



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS
(An associate firm of D. N. Gupta & Associates)

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**AUDITOR'S CERTIFICATE REGARDING MONTHLY STATUS REPORT OF
UTILIZATION OF FUND AGAINST INITIAL PUBLIC OFFERING (IPO) OF
INTRACO REFUELING STATION LIMITED
FOR THE MONTH OF AUGUST-2020**

[Handwritten Signature]

This is to certify that **Intraco Refueling Station Limited** has received Tk. 300,000,000 (Taka Thirty Crore) only as Initial Public Offering (IPO) proceeds through subscription from 18 March 2018 to 27 March 2018 in the separate Bank Account (Account number 1501203535088001) maintaining with BRAC Bank Limited, 1-Gulshan Avenue, Gulshan-1, Dhaka-1212. In line with the condition number 4, Part C of the consent letter number BSEC/CI/IPO-259/2016/111 dated: 14 February 2018 of Bangladesh Securities and Exchange Commission (BSEC), fund utilization status as on 31 August 2020 is as follows:

Sl. No.	Purpose of Utilization	Allotment as per IPO (Tk.)	Fund utilized (Taka) upto the month of July 2020	Fund utilized (Taka) for the month of August 2020	Total Utilization of Fund upto August 31, 2020	Unspent Balance (Taka)
1	IPO Expenses	20,400,000	20,400,000	-	20,400,000	-
2	Construction of Factory Shed, Store Room & Official Building	12,554,000	15,000	-	15,000	12,539,000
3	Substation, Electric Work & Generator	7,151,200	-	-	-	7,151,200
4	LPG Satellite Plant	97,489,800	41,893,207	-	41,893,207	55,596,593
5	Cylinder, Road Tanker, Mover, Weighting Bridge & Truck	157,405,000	6,344,160	-	6,344,160	151,060,840
6	Freight & Other Charges	5,000,000	-	-	-	5,000,000
7	Takeover New Factory as per decision on 12 Annual General Meeting	-	5,200,000	124,000,000	129,200,000	(129,200,000)
	Total IPO Proceeds	300,000,000	73,852,367	124,000,000	197,852,367	102,147,633
8	Interest Income/ (Bank Charges)	17,540,545	65,925	-	65,925	17,474,620
	Total IPO Proceeds & Interest Income/ (Bank Charges)	317,540,545	73,918,292	124,000,000	197,918,292	119,622,253

Total unutilized of fund excluding interest income Tk. 102,147,633 (Taka: Ten Crore Twenty One Lac Fourty Seven Thousand Six Hundred and Thirty Three) only and including interest income Tk. 119,622,253 as on 31 August 2020 as at Bank with BRAC Bank Limited, 1-Gulshan Avenue, Gulshan-1, Dhaka-1212. (Account number 1501203535088001) and FDR with Al-Arafah Islami Bank Ltd., Progati Sharani Branch, Dhaka. 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 the management.

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

- the management of Intraco Refueling Station Limited had transferred Tk. 2,04,00,000 to Prime Bank Limited (CA A/C No. 2219113000213) during the month of May-2018 for adjusting/paid IPO expenses. Total amount of Tk. 2,04,00,000 have paid by the management from the same bank account during the month of June 2018 (including Tk.1,09,35,000 have adjusted during the month of June 2018 which were previously paid from the company's bank account).
- the management of Intraco Refueling Station Limited received as Interest Income/Foreign currency gain amounting Tk. 17,540,545 net of withholding tax upto the month of August 2020 including Tk. 2,756,539.47 during the month of August 2020 from IPO Proceeds accounts maintaining with BRAC Bank Ltd. (including Tk. 15 as received foreign currency gain during the month of July 2018).





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(c) the management of Intraco Refueling Station Limited transferred Tk. 4,83,84,200 to Agrani Bank Limited, Banani Corporate Br. (A/C No. 0200012139542) for opening letter of credit (L/C). The management opened a LC USD 75,515.20 equivalent to Tk. 63,24,398 (includes with charges Tk. 63,45,701) L/C No. 000818010034 dated 23 September 2018 for Cylinder, Road Tanker, Mover, Weighting Bridge & Truck from the allotment as per IPO. BDT 35,421 paid as L/C charges during the month of November 2018 and total paid Tk. 64,11,122 upto the months of November 2018. The Company has received Tk. 66,962 from 100% margin of matured L/C due to short Shipment of L/C by the supplier as per commitment during the month of February 2019.

(d) the management of Intraco Refueling Station Limited has paid Tk. 15,000 as miscellaneous expenses during the month of October 2018 for Construction of Factory Shed, Store Room & Official Building from the allotment as per IPO.

(e) the management of Intraco Refueling Station Limited has deposited as FDR amount in Tk. 20,00,00,000 (Taka : Twenty Crore) only 10 separate FDR Account with Al-Arafah Islami Bank Ltd., Progati Sharani Branch, Dhaka for 3 Months and rate of interest at not mention which is included in the total unutilized fund. We also noted that Tk. 6 Crore have encashed during the months.

(f) Available Tk. 4,19,92,499 as on 31 October 2018 in the Agrani Bank Limited, Banani Corporate Br. (A/C No. 0200012139542) which is included in the total unutilized fund.

(g) the management of Intraco Refueling Station Limited has been paid Tk. 41,893,207 for opening two letter of credit (L/C) USD 2,77,600 and USD 2,15,800; L/C No. 0000001518010027 dated on 7 November 2018 and L/C No. 0000001518010028 dated on 7 November 2018 respectively for LPG Satellite Plant from the allotment as per IPO upto the month of January 2019 and Tk. 125,987 during the month as L/C amendment charges.

(h) the management of Intraco Refueling Station Limited has paid Tk. 5,200,000 as advance during the month of March 2020 for new factory takeover as per decision by the shareholder on 12th Annual General Meeting held on 24th December 2019.

(i) the management of Intraco Refueling Station Limited has paid Tk. 124,000,000 through A/C Payee cheque as per agreement with their related party Intraco Tianlong LPG Cylinder Manufacturing Industry Ltd. for new factory purchase during the month of August 2020. The management has taken the decision to take over this new factory of Intraco Tianlong LPG Cylinder Manufacturing Industry Ltd in the 12th Annual General Meeting held on dated 24th December 2019. However, in the prospectus issued to raise IPO fund, this fund was allotted for the purpose mentioned in the fund utilization table (Sl. No. 2 to 6). The valuation of the factory done by the company before decision to purchase was valued at Tk. 38.53 Crores. The company decided to purchase the factory at Tk. 31.5 Crores.

We also report that:

- the expenses/utilization has been made in line with the provision of Initial Public Offering (IPO) documents;
- the expenses/utilization made in line with the condition 4, part C of consent letter of Initial Public Offering (IPO);
- the expenses/utilization Tk. 197,852,367 of IPO proceeds have been completed upto the month of August 2020 (end of the implementation period 15 months of 18 August 2019 as per prospectus issued by the issuer (Intraco Refueling Station Limited) and approved by the Bangladesh Securities and Exchange Commission (BSEC)). We also report that Tk. 226,147,633 of IPO proceeds have not utilized within the time schedule as per prospectus issued by the issuer. The company sent a letter (Ref: IRSL/IPO/2019/15A, Dated: 18 August 2019) to Bangladesh Securities and Exchange Commission for extending time for IPO fund utilization upto March-2020 (7 Months) and subsequently the Board of Director of the company approved the rearrangement time schedule for IPO fund utilization on 01 August 2019. We further report that the company has changed the IPO proceed by taken approval from shareholder through 12th AGM of the company. In this respect the company also changed utilization procedures. But has started unexpected lockdown from 26 March due to pandemic Covid-19 and it's continuations, IPO proceeds Tk. 226,147,633 have not been utilized within the time schedule March-2020. In this situations the Board of Director's of the company approved the rearrangement time schedule upto December-2020 (9 Months) on 31 May 2020 subject to depending pandemic situation as well as shareholder's permission.
- the expenses/utilization made is accurate /for the purpose of the company as mentioned in Initial Public Offering (IPO) documents;and
- 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.

Date: 14 September 2020
Place: Dhaka



Ramendra Nath Basak, FCA
Partner
Shiraz Khan Basak & Co.
Chartered Accountants

Report on Utilization of IPO Proceeds for the Month of August 2020

Name of the Company : Intraco Refueling Station Limited
 Amount (BDT) of Capital Raised Through IPO : 300,000,000
 Date of Close Subscription : March 27, 2018
 Proceeds Receiving Date : May 17, 2018
 Last date of Full Utilization of Fund as Per Prospectus : Within 15 Months of receiving IPO Fund

Annexure-A

Sl. No.	Purpose Mentioned in the Prospectus	Time Line As per Prospectus	Amount As per Prospectus (Budgeted Amount)	Status of Utilization			Un-utilization %	Remarks
				Fund utilized (Taka) upto the month of July 2020	Fund utilized (Taka) for the month of August 2020	Total Utilization Amount		
1	IPO Expenses	As and when required	20,400,000	20,400,000	-	20,400,000	100.00	
2	Construction of factory shed, store room & office building	Within 10 months after receiving IPO fund	12,554,000	15,000	-	15,000	0.12	99.88
3	Substation, Electric work & Generator	Within 12 months after receiving IPO fund	7,151,200	-	-	-	-	100.00
4	LPG Satellite plant	Within 15 months after receiving IPO fund	97,489,800	41,893,207	-	41,893,207	42.97	57.03
5	Cylinder, Road tanker, Mover, Weighting Bridge, Truck	Within 13 months after receiving IPO fund	157,405,000	6,344,160	-	6,344,160	4.03	95.97
6	Freight & other charges	Within 15 months after receiving IPO fund	5,000,000	-	-	-	-	100.00
7	Takeover New Factory	As per decision by the Share holder	-	5,200,000	124,000,000	129,200,000	-	-
TOTAL			300,000,000	73,852,367	124,000,000	197,852,367		102,147,633

Percentage

Interest on IPO Proceeds: 3.00%

Un-utilized IPO proceeds without Interest Income

Note:

- Actual application was received almost 25.55 times
- The Company did not utilize any amount against substation, Electric work & Generator as per decision of by the 12th Annual General Meeting.
- The Company did not utilize any amount against freight & other charges as per decision of by the 12th Annual General Meeting.
- The balance amount is lying with Brac Bank Ltd., BDT A/C No. 1501203535088001 Tk. 649,172.58/- and Al-arafah Islami Bank Ltd., FDR format Tk. 140,000,000.00 as on 31 August 2020.
- The management of Intraco Refueling Station Limited received as Interest Income/Foreign currency gain amounting Tk. 17,540,545 net of withholding tax upto the month of August 2020 including Tk. 2,756,539.47 during the month of August 2020 from IPO Proceeds accounts maintaining with BRAC Bank Ltd. (including Tk. 15 as received foreign currency gain during the month of July 2018).
- BDT 65,925 has been incurred as Bank charge/maintenance fee and others of IPO proceeds accounts (A/C No. 1501203535088001 maintaining with Brac Bank Ltd.) upto the month of June 2020 and Tk. 345 during the month of June 2020.

Managing Director

Director

Company Secretary

Chief Financial Officer

