

ACFL/IPO/CS/2025/94
13th May, 2025

The Chairman
Bangladesh Securities and Exchange Commission
Securities Commission Bhalban,
Plot # 6/C, Agargoan
Sher-e-Bangla Nagar
Dhaka-1207, Bangladesh.

Subject: Submission of status utilization of IPO proceeds of Aman Cotton Fibrous Limited.

Dear Sir,

In compliance with **Condition No. 3 of Part-C** of the BSEC Consent Letter No. BSEC/CI/IPO-202/2012/305 dated May 03, 2018, we are pleased to enclose herewith the Audited Status of Utilization of IPO proceeds for the month of 30th April, 2025.

This is for your kind perusal and record.

Thanking you,

Yours truly,

✓ 
Md. Rafiqul Islam
Managing Director
Aman Cotton Fibrous Limited.



Copy to:

1. Dhaka Stock Exchange PLC.
2. Chittagong Stock Exchange PLC.

CHITTAGONG STOCK EXCHANGE PLC
DHAKA OFFICE
RECEIVED
DATE: 14.05.25
TIME: 10.50 SIGN: 

AMAN COTTON FIBROUS LTD.

CORPORATE OFFICE
2, ISHAKHA AVENUE
SECTOR-06, UTTARA
DHAKA - 1230
BANGLADESH
TEL : 880-2-09606613000
FAX : 880-2-58950510

F A C T O R Y
BOIRAGIRCHALA
SREEPUR, GAZIPUR
TEL : 06825-52791-2
FAX : 06825-52790
info@amangroupbd.com
www.amangroupbd.com
www.amancotton.com



To Whom It May Concern

Based on our audit of the Status of Utilization of IPO proceeds of Aman Cotton Fibrous PLC as of April 30, 2025, we certify that:

- a. IPO proceeds have been utilized amounting Tk. 8,25,01,663.00, which is 10.31% of the purposes/heads as specified in the prospectus.
- b. IPO proceeds have been utilized 100% for loan repayment and 99.46% for IPO expenses, as per the conditions of the commission's consent letter.
- c. The company has utilized Tk. 8,25,01,663.00 in total, which is 10.31% of the IPO proceeds as of April 30, 2025. Committed expenditures amounted to Tk. 80,00,00,000.00
- 1) Out of the schedule of committed expenditures, the loan repayment was Tk. 4,76,90,635.00, which is 100% of the committed amount as of April 30, 2025.
- 2) The utilization of IPO Expenses was Tk. 3,48,11,028.00, which is 99.46% of the committed amount as of April 30, 2025. During the month of April 2025, no additional amount has been utilized for paying off IPO expenses.
- d. The utilization of IPO proceeds was accurate and for the purposes of the company as mentioned/specified in the prospectus.
- e. No asset was procured/imported/constructed by Aman Cotton Fibrous PLC using IPO proceeds as of April 30, 2025. An amount of Tk. 73,00,00,000.00 has been temporarily invested in various FDR(s). FDR with First Security Islami Bank Limited was Tk. 38 crore, FDR with Al-Arafah Islami Bank Limited was Tk. 15 crore and FDR with Commercial Bank of Ceylon was Tk. 20 crore till April 30, 2025 for a short period and this amount will further be used to acquire machineries. As part of our responsibilities, we have verified the FDR(s) physically with the banks and we have found that the FDR(s) were in lien for enjoying credit facilities of Aman Foods Ltd. and Akin Carriers Ltd. The directors of the company have taken approval for such investment in the AGM of the company held on May 02, 2021.
- f. According to the consent letter of the IPO from BSEC, the company should utilize the entire IPO proceeds within one year of receiving them, which ended in August 2019. However, the balance of unutilized IPO proceeds is Tk. 717,498,337.00 as of April 30, 2025. The Management has informed us that the Board of Directors of Aman Cotton Fibrous PLC has approved a revised timeline for utilizing the IPO proceeds, up to August 20, 2024. This approval aligns with the decision made by the shareholders during the company's 18th Annual General Meeting, as per Part C, Clause no. 6 of the BSEC consent letter. As per the bank statements for the FDR(s), we have observed that till April 30, 2025 the company has earned FDR(s) interest income amounting Tk. 198,775,756.00 and from this amount TK 185,120,792.00 has been transferred as inter-company loan to another sister concern of the group. We recommend that the company management should take approval for such investments and transactions from the shareholders of the



Head Office: Sadharan Birma Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh
Branch Office: Floor-4 (Flat-A4), House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212
Email: showketca970@gmail.com, **Mob:** 01798-041236, **Web:** http://gkibriaandco.com
Tel: +02-223-355-324, +02-4881-2331, +02-4881-2332



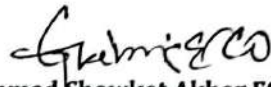
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CHARTERED ACCOUNTANTS



company during the AGM. Moreover, we have observed that the current FDR amount stands at Tk. 810,230,079.00, with a principal amount of Tk. 73,00,00,000.00 and interest amounting Tk. 80,230,079.00 as per the FDR(s) bank statement. We have also noticed that the BSEC have notified the concerned Banks to suspend transactions of these FDR Account(s) vide their letter reference no BSEC/E & I/ACL/2023/37/Enquiry/02/242 dated April 05, 2023.

- g. The Board of Directors, in a meeting, have decided that the IPO fund utilization period shall be extended for the acquisition of machinery and expansion of the business of the company till 31 December 2028 or till the AGM of the company scheduled to be held on 2028, whichever comes first.

Place: Dhaka, Bangladesh
Date: May 13, 2025


Mohammad Showket Akber FCA, ACS
Partner
G. KIBRIA & CO.
Chartered Accountants
ICAB Enrolment: 0970



Head Office: Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka – 1000, Bangladesh
Branch Office: Floor-4 (Flat-A4), House 51, Road 14, Block-G, Niketon, Gulshan-1, Dhaka-1212
Email: showketca970@gmail.com, **Mob:** 01798-041236, **Web:** <http://gkibriaandco.com>
Tel: +02-223-355-324, +02-4881-2331, +02-4881-2332

Report on the Utilization of IPO Proceeds

For the month of April, 2025

Name of the Company : Aman Cotton Fibrous PLC
Amount(BDT) of Capital Raised Through IPO : 80.00 Crore(Appx.)
Date of Close of Subscription : June 10, 2018
Proceeds Receiving Date : August 05, 2018
Last Date of Full Utilization of Fund as per prospect : Within 12 months of obtaining IPO proceeds

(All the figures are in BDT.)

SL.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Revised Time Line	Amount as per prospectus	Status of Utilization				Remarks
					This Month Utilization	Total Utilized Amount	Utilized %	Total Un-utilized Amount	
a)	Acquisition & Installation of machineries	Within 12 months of receiving the IPO proceeds	31th December, 2028	663,375,000	-	-	0.00%	663,375,000	The Board of Directors extended the IPO Utilization Fund within the AGM of 2028 or 31th December 2028 (which even comes earlier) which approved by the shareholders in its upcoming 19th AGM.
b)	Business Expansion	DO	31th December, 2028	53,934,365	-	-	0.00%	53,934,365	
c)	Loan Repayment	DO		47,690,635		47,690,635	100.00%		
d)	IPO Expenses	DO		35,000,000		34,811,028	99.46%	188,972	
	Total			800,000,000	-	82,501,663		717,498,337	

Percentage
Interest on IPO/RPO/RI proceeds 41.96%
Un-utilized IPO/RPO/RI proceeds without interest income 301,068,403
717,498,337


Md. Rafiqul Islam
Managing Director
Aman Cotton Fibrous PLC




G. KIBRIA & CO.
Chartered Accountants
Place: Dhaka
Dated: May 13, 2025

Foot note:

- As per original Prospectus the Company has a commitment to pay the liabilities of Union Capital Limited, which has been fully paid.
 - The company has already distributed dividend of taka 289,403,331.00 (Approx) in last Six years, though no business expansion has initiated till date. The management of the company has clarified us that to import the machineries and equipment, it will take additional 18 months and for the following reasons :-
 - Unfavorable business environment for the last few years;
 - Covid -19 pandemic;
 - Ukraine Russia war;
 - Dollar crisis;
 - Foreign currency fluctuation, etc.
- For these reasons we have decided to extend IPO fund utilization period till the AGM of the company scheduled to be held on 2028 or till 31st December 2028, whichever comes first and such decision has been approved by the shareholders of the company in their 19th Annual General Meeting and this resolution of the AGM has been notified to the BSEC on 05th January 2025.