



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

R. K. TOWER (Level-10)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road). Dhaka-1205
Tel : 88-02-9635139, 88-02-9673597
Mobile : 01552-638228, 01711-520770
01922-117370, 01757-941837
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.bd.com

dc

**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 SEPTEMBER-2020**

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 30 September 2020 is as follows:

Sl. No.	Purpose of Utilization	Allotment as per IPO (Tk.)	Fund utilized (Taka) upto the month of August 2020	Fund utilized (Taka) for the month of September 30, 2020	Total Utilization of Fund upto September 30, 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)	-	97,489,800
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	-	129,200,000	185,800,000	315,000,000	-
	Total IPO Proceeds	300,000,000	197,852,367	143,906,793	341,759,160	-
8	Interest Income/ (Bank Charges)	23,960,678	65,925	23,894,753	-	-
	Total IPO Proceeds & Interest Income/ (Bank Charges)	323,960,678	197,918,292	167,801,546	341,759,160	-

The company Shown total IPO proceeds BDT 341,759,160 But the company total utilized BDT 323,894,753 with bank interest income from IPO Utilization Fund and rest BDT 17,864,407 expensed from own sources.

The Company utilized total amount BDT 315,000,000 as per agreement with their related party Intraco Tianlong LPG Cylinder Manufacturing Industry Ltd. for new factory purchase. 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 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.

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. 23,960,678 net of withholding tax upto the month of September 2020 including Tk. 6,420,133 during the month of September 2020 from IPO Proceeds accounts maintaining with BRAC Bank Ltd. (including Tk. 15 as received foreign currency gain during the month of July 2018).
- 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. The company adjust the expenses during this month.

Rf



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

R. K. TOWER (Level-10)
86, Bir Uttam C.R. Datta Road
(312, Sonargaon Road). Dhaka-1205
Tel : 88-02-9635139, 88-02-9673597
Mobile : 01552-638228, 01711-520770
01922-117370, 01757-941837
E-mail : shirazkhanbasak@yahoo.com
Website : www.shirazkhanbasak.bd.com

(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 rest Tk. 14 Crore have encashed during this month.

(f) 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 24.12.2019.

(g) 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.

(h) the management of Intraco Refueling Station Limited has paid Tk. 41,893,207 for opening of 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. We further report that the company adjusted the expensed BDT 41,893,207 due to cancellation of L/C No. 0000001518010027 & L/C No. 0000001518010028 during this month according to decision of shareholders in 12th AGM held on 24.12.2019 for changed of IPO proceed utilization. It may be mention here that both the L/C's has been cancelled on 25.03.2019 and the L/C money was refunded on 27.06.2019. The company adjusted the expenses during this month as explained below.


(i) the management of Intraco Refueling Station Limited has paid rest amount Tk. 185,800,000 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 September 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 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:

- 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. 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.
- 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.

Date: 14 October 2020
Place: Dhaka




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

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

Annexure-A

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

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 August 2020	Fund utilized (Taka) for the month of September 2020	Total Utilization Amount	Utilization %		
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	12,539,000	99.88
3	Substation, Electric work & Generator	Within 12 months after receiving IPO fund	7,151,200	-	-	-	-	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)	-	-	97,489,800	100.00
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	151,060,840	95.97
6	Freight & other charges	Within 15 months after receiving IPO fund	5,000,000	-	-	-	-	5,000,000	100.00
7	Takeover New Factory	As per decision by the Share holder	-	129,200,000	185,800,000	315,000,000	100.00	-	-
TOTAL			300,000,000	197,852,367	143,906,793	341,759,160			

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 construction of factory shed, store room & office building as per decision of by the 12th Annual General Meeting.
- 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 LPG Satellite plant as per decision of by the 12th Annual General Meeting.
- The Company did not utilize any amount against Cylinder, Road Tanker, Mover, Weighting Bridge, Truck 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 Company utilized BDT 20,400,000 from IPO fund.
- The Company purchase a new LPG cylinder manufacturing factory at Cumilla by BDT 315,000,000.
- The additional amount BDT 41,759,160 (315,000,000-273,240,840) incurred from interest income & company own source.
- The management of Intraco Refueling Station Limited received as Interest Income/Foreign currency gain amounting Tk. 23,960,678 net of withholding tax upto the month of September 2020 including Tk. 6,420,133 during the month of September 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. 501203585088001 maintaining with Brac Bank Ltd.) upto the month of September 2020.

Managing Director

Director

Company Secretary

Chief Financial Officer

