjZ GKK A_ev thS unmiti th tKibiU A_ev DFqiu nZ msiyZ 20% tKilvq Avte`b KiZ cvi`eb | Zte Zviv BPQr KiZj msiyZ 20% tKilvq Avte`b br Kti mvari b wmbtqumKvi i`i Rb` ubaui Z tKilvq Avte`b KiZ cvi`eb j0*