

**Certificate on  
Status Report on Utilization of Right Share Issue Fund  
GPH ISPAT LIMITED  
As on May 31, 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 May 31, 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			
	March 01, 2018 to May 31, 2018	Cumulative upto May 31, 2018	December 01, 2017 to February 28, 2018	Cumulative upto February 28, 2018
Opening Balance	1,507,668,185	-	2,001,837,331	-
Proceeds from Rights Share Issue	-	2,619,540,000	-	2,619,540,000
<b>Net Proceed</b>	<b>1,507,668,185</b>	<b>2,619,540,000</b>	<b>2,001,837,331</b>	<b>2,619,540,000</b>
<b>Proceeds Utilization:</b>				
Land & Building/Civil Works	431,801,254	1,484,968,596	492,060,622	1,053,167,342
Erection & Installation of Machinery	73,722,200	112,921,724	2,108,524	39,199,524
Rights Issue Expenses	-	19,504,949	-	19,504,949
<b>Total</b>	<b>505,523,454</b>	<b>1,617,395,269</b>	<b>494,169,146</b>	<b>1,111,871,815</b>

Un-utilized fund from Rights Share Issue proceeds as on May 31, 2018 was Tk. 1,002,144,731; which lies with Southeast Bank Limited in the following way:

SND A/C No: 0004135000000007	Tk. 2,115,140
Fixed Deposit Receipts # 24400009361	Tk. 1,029,225,000
<b>Total balance in Bank Accounts for Right Issue Proceeds</b>	

**Reconciliation between Un-utilized balance and Bank balance:**

Balance to be Utilized as per Status Report Tk. 1,002,144,731

**Add:**

Interest Credited (Net of Tax & Charges) Tk. 29,225,261  
Bank Charge Tk. (29,851)  
29,195,409

**Total balance in Bank Accounts for Right Issue Proceeds** Tk. **1,031,340,140**

Board of Directors has authenticated quarter end Utilization Report of GPH Ispat Limited as on May 31, 2018, and is attached herewith.

**We report that:**

- (a) Rights Issue proceeds have been utilized till May 31, 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.

Chattogram, June 12, 2018

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

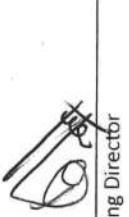
**Report on Utilization of RI Proceeds for the Quarter from March 01, 2018 to May 31, 2018**

Name of the Company : GPH Ispat Limited  
 Amount (BDT) of Capital Raised Through RI : Tk. 2,619.54 Million  
 Date of Close of Subscription : May 12, 2016  
 Proceeds Receiving Date : June 01, 2016  
 Last Date of Full Utilization of Fund as per ROD : Within 24 months of obtaining proceeds i.e. 31st May, 2018 (Subsequently extended upto 31.05.2019)

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 %	
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	1,484,968,596	64.56	815,031,404
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	112,921,724	37.64	187,078,276
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>1,617,395,269</b>		<b>1,002,144,731</b>

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

227,050,537
1,229,195,268

  
 Managing Director

  
 Chief Financial Officer

Company Secretary

Chattogram, June 12, 2018

  
 M/S. Rahman Mostafa Alam & Co.,  
 Chartered Accountants  
 CHITTAGONG  
 PAKISTAN

  
 Rahman Mostafa Alam