

ABRIDGED VERSION OF PROSPECTUS
Of
VFS THREAD DYEING LIMITED

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

NAME & ADDRESS	CONTACT PERSON	TELEPHONE & FAX NUMBER, E-MAIL, WEB ADDRESS
ISSUER		
VFS Thread Dyeing Limited Registered Office: House # 257 (3 rd Floor), Road # 03 Baridhara DOHS, Dhaka – 1206	Md. Rasel Chief Financial Officer	Phone:+88 02- 8419542,8415644 Fax: +8802-8414678 E-mail:info@vfsthread.com Web:www.vfsthread.com
Factory: RS # 36, Vill # Gazipur, P.O # Gazipur Sadar, Dist # Gazipur, Bangladesh		
ISSUE MANAGER(S)		
Citizen Securities & Investment Limited Al-Razi Complex (8th Floor), Suite G-802,166-167,Shaheed Syed Nazrul Islam Sarani, Purana Paltan, Dhaka	Tahid Ahmed Chowdhury, FCCA Managing Director & CEO	Phone:+88 02 9847988 Fax: +88 02-9570546 Email:info@citizensecurities.com Web: www.citizensecurities.com
First Security Islami Capital & Investment Limited 12 th Floor, Al Amin Center, 25/A, Dilkusha C/A, Dhaka	K M Rasidul Hasan Chief Executive Officer(CEO)	Phone: +880-2-7175819-20, 9559827,29 Fax: +88 02-9515917 Email:info@fsicibd.com Web: www.fsicibd.com
UNDERWRITER(S)		
Citizen Securities & Investment Limited Al-Razi Complex (8th Floor), Suite G-802,166-167,Shaheed Syed Nazrul Islam Sarani, Purana Paltan, Dhaka	Tahid Ahmed Chowdhury, FCCA Managing Director & CEO	Phone:+88 02 9847988 Fax: +88 02-9570546 Email: info@citizensecurities.com Web: www.citizensecurities.com
Prime Finance Capital Management Limited 56-57,Dilkusha C/A (6 th Floor)Dhaka-1000,Bangladesh	M. Mosharraf Hossain PhD, FCA Managing Director & CEO	Phone: +88 02-9584874, 9584876-77 Fax: +88 02-9584922 E-mail: info@primefincap.com Web: www.primefincap.com
LankaBangla Investments Limited City Center, Level # 24, 90/1 Motijheel C/A, Dhaka-1000	Hassan Zabed Chowdhury Chief Executive Officer (Acting)	Phone: +88 02- 9512621 Fax: +88 02-9561107 E-mail: zabed@lankabangla-investments.com Web: www.lankabangla-investments.com

(2) Amount, type and offering price of the securities on a per unit and aggregated basis of securities being issued;

Public issue of **22,000,000** (Two Crore Twenty Lac) ordinary shares of **TK. 10** each at par of totaling **TK. 220,000,000.00** (Twenty Two Crore).

(3) Opening and closing date of subscription;

Opening date of subscription: 24 June 2018

Closing date of subscription: 02 July 2018

(4) Availability of Prospectus

The Prospectus and abridged version prospectus in hard and soft forms of the Company shall be obtained from the following addresses:

NAME & ADDRESS	CONTACT PERSON	TELEPHONE & FAX NUMBER, E-MAIL, WEB ADDRESS
ISSUER		
VFS Thread Dyeing Limited Registered Office: House # 257 (3 rd Floor), Road # 03 Baridhara DOHS, Dhaka – 1206	Md. Rasel Chief Financial Officer	Phone:+88 02- 8419542, 8415644 Fax: +8802-8414678 E-mail:info@vfsthread.com Web:www.vfsthread.com
Factory: RS # 36, Vill # Gazipur, P.O # Gazipur Sadar, Dist # Gazipur, Bangladesh		
ISSUE MANAGER(S)		
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First Security Islami Capital & Investment Limited 12 th Floor, Al Amin Center, 25/A, Dilkusha C/A, Dhaka	K M Rasidul Hasan Chief Executive Officer(CEO)	Phone: +880-2-7175819-20, 9559827,29 Fax: +88 02-9515917 Email:info@fscibd.com Web: www.fscibd.com
STOCK EXCHANGES		
Dhaka Stock Exchange Limited (DSE) DSE Library, Research and Information Department9/F, Motijheel C/A, Dhaka-1000.	Md. Afzalur Rahman Manager	Phone:+88 02 9564601-7, 9666944-8 Fax: +88 02-9569755, 9564727 Email:research@dsebd.org Web: www.dsebd.org
Chittagong Stock Exchange Limited (CSE) CSE Building, 1080, Sheikh Mujib Road, Chittagong-4100. Dhaka Office: 52-53, Dilkusha C/A, Dhaka- 1000	Md. Javed Sarwar Assistant Manager	Phone: +88-031 714632-3, 720871 Fax:+88-031 714101, +880-2 9513911-15 E-mail: javed@cse.com.bd Web: www.cse.com.bd

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

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

Not applicable for VFS Thread Dyeing Limited

(6) Name of the valuer, if any and auditor;

Valuer: Not applicable for VFS Thread Dyeing Limited

Auditor:

<p>Ahmad & Akhtar Chartered Accountants BCIC Bhaban (3rd Floor), 30-31, Dilkusha C/A, Dhaka-1000 A Correspondent Member Firm of Russell Bedford International, UK.</p>	<p>Mohammad Naser Chief Executive Officer</p>	<p>Phone: +88 02-9561289 Fax: +88 02-9564366 E-mail: aacano120@gmail.com Web: www.aacabd.org</p>
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- (7) A person interested to get a prospectus may obtain from the issuer and the issue manager.
- (8) "If you have any query about this documents, you may consult the issuer, issue manager and underwriter"
- (9) "CONSENT OF THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE BANGLADESH SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2015. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER, MANAGING DIRECTOR, CHIEF FINANCIAL OFFICER, COMPANY SECRETARY, ISSUE MANAGER, ISSUE MANAGER'S CHIEF EXECUTIVE OFFICER, UNDERWRITERS, AUDITOR(S), VALUER AND/OR CREDIT RATING COMPANY (IF ANY)."

- (10) "পুঁজিবাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনেও বুঝে বিনিয়োগ করুন"

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


- (11) Summary of use of proceeds of the offer;

Proceeds from Initial public offering (IPO) will be used for acquisition of plant & machinery, re-payment of term loan and for IPO expenses.

Use of Proceeds under:

Description	Amount in BDT
Acquisition of Plant & Machinery	177,403,108
Partial Repayment of Term Loan	25,092,728
IPO Expenses	17,504,164
Total IPO Proceeds Utilization	220,000,000.00

(12) Brief corporate directory of the issuer;

Particulars	Description
Name of the Company	: VFS Thread Dyeing Limited
Logo	: 
Legal Position	: Public Limited Company
Dates of incorporation	: April 20,2010
Commencement of its commercial operations	: July 02,2012
Authorized capital	: TK. 1000,000,000 divided into 100,000,000 Ordinary Share of Tk. 10.00 each
Paid up Capital	: TK. 627,148,000 divided into 62,714,800 Ordinary Share of Tk. 10.00 each
Registered and Corporate office	: House # 257 (3rd Floor), Road # 03 Baridhara DOHS, Dhaka-1206.
Factory office	: RS # 36, Vill # Gazipur, P.O # BOF, P.S # Gazipur Sadar, Dist # Gazipur, Bangladesh
Board of Directors	: 05 Directors
Auditors	: Ahmad & Akhtar Chartered Accountants BCIC Bhaban (3 rd Floor), 30-31, Dilkusha C/A,Dhaka-1000 Phone: +88 02-9561289 Fax: +88 02-9564366 E-mail: aacano120@gmail.com Web:www.aacabd.org
Legal Advisor	: Sk. Md. Zahid Anwar
Banker for IPO	: Brac Bank Limited
Banker of the Company	: Sonali Bank Limited, Mercantile Bank Limited, Islami Bank Bangladesh Limited
Compliance officer	: Mr. Golam Kibria

(13) Location of the business;

The registered and corporate office is situated at House # 257 (3rd Floor), Road # 03 Baridhara DOHS, Dhaka-1206 and factory location is RS # 36, Vill # Gazipur, P.O # BOF, P.S # Gazipur Sadar, Dist # Gazipur, Bangladesh.

(14) Principal product or Service of the issuer;

VFS Thread Dyeing Limited is engaged in dyeing and coning of different types of sewing thread yarn. Principal products of the company are given below:

- ✓ Spun Polyester Yarn
- ✓ Poly Core Spun
- ✓ Textured Polyester (Synthetic Filament Yarn)

VFS Thread Dyeing Limited is a Sewing Thread Dyeing company that imports all its raw materials from foreign sources and supply to 100% export oriented readymade garment industries in Bangladesh that exports their finished products to overseas buyers against Letter of Credit.

(15) Name of associates, subsidiary and holding company of the issuer Company;

There are no associates, subsidiary or holding company of VFS Thread Dyeing Limited.

(16) Short Description of the each of the Directors;

Sarwat Khaled

Chairman

Sarwat Khaled, Chairman of the Company born in a well-known business family in Chittagong in 1974. After completion of her Masters of Commerce from University of Dhaka, she engages herself in business. She is a dynamic and energetic business lady with over 12 years of business experience in different sectors. She started her business carrier in trading of textile and IT products, than expanded it to manufacturing and exporting of different types of garments & agro based items. She became a successful business person in short time of her business career with her sincerity, honesty and conceptual problem solving ability.

M. Azhar Rahman

Managing Director

Mr. M. Azhar Rahman, Managing Director of the Company is a professional and dynamic business person having above 16 years of business experience in different business. He was born in 1974 in a sophisticated business family in Dhaka. He completed his Master's in Business Administration (MBA) from University of London, UK and then he engages himself into business. His interpersonal skills, leadership behavior, high analytical ability and hardworking nature made him worth as a business leader in a short period. During his tenure of business career, he gained business knowledge in textiles, yarn dyeing, agro based and readymade garment industries.

Rumana Hashem

Director

Rumana Hashem, Director of the Company is a highly qualified person who took her Doctoral Degree (PhD) from University of East London, UK. She completed her Post Masters from Munich University, Germany and Masters from Dhaka University. She is an excellent entrepreneur and a bona fide business person.

Tariqul Islam

Director

Tariqul Islam aged 49, Director of the Company born in a well-known business family in 1968 in Dhaka. After completion of his Bachelor Degree in Architecture from Bangladesh University of Engineering and Technology (BUET), He engages himself in business. He also involved in many social activities and similar works. He became a successful business person of his business career with his sincerity, honesty and practical problem solving ability. His interpersonal skills, leadership behavior and hardworking nature made him worth as a successful business leader.

Khaleda Siddique

Independent Director

Khaleda Siddique aged 46, independent director of VFS Thread Dyeing Limited born in a well-known business family in Dhaka in 1972. She was completed her Graduation in Business and completed her Masters from Dhaka University. After completed the study she engaged herself in business. She started business in IT sector and worked in both software & hardware industry in home & abroad. She also gained experience in internal control system and well experienced in financial statement analysis and issues related to internal audit, external audit and internal control system. She became a successful business person in short time of her business career with her interpersonal skills, honesty and conceptual problem solving ability. Her leadership behavior, high analytical ability and hardworking nature made her a leading business person in the society.

(17) Comparative financial statements and NAV, EPS and financial ratios for the last five years or from commercial operation, which is shorter;

VFS Thread Dyeing Limited
Auditors' Report under section 135(1) and para- 24(1) of Part-II of Schedule-III of the Companies Act 1994

As required under section 135(1), Para 24(1), Part II of the Third Schedule of Companies Act 1994, we appended below the following financial information of VFS Thread Dyeing Limited for the year ended 30 June 2017, 30 June 2016, 31 December 2015 & 2014 audited by us and the year ended 31 December 2013 and 2012 audited by M/s. Shiraz Khan Basak & Co. Chartered Accountants:

1. VFS Thread Dyeing Limited was incorporated on April 20, 2010.
2. The Operating results of the company over the last 5 years operation is as follows:

A. Financial Position:	<i>Amount in Taka</i>					
Particulars	30-06-2017	30-06-2016	31-12-2015	31-12-2014	31-12-2013	31-12-2012
Assets						(Restated)
Non-Current Assets	805,175,967	783,989,824	744,065,186	602,700,628	630,060,588	657,234,346
Property, Plant & Equipment	804,404,467	783,218,324	743,293,686	601,929,128	629,289,088	633,615,358
Advance against Land & Land Development	-	-	-	-	-	19,073,162
Preliminary Expenses	-	-	-	-	-	3,774,326
Security Deposits	771,500	771,500	771,500	771,500	771,500	771,500
Current Assets	634,562,148	545,628,667	514,041,295	408,082,437	270,701,604	132,747,490
Inventory	228,032,743	192,934,494	206,290,427	166,326,914	150,345,614	59,345,086
Trade and Other Receivable	369,467,815	328,201,465	300,356,426	237,095,917	117,713,250	70,951,842
Advances, Deposits and Prepayments	35,860,857	22,497,375	4,248,797	2,805,338	641,876	869,964
Cash and Cash Equivalents	1,200,734	1,995,333	3,145,645	1,854,268	2,000,864	1,580,598
Total Assets	1,439,738,115	1,329,618,492	1,258,106,481	1,010,783,065	900,762,192	789,981,836
Shareholders Equity & Liabilities						
Shareholders Equity	1,247,787,185	1,107,659,496	1,040,036,433	888,189,900	749,787,408	639,092,943
Share Capital	627,148,000	627,148,000	627,148,000	627,148,000	627,148,000	627,148,000
Retained Earnings	620,639,185	480,511,496	412,888,433	261,041,900	122,639,408	11,944,943
Non-Current Liabilities	58,611,448	72,208,098	64,920,065	48,650,860	50,253,645	46,216,985
Long Term Loan from Bank	32,356,039	56,052,180	53,317,592	30,394,876	43,369,854	46,216,985
Deferred Tax liabilities	26,255,409	16,155,918	11,602,473	18,255,984	6,883,791	-
Current Liabilities	133,339,483	149,750,898	153,149,983	73,942,305	100,721,139	104,671,908
Trade and Other Payable	5,984,789	19,544,536	38,254,729	35,284,294	39,052,880	50,346,485
Current portion of Long Term Loan	16,722,000	10,660,000	19,597,011	11,760,000	11,760,000	18,000,000
Short term Loan from Bank	58,826,719	83,332,142	77,923,127	10,754,981	30,607,412	29,226,371
Creditors & Accruals	4,024,515	3,337,979	2,994,746	3,017,990	6,559,733	4,679,430
Provision for Income Taxes	47,781,460	32,876,241	14,380,370	13,125,040	12,741,114	2,419,622
Total Shareholders Equity & Liabilities	1,439,738,115	1,329,618,492	1,258,106,481	1,010,783,065	900,762,192	789,981,836

B. Statement of Operating Result:

Particulars	For the year/period ended					
	30-06-2017	30-06-2016 (6 month period)	31-12-2015	31-12-2014	31-12-2013	31-12-2012
Sales	880,833,240	398,856,317	781,912,757	765,421,890	635,248,796	259,925,987
Less: Cost of Goods Sold	681,178,034	299,200,862	597,364,510	579,575,180	477,122,369	223,220,804
Gross Profit	199,655,206	99,655,455	184,548,247	185,846,710	158,126,427	36,705,183
Less: Operating Expenses	18,801,150	8,740,467	15,915,284	15,049,207	15,266,689	12,245,352
Operating Income	180,854,056	90,914,989	168,632,963	170,797,503	142,859,738	24,459,831
Less: Financial Expenses	15,225,379	9,032,143	12,395,487	8,901,157	13,474,046	11,272,766
Net Operating Income	165,628,677	81,882,846	156,237,476	161,896,346	129,385,692	13,187,065
Add: Other non-operation Income	458,310	481,669	1,213,376	1,216,305	1,146,604	1,177,500
Profit before Tax	166,086,987	82,364,515	157,450,852	163,112,651	130,532,296	14,364,565
Less: Provision for Income Tax	25,004,710	12,046,816	12,488,110	24,710,159	19,837,831	2,419,622
Net Profit after Tax	141,082,277	70,317,699	144,962,742	138,402,492	110,694,465	11,944,943
Earnings per Share Par Value of TK. 10/-	2.25	1.12	2.31	2.21	1.77	0.19

C. Dividend declared:

Particulars	01 July 2016 to 30 June 2017	01 January 2016 to 30 June 2016	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013	Dec. 31, 2012
	Taka	Taka	Taka	Taka	Taka	Taka
Cash dividend %	-	-	-	-	-	-
Stock dividend %	-	-	-	-	-	-

D. The company was incorporated as a Private Limited Company on April 20, 2010 and converted into a Public Limited Company on January 10, 2013 with the Registrar of Joint Stock Companies and Firms (RJSC) in Bangladesh;

E. The company has no subsidiary company as on the Statement of financial position date.

F. The Company prepared accounts for the year ended June 30, 2017

G. Figure have been restated as per BAS-8 (Accounting Policies, Changes in Accounting Estimates and error) where necessary and no material impact is found in the financial statements.

Dated : 13 September 2017

Place : Dhaka

sd/
AHMAD & AKHTAR
Chartered Accountants

Auditors certificate regarding calculation of EPS and Ratios

VFS Thread Dyeing Limited Statement of Ratio Analysis

The following Ratios have been calculated by the management based on audited financial statements of VFS Thread Dyeing Limited for the year/period ended 30 June 2017, 30 June 2016, 31 December 2015, 2014, 2013 and 2012. Selected Ratio as specified in rule 4(1)(d) Annexure D of the Securities and Exchange Commission (Public Issue) Rules, 2015.

Particulars	30-06-2017	30-06-2016 (6 month period)	31-12-2015	31-12-2014	31-12-2013	31-12-2012
	Result	Result	Result	Result	Result	Result
Liquidity Ratios						
Current Ratio	4.76	3.64	3.36	5.52	2.69	1.27
Quick Ratio	3.05	2.36	2.01	3.27	1.19	0.70
Operating Efficiency Ratios						
Accounts Receivable Turnover Ratio	2.53	1.27	2.91	4.31	6.73	7.33
Inventory-Turnover Ratio	3.24	1.50	3.21	3.66	4.55	7.52
Asset - Turnover Ratio	0.64	0.31	0.69	0.80	0.75	0.36
Profitability Ratios						
Gross Margin Ratio (%)	22.67%	24.99%	23.60%	24.28%	24.89%	14.12%
Operating Income Ratio (%)	20.53%	22.79%	21.57%	22.31%	22.49%	9.41%
Net Profit Ratio (Before Tax) %	18.86%	20.65%	20.14%	21.31%	20.55%	5.53%
Net Profit Ratio (After Tax) %	16.02%	17.63%	18.54%	18.08%	17.43%	4.60%
Return on Assets (%)	10.19%	5.43%	12.78%	14.48%	13.09%	1.68%
Return on Equity (%)	11.98%	6.55%	15.04%	16.90%	15.94%	3.23%
Earnings Per Share (weighted)	2.25	1.12	2.31	2.21	1.77	0.19
EBITDA Margin *	26.98%	29.75%	28.01%	28.64%	32.78%	15.18%
Solvency Ratios						
Debt to Total Asset Ratio	7.49%	11.28%	11.99%	5.23%	9.52%	11.83%
Debt-Equity Ratio	8.65%	13.55%	14.50%	5.96%	11.43%	14.62%
Time Interest Earned Ratio (Times)	11.88	10.07	13.60	19.19	10.60	2.17
Debt to Service Coverage Ratio	11.88	10.07	13.60	19.19	10.60	2.17
Cash Flow Ratio						
Net Operating Cash Flows Per Share	2.02	2.61	1.65	0.94	0.70	(0.56)
Net Operating Cash Flows Per Share/EPS	0.90	2.32	0.71	0.43	0.40	(2.94)

We have examined the calculation procedure of the above ratios of VFS Thread Dyeing Limited for the year/period ended 30 June 2017, 30 June 2016 and the year ended 31 December 2015, 2014, 2013 and 2012 and no material deviation found in the result.

The details calculation is presented in Annexure-I

Dated : 13 September 2017
Place : Dhaka

Sd/-
AHMAD & AKHTAR
Chartered Accountants

Step-1 (Applicant)

1. An applicant for public issue of securities shall submit application/buy instruction to the Stockbroker/ Merchant Banker where the applicant maintains customer account, within the cut-off date (i.e. the subscription closing date), which shall be the **25th (twenty fifth) working day** from the date of publication of abridged version of prospectus.
2. The application/buy instruction may be submitted in prescribed paper or electronic form, which shall contain the Customer ID, Name, BO Account Number, Number of Securities applied for, Total Amount and Category of the Applicant. At the same time:
 - a. Other than non-resident Bangladeshi (NRB) and Foreign applicants shall make the application money and service charge available in respective customer account maintained with the Stockbroker/Merchant Banker. No margin facility, advance or deferred payment is permissible for this purpose. In case the application is made through a margin account, the application money shall be deposited separately and the Stockbroker/Merchant Banker shall keep the amount segregated from the margin account, which shall be refundable to the applicant, if become unsuccessful.
 - b. Non-resident Bangladeshi (NRB) and Foreign applicants shall submit bank drafts (FDD), issued in favor of the Issuer for an amount equivalent to the application money, with their application to the concerned Stockbroker/Merchant Banker. A Non-resident Bangladeshi (NRB) and Foreign applicant may also submit a single draft against 02(two) applications made by him/her, i.e. one in his/her own name and the other jointly with another person. The draft (FDD) shall be issued by the Bank where the applicant maintains Foreign Currency account debiting the same account and provide the customer with a certificate mentioning the FC account number which has been debited to issue the FDD. The applicant shall also submit the certificate with their application. No banker shall issue more than two drafts from any Foreign Currency account for any public issue. At the same time, the applicant shall make the service charge available in respective customer account maintained with the Stockbroker/Merchant Banker.
 - c. Eligible investors shall submit application through the electronic subscription system of the exchange(s) and deposit the full amount intended to subscribe by the method as determined by the exchange(s).

Step-2 (Intermediary)

3. The Stockbroker/Merchant Banker shall maintain a separate bank account only for this purpose namely "Public Issue Application Account". The Stockbroker/Merchant Banker shall:
 - a. post the amount separately in the customer account (other than NRB and Foreign applicants), and upon availability of fund, block the amount equivalent to the application money;
 - b. accumulate all the application/buy instructions received up to the cut-off date, deposit the amount in the "Public Issue Application Account" maintained with its bank within the first banking hour of next working day of the cut-off date;

- c. instruct the banker to block the account for an amount equivalent to the aggregate application money and to issue a certificate in this regard.
4. Banker of the Stockbroker/Merchant Banker shall block the account as requested for, issue a certificate confirming the same and handover it to the respective Stockbroker/Merchant Banker.
5. For Non-resident Bangladeshi (NRB) and Foreign applicants, the Stockbroker/Merchant Banker shall prepare a list containing the draft information against the respective applicant's particulars.
6. The Stockbroker/Merchant Banker shall prepare category-wise lists of the applicants containing Customer ID, Name, BO Account Number and Number of Securities applied for, and within 03 (three) working days from the cut-off date, send to the respective Exchange, the lists of applicants in electronic (text format with tilde '~' separator) format, the certificate(s) issued by its banker, the drafts and certificates received from Non-resident Bangladeshi (NRB) and Foreign applicants and a copy of the list containing the draft information.
7. On the next working day, the Exchanges shall provide the Issuer with the information received from the Stockbroker/Merchant Bankers, the drafts and certificates submitted by Non-resident Bangladeshi (NRB) and Foreign applicants and the list containing the draft information. Exchanges shall verify and preserve the bankers' certificates in their custody.
8. The application/buy instructions shall be preserved by the Stockbroker/Merchant Bankers up to 6 months from listing of the securities with exchange.

Step-3 (Issuer)

9. The Issuer shall prepare consolidated list of the applications and send the applicants' BOIDs in electronic (text) format in a CDROM to CDBL for verification. The Issuer shall post the consolidated list of applicants on its website and websites of the Exchanges. CDBL shall verify the BOIDs as to whether the BO accounts of the applicants are active or not.
10. On the next working day, CDBL shall provide the Issuer with an updated database of the applicants containing BO Account Number, Name, Addresses, Parents Name, Joint Account and Bank Account information along with the verification report.
11. After receiving verification report and information from CDBL, the Issuer shall scrutinize the applications, prepare category wise consolidated lists of valid and invalid applications and submit report of final status of subscription to the Commission and the Exchanges within 10 (ten) working days from the date of receiving information from the Exchanges.
12. The Issuer and the issue manager shall conduct category wise lottery with the valid applications within 03 (three) working days from the date of reporting to the Commission and the Exchanges, if do not receive any observation from the Commission or the Exchanges.
13. The Issuer and issue manager shall arrange posting the lottery result on their websites within 06 (six) hours and on the websites of the Commission and Exchanges within 12 (twelve) hours of lottery.
14. Within 02 (two) working days of conducting lottery, the Issuer shall:
 - a) send category wise lists of the successful and unsuccessful applicants in electronic (text format with tilde '~' separator) format to the respective Exchange.
 - b) send category wise lists of unsuccessful applicants who are subject to penal provisions as per conditions of the Consent Letter issued by the Commission in electronic (text format with tilde '~' separator) format to the Commission and Exchanges mentioning the penalty amount against each applicant.
 - c) issue allotment letters in the names of successful applicants in electronic format with digital signatures and send those to respective Exchange in electronic form.
 - d) send consolidated allotment data (BOID and number of securities) in electronic text format in a CDROM to CDBL to credit the allotted shares to the respective BO accounts.

Step-4 (Intermediary)

15. On the next working day, Exchanges shall distribute the information and allotment letters to the Stockbroker/Merchant Bankers concerned in electronic format and instruct them to:
 - a) remit the amount of successful (other than NRB and Foreign) applicants to the Issuer's respective Escrow Account opened for subscription purpose, and unblock the amount of unsuccessful applicants;
 - b) send the penalty amount of other than NRB and Foreign applicants who are subject to penal provisions to the Issuer's respective Escrow Accounts along with a list and unblock the balance application money;
16. On the next working day of receiving the documents from the Exchanges, the Stockbrokers/Merchant Banker shall request its banker to:
 - a. release the amount blocked for unsuccessful (other than NRB and foreign) applicants;
 - b. remit the aggregate amount of successful applicants and the penalty amount of unsuccessful applicants (other than NRB and foreign) who are subject to penal provisions to the respective 'Escrow' accounts of the Issuer opened for subscription purpose.
17. On the next working day of receiving request from the Stockbrokers/Merchant Bankers, their bankers shall unblock the amount blocked in the account(s) and remit the amount as requested for to the Issuer's 'Escrow' account.
18. Simultaneously, the stockbrokers/Merchant Bankers shall release the application money blocked in the customer accounts; inform the successful applicants about allotment of securities and the unsuccessful applicants about releasing their blocked amounts and send documents to the Exchange evidencing details of the remittances made to the respective 'Escrow' accounts of the Issuer. The unblocked amounts of unsuccessful applicants shall be placed as per their instructions. The Stockbroker/Merchant Banker shall be entitled to recover the withdrawal charges, if any, from the applicant who wants to withdraw the application money, up to an amount of Tk. 5.00 (five) per withdrawal.
19. All drafts submitted by NRB or Foreign applicants shall be deposited in the Issuer's respective 'Escrow' accounts and refund shall be made by the Issuer by refund warrants through concerned stockbroker or merchant banker or transfer to the applicant's bank account (FC account which has been debited to apply by NRB or foreign applicants) through banking channel within 10 (ten) working days from the date of lottery.

Miscellaneous:

20. The Issuer, Issue Manager, Stockbrokers and Merchant Bankers shall ensure compliance of the above.
21. The bank drafts (FDD) shall be issued considering TT Clean exchange rate of Sonali Bank Ltd. on the date of publication of abridged version of prospectus.
22. Amount deposited and blocked in the “Public Issue Application Account” shall not be withdrawn or transferred during the blocking period. Amount deposited by the applicants shall not be used by the Stockbrokers/Merchant Bankers for any purpose other than public issue application.
23. The Issuer shall pay the costs related to data transmission, if claimed by the Exchange concerned up to an amount of Tk.2,00,000.00 (taka two lac) for a public issue.
24. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk.5.00 (taka five) only per application irrespective of the amount or category. The service charge shall be paid by the applicant at the time of submitting application.
25. The Stockbroker/Merchant Banker shall provide the Issuer with a statement of the remittance and drafts sent.
26. The Issuer shall accumulate the penalty amount recovered and send it to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.
27. The concerned Exchange are authorized to settle any complaints and take necessary actions against any Stockbroker/Merchant Banker in case of violation of any provision of the public issue application process with intimation to the Commission.

All eligible Stock Brokers and Merchant Bankers shall receive the IPO subscription.

The IPO subscription money collected from successful applicants (other than NRB applicants) by the stockbrokers/Merchant Bankers will be remitted to the Company’s **Account No. 1501203089179001 with BRAC Bank Limited, Gulshan Branch, Gulshan-1, Dhaka-1212, Bangladesh** for this purpose.

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

Sl. No.	Name of the FC Accounts	Currency	Account No.	Bank
1	VFS THREAD DYEING LTD.	US Dollar	1501203089179002	BRAC Bank Limited, Gulshan Branch, Gulshan-1, Dhaka-1212
2		EURO	1501203089179003	
3		GB Pound	1501203089179004	