



AUDITOR'S CERTIFICATE REGARDING MONTHLY STATUS REPORT OF
UTILIZATION OF FUND AGAINST INITIAL PUBLIC OFFERING (IPO) OF
INDO-BANGLA PHARMACEUTICALS LTD.
FOR THE MONTH OF FEBRUARY-2019

This is to certify that INDO-BANGLA PHARMACEUTICALS LTD. has received Tk. 200,000,000 (Taka Twenty Crore) only as Initial Public Offering (IPO) proceeds through subscription from 09 August 2018 to 16 August 2018 in the separate Bank Account (Account number 10113604594250) maintaining with Eastern Bank Limited, Principal Branch, Jiban Bima Bhaban 10, Dilkusha C/A, Dhaka-1000. In line with the condition number 4, Part C of the consent letter number BSEC/CI/IPO-260/2016/118 dated: 19 February 2018 of Bangladesh Securities and Exchange Commission (BSEC), fund utilization status as on 28 February 2019 is as follows:

Sl. No.	Purpose of Utilization	Allotment as per IPO (Tk.)	Fund utilized (Taka) up to the month of January 2019	Fund utilized (Taka) for the month of February 2019	Total Utilization of Fund up to February 28, 2019	Unspent Balance (Taka)
1	Construction and other Civil works	58,580,000	-	-	-	58,580,000
2	Machineries	124,720,000	1,155,577	4,721,403	5,876,980	118,843,020
3	IPO Expenses	16,700,000	16,700,000	-	16,700,000	-
	Total IPO Proceeds	200,000,000	17,855,577	4,721,403	22,576,980	177,423,020
4	Interest Income/ (Bank Charges)	591,895	50,912	-	50,912	540,983
	Total IPO Proceeds & Interest Income/ (Bank Charges)	200,591,895	17,906,489	4,721,403	22,627,892	177,964,003

Total unutilized of fund excluding interest income Tk. 177,423,020 (Taka: Seventeen Crore Seventy Four Lac Twenty Three Thousand and Twenty) only and including interest income/ (Bank Charges) Tk. 177,964,003 as on 28 February 2019 as at Bank with Eastern Bank Limited, Principal Branch, Jiban Bima Bhaban 10, Dilkusha C/A, Dhaka-1000. (Account number 10113604594250). We have collected relevant information and required documents for all disbursements made and we have also checked and enclosed Status Report (Annexure-A) of utilization of fund prepared by management.



During the course of our certification, we have found that:

(a) the management of INDO-BANGLA PHARMACEUTICALS LTD. have paid Tk. 1,67,00,000 during the months of November 2018 for IPO expenses from the allotment as per IPO including Tk. 76,48,001 adjusted which were previously paid from the company's bank account.

(b) the management of INDO-BANGLA PHARMACEUTICALS LTD. deposited as FDR amount in Tk. 18,33,00,000 (Taka: Eighteen Crore and Thirty Three Lac) only during the months of November 2018 with Mercantile Bank Limited Tk. 10,00,00,000 (Taka: Ten Crore) to separate FDR Account for 3-6 months period with 9% interest rate per annum and Standard Bank Limited Tk. 8,33,00,000 (Taka: Eight Crore and Thirty Three Lac) to separate FDR Account for 3 months period with 9% interest rate per annum which is included in the total unutilized fund. We also noted that the Company have encashed Tk. 1 Crore during the month of February 2019 out of Tk. 18.33 Crore.

(c) the management of INDO-BANGLA PHARMACEUTICALS LTD. has been paid Tk. 7,68,129 for opening letter of credit (L/C) USD 164,800 L/C No. 18010290,18010291,18010292,18010293 & 18010294 dated on 24th December 2018 to 26th december 2018 for machineries from the allotment as per IPO during the months of December 2018 and the Company have paid the same amount from Company's own fund.

(d) the management of INDO-BANGLA PHARMACEUTICALS LTD. have received as interest (FDR and IPO Accounts) amounting Tk. 591,895 net off withholding tax upto the month of February 2019 including Tk. 1,88,000 during the month from IPO proceed account maintaining with Eastern Bank Limited.

(e) the management of INDO-BANGLA PHARMACEUTICALS LTD. has been paid Tk. 3,87,448 for opening letter of credit (L/C) USD 44,000 L/C No. 182819010019 dated on 29th January 2019 for machineries from the allotment as per IPO during the months of January 2019 and the Company have paid the same amount from Company's own fund.

(f) the management of INDO-BANGLA PHARMACEUTICALS LTD. has been paid Tk. 434,461 for opening letter of credit (L/C) USD 48,800 L/C No. 182819010023 & 182819010024 dated on 4th February 2019 for machineries from the allotment as per IPO during the months of February 2019 and rest of the amount Tk. 42,86,942 paid against matured L/C No. 18010291 and 18010292.

We also report that:

- i. the expenses/utilization has been made in line with the provision of Initial Public Offering (IPO) documents;
- ii. the expenses/utilization made in line with the condition 4, part C of consent letter of Initial Public Offering (IPO);
- iii. the expenses/utilization Tk. 22,576,980 of IPO proceeds have been completed Five (5) months (after the receiving of IPO fund) within 24 (Twenty Four) months mentioned the time schedule/ implementation schedule as specified Initial Public Offering (IPO) documents;
- iv. the expenses/utilization made is accurate /for the purpose of the company as mentioned in Initial Public Offering (IPO) documents; and
- v. we also confirmed that: (i) expenses have been procured/incurred maintaining proper procedure as well as at a reasonable price; and (ii) books and records including vouchers in support of utilization of Initial Public Offering (IPO) proceeds are found correct.

Dated: 04 March 2019

Place: Dhaka




AHMAD & AKHTAR
Chartered Accountants

Report on Utilization of IPO Proceeds for the month of February-2019

Name of the Company : INDO-BANGLA PHARMACEUTICALS LTD.

Amount (BDT) of Capital Raised Through IPO : BDT. 200,000,000.00

Date of Close of Subscription : August 16, 2018

Proceeds Receiving Date : September 13, 2018

Last Date of Full Utilization of Fund as per Proceeds : September 12, 2020 (within 24 Months of obtaining IPO proceeds)

Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus	Status of Utilization				Remarks	
				Fund utilization (Taka) up to the month of January 2019	Fund utilized (Taka) for the month of February 2019	Total Utilized Amount	Utilized %		Total Un-utilized Amount
1	Construction and other Civil works	24 Months	58,580,000	-	-	-	0.00%	58,580,000	100.00%
2	Machineries	18 Months	124,720,000	1,155,577	4,721,403	5,876,980	4.71%	118,843,020	95.29%
3	IPO Expenses	As or when required	16,700,000	16,700,000	-	16,700,000	100.00%	-	0.00%
Total IPO Proceeds			200,000,000	17,855,577	4,721,403	22,576,980		177,423,020	

Note:

* BDT 50,912 has been charged by the bank as maintenance fee and others of IPO proceeds accounts (A/C No.1011360459420 maintaining with Estern Bank Limited) upto the month of December 2018.

* Fund utilization period have increased 24 months instead of 18 months for construction and other civil works due to changes of Factory place and subsequently approved by the Board of Director and Shareholders in 4th Annual General Meeting.

* The management of INDO-BANGLA PHARMACEUTICALS LTD. have received as interest (FDR and IPO Proceed Account) amounting Tk. 591,895 net off withholding tax upto the month of February 2019 including Tk. 1,88,000 during the month from IPO proceed account maintaining with Eastern Bank Limited.



Atiqul Haque
Chairman

Atiqul Haque
Managing Director

Atiqul Haque
Company Secretary

Atiqul Haque
Chief Financial Officer