

Certificate on
Status Report on Utilization of Right Share Issue Fund
GPH ISPAT LIMITED
As on February 28, 2018



**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
Net Proceed	2,001,837,331	2,619,540,000	2,213,170,617	2,619,540,000
Proceeds Utilization:				
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
Total	494,169,146	1,111,871,815	211,333,286	617,702,669

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: 00041350000007	Tk. 7,639,594
Fixed Deposit Receipts # 24400009361	Tk. 1,029,225,000
Fixed Deposit Receipts # 24400009336	Tk. 514,600,000
Total balance in Bank Accounts for Right Issue Proceeds	Tk. 1,551,464,594

Reconciliation between Un-utilized balance and Bank balance:

Balance to be Utilized as per Status Report Tk. 1,507,668,185

Add:

Interest Credited (Net of Tax & Charges)	Tk. 43,825,261
Bank Charge	Tk. (28,852)
	43,796,409

Total balance in Bank Accounts for Right Issue Proceeds

Tk. **1,551,464,594**

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:

- (a) Rights Issue proceeds have been utilized till February 28, 2018 for the purposes/heads as specified in the Rights Share Offer Document;
- (b) 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;
- (c) Utilization time for Right issue Proceeds has been extended upto 31.05.2019 instead of 31.05.2018 by passing resolution in Extra-ordinary General Meeting of the Shareholders held on 10.12.2017. Utilization of Right issue proceeds are being implemented within the said revised Utilization time.
- (d) Utilization of Rights Issue proceeds is accurate and for the purpose of the company as mentioned/specified in the rights share offer document; and
- (e) (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.

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

1. Last Date of Full Utilization of Fund as per BOD

GPH Ispat Limited

Tk 2 619 54 Million

May 13 2016

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June 01, 2010

: Within 24 months of obtaining proceeds i.e. 31st May, 2018 (Subsequently extended upto 31.05.2019)

Revised Times **Amount or
Cause** **Reason**
(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	Un-utilized %					
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	54.21	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	86.93	
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	0.18	
	Total			2,619,540,000		1,111,871,315		1,507,668,185		

Interest on RI Proceeds (upto February-2018)

227,050,537

Managing Director

Chief Financial Officer

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Rahman Mostafa Alam

Rahman Mostafa Alam & Co.
Chartered Accountants

CHITTAGONG
Rahman Mostafa Alam & Co.
Chartered Accountants

Company Secretary

Chittagong, 12 March 2018