

**Certificate on  
Status Report on Utilization of Right Share Issue Fund**

**GPH ISPAT LIMITED**

**As on February 28, 2018**



Solution....Begins

# Rahman Mostafa Alam & Co.

## Chartered Accountants



### Certificate on Status Report on Utilization of Rights Share Issue Fund GPH Ispat Limited As on February 28, 2018

We have examined relevant financial statements, books of accounts and other records of the GPH Ispat Limited and certify that the proceeds raised through rights share issue were utilized for purpose of the Company's business.

#### Utilization of Rights Share Proceeds:

GPH Ispat Limited has raised BDT 2,619,540,000 through issuance of 187,110,000 rights share, subscription date from April 17, 2016 to May 12, 2016 and utilization status of rights share issue proceeds is as follows:

Particulars	Amount in Taka			
	December 01, 2017 to February 28, 2018	Cumulative upto February 28, 2018	September 01, 2017 to November 30, 2017	Cumulative upto November 30, 2017
Opening Balance	2,001,837,331	-	2,213,170,617	-
Proceeds from Rights Share Issue	-	2,619,540,000	-	2,619,540,000
<b>Net Proceed</b>	<b>2,001,837,331</b>	<b>2,619,540,000</b>	<b>2,213,170,617</b>	<b>2,619,540,000</b>
<b>Proceeds Utilization:</b>				
Land & Building/Civil Works	492,060,622	1,053,167,342	211,333,286	561,106,720
Erection & Installation of Machinery	2,108,524	39,199,524	-	37,091,000
Rights Issue Expenses	-	19,504,949	-	19,504,949
<b>Total</b>	<b>494,169,146</b>	<b>1,111,871,815</b>	<b>211,333,286</b>	<b>617,702,669</b>

Un-utilized fund from Rights Share Issue proceeds as on February 28, 2018 was Tk. 1,507,668,185; which lies with Southeast Bank Limited in the following way:

SND A/C No: 000413500000007	Tk.	7,639,594
Fixed Deposit Receipts # 24400009361	Tk.	1,029,225,000
Fixed Deposit Receipts # 24400009336	Tk.	514,600,000
<b>Total balance in Bank Accounts for Rights Issue Proceeds</b>	<b>Tk.</b>	<b>1,551,464,594</b>
<b>Reconciliation between Un-utilized balance and Bank balance:</b>		
Balance to be Utilized as per Status Report	Tk.	1,507,668,185
<b>Add:</b>		
Interest Credited (Net of Tax & Charges)	Tk.	43,825,261
Bank Charge	Tk.	(28,852)
		<b>43,796,409</b>
<b>Total balance in Bank Accounts for Right Issue Proceeds</b>	<b>Tk.</b>	<b>1,551,464,594</b>

Board of Directors has authenticated quarter end Utilization Report of GPH Ispat Limited as on February 28, 2018, and is attached herewith.

#### We report that:

- Rights Issue proceeds have been utilized till February 28, 2018 for the purposes/heads as specified in the Rights Share Offer Document;
- Rights Issue proceeds have been utilized in line with the condition no. 18 of the Bangladesh Securities & Exchange Commission's approval letter for the Rights Issue;
- Utilization time for Right issue Proceeds has been extended upto 31.05.2019 instead of 31.05.2018 by passing resolution in Extraordinary General Meeting of the Shareholders held on 10.12.2017. Utilization of Right issue proceeds are being implemented within the said revised Utilization time.
- Utilization of Rights Issue proceeds is accurate and for the purpose of the company as mentioned/specified in the rights share offer document; and
- (i) Assets have been procured/imported/constructed maintaining proper/required procedure as well as at a reasonable price; and  
(ii) Verification of all necessary documents/papers/vouchers has been made in support of utilization of Rights Issue proceeds making reconciliation with Bank Statement.

Chittagong, 12 March 2018

*Rahman Mostafa Alam & Co.*  
Rahman Mostafa Alam & Co.  
Chartered Accountants

## Report on Utilization of RI Proceeds for the Quarter from December 01, 2017 to February 28, 2018

Name of the Company  
Amount (BDT) of Capital Raised Through RI  
Date of Close of Subscription  
Proceeds Receiving Date  
Last Date of Full Utilization of Fund as per ROD

: GPH Ispat Limited  
: Tk. 2,619.54 Million  
: May 12, 2016  
: June 01, 2016  
: Within 24 months of obtaining proceeds i.e. 31st May, 2018 (Subsequently extended upto 31.05.2019)

(All the figures are in BDT.)


SL No.	Purpose Mentioned in the ROD	Time line as per ROD	Revised Time line (upto 31st May, 2019)	Amount as per ROD	Amount as per Revised Utilization Plan	Status of Utilization			Remarks
						Total Utilized Amount	Utilized %	Total Un-utilized Amount	
a)	Land & Building/Civil Works	Within 24 months after receiving the fund, i.e. 31st May, 2018	31st May, 2019	2,300,000,000	N/A	1,053,167,342	45.79	1,246,832,658	Revised Utilization plan has been approved in EGM held on December 10, 2017. RI Utilization Proceeds Certified By M/S. Rahman Mostafa Alam & Co., Chartered Accountants
b)	Erection & Installation of Machinery	Within 24 months after receiving the fund, i.e. 31st May, 2018	31st May, 2019	300,000,000	N/A	39,199,524	13.07	260,800,476	
c)	Rights Issue Expenses	Within 01 month after receiving the fund, i.e. 30th June, 2016	-	19,540,000	N/A	19,504,949	99.82	35,051	
	<b>Total</b>			<b>2,619,540,000</b>		<b>1,111,871,815</b>		<b>1,507,668,185</b>	

Interest on RI Proceeds (upto February-2018)  
Un-utilized RI Proceeds with Interest Income

227,050,537  
1,734,718,722

  
Managing Director

  
Chief Financial Officer

  
Company Secretary

Chittagong, 12 March 2018

  
Rahman Mostafa Alam & Co.  
Chartered Accountants

