

**Certificate on
Status Report on Utilization of Right Share Issue Fund
GPH ISPAT LIMITED
As on February 29, 2020**



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GPH Ispat Limited
As on February 29, 2020

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			
	June 01, 2019 to February 29, 2020	Cumulative upto February 29, 2020	March 01, 2019 to May 31, 2019	Cumulative upto May 31, 2019
Opening Balance	35,051	-	93,987	-
Proceeds from Rights Share Issue	-	2,619,540,000	-	2,619,540,000
Net Proceed	35,051	2,619,540,000	93,987	2,619,540,000
Proceeds Utilization:				
Land & Building/Civil Works	35,051	2,300,035,051	58,936	2,300,000,000
Erection & Installation of Machinery	-	300,000,000	-	300,000,000
Rights Issue Expenses	-	19,504,949	-	19,504,949
Total	35,051	2,619,540,000	58,936	2,619,504,949

Un-utilized fund from Rights Share Issue proceeds as on February 29, 2020 was Tk. nil; which lies with Southeast Bank Limited in the following way:

Balance in SND A/C No: 000413500000007

Tk. -

Board of Directors has authenticated the Final Utilization Report of GPH Ispat Limited as on February 29, 2020 and is attached herewith.

We report that:

- Rights Issue proceeds have been utilized till February 29, 2020 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 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.
- The Company utilized full amount of Right Issue Proceeds as per purposes/heads as specified in the ROD except Tk. 35,051 which was remained un-utilized under the head of "Right Issue Expenses". To utilize the un-utilize amount Tk. 35,051 in Civil Works head was placed for the shareholders' approval in the Company's 13th Annual General Meeting (AGM) held on 26th December, 2019. Accordingly, the Shareholders approved to utilize Tk. 35,051 in "Civil Works" in place of "Right Issue Expenses".
- 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.

Dated, Chattogram; March 03, 2020

Rahman Mostafa Alam & Co.
Chartered Accountants

Report on Utilization of Rights Issue Proceeds from June 01, 2019 to February 29, 2020 (Final)

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)

(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	2,300,035,051	100.00	(35,051)	(0.00)	Revised Utilization plan has been approved in EGM held on December 10, 2017. To utilize Tk. 35,051 in Civil Works in place of Rights Issue Expenses has been approved in the AGM held on December 26, 2019. 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	300,000,000	100.00	-	-	
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		2,619,540,000		-		

Interest on RI Proceeds (upto February-2020)
 Un-utilized RI Proceeds with Interest Income

272,191,564
272,191,564



 Managing Director

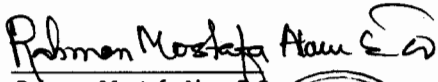


 Chief Financial Officer



 Company Secretary

Dated, Chattogram; March 03, 2020


 Rahman Mostafa Alam & Co.
 Chartered Accountants

