

ABRIDGED VERSION OF PROSPECTUS



DRAGON SWEATER AND SPINNING LIMITED

25/2, DIT Road, Malibagh Chowdhury Para, Dhaka-1219, Bangladesh

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E-mail: info@dsslbd.com

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Public offer of 40,000,000 ordinary shares of Tk. 10.00 each at par totaling to Tk. 400,000,000

SUBSCRIPTION OPENING AND CLOSING DATE

Opening Date for Subscription: 17. 01. 2016

Closing Date for Subscription (Cut-off date): 26. 01. 2016

MANAGER TO THE ISSUE



SWADESH INVESTMENT MANAGEMENT LIMITED

Unique Trade Center, Level-11, 8 Panthapath, Karwan Bazar, Dhaka-1215, Bangladesh

Telephone: +88 02 58151366; Fax: +88 02 58157544

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UNDERWRITERS

Continental Insurance Limited Ideal Trade Centre (7 th Floor), 102 Shahid Tajuddin Ahmed Sarani, Tejgaon, Dhaka-1208	Rupali Life Insurance Co. Limited Rupali Bima Bhaban (9 th Floor), 7 Rajuk Avenue, Motijheel C/A, Dhaka-1000
Crystal Insurance Company Limited Lal Bhaban (10 th Floor), 18 Rajuk Avenue Motijheel, Dhaka-1000	Sonali Investment Limited 11/A, Toyenbee Circular Road, SARA Tower (11 th Floor), Motijheel C/A, Dhaka
Karnaphuli Insurance Company Limited Biman Bhaban (3 rd Floor), 100 Motijheel C/A, Dhaka-1000	Swadesh Investment Management Limited Unique Trade Center, Level-11, 8 Panthapath, Karwan Bazar, Dhaka-1215, Bangladesh
Meghna Life Insurance Company Limited Biman Bhaban (2 nd Floor), 100 Motijheel C/A, Dhaka- 1000	Uttara Finance and Investment Limited Uttara Centre (11 th Floor), 102 Shahid Tajuddin Ahmed Sarani, Tejgaon, Dhaka

The Issue shall be placed in 'N' Category

"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"

SPECIAL NOTE

Please read the Prospectus carefully which includes 'Risk Factors' before taking your investment decision.

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 Percent) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.

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

"শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ, জেনে ও বুঝে বিনিয়োগ করুন।"

DRAGON SWEATER AND SPINNING LIMITED: COMPANY PROFILE

Dragon Sweater and Spinning Limited (DSSL) was incorporated as a Private Limited Company under the Companies Act 1994 on 16th June 1999, located at Chandul, Miah Bazar, Comilla, Bangladesh having its corporate office at 25/2, DIT Road, Malibagh Chowdhury Para, Dhaka-1219, Bangladesh and subsequently the Company converted into public limited company on 13 January 2012.

The Company has started its commercial operation on October 06, 1999 with a sweater capacity of 21,60,000 (Twenty one lac sixty thousand) pieces per annum and spinning capacity of 65,70,000 (Sixty five lac seventy thousand) pounds per annum.

Dragon Sweater and Spinning Limited is a 100% composite export oriented spinning and sweater manufacturing company. Having its own spinning, sweater manufacturing unit, DSSL is producing and supplying sweaters to world's biggest renowned buyers like Wal-Mart, C&A, Zara, Macys, K-Mart, Lidel, Next, Bufalo, Primark etc.

The authorized capital of DSSL is BDT 1,500,000,000 and paid up capital is BDT 600,000,000 as on December 31, 2014.

Major milestones of the Company:

1999: Incorporated as a private limited company with the paid up capital of Tk. 3.00 (Three) Lac.

1999: Started its commercial operation on October 06, 1999.

2010: Raised paid-up capital by Tk. 95,420,000.

2011: Raised paid up capital by Tk. 191,440,000.

2013: Increased paid up capital from Tk. 287,160,000 to Tk. 600,000,000.

NATURE OF BUSINESS

The company has been incorporated with the primary objective of getting involved in promoting, establishing and conducting textile, yarn and acrylic spinning mills in Bangladesh and to undertake all other business in connection therewith.

Dragon Sweater & Spinning Limited runs the business of producing Spinning and manufacturing and exporting of readymade sweater, pull over and wearing apparels of all kinds out of wool, cotton, synthetic, fibers, acrylics and others to establish a modern Sweater

Factory or manufacturing Sweater shirt and pullover of acrylic cotton, wool, silk, jute, flex, synthetic, and/or any fabric yarn for men, women, boys, and girls and marketing the same in the foreign market.

DSSL produce only white color yarn or sweater from cotton and has not engaged in dyeing, printing, finishing or any other washing procedure.

USE OF IPO PROCEEDS

Future Plan of IPO Fund Utilization:

Particulars	Amount in BDT
Sources of Fund:	
Issue size (Number of share to be issued)	40,000,000
Issue price	10.00
Total Amount	400,000,000.00
Less: IPO Expenses	17,600,000.00
Net Proceeds from capital raised & IPO	382,400,000.00

Net Proceeds from initial public offering (IPO) will be used for expansion of current capacity in order to boost up the profitability of the Company and as working capital. The below mentioned cost is the total of the project for expansion, which will be completed from IPO proceeds. The details of which is stated as under:

Particulars	IPO Proceeds
Imported Machinery	158,200,000
Building & other Civil Construction	183,117,500
Spare Parts& Clearing, Erection, Loading/Unloading, Transportation & Installation cost	11,340,000
Working Capital	29,742,500
Total	382,400,000

Break down of Imported Machinery:

Description	Quantity	Per Unit Cost	Total Amount in Tk.
Generator 1400 KVA*	1	24,200,000.00	24,200,000.00
Country of Origin: America			
Parts includes (Per Unit of Machine)			
Ring Spinning Machine	5	22,800,000.00	114,000,000.00
Country of Origin: German,			
Parts includes (Per Unit of Machine)			
Knitting Machine	10	2,000,000.00	20,000,000.00
Country of Origin: China			
Parts includes (Per Unit of Machine)			
Total Cost Use from IPO			158,200,000

Details of Generator 1400 KVA*:

Open Generator Set - - 1500rpm/50 Hz/400 Volts	DM8221	
➤ Low Fuel Consumption		
➤ Generator Set Package Performance		
❖ Genset Power rating @ 0.8 pf	1400 kVA	
❖ Genset Power rating with fan	1120 ekW	
➤ Fuel Consumption		
❖ 100% load with fan	297.8 L/hr	78.7 Gal/hr
❖ 75% load with fan	225.1 L/hr	59.5 Gal/hr
❖ 50% load with fan	156.5 L/hr	41.3 Gal/hr
➤ Cooling System		
❖ Air flow restriction (system)	0.12 kPa	0.48 in.
❖ Air flow (max @ rated speed for radiator arrangement)	1246m ³ /min	44002cfm
❖ Engine Coolant capacity with radiator/exp. Tank	286.8 L	75.8 gal

❖ Engine coolant capacity	156.8 L	41.4 gal
❖ Radiator coolant capacity	130.0 L	34.3 gal
➤ Inlet Air		
❖ Combustion air inlet flow rate	100.4m3/min	3545.6 cfm
➤ Exhaust System		
❖ Exhaust stack gas temperature	470.1 C	878.2 F
❖ Exhaust gas flow rate	260.8 m3/min	9210.1 cfm
❖ Exhaust flange size (internal diameter)	203.2 mm	8.0 in
❖ Exhaust system backpressure (maximum allowable)	6.7 kPa water	26.9 in.
➤ Heat Rejection		
❖ Heat rejection to coolant (total)	695 kW	39525
❖ Heat rejection to exhaust (total)	Btu/min	
❖ Heat rejection to after cooler	1162 kW	66083
❖ Heat rejection to atmosphere from engine	Btu/min	
❖ Heat rejection to atmosphere from generator	203 kW	11545
	Btu/min	
	119 kW	6768
	Btu/min	
	56.5 kW	3213.1
	Btu/min	
➤ Alternator		
❖ Motor starting capability @ 30% voltage dip	3087 skVA	
❖ Frame	1445	
❖ Temperature Rise	150 C	270 F
➤ Lube System		
❖ Sump refill with filter	310.4 L	82.0 gal

Rationales for 1400 KVA Generator:

From last two years, the company is going on a huge expansion program by factory building construction and importing capital machineries and the company has also decided to import new additional machineries from proposed IPO fund for balancing the factory. But the existing capacity of power back up is not sufficient to support the expansion program. Therefore, it is essential for the company to procure 1400 KVA new generator for smooth production.

Break down of Building & other Civil Construction:

1. SEVEN STORED FACTORY BUILDING (TEN STORIED FOUNDATION) TOTAL 133,000 SFT

Detail Estimate & BOQ of vertical extension of Factory Building at Dragon Sweater & Spinning Limited, Chandul, P.O: Miah Bazar, P.S: Chowddahgaram, Dist: Comilla, Bangladesh.

Item no 01

RCC work for 19,000 sft

a) Column Casting:		7,484,400
	24"X24"X11"X26	
	20"X20"X11"X23	
	18"X18"X11X1	
	10"X30"X11X4	
	52'X10"X11"X2	
b) Lintel + Sun shed		343,460
	495'X10"X15"	
	18"X4"X20'X13	
c) Roof Beam: Length		10,250,460
	200X6=1200'X15"X20"	
	95X10=950'X15"X20"	
d) Roof Slab casting		27,420,570
	200'X95"X7"	
	Total	45,498,890

Item no 02 (MS bar/rod)

a) Column	[2,70,000 kg]	15,390,000
b) Lintel +sun shed	[40,947 kg]	2,334,022
c) Roof Beam	[2,07,000 kg]	11,799,000
d) Roof slab	[3,69,289 kg]	21,049,486

	Total	50,572,508
Item no 03	Brick work	6,700,947
	Total	6,700,947
Item no 04	Plaster work	
	a) Wall	1,146,859
	b) Ceiling	1,058,640
	Total	2,205,499
Item no 05	Grill work	
	a) Window Grill	469,572
	b) Parapet Grill	2,149,598
	Total	2,619,170
Item no 06	Aluminum window	1,073,308
	Collapsible Gate + shutter	417,398
	Total	1,490,706
Item no 07	Wooden door (fire prove)	2,173,946
	Total	2,173,946
Item no 08	Printing & Color work	2,205,500
	Total	2,205,500
Item no 09	Tiles/Marble work	50,345,057
	Total	50,345,057
Item no 10	Roof ceiling	2,184,047
	Total	2,184,047
Item no 11	Electric work	6,585,629
	Sanitary + plumbing work	10,535,602
	Total	17,121,231
	Gross Total	183,117,500

Implementation Schedule

Sl	Description	Schedule of Implementation
1	Imported Machinery	Within 10 months after receiving IPO fund
2	Building and other Civil Construction	Within 6 months after receiving IPO fund
3	Spare Parts and Clearing, Erection, Loading/Unloading, Transportation & Installation	Within 11 months after receiving IPO fund
4	Working Capital	Within 3-4 months after receiving IPO fund
5	IPO Expenses	Within 3-4 months after receiving IPO fund

The Company did not enter into any contract for foreside utilization of IPO Proceeds.

Sd/-

Mostafa Golam Quddus
Managing Director & Director

Sd/-

Ashish Kumar Chowdhury
Chief Financial Officer

Dated: 14 June, 2015

AUDITOR'S REPORT UNDER SECTION-135 OF COMPANIES ACT 1994

We have compiled the accompanying statements of M/s. Dragon Sweater & Spinning Limited. U/S 135 (1) and Para 24 (1) Part II of the Third Schedule of Companies Act 1994. The statement comprise of the financial information for year ended 31 December 2014, 2013, 2012, 2011 and 2010 audited by Ahmad & Akhtar, Chartered Accountants. Our report is as under:

1. Dragon Sweater & Spinning Limited was incorporated on 16 June' 1999.
2. The financial position of the Company over the last 5 years is as follows:

A. Statement of Assets and Liabilities of the Company is as under :

Amount in Taka

ASSETS	31-12-2014	31-12-2013	31-12-2012	31-12-2011	31-12-2010
Non-Current Assets:	612,600,624	604,778,145	653,210,334	734,862,439	828,325,876
Property, Plant & Equipment	561,663,206	594,061,029	640,601,961	720,029,060	810,874,841
Intangible Assets	9,109,549	10,717,117	12,608,373	14,833,380	17,451,035
Capital Works-in-Progress	41,827,868	-	-	-	-
Current Assets:	1,012,229,333	1,043,921,789	718,593,315	506,353,499	394,538,766
Short-Term Investment in FDR	4,625,032	4,234,065	3,829,650	3,447,227	3,194,649
Inventories	204,386,632	215,738,697	137,439,749	130,063,180	132,788,932
Bills Receivable	573,779,387	643,662,483	558,733,777	342,634,562	235,178,133
Advance, Deposit & Pre-payment	38,794,057	21,431,607	2,845,836	14,641,427	13,882,291
Cash and Cash Equivalents	190,644,226	158,854,936	15,744,303	15,567,103	9,494,761
Total Current Assets	1,624,829,957	1,648,699,934	1,371,803,649	1,241,215,938	1,222,864,642
TOTAL ASSETS	1,624,829,957	1,648,699,934	1,371,803,649	1,241,215,938	1,222,864,642
EQUITY AND LIABILITIES					
Shareholder's Equity:	1,127,494,829	1,044,125,563	757,348,770	677,161,755	613,534,169
Share Capital	600,000,000	600,000,000	287,160,000	287,160,000	95,720,000
Retained Earnings	318,640,820	204,153,222	194,244,208	72,445,363	152,089,822
Revaluation Reserve	208,854,009	239,972,341	275,944,562	317,556,392	365,724,346
Non-Current Liabilities:	413,777,357	457,625,658	389,474,445	529,266,937	318,812,142
Long Term Loan Net of Current Portion	413,777,357	457,625,658	389,474,445	529,266,937	318,812,142
Current Liabilities:	83,557,771	146,948,712	224,980,434	34,787,246	290,518,331
Bills Payable	6,307,567	6,750,672	5,841,535	3,855,266	8,560,131
Liabilities for Expenses	6,151,431	9,781,249	11,634,699	7,458,017	11,500,549
Short Term Loan	-	-	-	-	143,258,513
Long Term Loan Current Portion	37,617,189	110,726,617	194,737,222	-	106,270,714
Provision for Income Tax	33,481,584	19,690,173	12,766,978	23,473,964	20,928,425
Total Liabilities	497,335,128	604,574,370	614,454,879	564,054,183	609,330,473
TOTAL EQUITY AND LIABILITIES	1,624,829,957	1,648,699,934	1,371,803,649	1,241,215,938	1,222,864,642
Net Assets Value (NAV) per share	18.79	17.40	26.37	23.58	64.10
Adjusted Net Assets Value (NAV) per share	18.79	17.40	12.62	11.29	10.23

B. Statement of operating result of the Company is as follow :

Amount in Taka

	31-12-2014	31-12-2013	31-12-2012	31-12-2011	31-12-2010
Sales	766,817,162	758,931,300	689,434,887	639,122,892	535,433,844
Cost of goods sold	558,661,531)	555,591,719)	498,006,379)	459,948,044)	391,637,057)
Gross Profit	208,155,631	203,339,581	191,428,508	179,174,849	143,796,787
Operating expenses	60,490,312)	60,537,477)	55,964,173)	60,514,198)	49,159,350)
Operating income	147,665,319	142,802,104	135,464,335	118,660,651	94,637,437
Financial expenses	59,899,991)	59,159,044)	54,947,531)	56,306,377)	(71,838,425)
Net operating income	87,765,328	83,643,061	80,516,804	62,354,274	22,799,012
Non-operating income	12,599,125	14,039,932	5,606,949	6,788,103	5,479,248
Net Profit before Contribution to WPPF	100,364,453	97,682,993	86,123,754	69,142,376	28,278,260
Worker's Profit Participation fund (WPPF)	-	3,983,003)	(3,834,134)	2,969,251)	1,085,667)
Net profit before tax	100,364,453	93,699,990	82,289,620	66,173,125	27,192,593
Tax Paid under Section 82 C	(4,866,099)	-	-	-	-
Provision for taxation	(6,415,691)	(6,923,195)	(2,102,606)	(2,545,539)	(2,054,718)
Profit after tax	89,082,663	86,776,795	80,187,014	63,627,587	25,137,875
Basic Earnings per Share	1.48	2.87	2.79	6.65	135.11
Adjusted Earnings per Share	1.48	1.45	1.34	1.06	0.42

C. Dividend Declared:

	31-12-2014	31-12-2013	31-12-2012	31-12-2011	31-12-2010
Cash dividend-%	-	-	-	-	-
Stock dividend (Bonus shares) %	-	-	39.30	200.00	-

D. The company was incorporated on 16 June 1999;

E. The Statement of Assets and Liabilities (Statement of Financial Positions) as at 31 December 2014, 31 December 2013, 31 December 2012, 31 December 2011 and 31 December 2010 of the Company has been duly certified by us;

F. The Statement of Operating Results (Statement of Profit or Loss and Other Comprehensive Income) for year ended 31 December 2014, 31 December 2013, 31 December 2012, 31 December 2011 and 31 December 2010 of the Company has been duly certified by us;

G. The Company has no subsidiaries;

H. 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;

I. The financial statements for the year ended 31 December 2014, 2013, 2012, 2011 and for the year ended 31 December 2010 of the Company has been duly certified by us;

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

Date : April 15, 2015

Place : Dhaka

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

AUDITORS' CERTIFICATE ON CALCULATION OF VARIOUS ACCOUNTING RATIOS

This is to certify that Dragon Sweater & Sinning Limited has maintained the following ratios as computed on the basis of the audited financial statements for the year ended 31 December 2014, 2013, 2012, 2011 and 2010:

Name of Ratio	31.12.2014	31.12.2013	31.12.2012	31.12.2011	31.12.2010
	Ratio				
i. Liquidity Ratios					
a. Current Ratio (Times)	12.11	7.10	3.19	14.56	1.36
b. Quick Ratio (Times)	9.20	5.49	2.57	10.40	0.85
c. Time Interest Earned Ratio (Times)	2.47	2.41	2.47	2.11	1.32
d. Debt-Equity Ratio (Times)	0.40	0.54	0.77	0.78	0.69
ii. Operating Ratios					
a. Bills Receivables Turnover Ratio (Times)	1.26	1.26	1.53	2.21	3.38
b. Inventory Turnover Ratio (Times)	2.66	3.15	3.72	3.50	3.27
c. Assets Turnover Ratio (Times)	0.47	0.50	0.53	0.52	0.58
iii. Profitability Ratios					
a. Gross Margin Ratio (%)	27.15%	26.79%	27.77%	28.03%	26.86%
b. Operating Income Ratio (%)	19.26%	18.82%	19.65%	18.57%	17.67%
c. Net Income Ratio (%)	11.62%	11.43%	11.63%	9.96%	4.69%
d. Return on Assets Ratio (%)	5.44%	5.75%	6.14%	5.16%	2.73%
e. Return on Equity Ratio (%)	8.20%	9.63%	11.18%	9.86%	6.79%
f. Earning Per Share (Basic EPS)	1.48	2.87	2.79	6.65	135.11
g. Adjusted Earning Per Share	1.48	1.45	1.34	1.06	0.42

The detail calculation is presented in Annexure-1.

Date : April 15, 2015
Place : Dhaka

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountants

AVAILABILITY OF PROSPECTUS

Prospectus of the Company may be available at the following addresses:

NAME & ADDRESS	CONTACT PERSON	CONTACT NUMBER
ISSUER		
Dragon Sweater and Spinning Limited 25/2, DIT Road, Malibagh Chowdhury Para, Dhaka-1219	Mostafa Golam Quddus Managing Director	Tel: +88-02-9331404, 9346815, 9338588 Fax: +88-02-8315572 E-mail: info@dragonsweaterandspinning.com

ISSUE MANAGER		
Swadesh Investment Management Ltd. Unique Trade Center, Level-11, 8 Panthapath, Karwan Bazar, Dhaka-1215	Mamun Ahmed Managing Director	Tel: +88 02 58151366 Fax: +88 02 58157544 E-mail: mamunahmed@msn.com

Underwriters		
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Crystal Insurance Company Limited Lal Bhaban (10 th Floor), 18 Rajuk Avenue, Motijheel C/A, Dhaka.	M. Mahfuzur Rahman E.V.P. & In-charge (F & A/c.)	Tel: +88-02-9571715 Fax: +88-02-9567205 E-mail: info@ciabd.com
Karnaphuli Insurance Company Ltd. Biman Bhaban (3 rd Floor), 100 Motijheel C/A, Dhaka.	F.J.M. Hafiza Sultana Company Secretary	Tel: +88-02-9564810 Fax: +88-02-9555802 E-mail: kicl@kiclbd.com
Meghna Life Insurance Co. Ltd Biman Bhaban (2 nd Floor), 100 Motijheel C/A, Dhaka.	S. M. Shahadat Hossain Company Secretary	Tel: +88-02-9558297 Fax: +88-02-7171942 E-mail: info@meghnalife.com
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Sonali Investment Limited Sara Tower (11 th Floor), 11/A Toyenbee Circular Road, Motijheel C/A, Dhaka-1000.	Shafiqul Islam Bhuiyan Chief Executive Officer	Tel: +88-02-9568777 Fax: +88-02-7170001 E-mail: info@silbd.com
Swadesh Investment Management Limited Unique Trade Center, Level-11, 8 Panthapath, Karwan Bazar, Dhaka-1215, Bangladesh.	Mamun Ahmed Managing Director	Tel: +88-02-58151366 Fax: +88-02-58157544 E-mail: fslbd@hotmail.com
Uttara Finance and Investment Limited Uttara Centre (11 th Floor), 102 Shahid Tajuddin Ahmed Sarani, Tejgaon, Dhaka.	Md. Jakir Hossain, FCA Company Secretary	Tel: +88-02-8142680 Fax: +88-02-9552461 E-mail: info@uttarafinance.com

STOCK EXCHANGES		
Dhaka Stock Exchange Limited (DSE) 9/F Motijheel C/A, Dhaka 1000.	DSE Library	Tel: +88-02-9564601, 9576210-18 Fax: +88-02-9564727 9569755 Email: dse@bol-online.com
Chittagong Stock Exchange Limited (CSE) CSE Building, 1080, Sheikh Mujib Road, Agrabad, Chittagong.	CSE Library	Tel: +88(0) 31-714632-3; 720871 Fax: +88(0) 31-714101 E-mail: info@cse.com.bd

Prospectus would also be available on the web site of BSEC (www.sec.gov.bd), DSE (www.dsebd.org), CSE (www.cse.com.bd), Dragon Sweater & Spinning Limited (www.dragonsweaterandspinning.com) and Swadesh Investment Management Limited (www.swadesh.com.bd) and Public Reference Room of the Bangladesh Securities and Exchange Commission (BSEC) for reading and studying.

AUDITORS' INFORMATION

Name	Address	Contact Number
Shiraz Khan Basak & Co. Chartered Accountants	R.K Tower, 86, Bir Uttam C.R Datta Road, Level-10, Hatirpool, Dhaka-1205	Tel: +88-02-8651165 Fax: +88-02-8621575 E-mail: shirazkhanbasak@yahoo.com

SHORT BIO-DATA OF EACH DIRECTOR

Mostafa Quamrus Sobhan, Chairman:

Mostafa Quamrus Sobhan, aged 34 years, is the Chairman of the Company. Also son of Mostafa Golam Quddus, the Managing Director & Director of the Company. He has completed his Bachelor in Business Administration from the Nottingham Trent University of UK and Masters in Business Administration from the Maryland University. He manages project budgets, monitors the expenditure and costs against delivered and realized benefits as the project progresses. He has effective export management skill to achieve growth targets in sales activity and expanding sales to different countries around the world and in existing markets. He supports sales and marketing campaigns and contributes to the development of propositions. He ensures effective management and led many business delegations in abroad such as UK, EU Countries, USA, Canada, Hong Kong, China and Australia and also kept himself involved in series of social welfare activities specially in his home town Comilla.

Mostafa Golam Quddus, Managing Director & Director:

Mr. Mostafa Golam Quddus, aged 62, is the Managing Director and Director of the Company. He has completed M. Com. in Management and has been served in Police department from 1st January 1971 to 1985 and resigned from service in 1985 from the position of senior ASP. He is a former president of Bangladesh Garments Manufacturer and Exporter Association (BGMEA) and member of Geneva Convention Child Labor Committee. Mr. Quddus is widely known as the pioneer of sweater industry in Bangladesh. He is also the Chairman and key sponsor of Rupali Insurance Company Limited. During his long business experience of 25 years he has gathered vast knowledge in modern method and technology in production, marketing, and management of textile and knitting industries. He has travelled many countries of the world such as USA, Japan, China, Australia, EU Countries, India, UK, Saudi Arabia, Hong Kong, Singapore, and Canada for the purpose of the business and to enrich his knowledge and experience during the period mentioned. He is also associated with a number of different social welfare organizations as a part of social responsibility.

Fauzia Quamrun Tania, Director:

Mrs. Fauzia Quamrun Tania, aged 28, is a Director of the Company is also daughter of Mostafa Golam Quddus, the Managing Director & Director of the Company. After completion of her B.Sc, Hons/MA in Business Management and Applied Mathematics from University of Glasgow, UK, she has engaged herself in the Operational side of the Business. Mrs. Tania had taken 4 years extensive training in the field of Sweaters as an employee in the business and then has been designated as the Director (Operations) of the Company acquiring vast experience and knowledge from the interaction between International Buyers and Local Associates. She has travelled many countries to enrich her knowledge and experience. She believes that Dedication and Perseverance are the true key factors to success and is very sincere and eager to know about technical aspect of making sweaters and keenly interested in the methodology and operational strategies involved in the work.

Mrs. Fazlutun Nessa, Director:

Mrs. Fazlutun Nessa aged 52, Director of the Company, is a successful business entrepreneur with extensive experience and management skills. Mrs. Nessa has completed her Bachelors in Arts from Chittagong University (1989). She has been running one of the first retail socks companies of Bangladesh established in the year 1990 which develops and sells international standard quality socks in its own 10 shops around the Country. She has managed to expand her business by introducing new outlets and at the same time maintaining the high quality standard in all her products. She has been an active member of BGMEA and stands as a Vice Chairman of Women's Affairs Committee of BGMEA. Besides being a successful entrepreneur she is also a

wonderful mother of three established children. She has travelled many countries of the world such as USA, Japan, China, Australia, EU Countries, India, UK, Saudi Arabia, Hong Kong, Singapore, and Canada for the purpose of the business and to enrich her knowledge and experience during the period mentioned.

Tasnia Quamrun Anika, Director:

Tasnia Quamrun Anika, aged 23, is the youngest Director of Dragon Sweater and Spinning Limited. She is very much eager to know the technical details of the spinning company and very much interested in the processing, marketing and general administration activities of the Company. Although very young, she has always been a meritorious student and she has finished her schooling from Fern Hill School in Glasgow and completed her under graduation (BBA) from North South University, Dhaka. She has travelled around the world such as USA, China, Australia, EU Countries, India, UK, Saudi Arabia, Hong Kong, Singapore, and Canada and is up to date with the modern technology that the Market is demanding for. Miss Tasnia always found very sincere, quite, hardworking and will definitely keep her mark of perseverance in her field of work in the forthcoming future. Miss Tasnia is also the Director of Perag Socks Industries Limited.

Shafia Sobhan Chowdhury, Director:

Mrs. Shafia Sobhan is a business graduate and upon finishing her graduation she joined Oxford International School as an intern teacher. Other than her involvement in Dragon Sweater and Spinning Limited as Director, she also became a newly appointed Director of Perag Socks Industries Limited and CD Spinning Mills Limited. She has travelled many countries of the world such as USA, China, Australia, EU Countries, India, UK, Saudi Arabia, Hong Kong, Singapore, and Canada for the purpose of the business and enriched her knowledge and experience which make her young, dynamic, self-motivated and hardworking individual. Mrs. Shafia has depth of understanding in emerging business in the information technology has made herself busy for the promotion and development of the Company. International traveling, excellent decision making ability has made herself as one of the successful entrepreneurs in the family.

DIRECTORS INVOLVEMENT WITH THE OTHER LISTED COMPANIES AS DIRECTORS

The following Directors of the Company are involved as Director in the following listed Company:

Name	Position in DSSL	Directorship/Sponsorship/Ownership	Position
Mostafa Quamrus Sobhan	Chairman	Rupali Insurance Company Ltd.	Director
Mostafa Golam Quddus	Managing Director & Director		Chairman
Fazlutun Nessa	Director		Director
Fauzia Quamrun Tania	Director		Director
Shafia Sobhan Chowdhury	Director		Director

IPO Application Process

Step-1 (Applicant)

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

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. In case of application submitted by the Stock-dealer or the Merchant Banker's own portfolio, the application amount should also be transferred to the "Public Issue Application Account";
 - 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 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 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 through banking channel within 10 (ten) working days from the date of lottery.

Miscellaneous:

20. The Issuer, Issue manager(s), 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.

APPLICATION FORM

"শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ, জেনে ও বুঝে বিনিয়োগ করুন।"

APPLICATION FOR PUBLIC ISSUE

Name of applicant	:															
Client Code	:															
BO ID No.	:															
Category of applicant	:															
Name of the Company	:															
Number of Shares	: Shares of Tk..... each.														
Total amount in Tk.	:															
Amount in word	:															

Applicants

Authorized Officer