

## Information Memorandum

Private placement of 7.00% p.a. Convertible Bond of BDT 500,000,000

Face Value of Each Bond: BDT 5,000 (Five Thousand Taka)

Lot Size: BDT 100,000 (BDT One Lakh)

Minimum Subscription Size: BDT 100,000 (BDT One Lakh)

Offer Type: Private offer to Existing Shareholders BDT 200,000,000

Private offer BDT 150,000,000

& Public Offer BDT 150,000,000

**Issuer:**

**Intraco Refueling Station PLC**



**A Sister Concern of Intraco Group**

**Registered Office Address:** Intraco Centre

House # 40, Block-J, Pragati Sarani,

Baridhara, Dhaka- 1212

**Trustee to the Issue:**

**EC Securities Limited**



**Registered Office Address:**

Kazi Tower (level-5), 86, Naya Palta, Dhaka-1000

**Credit Rating Company:**

**WASO Credit Rating Company (BD) Ltd.**

**Credit Rating of the Issue:**

Long Term Rating- A2

Outlook- Stable

Validity- November 20, 2022- August 28, 2023

**Subscription Period: October 02, 2023- April 02, 2023**

**IM Issue Date: October 4, 2023**

**Issue Manager & Arranger:**

**City Bank Capital Resources Limited**



If you have any query about this document, you may consult the issuer or originator, issue manager and the trustee

## Notice & Disclaimer

**Intraco Refueling Station PLC** (hereinafter referred to as **“IRS”** or the **“Issuer”**) has authorized City Bank Capital Resources Limited (hereinafter referred to as **“CBCRL”** or the **“Issue Manager & Arranger”**), to distribute this Draft Information Memorandum (IM) in connection with the proposed transaction outlined in it (the **“Transaction”**) and the bonds proposed to be issued in the Transaction (the **“Bonds”**)

This Information Memorandum is provided to prospective investors on a private and confidential basis for use solely in connection with the issue, offer, sale or invitation to subscribe or purchase the Intraco Refueling Convertible Bond. This Information Memorandum shall not be, in whole or in part, reproduced or used for any other purpose without prior written consent of the Issue Manager and Arranger.

The Issuer has prepared this information memorandum and is solely responsible for its contents. The issuer will comply with all rules, laws and regulations and is responsible for obtaining all regulatory, governmental and corporate approvals for the issuance of the Bonds. The Issuer, having made all reasonable inquiries, confirms that this Information Memorandum contains all the information with respect to itself and the Bonds to be issued by it, which is material in the context of the Bonds; that the information contained in this Information Memorandum is true and accurate in all material respects and is not misleading; that the opinions and intentions expressed in this Information Memorandum are honestly held and that there are no other facts the omission of which would make any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

The Issue Manager and Arranger has relied on the information provided by the Issuer and such information has not been independently verified by the Issue Manager and Arranger. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Issue Manager and Arranger or any affiliate of the Issue Manager and Arranger for the accuracy, completeness, reliability, correctness or fairness of this Information Memorandum or any of the information or opinions contained therein, and the Issue Manager and Arranger hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this Draft Information Memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Information Memorandum or any information or errors contained therein or any omissions therefore. By accepting this Information Memorandum, investors agree that the Issue Manager and Arranger will not have any such liability.

Neither this Information Memorandum nor any other information supplied in connection with the Issue is intended to provide the complete basis of any credit or other evaluation, nor should it be considered as a recommendation by the Issue Manager and Arranger to the Issue that any recipient of this Information Memorandum (or any other information supplied in connection with the Issue) should purchase or subscribe for any Bonds. Each investor contemplating purchasing or subscribing to a Bond should make their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness of the Issuer. Investors are advised not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice. Investors are also advised to consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters, concerning an investment in the Bonds.

**INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IT IS RECOMMENDED THAT PROSPECTIVE INVESTORS CONSULT THEIR FINANCIAL, LEGAL AND OTHER ADVISERS BEFORE PURCHASING OR ACQUIRING OR INVESTING IN THIS INTRACO REFUELING CONVERTIBLE BOND.**

#### Report to the Eligible Investor

By investing in the Bonds, you are hereby deemed to have acknowledged, represented and warranted to, and agree (as the case may be) for the benefit of the Issue Manager and Arranger, as set out below:

**High risk:** You are fully aware that investment in the Bonds involves a high degree of risk.

**Consultation with advisers:** You have (i) consulted with your own legal, regulatory, tax, business, investment, financial, and accounting advisers in connection herewith to the extent you have deemed necessary, and (ii) collected and reviewed all information that you or your advisers believe is necessary or appropriate in connection with the purchase of the Bonds, and (iii) made your own investment decisions based upon your own judgment, due diligence and advice from such advisers as you have deemed necessary and not upon any view expressed by or on behalf of the Arranger.

**No reliance:** You acknowledge and agree that you may not rely on any investigation that the Arranger or any of its affiliates or any person acting on their behalf may have conducted with respect to the Issuer or any of their affiliates, and neither the Arranger nor its affiliates, employees, officers, directors, legal advisers or representatives have made any representation to you, express or implied, with respect to your investment in the Bonds.

**Informed decision:** You are in possession of all the information that you believe is necessary or appropriate in order to make an informed decision regarding your purchase of the Bonds, including without limitation, adequate information concerning the Issuer's business, and financial condition, results of operations and prospects.

**Knowledge and experience:** You have such knowledge and experience in financial, business, and international investment matters that you are capable of evaluating the merits and risks of purchasing the Bonds and are aware that you may be required to bear, and are able to bear, all risks including the economic risk of an investment in the Bonds.

**Information of the Company:** You acknowledge that the information provided to you with regard to the Issuer and the Bonds in this Information Memorandum has been supplied to you by the Arranger only on behalf of the Issuer and that neither the Arranger nor any of its affiliates, employees, officers, directors, legal advisers or representatives has verified such information or makes any representation or warranty as to its accuracy or completeness.

**Review of Information Memorandum:** You have reviewed this Information Memorandum in its entirety, including the risks associated with an investment in the Bonds, and you understand and acknowledge all of the risks described herein. By investing in the Bonds, you have determined that:

- i. the Bonds are a suitable investment for you and your investment in the Bonds does not and will not, when consummated, violate any investment or other guidelines, policies or restrictions (corporate or otherwise), or any law, rule, regulation or order applicable to you; and
- ii. you have obtained all approvals and consents (whether internal or external) and have made all notifications necessary for you to invest in the Bonds as contemplated; and you can bear the economic risk of the investment and are able to sustain a complete loss in connection with your investment.

**Own account:** You are purchasing the Bonds for your own account and not with a view to any distribution thereof.

**No representation or warranty:** The Arranger has not made, and you have not relied upon any representation, warranty or condition (express and/or implied), and the Arranger shall not owe any duty whatsoever to you in connection with the Bonds.

**No obligation to purchase:** The Arranger shall have no obligation to purchase or acquire all or any part of the Bonds purchased by you or to support losses, if any, directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Bonds, including the non-performance by the issuance, whether to you or otherwise.

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**Intraco Refueling Station PLC (IRS)**

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**The Issuer**

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**Md. Riyadh Ali**  
Managing Director

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Company Secretary

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Email: [Salahuddin@intracogroup.com](mailto:Salahuddin@intracogroup.com)

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**City Bank Capital Resources Limited**

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**Issue Manager and Arranger**

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**Ershad Hossain**  
Managing Director & CEO

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**EC Securities Limited**

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**The Trustee**

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**Md. Khurshid Alam**  
Chief Executive Officer

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## Abbreviations & Definitions

### **Abbreviations**

IRS	Intraco Refueling Station PLC
BDT	Bangladeshi Taka
BFEDA	Bangladesh Foreign Exchange Dealers Association
BIBM	Bangladesh Institute of Bank Management
BLFCA	Bangladesh Leasing and Finance Companies Association
BSEC	Bangladesh Securities and Exchange Commission
CBCRL	City Bank Capital Resources Limited
CC	Current Charge
CCCI	Chittagong Chamber of Commerce & Industry
CEO	Chief Executive Officer
CIP	Commercially Important Person
COO	Chief Operating Officer
CSE	Chittagong Stock Exchange Limited
EPS	Earnings Per Share
IBB	Institute of Bankers Bangladesh
ICC	International Chamber of Commerce
IM	Information Memorandum
MCCI	Metropolitan Chamber of Commerce & Industry
MD	Managing Director
MIDAS	Micro Industries Development Assistance and Services
NAV	Net Asset Value
NHFIL	National Housing Finance and Investments Limited
NRB	Non-resident Bangladeshi
NSL	Nessa & Sons Limited
PDBL	Primary Dealers Bangladesh Limited
PIL	Pragati Insurance Limited
PLIL	Pragati Life Insurance Limited
SBAC	South Bangla Agriculture and Commerce
WPPF	Workers Profit Participation Fund

### **Definitions**

**"Arranger"** means City Bank Capital Resources Limited, a wholly owned subsidiary of the City Bank Limited and having its Head Office at City Centre, 13th Floor, Level- 14, 90/1, Motijheel C/A, Dhaka- 1000.

**"Bonds"** means the debt securities, in form of Unsecured Redeemable Coupon Bearing Bond with a conversion option, in compliance with the provision of the Bangladesh Securities and Exchange Commission (Debt Securities) Rule 2021 and the Conditions (each a **"Bond"**).

**"Bond Documents"** means the Trust Deed, Conditions, Agency Agreement, and Subscription Agreement, if any, as modified from time to time in compliance with the Applicable Laws.

**“Bondholder”** means a person in whose name a Bond (or, as the case may be, such Bond) is registered in the Register.

**“Bond Specific Matter”** means any matter that will affect the rights and interest of the Bondholders.

**“BSEC”** means Bangladesh Securities and Exchange Commission, constituted in accordance with the applicable law of Bangladesh.

**“Business Day”** means a day on which banks are generally open for business in Bangladesh.

**“CDBL Register”** means the legal ownership register maintained by CDBL relating to Securities recorded in the name of CDBL in the depository part of the company register;

**“Closing Date”** shall mean the issue date on which Bonds have been issued in favor of the subscriber(s) upon satisfaction of all conditions under the Bond Documents.

**“Compliance Certificate”** means a certificate signed by the Managing Director and Chief Executive Officer of the Issuer, substantially in the form set out in Annexure- C of the trust deed.

**“Conditions”** means, the terms and conditions of the Bonds, substantially in the form set out in Schedule I (*Terms and Conditions of the Bonds*) of the trust deed, which may, from time to time, be modified in accordance with the Trust Deed and any reference in the Trust Deed to a particular numbered Condition shall be construed accordingly.

**“Coupon Payment Date”** means each date on which Coupon shall be paid by the Issuer and it shall be last day of every six months from the date of issuance of bond. For avoidance of doubt, Coupon shall be paid as per terms of Condition VII (C) (*Coupon Payment Date*) of the Conditions.

**“Coupon Period”** means the period or tenure beginning on (and including) the Closing Date or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date.

**“Engagement Letter”** means the engagement letter dated \_\_\_\_\_ between the Issuer and Trustee. The engagement letter shall form part of the Trust Deed and shall have effect accordingly.

**“Event of Default”** or **“Default”** means each of the events and circumstance set out in Condition XII (*Events of Default*) of the Schedule I (*Terms and Conditions of the Bonds*) of the trust deed.

**“Exchange(s)”** means Dhaka Stock Exchanges Limited and/or Chittagong Stock Exchanges Limited.

**“Face Value”** means the nominal value of the Bond stated by the Issuer and for this purpose the face value of Bond shall be BDT 5,000.00 (Taka Five Thousand) only.

**“Information Memorandum”** means the investment document of the Issuer containing all the features of the Bonds, and prepared for the prospective investors allowing them to take informed decision as to subscription of the Bonds.

**“Investors”** means Banks, NBFIs, Corporate Entities, Institutional investors and High Net-Worth Individual Investors.

**"Issue Date"** shall refer to the date on which the Bonds are issued by the Issuer.

**"Issue Manager"** means City Bank Capital Resources Limited, a wholly owned subsidiary of the City Bank Limited and having its Head Office at City Centre, 13th Floor, Level- 14, 90/1, Motijheel C/A, Dhaka- 1000.

**"Issue Price"** shall mean the Face Value of a Bond, which shall be payable by the subscriber to subscribe the Bonds in accordance with the Subscription Agreement.

**"Main Board"** means the markets of Exchange(s) available under the automated trading system for trading of the listed securities by the traders;

**"Outstanding Bonds"** mean such number of Bonds that has not been redeemed in accordance with the Conditions on the Redemption Date.

**"Private Offer"** means an offer of securities by the Issuer to any local or foreign person in a way other than public offer under the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.

**"Public Offer"** means an offer of securities by the Issuer to the general public including any local or foreign person under the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.

**"Redemption Amount"** means the amount payable by the Issuer to the Bondholder(s) in accordance to the provision of the Conditions for redeeming the Bond(s) as mentioned in section 5 of this agreement.

**"Redemption Date"** means the day on which any number of Bonds are to be redeemed in accordance with the Conditions.

**"Registrar"** means the Person who has been appointed as Registrar of the Bonds under the Agency Agreement.

**"Register"** means the Register including CDBL Register of Bondholders maintained in accordance with the Conditions.

**"Repay"** shall include "redeem" and *vice versa* and "repaid", "repayable", "repayment", "redeemed", "redeemable" and "redemption" shall be construed accordingly;

**"Subscription Agreement"** means the agreement between the Issuer and the Investor pursuant to which the Investor has agreed to subscribe for the Bond.

**"Tax"** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

**"Trust Deed"** means the Trust Deed, the Bonds and the Schedules (as each may from time to time be modified in accordance with the provisions contained herein) and (unless the context requires otherwise) includes any deed or other document executed in accordance with the provisions hereof (as from time to time modified as aforesaid) and expressed to be supplemental hereto.



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## Section 3: Risk Factors and Management Perception about Risk

### a. Interest Rate Risks

Interest rate risk refers to the potential impact on companies from a change in interest rate levels. If there are unexpected fluctuations in interest rates, it might increase the finance cost of a company.

#### **Mitigations**

The outstanding financial obligation or interest-bearing liability of the company is BDT 43.3 million as of 31<sup>st</sup> March 2023. As Bangladesh Bank has set the lending rate cap at SMART + 300 basis points, the unanticipated interest rate raise is highly unlikely. Moreover, as the coupon rate of the proposed bond is set at a fixed rate of 7% p.a. for the tenure of the bond, we will not be affected by any change in interest rate scenario.

### b. Foreign Exchange Risks

The risk is associated with the volatility in exchange rates.

#### **Mitigations**

IRS is not exposed to exchange rate risk as they are receiving all the payments in Bangladeshi taka. The payments made by IRS are also in Bangladeshi taka.

### c. Non-repayment Risks

IRS may face potential loss arising from the possibility of a borrower or counterparty failing to meet agreed obligations. The failure may arise due to unwillingness of the counterparty or decline in economic condition, unanticipated legal or political constraints, etc.

#### **Mitigations**

Refueling Station business is mostly cash based business. Our credit sales comprise only around 2% of our total sales. As per audited report of 31<sup>st</sup> March 2022, the amount of trade receivables is around BDT 6.8 million and the amount is due for less than 6 months. So, the scenario of non-repayment is highly unlikely and the loss under the non-repayment scenario is very insignificant.

### d. Prepayment, Call or Refunding Risks

The risk associated with the early unscheduled return of principal on a fixed-income security.

#### **Mitigations**

We do not have issued any previously issued security with prepayment, call or refunding features and the proposed bond do not have prepayment/ call feature either.

### e. Security Risks

The risk associated with the default, authenticity or validation of the collateral used to guarantee repayment of a debt.

### **Mitigations**

The outstanding financial obligation or interest-bearing liability of the company is BDT 54.1 million as of 31<sup>st</sup> March 2022 and we have used our land as collateral security which is the most secured collateral. So, there is no risk regarding this.

### **f. Liquidity Risks**

IRS might face liquidity risk due to adverse mismatch of maturities of assets and liabilities and might encounter difficulty in meeting short-term obligations.

### **Mitigation**

IRS is a cash cow company that generates cash flow from daily operations from sales. Whereas, the payments to the suppliers (Government) are made at the end of the month depending on the consumption. So, there is very low change of liquidity mismatch.

### **g. Management Risks**

The risk associated with ineffective, destructive or underperforming management, hurts shareholders and the company of funds being managed.

### **Mitigations**

We have experienced personal in our management team. Our Managing Director comes from a reputed business family who is also the founder of Intraco Refueling Station PLC. He is a well-qualified and knowledgeable person and has been managing the company efficiently since its inception. The company is well secured under his management.

### **h. Business Risks**

IRS might have lower than anticipated profit, or it will experience a loss rather than a profit. Business risk is influenced by a lot of factors, including sales volume, per unit price, input costs, competition, and overall economic climate and government regulations.

### **Mitigations**

Considering the market scenario and increase in Oil price, CNG and LPG will be more cost-effective option for automobiles. So, our revenue and profitability are expected to increase with increasing demand. On the other hand, the supply of CNG is certain and Government is the supplier and the per unit cost is same for all the competitors. Moreover, the location of the stations are permitted by Government considering the demand and our stations are situated in prime locations. So, considering current market scenario, our profitability is certain.

### **i. Industry Risks**

The risk that IRS is likely to face by the industry it is operating in.

### **Mitigations**

Despite of highly competitive nature of the market, we have been able to maintain stable profit growth. As of March 2022, our annualized profit growth was 30.6%. Moreover, our board has decided to merge our 5 subsidiary companies into Intraco Refueling Station PLC which will increase the profitability of the company. Because we will not have to pay tax on the dividend income.

## **j. Market and Technology-Related Risks**

Market risk is primarily related to fluctuation of the fair value of future cash flows due to change in different market variables. Technology risk is the process of managing the risk associated with implementation of new technology. If a new technology is not compatible with business function of the company, the company may suffer in the long run. A non-compatible technology not only brings difficulty in all sorts of operations of the company but also run the risk wasting money choosing the wrong one.

### **Mitigations**

Refueling Station is a basic need of the modern world which cannot be replaced overnight. Eclectic Cars might be a cost-effective alternative way of transportation in the coming future. But currently Bangladesh is not ready for it. It will need another 10-20 years' time.

## **k. Risks Related to Potential or Existing Government Regulations**

IRS might be subject to new government regulations which might adversely impact its business model, or hamper its activities as a multinational corporation.

### **Mitigations**

Considering the Oil Price hike in recent times, the Government will not be interested to increase the dependency on Oil for transportation sector. So, it is highly unlikely that any Government policy will have an adverse impact on our business.

## **l. Risk Related to Potential Changes in Global or National Policies**

Risk associated with any potential global issues (i.e. a global economic crisis or a massive volatility in an international currency) or a national policy change.

### **Mitigations**

As our business is completely local based, global or international policy change will have very little on us.

## **Section 4: Detailed Description and Information**

<b>Part I</b>	
<b>1. Particulars of issuer:</b>	
a) Name	Intraco Refueling Station PLC
b) Legal status	Public Limited Company
c) Details of contact information	INTRACO CENTER, House no #40, Block #J, Pragati Sarani, Baridhara, Dhaka- 1212
d) Date of incorporation	27 <sup>th</sup> March 2007
e) Date of commencement	27 <sup>th</sup> March 2007
f) Authorized capital	BDT 1,500,000,000 [as on 31 <sup>st</sup> March 2023]
g) Paid-up capital	BDT 982,327,500 [as on 31 <sup>st</sup> March 2023]
h) Total equity	BDT 1,278,387,878 [as on 31 <sup>st</sup> March 2023]
i) Total Liabilities	BDT 491,715,352 [as on 31 <sup>st</sup> March 2023]
j) Total financial obligations	BDT 43,339,848 [as on 31 <sup>st</sup> March 2023]
k) Total assets	BDT 1,770,103,230 [as on 31 <sup>st</sup> March 2023]
l) Total tangible assets	BDT 1,770,103,230 [as on 31 <sup>st</sup> March 2023]
m) Net worth	BDT 1,278,387,878 [as on 31 <sup>st</sup> March 2023]

<b>2. Particulars of issue manager:</b>	
a) Name of the issue manager	City Bank Capital Resources Limited
b) Legal status of the issue manager:	CBCRL has acquired full-fledged Merchant Banking License from the Bangladesh Securities and Exchange Commission (BSEC) in 2010 and started its full-fledged operation from 2011
c) Details of contact information of the issue manager:	<b>Registered address:</b> Shanta Western Tower, Level-14 Bir Uttan Mir Shawkat Road 186 Tejgaon I/A, Dhaka- 1208 <b>Telephone:</b> +88-02 9565911, +88-02 9575880
d) Name of the issue managed by the issue manager:	<ul style="list-style-type: none"> <li>• Silco Pharmaceuticals Limited</li> <li>• Oryza Agro Industries Limited</li> <li>• Beximco Green-Sukuk Al Istisna'a <ul style="list-style-type: none"> <li>• BBML Sukuk Al Ijarah</li> </ul> </li> </ul>
e) Others	N/A
<b>3. Particulars of the issue</b>	
a) Name of the issue	Intraco Refueling Convertible Bond
b) Type of instruments to be issued:	Unsecured, Convertible or Redeemable Coupon Bearing Bond
c) Purpose of the issue	<ul style="list-style-type: none"> <li>• Expanding CNG Filling Stations in 3 Locations</li> <li>• Expanding LPG Filling Station in 5 Locations</li> <li>• Mother &amp; Daughter Services in 5 Locations</li> </ul>
d) Issue Size Number of Bond	BDT 500,000,000 100,000 no of bonds [1 bond = BDT 5,000]
e) Face Value Per Bond Lot Size Minimum Subscription size	BDT 5,000 BDT 100,000 [1 Lot=20 Bonds] BDT 100,000
f) Coupon Rate Payment Frequency	7% p.a. Semiannually
g) Tenure	7 years, i.e., 84 months from the Issuance Date
h) Details of conversion/exchange	<p>The investors shall have the option to convert 100% of their bond into ordinary shares of Intraco Refueling Station PLC.</p> <p>The Conversion option can be exercised in the following ways:</p> <ol style="list-style-type: none"> <li>i. 20% of total Bond held by an investor shall be convertible per annum at the option of the said bondholder from the 3<sup>rd</sup> year (i.e., on the last day of 36<sup>th</sup> month) of issuance;</li> <li>ii. Conversion Option can be exercised at a multiple of 5%, i.e., 5%, 10%, 15% and 20% per annum;</li> <li>iii. a single year's un-exercised Conversion Option can be carried forward to the subsequent years till Maturity and may be exercised along with current year's Conversion Option.</li> </ol> <p>For the purpose of conversion as stated above, the Bond shall be valued at face value.</p>

	<b>Conversion Price</b> shall be 30% less than last 6 months' weighted average market price of ordinary shares of Intraco Refueling Station PLC at Dhaka Stock Exchange on Conversion Price Determination Day.
i) Mode of redemption	Upon Maturity on 84 <sup>th</sup> month from the issuance date (the last conversion date), the outstanding amount of principal after deducting the converted amount into Ordinary shares of Intraco Refueling Station PLC shall be repaid to the bondholders.
Late Redemption	The Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate which will be payable on the amount not paid on the due date up till the date of actual payment.
j) Mode of option (Call/put)	There is no Call/Put Option as per Deed of Trust
k) Rate of return type	Fixed
l) Applicable tax rate	As per tax laws of Bangladesh
m) Default protection mechanism	The Bond is convertible at the option of the Investor, up to 100% into the ordinary Shares of IRS (Max 20% per Annum starting from 36 <sup>th</sup> month from the Issue Date).
n) Type of collateral securities being offered	There are no underlying assets as collateral securities
o) Status of securities holders in case of priority of payment	After repayment of bank liability
p) Period within which securities to be issued	September 2023
q) Nature of tradability or listing in the stock exchange(s)	To be Listed in the Main Board [as per BSEC Approval]
r) Others: Mode of Offer	<ul style="list-style-type: none"> <li>• At least 40% of the issue shall be offered to the existing shareholders as rights option</li> <li>• Maximum 30% of the issue may be made through private offer</li> <li>• At least 30% of the issue shall be reserved for public issue or offer.</li> </ul> <p>And un-subscribed portion of the existing shareholders and private offer shall be a part of the public offer.</p>
<b>4. Particulars of the trustee:</b>	
a) Name of the trustee	EC Securities Limited
b) Legal Status	Full-Fledged Merchant Banker
c) Registered Address and Telephone Number	Kazi Tower (level-5), 86, Naya Paltan, Dhaka-1000 Phone: 02-48313136
d) Paid-up capital of the trustee (June 2021)	BDT 251,100,000
e) Net worth of the trustee (June 2021)	BDT 6,064,045,801
f) Name of the issue(s) where performing as trustee	<ul style="list-style-type: none"> <li>• Perpetual Bond of NCC Bank Ltd.,</li> <li>• Zero Coupon Bond of Confidence Batteries Limited,</li> <li>• Zero-Coupon Bonds of IDLC Finance Limited,</li> <li>• Subordinated Bond of Jamuna Bank Limited</li> </ul>
<b>5. Particulars of the credit rating company:</b>	



a) Name of the credit rating company	WASO Credit Rating Company (BD) Ltd.
b) Credit rating status of the issuer	Long-Term Rating: A2 Short Term Rating: ST-2
c) Credit rating status of the issue	Long-Term Rating: A2
d) Date and validity of rating for the issuer	13 <sup>th</sup> February 2023- 20 <sup>th</sup> January 2024
Date and validity of rating for the issue	20 <sup>th</sup> November 2022- 28 <sup>th</sup> August 2023
e) Latest default rate	0%
f) Average time to default of the rated category	NA
<i>Table 1: Detailed Description (Schedule A (I))</i>	
g) Rating Trigger, if any	Long Term- BBB Short Term- ST-3
<b>6. Particulars of originators, if any:</b>	
Originator	N/A
<b>7. Particulars of other contractual parties:</b>	
Name of the underwriter(s)	City Bank Capital Resources Limited Underwriting Commitment- BDT 30 million (20% of the Public Offer Amount)
Name of legal counsel	A.S & Associates

### Section 5: Details of the Utilization of Proceeds

Intraco Refueling Station PLC (IRS) has decided to expand its business activities and diversify its funding sources through issuance of “INTRACO REFUELING CONVERTIBLE BOND” amounting BDT 50 crore (Taka Fifty crore) in order to support its continuous business growth in Refueling Station Industry.

### Plan Regarding Use of Proceeds from “INTRACO REFUELING CONVERTIBLE BOND”

S L	Use of proceeds	Location	Amount in BDT		Approximate date of Completion
1	Setting up 3 (Three) CNG stations	Savar	57,243,110	122,855,240	6 (Six) months after raising the fund
		Pakulla	34,554,210		
		Rajshahi	31,057,920		
2	Setting up 5 (Five) LPG Stations	Jhinaidah	7,420,000	37,630,000	
		Natore	7,320,000		
		Khulna	7,320,000		
		Savar	7,355,000		
		Gopalganj	8,215,000		
3	Setting up 5 (Five) Mother-Daughter (Sub-Stations)	Keranigonj	27,000,000	135,000,000	
		Lohagora (Ctg)	27,000,000		
		Cox Bazar	27,000,000		

		Kustia	27,000,000		
		Keranigonj 2	27,000,000		
				<b>295,485,240</b>	
4	Working capital			204,514,760	
	<b>Total use of proceeds</b>			<b>500,000,000</b>	

*Table 2: Details of Utilization of Proceeds*

## Section 6: Features of the Bond to be issued

### a. Detail features of the Bond

1. Name of the Instrument	<b>Intraco Refueling Convertible Bond</b>	
2. Issue Type	:	Convertible or Redeemable Coupon Bearing Bond
3. Issuer	:	Intraco Refueling Station PLC
4. Issue Arranger	:	City Bank Capital Resources Limited (“CBCRL”)
5. Trustee	:	EC Securities Limited
6. Rating Agency	:	WASO Credit Rating Company (BD) Ltd.
7. Issue Size	:	BDT 500 million
8. Purpose & Utilization	:	<ul style="list-style-type: none"> <li>• Expanding CNG Filling Stations in 3 Locations</li> <li>• Expanding LPG Filling Station in 5 Locations</li> <li>• Mother &amp; Daughter Services in 5 Locations</li> </ul>
9. Face Value per bond	:	BDT 5,000 (Five thousand taka)
10. Lot Size	:	BDT 100,000 [BDT One Lakh]
11. Minimum Subscription size	:	BDT 100,000 [BDT One Lakh] [1 Lot=20 Bonds]
12. Tenure	:	7 years, i.e. 84 months from the Issuance Date
13. Grace Period on Coupon	:	N/A
14. Coupon Rate	:	7%
15. Rate of Return Type	:	Fixed
16. MODE OF REDEMPTION	:	On Investor’s Discretion. Either Issuance of Ordinary Shares of Intraco Refueling Station PLC Or One Bullet Payment at the end of the bond Tenor.
17. Early Redemption	:	Not Allowed As per Deed of Trust
18. Late Redemption	:	The Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate which will be payable on the amount not paid on the due date up till the date of actual payment.
19. Investors	:	Banks, NBFIs, Corporate Entities, Institutional investors and High Net-Worth Individual Investors
20. Mode of Offer	:	<ul style="list-style-type: none"> <li>• At least 40% of the issue shall be offered to the existing shareholders as rights option</li> <li>• Maximum 30% of the issue may be made through private offer</li> <li>• At least 30% of the issue shall be reserved for public issue or offer.</li> </ul> And un-subscribed portion of the existing shareholders and private offer shall be a part of the public offer. We will comply with the above-mentioned distribution ratio.
21. Transferability/ Liquidity	:	Freely Transferable as per Deed of Trust
22. Tradability	:	To be Listed in the Main Board [upon BSEC Approval]
23. Call/Put Option	:	Non-Callable
24. Currency	:	Bangladeshi Taka
25. Coupon payment	:	Coupon Payment shall be payable on half yearly basis from the date of Issuance of Bond.

	<p>Coupon Payment Date shall be the last day of every six (06) month from the Date of Issuance of Bond.</p> <p>Coupon Calculation:  <b>(Number of Bonds held by a Bondholder on the Coupon Payment Date (x) Face Value of the Bond, i.e. BDT 5,000 each.) (x) Coupon Rate</b></p> <p>If any Coupon Payment Date falls on a holiday including a weekend or on a day that is not a Business Day or a day during continuation of a Force Majeure Event, then the subsequent trading day at the Dhaka Stock Exchange shall be the Coupon Payment Date.</p>
<p><b>26.</b> Conversion Option</p>	<p>The investors shall have the option to convert 100% of their bond into ordinary shares of Intraco Refueling Station PLC.</p> <p>The Conversion option can be exercised in the following ways:</p> <ul style="list-style-type: none"> <li>i. 20% of total Bond held by an investor shall be convertible per annum at the option of the said bondholder from the 3<sup>rd</sup> year (i.e. on the last day of 36<sup>th</sup> month) of issuance;</li> <li>ii. Conversion Option can be exercised at a multiple of 5%, i.e. 5%, 10%, 15% and 20% per annum;</li> <li>iii. a single year's un-exercised Conversion Option can be carried forward to the subsequent years till Maturity and may be exercised along with current year's Conversion Option.</li> </ul> <p>For the purpose of conversion as stated above, the Bond shall be valued at face value.</p>
<p><b>27.</b> Conversion Price</p>	<p>Conversion Price shall be fixed at 30% less than last 6 months' weighted average market price of ordinary shares of Intraco Refueling Station PLC at Dhaka Stock Exchange on Conversion Price Determination Day.</p> <p><b>Conversion Strike Price= Last 6 Month's Weighted Average Market Price of IRS on Conversion Price Determination Day at Dhaka Stock Exchange X (1-30%)</b></p> <p>Any fractional converted share shall be considered to the nearest integer at the time of calculating the total converted shares.</p>
<p><b>28.</b> Conversion Notice</p>	<p>Issuer shall serve a notice to the bondholders at least thirty (30) working days prior to the Conversion date informing the conversion date through Two (2) widely circulated national daily newspapers one in Bengali and another in English and in the trading platform of the stock exchanges.</p> <p>After receiving of the notice from the Issuer, the bondholders shall intimate their option to the Issuer</p>

		<p>regarding exercise of the Conversion Option at least ten (10) days prior to the Conversion Date.</p> <p>Provided further that if any bondholder does not intimate its option regarding exercise of Conversion Option within the time as mentioned above to the Issuer, the right of that bondholder to exercise Conversion Option at the relevant year shall not be considered by the Issuer for that year only.</p>
<b>29. Conversion Date</b>	:	<p>Conversion Date shall be the last day of 36<sup>th</sup> month from the issuance date and thereafter, last day of every 12 months period on the said date until Maturity.</p> <p>If any Conversion Date falls on a holiday including a weekend or on a day that is not a Business Day or a day during continuation of a Force Majeure Event, then the subsequent trading day at the Dhaka Stock Exchange shall be the Conversion Date.</p>
<b>30. Converted Share Allocation Period</b>	:	<p>Upon exercising the conversion option during the specified period, the bondholders shall receive proportionate quantity of ordinary shares of Intraco Refueling Station PLC based on their investment within five working days of Conversion Date.</p> <p>However, the calculation for the next period shall start from the conversion date.</p>
<b>31. Allocation of Bullet Payment</b>	:	<p>Upon Maturity on 84<sup>th</sup> month from the issuance date (the last conversion date), the outstanding amount of principal after deducting the converted amount into Ordinary shares of Intraco Refueling Station PLC shall be repaid to the bondholders. The calculation will be done in the following manner:</p> <p><b>Initial Investment (-) (Number of Bond converted by a bondholder (x) Face Value of the Bond, i.e. BDT 5,000 each)</b></p>
<b>32. Tax Features</b>	:	As per tax laws of Bangladesh
<b>33. Costs related to the issue</b>	:	BDT 11,333,500 (Approximate)
<b>34. Credit Enhancement</b>	:	None
<b>35. Enforcement of charges over securities</b>	:	N/A
<b>36. Force Majeure</b>	:	<p>The Issuer shall not be liable for any failure or delay in the performance of their respective obligations under this Trust Deed or any other Documentation because of circumstances beyond their control, including, without limitation, Act(s) of God; flood; war (whether declared or undeclared); terrorism; fire; riot; embargo; labour disputes; pandemic or epidemic leading to lockdown or declaration of public holidays or similar measure by the government or local authorities; any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by this Trust Deed or any other Documentation, and other causes beyond the the Issuer's control whether or not of the same class or kind as specifically named above (each a "Force Majeure Event").</p>

		However, the Issuer as the case may be, shall use commercially reasonable efforts consistent with accepted practice in its industry to resume performance as soon as practicable under the circumstances.
<b>37. Event of Default</b>	:	In case of any Event of Default, the Trustee shall serve a notice within seven (07) working days of occurring such event to the Bondholders, the exchanges upon which the securities will be traded and the Commission.  : If the trustee fails to negotiate within fifteen (15) working days of the occurrence of Event of Default as mentioned in the Trust Deed, the Trustee shall get the right to take legal action against the Issuer for recovery of the outstanding including Principal and the Coupon of the Bond as per existing laws.
<b>38. Governing Laws</b>	:	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh. Any dispute arising thereof shall be subject to the arbitration under Arbitration Act 2001.
<b>39. Credit Rating Status of the Issuer</b>	:	Long-Term Rating: A2 Short Term Rating: ST-2 Outlook: Stable Validity: 13 <sup>th</sup> February 2023 - 20 <sup>th</sup> January 2024
<b>40. Credit Rating Status of the Bond</b>	:	Long-Term Rating: A2 Outlook: Stable Validity: 20 <sup>th</sup> November 2022- 28 <sup>th</sup> August 2023

*Table 3: Basic Parameters of Intraco Refueling Convertible Bond*

**b. Repayment schedule of the Bond**

**Considering 20% conversion per Annum**

<b>Repayment Schedule (20% Conversion Per Annum)</b>							
<b>Year</b>	<b>Payment No.</b>	<b>Beginning Balance</b>	<b>Bond Converted to Ordinary Shares</b>	<b>Bullet Payment (Cash)</b>	<b>Coupon Rate Semi-annual</b>	<b>Installment Amount</b>	<b>Ending Principal Balance</b>
					<b>3.50%</b>		
1	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
2	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
3	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	100,000,000	-	17,500,000	17,500,000	400,000,000
4	7 <sup>th</sup>	400,000,000	-	-	14,000,000	14,000,000	400,000,000
	8 <sup>th</sup>	400,000,000	100,000,000	-	14,000,000	14,000,000	300,000,000
5	9 <sup>th</sup>	300,000,000	-	-	10,500,000	10,500,000	300,000,000
	10 <sup>th</sup>	300,000,000	100,000,000	-	10,500,000	10,500,000	200,000,000
6	11 <sup>th</sup>	200,000,000	-	-	7,000,000	7,000,000	200,000,000
	12 <sup>th</sup>	200,000,000	100,000,000	-	7,000,000	7,000,000	100,000,000
7	13 <sup>th</sup>	100,000,000	-	-	3,500,000	3,500,000	100,000,000
	14 <sup>th</sup>	100,000,000	100,000,000	-	3,500,000	3,500,000	-
<b>Total Payment</b>			<b>500,000,000</b>	<b>-</b>	<b>175,000,000</b>	<b>175,000,000</b>	

*Table 4: Detailed Repayment Schedule Considering 20% conversion per Annum*

**Considering 15% conversion per Annum**

<b>Repayment Schedule (15% Conversion)</b>							
<b>Year</b>	<b>Payment No.</b>	<b>Beginning Balance</b>	<b>Bond Converted to Ordinary Shares</b>	<b>Bullet Payment (Cash)</b>	<b>Coupon Rate Semi-annual</b>	<b>Installment Amount</b>	<b>Ending Principal Balance</b>
					<b>3.50%</b>		
1	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
2	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
3	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	75,000,000	-	17,500,000	17,500,000	425,000,000
4	7 <sup>th</sup>	425,000,000	-	-	14,875,000	14,875,000	425,000,000
	8 <sup>th</sup>	425,000,000	75,000,000	-	14,875,000	14,875,000	350,000,000
5	9 <sup>th</sup>	350,000,000	-	-	12,250,000	12,250,000	350,000,000
	10 <sup>th</sup>	350,000,000	75,000,000	-	12,250,000	12,250,000	275,000,000
6	11 <sup>th</sup>	275,000,000	-	-	9,625,000	9,625,000	275,000,000
	12 <sup>th</sup>	275,000,000	75,000,000	-	9,625,000	9,625,000	200,000,000
7	13 <sup>th</sup>	200,000,000	-	-	7,000,000	7,000,000	200,000,000
	14 <sup>th</sup>	200,000,000	75,000,000	125,000,000	7,000,000	132,000,000	-
<b>Total Payment</b>			<b>375,000,000</b>	<b>125,000,000</b>	<b>192,500,000</b>	<b>317,500,000</b>	

*Table 5 Detailed Repayment Schedule Considering 15% conversion per Annum*



**Considering 10% conversion per Annum**

<b>Repayment Schedule (10% Conversion)</b>							
<b>Year</b>	<b>Semi-Annual Payment No.</b>	<b>Beginning Balance</b>	<b>Bond Converted to Ordinary Shares</b>	<b>Bullet Payment (Cash)</b>	<b>Coupon Rate Semi-annual</b>	<b>Installment Amount</b>	<b>Ending Principal Balance</b>
					<b>3.50%</b>		
1	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
2	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
3	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	50,000,000	-	17,500,000	17,500,000	450,000,000
4	7 <sup>th</sup>	450,000,000	-	-	15,750,000	15,750,000	450,000,000
	8 <sup>th</sup>	450,000,000	50,000,000	-	15,750,000	15,750,000	400,000,000
5	9 <sup>th</sup>	400,000,000	-	-	14,000,000	14,000,000	400,000,000
	10 <sup>th</sup>	400,000,000	50,000,000	-	14,000,000	14,000,000	350,000,000
6	11 <sup>th</sup>	350,000,000	-	-	12,250,000	12,250,000	350,000,000
	12 <sup>th</sup>	350,000,000	50,000,000	-	12,250,000	12,250,000	300,000,000
7	13 <sup>th</sup>	300,000,000	-	-	10,500,000	10,500,000	300,000,000
	14 <sup>th</sup>	300,000,000	50,000,000	250,000,000	10,500,000	260,500,000	-
<b>Total Payment</b>			<b>250,000,000</b>	<b>250,000,000</b>	<b>210,000,000</b>	<b>460,000,000</b>	

*Table 6: Detailed Repayment Schedule Considering 10% conversion per Annum*

**Considering 5% conversion per Annum**

<b>Repayment Schedule (5% Conversion)</b>							
<b>Year</b>	<b>Semi-Annual Payment No.</b>	<b>Beginning Balance</b>	<b>Bond Converted to Ordinary Shares</b>	<b>Bullet Payment (Cash)</b>	<b>Coupon Rate Semi-annual</b>	<b>Installment Amount</b>	<b>Ending Principal Balance</b>
					<b>3.50%</b>		
1	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
2	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
3	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	25,000,000	-	17,500,000	17,500,000	475,000,000
4	7 <sup>th</sup>	475,000,000	-	-	16,625,000	16,625,000	475,000,000
	8 <sup>th</sup>	475,000,000	25,000,000	-	16,625,000	16,625,000	450,000,000
5	9 <sup>th</sup>	450,000,000	-	-	15,750,000	15,750,000	450,000,000
	10 <sup>th</sup>	450,000,000	25,000,000	-	15,750,000	15,750,000	425,000,000
6	11 <sup>th</sup>	425,000,000	-	-	14,875,000	14,875,000	425,000,000
	12 <sup>th</sup>	425,000,000	25,000,000	-	14,875,000	14,875,000	400,000,000
7	13 <sup>th</sup>	400,000,000	-	-	14,000,000	14,000,000	400,000,000
	14 <sup>th</sup>	400,000,000	25,000,000	375,000,000	14,000,000	389,000,000	-
<b>Total Payment</b>			<b>125,000,000</b>	<b>375,000,000</b>	<b>227,500,000</b>	<b>602,500,000</b>	

*Table 7: Detailed Repayment Schedule Considering 5% conversion per Annum*

**Considering no conversion per Annum**

Repayment Schedule (No Conversion)							
Year	Semi-Annual Payment No.	Beginning Balance	Bond Converted to Ordinary Shares	Bullet Payment (Cash)	Coupon Rate Semi-annual	Installment Amount	Ending Principal Balance
					<b>3.50%</b>		
1	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
2	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
3	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
4	7 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	8 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
5	9 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	10 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
6	11 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	12 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
7	13 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	14 <sup>th</sup>	500,000,000	-	500,000,000	17,500,000	517,500,000	-
<b>Total Payment</b>			<b>-</b>	<b>500,000,000</b>	<b>245,000,000</b>	<b>745,000,000</b>	

*Table 8: Detailed Repayment Schedule Considering No conversion (Bullet Payment)*

## **Section 7: Description of Collateral Security and Type of Charges to be created against the Issue**

There is no collateral security against this Intraco Refueling Convertible Bond.

## **Section 8: Rights & Obligations of the Issuer**

### **8.1. Covenant to Repay**

The Issuer covenants with the Trustee that it will, as and when the Bonds or any of them become due to be redeemed or any principal on the Bonds or any of them becomes due to be repaid, in accordance with the Conditions, unconditionally pay or procure to be paid to or to the order of the Trustee in the relevant currency is immediately available freely transferable funds for redemption on Redemption Date and shall (subject to the provisions of the Conditions) until all such payment (both before and after judgment or other order) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions, provided that:

- 8.1.1. every payment of Redemption Amount in respect of the Bonds or any of them made to or to the account of the Paying Agent in the manner provided in the Agency Agreement shall satisfy, to the extent of such payment, the relevant covenant by the Issuer contained in this Clause except to the extent that there is default in the subsequent payment thereof to the Bondholders in accordance with the Conditions;
- 8.1.2. if any payment of Redemption Amount in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Bondholders or, if earlier, the [seventh day] after notice has been given to the Bondholders that the full amount has been received by the Paying Agent or the Trustee except, in the case of payment to the Paying Agent, to the extent that there is failure in the subsequent payment to the Bondholders under the Conditions; and
- 8.1.3. in any case where payment of the whole or any part of the Redemption Amount due in respect of any Bond is improperly withheld or refused, incremental charge shall accrue for the Bond on the whole or such part of such Redemption Amount from the date of such withholding or refusal until the date either on which such Redemption Amount due is paid to the Bondholders or, if earlier, the seventh day after which notice is given to the Bondholders that the full amount payable in respect of the said Redemption Amount is available for collection by the relevant Bondholders provided that on further due presentation thereof such payment is in fact made.

The Trustee will hold the benefit of this covenant and the other covenants including Clause 17.3 (*Other Covenants by the Issuer*) of the trust deed of trust for the Bondholders.

### **8.2. Following an Event of Default**

- 8.2.1. At any time after any Default or Event of Default has occurred, the Trustee may by notice in writing to the Issuer, require it to make all subsequent payments in respect of Bonds to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn.

8.2.2. The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of the Trust Deed, the Conditions (including, without limitation, Clause 17.3 (Other Covenants by the Issuer), and the other Schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in the Trust Deed and the Conditions, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents.

8.2.3. The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions as if the same were set out and contained in the Trust Deed which shall be read and construed as one document with the Bonds.

### **8.3. Other Covenants by the Issuer**

The Issuer hereby covenants with the Trustee that so long as any of the Bonds remain outstanding, it will:

#### *8.3.1. Comply with Bond Documents*

Comply with, perform and observe all those provisions of the Trust Deed, the Agency Agreement, the Conditions and the other schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in the Trust Deed, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents applicable to them.

#### *8.3.2. Comply with Applicable Laws*

Comply with, perform and observe all those provisions of the applicable laws including, but not limited to, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021, terms of consent of Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank. The Issuer agrees that Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the applicable laws and will be deemed to have notice of all of the provisions of the applicable laws, as applicable to them.

#### *8.3.3. Execution of further documents:*

So far as permitted by applicable law, do all such further acts and things as may be necessary in the reasonable opinion of the Trustee to give effect to the provisions of the Trust Deed;

#### *8.3.4. Notices to the Bondholders:*

Send or procure to be sent to the Trustee not less than three (3) days prior to the date of publication one copy of each notice to be given to the Bondholders in accordance with the Conditions and, upon publication, send to the Trustee two copies of such notice.

8.3.5. *Evidence of Due Approval by the Board of Directors and Authorized Signatories:*

Upon reasonable notice by the Trustee to deliver to the Trustee a copy of the resolution of the Board of Directors of the Settlor authorizing issuance of the Bond, the declaration of the Trust, a list of the Authorized Signatories of the Issuer, together with certified specimen signatures of the same.

8.3.6. *Payments:*

Moneys payable by it to the Trustee under Clause 7.1 (*Expenses*) of the Trust Deed without set off, counterclaim, deduction or withholding, unless otherwise compelled by law, and in the event of any deduction or withholding compelled by law pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder.

8.3.7. *Payment of Risk Premium*

Pay any Risk Premium payable by it to the Trustee in case of a downgrade of credit rating (i.e. below the rating trigger) of the issue under surveillance rating as per Clause 10.3.11 and in accordance with this Trust Deed.

8.3.8. It is hereby covenanted by the Issuer that the Bonds will be issued in registered and dematerialized form and the Issuer shall apply to the stock exchange (s) for listing in Main Board preferably from the date of availing the facilities under respective regulations of stock exchange in this regard.

## **Section 9: Rights & Obligations of the Trustee**

### **9.1. Trustee's Right**

9.1.1. *Rights under Applicable Law*

Notwithstanding anything contained in the Trust Deed, the Trustee shall have all such rights and powers granted to it under the applicable law including, but is not limited to, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and the Trust Act 1882.

9.1.2. *Advice*

The Trustee may in relation to the Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert and shall not be responsible for any Liability occasioned by so acting;

9.1.3. *Certificate of directors or Authorized Signatories*

The Trustee, in the exercise of its functions, may call for and shall be at liberty to accept a certificate signed by two Authorized Signatories or other person duly authorized on their behalf as to any fact or matter prima facie within the knowledge of the Issuer, as the case may be, as sufficient evidence thereof and

a like certificate to the effect that any particular dealing, transaction or step or thing is, in the opinion of the person so certifying, expedient as sufficient evidence that it is expedient and the Trustee shall not be bound in any such case to call for further evidence or be responsible for any Liability that may be occasioned by its failing so to do.

9.1.4. *Resolution or direction of Bondholders*

The Trustee shall not be responsible for acting in good faith upon any resolution purporting to be a written resolution or to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Bondholders even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a written resolution or to have been passed at any meeting or the making of the directions was not valid or binding upon the Bondholders.

9.1.5. *No obligation to monitor*

The Trustee shall not be under any obligation to monitor or supervise the functions of any other person under the Bonds or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations.

9.1.6. *Bonds held by the Issuer*

In the absence of actual knowledge or express notice to the contrary, the Trustee may assume without enquiry that no Bonds are for the time being held by or for the benefit of the Issuer or any of its Affiliates.

9.1.7. *Events of Default*

In case of any Event of Default, the Trustee shall serve a notice within seven (07) Business Days of occurring such event to the Bondholders, the exchanges upon which the securities will be traded and the Commission. If the trustee fails to negotiate within fifteen (15) Business Days of the occurrence of Event of Default, the Trustee shall get the right to take legal action against the Issuer for recovery of the outstanding amount of the Bond as per existing laws.

9.1.8. *Right to deduct or withhold for taxes*

Notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of Liability of whatsoever nature and when so ever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or

to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein or any other amounts for its own account) or any investments or deposits from time to time representing the same, including any income or gains arising there from or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified or any other amounts for its own account) or otherwise, then the Trustee shall be entitled to make such proper deduction or withholding to the extent required by any applicable law or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any Liability to tax (as required by any applicable law) which relates to sums so received or distributed or to discharge any such other Liability of the Trustee (as required by any applicable law) from any funds that may from time to time be held by the Trustee upon the trusts of this Trust Deed.

9.1.9. *No responsibility to investigate*

The Trustee shall not have any responsibility for or have any duty to investigate except under any applicable laws or regulations:

- a) the execution, delivery, legality, validity, effectiveness, adequacy, genuineness, enforceability or admissibility in evidence of any or all of the Bond Documents;
- b) any recitals, statements, warranties, representations or covenants of any party to any of the Bond Documents;
- c) its ability to exercise the rights, trusts, powers, authorities or discretions purported to be conferred on it by any of the Bond Documents; or
- d) the capacities, powers or credit standing of the Issuer or other party to any of the Bond Documents.

9.1.10. *Error of judgment*

The Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Trustee assigned by the Trustee to administer its corporate matters.

9.1.11. *No responsibility for loss*

The Trustee shall not in any circumstances, except under any applicable laws or regulations:

- a) be liable to account to any Bondholder or any other person for anything except sums actually received by the Trustee which have not been distributed or paid to the persons entitled or at the time of payment believed by the Trustee to be entitled thereto, or
- b) be liable to any Bondholder or any other person for any costs, charges, losses, damages, liabilities or expenses arising from or connected with any act, default, omission or misconduct of the Trustee, any Appointee or their respective officers, employees or agents in relation to the Bond Documents except to the extent that they shall have been finally judicially determined to have been caused by the Trustee's own gross negligence, willful default or fraud.

9.1.12. *Enforcement of Obligations of the Issuer*



The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions as if the same were set out and contained in the Trust Deed which shall be read and construed as one document with the Bonds.

9.1.13. *Force Majeure*

The Trustee shall not be liable for any failure or delay in the performance of its obligations under the Trust Deed or any other Bond Document because of circumstances beyond such Trustee's control, including, without limitation, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, embargo, labour disputes, any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by the Trust Deed or any other Bond Document, inability to obtain or the failure of equipment, or interruption of communications or computer facilities, and other causes beyond such Trustee's control whether or not of the same strip or kind as specifically named above. However, the Trustee shall use commercially reasonable efforts consistent with accepted practice in its industry to resume performance as soon as practicable under the circumstances.

9.1.14. *Immunities*

The Trustee's immunities and protections from liabilities and its right to indemnification in connection with the performance of its duties under the Trust Deed shall except in case of their own fault, extend to the Trustee's officers, directors, employees and consultants. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of the Trust Deed and final payment of the Bonds, but in any event will be subject to any gross negligence, willful default or fraud of which the Trustee or its officers, directors or employees may be guilty in relation to their duties under the Trust Deed.

9.1.15. *Professional Charges*

Any Trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him on matters arising in connection with the Trust of the Trust Deed and also its properly incurred charges in addition to disbursements for all other work and business done and all time spent by him on matters arising in connection with the Trust Deed.

9.1.16. *Expenditure by the Trustee*

Nothing contained in the Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial Liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or Liability is not reasonably assured to it.

9.1.17. *Trustee may enter into financial transaction with the Issuer*

No Trustee and no director or officer of any corporation being a Trustee hereof shall by reason of the fiduciary position of such Trustee be in any way

precluded from making any contracts or entering into any transaction in the ordinary course of business with the Issuer or any subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any subsidiary, or from accepting the trusteeship of any other debenture stock, debenture or securities of the Issuer or any subsidiary or any person or body corporate directly or indirectly associated with the Issuer or any subsidiary, and neither the Trustee nor any such director or officer shall be accountable to the Bondholders or the Issuer or any subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any subsidiary, for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty retain the same for its or his own benefit.

## **9.2. Trustee's Duty and Obligation**

### *9.2.1. Duties and Obligation under Applicable Law*

Notwithstanding anything contained in the Trust Deed, the Trustee shall have all such duties and obligations as set out in the applicable laws including but is not limited to the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and the Trust Act 1882.

### *9.2.2. Administration of Trust*

The Trustee shall issue, manage and administer the Bonds in accordance with the terms of the Trust Deed and the Conditions and execute, acknowledge, confirm or endorse any agreements, documents, deeds, instruments and papers in connection therewith and to implement, give effect to and facilitate the terms and conditions of the Bonds and such other documents, deeds and agreements in contemplation thereof.

### *9.2.3. Act for the Bondholders*

Save the provision of all applicable laws of Bangladesh, the Trustee shall act on behalf and for the exclusive interests of the Bondholders and be liable to sue and to be sued on behalf of them.

### *9.2.4. Monitoring*

The Trustee shall ensure that the Issuer is observing the applicable laws including, but not limited to, the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021 and the terms and conditions of the Bond Documents. As soon as the Trustee is aware of any breach by the Issuer it shall immediately inform the Bondholders and the Issuer of such breach. The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of the Trust Deed, the Conditions and the other Schedules which are expressed to be binding on it and to perform and observe the same.

### *9.2.5. Maintaining Account*

The Trustee shall open and maintain such accounts as it deems necessary for discharging the functions of Trustee in pursuant to the provision of the Trust Deed, the Conditions, the Trust Act 1882 and Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.

9.2.6. *Holding Trust Property*

The Trustee shall hold and keep the money and assets representing the Trust Property (including enforcement proceeds) and to deposit and withdraw such moneys and assets as may be required from time to time.

9.2.7. *Grievances of the Bondholders*

Upon receipt of a complaint from the Bondholders, the Trustee shall take necessary steps for redress of grievances of the Bondholders within one month of the date of receipt of the complaints and it shall keep the BSEC and the Issuer informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

9.2.8. *Call for Meeting of the Bondholders*

On the recommendation of the Bondholders in accordance with the provision of the Trust Deed and Conditions, the Trustee shall call any meetings of the Bondholders and to facilitate the proceedings of such meeting as it deems appropriate in accordance with the terms of the Trust Deed;

9.2.9. *Compliance with the Instruction of the Bondholders*

Upon instruction by the Bondholders in accordance with the Trust Deed, to sell or otherwise dispose of the Trust Property and close any bank accounts that may have been opened in pursuance of the Trust Deed after distribution of amounts standing to their credit;

9.2.10. *Duty to Inspect*

It is the duty of the Trustee to inspect or call for books of accounts, records, register of the Issuers and the Trust property, if required, to the extent necessary for discharging its obligation.

9.2.11. *Collection of Risk Premium*

The Trustee may, in case a downgrade of credit rating (i.e. below the rating trigger) of the issue under surveillance rating, ensure the collection of risk premium from the Issuer, if required and to the extent necessary for discharging its obligation, to secure the claims of the Bondholders from the higher risk level of the Issuer in accordance with this Trust Deed.

9.2.12. *Trustee's determination*

The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of any Bond Document or contained in the Bonds is capable of remedy and/or materially prejudicial to the interests of the Bondholders and if the Trustee certifies that any such default is, in its opinion, not capable of remedy and/or materially prejudicial to the interests of the Bondholders, such certificate shall be conclusive and binding upon the Issuer and the Bondholders.

9.2.13. *Determination of questions*

The Trustee as between itself and the Bondholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of the Trust Deed and/or the Conditions and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders.

9.2.14. *Trustee's discretion*

The Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by the Trust Deed or by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof but whenever the Trustee is under the provisions of the Trust Deed bound to act at the request or direction of the Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing.

9.2.15. *Trustee's consent*

Any consent given by the Trustee for the purposes of the Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require.

9.2.16. *Application of proceeds*

The Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds or the delivery of any Bond Certificate to the persons entitled to it.

9.2.17. *Agents*

The Trustee may with the prior consent in writing of the Issuer, instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee, as the case may (including the receipt and payment of money) and, provided the Trustee shall have exercised reasonable care in the selection of any such agent, the Trustee shall not be responsible for any Liabilities incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person.

9.2.18. *Delegation*

The Trustee may, with the prior consent in writing of the Issuer, in the execution and exercise of all or any of the trusts, powers, authorities and discretions vested in it by this Trust Deed, act by responsible officers or a responsible officer for the time being of the Trustee and the Trustee may also whenever it thinks fit, whether by power of attorney or otherwise, delegate to any person or persons or fluctuating body of persons (whether being a

joint trustee of the Trust Deed or not) all or any of the trusts, powers, authorities and discretions vested in it by the Trust Deed and any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate with the consent of the Trustee) as the Trustee may think fit in the interests of the Bondholders and, provided the Trustee shall have exercised reasonable care in the selection of any such Appointee and the Trustee shall not be bound to supervise the proceedings or acts of and shall not in any way or to any extent be responsible for any Liabilities incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate.

9.2.19. *Custodians and nominees*

The Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to such assets of the trust as the Trustee may determine, including for the purpose of depositing with a custodian the Trust Deed or any document relating to the trust created hereunder and, provided the Trustee shall have exercised reasonable care in the selection of any such Appointee, the Trustee shall not be responsible for any Liability by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person.

9.2.20. *Confidential information*

The Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder any confidential information (financial or otherwise) made available to the Trustee by the Issuer or any other person in connection with the Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information. The Trustee shall forward to the Bondholders any non-confidential information made available to the Trustee by the Issuer in connection with the Trust Deed.

9.2.21. *General Duty*

9.2.21.1. If delay in payment of any dues by the Issuer, which is not approved by the trustee shall be treated as final default, in such a case the Trustee shall enforce its rights over the credit enhancement or collateral securities and other securities or guarantees of the Issuer observing due legal process and thereafter the trustee shall dispose-off the same to pay the proceeds proportionately to the investors after deduction of costs related thereto;

9.2.21.2. In case the delay is approved by the Trustee for a certain period upon any reasonable ground, the Trustee shall ensure repayment of the dues within the approved delay period along with interest for the delay period at a rate of 2% (two percent) per annum above the usual rate of return of the debt instrument;

9.2.21.3. The trustee shall submit an annual compliance report to the Commission regarding the activities of the issuer including repayment of dues to the investors;

- 9.2.21.4. The trustee shall take adequate steps for redress of grievances of the investors within one month of the date of receipt of the complaints and shall keep the Commission informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

## **Section 10: Rights & Obligations of the Issue Manager, Underwriter or any other Contractual Parties**

### **a. Issue Manager**

CBCRL shall provide the following services to IRS for the purpose of the bond issuance:

- analyze the business model and current financial performance of the issuer and verify the eligibility for cost-effective issuance of the bond;
- analyze the Projects' feasibility reports and prospective financials to ensure the viability of the issuance of the securities;
- prepare the appropriate structure taking into consideration the relevant regulations;
- suggest the possible cost-effective solutions for the Transaction;
- assist in the appointment of legal advisors, Trustee, and other relevant parties for the Transaction;
- assist in preparing the offer documents and other relevant Transaction Documents for the Transaction,
- assist in the distribution of a draft Information Memorandum, or other written offering materials, as may be necessary;
- assist in the arrangement of eligible subscribers to the issuance by utilizing the own network of CBC;
- co-ordinate questions from, and Issuer's answers to, the subscribers of issued securities and regulators; and
- assist Originator/Issuer in seeking necessary approvals from the appropriate regulator(s).

### **Phase II: Listing of the Bond**

- Arrangement with CDBL
- Assist Compliance to all instruction as mentioned in the BSEC's consent letter
- Apply to DSE & CSE for listing approval

### **b. Underwriter**

- i. Prior to publication of Information Memorandum, the Issuer have to obtain a consent from the Bangladesh Securities and Exchange Commission permitting the issue as described in Article 2.01 and providing for payment of underwriting charge imposed by the underwriters on the amount underwritten as per Bangladesh Securities and Exchange Commission Guideline and no additional charge will be paid on the amount of bond required to be subscribed by the Underwriter.
- ii. The Issuer shall comply with any other formalities required under the laws/rules of the land in Issuance of Intraco Refueling Convertible Bond through Public Offering.
- iii. If and to the extent that, the Intraco Refueling Convertible Bond offered to the public by the Information Memorandum authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Issuer shall within 3 (three) working days of the closure of subscription call upon the Underwriters in writing with a copy of said writing to the Bangladesh Securities and Exchange Commission, to subscribe for bond not subscribed within the closing date and to pay for in cash in full,

inclusive of any premium if any, for such unsubscribed bond within 7 (seven) working days after being called upon to do so. The amount so received shall be credited in the subscription account of the Issuer within the said period. If payment is made by Cheque/Bank Draft by the Underwriter or the subscriber on its behalf it will be deemed that, the Underwriter has not fulfilled its obligation towards its underwriting commitment under the underwriting Agreement, until such time as the Cheque/Bank Draft has been encashed and the Issuers's bond subscription account has been credited. In any case, within 3 (three) working days after the expiry of the aforesaid mentioned period, the Issuer shall send proof of subscription and payment by the Underwriters, to the Commission.

- b. In the case of failure by the Underwriter to pay for the bond under the terms mentioned above, the said Underwriter will not be eligible to underwrite any issue, until such time as it fulfills its underwriting commitment under this Agreement and also other penalties as may be determined by the BSEC.
- c. In case of failure by the Underwriter to pay for the bond within the stipulated time, the Issuer will be under no obligation to pay any underwriting charge under the underwriting Agreement.
- d. In the case of failure by the Issuer to call upon the Underwriter for the aforementioned purpose within the stipulated time, the Issuer and its Directors shall individually and collectively be held responsible for the consequences and/or penalties as determined by the Bangladesh Securities and Exchange Commission under the law.
- e. That the signatories to the underwriting Agreement have duly been authorized by the Board of Directors of both the Companies and the Underwriter to execute and give effect to the underwriting Agreement from the date written herein above.
- f. The liability of the underwriter under this clause shall be in proportion to but not exceeding the bond agreed to be underwritten by it; PROVIDED that the aforementioned request of the Company shall be supported by official certificates and other documents of subscription obtained from Bankers to the Issue and a declaration of the Company as to final result of the public subscription.
- g. The Company shall pay to the Underwriter an underwriting charge at the rate of 0.10%, of the value at Public Offer Price of Intraco Refueling Convertible Bond hereby agreed to be underwritten by the Underwriter.

## **Section 11: Rights & Obligations of the Bondholders**

- 11.1. Each of the Bondholders has the right to demand any information relating to the issuance of Bond and/or information relating to the Issuer, as set forth in the Trust Deed or in the Conditions, from the Issuer.
- 11.2. Each of the Bondholders has the right to receive Coupon Payment in respect of the Bonds on Coupon Payment Date and in accordance with the formula as set out in the Condition VII (Coupon) of the Schedule I (*Terms and Conditions of the Bonds*.) of the Trust Deed.
- 11.3. Each of the Bondholders has the right to receive payment of Face Value of the Bond on the respective Redemption Date in accordance with the procedure as set out in the Condition VIII (*Redemption of Bond*) of the Schedule I (*Terms and Conditions of the Bonds*) of the Trust Deed.

- 11.4. Each of the Bondholders has the right to exercise conversion right in accordance with the procedure as set out in the Condition IX (*Conversion of Bond*) of the Schedule I (*Terms and Conditions of the Bonds*) of the Trust Deed.
- 11.5. Each of the Bondholders has the right to receive any other payment including incremental charge, whenever such payment becomes due and payable by the Issuer in accordance with the procedure set forth in the Conditions contained hereunder in Schedule I (*Terms and Conditions of the Bonds*) of the Trust Deed.
- 11.6. Each of Bondholders has the right to attend meeting of the Bondholders and vote therein in accordance with the provisions of the Schedule II (*Meeting of Bondholders*) of the Trust Deed.
- 11.7. The rights of the Bondholder under the Subscription Agreement are several and any debt or other obligation arising under that agreement at any time from the Issuer to any other Bondholder shall be a separate and independent debt. Each Bondholder will be entitled to protect and enforce its individual rights arising out of the Agreement independently of any other Bondholder and it shall not be necessary for any other Bondholder to be joined as an additional party in proceedings for such purpose.
- 11.8. Notwithstanding anything mentioned in the Trust Deed or the Conditions, the Bondholders shall not be entitled to any of the rights, benefits and privileges available to the members of the Issuer including, the right to receive notices of or to attend and vote at general meetings or to receive annual reports of the Issuer. If, however, any resolution affecting the rights attached to the Bonds is placed before the members of the Issuer, such resolution will first be placed before the Bondholders for their authorization.

## **Section 12: Description of the Issuer**

Intraco Refueling Station PLC (IRS) is a sister concern of Intraco Group. It was incorporated as a private limited company under the Companies Act 1994 on 27 March 2007 and converted as a Public Limited Company by shares on 28th June 2015. The shares of the company were listed with both Dhaka Stock Exchange on 26 April 2018 and Chittagong Stock Exchange on 06 May 2018. The trading of shares of the company was started from 17 May 2018 in both the Stock Exchanges. The Company started their commercial operation of its refueling station from June 16, 2008. Intraco Refueling Station PLC is most renowned company in CNG sector in Bangladesh.

IRS is engaged in the construction and operation of CNG Refueling Station in different places in Bangladesh. Besides this, the company has taken the initiative to establish a LPG cylinder manufacturing plant in Cumilla. The registered office and principal place of business of the company is located at Intraco Center, House No # 40, Block # J, Pragati Sarani, Baridhara, Dhaka.

## **Description of Subsidiary Companies**

The company and its subsidiaries are operating its CNG stations on rented land through lease agreement from Bangladesh Railway and different landowners. Intraco has eight (08) CNG stations under the National Gas Distribution Company of Titas Gas Transmission & Distribution Company Limited, Bakhrabad Gas Distribution Company Limited and Karnafuli Gas Distribution Company Limited. A brief about the key units of the subsidiaries companies other than Intraco Refueling Station PLC is described below:



### 1. Good CNG Refueling Station Limited

Good CNG Refueling Station Limited was incorporated as a Private Limited Company under The Companies Act, 1994 on 8th October, 2009. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Ishwardi, Pabna. The parent company holds 828,500 no. of shares that represent 95.00057% of subsidiary company

### 2. M Hye & Co. CNG Refueling Station Limited

M Hye & Co. CNG Refueling Station Limited was incorporated as a Private Limited Company under The Companies Act, 1994 on 26th July, 2011. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Hobigonj. The parent company holds 2,601,714 no. of shares that represent 95.00020% of subsidiary company.

### 3. Nessa & Sons Limited

Nessa & Sons Limited (hereinafter NSL) was incorporated as a Private Limited Company under The Companies Act, 1994 on 26th July, 2011. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Gabtoli, Dhaka. The parent company holds 2,395,000 no. of shares that represent 95.000099% of subsidiary company.

### 4. Absar & Elias Enterprises Ltd.

Absar & Elias Enterprise Ltd. was incorporated as a Private Limited Company under The Companies Act, 1994 vide Registration No. C-63432(923)/06 dated 24th August, 2006. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Tiger Pass More, Chattogram. The parent company holds 2,105,400 no. of shares that represent 95.00045% of subsidiary company.

### 5. Intraco Automobiles Limited

East End Automobiles Ltd was incorporated as a Private Limited Company under the Companies Act, 1994 on 2 September, 2013. The company has changed its name to Intraco Automobiles Ltd on 3<sup>rd</sup> December 2019. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Chandgaon, Chattogram. The parent company holds 2,558,310 no. of shares that represent 95.00028% of subsidiary company.

#### a. Capital Structure

Capital structure (as of 31<sup>st</sup> March 2023) of the company comprises as follows:

Particulars	31-Mar-23	
	BDT Amount	% of Total Capital
Share Capital	982,327,500	75.29%
Retained Earnings	279,063,918	21.39%
<b>Shareholder's Equity</b>	<b>1,261,391,418</b>	<b>96.68%</b>
Long Term loan	43,339,848	3.32%
Current Portion of Long-Term Loan	-	0.00%
<b>Total Debt</b>	<b>43,339,848</b>	<b>3.32%</b>
<b>Total equity and liabilities</b>	<b>1,304,731,266</b>	<b>100.00%</b>

Table 9: Capital Structure as of 31<sup>st</sup> March 2023

## b. Business

Intraco Refueling Station PLC is involved in the construction and operation of CNG refueling stations in various locations around Bangladesh. Besides, the company has taken the initiative to establish a LPG cylinder manufacturing plant in Cumilla. Intraco Refueling Station PLC is most renowned company in CNG sector in Bangladesh. The company procures Compressed Natural Gas from National Gas Distribution Company of Titas Gas Transmission & Distribution Company Limited, Bakhrabad Gas Distribution Company Limited and Karnafuli Gas Distribution Company Limited. IRS has three (03) CNG stations which are operated by corporate office.

A brief about the operational activities of three stations of the company are described below:

**Chandpur Station:** The CNG station commenced its commercial operation on 16 June, 2008 which located at Bishnondi Bus Station, Chandpur on 30 decimal rented land area. The station of the company has three (03) gas dispensers, each one equipped with double gas nozzles. The station serves its customers 24 hours of a day and seven days in a week. Usually the station of the company refuels on an average daily 1,200 to 1,300 vehicles. The total capacity of the CNG station is RMS/CMS 332,800 and CNG compressor capacity is 1,030 cubic meter per hour. Average consumption of CNG per vehicle is 9 to 10 cubic meter of gas.

**Amizuddin Station:** The CNG station started its commercial operation on 06 August, 2008 which located at 154, Naya Aity, Mukti Sarani, Shenarpar, Demra, Dhaka on 30 decimal rented land area. The station of the company has two (02) gas dispensers, each one equipped with double gas nozzles. The station serves its customers 24 hours of a day and seven days in a week. Usually, the station of the company refuels on an average daily 600 to 700 vehicles. The total capacity of the CNG station is RMS/CMS 212,323 and CNG compressor capacity is 580 cubic meter per hour. Average consumption of CNG per vehicle is 12 to 13 cubic meters of gas.

**Haratoli Station:** The CNG station commenced its commercial operation on 12 August, 2008 which located at Haratali Highway, Sadar South, Cumilla on 40 decimal rented land area. The station of the company has two (02) gas dispensers, each one equipped with double gas nozzles. The station serves its customers 24 hours of a day and seven days in a week. Usually the station of the company refuels on an average daily 300 to 400 vehicles. The total capacity of the CNG station is RMS/CMS 129,892 and CNG compressor capacity is 580 cubic meter per hour. Average consumption of CNG per vehicle is 14 to 15 cubic meters of gas.

## c. Management

Intraco Refueling Station PLC's Top Management consists of the following officials:

No.	Name	Designation
1.	Mr. Mohammed Riyadh Ali	Managing Director
2.	Mr. Shaiful Alam Chowdhury	Director (Operation)
3.	Mr. Md. Ismail Hossain	Executive Director
4.	Mr. G.M Salahuddin	Company Secretary
5.	Mr. Md. Salah Uddin	Chief Operating Officer
6.	Mr. Abu Bakkar Siddique	Chief Financial Officer
7.	Mr. Md. Sabbir Kaderis Sattar	Head of Technical

Table 10: Management Team of IRS

#### d. Description of Encumbered and Unencumbered Assets with Value Thereof

As at 31<sup>st</sup> March, 2023, the total assets of Intraco Refueling Station PLC stood at BDT 1,770 million. All the assets of the company in unencumbered and free of all legal charges.

#### e. Brief Profile of the Board of Directors

Name	Shareholding Structure		
	Position	No. of share	Percentage (%)
Mr.H M Hakim Ali	Chairman	3,042,071	11.0%
Mr. Mohammed Riyadh Ali	Managing Director	14,177,603	51.5%
Mrs. Hoda Ali Selim Ahmed Mohamed	Director	7,131,303	25.9%
Nominee of Intraco Developers Limited Mrs. Hoda Ali Selim Ahmed Mohamed	Nominee of Intraco Developers Limited	3,195,614	11.6%
Mr. Advocate Abdul Halim	Independent Director	-	0.0%
Md. Muklasur Rahman Bhuiyan	Independent Director	-	0.0%

Table 11: Shareholding Structure (31<sup>st</sup> March 2023)

**A Brief Profile of the Board of Directors is given below:**

##### **Mr. H M Hakim Ali**

Chairman

**Mr. H M Hakim Ali**, the Chairman of Intraco Refueling Station PLC., is a veteran & business personality of 65 Years age. He is an LL.B and also he has completed Diploma in Hospitality Management from Cornell University, USA & Salzburg University, Australia.

Mr. Hakim is a successful industrialist. He is the Chief Executive Officer and Resident Director of Hotel Agrabad Ltd, Chittagong. He is also Director of Hotel International Ltd (The pan Pacific Sonargaon Hotel) & Chittagong Metropolitan Chamber of Commerce & Industry. Mr. Hakim is presently the Honorary Consul General of the Republic of the union of Myanmar in Chittagong and former honorary consul of the Republic of Indonesia in Chittagong. He is also president of Bangladesh International Hotel Association, Bangladesh Foundation for Tourism Development & International Vacation Club. He is the President and CEO of Trinidad & Tobago Trade Centre in Bangladesh. Mr, Hakim got awarded the 'Man of Achievement' from the International Biographical Centre, England, and also elected the Member of the Hotel and Catering International Management Association; UK. His contribution in the continuous development of Intraco Refueling Station PLC is a source of inspiration for the company.

##### **Mr. Mohammed Riyadh Ali**

Managing Director

**Mr. Mohammed Riyadh Ali**, the Managing Director of Intraco Refueling Station PLC, is a dynamic & successful entrepreneur of 37 years age. He has completed his Masters of Business Administration from Pacific University, Hawaii, USA.

Mr. Ali comes of a reputed business family and is the founder of Intraco Refueling Station PLC. He started his business carrier with the vision of "Green world and pollution free Bangladesh" for next generation and established environment friendly CNG refueling stations and conversion centres for conversion of vehicle into CNG. Being a successful entrepreneur, he has established various businesses, to mention a few, like Intraco Properties Ltd, Intraco Solar Power Ltd, Intraco CNG Ltd, Intraco Natural Gas Station Ltd,

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Intraco Ltd, Intraco Hotel's Ltd & Dosan Trade Bangladesh Ltd. Mr. Ali is not only an eminent leading and successful businessman and social activist in Bangladesh but also successful in diplomat. He is the Honorary Consul of the Republic of Korea to Chittagong and President of Italy-Bangladesh Chamber of Commerce and Industry and former vice President of Bangladesh CNG Station and Conversion Workshop Owners Association, founder director of Korea Bangladesh Chamber of Commerce & Industries, former Secretary General of Korea Bangladesh Chamber of Commerce and Industry, as well as member of various socio cultural organizations.

Mr. Mohammed Riyadh Ali has organized and attended many national and international exhibitions, seminars, workshops, trainings, symposia, trade shows, and fairs and represented as delegate for business promotion in aboard. He established Butterfly Park Bangladesh Ltd, an eco-friendly park with live butterfly. For his contribution in the field, he has been recognized and honored with the prestigious and challenging award "HSBC-The Daily Star Climate Champion Award", on 2012 and the "Divisional Environmental Award" on 2013, in Bangladesh.

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### **Mrs. Hoda Ali Selim ahmed Mohamed**

Director

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**Mrs. Hoda Ali Selim ahmed Mohamed** is a director of Intraco Refueling Station PLC. She is an amiable and dynamic lady of 38 years age. She is spouse of Mr. Mohammed Riyadh Ali (Managing Director) and daughter-in-law of Mr. H. M. Hakim Ali & Mrs. Monowara Hakim Ali. She has completed her Bachelor of Law Degree from Cairo University. Mrs. Hoda Ali is working as a legal advisor of Embassy of Egypt in Bangladesh. She is a promising women entrepreneur. Her acumen in business and public relations are key to success in managing the Intraco Refueling Station PLC. She is also playing vital role of professionalism in the ventures of Intraco Group: Managing Director of Intraco Renewable Energy Ltd, Managing Director of Intraco Power Ltd, Managing Director of Intraco Ready-mix Ltd, Managing Director of Intraco Developers Ltd, Managing Director of Intraco Water World Ltd.

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### **Advocate Abdul Halim**

Independent Director

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**Mr. Abdul Halim** is an Advocate who has been practicing independently in the Supreme Court of Bangladesh for 12 years. His practice focus is on the corporate and commercial laws, PPP, Public Procurement & contract law. He worked as head of legal of the 1st PPP project in Bangladesh & advises on legal, Tax & corporate affairs. The scope of his work ranges from corporate structuring, tax, safeguarding justice & rights issues to representing many national & several multinational corporations in their negotiations and court or tax authority's actions. Further being a partner at LEGAL NEXIS, Halim is a co-founder of REDLEAF PUBLISHING Legal excellence in print, online & e-Publishing of Bangladesh legal literature as well editor with LEGAL TV, a bi-lingual portal, dedicated on legal analysis of court affairs. He graduated from Dhaka University Law Department, Bangladesh and has bar qualifying Law degree from North Umbria University, UK & Coordinator of Bangladesh Legal Tech Society. He attended FIDIC Conditions of Contract conference in New Delhi-2016 and presented paper on 14th MIHAS Conference in Malaysia-2017. He obtained training on Policy Analysis, ToT on Arbitration, FIDIC, Project Management, Investment Feasibility Study, PMP Preparatory Training, BIAC, BIM, Matrik etc. He is a member of Bangladesh Bar Council, Bangladesh Supreme Court Bar Association, Dhaka Bar Association, Dhaka Taxes Bar Association; He is now acting as an independent director in the board of Intraco Refueling Station PLC. "

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**Md. Muklasur Rahman Bhuiyan**

Independent Director

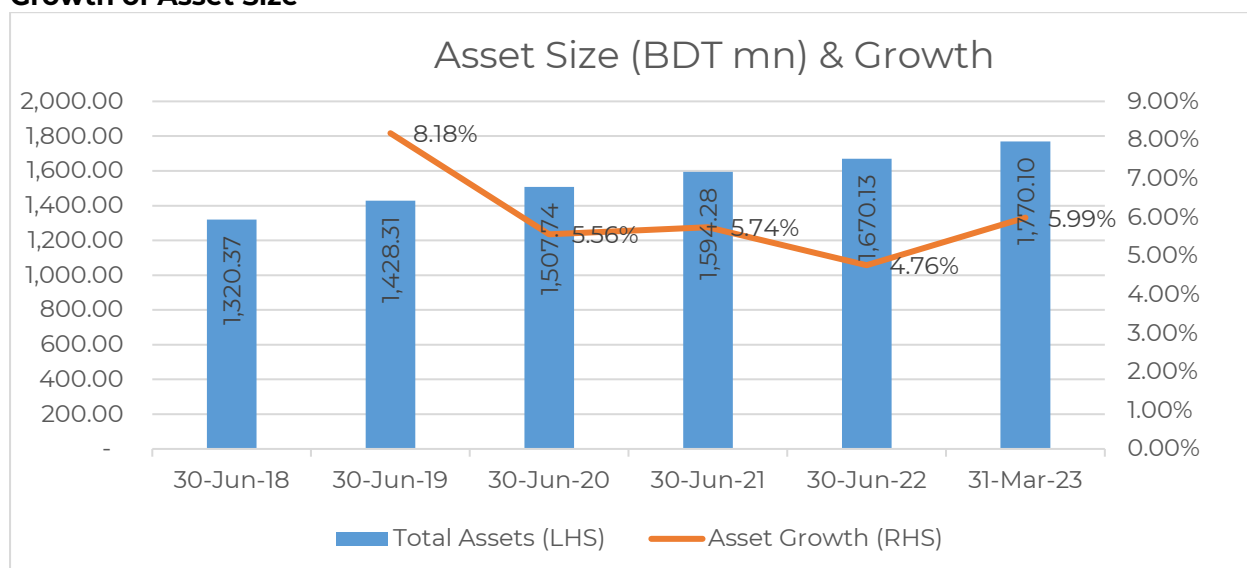
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Mr. Md. Muklasur Rahman Bhuiyan ACCA is a Chartered Certified Accountant and strategic contributor with over 17 years of experience in the field of audit, finance and process improvements. Mr. Bhuiyan was born in 1979 in Netrokona district in a reputed Muslim family. He has completed his professional qualification from ACCA, UK. He has also completed BBA and MBA from University of Dhaka major in Accounting and Information Systems. Mr. Bhuiyan has served a wide range of companies both in the UK and Bangladesh. While he was in the UK he served three different companies in business consultancy, accountancy and catering industry from 2005 to 2011. Before joining to FCI Group as Group Head of Internal Audit in March, 2022 he served at Dekko Group, Runner Group and BRAC in different management roles from 2012 to 2021. Mr. Bhuiyan has proven technical competencies in improvement of processes and systems by dint of devising & implementing practical measures leading to achieving top line growth and bottom line improvement.

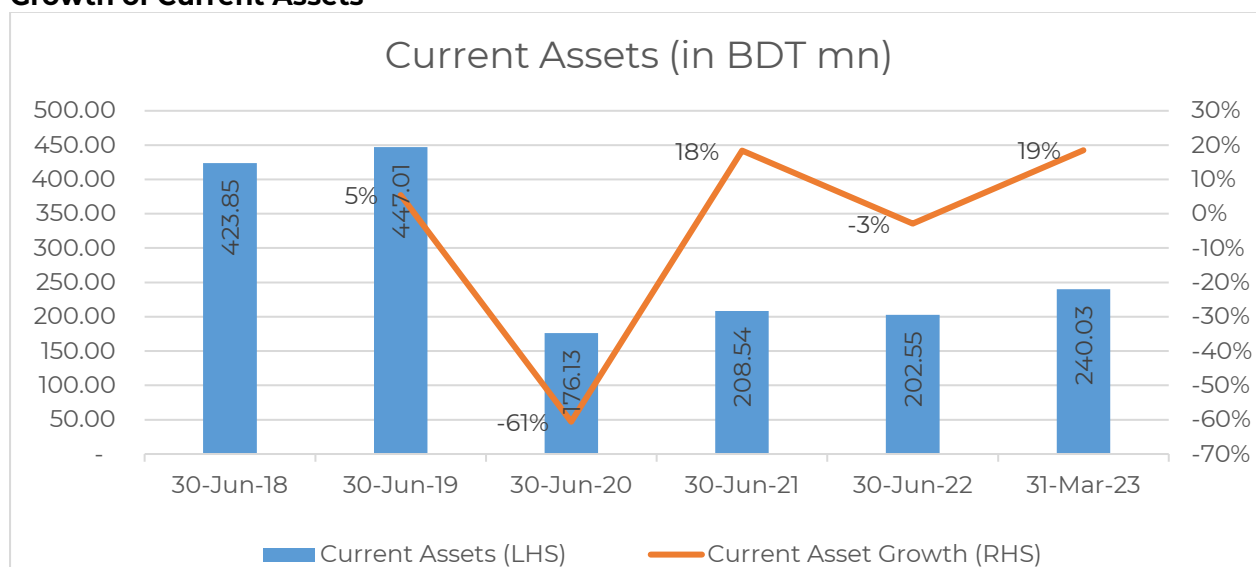
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## f. Description of Assets and Liabilities (As of 31<sup>st</sup> March, 2023)

### Growth of Asset Size



### Growth of Current Assets



### Liability Mix

Particulars	31-Mar-23		30-Jun-22	
	BDT Amount	% of Total Asset	BDT Amount	% of Total Asset
<b>NON-CURRENT LIABILITIES</b>				
Deferred Tax Liability	115,305,926	23.45%	107,599,234	23.55%
Long Term Borrowings	43,339,848	8.81%	24,159,501	5.29%
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>158,645,774</b>	<b>32.26%</b>	<b>131,758,735</b>	<b>28.84%</b>
Current portion of Long-Term Borrowings	-	0.00%	15,600,000	3.41%

Trade & Others Payables	45,284,424	9.21%	55,893,493	12.24%
Liabilities for expenses	6,674,070	1.36%	8,116,509	1.78%
Workers Profit Participation fund	32,670,212	6.64%	24,020,163	5.26%
Unclaimed Dividend Account	770,384	0.16%	770,384	0.17%
Provision for Tax	247,670,488	50.37%	220,672,721	48.31%
<b>TOTAL CURRENT LIABILITIES</b>	333,069,578	67.74%	325,073,269	71.16%
<b>Total Liabilities</b>	<b>491,715,352</b>	100.00%	<b>456,832,004</b>	100.00%

Table 12: Liability Mix

### g. Description of Previously Issued Debt or Securities

SL	Type of Issue	Year of Issue	Brief Description of the Issue
1	<b>IPO</b>	<b>17 May, 2018</b>	Intraco Refueling Station PLC received approval from Bangladesh Securities and Exchange Commission on 16 <sup>th</sup> January 2018 to raise BDT 300 million from the public through issuing 30 million ordinary shares at an issue price of BDT 10 each. The initial plan was LPG bottling and setting up distribution plant. But due to the change in tax policy, LPG bottling seemed inefficient. So with prior approval from the Board of Directors, The company purchased an LPG cylinder manufacturing factory with a 40,000-square-foot area in Cumilla for BDT 315 million mostly with the IPO fund. The facility will be able to manufacture 2,500 LPG cylinders per day. Most of the machinery has already been installed for the cylinder manufacturing project and is expected to start operation within January 2023.

Table 13: Description of Previously Issued Securities

**INTRACO REFUELING STATION LTD.  
& ITS SUBSIDIARIES  
INTERIM AUDITOR'S REPORT  
&  
FINANCIAL STATEMENTS**

As at and for the period ended 31 March 2023

**MAHFEL HUQ & CO.**  
**CHARTERED ACCOUNTANTS**  
B G I C Tower (4<sup>th</sup> FLOOR), 34 Topkhana Road, Dhaka-1000  
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## **Interim Auditor's Report to the Shareholders of INTRACO REFUELING STATION LTD. & ITS SUBSIDIARIES**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of INTRACO REFUELING STATION LTD. & ITS SUBSIDIARIES as well as the separate financial statements, which comprise the consolidated and separate statement of financial position as at 31 March 2023, and the consolidated and separate statement of financial performance, consolidated and separate of changes in equity consolidated and separate cash flow statements for the period then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Company and separate financial statements of the Company give a true and fair view of the consolidated financial position of the Company and the separate financial position of the Company as at 31 March 2023, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of consolidated and separate the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye-Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis Matters**

1. We draw attention to Note # 6.00 as Capital Work-In-Progress in the financial statements including an amount of Tk.389,310,733. This amount was not reconciled with the actual expenses as on 31 March 2023 in the absence of the project profile. In this matter, our opinion is not modified.
2. We draw attention to Note # 09.00 as Advances to Suppliers to the financial statements an amount of Tk. 2,000,000 carried over from the last few years. This amount was not settled against any expenses. In this matter, our opinion is not modified.
3. We draw attention to Note # 09.01 as Advances for AIT to the financial statements include an amount of Tk. 110,860,670 carried over from the last few years. This amount was not settled against income tax liabilities. In this matter, our opinion is not modified.
4. We draw attention to note no # 18.00. The company has reported Tk. 32,670,212 as Workers Profit Participation Fund in the financial statements. But the company did not pay the amount within the time specified under section 234 of, The Labor Act 2006.
5. We draw attention to note # 22.00 as Sales/Revenue in the profit & loss statement including an amount of Tk. 1,160,961,062. In the absence of a reconciliation statement of the sales amount collected



as per the Government sales price multiplied by the total amount of gas purchased from the Government and the revenue recorded as per money receipt, we could not cross-match the amount. In this matter, our opinion is not modified.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Other Information

SL	Risk	Our response to the risk
1.	<p><b>Measurement of deferred tax liability</b></p> <p>Refer to note 14 to the financial statements.</p> <p>The company reported net deferred tax liability totaling BDT 115,305,926 as of 31" March 2023.</p> <p>Significant judgment is required in relation to deferred tax liability as their recoverability is dependent on forecasts of future profitability over a number of years.</p>	<p>We obtained an understanding, evaluated the design, and tested the operational effectiveness Refer to note 14 to the financial of the Company's key controls over the recognition and measurement of deferred tax liability and the assumptions used in estimating the Company's future taxable income.</p> <p>We also assessed the completeness and accuracy of the data used for the estimations of future taxable income.</p> <p>We also assessed the appropriateness of the presentation of disclosures against IAS 12 Income Tax.</p>

Management is responsible for the other information. The other information comprises the including Director's report included in the annual report but does not include in the consolidated and separate financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or



error. The Companies Act, 1994 requires the Management to ensure effective internal audit, internal control, and risk management functions of the Company.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concerned and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.



**Mahfel Huq & Co.**  
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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other Legal and Regulatory Requirements**

In accordance with the Companies Act, 1994 and the Securities and Exchange Rules 1987, we also report the following:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the consolidated statement of financial position and consolidated statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

**Skh Md Mahmudul Ambia FCA**  
ICAB Enrollment No. 1067  
For and on behalf of  
Mahfel Huq & Co.  
Chartered Accountants

Place: Dhaka  
Date: July 11, 2023

# Intraco Refueling Station Ltd & Its Subsidiaries

## Consolidated Statement of Financial Position

As at 31 March 2023

PARTICULARS	Notes	Consolidated	
		Amount In Taka	
		31-Mar-23	30-Jun-22
<b>NON-CURRENT ASSETS</b>		<b>1,530,072,700</b>	<b>1,467,574,869</b>
Property, Plant & Equipment	4.00	1,088,641,967	979,866,520
Stock of Machineries	5.00	52,120,000	64,620,000
Capital Work-In-Progress	6.00	389,310,733	423,088,349
<b>CURRENT ASSETS</b>		<b>240,030,531</b>	<b>202,552,754</b>
Inventories	7.00	29,940,107	33,004,244
Trade Receivables	8.00	6,849,880	2,562,190
Advance, deposit & pre-payments	9.00	185,575,197	149,306,979
Cash & cash equivalent	10.00	17,665,346	17,679,339
<b>TOTAL ASSETS</b>		<b>1,770,103,230</b>	<b>1,670,127,623</b>
<b>SHARE HOLDERS EQUITY</b>			
Share Capital	11.00	982,327,500	982,327,500
Retained Earnings	12.00	279,063,918	216,662,112
<b>Equity attributable to owners of the Company</b>		<b>1,261,357,078</b>	<b>1,198,989,612</b>
Non Controlling Interest Note 27	13.00	16,996,460	14,306,005
<b>Total Equity</b>		<b>1,278,353,538</b>	<b>1,213,295,618</b>
<b>NON-CURRENT LIABILITIES</b>		<b>158,645,774</b>	<b>131,758,736</b>
Deferred Tax Liability	14.00	115,305,926	107,599,235
Long Term Borrowings	15.00	43,339,848	24,159,501
<b>CURRENT LIABILITIES</b>		<b>333,103,918</b>	<b>325,073,270</b>
Current portion of Long Term Borrowings	15.00	-	15,600,000
Trade & Others Payables	16.00	45,284,424	55,893,493
Liabilities for expenses	17.00	6,708,410	8,116,509
Workers Profit Participation fund	18.00	32,670,212	24,020,163
Dividend Payable	19.00	-	-
Unclaimed Dividend Account	19.01	770,384	770,384
Provision for Tax	20.00	247,670,488	220,672,720
<b>TOTAL LIABILITIES</b>		<b>491,749,692</b>	<b>456,832,005</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,770,103,230</b>	<b>1,670,127,623</b>
<b>Net Asset Value (NAV)</b>	21.00	12.84	12.21

The accounting policies and explanatory notes form an integral part of the Financial Statements.

*Hasanul Kabir*  
Director

*[Signature]*  
Company Secretary

*[Signature]*  
Director

*[Signature]*  
Managing Director

*[Signature]*  
Chief Financial Officer

Signed in terms of our separate report of even date annexed.

*[Signature]*

**Skh Md Mahmudul Ambia FCA**  
ICAB Enrollment No. 1067  
For on Behalf of  
Mahfel Huq & Co.  
Chartered Accountants



Place: Dhaka  
Dated: July 11, 2023.

**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Statement of Profit or Loss & Other Comprehensive Income**  
For the period ended from July 01, 2022 to March 31, 2023

Particulars	Notes	Consolidated	
		Amount in Taka	
		01.07.2022 to 31.03.2023	01.07.2021 to 31.03.2022
Sales Revenue	22.00	1,160,961,062	909,141,112
Cost of Sales	23.00	951,206,645	793,404,949
<b>Gross Profit</b>		<b>209,754,416</b>	<b>115,736,163</b>
Administrative & selling Expenses	24.00	24,935,390	23,768,720
<b>Profit from Operation</b>		<b>184,819,026</b>	<b>91,967,443</b>
Financial Expenses	25.00	3,167,997	3,245,551
Non Operating Income	26.00	-	-
<b>Net Profit Before Tax</b>		<b>181,651,029</b>	<b>88,721,892</b>
Workers Profit Participation Fund (WPPF)		8,650,049	4,224,852
<b>Net Profit After WPPF</b>		<b>173,000,980</b>	<b>84,497,040</b>
<b>Income Tax Expenses</b>		<b>39,204,460</b>	<b>11,198,914</b>
Current Tax	20.00	31,497,769	17,005,851
Deferred Tax	14.00	7,706,691	(5,806,937)
<b>Net profit after tax</b>		<b>133,796,520</b>	<b>73,298,126</b>
<b>Non-Controlling Interest @4.9997156% of NPAT</b>	27.00	<b>2,690,455</b>	<b>1,258,149</b>
<b>Profit for Ordinary Shareholders</b>		<b>131,106,064</b>	<b>72,039,978</b>
<b>Basic Earnings Per Share (EPS)</b>	28.00	<b>1.33</b>	<b>0.73</b>
Number of shares used to compute EPS		98,232,750	98,232,750

The accounting policies and explanatory notes form an integral part of the Financial Statements.

*Hada Ali Seilen*

Director

*[Signature]*  
Company Secretary

*[Signature]*  
Director

Managing Director

*[Signature]*  
Chief Financial Officer

Signed in terms of our separate report of even date annexed.

*[Signature]*

Skh Md Mahmudul Ambia FCA

ICAB Enrollment No. 1067

For on Behalf of

Mahfel Huq & Co.

Chartered Accountants

Place: Dhaka

Dated: July 11, 2023.



## INTRACO REFUELING STATION LTD & ITS SUBSIDIARIES

### Consolidated Statement of Changes in Equity

For the period ended from July 01, 2022 to March 31, 2023

Particulars	Ordinary Share Capital	Retained Earnings	Total	Non-Controlling Interest	Total Equity
Balance as on : July 01, 2022	982,327,500	216,662,112	1,198,989,612	14,306,005	1,213,295,617
0% stock dividend			-		-
10% cash dividend		(68,704,259)	(68,704,259)		(68,704,259)
Net profit after tax		131,106,064	131,106,064	2,690,455	133,796,520
Balance as on: March 31, 2023	<b>982,327,500</b>	<b>279,063,917</b>	<b>1,261,391,417</b>	<b>16,996,460</b>	<b>1,278,387,878</b>

### Consolidated Statement of Changes in Equity

For the period ended from July 01, 2021 to March 31, 2022

Particulars	Ordinary Share Capital	Retained Earnings	Total	Non-Controlling Interest	Total Equity
Balance as on : July 01, 2021	909,562,500	197,586,260	1,107,148,760	12,136,744	1,119,285,504
8% stock dividend	72,765,000	(72,765,000)	-		-
2% cash dividend		(9,767,788)	(9,767,788)		(9,767,788)
Net profit after tax	-	72,039,978	72,039,978	1,258,149	73,298,126
Balance as on: March 31, 2022	<b>982,327,500</b>	<b>187,093,450</b>	<b>1,169,420,950</b>	<b>12,136,744</b>	<b>1,180,771,201</b>

The accounting policies and explanatory notes form an integral part of the Financial Statements.

*Hada Ali Selim*  
Director

*[Signature]*  
Director

*[Signature]*  
Managing Director

*[Signature]*  
Chief Financial Officer

*[Signature]*  
Company Secretary



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Statement of Cash Flows**

For the period ended from July 01, 2022 to March 31, 2023

Particulars	Notes	Consolidated	
		Amount in taka	
		01.07.2022 to 31.03.2023	01.07.2021 to 31.03.2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers		1,156,673,372	908,818,137
Received from other income		-	-
Cash Payments to suppliers		(888,847,487)	(746,207,853)
Cash Payments to employees		(34,497,001)	(34,820,780)
Cash Payments to others		(45,218,367)	(12,099,449)
<b>Cash generated from operations</b>		<b>188,110,517</b>	<b>115,690,055</b>
Cash payments for financial expenses		(3,209,342)	(2,858,237)
Paid for income tax		(4,500,000)	(13,087,863)
<b>Net cash from operating activities</b>		<b>180,401,175</b>	<b>99,743,955</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Paid for Property, plant & equipment Purchase		(111,147,450)	(31,680,543)
Advance against L/C		-	-
Receive from subsidiary company against spare parts		-	1,153,450
Paid for spare parts purchase		(563,460)	(12,192,797)
Paid for Capital work-in-Progress		-	(11,213,095)
<b>Net cash used in investing activities</b>		<b>(111,710,910)</b>	<b>(53,932,985)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Paid long term loan		-	(4,182,643)
Received of Cash Dividend		-	-
Paid for cash dividend		(68,704,259)	(9,767,788)
<b>Net cash provided by financing activities</b>		<b>(68,704,259)</b>	<b>(13,950,431)</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>		<b>(13,994)</b>	<b>31,860,539</b>
<b>Opening Cash and Cash Equivalents</b>		<b>17,679,339</b>	<b>7,144,046</b>
<b>Closing Cash and Cash Equivalents</b>		<b>17,665,345</b>	<b>39,004,588</b>
<b>Net Operating Cash Flow Per Share</b>	<b>29</b>	<b>1.84</b>	<b>1.02</b>

The accounting policies and explanatory notes form an integral part of the Financial Statements.

*Hasan Ali Selen*  
Director  
*[Signature]*  
Company Secretary

*[Signature]*  
Director



*[Signature]*  
Managing Director  
Chief Financial Officer



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

**1.00 Corporate History of the Reporting Entity**

Intraco Refueling Station Ltd. (The Company) was incorporated in Bangladesh as a Private Limited Company vide Registration No. C-66298(3790)/07 dated 27th March, 2007. The Company had been converted into a public Limited Company on 28th June 2015 under The Companies Act, 1994.

The company raised Tk. 300,000,000 divided into 30,000,000 ordinary shares of Tk. 10 each through IPO on April 17, 2018. The shares of the company were listed with both Dhaka Stock Exchange on April 26, 2018 and Chittagong Stock Exchange on May 06, 2018. The trading of shares of the company was started from May 17, 2018 in both the Stock Exchanges.

The registered office and principal place of business of the company have changed and is newly located at INTRACO CENTER, House # 40, Block # J, Pragati Sarani, Baridhara, Dhaka-1212.

**2.00 Corporate Business**

The company is involved in the operation of CNG Refueling Station in different places in Bangladesh. Besides this, the company has taken the initiative to establish a LPG cylinder manufacturing Plant in Cumilla, to considering its potentiality and identifying the opportunity to serve the nation. The Company and its Subsidiaries are operating its CNG Stations on rented Land through lease agreement from Bangladesh Railway and different Private Landowners as under;

Name of the Company	Location	Land Owner
Intraco Refueling Station Ltd.	Haratali Highway, Sadar South, Comilla	Mrs. Parvin Akhter Md. Siddikur Rahman Sah Alam Buiya
	Comilla Road, Bishinudi, Haratali, Chandpur, Comilla	Mr. Amir Hossen Khan, S/o Late A. Ohab Khan, Comilla Road Chanpur-3600
	154, Naya Aity, Mukti Sarani, Shenar Par	Md. Aatur Rahman 26, No Shayesta khoan Road, Amiz Bhubon Po. Narayanganj, Thana
Good CNG Refueling Station Ltd.	Pabna Road, Moddo Orunkhola, Gulti Thana-Ishwardhi, Dist-Pabna	Md. Fazlur Po. Ishurdhi Dist-Pabna
Hye & Co CNG Refueling Station Ltd.	Poddar Bari, Bohula Sarak Thana-Hobiganj, Dist Hobiganj	Md. Mojibul Hye Vill. Bohula sarak
Nessa & Sons Ltd.	259/1, Bagbari, Gabtoli, Dhaka	Hasmat Gani
		Hasmat Ragia Begum
		Selina Begum
		Zerina Begum
		Sahadat Gani
		Salma Hoque . Keraniganj, Dhaka
Absar & Elias Enterprise Ltd.	Asian Highway, Tiger pass more Dist Chittagong	Bangladesh Railway, Tiger pass more Dist Chittagong.
Intraco Automobiles Ltd.	Arakan Road, Thana-Chandgaon Dist-Chittagong	Md. Earshadullah kalurghat Road, Chandgon, Chittagong

**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

**2.01 Subsidiary Companies**

**Good CNG Refueling Station Ltd.**

Good CNG Refueling Station Ltd was incorporated in Bangladesh as a Private Limited Company under The Companies Act, 1994 vide Registration No. C-80047/09 dated 8th October, 2009.

The Company is involved in the operation of CNG refueling station.

**Good CNG Refueling Station Ltd.**

The parent company holds 8,28,500 no. of shares that represent 95.00057% of subsidiary company. Moreover subsidiary entity are controlled by the Intraco Refueling Station Ltd. Control exist when Intraco Refueling Station Ltd. has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.

**M Hye & Co. CNG Refueling Station Ltd.**

M Hye & Co. CNG Refueling Station Limited (The Company) was incorporated in Bangladesh as a Private Limited Company under The Companies Act, 1994 vide Registration No. C-94484/11 dated 26th July, 2011.

The Company is involved in the operation of CNG refueling station.

**M Hye & Co. CNG Refueling Station Ltd.**

The parent company holds 26,01,714 no. of shares that represent 95.00020% of subsidiary company. Moreover subsidiary entity are controlled by the Intraco Refueling Station Ltd. Control exist when Intraco Refueling Station Ltd. has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.

**Nessa & Sons Ltd.**

Nessa & Sons Limited (The Company) was incorporated in Bangladesh as a Private Limited Company under The Companies Act, 1994 vide Registration No. C-94488/11 dated 26th July, 2011.

The Company is involved in the operation of CNG refueling station.

**Nessa & Sons Ltd.**

The parent company holds 23,95,000 no. of shares that represent 95.000099% of subsidiary company. Moreover subsidiary entity are controlled by the Intraco Refueling Station Ltd. Control exist when Intraco Refueling Station Ltd. has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.

**Absar & Elias Enterprises Ltd.**

Absar & Elias Enterprise Ltd. (The Company) was incorporated in Bangladesh as a Private Limited Company under The Companies Act, 1994 vide Registration No. C-63432(923)/06 dated 24th August, 2006.

The Company is involved in the operation of CNG refueling station.

**Absar & Elias Enterprises Ltd.**

The parent company holds 21,05,400 no. of shares that represent 95.00045% of subsidiary company. Moreover subsidiary entity are controlled by the Intraco Refueling Station Ltd. Control exist when Intraco Refueling Station Ltd. has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

**Intraco Automobiles Ltd.**

East End Automobiles Ltd was incorporated in Bangladesh as a Private Limited Company under the Companies Act, 1994 vide Registration No. C-109457/13 dated 2nd September, 2013. The company has changed its name to Intraco Automobiles Ltd on 3rd December 2019.

The Company is involved in the operation of CNG refueling station.

**Intraco Automobiles Ltd.**

The parent company holds 25,58,310 no. of shares that represent 95.00028% of subsidiary company. Moreover subsidiary entity are controlled by the Intraco Refueling Station Ltd. Control exist when Intraco Refueling Station Ltd. has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.

**3.00 Basis of preparation and significant accounting policies**

**3.01 Basis of Measurement of Elements of Financial Position**

The financial statements of the company are prepared on going concern assumption under historical cost convention on accrual basis and in accordance with the International Accounting Standards(IASs)-1 "Presentation of Financial Statements", International Financial Reporting Standards(IFRSs), the Companies Act 1994, the Securities and Exchange Rules, 1987 and other applicable laws & regulations.

The following International Accounting Standards were applied for the preparation of the financial statements for the period ended March 31, 2023

IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant & Equipment
IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and Errors
IAS-10	Events after the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant & Equipment
IAS-19	Employee Benefits
IAS-23	Borrowing Costs
IAS-24	Related Party Disclosures
IAS-27	Separate Financial Statements
IAS-32	Financial Instrument: Presentation
IAS-33	Earnings per Share
IAS-34	Interim Financial Reporting



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

IAS-36 Impairment of Assets  
IAS-37 Provisions, Contingent Liabilities and Contingent Assets.

The following IFRS have been applied :

IFRS-7 Financial Instruments : Disclosure  
IFRS-8 Operating Segments  
IFRS-9 Financial Instruments  
IFRS-10 Consolidated Financial Statements  
IFRS-12 Disclosure of interests in Other Entities  
IFRS-13 Fair Value Measurement  
IFRS-15 Revenue from Contracts with Customers

**3.02 Going Concern**

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

**3.03 Structure, Content and Presentation of Financial Position**

Being the general purpose financial statements, the presentation of these financial statements is in accordance with the guidelines provided by IAS 1: Presentation of Financial Statements financial statements comprises:

- i) Consolidated Statement of financial position as at March 31, 2023
- ii) Consolidated Statement of Profit or Loss and other comprehensive income for the period ended March 31, 2023
- iii) Consolidated Statement of Changes in Equity for the period ended March 31, 2023
- iv) Consolidated Statement of cash flows for the period ended March 31, 2023

**3.04 Basis of Consolidation**

**a) Subsidiaries**

Subsidiaries are entities controlled by Intraco Refueling Station Ltd (The Company).Control exists when Intraco Refueling Station Ltd has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights presently exercisable are taken into account. The financial statements of subsidiaries have been included in the consolidated financial statements from the date that control commences until the date that it ceases. The followings are the subsidiaries and basis of consolidation.

Name of Subsidiary	% of controlling Interest	% of Non-cont. Interest	No. of Shares		Total No. of Holding Shares
			Controlling	Non controlling	
Good CNG Refueling Station Ltd.	95.00057	4.99943	828,500	43,600	872,100
M Hye & Co. CNG Refueling Station Ltd.	95.00020	4.99977	2,601,714	136,927	2,738,641



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

Nessa & Sons Ltd.	95.00099	4.99990	2,395,000	126,050	2,521,050
Absar & Elias Enterprises Ltd.	95.00045	4.99955	2,105,400	110,800	2,216,200
Intraco Automobiles Ltd.	95.00028	4.99972	2,558,310	134,640	2,692,950
<b>Average Interest</b>	<b>95.000274</b>	<b>4.9997259</b>	<b>10,488,924</b>	<b>552,017</b>	<b>11,040,941</b>

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by Intraco Refueling Station Ltd.

**b) Transactions eliminated on consolidation**

The financial statements of the subsidiaries has been consolidated in accordance with IFRS-10" Consolidated Financial Statements" Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, have been eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated against the investment to the extent of Intraco Refueling Station Ltd's interest in the investee. Unrealized losses, if any, are eliminated in the same way as unrealized gains, but only to the extent thereis no evidence of impairment.

**3.05 Non-controlling Interest**

During preparation of the financial statements ,the statement of finanancial position,statement of profit or loss and other comprehensive income,and statement of cash flows has been consolidated on the basis of audited financial statements . Total profits of the Company and its Subsidiary are shown in the Consolidated Statement of Profit or Loss & Other Comprehensive Income with the proportion after taxation pertaining to non-controlling shareholders being deducted as "Non-contrilling interest".

All Assets and Liabilities of the company and of its subsidiary are shown in the consolidated statement of finanancial position. The Interest of Non-controlling shareholders of the subsidiary is shown seperately in the consolidated statement of finanancial position under the head "Non-controlling Interest".

**3.06 Reporting Period**

The financial statements cover Nine months from July 01, 2022 to March 31, 2023.

**3.06 Revenue Recognition**

As per IFRS-15: "Revenue from Contracts form Customers", Revenue is recognised only when all of the following criteria are met:

- (a) The parties to the contract have approved the contract (in writing , orally or in accordance with other customary business practices) and are committed to perform their respective obligations ;
- (b) The entity can identify each party 's rights regarding the goods or services to be transferred ;
- (c) The entity can identify the payment terms for the goods or services to be transferred
- (d) The contract has commercial substance (i.e. the risk , timing or amount of the entity `s future cash flows is expected to change as a result of the contract ); and
- (e) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

**3.07 Borrowing Costs**

Financial Expenses (Borrowing Costs) incurred during the year was recognized as revenue expenses in accordance with IAS-23 "Borrowing Costs".

**3.08 Property, Plant and Equipment**

**Initial Recognition and measurement**

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost or revaluation less accumulated depreciation in compliance with the requirements of IAS 16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc. Expenses on recurring nature for normal wear tear is charged to revenue.

**Depreciation on Fixed Assets**

Depreciation is provided to amortize the value of the assets after commissioning, over the year of their expected useful life, in accordance with the provisions of IAS 16: Property, Plant and Equipment. Depreciation charged of an asset when the assets are available for use. Depreciation is charged on all fixed assets on reducing balance method. The Rate of depreciation for this year as below:

Particulars	31-Mar-2023	30-Jun-2022
Land	-	-
Land Development	5%	5%
Vehicle	10%	10%
Furniture & fixture	10%	10%
Office Equipment	10%	10%
Building & Other Construction	5%	5%
Plant & Machineries	5%	5%
Backup Storage (With Vehicle)	5%	5%
Generator	10%	10%
Gas Line Installation	10%	10%
Computer	10%	10%
Online UPS	10%	10%
Invertor	10%	10%
Electrical Installation	10%	10%
Fire Extinguisher	10%	10%
Cylinder	10%	10%



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

**Retirement and Disposals:**

An asset is derecognized on disposal or when no future economic benefits are expected from its use. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized as gain or loss from disposal of asset in the statement of comprehensive income.

**Impairment:**

**I) Financial Assets**

Accounts receivable and others receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default of delinquency by a debtor, indicates that a debtor of issuer will enter bankruptcy etc. During the year no impaired loss occurred to recognize in the Financial Statements.

**II) Non-Financial assets**

An asset is impaired when its carrying amount exceeds its recoverable amount. The company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount of an asset is the higher of its fair value less cost to sell and its value in use. Carrying amount of the assets is reduced to its recoverable amount by recognizing an impaired loss is recognized immediately in statement of comprehensive income unless the asset is carried at revalued amount. Any impaired loss of a revalued asset treated as a revaluation decrease. During the year no impaired loss occurred to recognize in the Financial Statements.

**3.09 Cash and Cash Equivalent**

Cash and cash equivalents comprise cash in-hand, demand deposits and short term bank deposits that are readily convertible to a known amount of cash, and that are not subject to significant risk of change in value.

**3.10 Events after the Reporting Period**

Events alter the reporting period that provide additional information about the Company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

**3.11 Statement of Cash Flows**

The Statement of Cash Flows is prepared in accordance with International Accounting Standards IAS 7 Statement of Cash Flows and cash flow from the operating activities have been presented under direct method considering the provision of IAS 7 which provides that entities are encouraged to report cash flow from operating activities using the Direct Method.

**3.12 Related Party Disclosures**

The company carried out a number transactions with related parties. The information as required by IAS 24 Related Party Disclosures has been disclosed in a separate note to the financial statements.



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

**3.13 Earnings Per Share**

The company calculates Earnings Per Share (EPS) in accordance with the requirement of IAS – 33: “Earnings Per Share”, which has been shown on the face of the Statement of Profit or Loss and other Comprehensive Income.

**Basic earnings**

This represents earnings for the period ended March 31, 2023 attributable to the ordinary shareholders.

**Basic earnings per share**

This has been calculated dividing the basic earnings by the weighted average number of shares outstanding for the year.

**Diluted earnings per share**

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary shares during the period ended March 31, 2023.

**3.14 Employee Benefit Plan:**

The Company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set in the respective deeds.

The Company has accounted for and disclosed employee benefits in compliance with the provisions of IAS-19: Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the year to which the contributions relate.

The company's employee benefits include the following:

**Short Term Employee Benefits**

Short -term employee benefits include salaries, bonuses etc. obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

**Workers Profit Participation Fund (WPPF)**

The company has created a fund for workers " Workers profit participation Fund (WPPF)" as per Labor Act by 5% of profit after charging such expenses and the fund has been registered according to provision of Labor Act 2006 as amended in 2013.

**3.15 Provisions Contingent Liabilities and Contingent Assets**

In accordance with the guidelines as prescribed by IAS 37 Provisions, Contingent Liabilities and Contingent Assets, provisions are recognized in the following situations:

- a. when the company has an obligation ( legal or constructive) as a result of past events;
- b. when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. when reliable estimates can be made of the amount of the obligation.





**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

**3.16 Income Tax**

**Current Tax**

A provision for Tax has been made during the year applying the rate as per Income Tax Ordinance 1984.

**Deferred Tax.**

The company accounts for deferred tax as per International Accounting Standard (IAS) 12 " Income Taxes". Deferred Tax is recognized using the balance sheet method for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purpose. Tax rate prevailing at the balance sheet date is used to determine deferred tax.

**3.17 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IAS-39 "Financial Instruments' Recognition and Measurement."

**Financial Assets**

Financial assets of the company include cash and cash equivalents, equity instrument to another entity, Trade receivables and other receivables. The company initially recognize a financial asset in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognize a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

The company initially recognize a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognize a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

**3.18 Comparative Information & Restatement Thereof**

Comparative information has been disclosed in the respect of previous year for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statement.

**3.19 Segment Reporting:**

As required by IFRS-8 "Operating Segments", if an entity operates business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker and for which discrete financial information is available. The company consider the operation on aggregate basis and manage the operations as a single operating segment. Hence it is felt that such segment reporting is not required to be disclosed.

**3.20 Risk factors and management's perception about the risks:**

**a) Industry Risks:**

Industry risk is related with the factors affecting the company such as raw material, labor, demand of the product, government policy to the sector, competitor's rivalry.



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Consolidated Accounting Policies and Explanatory Notes**  
For the period ended from July 01, 2022 to March 31, 2023

**Management perception:**

Intraco Refueling Station Ltd is aware of the above facts. Industry risk is inherent in any kind of business. At the moment industry is favoring for operating CNG business because presently the demand of CNG is increasing day by day.

**b) Market risks:**

Market risk refers to the risk of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company to increase their customer base.

**Management perception:**

Market risk is dealt with efficiently by the experienced management.

**c) Operational risks:**

Operational risks refer to the possibility of plant shut down due to disruption in supply of gas, technological failure, natural calamities, human errors and other unforeseen events. Such incidences may lead to non operation, large overhauling costs and financial losses.

**Management perception:**

Management take preventive measures to deal with operational risks efficiently and effectively. All the machineries used by the Intraco Refueling Station Ltd to conduct the day to day operation is brand new in nature. So potential of machinery and technical failure at the time of operation is very minimal. Beside, the company made agreement with Titas Gas Transmission Co. Ltd and Bakhrabad Gas distribution Co. Ltd which is expected to ensure availability of gas supply for uninterrupted operation.

**d) Liquidity risks:**

The risk that a company may be unable to meet short term financial demands. This usually occurs due to the inability to convert its current assets to cash without a loss of capital or income. Liquidity is a common phenomenon of the business.

**Management perception:**

Intraco Refueling Stations Ltd. has been dealing with its working capital in efficient way.

**3.21 Authorisation for issue**

The financial statements were authorized for issue by the Board of Directors of the company on April 27, 2023.



## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22

#### 4.00 Property, Plant & Equipment: Tk 1,088,641,968

This represents the written down value of assets as at 31-3-2023 at historical cost.

Land	171,746,700	171,746,700
Land Development	70,379,209	38,663,955
Vehicle	8,913,381	9,903,756
Furniture & fixture	12,388,344	13,764,827
Office Equipment	6,083,487	5,431,039
Building & Other Construction	289,884,836	217,562,557
Plant & Machineries	441,299,064	425,815,792
Backup Storage (With Vehicle)	12,670,000	13,336,843
Generator	7,686,190	8,540,211
Gas Line Installation	21,985,547	24,428,385
Computer	3,612,497	4,013,885
Online UPS	6,613,509	7,348,343
Invertor	3,176,685	3,529,650
Electrical Installation	22,563,856	25,070,952
Fire Extinguisher	458,896	509,884
Tube well	56,290	62,545
Air Compressor	1,438,591	1,598,434
Digital Meter	9,112	10,124
Cylinder	7,675,773	8,528,637
	<b>1,088,641,968</b>	<b>979,866,520</b>

All the above buildings have been constructed and machinery have been erected on Leased Land taken from Bangladesh Railway and other Private Land Lord.

#### 4.01 Movement of Property, Plant & Equipment: Tk 1,088,641,967

These have arrived at as under:

Cost (Opening Balance)	1,390,598,253	1,298,931,939
Add: Addition during the period	159,395,658	91,666,314
<b>Total Cost (a)</b>	<b>1,549,993,911</b>	<b>1,390,598,253</b>
Accumulated Depreciation (Opening Balance)	410,731,733	364,083,349
Add: Depreciation Charged	50,620,211	46,648,384
<b>Total Depreciation (b)</b>	<b>461,351,944</b>	<b>410,731,733</b>
<b>Written down Value (a-b)</b>	<b>1,088,641,967</b>	<b>979,866,520</b>

A schedule of Property, Plant & Equipment is given in Annexure-A



## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22
<b>5.00</b>	<b>Stock of Machineries: Tk 52,120,000</b>		
	This has been arrived as follows		
	Opening Stock of Machineries # Note # 5.01	52,120,000	64,620,000
		<b>52,120,000</b>	<b>64,620,000</b>
<b>5.01</b>	a) Compressor GEO-C-150HP 4 Stage Motor Driven SL No # SC08058-1 to 3	28,517,900	53,517,900
	b) Compressor GEO-C-150HP 4 Stage Motor Driven SL No # SC08069-2, SCO7052-1	36,102,100	36,102,100
	Less: Capitalized	(12,500,000)	(25,000,000)
		<b>52,120,000</b>	<b>64,620,000</b>
<b>6.00</b>	<b>Capital Work- in -Progress: Tk. 389,310,733</b>		
	The break-up of the amount is given below:		
	Building & Other Construction		
	Intraco Refueling Station Ltd	384,308,103	418,085,719
	Good CNG Refueling Station Ltd	5,002,630	5,002,630
		<b>389,310,733</b>	<b>423,088,349</b>
<b>7.00</b>	<b>Inventories</b>		
	This consists of the following;		
	The break-up of the amount is given below:		
	<b>(a) Opening Stock:</b>	<b>33,004,244</b>	<b>33,030,749</b>
	Consumable items	2,988,761	6,825,318
	Capitalized Items	30,015,483	26,205,431
	<b>(b) Purchase during the period:</b>	<b>3,489,168</b>	<b>7,923,066</b>
	Consumable items	2,925,751	2,892,774
	Capitalized Items	563,417	5,030,292
	<b>(c) Total (a+b)</b>	<b>36,493,412</b>	<b>40,953,815</b>
	<b>(d) Spares consumption this period</b>	2,214,559	2,768,761
	<b>(e) Capitalized this period Note 7.01</b>	1,220,240	1,220,240
	<b>(f) Issue to Subsidiary company:</b>	<b>3,118,506</b>	<b>3,960,570</b>
	Consumable items	3,118,506	3,960,570
	Capitalized Items	-	-
	<b>Closing Stock (c-d-e-f)</b>	<b>29,940,107</b>	<b>33,004,244</b>
	Consumable items	581,447	2,988,761
	Capitalized Items	29,358,660	30,015,483

These have been valued at cost. The above stock of Spare parts valued and certified by the management.



## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22

#### 8.00 Trade & Others Receivable: Tk 6,849,880

This consists of amount receivable by the following Companies;

Intraco Refueling Station Ltd	3,811,505	755,257
Good CNG Refueling Station Ltd	282,670	366,179
M Hye & Co CNG Refueling Station Ltd	1,807,271	446,992
Nessa & Sons Ltd	-	-
Absar & Elias Enterprise Ltd	948,434	993,762
Intraco Automobiles Ltd	-	-
<b>Total</b>	<b>6,849,880</b>	<b>2,562,190</b>

Trade receivable have been stated at their nominal value.

Trade receivable are accrued in the ordinary course of business.

#### 8.01 Ageing of Accounts Receivable

Less Than 6 Months	6,849,880	2,562,190
More Than 6 Months	-	-
	<b>6,849,880</b>	<b>2,562,190</b>

**The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:**

Receivables considered good in respect of which the company is fully secured.	-	-
Receivables considered good in respect of which the company holds no security other than the debtor	5,867,033	2,553,562
Receivables considered doubtful or bad.	-	-
Debts due to by directors or other officers of the company	-	-
Receivables due by common management.	982,847	8,628
The maximum amount of receivable due by any director or other officer of the company.	-	-
	<b>6,849,880</b>	<b>2,562,190</b>

#### 9.00 Advance, deposit and prepayments: Tk 185,575,197

The break-up of the amount is given below:

Advances for AIT	# Notes # 9.01	110,860,670	74,570,895
Deposits	# Notes # 9.02	72,393,637	72,393,637



## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22
	L/c Margin for capital machinery	-	-
	Advances against machineries purchase	-	-
	Advance to Supplier	2,000,000	2,021,557
	Advance against salary	320,890	320,890
	<b>Total</b>	<b>185,575,197</b>	<b>149,306,979</b>

#### 9.01 Advances for AIT

This has been arrived as follows:

Opening Balance of AIT	74,570,895	54,319,624
Add: AIT Paid During the period	36,289,775	20,251,271
Total	110,860,670	74,570,895
Less: AIT adjusted with assesment	-	-
Closing Balance of AIT	<b>110,860,670</b>	<b>74,570,895</b>

#### 9.02 Deposits : Tk 72,393,637

This has been arrived as follows:

Bank Guarantee Margin	35,494,180	35,494,180
Security deposit to Titas Gas Transmission Co. Ltd	7,516,585	7,516,585
Security deposit to Bakhrabad Gas Distribution Co. Ltd	13,296,675	9,406,764
Security deposit to Pashchimanchal Gas Co. Ltd	3,320,760	3,320,760
Security deposit to Jalalabd Gas T&D system Ltd	6,205,491	6,205,491
Deposit to BGCL		3,891,911
Security deposit to KGDCL	5,117,320	5,117,320
Security deposit to PDB	1,011,191	879,191
Security Deposit against office rent	429,435	429,435
Security deposit to T&T	2,000	132,000
<b>Total</b>	<b>72,393,637</b>	<b>72,393,637</b>

#### 10.00 Cash & cash equivalent: Tk 17,665,346

##### Cash in Hand : Tk 12,201,168

This has been arrived as follows:

Chandpur Station	2,050,182	1,528,352
Amizuddin Station (Narayangonj)	1,756,897	1,133,254
Haratali Station	1,752,178	1,254,832
Ishwardy Station	1,582,947	1,529,112
Hobigonj Station	1,715,008	1,734,060
Gabtolli Station	1,362,974	1,416,772
Tigerpass Station	1,372,036	2,308,751
Chandgaon Station	598,446	1,815,777



## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22
	Petty cash in head office	10,500	10,500
	Total	<b>12,201,168</b>	<b>12,731,410</b>

#### Cash at Bank: Tk 5,464,178

Dutch Bangla Bank Ltd. A/c # 1790	-	-
Dutch Bangla Bank Ltd. A/c # 315	276,655	434,923
Dutch Bangla Bank Ltd. A/c # 57	-	493
Dhaka Bank Ltd. A/c # STD-312	2,189	2,858
Pubali Bank Ltd. A/c # 160	699,291	233,775
Social Islami Bank Ltd. A/c # 02032	392,521	62,163
Dhaka Bank Ltd Ac no 703	406,864	-
Shahajalal Islami Bank Ltd, A/c # 482	-	165
Prime Bank Ltd. A/c # 2788	254,845	254,995
Sonali Bank Ltd. A/c # 598	8,655	8,655
Brac Bank Ltd -BDT A/c # 5088001	10,213	661,520
Brac Bank Ltd EUR A/c # 5088004 EUR 96.44	-	1,022,829
Brac Bank Ltd GBP A/c # 5088003	-	-
Brac Bank Ltd USD A/c # 5088002 USD 1087.66	1,085	99,553
Agrani Bank Ltd A/c # 139542	2,016	76,034
Agrani Bank Ltd A/c # 650329	2,362	152,587
Al-arafa Islami Bank Ltd , A/c # 6235	156,456	156,951
Social Islami Bank Ltd. A/c # 00161	968,931	868,361
Dutch-Bangla Bank Ltd. A/C # STD -193.11011961	179,094	180,279
Meghna Bank Ltd A/C # STD -1101110143	4,202	4,202
Padma Bank Ltd. A/C # STD -1111008816	2,009	499
First Security Islami Bank Ltd. A/C # STD -11211102511	-	-
National Bank Ltd. A/c # 589	2,549	2,549
Pubali Bank Ltd. A/c # 479	31,596	24,017
Janata Bank 0100236185791	483,405	-
The Farmers Bank Ltd A/c# 3254	-	-
ICB Islami Bank Ltd. A/c # 50310	-	-
Dhaka Bank Ltd. A/c # 4640	261,356	40,075
Uttara Bank Ltd. A/c # 4114	-	-
Uttara Bank Ltd, A/c # 2761	147,547	522,174
IFIC Bank	42,587	-
Dhaka Bank 12166	461,995	-
Agrani Bank Ltd -A/c-177286	661,007	1,313
Social Islami Bank Ltd, A/c-1844	180	132,392
First Security Islami Bank Ltd.-A/c-9656	-	-



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Notes to the Financial Statements**

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22
	First Security Islami Bank Ltd.-A/c-8261	-	-
	First Security Islami Bank Ltd, A/c-9656	-	-
	Agrani Bank Ltd, A/c-14247	4,568	4,568
	Total	<b>5,464,178</b>	<b>4,947,929</b>
	FDR with Al-Arafa Islami Bank Ltd	-	-
	<b>Grand Total</b>	<b>17,665,346</b>	<b>17,679,339</b>

**11.00 Share Capital : Tk. 982,327,500**

**Authorized Capital**

150,000,000 Ordinary Shares of tk 10 each

**1,500,000,000**

**1,000,000,000**

**Issued, Subs.& Paid-up Capital**

98,232,750 shares of tk. 10/- each

982,327,500

982,327,500

**982,327,500**

**982,327,500**

Particular's	% of Holdings	Mar-23	Jun-22
		No. of Shares	No. of Shares
Directors & Sponsors	30.66%	30,113,739	30,113,739
General Public	59.79%	58,738,002	58,738,002
Institutions	9.55%	9,378,996	9,378,996
Foreign Company	0.00%	2,013	2,013
	100.00%	<b>98,232,750</b>	<b>98,232,750</b>

Share holding range in number o	% of Holdings	Mar-23	Jun-22
		No. of Shares March 2023	No. of Shares June 2022
1 - 500	0.34	329,530	329,530
501 - 1000	0.94	922,185	922,185
1001 - 10000	9.16	8,994,490	8,994,490
10001 - 20000	4.97	4,881,024	4,881,024
20001 - 50000	8.05	7,908,086	7,908,086
50001 - 100000	7.97	7,829,372	7,829,372
100001 - 1000000	19.86	19,513,612	19,513,612
1000001 - 5000000	27.02	26,545,545	26,545,545
5000001 - 10000000	7.26	7,131,303	7,131,303
10000001 and Above	14.43	14,177,603	14,177,603
<b>Total</b>	<b>100.00</b>	<b>98,232,750</b>	<b>98,232,750</b>





## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22
<b>12.00 Retained Earnings: Tk 279,063,918</b>			
	This is made up as follows:		
	Opening Balance	216,662,112	197,586,260
	10% Cash Dividend (Excluding Sponsors Directors ) Note 19	(68,704,259)	(9,767,788)
	8% Stock Dividend (909,562,500*8%)		(72,765,000)
	Profit for the year	131,106,064	101,608,640
	<b>Total</b>	<b>279,063,918</b>	<b>216,662,112</b>
<b>13.00 Non Controlling Interest</b>			
	<b>Opening NCI</b>	14,306,005	12,136,744
	<b>NCI on profit this year</b>	2,690,455	2,169,261
		<b>16,996,460</b>	<b>14,306,005</b>
<b>13.01 A. Subsidiary Share Capital : Tk 110,409,400</b>			
	Good CNG Refueling Station Ltd.	8,721,000	8,721,000
	M Hye & Co CNG Refueling Station Ltd.	27,386,400	27,386,400
	Nessa & Sons Ltd.	25,210,500	25,210,500
	Intraco Automobiles Ltd.	26,929,500	26,929,500
	Absar & Elias Enterprise Ltd.	22,162,000	22,162,000
		<b>110,409,400</b>	<b>110,409,400</b>
<b>13.02 B. Intraco Refueling Station Ltd invest to Subsidiary Company: Tk 104,889,244</b>			
	Good CNG Refueling Station Ltd	8,285,000	8,285,000
	M Hye & Co CNG Refueling Station Ltd	26,017,144	26,017,144
	Nessa & Sons Ltd	23,950,000	23,950,000
	Intraco Automobiles Ltd	25,583,100	25,583,100
	Absar & Elias Enterprise Ltd	21,054,000	21,054,000
		<b>104,889,244</b>	<b>104,889,244</b>
<b>13.03 Subsidiary wise Retained earnings: Tk 93,613,515</b>			
	<b>Opening Retained earnings:</b>		
	Good CNG Refueling Station Ltd	38,410,108	37,989,977
	M Hye & Co CNG Refueling Station Ltd	9,598,414	9,031,261
	Nessa & Sons Ltd	17,570,243	17,055,107
	Intraco Automobiles Ltd	7,871,095	7,709,122
	Absar & Elias Enterprise Ltd	20,163,655	19,658,664
		<b>93,613,515</b>	<b>91,444,131</b>



## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22
<b>13.04</b>	<b>Current years profit of subsidiaries: Tk 53,812,164</b>		
	Good CNG Refueling Station Ltd	7,571,200	8,402,601
	M Hye & Co CNG Refueling Station Ltd	18,394,461	11,343,075
	Nessa & Sons Ltd	11,509,444	10,302,712
	Intraco Automobiles Ltd	2,891,709	3,239,464
	Absar & Elias Enterprise Ltd	13,445,350	10,099,829
		<b>53,812,164</b>	<b>43,387,681</b>
<b>14.00</b>	<b>Deferred Tax Liability: Tk. 115,305,926</b>		
	The break-up of the amount is given below:		
	Opening Balance	107,599,235	117,399,947
	Current Year Provision (Annexure-B)	7,706,691	(9,800,712)
	<b>Total</b>	<b>115,305,926</b>	<b>107,599,235</b>
<b>15.00</b>	<b>Long Term Borrowings: Tk 43,339,848</b>		
	This consists of the following;		
	Name of the bank		
	Shahajalal Islami Bank Ltd A/c # 0045	43,679,425	39,378,580
	Interest Payable	339,577	380,921
	<b>Total Term loan</b>	<b>43,339,848</b>	<b>39,759,501</b>
	Less Current Portion of Term Loan		
	Shahajalal Islami Bank Ltd A/c # 0045	-	15,600,000
		-	<b>15,600,000</b>
	<b>Long Term Portion</b>	<b>43,339,848</b>	<b>24,159,501</b>
<b>16.00</b>	<b>Trade and Other Payables : Tk 45,284,424</b>		
	This consists of the following		
	Gas Bill (CMS) Payable	43,316,483	54,368,826
	Gas Bill (Captive) Payable	1,868,147	1,424,873
	IPO subscription Payable (EUR 96.44+USD 1087.66)	99,794	99,794
	<b>Total</b>	<b>45,284,424</b>	<b>55,893,493</b>
<b>17.00</b>	<b>Liabilities for Expenses : Tk 6,708,410</b>		
	This consists of the following		
	Salary & Wages	1,929,074	2,838,924
	Telephone & Mobile bill	25,745	41,379
	Electricity Bill	2,675,117	2,867,175



## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22
	Audit fees	287,500	340,125
	CNG Station Rent	300,650	320,650
	Loan interest Payable	352,360	380,921
	Sharing revenue against Land Rent to Land lord.	1,137,964	1,327,335
	<b>Total</b>	<b>6,708,410</b>	<b>8,116,509</b>
<b>18.00</b>	<b>Workers Profit Participation Fund: Tk. 32,670,212</b>		
	The break-up of the amount is given below:		
	Opening Balance	24,020,163	15,681,846
	Current Year's Provision	8,650,049	8,338,317
	Less: Payment during this period		
	<b>Total</b>	<b>32,670,212</b>	<b>24,020,163</b>
<b>19.00</b>	<b>Dividend Payable : Tk 0</b>		
	A) Dividend payable for non controlling share holders		
	Total Dividend Payable of Subsidiary Company	108,137,103	108,137,103
	Less: Total Receivable of Parent Company	108,137,103	108,137,103
	Dividend payable for Non controlling share holders	-	-
	B) Dividend payable for Ordinary share holders 10% cash	<b>68,704,259</b>	
	Less: Dividend paid	<b>68,704,259</b>	
		-	-
<b>19.01</b>	<b>Unclaimed Dividend Account Tk. 770,384</b>		
	Opening Balance	770,384	977,215
	Add: Cash Dividend Declared except Sponsor Director		9,767,788
	Less: Paid during the year		(9,974,619)
	<b>Closing Balance</b>	<b>770,384</b>	<b>770,384</b>
<b>20.00</b>	<b>Provision for Income Tax : Tk 247,670,488</b>		
	This has been arrived as at under;		
	Opening Balance	220,672,719	217,296,799
	Less: Adjustment after assessment	-	-
	Total	220,672,719	217,296,799
	Paid during the period	(4,500,000)	(28,216,482)
	Add : Provision during the year	31,497,769	31,592,403
		<b>247,670,488</b>	<b>220,672,720</b>



## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		31-Mar-23	30-Jun-22
<b>21.00 Net Asset Value (NAV) Per Share:</b>			
Total Asset		1,770,103,230	1,670,127,622
Less: Total Liability		491,749,692	456,832,005
Less: Non Controlling Interest		16,996,460	14,306,005
Net Asset		<u>1,261,357,078</u>	<u>1,198,989,612</u>
No. of ordinary share		<u>98,232,750</u>	<u>98,232,750</u>
Net Asset Value per share		<b>12.84</b>	<b>12.21</b>



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Notes to the Financial Statements**

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		01.07.2022 to 31.03.2023	01.07.2021 to 31.03.2022

**22.00 Turnover: Tk. 951,206,645**

This consists of the following

Sales Revenue	1,176,351,977	924,101,800
Less: Sharing revenue	15,390,915	14,960,688
	<b>1,160,961,062</b>	<b>909,141,112</b>

**23.00 Cost of Sales : Tk. 951,206,645**

Gas Bill (Compressor )	812,048,180	672,549,577
Gas Bill (Captive/Engine )	22,043,586	21,104,269
Spare parts consumption	5,333,065	5,128,286
Maintenance & Lubricants Expenses	7,779,187	6,919,514
Electricity Bill	33,463,781	31,374,547
Repair and Maintenance		
Station Rent	2,849,315	3,088,792
Salary & Wages	21,873,993	21,744,525
Depreciation	45,815,539	31,495,438
<b>Total</b>	<b>951,206,645</b>	<b>793,404,949</b>

**24.00 Administrative & Selling Expenses: Tk. 24,935,390**

The break-up of the amount is given below:

Salary & Allowances	11,713,158	12,225,009
Travelling & Conveyance	1,107,603	1,226,011
Printing & Stationery	851,721	766,402
Entertainment	319,714	320,141
Telephone & Mobile expense	568,604	584,696
Water bill	53,896	9,620
Bank Charge & Commission	183,150	194,622
Office Rent	1,238,967	1,310,298
Utility & Service charge	536,873	486,111
Vacant Land Rent	215,405	213,013
Electricity bill	215,170	202,935
Wasa bill	-	20,469
Postage & Courier	117,632	134,884
Gas & Fuel expenses-vehicle	371,775	326,602



## Intraco Refueling Station Ltd & Its Subsidiaries

### Notes to the Financial Statements

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		01.07.2022 to 31.03.2023	01.07.2021 to 31.03.2022
	Vehicle maintenance	270,670	273,725
	Insurance Premium Station	-	-
	Insurance Premium Vehicle	-	-
	Paper & Periodicals	43,072	19,730
	Office Maintenance Expense	99,092	106,720
	Employees welfare expense	30,467	30,051
	Group Insurance	-	-
	Internet expense	243,697	236,198
	Registration & Renewals	320,079	322,017
	Food bill	184,294	183,123
	Overtime bill	131,975	107,927
	Audit fees with VAT	767,273	433,492
	Vat on office rent	216,441	197,439
	Other Expenses	329,993	347,661
	Depreciation	4,804,672	3,489,824
	<b>Total</b>	<b>24,935,390</b>	<b>23,768,720</b>
<b>25.00</b>	<b>Financial Expenses: Tk. 3,167,997</b>		
	Shahajalal Islami Bank Ltd.	3,167,997	3,245,551
	<b>Total</b>	<b>3,167,997</b>	<b>3,245,551</b>
<b>26.00</b>	<b>Non Operating Income: Tk. 0</b>		
	Bank Interest	-	-
	Dividend Income	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>
<b>27.00</b>	<b>Non Controlling interest: Tk. 53,812,164</b>		
	Subsidiaries net profit (Note # 27.01)	53,812,164	25,164,407
	Non-Controlling Interest @4.9997156% of NPAT	<b>2,690,455</b>	<b>1,258,149</b>
<b>27.01</b>	<b>Subsidiaries net profit:</b>		
	Good CNG Refueling Station Ltd	7,571,200	3,850,770
	M Hye & Co CNG Refueling Station Ltd	18,394,461	6,938,072
	Nessa & Sons Ltd	11,509,444	5,006,924
	Intraco Automobiles Ltd	2,891,709	4,239,416



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Notes to the Financial Statements**

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		01.07.2022 to 31.03.2023	01.07.2021 to 31.03.2022
	Absar & Elias Enterprise Ltd	13,445,350	5,129,225
		<b>53,812,164</b>	<b>25,164,407</b>
<b>28.00</b>	<b>Basic Earnings Per Share:</b>		
	The composition of earnings per shares (EPS) is given below:		
	Profit after tax	131,106,064	72,039,978
	Average number of ordinary shares outstanding during the period # Note # 28.01	98,232,750	98,232,750
	Earnings per share Basic :	<u>1.33</u> #	<u>0.73</u>
<b>28.01</b>	<b>Calculation of Average Number of Shares:</b>		
		<u>Days of Utilization of Shares</u> <u>Days of Whole Year</u>	
	Allotment of Shares up to March 23		
		274	274
	98,232,750                      X	274	274
		98,232,750	98,232,750
		274	274
		274	98,232,750
	x	<u>98,232,750</u>	<u>98,232,750</u>
	<b>Total Weighted Average Number of Shares</b>	98,232,750	98,232,750
<b>29.00</b>	<b>Net operating cash flows per Shares ( NOCFPS):</b>		
	The Computation of NOCFPS is given below:		
	Net Cash Generated from Operating Activities	<b>180,401,175</b>	<b>99,743,955</b>
	Number of Shares outstanding during the period	98,232,750	98,232,750
	<b>Net Operating Cash Flows per Share (NOCFPS)</b>	<b>1.84</b> #	<b>1.02</b>
<b>30.00</b>	<b>Reconciliation of net profit with cash flows from operating activities</b>		
	Net Profit/(Loss) after	173,000,980	81,996,009
	Add: Depreciation	50,620,211	22,003,495
	Add: Finance Cost	3,167,997	-
	Add: Spare parts	2,214,559	3,614,130
	Less: Non Operating Income	-	-
	(Increase)/Decrease in prepayments	(36,289,775)	(1,455,099)
	(Increase)/Decrease in Receivable	(4,287,690)	15,741,555
	(Increase)/Decrease in Inventory	3,064,137	(5,015,780)



**Intraco Refueling Station Ltd & Its Subsidiaries**  
**Notes to the Financial Statements**

For the period ended from July 01, 2022 to March 31, 2023

Notes	Particulars	Consolidated	
		Amounts in Taka	
		01.07.2022 to 31.03.2023	01.07.2021 to 31.03.2022
	Increase/(Decrease) in payable	(10,609,069)	(22,870,751)
	Increase/(Decrease) in Liabilities for Expenses	7,229,167	(1,562,008)
	Interest paid	(3,209,342)	-
	Tax paid	(4,500,000)	(4,115,013)
		180,401,175	88,336,537

**31.00 Disclosure as per requirement of para 4, part II, schedule XI of the Companies Act, 1994:**

a) Managerial Remuneration paid or payable during the financial year to the directors, including managing director, a managing agent or manager.	Nil	Nil
b) Expenses reimbursed to the managing agent;	Nil	Nil
c) Commission or other remuneration payable separately to a managing agent or his associate;	Nil	Nil
d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.;	Nil	Nil
e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil	Nil
f) Any other perquisites or benefits in cash or in kind stating, approximate money value where practicable;	Nil	Nil
g) Other allowances and commission including guarantee commission.	Nil	Nil
h) Pensions etc.	Nil	Nil
(i) Pensions	Nil	Nil
(ii) Gratuities	Nil	Nil
(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil	Nil
(iv) Compensation for loss of office	Nil	Nil
(v) Consideration in connection with retirement from office.	Nil	Nil



**INTRACO REFUELING STATION LTD & ITS SUBSIDIARIES**  
**Schedule of Property, Plant & Equipment**  
**As at March 31, 2023**

**Annexure-A**

Particulars	Cost			Rate of Dep.	Depreciation			Written down value as on 31-Mar-23
	Balance as on 01-Jul-22	Addition during the period	Balance as on 31-Mar-23		Balance as on 01-Jul-22	Charged during the period	Balance as on 31-Mar-23	
Land	171,746,700	-	171,746,700	-	-	-	-	171,746,700
Land Development	44,071,632	34,703,587	78,775,219	5%	5,407,677	2,988,332	8,396,010	70,379,209
Vehicle	19,378,387	-	19,378,387	10%	9,474,631	990,376	10,465,006	8,913,381
Furniture & fixture	22,368,865	-	22,368,865	10%	8,604,038	1,376,483	9,980,521	12,388,344
Office Equipment	8,088,371	1,258,475	9,346,846	10%	2,657,332	606,028	3,263,359	6,083,487
Building & Other Construction	275,614,668	85,691,337	361,306,005	5%	58,052,111	13,369,058	71,421,169	289,884,836
Plant & Machineries	688,576,328	37,742,259	726,318,587	5%	262,760,535	22,258,988	285,019,523	441,299,064
Backup Storage (With Vehicle)	17,367,667	-	17,367,667	5%	4,030,824	666,842	4,697,667	12,670,000
Generator	15,740,642	-	15,740,642	10%	7,200,431	854,021	8,054,452	7,686,190
Gas Line Installation	41,898,042	-	41,898,042	10%	17,469,656	2,442,839	19,912,495	21,985,547
Computer	5,824,312	-	5,824,312	10%	1,810,427	401,389	2,211,815	3,612,497
Online UPS	11,909,510	-	11,909,510	10%	4,561,167	734,834	5,296,001	6,613,509
Invertor	5,433,715	-	5,433,715	10%	1,904,065	352,965	2,257,030	3,176,685
Electrical Installation	47,738,682	-	47,738,682	10%	22,667,731	2,507,095	25,174,826	22,563,856
Fire Extinguisher	1,104,606	-	1,104,606	10%	594,722	50,988	645,710	458,896
Tube well	176,088	-	176,088	10%	113,543	6,254	119,798	56,290
Air Compressor	2,739,675	-	2,739,675	10%	1,141,241	159,843	1,301,084	1,438,591
Digital Meter	21,203	-	21,203	10%	11,079	1,012	12,091	9,112
Cylinder	10,799,160	-	10,799,160	10%	2,270,523	852,864	3,123,387	7,675,773
<b>Balance as at March 31, 2023</b>	<b>1,390,598,253</b>	<b>159,395,658</b>	<b>1,549,993,911</b>		<b>410,731,733</b>	<b>50,620,211</b>	<b>461,351,943</b>	<b>1,088,641,968</b>

**Allocation of Depreciation:**

Administrative cost	4,804,672
Factory cost	45,815,539
<b>Total</b>	<b><u>50,620,211</u></b>



## Section 14: Brief Overview and Comparative Financial Statements

### a. Consolidated Balance Sheet

Intraco Refueling Station Ltd & Its Subsidiaries							
Consolidated Statement of Financial Position							
As at							
Amount in Taka	31 <sup>st</sup> March-23	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18	30-Jun-2017
Property, Plant & Equipment	1,088,641,967	979,866,520	935,848,589	933,243,539	872,895,473	804,118,999	740,282,547
Stock of Machineries	52,120,000	64,620,000	89,620,000	89,620,000	89,620,000	89,620,000	89,620,000
Capital Work-In-Progress	389,310,733	423,088,349	392,685,744	37,862,180	41,949,510	20,641,015	30,079,462
<b>Total Non-Current Assets</b>	<b>1,530,072,700</b>	<b>1,467,574,869</b>	<b>1,418,154,333</b>	<b>1,060,725,719</b>	<b>1,004,464,983</b>	<b>914,380,014</b>	<b>859,982,010</b>
Inventories	29,940,107	33,004,244	33,030,749	14,512,888	15,614,027	13,392,479	11,023,248
Trade Receivables	6,849,880	2,562,190	10,124,948	10,924,374	13,983,983	12,211,289	11,477,851
Advance, deposit & pre-payments	185,575,197	149,306,979	125,827,776	147,598,671	126,433,249	73,561,886	43,169,465
Cash & cash equivalent	17,665,346	17,679,339	7,144,046	273,975,004	267,817,262	306,820,608	17,123,697
<b>Total Current Assets</b>	<b>240,030,531</b>	<b>202,552,753</b>	<b>176,127,519</b>	<b>447,010,936</b>	<b>423,848,521</b>	<b>405,986,262</b>	<b>82,794,261</b>
<b>TOTAL ASSETS</b>	<b>1,770,103,230</b>	<b>1,670,127,622</b>	<b>1,594,281,853</b>	<b>1,507,736,655</b>	<b>1,428,313,504</b>	<b>1,320,366,276</b>	<b>942,776,271</b>
<b>SHARE HOLDERS' EQUITY</b>							
Share Capital	982,327,500	982,327,500	909,562,500	866,250,000	787,500,000	750,000,000	450,000,000
Retained Earnings	279,063,918	216,662,112	197,586,260	197,576,914	228,897,266	212,873,978	174,232,812
<b>Equity attributable to owners of the Company</b>	<b>1,261,391,418</b>	<b>1,198,989,612</b>	<b>1,107,148,760</b>	<b>1,063,826,914</b>	<b>1,016,397,266</b>	<b>962,873,978</b>	<b>624,232,812</b>
Non-Controlling Interest	16,996,460	14,306,005	12,136,744	10,966,285	12,204,633	11,375,984	13,518,923
<b>Total Equity</b>	<b>1,278,387,878</b>	<b>1,213,295,617</b>	<b>1,119,285,505</b>	<b>1,074,793,199</b>	<b>1,028,601,899</b>	<b>974,249,962</b>	<b>637,751,735</b>
Deferred Tax Liability	115,305,926	107,599,234	117,399,947	118,563,505	105,189,227	90,414,199	82,086,547

Long Term Borrowings	43,339,848	24,159,501	39,378,580	45,766,318	32,521,620	32,148,585	51,722,992
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>158,645,774</b>	<b>131,758,735</b>	<b>156,778,527</b>	<b>164,329,823</b>	<b>137,710,847</b>	<b>122,562,783</b>	<b>133,809,538</b>
Current portion of Long-Term Borrowings	-	15,600,000	15,600,000	8,259,794	21,504,492	22,429,203	19,708,755
Trade & Others Payables	45,284,424	55,893,493	54,402,978	37,327,586	59,174,572	64,978,521	57,333,698
Liabilities for expenses	6,674,070	8,116,509	11,977,701	16,250,232	10,676,025	9,698,075	8,429,195
Workers Profit Participation fund	32,670,212	24,020,163	15,681,846	15,362,652	15,285,600	13,126,808	8,759,186
Dividend Payable	-	-	3,258,495	3,803,639	-	2,491,255	-
Unclaimed Dividend Account	770,384	770,384	-	-	2,955,062	-	-
Provision for Tax	247,670,488	220,672,721	217,296,799	187,609,731	152,405,007	110,829,669	76,984,165
<b>TOTAL CURRENT LIABILITIES</b>	<b>333,069,578</b>	<b>325,073,269</b>	<b>318,217,821</b>	<b>268,613,633</b>	<b>262,000,758</b>	<b>223,553,530</b>	<b>171,214,998</b>
<b>TOTAL LIABILITIES</b>	<b>491,715,352</b>	<b>456,832,005</b>	<b>474,996,347</b>	<b>432,943,457</b>	<b>399,711,605</b>	<b>346,116,314</b>	<b>305,024,537</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,770,103,230</b>	<b>1,670,127,622</b>	<b>1,594,281,853</b>	<b>1,507,736,655</b>	<b>1,428,313,504</b>	<b>1,320,366,276</b>	<b>942,776,271</b>
<b>Net Asset Value (NAV)</b>	12.84	12.21	12.17	12.28	12.91	12.84	13.87

Table 14: Consolidated Comparative Balance sheet

### b. Consolidated Profit & Loss Account

Intraco Refueling Station Ltd & Its Subsidiaries							
Consolidated Statement of Profit or Loss							
As at							
Amount in Taka	31 <sup>st</sup> March-23	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-2019	30-Jun-2018	30-Jun-2017
Sales Revenue	1,160,961,062	1,080,946,281	955,855,633	895,506,819	1,146,773,514	1,138,516,922	993,352,993
Cost of Sales	951,206,645	900,853,529	803,094,520	769,224,039	953,026,294	973,754,845	842,863,052
<b>Gross Profit</b>	<b>209,754,416</b>	<b>180,092,752</b>	<b>152,761,112</b>	<b>126,282,780</b>	<b>193,747,220</b>	<b>164,762,077</b>	<b>150,489,941</b>

Administrative & selling Expenses	24,935,390	41,311,168	40,781,184	29,734,395	36,622,195	41,509,343	37,311,035
<b>Profit from Operation</b>	<b>184,819,026</b>	<b>138,781,584</b>	<b>111,979,928</b>	<b>96,548,385</b>	<b>157,125,025</b>	<b>123,252,733</b>	<b>113,178,906</b>
Financial Expenses	3,167,997	4,873,677	3,979,929	6,620,725	5,901,310	7,975,041	10,043,432
Non-Operating Income	-	-	4,388,052	16,788,715	12,380,549	2,247,941	2,632
<b>Net Profit Before Tax</b>	<b>181,651,029</b>	<b>133,907,907</b>	<b>112,388,051</b>	<b>106,716,376</b>	<b>163,604,264</b>	<b>117,525,633</b>	<b>103,138,106</b>
Workers Profit Participation Fund (WPPF)	8,650,050	8,338,317	7,299,011	8,104,896	10,034,805	9,845,017	4,911,338
<b>Net Profit After WPPF</b>	<b>173,000,980</b>	<b>125,569,590</b>	<b>105,089,040</b>	<b>98,611,480</b>	<b>153,569,459</b>	<b>107,680,616</b>	<b>98,226,768</b>
<b>Income Tax Expense</b>	<b>39,204,460</b>	21,791,690	<b>30,561,899</b>	<b>49,079,002</b>	<b>59,237,341</b>	<b>46,083,160</b>	<b>34,379,369</b>
Current Tax	31,497,769	31,592,403	31,725,457	35,704,723	44,462,314	37,755,508	17,060,618
Deferred Tax	7,706,691	(9,800,712)	(1,163,558)	13,374,278	14,775,028	8,327,652	17,318,751
<b>Net profit after tax</b>	<b>133,796,519</b>	103,777,900	<b>74,527,141</b>	<b>49,532,478</b>	<b>94,332,118</b>	<b>61,597,455</b>	<b>63,847,399</b>
Non-Controlling Interest @4.9997156% of NPAT	2,690,455	2,169,261	1,170,459	2,102,830	3,308,829	2,552,540	2,558,474
<b>Profit for Ordinary Shareholders</b>	<b>131,106,064</b>	101,608,639	<b>73,356,682</b>	<b>47,429,648</b>	<b>91,023,288</b>	<b>59,044,916</b>	<b>61,288,925</b>
<b>Basic Earnings Per Share (EPS)</b>	<b>1.33</b>	<b>1.03</b>	<b>0.81</b>	<b>0.52</b>	<b>1.05</b>	<b>1.08</b>	<b>1.36</b>

Table 15: Consolidated Comparative Profit & Loss Account

### c. Consolidated Cash Flow Statement

Intraco Refueling Station Ltd & Its Subsidiaries						
Consolidated Statement of Cash Flows						
As at						
	Amount in taka					
Particulars	31 <sup>st</sup> March-23	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-2019	30-Jun-2018
Cash received from customers	1,156,673,372	1,088,509,039	971,824,285	910,737,492	1,160,069,614	1,155,147,250
Received from other income	-	-	4,388,052	16,788,715	12,380,549	2,247,941

Cash Payments to suppliers	(888,847,487)	(828,184,680)	(716,457,931)	(725,525,414)	(893,998,414)	(903,277,368)
Cash Payments to employees	(34,497,001)	(54,212,156)	(57,941,623)	(49,759,948)	(55,395,473)	(53,647,913)
Cash Payments to others	(45,218,367)	(36,174,092)	(1,116,222)	(32,467,195)	(34,051,010)	(59,225,814)
<b>Cash generated from operations</b>	188,110,517	<b>169,938,110</b>	<b>200,696,560</b>	<b>119,773,649</b>	<b>189,005,265</b>	<b>141,244,097</b>
Cash payments for financial expenses	(3,209,342)	(4,893,427)	(9,421,063)	-	(3,586,324)	(7,975,041)
Paid for income tax	(4,500,000)	(28,216,482)	(3,687,047)	(12,302,410)	(11,037,181)	(12,661,649)
<b>Net cash from operating activities</b>	<b>180,401,175</b>	<b>136,828,201</b>	<b>187,588,450</b>	<b>107,471,239</b>	<b>174,381,760</b>	<b>120,607,406</b>
Paid for Property, plant & equipment Purchase	(111,147,450)	(64,343,813)	(46,760,814)	(30,137,274)	(54,028,440)	(43,568,592)
Paid for L/C Margin (Capital Machineries)	-	-	-	-	(34,983,110)	-
Receive from subsidiary company against spare parts	-	-	1,777,120	-	-	-
Paid for spare parts purchase	(563,460)	(5,030,292)	(21,890,735)	(26,382,822)	(41,834,182)	(26,726,505)
Paid for Capital work-in-Progress	-	-	(356,012,534)	(42,300,800)	(42,471,325)	(21,153,465)
<b>Net cash used in investing activities</b>	<b>(111,710,910)</b>	<b>(69,374,105)</b>	<b>(422,886,963)</b>	<b>(98,820,896)</b>	<b>(173,317,057)</b>	<b>(91,448,562)</b>
Paid long term loan	-	(46,944,185)	(952,468)	-	(551,676)	(16,853,959)
Received of Cash Dividend	-	-	20,140,102	-	-	-
Paid for Cost of Equity	-	-	-	-	-	(20,403,750)
Received from Share Issues	-	-	-	-	-	300,000,000
Paid cash dividend for NCI	-	-	-	-	-	(2,204,224)
Paid for cash dividend	(68,704,259)	(9,974,619)	(50,720,081)	(2,492,601)	(39,516,373)	-
<b>Net cash provided by financing activities</b>	<b>(68,704,259)</b>	<b>(56,918,804)</b>	<b>(31,532,447)</b>	<b>(2,492,601)</b>	<b>(40,068,049)</b>	<b>260,538,067</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>(13,994)</b>	<b>10,535,293</b>	<b>(266,830,959)</b>	<b>6,157,742</b>	<b>(39,003,346)</b>	<b>289,696,911</b>
<b>Opening Cash and Cash Equivalents</b>	17,679,339	7,144,046	273,975,004	267,817,262	306,820,608	17,123,697

<b>Closing Cash and Cash Equivalents</b>	<b>17,665,345</b>	<b>17,679,342</b>	<b>7,144,046</b>	<b>273,975,004</b>	<b>267,817,262</b>	<b>306,820,608</b>
<b>Net Operating Cash Flow Per Share</b>	<b>1.84</b>	<b>1.39</b>	<b>2.06</b>	<b>1.18</b>	<b>2.01</b>	<b>2.20</b>

Table 16: Comparative Cash Flow Statement

#### d. Solo Balance Sheet

<b>INTRACO REFUELING STATION LTD</b>						
<b>Statement of Financial Position (Stand Alone)</b>						
<b>Particulars</b>	<b>Amount in Taka</b>					
	<b>31-Mar-2023</b>	<b>30-Jun-2022</b>	<b>30-Jun-2021</b>	<b>30-Jun-2020</b>	<b>30-Jun-19</b>	<b>30-Jun-18</b>
<b>ASSETS</b>						
Property, Plant & Equipment	574,361,482	515,018,811	487,898,316	487,292,890	431,780,376	388,158,704
Stock of Machineries	52,120,000	64,620,000	89,620,000	89,620,000	89,620,000	89,620,000
Capital Work-In-Progress	384,308,103	418,085,719	386,360,614	34,311,939	41,949,510	20,641,015
<b>Total Non-Current Assets</b>	<b>1,010,789,585</b>	<b>997,724,530</b>	<b>963,878,930</b>	<b>611,224,829</b>	<b>563,349,886</b>	<b>498,419,719</b>
Investment in Share	104,889,244	104,889,244	104,889,244	104,889,244	104,889,244	104,889,244
Inventories	29,940,107	33,004,244	33,030,749	14,512,888	15,614,027	13,392,479
Trade & Other Receivables	3,811,505	755,257	312,962	406,569	624,950	443,065
Dividend Receivable	108,137,103	108,137,103	64,637,526	43,886,442	26,626,645	47,336,845
Advances, Deposits & Pre-payments	100,086,380	76,205,367	68,954,613	111,057,047	89,891,625	37,020,262
Cash & Cash Equivalents	8,937,146	8,147,779	3,809,662	261,874,774	253,574,132	292,232,065
<b>Total Current Assets</b>	<b>250,912,241</b>	<b>226,249,751</b>	<b>170,745,511</b>	<b>431,737,720</b>	<b>386,331,379</b>	<b>390,424,716</b>
<b>Total Assets</b>	<b>1,366,591,070</b>	<b>1,328,863,525</b>	<b>1,239,513,685</b>	<b>1,147,851,793</b>	<b>1,054,570,509</b>	<b>993,733,679</b>
<b>EQUITY AND LIABILITIES</b>						
Share Capital	982,327,500	982,327,500	909,562,500	866,250,000	787,500,000	750,000,000
Retained Earnings	143,092,989	131,812,893	112,758,721	94,098,247	101,888,316	101,609,904
<b>Total Equity</b>	<b>1,125,420,489</b>	<b>1,114,140,393</b>	<b>1,022,321,221</b>	<b>960,348,247</b>	<b>889,388,316</b>	<b>851,609,904</b>
Deferred Tax Liability	34,278,226	30,802,300	34,113,968	32,645,733	26,534,161	21,082,130
Long term Borrowings -Net of Current Portion	43,339,848	24,159,501	39,378,580	45,766,318	32,521,620	32,148,585
<b>NON-CURRENT LIABILITIES</b>	<b>77,618,074</b>	<b>54,961,801</b>	<b>73,492,548</b>	<b>78,412,051</b>	<b>59,055,781</b>	<b>53,230,715</b>

Current portion of long-term Loan	-	15,600,000	15,600,000	8,259,794	21,504,492	22,429,203
Trade and other payables	19,551,728	19,452,127	15,271,751	9,684,984	20,588,119	23,450,720
Dividend Payable	-	-	977,215	462,461	474,882	-
Liabilities for expenses	3,086,020	4,050,335	3,838,567	11,603,880	5,713,206	3,526,921
Unclaimed Dividend Account	770,384	770,384	-	-	-	-
Workers Profit Participation fund	19,921,823	14,982,958	9,060,198	7,041,952	6,127,570	5,917,809
Provision for Tax	120,222,552	104,905,528	98,952,185	72,038,424	51,718,142	33,568,406
<b>Total Current Liabilities</b>	<b>163,552,507</b>	<b>159,761,332</b>	<b>143,699,915</b>	<b>109,091,495</b>	<b>106,126,411</b>	<b>88,893,059</b>
<b>Total Liabilities</b>	<b>241,170,581</b>	<b>214,723,133</b>	<b>217,192,463</b>	<b>187,503,547</b>	<b>165,182,192</b>	<b>142,123,774</b>
<b>Total Equity and Liabilities</b>	<b>1,366,591,070</b>	<b>1,328,863,525</b>	<b>1,239,513,685</b>	<b>1,147,851,793</b>	<b>1,054,570,509</b>	<b>993,733,678</b>
<b>Net Asset Value (NAV)</b>	<b>11.46</b>	<b>11.34</b>	<b>11.24</b>	<b>11.09</b>	<b>11.29</b>	<b>11.35</b>

Table 17: Comparative Balance sheet (Stand Alone)

#### e. Solo Profit & Loss Account

INTRACO REFUELING STATION LTD							
Statement of Profit or Loss and Other Comprehensive Income (Stand Alone)							
As at							
S L	Amount in Taka	31-Mar- 2023	30-Jun-2022	30-Jun-2021	30-Jun-2020	30-Jun-19	30-Jun-18
A	Sales Revenue	561,337,009	582,878,113	571,080,688	291,157,186	369,528,195	393,349,063
B	Less: Cost of Sales	441,034,293	477,865,748	469,086,298	245,214,372	299,020,167	329,728,727
C	<b>Gross Profit (A-B)</b>	<b>120,302,716</b>	<b>105,012,365</b>	<b>101,994,390</b>	<b>45,942,814</b>	<b>70,508,028</b>	<b>63,620,336</b>
D	Administrative & Selling Expenses	13,418,548	16,979,017	16,884,403	17,335,874	<b>20,289,723</b>	<b>22,838,964</b>
E	Financial Expenses	3,167,997	4,873,677	3,979,929	6,620,725	5,901,310	7,975,041
F	<b>Profit from Operation (C-D-E)</b>	<b>103,716,171</b>	<b>83,159,671</b>	<b>81,130,058</b>	<b>21,986,216</b>	<b>44,316,995</b>	<b>32,806,332</b>
G	Other Income	-	41,218,297	45,279,238	80,275,157	59,507,194	91,467,672
H	<b>Net Profit before tax F+G)</b>	<b>103,716,171</b>	<b>124,377,967</b>	<b>126,409,296</b>	<b>102,261,373</b>	<b>103,824,189</b>	<b>124,274,004</b>

<b>I</b>	Workers Profit Participation Fund (WPPF)	4,938,865	5,922,760	6,019,490	4,869,589	<b>4,944,009</b>	<b>5,917,810</b>
<b>J</b>	<b>Net Profit After WPPF (H-I)</b>	<b>98,777,306</b>	<b>118,455,207</b>	<b>120,389,806</b>	<b>97,391,784</b>	<b>98,880,180</b>	<b>118,356,194</b>
<b>K</b>	<b>Income Tax Expenses</b>	<b>18,792,950</b>	<b>16,868,248</b>	<b>28,381,996</b>	<b>26,431,854</b>	<b>23,601,768</b>	<b>18,592,706</b>
	Current Tax	15,317,024	20,179,916	26,913,761	20,320,282	<b>18,149,736</b>	<b>20,384,321</b>
	Deferred Tax Expense	3,475,926	(3,311,668)	1,468,235	6,111,572	<b>5,452,031</b>	<b>(1,791,615)</b>
<b>L</b>	<b>Net Profit After Tax (J-K)</b>	<b>79,984,356</b>	<b>101,586,959</b>	<b>92,007,810</b>	<b>70,959,930</b>	<b>75,278,412</b>	<b>99,763,488</b>
<b>M</b>	Other Comprehensive Income	-	-	-	-	-	-
<b>N</b>	<b>Total Comprehensive Income (L+M)</b>	<b>79,984,356</b>	<b>101,586,959</b>	<b>92,007,810</b>	<b>70,959,930</b>	<b>75,278,412</b>	<b>99,763,488</b>
<b>O</b>	<b>Earnings Per Share (EPS)</b>	<b>0.81</b>	<b>1.03</b>	<b>1.01</b>	<b>0.78</b>	<b>0.87</b>	<b>1.82</b>

Table 18: : Comparative Income Statement (Stand Alone)

#### f. Solo Cash Flow Statement

<b>INTRACO REFUELING STATION LTD</b>							
<b>Statement of Cash Flows (Stand Alone)</b>							
<b>As at</b>							
	<b>Amount in Taka</b>	<b>31-Mar-2023</b>	<b>30-Jun-2022</b>	<b>30-Jun-2021</b>	<b>30-Jun-2020</b>	<b>30-Jun-19</b>	<b>30-Jun-18</b>
	Cash received from customers	558,280,761	582,435,818	581,111,570	295,447,728	374,999,163	400,378,012
	Receipts from other income	-	-	4,388,052	16,788,715	12,380,549	2,247,941
	Cash Payments to suppliers	(403,985,893)	(438,550,536)	(431,780,201)	(229,937,071)	(277,757,405)	(302,997,858)
	Cash Payments to employees	(16,911,873)	(21,045,995)	(24,015,269)	(21,448,329)	(23,316,804)	(18,599,541)
	Cash Payments to others	(30,163,333)	(14,692,495)	27,116,170	(21,849,883)	(16,606,559)	(27,157,590)
	<b>Cash generated from operation</b>	<b>107,219,662</b>	<b>108,146,792</b>	<b>156,820,322</b>	<b>39,001,161</b>	<b>69,698,944</b>	<b>53,870,963</b>
	Cash payments for financial expenses	(3,209,342)	(4,893,427)	(9,421,063)	-	(3,586,324)	(7,975,041)
	Paid for Income Tax	-	(14,226,573)	(2,148,658)	(11,802,410)	(11,037,181)	(10,985,149)
<b>A</b>	<b>Net cash generated by operating activities</b>	<b>104,010,320</b>	<b>89,026,793</b>	<b>145,250,600</b>	<b>27,198,751</b>	<b>55,075,439</b>	<b>34,910,773</b>
	Acquisition of Property, Plant & Equipment	(33,953,235)	(22,739,580)	(19,632,007)	(18,491,745)	(28,802,358)	(25,730,123)



	Receive from subsidiary company against spare parts	-	-	1,777,120	18,512,794	24,097,551	18,359,945
	Paid for spare parts purchase	(563,460)	(5,030,292)	(21,890,735)	(26,382,822)	(34,983,110)	(26,726,505)
	Paid for L/C Margin (Capital Machineries)	-	-	-	-	(41,834,182)	-
	Paid for Capital work-in-Progress	-	<b>(27,769,872)</b>	(353,237,645)	(38,750,559)	(42,471,325)	(21,153,465)
<b>B</b>	<b>Net cash used in investing activities</b>	<b>(34,516,695)</b>		<b>(392,983,267)</b>	<b>(65,112,332)</b>	<b>(123,993,424)</b>	<b>(55,250,148)</b>
	Paid long term loan		(46,944,185)	(952,468)	-	(551,676)	(16,853,959)
	Paid for Cost of Equity	-	-	-	-	-	(20,403,750)
	Paid cash dividend	(68,704,259)	(9,974,619)	(29,520,081)	(12,421)	(37,025,118)	
	Received from Share Issues	-	-	-	-	-	300,000,000
	Received of Cash Dividend from Subsidiary	-	-	20,140,102	46,226,645	67,836,845	41,882,886
<b>C</b>	<b>Net cash provided by financing activities</b>	<b>789,366</b>	(56,918,804)	<b>(10,332,447)</b>	<b>46,214,224</b>	<b>30,260,051</b>	<b>304,625,177</b>
<b>D</b>	<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>8,147,779</b>	<b>4,338,117</b>	<b>(258,065,113)</b>	<b>8,300,642</b>	<b>(38,657,934)</b>	<b>284,285,802</b>
<b>E</b>	<b>Cash &amp; cash equivalents at the beginning of the period</b>	<b>8,937,146</b>	<b>3,809,662</b>	<b>261,874,774</b>	<b>253,574,132</b>	<b>292,232,065</b>	<b>7,946,264</b>
<b>F</b>	<b>Cash &amp; cash equivalents at the end of the period (D+E)</b>	<b>1.06</b>	<b>8,147,779</b>	<b>3,809,661</b>	<b>261,874,774</b>	<b>253,574,132</b>	<b>292,232,065</b>
<b>G</b>	<b>Net Operating Cash Flow Per Share</b>	<b>789,366</b>	<b>0.91</b>	<b>1.60</b>	<b>0.30</b>	<b>0.64</b>	<b>0.64</b>

Table 19: : Comparative Cash Flow Statement (Stand Alone)

### Section 15: Ratios for the Last Five Years

Particulars	31-Mar-23	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19
<b>I. Liquidity Ratios:</b>					
(i) Current Ratio	0.72	0.62	0.55	1.66	1.62
(ii) Quick Ratio	0.07	0.06	(0.50)	1.06	1.08
<b>II. Operating Efficiency Ratios:</b>					
(i) Accounts Receivable Turnover Ratio	246.70	166.17	90.82	71.90	87.56
(ii) Inventory Turnover Ratio	30.22	22.01	33.78	51.07	65.71
(iii) Asset Turnover Ratio	0.67	0.65	0.62	0.61	0.83
<b>III. Profitability Ratios:</b>					
(i) Gross Margin Ratio	18.1%	16.7%	16.0%	14.1%	16.9%
(ii) Operating Income Ratio	15.9%	12.8%	11.7%	10.8%	13.7%
(iii) Net Income Ratio (before tax)	15.6%	12.4%	11.8%	11.9%	14.3%
(iv) Net Income Ratio	11.5%	9.6%	7.8%	5.5%	8.2%
(v) Return on Assets	7.8%	6.3%	4.8%	3.4%	6.9%
(vi) Return on Equity	10.5%	8.6%	6.7%	4.6%	9.2%
(vii) Basic Earnings Per Share (EPS)	1.33	1.03	0.81	0.52	1.05
(viii) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	20.3%	17.2%	16.5%	14.7%	14.5%
<b>IV. Solvency Ratios:</b>					
(i) Debt to Total Assets Ratio	0.28	0.27	0.30	0.29	0.28
(ii) Debt to Equity Ratio (Prior Issuance)	0.39	0.38	0.43	0.41	0.39
(iii) Times Interest Earned Ratio	58.34	28.48	28.14	14.58	26.63
(iv) Debt Service Coverage Ratio	4.26	3.49	2.04	1.79	2.91
(v) Debt to Total Tangible Asset Ratio	0.28	0.27	0.30	0.29	0.28
(vi) Debt to Total Tangible Asset (With Fund)	0.56	0.57	0.30	0.29	0.28
(vii) Net Asset Value (NAV) per share, BDT	<b>12.84</b>	<b>12.21</b>	<b>12.17</b>	<b>12.28</b>	<b>12.91</b>
<b>V. Cash Flow Ratios:</b>					
(i) Net Operating Cash Flow per Share (NOCEPS), BDT	1.84	1.39	2.06	1.38	2.52
(ii) NOCFPS to EPS Ratio	1.38	1.35	2.56	2.65	2.23

Table 20: Ratio Analysis of last 5 Years (Consolidated Basis)

Particulars	31-Mar-23	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18
<b>I. Liquidity Ratios:</b>						
(i) Current Ratio	1.53	1.42	1.19	3.96	3.64	4.39
(ii) Quick Ratio	1.35	1.21	0.96	3.82	3.49	4.24
<b>II. Operating Efficiency Ratios:</b>						
(i) Accounts Receivable Turnover Ratio	245.84	986.07	1,587.37	564.52	691.99	796.71
(ii) Inventory Turnover Ratio	14.01	12.52	19.73	16.28	20.62	27.01
(iii) Asset Turnover Ratio	0.42	0.45	0.48	0.26	0.36	0.49
<b>III. Profitability Ratios:</b>						
(i) Gross Margin Ratio	21.4%	18.0%	17.9%	15.8%	19.1%	16.2%
(ii) Operating Income Ratio	19.0%	15.1%	14.9%	9.8%	13.6%	10.4%
(iii) Net Income Ratio (before tax)	17.6%	20.3%	21.1%	33.4%	26.8%	30.1%
(iv) Net Income Ratio	14.2%	17.4%	16.1%	24.4%	20.4%	25.4%
(v) Return on Assets	5.9%	7.8%	7.7%	6.4%	7.4%	12.5%
(vi) Return on Equity	7.1%	9.3%	9.3%	7.7%	8.6%	15.1%
(vii) Basic Earnings Per Share (EPS)	0.81	1.03	1.01	0.78	0.87	1.82
(ix) Earnings before interest, taxes, depreciation and amortization (EBITDA) margin	22.0%	24.0%	24.6%	39.0%	27.4%	32.2%
<b>IV. Solvency Ratios:</b>						
(i) Debt to Total Assets Ratio	0.18	0.16	0.18	0.16	0.16	0.14
(ii) Debt to Equity Ratio (Prior Issuance)	0.21	0.19	0.21	0.20	0.19	0.17
(iii) Debt to Equity Ratio (After Issuance)	0.66	0.64	0.70	0.72	0.75	0.75
(iv) Times Interest Earned Ratio	33.74	18.06	21.38	4.32	8.51	5.11
(v) Debt Service Coverage Ratio	2.47	2.21	1.55	0.53	0.93	0.75
(vi) Debt to Total Tangible Asset Ratio	0.18	0.16	0.18	0.16	0.16	0.14
(vii) Net Asset Value (NAV) per share, BDT	11.46	11.34	10.80	11.24	11.09	11.29
<b>V. Cash Flow Ratios:</b>						
(i) Net Operating Cash Flow per Share (NOCEPS), BDT	1.06	0.91	1.60	0.30	0.64	0.64
(ii) NOCFPS to EPS Ratio	1.31	0.88	1.58	0.38	0.73	0.35

Table 21: Ratio Analysis of 5 Years (SOLO Basis)

## Section 16: Rating Summary with Rating Rationale of the Issue and the Issuer

### a. Rating Summary of the Bond

<b>Rating Agency</b>	
<b>Long-term</b>	A2
<b>Outlook</b>	Stable
<b>Validity From</b>	29 <sup>th</sup> November 2022
<b>Validity Date</b>	28 <sup>th</sup> August 2023

*Table 22: Rating Summary of the Bond*

### b. Rating Summary of IRS

<b>Rating Agency</b>	WASO Credit Rating Company (BD) Ltd.
<b>Long-term</b>	A2
<b>Short-term</b>	ST-2
<b>Outlook</b>	Stable
<b>Validity From</b>	13 <sup>th</sup> February 2023
<b>Validity Date</b>	20 <sup>th</sup> January 2024

*Table 23: Rating Summary of IRS*

**Section 17: Latest Default Matrix and Transition Statistics of CRC  
Default Matrix of WASO Credit Rating Company (BD) Ltd**

<b>Calculation of Weighted Average Default Rating for Corporate of 2017 to 2019</b>			
<b>Scale</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
AAA	0.00%	0.00%	0.00%
AA	0.00%	0.00%	0.00%
A	0.00%	0.00%	0.00%
BBB	1.33%	0.89%	0.92%
BB	12.54%	15.25%	9.84%
B	0.00%	10.00%	0.00%
CCC	0.00%	0.00%	0.00%
CC	0.00%	0.00%	0.00%
C	0.00%	00.00%	0.00%

<b>Calculation of Weighted Average Default Rating for SME of 2017 to 2019</b>			
<b>Scale</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
WCRME 1/ WCRSE 1	0.00%	0.00%	0.00%
WCRME 2/ WCRSE 2	0.00%	0.00%	0.00%
WCRME 3/ WCRSE 3	1.10%	0.55%	0.20%
WCRME 4/ WCRSE 4	3.88%	0.19%	0.15%
WCRME 5/ WCRSE 5	55.63%	44.82%	36.29%
WCRME 6/ WCRSE 6	76.92%	0.00%	0.00%
WCRME 7/ WCRSE 7	100.00%	0.00%	0.00%
WCRME 8/ WCRSE 8	0.00%	0.00%	0.00%

**Transition Statistics of WASO Credit Rating Company (BD) Ltd**

WCRCL SME Rating Transition Matrix (2017-2019)								
Scale	SME-1	SME-2	SME-3	SME-4	SME-5	SME-6	SME-7	SME-8
SME-1	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SME-2	0.00%	78.00%	22.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SME-3	0.00%	2.13%	95.90%	1.85%	0.12%	0.00%	0.00%	0.00%
SME-4	0.00%	0.51%	26.23%	73.16%	0.10%	0.00%	0.00%	0.00%
SME-5	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SME-6	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SME-7	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
SME-8	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%

WCRCL SME Rating Transition Matrix (2017-2019)										
Scale	AAA	AA	A	BBB	BB	B	CCC	CC	C	D
AAA	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
AA	8.76%	82.78%	8.74%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A	0.00%	12.86%	83.52%	3.15%	0.58%	0.00%	0.00%	0.00%	0.00%	0.00%
BBB	0.00%	0.33%	18.33%	76.67%	4.34%	0.33%	0.00%	0.00%	0.00%	0.00%
BB	0.00%	0.00%	0.00%	7.58%	84.55%	9.89%	0.00%	0.00%	0.00%	0.00%
B	0.00%	0.00%	0.00%	0.00%	0.00%	55.00%	50.00%	0.00%	0.00%	0.00%
CCC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
CC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
C	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%

## Section 18: Description of the Trustee

### a. Brief Description

EC Securities Limited (ECSL) is a financial intermediary, has been operating as the investment arm of East Coast Group (ECG)- one of the fastest growing business conglomerates in Bangladesh. ECSL was incorporated in June 04, 1997 and engaged in capital market since its inception. Besides maintaining a potential portfolio of its own, the company, as a full-fledged Merchant Banker, is also experienced in managing public issues, trusteeship management, underwriting, rendering Registrar to the Issue service, corporate advisory services like placement, preparation of financial statements, securities laws, relevant compliance matters etc.

### b. Shareholding Position

No.	Name	Number of shares held	
1	<b>Name of Shareholder's</b>	<b>Nos. of Shares</b>	<b>%</b>
2	Mr. Azam J Chowdhury	2,239,785	89.20
3	Mr. Tanjil Chowdhury	90,405	3.60
4	Mr. Tanveer A. Chowdhury	90,405	3.60
5	Late Mrs. Marina Yasmin Chowdhury	90,405	3.60

Table 24: Shareholding Position of Trustee

### c. Brief profile of board of directors:

SL No	Name	Designation
1	Mr. Azam J Chowdhury	Chairman
2	Mr. Tanjil Chowdhury	Managing Director

Table 25: Profile of Board of Directors

### d. Name of the issue(s) where performing as trustee

Sl	Name of Issuer	Name of Issue	Maturity Period	IM Issue Date	Date of Completion of Subscription	Issue Amount (BDT in Million)	Default, if any
1	NCC Bank Limited	NCC Bank Perpetual Bond	N/A	May 25, 2021	N/A	5,000	NA
2	Confidence Batteries Limited	Non-Convertible, Fully Redeemable Zero-Coupon Bond	From 6 months and up to 5 years from the Issue Date	July 27, 2020	March 15, 2021	570.	NA
3	IDLC Finance Limited	Non-Convertible Zero Coupon Bond of IDLC	From 6 months and upto 4	January 14, 2021	May 18, 2022	5,000	NA

		Finance Limited (IDLC)	years from the Issue Date				
4	Jamuna Bank Limited	Subordinated Bond of Jamuna Bank Limited	7 years from the Issue Date	November 23, 2021	December 30, 2021	2500	NA

Table 26: Name of the issue(s) where performing as trustee

## Section 19: Modus Operandi of the Bond

### a. Application procedure

- a) In case of Private Offer, the Issuer and/or Arranger shall procure that the prospective Investors shall have been provided with a copy of the Information Memorandum and an invitation letter to subscribe. Based on the Information Memorandum and subsequent clarification of queries (if any), the Investors shall submit a letter of commitment to the Arranger and/or Issuer with the amount of intended subscription specified.

Notwithstanding anything contained herein, existing shareholders of Issuer, as determined in the record date, shall have the option of subscription under Private Offer as per approval of BSEC. The subscription shall be conducted through Electronic Subscription System of the Exchange(s) and subsequently made it available in the websites of the Issuer and/or Arranger and/or the Exchange(s) and/or other concern authority as applicable.

- b) For Public Offer, the Information Memorandum, as approved by the Commission, shall be published by the Issuer and/or Arranger and/or the Exchange(s) and/or other concern authority as applicable in the official websites. The subscription shall be conducted through Electronic Subscription System of the Exchange(s) and subsequently made it available in the websites of the Issuer and/or Arranger and/or the Exchange(s) and/or other concern authority as applicable.

General public and non-resident Bangladeshi (NRB) shall submit the application for subscription of the Bonds through stockbroker/ merchant banker, where the applicant maintain customer accounts.

### b. Allotment

The Issuer shall issue Allotment Letter(s) in the name of all allottees of the Bonds in electronic form with digital signatures and credit the allotted Bonds to the respective BO accounts on the basis of allotment data via their CDBL VeDAS Terminal upon receipt of the final allotment list from the Exchange(s). Each of the Issuer, the Trustee and any Agent may deem and treat the registered holder of a Bond as the absolute owner of such Bond, free of any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate holder of such Bond for all purposes.



### **c. Payment of net issue proceeds:**

The Investors shall pay the purchase price of the Bonds set forth in the Subscription Agreement or offer documents to the Issuer or the Exchange (in case of Public Offer) in Bangladesh Taka for same day value to the account prescribed in the same. Statement of subscription received against issuance of securities under these rules along with bank statement(s) shall be submitted to the Commission within 10 (ten) days of the closing of subscription list.

### **d. Refund**

If any payment for subscription of Bonds have been made, but not allotted for whatever reason, the subscription amount to be refunded in accordance with applicable law and practice.

### **e. Transfer**

Transfer of Bonds listed with the Main Board of Exchange(s) shall be made through the trading system of the Exchange(s). Provided that, unless otherwise specified in the applicable regulations of the Exchange, in case of transfer of Bonds by the Bondholders in the following circumstances may be made outside the trading system of the Exchange:

- a) transfer of Bonds by way of gift among the family members i.e. spouse, son, daughter, father, mother, brother and sister;
- b) transfer of Bonds for execution of a court order;
- c) acquisition of Bonds in consideration of other than cash; and
- d) transfer of Bonds in case of confiscation/loan default.

### **f. Listing with the Stock Exchange(s)**

Subject to the approval of BSEC, the Bonds shall be listed with the Main Board of Exchange(s). The Exchange(s) as applicable shall complete the listing procedure and start of trading of the Bonds in accordance with the listing regulations and other applicable laws in force.

### **g. Redemption upon payment**

Unless the rights under Condition IX (Conversion of Bonds) of the Schedule I (Terms and Conditions of the Bonds) have been exercised and redemption period is extended for further term(s), the issued Bonds will be redeemed at their Issue Price, (the "**Redemption Amount**") and any accrued and unpaid Coupon.

### **h. Coupon payment**

The Coupon in respect of the Outstanding Bonds shall be payable in semiannual basis calculated from Closing Date (each, a "**Coupon Payment Date**") for the Coupon Period. Each period beginning on (and including) the Closing Date or any Coupon Payment Date and ending on (but excluding) the next Coupon Payment Date is herein called "**Coupon Period**". The Issuer shall make Coupon Payment in accordance with the obligation as set out in Condition X (Payments) of Schedule I (Terms and Conditions of the Bonds) at Coupon Rate to the Couponholders.

### **i. Conversion or exchange**

There is conversion features in the Bonds. The Bondholders will have discretion in determining whether to convert their Bonds into Ordinary Shares of the Issuer or redeem in accordance with Condition VIII (Redemption of Bond) of the Schedule I (Terms and Conditions of the Bonds). Each Bondholder shall have an option to exercise rights under Condition IX (Conversion of Bonds) to convert 100% percent of the Bonds hold by it into new Ordinary Shares credited as fully paid ("Conversion Right"). In case of exercising conversion option, Issuer hereby covenants with the Trustee and each of the Bondholders that it shall allow the Bondholder to convert Bonds into Ordinary Shares and/or arrange to

convert the Bonds into Ordinary Shares in accordance with Condition VII (Coupon) of the Schedule I (Terms and Conditions of the Bonds).

Notwithstanding anything contained herein, the subscription period for the Bonds and the terms of the subscription shall be as per conditions of the consent letter issued by BSEC.

### Section 20: Details of Fee Structure and Expenses

Particulars	
<b>Offer amount</b>	<b>500,000,000</b>
<b>Arranger and Manager to the Issue fees:</b>	<b>5,750,000</b>
Issue Arranger & Manager fees	5,000,000
VAT against Issue Management fee	750,000
<b>BSEC Fees:</b>	<b>510,000</b>
Application Fee for both Public and private offer	10,000
Consent Fee	500,000
<b>Trustee Fees (Registrar, Paying Agent, Transfer Agent Fee)</b>	<b>487,500</b>
Trustee Fee	250,000
VAT on Trustee Fees	37,500
Trustee Application Fee	50,000
Trustee Registration Consent fee	100,000
Trustee Annual Fee	50,000
<b>Legal Advisor Fee</b>	<b>172,500</b>
Legal Advisor Fee	150,000
VAT on Legal Advisor	22,500
<b>Credit Rating Fee</b>	<b>230,000</b>
Credit Rating Fee	200,000
VAT on Credit Rating Fee	30,000
<b>Fees related to listing with the stock exchanges:</b>	<b>2,500,000</b>
Application Fee	100,000
Listing Fees	1,450,000
Annual Fees	500,000
Draft Prospectus Scrutiny Fee	50,000
Data Transmission Fees	400,000
<b>CDBL Fees and Expenses:</b>	<b>583,500</b>
Dematerialization fee	75,000
Annual Fee	100,000
Security Deposit	400,000
Documentation Fee	2,500
Connection Fee	6,000
<b>Additional expense for Public Offer</b>	<b>1,100,000</b>
Underwriting Commission	100,000
Post Public Offer Fees	1,000,000
<b>Total Estimated Cost (with listing)</b>	<b>11,333,500</b>

Table 27: Details Fee Structure and Expenses

## Section 21: Conditions Imposed by the Commission in the Consent Letter



# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

BSEC/CI/DS-206/2022/1413

October 01, 2023

Managing Director  
Intraco Refueling Station Limited  
Intraco Center, House no.# 40, Road # 9  
Block # J, Pragati Sarani, Baridhara  
Dhaka-1212

**Subject: Consent for issuance of “Intraco Refueling Convertible Bond” of BDT 500 million issued by Intraco Refueling Station PLC.**

This refers to your application dated September 25, 2022 and subsequent correspondences concerning the above subject, which contains, among others, authenticated draft Information Memorandums, Due Diligence Certificates' and the audited Financial Statements of the Issuer (Intraco Refueling Station PLC.) as of March 31, 2023 along with the Auditor's Report thereon by the company's auditors, namely, Mahfel Haq & Co.

The undersigned is directed to convey the Bangladesh Securities and Exchange Commission's consent under the provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021, for issuance of BDT 500 million Convertible or Redeemable Coupon Bearing Bond for Intraco Refueling Station PLC. The consent has been accorded subject to the condition that the company shall comply with the relevant laws and regulatory requirements, and also shall adhere to the following conditions imposed under section 2CC of the Securities and Exchange Ordinance, 1969, as mentioned under Part-A, B, & C namely:

### PART- A

#### General Conditions

1. The Issuer shall ensure required all compliance of the Securities and Exchange Ordinance, 1969, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021, the Depository Act, 1999 and other securities Laws, Rules & Regulations for Debt Securities regarding processing of application, subscription, refund, allotment, listing and trading;
2. Sponsors or Promoters and directors of Intraco Refueling Station PLC. shall jointly hold at least 30 (thirty) percent ordinary shares and each director shall hold at least 2 (two) percent ordinary shares of the paid-up capital of the p over the bond tenor after issuance of Intraco Refueling Convertible Bond;
3. The Issuer shall not change or modify the submitted Information Memorandum, Trust Deed and the Subscription Agreements after consent to issue of Intraco Refueling Convertible Bond without prior approval of the Commission in this regard;
4. The Issuer shall disseminate the receipt of the Commission's approval along with the purpose of the issue and size of the bond as price sensitive information as prescribed by the Commission;
5. The Issuer shall issue the aforesaid Intraco Refueling Convertible Bond in Dematerialized form under private and public offer and apply to the stock exchange(s) for listing in the main board of the exchanges;
6. **Copy of registration certificate issued by the Commission to act as trustee to the issue is required to be submitted by the issuer before opening subscription;**

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# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

7. The issuer is required to submit updated status of utilization of Initial Public Offer (IPO) fund and any other pending issue with the Commission regarding IPO within one month of issuance of this consent letter;
8. The Issuer shall execute the deed of trust as per Schedule-C as approved by the Commission in favour of the trustee and register the same under the Registration Act, 1908 (Act No. XVI of 1908) and shall submit a copy of the registered trust deed attested by the Chief Executive Officers of the Issuer and the trustee to the Commission;
9. The consent for issuance of Intraco Refueling Convertible Bond under private offer and public offer shall remain valid for 06 (six) months from the date of consent by the Commission in this consent letter;
10. The proceeds or fund of the bond shall be placed in a specified bank account, and utilization of such proceeds or fund shall also be made from the specified bank account;
11. The Issuer shall submit a list of subscribers along with bank statements to the Commission upon completion of subscription and shall also submit a status report, containing the name and address of the bondholders along with number of bonds purchased of the issue to the Commission within 10 (Ten) days of issue of the bonds or expiry of the period mentioned above, whichever comes earlier;
12. Financial Statements of the issuer shall be prepared in accordance with International Accounting Standards (IAS) and audit thereof shall be conducted in accordance with the International Standards on Auditing (ISA), as adopted in Bangladesh. The financial statements shall be audited within 120 days from the date of ending of the financial year;
13. Annual General Meeting (AGM) of the Issuer shall be held in each year of the Gregorian calendar;
14. A copy of Audited financial statements and a copy of annual report and the minutes of Annual General Meeting (AGM) of the Issuer shall be submitted to the Commission within fourteen days (14) of the completion of the audit or, as the case may be, holding of the annual general meeting (AGM);
15. The Issuer shall inform the Commission along with supporting documents and evidence about any change of its registered address, directors, managing director, business or any other material changes that affects the affairs of the company;
16. Upon receipt of consent of the Commission for private offer, the subscription shall be received through designated banker or banker to the issue during subscription period not more than 180 (one hundred eighty) days for private offer and not more than 15 (fifteen) working days for public offer respectively within the validity of this consent letter. Any unsubscribed amount in private offer shall be offered through public offer;
17. All applicants shall apply for a minimum lot of 20 bond of BDT 5,000/- (Five Thousand) each, worth BDT 100,000/- (Taka One lac only) or its multiples;
18. Bondholders shall be entitled to receive Fixed Coupon Payment at 7% p.a. after six (06) months from the issue date of Intraco Refueling Convertible Bond on a half yearly basis;
19. The bondholders shall have the option to convert up to 100% of their bond into ordinary shares of Intraco Refueling Station PLC;

The Conversion option can be exercised in the following ways:

- I. 20% of total Bond held by an investor shall be convertible per annum at the option of the said bondholder from the 3<sup>rd</sup> year (i.e., on the last day of 36<sup>th</sup> month) of issuance;



# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

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- II. Conversion Option can be exercised at a multiple of 5%, i.e., 5%, 10%, 15% and 20% per annum;
- III. a single year's un-exercised Conversion Option can be carried forward to the subsequent years till Maturity and may be exercised along with current year's Conversion Option.

For the purpose of conversion as stated above, the Bond shall be valued at face value;

20. Conversion Price of Intraco Refueling Convertible Bond shall be 30% less than last 6 months' weighted average market price of ordinary shares of Intraco Refueling Station PLC at Dhaka Stock Exchange on Conversion Price Determination Day;
21. All debt securities converted to equity shares shall be subject to lock-in for 3(three) years after conversion date.
22. The submitted financial data and other information provided by the company is considered to be correct in all material perspective; if any irregularities detected by further scrutiny by the Commission, the management of the company will be held responsible as per applicable securities laws;
23. Any further issue of capital (other than the mentioned bond) shall require the Commission's prior consent;
24. If there is any FDI or external debt, the Issuer shall report it to Bangladesh Bank.
25. The Commission may impose conditions/restrictions from time to time as and when required.

## PART-B

### Subscription Procedure and Compliance under Private Offer

26. The Company shall offer maximum 30,000 bonds of BDT 5,000.00 each at par totaling to BDT 150,000,000 (BDT One Hundred and Fifty Million) only under Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 under Private Offer.
27. Each interested Investor shall have to apply for a Minimum Subscription through execution of Subscription Agreement which shall contain necessary BO information. The subscription amount shall be deposited into designated bank accounting of the Issuer. Priority in subscription shall be determined based on the time and date of deposit of the subscription amount into the bank account.
28. The Coupon Payment Date for Coupon Period for Intraco Refueling Convertible Bond issued under private placement shall be counted 6 (six) months after the Issuance Date for Private Placement.
29. The Conversion Date shall be the last day of 36<sup>th</sup> month from the issuance date and thereafter, last day of every 12 months period on the said date until Maturity  
Issuer shall serve a notice to the bondholders at least thirty (30) working days prior to the Conversion date informing the conversion date through Two (2) widely circulated national daily newspapers one in Bengali and another in English and in the trading platform of the stock exchanges.  
After receiving of the notice from the Issuer, the bondholders shall intimate their option to the Issuer regarding exercise of the Conversion Option at least ten (10) days prior to the Conversion Date.  
Provided further that if any bondholder does not intimate its option regarding exercise of Conversion Option within the time as mentioned above to the Issuer, the right of that bondholder to exercise Conversion Option at the relevant year shall not be considered by the Issuer for that year only.



# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

30. Further the date of Maturity of Intraco Refueling Convertible Bond issued under private placement shall be counted from the Issuance Date for Private Placement and shall not be affected or extended by any subsequent transfer to other bondholder through the trading platform or otherwise.

## (Subscription Procedure and Compliance for Existing Shareholder of Intraco Refueling Convertible Bond under Private Offer)

31. The Company shall offer minimum 40,000 bonds of BDT 5,000/- each at par totaling to BDT 200,000,000 (BDT Two Hundred Million) only to the Existing Shareholders of Intraco Refueling Convertible Bond under Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 under Private Offer.
32. After receipt of consent of the Commission to issue the Bond under private offer, the record date to determine the entitlement of the shareholders of Intraco Refueling Station Limited to subscribe the Intraco Refueling Convertible Bond shall be declared by a board meeting by Intraco Refueling Station Limited.  
Thereafter, the Issuer shall notify the said record date on the websites of the Issuer and the Trustee.
33. Interested existing shareholders shall apply to subscribe in Intraco Refueling Convertible Bond through Electronic Subscription System of the Exchange.
34. If any existing shareholder does not apply within the subscription period, the right of such Existing Shareholder to apply shall be deemed to have been enunciated.
35. No Existing Shareholder shall be entitled to subscribe the Intraco Refueling Convertible Bond below the minimum subscription amount.
36. In case of over subscription of Intraco Refueling Convertible Bond offered under private offer to the existing shareholders, such bond shall be allotted on pro-rata basis subject to Minimum Subscription and any fraction shall be considered to the nearest integer and accumulated fractional bonds shall be allotted on a random basis.
37. Intraco Refueling Convertible Bond shall be credited to the BO accounts of the existing shareholders who have applied within the subscription period and complied with the terms and conditions of such subscription as stated in the IM and deposit the subscription amount into the Designated Bank Account.

## PART-C

### Subscription Procedure and Compliance under Public Offer

38. The Company shall offer minimum 30,000 bonds of BDT 5,000/- each at par totaling to BDT 150,000,000/- (BDT One Hundred and Fifty Million) only or any unsubscribe amount under Private Offer, through Public Offer under Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021.
39. The subscription shall be conducted through Electronic Subscription System (ESS) of the exchange(s) and subsequently made it available in the websites of the Issuer and the Exchange(s), as applicable, till the closure of the subscription;
40. The Information Memorandum, as approved by the Commission, shall be published by the Issuer, Issue Manager and the Exchange(s) as applicable in their own official websites, within 03 (three)



# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

- working days from the date of the consent, and shall remain posted till the closure of the subscription list;
41. A notice regarding the publication of information memorandum in the websites mentioning web-addresses shall be circulated in the national daily newspaper at least one in Bangla and another in English within 7 (seven) working days from the date of this consent;
  42. All applicants shall apply for a minimum lot of 20 bond of BDT 5,000/- (Five Thousand) each, worth BDT 100,000/- (Taka One lac only) or its multiples;
  43. The Exchange(s) as applicable shall complete the listing procedure and start of trading of securities within 30 (Thirty) working from the closure of subscription period;
  44. In case of over-subscription, the Exchange(s) as applicable shall refund excess amount to the applicants and send final allotment list through e-mail to the Allottees, Issuer and Issue Manager within 3 (three) working days for EI's and 11 (eleven) working days for GP from the closure of subscription period;
  45. The issuer shall issue allotment letters in the name s of all Allottees in electronic form with digital signatures and credit the allotted securities to the respective BO accounts on the basis of allotment data (BO ID and number of securities) via their CDBL VEDAS Terminal within 5 (five) working days of receipt of the final allotment list from the Exchange(s);
  46. The Exchange(s) shall transfer the issue proceeds to the designated bank account within 3 working days of the closure of the subscription period;
  47. As per provision of the Depository Act, 1999 & Regulations made thereunder, the securities will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the depository system of Central Depository Bangladesh Limited (CDBL);
  48. The Issuer shall submit statement of subscription received against issuance of securities along with bank statement(s) of the Bank's designated account to the Commission within 10 (ten) days of the closing of subscription list or upon receiving the issue proceeds in the designated account from the Exchange(s);
  49. The Issuer shall submit the statement of subscription received from the underwriter(s) against undersubscribed securities along with bank statement to the Commission within 07 (seven) days of the expiry of subscription period;
  50. The concerned Exchanges are authorized to settle any complaints and take necessary actions against any violation of any provision of the public offer application process within intimation to the Commission;
  51. The Issuer and the issue Manager shall ensure due compliance of all the above conditions and the listing regulations of the Exchange(s). Moreover, the Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the Bank.
  52. The trustee and the issuer shall submit a report on utilization of proceeds to the Commission and to the stock exchange(s) in which its securities are listed, on half-yearly basis within 10 (ten) days of close of the half year, till full utilization of proceeds.



# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

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## Miscellaneous:

53. The Issuer, Issue Managers, Trustee, Stockbrokers and Merchant Bankers shall ensure compliance of the above;
54. The Issuer shall pay the costs related to process the Eligible Investors allotment if claimed by the Exchange concerned up to an amount of Tk. 200,000/- (Taka Two Lac) only and Tk. 800,000/ (Taka Eight Lac) only for processing the applications of General Public and Non-Resident Bangladeshi (NRB) applicants;
55. The Stockbroker/Merchant Bankers shall be entitled to a service charge of Tk. 5/- (Taka five) only per application irrespective of the amount or category for the service provided till withdrawal of the money. The service charge shall be paid by the applicant at the time of submitting an application;
56. The Exchanges shall provide the issuer with a statement of the remittance;
57. The issuer shall send the penalty amount to the Commission through a bank draft/payment order issued in favor of the Bangladesh Securities and Exchange Commission.

## Utilization of Proceeds & Compliance

58. The issue manager shall carefully examine and compare the published Information Memorandum on the date of publication with the copies vetted by the Commission, if any discrepancy is found, both the Issuer and the issue manager shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to the Commission and the stock exchanges concerned. In this regard, the issue manager shall submit compliance report to the Commission within 5 working days from the date of such publications;
59. The bond proceeds collected through Private & Public Offering shall be utilized through banking channel, i.e. through account payee cheque, pay order or bank drafts etc;
60. The company shall furnish status report on utilization of the Bond proceeds audited by the Panel auditors and authenticated by the board of directors to the Commission and the Exchanges within 15 (Fifteen) days of the closing of each month until such fund is fully utilized. The issuer shall simultaneously post the status report in its website and Exchanges shall also post the same in company information contained in websites of the Exchanges. In the event of any irregularity or inconsistency, the Commission may employ or engage any person to examine whether the issuer has utilized the proceeds for the purpose disclosed in the Information Memorandum.
61. While auditing the utilization of Bond proceeds, the auditors will perform their jobs under the following terms of reference (TOR) and confirm the same in their report/certificate:
  - I. Whether Bond proceeds have been utilized for the purposes/heads as specified in the Information Memorandum;
  - II. Whether Bond proceeds have been utilized in line with the condition (if any) of the Commission's consent letter
  - III. Whether utilization of Bond proceeds have been completed within the time specified in the published information Memorandum;
  - IV. Whether utilization of Bond proceeds is accurate and for the purpose of the company as mentioned/specified in the published Information Memorandum; and
  - V. The auditors should also confirm that:





# BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhaban, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

- a. assets have been procured/imported/constructed maintaining proper/required procedure as well as at reasonable price, and
  - b. auditors' report has been made on verification of all necessary documents/papers/vouchers in support of bond proceeds making reconciliation with Bank Statement.
62. The proceeds shall not be used for any purpose other than those specified in the Information Memorandum without any valid ground. Any material deviation in this respect must have prior approval of at least 51% of the public shareholders, other than sponsors and directors, in a general meeting through Board approved agenda thereon and due notification to the shareholders. Before the said general meeting such deviation as recommended by the board of directors shall be published as price-sensitive information with detailed description and reasons for such deviation. If approved by the shareholders, the meeting resolution shall be submitted to the Commission along with reasonable explanations and the decision shall be published as price sensitive information.
63. In the event of arising issues concerning Price Sensitive information as defined under the after publication of the abridged version of Information Memorandum and before listing of its securities with any exchange, the company shall disseminate/transmit/submit the information as price sensitive in accordance with the Commission's Notification No. SEC/SAMI/200-953/1950 dated October 24, 2000.

If the issuer/company fails to comply with any of the conditions as stated above, the Company would be penalized under penal provisions the Securities and Exchange Ordinance, 1969 or any other related securities laws.

By the order of Bangladesh Securities and Exchange Commission,

1.10.2023

Md. Ariful Islam

Assistant Director

Email: arif09h@sec.gov.bd

Copy to (not in order of seniority):

1. Registrar of Joint Stock Companies and Firms
2. Managing Director, Dhaka Stock Exchange Limited
3. Managing Director, Chittagong Stock Exchange Limited
4. Managing Director, CDBL
- ✓ 5. Managing Director, City Bank Capital resources Limited (Issue Manager to the Issue)
6. Managing Director, EC Securities Limited, (Trustee to the Issue)
7. Head of all Departments, BSEC
8. Office of the Chairman, BSEC
9. Office of the Commissioners, BSEC.

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Phone (PABX) : +88-02-55007131-2, Fax : +88-02-55007106, E-mail : secbd@bdmail.net, Web : www.sec.gov.bd



## BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission Bhawan, E-6/C, Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh.

BSEC/CI/DS-206/2022/11

January 11, 2024

Managing Director

Intraco Refueling Station Limited

Intraco Center, House no.# 40, Road # 9

Block # I, Pragati Sarani, Baridhara

Dhaka-1212

**Subject:** Regarding reduction of lock-in period for the convertible shares converted form Intraco Refueling Convertible bond.

Dear Sir

This refers to your letter reference no. IRSPLC/2023/55 & IRSPLC/2023/71 dated October 3, 2023 & December 12, 2023 respectively regarding the captioned subject.

In this regard, the undersigned is directed to inform you that the Commission has changed the condition no. 21 of Part A of Commission's consent letter no. BSEC/CI/DS-206/2022/1413 dated October 1, 2023 regarding the lock-period of Intraco Refueling Convertible bond in following manner:

**"21. Lock in provision for Intraco Refueling Convertible bond:"**

- a. Equity securities that will be converted from the aforesaid convertible bond issued under public offer shall remain lock-in free;
- b. Equity securities that will be converted from the aforesaid convertible bond issued under right offer to the existing share holder other than the directors/sponsors shall remain lock-in free;
- c. Equity securities that will be converted from the aforesaid convertible bond issued under private offer shall be lock-in for 2(two) years from each conversion;
- d. Equity securities that will be converted from the aforesaid convertible bond issued under public offer, right offer and private offer to the existing the directors/sponsors of the company shall be lock-in for 2(two) years from each conversion;"

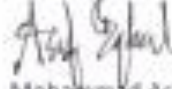
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## BANGLADESH SECURITIES AND EXCHANGE COMMISSION

Securities Commission House, E-6/C Agargaon, Sher-e-Bangla Nagar Administrative Area, Dhaka-1207, Bangladesh

However, all other condition of the consent letter will remain same. The company is also required to follow the instruction of the Commission's letter reference no. BSEC/CJ/DS-206/2022/1531 dated December 04, 2023 as well as all securities rules and regulations imposed by the Commission time to time.

 11.01.24

Mohammad Asif Iqbal

Deputy Director

Email: asif@sec.gov.bd

Copy to (not in order of seniority):

1. Registrar of Joint Stock Companies and Firms
2. Managing Director, Dhaka Stock Exchange Limited
3. Managing Director, Chittagong Stock Exchange Limited
4. Managing Director, CDBL
5. Managing Director, City Bank Capital resources Limited (Issue Manager to the Issue)
6. Managing Director, EC Securities Limited, (Trustee to the Issue)
7. Head of all Departments, BSEC
8. Office of the Chairman, BSEC
9. Office of the Commissioners, BSEC.

## Section 22: Declaration and Due Diligence Certificates

### a. Due Diligence Certificates of the Issuer

#### Annexure I

#### **Declaration about the responsibility of the directors, including the CEO of the issuer in respect of the information memorandum**

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.

**Sd/-**

**Mohammed Riyadh Ali**

Managing Director

Intraco Refueling Station PLC

## b. Due Diligence Certificates of the Trustee

### Annexure II



**Annexure-II**  
[rule 3(1)(m), 4(1)(c) and 4(2) (a)]  
Due diligence certificate of the trustee

To

The Bangladesh Securities and Exchange Commission

**Sub: Issuance of BDT 500,000,000 Convertible or Redeemable Coupon Bearing Bond of  
Intraco Refueling Station Limited**

We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above-mentioned issue on behalf of the investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. On the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer.

**WE CONFIRM THAT:**

- (a) all information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft deed of trust and draft subscription agreement forwarded to the Commission has been approved by us;
- (b) we have also examined all documents of the assets to be charged with the trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;
- (c) while examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- (d) we shall act as trustee to the issue as mentioned above as per provisions of the deed of trust to be executed with the issuer or the originator, as applicable and shall assume the duties and responsibilities as described in the deed of trust and in the IM;
- (e) we shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- (f) the above declarations are unequivocal and irrevocable.

For Trustee

  
**Md. Khurshid Alam**  
Chief Executive Officer  
EC Securities Limited  
Dhaka, November 21, 2022

**c. Due Diligence Certificates of the Issue Manager**  
**Annexure III**



Due diligence certificate to be furnished by issue manager(s) in the information memorandum

To

The Bangladesh Securities and Exchange Commission

Sub: Issuance of 100,000 Unsecured, Convertible or Redeemable Coupon Bearing Bond of BDT 5,000 each of Intraco Refueling Station Limited.

Dear Sir,

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above-mentioned issue, visited the premises of the issuer or originator and interviewed the chairperson, directors and key management personnel of the issuer or originator in connection with the finalization of the information memorandum pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer or originator, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer or originator.

**WE CONFIRM THAT:**

- (a) The information memorandum filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the government have been duly complied with;
- (c) The disclosures made in information memorandum are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Trust Act, 1882, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the information memorandum are registered with the Commission and till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments;

(f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer or originator and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;

(g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the information memorandum;

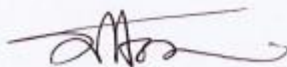
(h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;

(i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer or originator, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the issue of securities for any further inspection by the Commission;

(j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 containing details such as the rule number, its text, the status of compliance, page numbers of the information memorandum where the rules has been complied with and our comments, if any;

(k) We also declare that we have managed the issue of securities of the following issuers including originators in the last 05 (five) years:

Serial No.	Name of the Issue (Month/Year)	Issue Price	Dividend or Repayment History	Category, if listed
1.	Silco Pharmaceuticals Limited	10	2021- 10% Cash 2020- 10% Cash 2019- 2% Cash 10% Stock	A
2.	Oryza Agro Industries Ltd.	10	-	-
3.	Beximco Sukuk	100	NA	N
4.	City Bank Perpetual Bond	1,000,000	NA	N
5.	Pubali Bank Perpetual Bond	5000.0	NA	N



**Ershad Hossain**  
Managing Director & CEO  
City Bank Capital Resources Limited

## d. Due Diligence Certificates of the Underwriter(s)

### Annexure IV



Due diligence certificate to be furnished by issue manager(s) in the information memorandum

To

The Bangladesh Securities and Exchange Commission

Sub: Issuance of 100,000 Unsecured, Convertible or Redeemable Coupon Bearing Bond of BDT 5,000 each of Intraco Refueling Station Limited.

Dear Sir,

We, the issue manager to the above-mentioned forthcoming issue, state and confirm as follows:

- (1) We have examined all the documents submitted with the application for the above-mentioned issue, visited the premises of the issuer or originator and interviewed the chairperson, directors and key management personnel of the issuer or originator in connection with the finalization of the information memorandum pertaining to the said issue;
- (2) On the basis of such examination and the discussions with the directors, officers and auditors of the issuer or originator, other agencies, independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer or originator.

#### WE CONFIRM THAT:

- (a) The information memorandum filed with the Commission is in conformity with the documents, materials and papers relevant to the issue;
- (b) All the legal requirements relating to the issue as also in the rules, notification, guidelines, instructions, etc. framed/issued by the Commission, other competent authorities in this behalf and the government have been duly complied with;
- (c) The disclosures made in information memorandum are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue and such disclosures are in accordance with the requirements of the Companies Act, 1994, the Trust Act, 1882, the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and other applicable laws;
- (d) Besides ourselves, all the intermediaries named in the information memorandum are registered with the Commission and till date such registrations are valid;
- (e) We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments;



(f) The proposed activities of the issuer for which the funds are being raised in the present issue fall within the 'main objects' listed in the object clause of the Memorandum of Association or other charter of the issuer or originator and that the activities which have been carried out till now are valid in terms of the object clause of its Memorandum of Association;

(g) Necessary arrangements have been made to ensure that the moneys to be received pursuant to the issue shall be kept in a separate bank account and shall be used for the purposes disclosed in the use of proceeds section of the information memorandum;

(h) All the applicable disclosures mandated in the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been made in addition to other disclosures which, in our view, are fair and adequate to enable the investor to make a well-informed decision;

(i) We enclose a note explaining how the process of due diligence has been exercised by us in view of the nature of current business background or the issuer or originator, situation at which the proposed business stands, the risk factors, sponsors experiences etc. We also confirm that the due diligence related process, documents and approval memos shall be kept in record by us for the next 5 (five) years after the issue of securities for any further inspection by the Commission;

(j) We enclose a checklist confirming rule-wise compliance with the applicable provisions of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 containing details such as the rule number, its text, the status of compliance, page numbers of the information memorandum where the rules has been complied with and our comments, if any;

(k) We also declare that we have managed the issue of securities of the following issuers including originators in the last 05 (five) years:

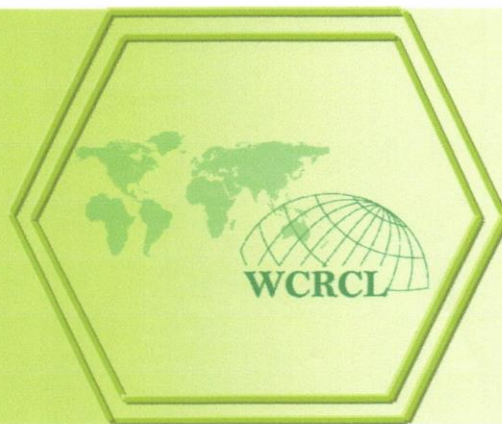
Serial No.	Name of the Issue (Month/Year)	Issue Price	Dividend or Repayment History	Category, if listed
1.	Silco Pharmaceuticals Limited	10	2021- 10% Cash 2020- 10% Cash 2019- 2% Cash 10% Stock	A
2.	Oryza Agro Industries Ltd.	10	-	-
3.	Beximco Sukuk	100	NA	N
4.	City Bank Perpetual Bond	1,000,000	NA	N
5.	Pubali Bank Perpetual Bond	5000.0	NA	N



**Ershad Hossain**  
 Managing Director & CEO  
 City Bank Capital Resources Limited

## CREDIT RATING REPORT

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# **100% CONVERTIBLE UNSECURED BOND UP TO BDT 500 MILLION OF INTRACO REFUELING STATION LIMITED**

**CREDIT RATING REPORT**  
**100% CONVERTIBLE UNSECURED BOND UP TO BDT 500 MILLION**  
**OF INTRACO REFUELING STATION LIMITED-REVIEW**



Ref. no.: FR/2022/26852

**Report Contents:**

Particulars	Page
Rating Rationale	01
Background & Purpose of the Issue	2
Repayment Schedule	4
Details Plan of the Bond Utilization of Proceeds	7
Issuer Profile	8
Financial Strength of the Issuer	11
Financial Evaluation of the Instrument	13
Risk Factor Analysis	14
Rating Observations	15

**Key Snapshot:**

Particulars	Details
Issuer	Intraco Refueling Station Limited (IRSL)
The Issue	100% Convertible Unsecured Bond
Issue Size	BDT 500 Million
Manager to the Issue	City Bank Capital Resources Limited
Lead Arranger	City Bank Capital Resources Limited
Trustee & Paying Agent	EC Securities Limited
Purpose	Expanding CNG Filling Stations in 3 Locations Expanding LPG Filling Station in 5 Locations
Investor	Banks, NBFIs, Corporate Entities, Institutional investors and High Net-Worth Individual Investors.
Issue Size	BDT 500 million
Face Value	BDT 5,000/Each Bond
Tenure	7 Years
Coupon Rate	7%
Coupon Payment	Interest will be paid semi-annually
Subscription	BDT 100,000 [1 Lot=20 Bonds]
Offering Style	Private Placement
Regulatory Approval	Upon approval from the Bangladesh Securities and Exchange Commission (BSEC)

**Analysts:**

**Md. Al Amin Jewel**  
jewel@wasocreditrating.com

**Md. Mirazul Islam**  
miraz@wasocreditrating.com

Issue Rating	Long Term	Date of Declaration	Date of Expiration
	A2	20 November 2022	28 August 2023

*Methodology: Corporate rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)*

**RATING RATIONALE**

WCRCL has assigned A2 (pronounced as Single A Two) rating for the Long Term to “100% Convertible Unsecured Bond “Intraco Refueling Station Limited” (hereinafter referred to as ‘The Issue’) based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above ratings have been assigned based on the fundamentals of the issue which include deferral of payment allows to strengthen cash flow position to service debt smoothly, Institutional investors (i.e. Financial institutions) will get chance to invest in less risky investment compare to other industrial project investments, Investor in Bond will get convertibility benefit may append a great return to the investment.

However, the above factors are constrained by the bond is unsecured, if the company goes bankrupt & fails to make payments to its bond holders, the return of the outstanding principal amount as well as interest is not guaranteed, return for the equity holders is not up to the mark, debt servicing capacity shows moderate position.

The long term rating implies the issue is an upper medium grade and subject to low credit risk. Debt servicing of this instrument will primarily depends on cash flow derives from Intraco Refueling Station Limited’s operation from refueling lubricants & gas. The company has experience of promoter in the refueling station, experienced and proactive management, strong brand image “INTRACO”, financial flexibility arising from Intraco Group, increased scale of revenue, most transactions are in cash, low levered in the capital structure, good liquidity position considering short cash conversion cycle, good interest coverage position.

Though underlying assumptions reveals mean rate of return for bond holders at 7% coupon rate per annum which is quite attractive under consideration of current capital market as well as money market condition.

**Abdul Wadud FIEB, MBA**  
**Managing Director**

WASO Credit Rating Company (BD) Ltd.

**CREDIT RATING REPORT**  
**100% CONVERTIBLE UNSECURED BOND UP TO BDT 500 MILLION**  
**OF INTRACO REFUELING STATION LIMITED-REVIEW**



**BACKGROUND & PURPOSE OF THE ISSUE**

Intraco Refueling Station Limited (hereinafter referred as “IRSL” or “The Company” or “The Issuer”) is proposed to issue unsecured bond with 100% Convertible feature up to BDT 500 Million. The provision of conversion is at the investor’s discretion. If the investors do not choose to convert their bonds then they will receive the outstanding principal amount in one bullet payment at the end of 7 years. The face value is determined to BDT 5,000, at 7% coupon rate per annum. The interest amount will be disbursed semiannually. 20% of the face value each year starting from the 3rd year till full conversion (i.e. on the last day of 36th month). The conversion strike price for each conversion shall be fixed at 30% less than last 20 trading day’s average close price of ordinary shares of Intraco Refueling Station Limited at Dhaka Stock Exchange on Conversion Price Determination Day. This proposed unsecured and fully convertible Bond is to be issued for the purpose of expanding CNG Filling Stations in 3 Locations, expanding LPG Filling Station in 5 Locations, and Mother & daughter Services in 5 Locations.

**Bond Features**

Particulars	Details
Issuer	Intraco Refueling Station Limited (IRSL)
Issue Type	IRSL 100% Convertible Unsecured Bond
Issue Size	BDT 500 Million
Manager to the Issue	City Bank Capital Resources Limited
Lead Arranger	City Bank Capital Resources Limited
Trustee & Paying Agent	EC Securities Limited
Account Bank	To be selected, among the top rated banks in the country
Auditor	FAMES & R, Chartered Accountants
Legal Adviser	A.S & Associates
Entity Rating Agency	WASO Credit Rating Company (BD) Limited
Issue Rating Agency	WASO Credit Rating Company (BD) Limited
Purpose	Expanding CNG Filling Stations in 3 Locations Expanding LPG Filling Station in 5 Locations Mother & Daughter Services in 5 Locations
Investor	Banks, NBFIs, Corporate Entities, Institutional investors and High Net-Worth Individual Investors
Currency	Bangladeshi Taka (BDT)
Face Value of Each Bond	BDT 5,000
Denomination	Denomination of each Convertible Bond is BDT 100,000
Lot Size	BDT 100,000
Minimum Subscription	BDT 100,000 [1 Lot=20 Bonds]
Tenure	7 years, i.e. 84 months from the Issuance Date
Coupon Rate	7%
Coupon Payment	Coupon Payment shall be payable on half yearly basis from the date of Issuance of Bond. Coupon Payment Date shall be the last day of every six (06) month from the Date of Issuance of Bond.
Mode of Placement	Private Placement
Mode of Offer	Private Offer 70% [40% will be offered to the existing shareholders under private offer] Public Offer 30% Any unsubscribed amount in public offer can be arranged through private offer [Upon BSEC Approval]



**CREDIT RATING REPORT**  
**100% CONVERTIBLE UNSECURED BOND UP TO BDT 500 MILLION**  
**OF INTRACO REFUELING STATION LIMITED-REVIEW**



Conversion Option	<p>The investors shall have the option to convert 100% of their bond into ordinary shares of Intraco Refueling Station Limited.</p> <p>The Conversion option can be exercised in the following ways:</p> <p>i. 20% of total Bond held by an investor shall be convertible per annum at the option of the said bondholder from the 3rd year (i.e. on the last day of 36th month) of issuance;</p> <p>ii. Conversion Option can be exercised at a multiple of 5%, i.e. 5%, 10%, 15% and 20% per annum;</p> <p>iii. a single year's un-exercised Conversion Option can be carried forward to the subsequent years till Maturity and may be exercised along with current year's Conversion Option.</p> <p>For the purpose of conversion as stated above, the Bond shall be valued at face value.</p>
Conversion Price	<p>Conversion Price shall be fixed at 30% less than last 20 trading days average close price of ordinary shares of Intraco Refueling Station Limited at Dhaka Stock Exchange on Conversion Price Determination Day.</p> <p>Conversion Strike Price= Simple Average of Last 20 Days Average Close Price of IRSL on Conversion Price Determination Day * (1-30%)</p> <p>Any fractional converted share shall be considered to the nearest integer at the time of calculating the total converted shares.</p>
Conversion Notice	<p>Issuer shall serve a notice to the bondholders at least thirty (30) working days prior to the Conversion date informing the conversion date through Two (2) widely circulated national daily newspapers one in Bengali and another in English and in the trading platform of the stock exchanges.</p> <p>After receiving of the notice from the Issuer, the bondholders shall intimate their option to the Issuer regarding exercise of the Conversion Option at least ten (10) days prior to the Conversion Date.</p> <p>Provided further that if any bondholder does not intimate its option regarding exercise of Conversion Option within the time as mentioned above to the Issuer, the right of that bondholder to exercise Conversion Option at the relevant year shall not be considered by the Issuer for that year only.</p>
Conversion Date	<p>Conversion Date shall be the last day of 36<sup>th</sup> month from the issuance date and thereafter, last day of every 12 months period on the said date until Maturity.</p> <p>If any Conversion Date falls on a holiday including a weekend or on a day that is not a Business Day or a day during continuation of a Force Majeure Event, then the subsequent trading day at the Dhaka Stock Exchange shall be the Conversion Date.</p>
Jurisdiction	Laws of People's Republic of Bangladesh
Governing Law	The Bonds are governed by and shall be construed in accordance with the existing laws of Bangladesh. Any dispute arising thereof shall be subject to the arbitration under Arbitration Act 2001.
Converted Share Allocation Period	Upon exercising the conversion option during the specified period, the bondholders shall receive proportionate quantity of ordinary shares of Intraco Refueling Station Limited based on their investment within five working days of Conversion Date.
Allocation of Bullet Payment	Upon Maturity on 84 <sup>th</sup> month from the issuance date (the last conversion date), the outstanding amount of principal after deducting the converted amount into Ordinary shares of Intraco Refueling Station Limited shall be repaid to the bondholders. The calculation will be done in the following manner:
Tax Features	Initial Investment (-) (Number of Bond converted by a bondholder (x) Face Value of the Bond, i.e. BDT 5,000 each)
Costs related to the issue	As per tax laws of Bangladesh
	BDT 11,333,500 (Approximate)



**CREDIT RATING REPORT**  
**100% CONVERTIBLE UNSECURED BOND UP TO BDT 500 MILLION**  
**OF INTRACO REFUELING STATION LIMITED-REVIEW**



Transferability/ Liquidity	Freely Transferable as per Deed of Trust
Tradability	To be Listed in the Main Board [upon BSEC Approval]
Call/Put Option	Non-Callable
Arrangement Basis	Best Effort Basis
Force Majeure	The Issuer shall not be liable for any failure or delay in the performance of their respective obligations under this Trust Deed or any other Documentation because of circumstances beyond their control, including, without limitation, Act(s) of God; flood; war (whether declared or undeclared); terrorism; fire; riot; embargo; labour disputes; pandemic or epidemic leading to lockdown or declaration of public holidays or similar measure by the government or local authorities; any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by this Trust Deed or any other Documentation, and other causes beyond the the Issuer's control whether or not of the same class or kind as specifically named above (each a "Force Majeure Event"). However, the Issuer as the case may be, shall use commercially reasonable efforts consistent with accepted practice in its industry to resume performance as soon as practicable under the circumstances.
Event of Default	In case of any Event of Default, the Trustee shall serve a notice within seven (07) working days of occurring such event to the Bondholders, the exchanges upon which the securities will be traded and the Commission.  If the trustee fails to negotiate within fifteen (15) working days of the occurrence of Event of Default as mentioned in the Trust Deed, the Trustee shall get the right to take legal action against the Issuer for recovery of the outstanding including Principal and the Coupon of the Bond as per existing laws.

**REPAYMENT SCHEDULE OF THE BOND**

**Considering 20% conversion per Annum**

Repayment Schedule (20% Conversion Per Annum)							
Year	Payment No.	Beginning Balance	Bond Converted to Ordinary Shares	Bullet Payment (Cash)	Coupon Rate Semi-annual	Installment Amount	Ending Principal Balance
					3.50%		
1	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
2	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
3	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	100,000,000	-	17,500,000	17,500,000	400,000,000
4	7 <sup>th</sup>	400,000,000	-	-	14,000,000	14,000,000	400,000,000
	8 <sup>th</sup>	400,000,000	100,000,000	-	14,000,000	14,000,000	300,000,000
5	9 <sup>th</sup>	300,000,000	-	-	10,500,000	10,500,000	300,000,000
	10 <sup>th</sup>	300,000,000	100,000,000	-	10,500,000	10,500,000	200,000,000
6	11 <sup>th</sup>	200,000,000	-	-	7,000,000	7,000,000	200,000,000
	12 <sup>th</sup>	200,000,000	100,000,000	-	7,000,000	7,000,000	100,000,000
7	13 <sup>th</sup>	100,000,000	-	-	3,500,000	3,500,000	100,000,000
	14 <sup>th</sup>	100,000,000	100,000,000	-	3,500,000	3,500,000	-
<b>Total Payment</b>			<b>500,000,000</b>	<b>-</b>	<b>175,000,000</b>	<b>175,000,000</b>	



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**Considering 15% conversion per Annum**

Repayment Schedule (15% Conversion)							
Year	Payment No.	Beginning Balance	Bond Converted to Ordinary Shares	Bullet Payment (Cash)	Coupon Rate Semi-annual	Installment Amount	Ending Principal Balance
					<b>3.50%</b>		
<b>1</b>	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
<b>2</b>	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
<b>3</b>	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	75,000,000	-	17,500,000	17,500,000	425,000,000
<b>4</b>	7 <sup>th</sup>	425,000,000	-	-	14,875,000	14,875,000	425,000,000
	8 <sup>th</sup>	425,000,000	75,000,000	-	14,875,000	14,875,000	350,000,000
<b>5</b>	9 <sup>th</sup>	350,000,000	-	-	12,250,000	12,250,000	350,000,000
	10 <sup>th</sup>	350,000,000	75,000,000	-	12,250,000	12,250,000	275,000,000
<b>6</b>	11 <sup>th</sup>	275,000,000	-	-	9,625,000	9,625,000	275,000,000
	12 <sup>th</sup>	275,000,000	75,000,000	-	9,625,000	9,625,000	200,000,000
<b>7</b>	13 <sup>th</sup>	200,000,000	-	-	7,000,000	7,000,000	200,000,000
	14 <sup>th</sup>	200,000,000	75,000,000	125,000,000	7,000,000	132,000,000	-
<b>Total Payment</b>			<b>375,000,000</b>	<b>125,000,000</b>	<b>192,500,000</b>	<b>317,500,000</b>	

**Considering 10% conversion per Annum**

Repayment Schedule (10% Conversion)							
Year	Payment No.	Beginning Balance	Bond Converted to Ordinary Shares	Bullet Payment (Cash)	Coupon Rate Semi-annual	Installment Amount	Ending Principal Balance
					<b>3.50%</b>		
<b>1</b>	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
<b>2</b>	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
<b>3</b>	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	50,000,000	-	17,500,000	17,500,000	450,000,000
<b>4</b>	7 <sup>th</sup>	450,000,000	-	-	15,750,000	15,750,000	450,000,000
	8 <sup>th</sup>	450,000,000	50,000,000	-	15,750,000	15,750,000	400,000,000
<b>5</b>	9 <sup>th</sup>	400,000,000	-	-	14,000,000	14,000,000	400,000,000
	10 <sup>th</sup>	400,000,000	50,000,000	-	14,000,000	14,000,000	350,000,000
<b>6</b>	11 <sup>th</sup>	350,000,000	-	-	12,250,000	12,250,000	350,000,000



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	12 <sup>th</sup>	350,000,000	50,000,000	-	12,250,000	12,250,000	300,000,000
7	13 <sup>th</sup>	300,000,000	-	-	10,500,000	10,500,000	300,000,000
	14 <sup>th</sup>	300,000,000	50,000,000	250,000,000	10,500,000	260,500,000	-
<b>Total Payment</b>			<b>250,000,000</b>	<b>250,000,000</b>	<b>210,000,000</b>	<b>460,000,000</b>	

**Considering 5% conversion per Annum**

Repayment Schedule (5% Conversion)							
Year	Payment No.	Beginning Balance	Bond Converted to Ordinary Shares	Bullet Payment (Cash)	Coupon Rate Semi-annual	Installment Amount	Ending Principal Balance
					3.50%		
1	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
2	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
3	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	25,000,000	-	17,500,000	17,500,000	475,000,000
4	7 <sup>th</sup>	475,000,000	-	-	16,625,000	16,625,000	475,000,000
	8 <sup>th</sup>	475,000,000	25,000,000	-	16,625,000	16,625,000	450,000,000
5	9 <sup>th</sup>	450,000,000	-	-	15,750,000	15,750,000	450,000,000
	10 <sup>th</sup>	450,000,000	25,000,000	-	15,750,000	15,750,000	425,000,000
6	11 <sup>th</sup>	425,000,000	-	-	14,875,000	14,875,000	425,000,000
	12 <sup>th</sup>	425,000,000	25,000,000	-	14,875,000	14,875,000	400,000,000
7	13 <sup>th</sup>	400,000,000	-	-	14,000,000	14,000,000	400,000,000
	14 <sup>th</sup>	400,000,000	25,000,000	375,000,000	14,000,000	389,000,000	-
<b>Total Payment</b>			<b>125,000,000</b>	<b>375,000,000</b>	<b>227,500,000</b>	<b>602,500,000</b>	

**Considering no conversion per Annum**

Repayment Schedule (No Conversion)							
Year	Payment No.	Beginning Balance	Bond Converted to Ordinary Shares	Bullet Payment (Cash)	Coupon Rate Semi-annual	Installment Amount	Ending Principal Balance
					3.50%		
1	1 <sup>st</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	2 <sup>nd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
2	3 <sup>rd</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	4 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
3	5 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	6 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
4	7 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	8 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000





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5	9 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	10 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
6	11 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	12 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
7	13 <sup>th</sup>	500,000,000	-	-	17,500,000	17,500,000	500,000,000
	14 <sup>th</sup>	500,000,000	-	500,000,000	17,500,000	517,500,000	-
<b>Total Payment</b>			-	<b>500,000,000</b>	<b>245,000,000</b>	<b>745,000,000</b>	

**DETAILS PLAN OF THE BOND UTILIZATION OF PROCEEDS**

Intraco Refueling Station Limited (IRSL) has decided to expand its business activities and diversify its funding sources through issuance of “INTRACO REFUELING CONVERTIBLE BOND” amounting BDT 500 million in order to support its continuous business growth in Refueling Station Industry. The money will be raised through the 100% convertible bond of BDT 500 million which will be used for this BMRE project. In FY2022 the company has generated revenue of BDT 483.24 million for 9 months which will be raised to BDT 1,984.01 million by 1<sup>st</sup> year after fully implementing the BMRE projection and it is assumed that the net profit after tax will be grownup by 85.89%.

Particulars	Details
Legal Description	Public Limited Company (Listed)
Authorized Capital	Tk.1,000,000,000
Paid-up Capital	Tk. 982,327,500
Bank Loan	Tk. 54,980,000 (31.12.2021)
Product	Refuel Lubricants & Gas
Market of the Product	All over the country

**Plan Regarding Use of Proceeds from “INTRACO REFUELING CONVERTIBLE BOND”**

SL	Use of proceeds	Location	Amount in BDT	Approximate date of Completion
1	Setting up 3 (Three)CNG stations	Savar	57,243,110	6 (Six) months after raising the fund
		Pakulla	34,554,210	
		Rajshahi	31,057,920	
2	Setting up 5 (Five) LPG Stations	Jhinaidah	7,420,000	
		Natore	7,320,000	
		Khulna	7,320,000	
		Savar	7,355,000	
		Gopalganj	8,215,000	
3	Setting up 5 (Five) Mother-Daughter (Sub-Stations)	Keranigonj	27,000,000	
		Lohagora (Ctg)	27,000,000	
		Cox Bazar	27,000,000	
		Kustia	27,000,000	
		Keranigonj 2	27,000,000	
			<b>295,485,240</b>	
4	Working capital		204,514,760	
	<b>Total use of proceeds</b>		<b>500,000,000</b>	





**ISSUER PROFILE**

Intraco Refueling Station Limited (IRSL) is a sister concern of Intraco Group. It was incorporated as a private limited company under the Companies Act 1994 on 27 March 2007 and converted as a Public Limited Company by shares on 28th June 2015. The shares of the company were listed with both Dhaka Stock Exchange on 26 April 2018 and Chittagong Stock Exchange on 06 May 2018. The trading of shares of the company was started from 17 May 2018 in both the Stock Exchanges. The Company started their commercial operation of its refueling station from June 16, 2008. Intraco Refueling Station Limited is most renowned company in CNG sector in Bangladesh.

IRSL is engaged in the construction and operation of CNG Refueling Station in different places in Bangladesh. Besides this, the company has taken the initiative to establish a LPG cylinder manufacturing plant in Cumilla. The registered office and principal place of business of the company is located at Intraco Center, House No # 40, Block # J, Pragati Sarani, Baridhara, Dhaka.

COMPANY AT A GLANCE	
Issuer	Intraco Refueling Station Limited
Date of Incorporation	27 March, 2007
Date of Commercial Operation	16 June, 2008
Converted to public limited company	28 June 2015
Floataion of shares	17 May, 2018
Listed in DSE	26 April, 2018
Listed in CSE	06 May, 2018

**Description of Subsidiary Companies**

The company and its subsidiaries are operating its CNG stations on rented land through lease agreement from Bangladesh Railway and different landowners. Intraco has eight (08) CNG stations under the National Gas Distribution Company of Titas Gas Transmission & Distribution Company Limited, Bakhrabad Gas Distribution Company Limited and Karnafuli Gas Distribution Company Limited. A brief about the key units of the subsidiaries companies other than Intraco Refueling Station Limited is described below:

**Good CNG Refueling Station Limited**

Good CNG Refueling Station Limited (hereinafter GCRSL) was incorporated as a Private Limited Company under The Companies Act, 1994 on 8th October, 2009. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Ishwardi, Pabna. The parent company holds 828,500 no. of shares that represent 95.00057% of subsidiary company. Moreover subsidiary entity are controlled by the Intraco Refueling Station Ltd. Control exist when Intraco Refueling Station Ltd. has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.

**M Hye & Co. CNG Refueling Station Limited**

M Hye & Co. CNG Refueling Station Limited (hereinafter MHCCRSL) was incorporated as a Private Limited Company under The Companies Act, 1994 on 26th July, 2011. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Hobigonj. The parent company holds 2,601,714 no. of shares that represent 95.00020% of subsidiary company. Moreover subsidiary entity are controlled by the Intraco Refueling Station Ltd. Control exist when Intraco Refueling Station Ltd. has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.



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### Nessa & Sons Limited

Nessa & Sons Limited (hereinafter NSL) was incorporated as a Private Limited Company under The Companies Act, 1994 on 26th July, 2011. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Gabtoli, Dhaka. The parent company holds 2,395,000 no. of shares that represent 95.000099% of subsidiary company.

### Absar & Elias Enterprises Ltd.

Absar & Elias Enterprise Ltd. (hereinafter AEEL) was incorporated as a Private Limited Company under The Companies Act, 1994 vide Registration No. C-63432(923)/06 dated 24th August, 2006. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Tiger Pass More, Chattogram. The parent company holds 2,105,400 no. of shares that represent 95.00045% of subsidiary company.

### Intraco Automobiles Limited

East End Automobiles Ltd was incorporated as a Private Limited Company under the Companies Act, 1994 on 2nd September, 2013. The company has changed its name to Intraco Automobiles Ltd on 3rd December 2019. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Chandgaon, Chattogram. The parent company holds 2,558,310 no. of shares that represent 95.00028% of subsidiary company.

### Business Operation

Intraco Refueling Station Limited is involved in the construction and operation of CNG refueling stations in various locations around Bangladesh. Besides, the company has taken the initiative to establish a LPG cylinder manufacturing plant in Cumilla. Intraco Refueling Station Limited is most renowned company in CNG sector in Bangladesh. The company procures Compressed Natural Gas from National Gas Distribution Company of Titas Gas Transmission & Distribution Company Limited, Bakhrabad Gas Distribution Company Limited and Karnafuli Gas Distribution Company Limited. IRSL has three (03) CNG stations which are operated by corporate office. A brief about the operational activities of three stations of the company are described below:

**Chandpur Station:** The CNG station commenced its commercial operation on 16 June, 2008 which located at Bishnondi Bus Station, Chandpur on 30 decimal rented land area. The station of the company has three (03) gas dispensers, each one equipped with double gas nozzles. The station serves its customers 24 hours of a day and seven days in a week. Usually the station of the company refuels on an average daily 1,200 to 1,300 vehicles. The total capacity of the CNG station is RMS/CMS 332,800 and CNG compressor capacity is 1,030 cubic meter per hour. Average consumption of CNG per vehicle is 9 to 10 cubic meter of gas.

**Amizuddin Station:** The CNG station started its commercial operation on 06 August, 2008 which located at 154, Naya Aity, Mukti Sarani, Shenarpar, Demra, Dhaka on 30 decimal rented land area. The station of the company has two (02) gas dispensers, each one equipped with double gas nozzles. The station serves its customers 24 hours of a day and seven days in a week. Usually the station of the company refuels on an average daily 600 to 700 vehicles. The total capacity of the CNG station is RMS/CMS 212,323 and CNG compressor capacity is 580 cubic meter per hour. Average consumption of CNG per vehicle is 12 to 13 cubic meter of gas.

**Haratoli Station:** The CNG station commenced its commercial operation on 12 August, 2008 which located at Haratali Highway, Sadar South, Cumilla on 40 decimal rented land area. The

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station of the company has two (02) gas dispensers, each one equipped with double gas nozzles. The station serves its customers 24 hours of a day and seven days in a week. Usually the station of the company refuels on an average daily 300 to 400 vehicles. The total capacity of the CNG station is RMS/CMS 129,892 and CNG compressor capacity is 580 cubic meter per hour. Average consumption of CNG per vehicle is 14 to 15 cubic meters of gas.

**Management Evaluation**

Mr. H.M Hakim Ali, Chairman of Intraco Group, has extensive experience in the different industry. IRSL was conceptualized by Mr. Mohammed Riyadh Ali, Managing Director of the company. He has good experience with diversified industrial sector. A group of senior experienced executives aids the Managing Director to perform the day-to-day businesses of the Company. The management of the company is composed of two layers. The top tier is the board of directors (BOD), who are primarily the shareholders of the company. The directors formulate the long-term plans and strategies of the company and solve any strategic problem that arises.

A tabular view of the shareholding pattern as on 30 June 2021 of the company is delineated below:

Name of the Key Sponsors	Designation	No. of shareholdings	% of share
Mr. H.M Hakim Ali	Chairman	2,816,733	3.10
Mr. Mohammed Riyadh Ali	Managing Director	13,217,411	14.53
Mrs. Hoda Ali Selim Ahmed Mohamed	Director	6,603,059	7.26
Mr. Azim Uddin	Director	2,958,902	3.25
Mrs. Monowara Hakim Ali	Sponsor	2,373,610	2.61
Mr. Mohammed Irad Ali	Sponsor	86,621	0.09
Mr. Advocate Abdul Halim	Independent Director	--	--
Total		27,883,094	30.66

Beside that Mr. Advocate Abdul Halim is an Independent Director of the company. On the other hand Mr. Azim Uddin was nominee of the Intraco Natural Gas Station Limited.

**Mr. H.M Hakim, Chairman**

Mr. H.M Hakim Ali is the chairman of Intraco Refueling Station Ltd. He is a veteran & business personality of 69 years age. He is an LLB and also he has completed Diploma in Hospitality Management from Cornell University, USA & Salzburg University, Australia. Mr. Hakim is a successful industrialist. He is the Chief Executive officer and Director of Hotel Agrabad Limited since 1971. He is also Director of Hotel International Ltd (The Pan Pacific Sonargaon Hotel) since 1991 and Director of Chittagong Metropolitan Chamber of Commerce & Industry since 2009. Mr. Hakim is presently the Honorary Consul General of the Republic of the union of Myanmar in Chittagong before this he was former honorary consul of the Republic of Indonesia in Chittagong.

He is also president of Bangladesh International Hotel Association since 2012, and he was the president of Bangladesh Foundation for Tourism Development. Mr. Hakim got awarded in 14th March 2008 the 'Man of Achievement' from the International Biographical Centre, England, and also elected the Member of the Hotel and Catering International Management Association; UK. His contribution in the continuous development of Intraco Refueling Station Ltd is a source of inspiration for the company. He is also Chairman of Intraco Properties Ltd. and Tangail CNG Refueling Station Ltd. and Director of Agrabad Beach Hotels Limited.





**Mr. Mohammed Riyadh Ali, Managing Director**

Mr. Mohammed Riyadh Ali is the Managing Director of Intraco Refueling Station Limited. He is a dynamic & successful entrepreneur of 42 year’s age. He has completed his Masters of Business Administration from Pacific University Hawaii, USA. Mr. Ali comes of a reputed business family and is the founder of Intraco Refueling Station Ltd. Being a successful entrepreneur, he has established various businesses, to mention a few, like Intraco Intraco Solar Power Ltd, Intraco CNG Ltd. Tangail CNG Refueling Station Ltd, Dosan Trade Bangladesh Ltd & Hawlader Enterprises Limited, Intraco Properties Ltd.

Mr. Ali is not only an eminent leading and successful businessman; he is a social activist also. He was the Honorary Consul of the Republic of Korea to Chittagong and former vice President of Bangladesh CNG Station and Conversion Workshop Owners Association, founder director of Korea Bangladesh Chamber of Commerce & industries, former Secretary General of Korea Bangladesh Chamber of Commerce and Industry. Mr. Mohammed Riyadh Ali has organized and attended many national and international exhibitions, seminars, workshops, trainings, symposia, trade shows, and fairs and represented as delegate for business promotion in aboard. He established Butterfly Park Bangladesh Ltd, an eco-friendly park with live butterfly. For his contribution in the field, he has been recognized and honored with the award “HSBC The Daily Star Climate Champion Award” on 2012, The “Divisional Environmental Award” on 2013 and Environment Award-2018 in Bangladesh.

A brief of key management personnel along with their qualifications are as follows:

Name of Employees	Designation	Qualification	Experiences
Mr. Shaiful Alam Chowdhury	Director (Operation)	B.Sc. Engr. (Mechanical)	42 Years
Md. Ismail Hossain	Executive Director	MBA (Finance)	30 Years
G.M Salahuddin	Company Secretary	MBA (Finance & Banking)	20 Years
Md. Salah Uddin	Chief Operating Officer	BA	30 Years
Mr. Abu Bakkar Siddique	Chief Financial Officer	ACCA	20 Years
Md. Sabbir Kaderis Sattar	Head of Technical	B.Sc. Engr.	12 Years

**FINANCIAL STRENGTH OF THE ISSUER**

The company submitted audited financial statements up to 30 Jun 2021 and interim audited financial statement for the period from 01 July 2021 to 31 March 2022 (09 Months) that are audited by Fames & R, Chartered Accountants. The financial statements reflected average disclosure to review and analyze the real financial strength of the company. WCRCL, however, considered the statements provided by the issuer as a base to represent the following analysis on it.

**Earning and Profitability Analysis**

According to submitted audited financial statements, sales revenue was increased by 96.13% in FY21 than FY20 due to increase order from buyers which ultimately increased quantity of sales. The annual sales revenue reported at Tk. 571.08 million in FY21 with considering all anti-issues for such business like political instability, economical ups and downs, technological obsolesce and competition to the overall market, whereas it was Tk. 291.15 million in FY20. As per interim audited financial statement, sales revenue reported at Tk. 483.24 million and PAT was Tk. 48.13 million for the period from 01 July 2021 to 31 March 2022 (09 Months).

Moreover, the cost of goods sold compared to the sales of the company (COGS/Sales ratio) was slightly increased in FY21 from preceding year (FY20) because of decrease cost of goods sold. This along with the increase in sales resulted in higher PAT. The PAT was stood at Tk. 92.00 million in FY21, whereas it was Tk. 70.95 million in FY20. The administrative



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expense to the sales ratio of the company stood at 0.70% in FY21, indicated rational position as well as in indicated better cost control and financial expense to the sales ratio of the company was fluctuated position throughout observation period.

Indicators	2022	FY21	FY20	FY19	FY18
Sales Revenue (Tk. in Million)	483.24	571.08	291.16	369.53	393.35
Profit Before Interest and Tax (Tk. in Million)	60.93	124.37	104.01	104.78	126.33
Profit After Tax (PAT) (Tk. In Million)	48.13	92.01	70.96	75.28	99.76
COGS/ Sales (%)	84.14	82.14	84.22	80.92	83.83
Financial Cost/ Sales (%)	0.67	0.70	2.27	1.60	2.03
Administrative Expense/ Sales (%)	2.66	2.96	5.95	5.49	5.81

Overall profitability of IRSL shows fluctuating pattern. The operating profit margin of the company was increased in FY21 from preceding year (FY20) because of decrease operating expense and net profit margin of the company was decreased position in FY21 from prior year (FY20) because of decrease non-operating income. Return on Average Asset (ROAA) and Return on Average Equity (ROAE) were positive in FY21 which ultimately indicated effective utilization of assets & equity.

According to interim audited financial statement, Overall profitability ratio has found good position; evident by operating profit margin and net profit margin has found 13.20% and 9.96%, respectively for the period from 01 July 2021 to 31 March 2022 (09 Months). Return on Average Asset (ROAA) and Return on Average Equity (ROAE) were positive for the period from 01 July 2021 to 31 March 2022 (09 Months) which ultimately indicated effective utilization of assets & equity.

Indicators	2022	FY21	FY20	FY19	FY18
Gross Profit Margin (%)	15.86	17.86	15.78	19.08	16.17
Operating Profit Margin (%)	13.20	14.90	9.83	13.59	10.37
Net Profit Margin (%)	9.96	16.11	24.37	20.37	25.36
Return on Average Assets (ROAA) %	3.82	7.71	6.44	7.35	10.04
Return on Average Equity (ROAE) %	4.62	9.28	7.67	8.65	11.71

### Liquidity Analysis

The liquidity ratios of the company are represented by current and quick ratios, which were tight position considering poor current assets in FY21 compare to the current liabilities. The company has current asset of Tk. 170.74 million and current liabilities was Tk. 143.69 million in FY21. On the other hand, liquidity showed good position resulted from short cash conversion cycle (CCC) for 9 days in FY21. The average annual inventory piled up for 18 days, receivable outstanding for 0 (Zero) days and payable for 10 days in FY21. In accordance with interim audited financial statement, liquidity position was good evident by 0 (zero) receivable outstanding days for the period from 01 July 2021 to 31 March 2022 (09 Months).

Indicators	2022	FY21	FY20	FY19	FY18
Current Ratio (X)	1.37	1.19	3.96	3.64	4.39
Quick Ratio (X)	1.08	0.96	3.82	3.49	4.24
Average No. of Days Inventory in Stock (Days)	34	18	22	18	15
Average No. of Days Receivables Outstanding (Days)	0	0	1	1	0
Average No. of Days Payable Outstanding (Days)	11	10	23	27	26
Cash Conversion Cycle (Days)	24	9	1	-9	-11

### Leverage and Capital Structure

The capital structure of the IRSL has the combination of debt and equity. The total debt stood at Tk. 217.19 million and equity at Tk. 1,022.32 million in FY21 which composed with 82% owner's contribution and 18% total outside liabilities. IRSL was treated as low levered company, originated from debt to equity ratio of 0.21x during this reporting period.



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According to interim audited financial statement, the capital structure of the company is a low levered, resulted from debt to equity ratio 0.20 times for the period from 01 July 2021 to 31 March 2022 (09 Months). Debt to Equity ratio indicates the company is low levered and exposed to low financial risk.

Indicators	Tk. in Million				
	2022	FY21	FY20	FY19	FY18
Total Assets	11278.0	1,239.51	1,147.85	1,054.57	993.73
Total Liabilities	217.41	217.19	187.50	165.18	142.12
Total Equity	1,060.6	1,022.32	960.34	889.38	851.60
Debt to total asset (%)	0.17	0.18	0.16	0.16	0.14
Debt to Equity Ratio (X)	0.20	0.21	0.20	0.19	0.17
Short term Debt to Equity Ratio(X)	0.14	0.14	0.11	0.12	0.10
Long term Debt to Equity Ratio(X)	0.07	0.07	0.08	0.07	0.06
Internal Capital Generation (%)	4.62	9.28	7.67	8.65	11.71

### Coverage and Repayment Capacity

The credibility of IRSL is measured mainly by Debt Service Coverage Ratio (DSCR) and Times Interest Earned Ratio (TIER) which were good position in FY21 under analysis mainly because of high PAT. The company during the last year has been able to generate positive Fund Flow from Operations (FFO) of Tk. 92.01 million. However, the free cash flow of the company reached Tk. 122.20 million during FY21, which implies that internally generated cash was sufficient against its debt obligations. As per interim audited financial statement, the credibility ratio has found good position at 3.23 times for the period from 01 July 2021 to 31 March 2022 (09 Months).

Indicators	Tk. in Million				
	2022	FY21	FY20	FY19	FY18
Debt Service Coverage Ratio (X)	3.23	6.35	6.99	3.82	4.16
Interest Coverage Ratio (X)	18.77	31.25	15.71	17.76	15.84
FFO (in Million)	48.13	92.01	70.96	75.28	99.76
FFO/Debt (X)	0.22	0.42	0.38	0.46	0.70
FCF/Debt (X)	0.18	0.56	0.27	0.36	0.70

### FINANCIAL EVALUATION OF THE INSTRUMENT

Intraco Refueling Station Limited started its operation in 2008. Since historical earnings position does not reflect full financial performance of IRSL's so, we consider projected cash flow position to service upcoming Bond issuance. Projected cash streams or financial position derived from basic estimation of revenue, expense, assets and liability of the project based on some basic assumptions associated with raw material volume & price, product volume & price, capacity utilization, working days, cost of borrowed fund, utility charges, overhead and administrative expenses etc. It is assumed the project will able to utilize 70% of its capacity from the beginning year. The price of raw materials and finished goods have been assumed to remain constant throughout the projected years of operation with the assumption that any increase in the price of raw materials will be offset by the corresponding increase in the price of finished goods. It is assumed that there will be no additional capital expenditure except minor repair and maintenance expense during the period of analysis.

Earnings from refueling lubricants & gas are purely depending on procurement of products at competitive price and effective supply chain management. Strong customers base also highly influence the revenue stability of refueling station business, whereas IRSL is in operation since 2008 and the company has maintained a very strong business relationship with its supplier and buyer. Earnings and profitability of the said project based on above mentioned assumption is comply with industry trend. DSCR of the IRSL and its subsidiaries indicates moderate position relative to net cash flow and leverage position. Average DSCR of IRSL and its subsidiaries is projected at 3.97x in next 06 years and minimum DSCR of 2.76x



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in the first year whereas 5.79x in the 6th year which indicates strong repayment capability of debt obligation.

Earnings Forecast	2023	2024	2025	2026	2027	2028
Sales Revenue (Tk. in Million)	1,984.01	2,073.29	2,159.69	2,159.69	2,159.69	2,159.69
Profit Before Interest and Tax (Tk. in Million)	156.41	175.85	194.39	197.53	200.47	203.22
Profit After Tax (PAT) (Tk. In Million)	89.47	104.28	118.40	126.13	133.70	141.13
COGS/ Sales (%)	90.1	89.6	89.2	89.0	88.9	88.8
Financial Cost/ Sales (%)	2.0	1.9	1.8	1.5	1.2	0.8
Administrative Expense/ Sales (%)	2.0	1.9	1.8	1.8	1.8	1.8
Gross Profit Margin (%)	9.9	10.4	10.8	11.0	11.1	11.2
Operating Profit Margin (%)	7.9	8.5	9.0	9.1	9.3	9.4
Net Profit Margin (%)	4.5	5.0	5.5	5.8	6.2	6.5
Debt Service Coverage Ratio (X)	2.76	3.10	3.43	3.99	4.73	5.79
FFO (in Million)	89.48	104.28	118.41	126.14	133.71	141.14

Due to pandemic accrued in 2020 to 2021, profitability showed a bit sluggish compared to next projection years. Covid-19 impacts largely all over the world economy. Also, the debt servicing showed moderate position during the servicing of instrument. Gearing ratio showed flexibility in capital structure though gradually redemption of debt along with conversion of bond into common share impacted gearing ratio.

#### RISK FACTOR ANALYSIS

##### Management Efficiency Risk

The company two layer of management. First layer is top level management. Top level management i.e. the board of directors will decide and formulate policy and provide guideline to implement these policies. Top management of Intraco Refueling Station Limited is expected to be efficient in their business arena. The Managing Director of the company already engages in same business and he has good knowledge about manufacturing industry. To assist the project the management will appoint technical expert. So the company would get some benefit from their existing business. The Managing Director will be the Chief Executive of the company and he will supervise overall management of the company. The company will recruit skilled manpower. The company already hired employee who are assigned in technical and administration department.

##### Industry Risk

The company is operating in a highly competitive market with overall low profit margin. Moreover, government of Bangladesh has no incentive package for this type of business.

##### Technological Risk

IRSL is involved in technological risk. Refueling Station in Bangladesh uses mainly capital intensive technology. For large scale of services, capital intensive technologies are more useful. So, cheaper capital intensive technology may be available in upcoming days which might create substantial pressure on IRSL existing technology for market acceptance.

##### Operational Risk

The refueling station of IRSL is equipped with power backup. The CNG station equipment is also under insurance coverage in order to get reasonable compensation for the fire loss. All of these indicate that IRSL is exposed to low operational risk.





### Market Risk

There are many players operating in the same market. Many companies exist which are bigger in size and have larger network than Intraco Refueling Station Limited. In this viewpoint, IRSL is exposed to moderate market risk.

### Political Risk

All types of business activities always remain in positive trend when there is political stability in the country. A country like us is always on risk due to political instability. So the company has always some political risk.

### Interest Rate Risks

Interest rate risk is the risk that the Company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demand for loans/investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

### BMRE Implementation Risk

Intraco Refueling Station Limited is in full pledge operation. Presently, the company is trying to arrange fund of BDT 500 million from 100% convertible bond. The successfulness of the BMRE is fully depends on floating the bond. So considering all the issues the project implementation risk is moderate.

## RATING OBSERVATIONS

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### Rating Strengths

- Deferral of payment allows to strengthen cash flow position to service debt smoothly.
- Institutional investors (i.e. Financial institutions) will get chance to invest in less risky investment compare to other industrial project investments.
- Investor in Bond will get convertibility benefit may append a great return to the investment.

### Rating Concerns

- The bond is unsecured, if the company goes bankrupt & fails to make payments to its bond holders, the return of the outstanding principal amount as well as interest is not guaranteed
- Return for the equity holders is not up to the mark
- Debt Servicing capacity shows moderate position

### Business Threats

- Increased competition from local players
- Change in government policy on import duty, tax etc.
- Exposure to foreign currency risk
- Covid-19 may impact on global economy



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100% CONVERTIBLE UNSECURED BOND UP TO BDT 500 MILLION  
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**Business Potentials**

- Potential large market
- Capitalization on the strong brand image
- Scope of capturing in while country

**END OF THE REPORT**

*Disclaimer: Information used herein was obtained from sources believed to be accurate and reliable. However, WCRCL does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. The rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities or to finance in a project. All rights of this report are reserved by WCRCL. The contents may be used by the news media and researchers with due acknowledgement.*





**RATING SCALE & DEFINITION**

WCRCL RATING SCALE FOR ISSUE	
<b>Investment Grade</b>	
<b>AAA</b>	Issuer/Issue rated AAA is judged to be of the highest quality with minimal credit risk.
<b>AA1, AA2, AA3</b>	Issuer/Issue rated AA is judged to be of very high quality and subject to very low credit risk.
<b>A1, A2, A3</b>	Issuer/Issue rated A is an upper medium grade and subject to low credit risk.
<b>BBB1, BBB2, BBB3</b>	Issuer/Issue rated BBB is subject to medium credit risk. And considered medium grade and as such may possess certain speculative characteristics.
<b>Speculative Grade</b>	
<b>BB1, BB2, BB3</b>	Issuer/Issue rated BB is judged to have speculative elements and subject to substantial credit risk.
<b>B1, B2, B3</b>	Issuer/Issue rated B is considered speculative and subject to high credit risk.
<b>Risky Grade</b>	
<b>CCC1, CCC2, CCC3</b>	Issuer/Issue rated CCC is judged to be of poor standing and subject to very high credit risk.
<b>CC1, CC2, CC3</b>	Issuer/Issue rated CC is highly speculative and likely or very near in default, with some prospect of recovery of principal and interest.
<b>C</b>	Issuer/Issue rated C is the lowest rated class of bonds and typically in default with little prospect of recovery of principal and interest.
<b>Default Grade</b>	
<b>D</b>	Indicates that the issuer/Issue is in default, is technically or actually in bankruptcy.

Issue Rating Categories



DISCLOSURE AS PER RULE 8 (b) of SEC NOTIFICATION NOVEMBER 17, 2009

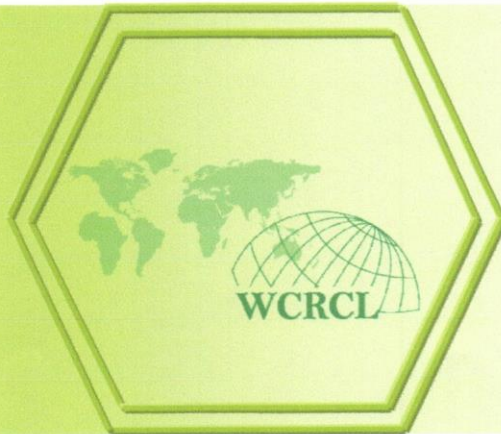
We, WASO Credit Rating Company (BD) Ltd (WCRCL), While assigning this rating to the “100% Convertible Unsecured Bond up to BDT 500 Million of Intraco Refueling Station Limited” hereby solemnly declare that:

- (1) We, WASO Credit Rating Company (BD) Ltd (WCRCL), as well as the analysts of the rating has examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any;  
And
- (2) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Securities and Exchange Commission vide No. SEC/CMRRCD/2001-27/01/Admin/01-41 dated November 17,2009 in respect of this rating



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# WASO CREDIT RATING COMPANY (BD) LIMITED



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**b. Credit Rating Report of IRS**

**Surveillance Credit Rating Report**

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**INTRACO REFUELING STATION LIMITED**



**WASO Credit Rating Company (BD) Limited**

*Promoting Global Risk Management Practices at National Level*

SURVEILLANCE CREDIT RATING REPORT  
INTRACO REFUELING STATION LIMITED

Ref. no.: FR/2023/029495



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A2	ST-2	Stable	13 February 2023	20 January 2024

Bank	Mode	Limit/Disbursed Amount	Outstanding Amount	Tk. in Million Bank Loan Rating
Shahjalal Islami Bank Limited (08.02.2023)	HPSM	60.23	45.62	blr A2

**Financial:** Based on Audited financial statements up to 30 June 2022.

**Methodology:** Corporate rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com).

**Key Snapshot:**

Particulars	Tk. in million	
	2022	2021
Revenue	582.8	571.0
COGS	477.8	469.0
Gross Profit	105.0	101.9
Operating Exp.	16.97	16.88
EBIT	123.3	124.3
Financial Exp.	4.87	3.97
Net Profit	101.5	92.00
Total Assets	1,328	1,239
Total Equity	1,114	1,022
Debt	214.7	217.1
Net Profit Margin (%)	17.43	16.10
Current Ratio (X)	1.42	1.19
CCC (Days)	12	9
Debt/Equity (X)	0.19	0.21
DSCR (X)	6.02	6.35



**RATING RATIONALE**

WCRCL has reaffirmed 'A2' (pronounced as Single A Two) rating for the Long Term and 'ST-2' (pronounced as Short Term Two) rating for Short Term to **Intraco Refueling Station Limited** (hereinafter referred to as 'IRSL' or 'The company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration. WCRCL has also reaffirmed 'blr A2' (pronounced as Bank Loan Rating Single A Two) rating to the long term loan outstanding.

The above ratings have been assigned based on the fundamentals of the company which include experienced and proactive management, strong brand image "INTRACO", financial flexibility arising from Intraco Group, significantly increased scale of revenue from preceding year, most transactions are in cash, low levered in the capital structure, good liquidity position considering short cash conversion cycle, good interest coverage position, presence of fire insurance policy, satisfactory health and safety measures, good infrastructural arrangement with state of art machineries.

However, the above factors are constrained to operational bottleneck due to average disclosure in the financial statements, vulnerability in products price in the local and international market may impact profitability, rented business premises.

The long term rating implies that the company rated upper medium grade and subject to low credit risk. The short term rating implies that the company has a strong ability to repay short term debt obligations. It is likely to meet their obligations over the coming 12 months through internal resources but may rely on external sources of committed financing.

WCRCL also viewed the company with "Stable" outlook and believes that IRSL will be able to maintain its good fundamentals in the foreseeable future.

**Analysts:**

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Abdul Wadud FIEB, MBA  
Managing Director  
WASO Credit Rating Company (BD) Ltd



### CORPORATE BACKGROUND

*Incorporation in 2007*

*Involved with CNG  
Refueling Station*

Intraco Refueling Station Limited (hereinafter referred as "IRSL" or "The Company"), a sister concern of Intraco Group, was incorporated as a private limited company under the Companies Act 1994 on 27<sup>th</sup> March 2007 and converted as a Public Limited Company by shares on 28<sup>th</sup> June 2015. The shares of the company were listed with both Dhaka Stock Exchange on 26 April 2018 and Chittagong Stock Exchange on 06 May 2018. The trading of shares of the company was started from 17 May 2018 in both the Stock Exchanges. The Company started their commercial operation of its refueling station from June 16, 2008. Intraco Refueling Station Limited is most renowned company in CNG sector in Bangladesh.

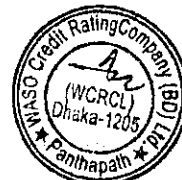
IRSL is engaged in the construction and operation of CNG Refueling Station in different places in Bangladesh. Besides this, the company has taken the initiative to establish a LPG cylinder manufacturing plant in Cumilla. The registered office and principal place of business of the company is located at INTRACO CENTER, House No # 40, Block # J, Pragati Sarani, Baridhara, Dhaka.

IRSL at a Glimpse	
Types of Industry	Refueling Station
Commencement of commercial operation	2007
Company nature	Public Limited Company (Listed with both DSE on 26 <sup>th</sup> April 2018 and CSE on 06 May 2018)
Office Address	INTRACO CENTER, House No # 40, Block # J, Pragati Sarani, Baridhara, Dhaka
Total Number of Station	03 Nos.
Station Address	Haratali Highway, Sadar South, Cumilla Cumilla Road, Bishinudi, Chandpur 154, Naya Aity, Mukti Sarani, Shenarpar, Demra, Dhaka
Authorized Capital	Tk. 1,000.00 Million
Paid Up Capital	Tk. 982.32 Million

### BREIF ABOUT KEY SPONSORS OF THE COMPANY

The company has been promoted by the experienced sponsors who have enormous experience in business field. Among the sponsor-shareholders, four are in the Board of Directors of the Company, namely, Mr. H.M Hakim Ali (Chairman), Mr. Mohammed Riyadh Ali (Managing Director), Mrs. Hoda Ali Selim Ahmed Mohamed (Director), and Mr. Azim Uddin (Director). The board is headed by Mr. Mohammed Riyadh Ali, Managing Director of the Company and also led the management. As on 30 June 2022, the company's authorized capital stood at Tk. 1,000.00 Million (100,000 000 no. of share @Tk. 10 each) and paid-up capital at Tk. 982.32 Million. The company started its business with paid-up capital Tk. 0.30 million and now its existing paid-up capital stands at 909.56 million. In FY20, the company raised its paid-up capital by Tk. 300.00 million through IPO. A tabular view of the shareholding pattern as on 30 June 2022 of the company is delineated below:

Name of the Key Sponsors	No. of shareholdings	% of share
Directors & Sponsors	30,118,161	30.66
General Public	58,733,361	59.79
Institutions	9,381,228	9.55
<b>Total</b>	<b>98,232,750</b>	<b>100.00</b>







Name of the Key Sponsors	Designation	No. of shareholdings	% of share
Mr. H.M Hakim Ali	Chairman	3,042,071	3.10
Mr. Mohammed Riyadh Ali	Managing Director	14,177,603	14.43
Mrs. Hoda Ali Selim Ahmed Mohamed	Director	7,131,303	7.26
Eng. Md. Moktadir Hossain, Nominee of Intraco Developers Ltd.	Director	3,195,614	3.25
Mrs. Monowara Hakim Ali	Sponsor	2,560,600	2.61
Mr. Mohammed Irad Ali	Sponsor	6,548	0.01
Mr. Md. Moklasur Rahman Bhuiyan, ACCA	Independent Director	--	--
Advocate Abdul Halim	Independent Director	--	--
<b>Total</b>		<b>30,118,161</b>	<b>30.66</b>

Beside that Mr. Md. Moklasur Rahman Bhuiyan and Advocate Abdul Halim are an Independent Director of the company. On the other hand Engr. Md. Moktadir Hossain was nominee of the Intraco Developers Limited.

**Mr. H.M Hakim, Chairman**

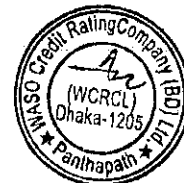
Mr. H.M Hakim Ali is the chairman of Intraco Refueling Station Ltd. He is a veteran & business personality of 70 years age. He is an LLB and also he has completed Diploma in Hospitality Management from Cornell University, USA & Salzburg University, Australia. Mr. Hakim is a successful industrialist. He is the Chief Executive officer and Director of Hotel Agrabad Limited since 1971. He is also Director of Hotel International Ltd (The Pan Pacific Sonargaon Hotel) since 1991 and Director of Chittagong Metropolitan Chamber of Commerce & Industry since 2009. Mr. Hakim is presently the Honorary Consul General of the Republic of the union of Myanmar in Chittagong before this he was former honorary consul of the Republic of Indonesia in Chittagong.

He is also president of Bangladesh International Hotel Association since 2012, and he was the president of Bangladesh Foundation for Tourism Development. Mr. Hakim got awarded in 14th March 2008 the 'Man of Achievement' from the International Biographical Centre, England, and also elected the Member of the Hotel and Catering International Management Association; UK. His contribution in the continuous development of Intraco Refueling Station Ltd is a source of inspiration for the company. He is also Chairman of Intraco Properties Ltd. and Tangail CNG Refueling Station Ltd. and Director of Agrabad Beach Hotels Limited.

**Mr. Mohammed Riyadh Ali, Managing Director**

Mr. Mohammed Riyadh Ali is the Managing Director of Intraco Refueling Station Limited. He is a dynamic & successful entrepreneur of 43 year's age. He has completed his Masters of Business Administration from Pacific University Hawai, USA. Mr. Ali comes of a reputed business family and is the founder of Intraco Refueling Station Ltd. Being a successful entrepreneur, he has established various businesses, to mention a few, like Intraco Properties Ltd, Intraco Solar Power Ltd, Intraco CNG Ltd. Tangail CNG Refueling Station Ltd, Dosan Trade Bangladesh Ltd & Hawlader Enterprises Ltd.

Mr. Ali is not only an eminent leading and successful businessman; he is a social activist also. He was the Honorary Consul of the Republic of Korea to Chittagong and former vice President of Bangladesh CNG Station and Conversion Workshop Owners Association, founder director of Korea Bangladesh Chamber of Commerce & industries, former Secretary General of Korea Bangladesh Chamber of Commerce and Industry. Mr. Mohammed Riyadh Ali has organized and attended many national and international exhibitions, seminars, workshops,



trainings, symposia, trade shows, and fairs and represented as delegate for business promotion in aboard. He established Butterfly Park Bangladesh Ltd, an eco-friendly park with live butterfly. For his contribution in the field, he has been recognized and honored with the award "HSBC The Daily Star Climate Champion Award" on 2012, The "Divisional Environmental Award" on 2013 and Environment Award-2018 in Bangladesh.

#### **DISCRIPTION OF SUBSIDIARY COMPANIES**

The company and its subsidiaries are operating its CNG stations on rented land through lease agreement from Bangladesh Railway and different landowners. Intraco has eight (08) CNG stations under the National Gas Distribution Company of Titas Gas Transmission & Distribution Company Limited, Bakhrabad Gas Distribution Company Limited and Karnafuli Gas Distribution Company Limited. A brief about the key units of the subsidiaries companies other than **Intraco Refueling Station Limited** is described below:

##### **Good CNG Refueling Station Limited**

Good CNG Refueling Station Limited (hereinafter GCRSL) was incorporated as a Private Limited Company under The Companies Act, 1994 on 8<sup>th</sup> October, 2009. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Ishwardi, Pabna. The parent company holds 828,500 no. of shares that represent 95.00057% of subsidiary company. Moreover subsidiary entity are controlled by the Intraco Refueling Station Ltd. Control exist when Intraco Refueling Station Ltd. has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.

##### **M Hye & Co. CNG Refueling Station Limited**

M Hye & Co. CNG Refueling Station Limited (hereinafter MHCCRSL) was incorporated as a Private Limited Company under The Companies Act, 1994 on 26th July, 2011. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Hobigonj. The parent company holds 2,601,714 no. of shares that represent 95.00020% of subsidiary company. Moreover subsidiary entity are controlled by the Intraco Refueling Station Ltd. Control exist when Intraco Refueling Station Ltd. has the power to govern the financial and operating policies of the entity. In assessing control potential voting rights that are presently exercisable are considered.

##### **Nessa & Sons Limited**

Nessa & Sons Limited (hereinafter NSL) was incorporated as a Private Limited Company under The Companies Act, 1994 on 26th July, 2011. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Gabtoli, Dhaka. The parent company holds 2,395,000 no. of shares that represent 95.000099% of subsidiary company.

##### **Absar & Elias Enterprises Ltd.**

Absar & Elias Enterprise Ltd. (hereinafter AEEL) was incorporated as a Private Limited Company under The Companies Act, 1994 vide Registration No. C-63432(923)/06 dated 24th August, 2006. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Tiger Pass More,



Chattogram. The parent company holds 2,105,400 no. of shares that represent 95.00045% of subsidiary company.

**Intraco Automobiles Limited**

East End Automobiles Ltd was incorporated as a Private Limited Company under the Companies Act, 1994 on 2<sup>nd</sup> September, 2013. The company has changed its name to Intraco Automobiles Ltd on 3<sup>rd</sup> December 2019. The Company is involved in the operation of CNG refueling station and the place of business of the company is located at Chandgaon, Chattogram. The parent company holds 2,558,310 no. of shares that represent 95.00028% of subsidiary company.

**MANAGEMENT EVALUATION**

*The company hired skilled and experienced staffs*

IRSL was established under the direct planning and supervision of the Managing Director, Mr. Mohammed Riyadh Ali. A group of senior experienced and skilled executives aids the Managing Director to perform the day-to-day business activities of the company. The management of the company is composed of two layers. The top tier is the board of directors (BOD), who are primarily the shareholders of the company. The directors formulate the long-term plans and strategies of the company and solve any strategic problem that arises. IRSL has competent and specialized employees who have years of experience in the same industry. Mr. Shaiful Alam Chowdhury, B.Sc. Engineer in Mechanical, Director (Operation) of the company with more than 44 years of experiences in the same line of track. Mr. Abu Bakkar Siddique, ACCA, holding the position of Chief Financial Officer (CFO) with more than 21 years of experiences, who supervises the planning and control financial activities of the company.

The second tire of management is the executives and managers of the company. They carry out the instructions and strategies formulated by the upper management. The head of the each unit time-to-time reports to the MD of corporate office or Managing Director of the Company. Top executives of IRSL are experienced in their own fields. A brief of key management personnel along with their qualifications are as follows:

Name of employees	Designation	Academic Qualification	Total Experiences
Mr. Shaiful Alam Chowdhury	Director (Operation)	B.Sc. Engr. (Mechanical)	42 Years
G.M Salahuddin	Company Secretary	MBA (Finance & Banking)	20 Years
Md. Salah Uddin	Chief Operating Officer	BA	30 Years
Mr. Abu Bakkar Siddique	Chief Financial Officer	ACCA	21 Years
Md. Momin Uddin Mollah	Head of Technical	B.Sc. Engr. (EEE).	12 Years

**Human resource management**

Intraco Refueling Station Limited has 140 officers and staff. It has a separate HR related policies including recruitment, performance evaluation, promotion, firing etc. In order to improve the human resources and their quality, IRSL has established its policy for the training of its employees etc. On the other hand, a number of policies are formulated for the welfare of the employees in the form of provident fund and employee gratuity scheme.

**Internal controls**

*Farnes & R, Chartered Accountants is an external auditor of IRSL*

Intraco Refueling Station Limited has been following standard internal control to ensure compliance of its standard operating procedure in order to keep the company on track. The Head Office maintains the communication with the stations through hard copy files and internet to control and monitor the operation on a regular basis. To monitor





the activities of each department there is an integrated system that helps careful monitoring. Mr. Md. Ismail Hossain, Head of Internal Audit, has 32 years of experience in the related industry. Fames & R, Chartered Accountants, has been the external auditor during last 02 (Two) years.

### **ANALYSIS OF INDUSTRY DYNAMICS**

*The market is very competitive.*

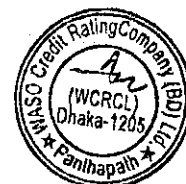
Natural gas refueling stations are places to refuel Natural gas vehicles (NGVs) that look similar to those for diesel or gasoline. The refueling process of natural gas depends on whether compressed natural gas (CNG) or liquefied natural gas (LNG) is being used. A CNG station requires more equipment however an LNG station requires more safety precaution while fueling since it is stored at extremely cold temperature. There are about 24,000 natural gas refueling stations in the world. China contains roughly 20% of them. Most of the fueling stations are CNG stations with just few LNG ones.

A CNG fueling station consists of a compressor, a gas dryer, storage vessels, dispensers and underground piping. Usually a CNG stations are installed where there is already a natural gas pipe in the ground. There are two main types of CNG refueling systems: fast-fill and time-fill. A fast-fill station fills a vehicle within 3-5 minutes about the same speed as a standard gasoline pump. This is a good system for light duty vehicles (pickup trucks, vans, sedans) when they need normal consumer filling. A time-fill system fills a vehicle over a period of time, often overnight when the vehicle is not in use. This type of fueling is primarily designed for fleets (such as transit buses, taxis, cargo trucks).

Natural gas is the major indigenous source of energy in Bangladesh and accounts for almost one-half of all primary energy used in the country. Since first discovery in 1955 as of today 27 gas fields, 25 in the onshore and 2 in the offshore have been discovered in the country. Of them 20 gas fields are in production, one offshore gas field have depilated after 14 years of production while other offshore field has not been viable for production due to small reserve. The estimated proven plus probable recoverable reserve was 28.69 Tcf. As of June 2019, a total of 16.93 Tcf gas has already been produced leaving only 11.76 TCF recoverable reserve in proven plus probable category.

The current average production of natural gas is about 2644 MM cfd. A total 965 billion cubic feet (BCF) of natural gas was produced in 2018-19 which was used by power- 43%, fertilizer-5.5%, captive power-15%, industry-16%, domestic-15%, CNG - 4% and others very small amount. Natural gas accounts for the 68.5% grid electricity generation while all the 7 urea fertilizer factories are dependent on natural gas for feedstock.

Natural gas has made tremendous contribution towards industrial growth in the country as fuel for heating and captive power generation at very favorable price. While the whole nation has been benefitted by this resource, about 7% of the populations have directly been benefitted by using piped natural gas for household purposes. Compressed Natural Gas is being used as automobile fuel by about 300,000 motor vehicles in the country. Expansion of CNG facilities early last decade dramatically improved air quality in large cities especially in the capital Dhaka as well as lot amount of foreign exchange has been saved due to less amount of oil import.





Being almost single indigenous sources of commercial energy demand for natural gas experienced vary fast growth over the last three decades often outstripping the supply. Present demand for gas in the country is about 3392 MMscfd whereas supply is 3331 MMscfd (Gas + imported LNG) indicating a shortage of about 61 MMscfd. It is estimated that demand for natural gas will rise to about 4622 MM scfd by the 2030. To meet the growing energy demand of the country, the government initiated the import of LNG from abroad. At present, a total of 1000 mmcf LNG is added to the national grid.

Bangladesh has experienced rapidly rising energy consumption over the past two decades. This trend will intensify further in the coming years as economic growth and development efforts accelerate—Bangladesh strives to become a middle-income country by 2021. Energy is vital for economic growth in any country and a key ingredient in improving the socioeconomic conditions (i.e., alleviating poverty) in poorer ones. In Bangladesh, electricity is the most widely used form of energy. However, since independence from Pakistan in 1971, the country has struggled to generate adequate electricity to meet demand. Meanwhile, state-owned electricity utilities suffer from large deficits. The energy sector has also failed to attract adequate private investments due to poor pricing policies and other bottlenecks. This lack of investment is a major contributing factor to Bangladesh's energy crisis. [Source: Wikimedia Commons", Commons.wikimedia.org, 2018, Refueling NGVs", 2013, Sciencedirect.com, 2018]

## BUSINESS ANALYSIS

### Business Operations

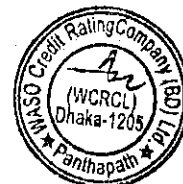
Intraco Refueling Station Limited is involved in the construction and operation of CNG Refueling Station in different places in Bangladesh. Besides this, the company has taken the initiative to establish a LPG cylinder manufacturing plant in Cumilla. Intraco Refueling Station Limited is most renowned company in CNG sector in Bangladesh. The company procures Compressed Natural Gas from National Gas Distribution Company of Titas Gas Transmission & Distribution Company Limited, Bakhrabad Gas Distribution Company Limited and Karnafuli Gas Distribution Company Limited. IRSL has three (03) CNG stations which are operated by corporate office. A brief about the operational activities of three stations of the company are described below:

*1,200 to 1,300 vehicles usually refueled per day*

**Chandpur Station:** The CNG station commenced its commercial operation on 16 June, 2008 which located at Bishnondi Bus Station, Chandpur on 30 decimal rented land area. The station of the company has three (03) gas dispensers, each one equipped with double gas nozzles. The station serves its customers 24 hours of a day and seven days in a week. Usually the station of the company refuels on an average daily 1,200 to 1,300 vehicles. The total capacity of the CNG station is RMS/CMS 332,800 and CNG compressor capacity is 1,030 cubic meter per hour. Average consumption of CNG per vehicle is 9 to 10 cubic meter of gas.

*600 to 700 vehicles usually refueled per day*

**Amizuddin Station:** The CNG station started its commercial operation on 06 August, 2008 which located at 154, Naya Aity, Mukti Sarani, Shenarpar, Demra, Dhaka on 30 decimal rented land area. The station of the company has two (02) gas dispensers, each one equipped with double gas nozzles. The station serves its customers 24 hours of a day and seven days in a week. Usually the station of the company refuels





on an average daily 600 to 700 vehicles. The total capacity of the CNG station is RMS/CMS 212,323 and CNG compressor capacity is 580 cubic meter per hour. Average consumption of CNG per vehicle is 12 to 13 cubic meter of gas.

*300 to 400 vehicles usually refueled per day*

**Haratoli Station:** The CNG station commenced its commercial operation on 12 August, 2008 which located at Haratali Highway, Sadar South, Cumilla on 40 decimal rented land area. The station of the company has two (02) gas dispensers, each one equipped with double gas nozzles. The station serves its customers 24 hours of a day and seven days in a week. Usually the station of the company refuels on an average daily 300 to 400 vehicles. The total capacity of the CNG station is RMS/CMS 129,892 and CNG compressor capacity is 580 cubic meter per hour. Average consumption of CNG per vehicle is 14 to 15 cubic meter of gas.

### Operational Efficiency

The company is a profitable concern and maintained a steady growth. Due to the nature of refueling station business, the company sells gas mainly on cash basis. IRSL every now and then sells on credit only to corporate clients and various Govt. organizations. The company usually provides around Tk. 0.50-1.00 million of credit facility to its corporate clients in a month. The company has to bear around 2%-3% of its total gas consumption as system loss, due to evaporation problem.

### FINANCIAL STRENGTH ANALYSIS

*The company submitted audited financial statements up to 30 June 2022*

The company submitted audited financial statements up to 30 Jun 2022 that are audited by Fames & R, Chartered Accountants. The financial statements reflected average disclosure to review and analyze the real financial strength of the company. WCRCL, however, considered the statements provided by the issuer as a base to represent the following analysis on it. **[Detailed financial ratios are annexed in page 13]**

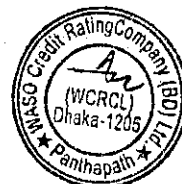
### Earning and Profitability Analysis

*Revenue was in fluctuating phase*

According to submitted audited financial statements, sales revenue was increased by 2.06% in FY22 than FY21 due to increase order from buyers which ultimately increased quantity of sales. The annual sales revenue reported at Tk. 582.88 million in FY22 with considering all anti-issues for such business like political instability, economical ups and downs, technological obsolesce and competition to the overall market, whereas it was Tk. 571.08 million in FY21.

Moreover, the cost of goods sold compared to the sales of the company (COGS/Sales ratio) was stable position in FY22 because of stable raw material price. The PAT was stood at Tk. 101.59 million in FY22, whereas it was Tk. 92.01 million in FY21. The administrative expense to the sales ratio of the company stood at 2.91% in FY21, indicated rational position as well as in indicated better cost control and financial expense to the sales ratio of the company was fluctuated position throughout observation period.

Indicators	FY22	FY21	FY20	FY19	FY18
Sales Revenue (Tk. in Million)	582.88	571.08	291.16	369.53	393.35
Profit Before Interest and Tax (Tk. in Million)	123.33	124.37	104.01	104.78	126.33
Profit After Tax (PAT) (Tk. In Million)	101.59	92.01	70.96	75.28	99.76
COGS/ Sales (%)	81.98	82.14	84.22	80.92	83.83
Financial Cost/ Sales (%)	0.84	0.70	2.27	1.60	2.03





Administrative Expense/ Sales (%)	2.91	2.96	5.95	5.49	5.81
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Overall profitability of IRSL shows fluctuating pattern. The operating profit margin of the company was stable position in FY22 because of stable operating expense and net profit margin of the company was also stable position in FY22 because of stable financial expense. Return on Average Asset (ROAA) and Return on Average Equity (ROAE) were poor position which ultimately indicated nominal utilization of assets & equity.

Indicators	FY22	FY21	FY20	FY19	FY18
Gross Profit Margin (%)	18.02	17.86	15.78	19.08	16.17
Operating Profit Margin (%)	15.10	14.90	9.83	13.59	10.37
Net Profit Margin (%)	17.43	16.11	24.37	20.37	25.36
Return on Average Assets (ROAA) %	7.91	7.71	6.44	7.35	10.04
Return on Average Equity (ROAE) %	9.51	9.28	7.67	8.65	11.71

#### Liquidity Analysis

The liquidity ratios of the company are represented by current and quick ratios, which were tight position considering poor current assets in FY22 compare to the current liabilities. The company has current asset of Tk. 226.24 million and current liabilities was Tk. 159.76 million in FY22. On the other hand, liquidity showed good position resulted from short cash conversion cycle (CCC) for 12 days in FY22. The average annual inventory piled up for 25 days, receivable outstanding for 0 (Zero) days and payable for 13 days in FY22.

Indicators	FY22	FY21	FY20	FY19	FY18
Current Ratio (X)	1.42	1.19	3.96	3.64	4.39
Quick Ratio (X)	1.21	0.96	3.82	3.49	4.24
Average No. of Days Inventory in Stock (Days)	25	18	22	18	15
Average No. of Days Receivables Outstanding (Days)	0	0	1	1	0
Average No. of Days Payable Outstanding (Days)	13	10	23	27	26
Cash Conversion Cycle (Days)	12	9	1	-9	-11

#### Leverage and Capital Structure

The capital structure of the IRSL has the combination of debt and equity. The total debt stood at Tk. 214.72 million and equity at Tk. 1,114.14 million in FY22 which composed with 84% owner's contribution and 16% total outside liabilities. IRSL was treated as low levered company, originated from debt to equity ratio of 0.19x during this reporting period.

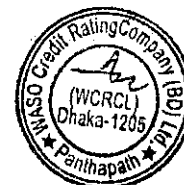
Indicators	FY22	FY21	FY20	FY19	FY18
Total Assets	1,328.86	1,239.51	1,147.85	1,054.57	993.73
Total Liabilities	214.72	217.19	187.50	165.18	142.12
Total Equity	1,114.14	1,022.32	960.34	889.38	851.60
Debt to total asset (%)	0.16	0.18	0.16	0.16	0.14
Debt to Equity Ratio (X)	0.19	0.21	0.20	0.19	0.17
Short term Debt to Equity Ratio(X)	0.14	0.14	0.11	0.12	0.10
Long term Debt to Equity Ratio(X)	0.05	0.07	0.08	0.07	0.06
Internal Capital Generation (%)	9.51	9.28	7.67	8.65	11.71

Debt to Equity ratio indicates the company is low levered and exposed to low financial risk.

#### Coverage and Repayment Capacity

The credibility of IRSL is measured mainly by Debt Service Coverage Ratio (DSCR) and Times Interest Earned Ratio (TIER) which were good position in FY22 under analysis mainly because of high PAT. The company during the last year has been able to generate positive Fund Flow from Operations (FFO) of Tk. 101.59 million. However, the free

*Good interest coverage position*



cash flow of the company reached Tk. 66.48 million during FY22, which implies that internally generated cash was sufficient against its debt obligations.

Indicators	Tk. in Million				
	FY22	FY21	FY20	FY19	FY18
Debt Service Coverage Ratio (X)	6.02	6.35	6.99	3.82	4.16
Interest Coverage Ratio (X)	25.31	31.25	15.71	17.76	15.84
FFO (in Million)	101.59	92.01	70.96	75.28	99.76
FFO/Debt (X)	0.47	0.42	0.38	0.46	0.70
FCF/Debt (X)	0.31	0.56	0.27	0.36	0.70

### **BANKING RELATIONSHIP, LIABILITY POSITION AND SECURITY**

#### **Banking Relationship**

The banking relationship of the company is delineated below:

Banking Relationship	
Bank/s	Shahjalal Islami Bank Limited
Branch	Motijheel Branch
Banking Relationship	14 Years
Loan Facilities	HPSM
Loan Limit	Tk. 60.23 Million
Purpose	To import of capital machineries, to meet up working capital requirement
Loan Status	Regular
Reschedule History	Yes

#### **Liability Position**

The liability position of the company is given below:

Bank	Mode	Disbursed Amount	Outstanding Amount	Tk. in Million
				Outstanding Date
Shahjalal Islami Bank Limited	HPSM	60.23	45.62	08.02.2023

#### **Security Coverage**

As per sanction letter, a brief of security coverage is following:

Security Arrangement	
<b>Shahjalal Islami Bank Limited, Motijheel, Dhaka</b>	
Primary Securities	<ul style="list-style-type: none"> <li>▪ Hypothecation of plant &amp; machinery both existing &amp; future of the company</li> <li>▪ Post-dated cheque</li> </ul>
Collateral Securities	<ul style="list-style-type: none"> <li>▪ Registered mortgaged 100.00 decimal land situated at adjacent to the Dhaka-Chittaging highway road near Noorjahan Hotel, Batpara, Sadar Dakkin, Cumilla.</li> </ul>
Others Securities	<ul style="list-style-type: none"> <li>▪ Personal guarantee of all the Directors of the company</li> </ul>

### **RISK FACTORS ANALYSIS**

#### **Industry Risk**

The company is operating in a highly competitive market with overall low profit margin. Moreover, government of Bangladesh has no incentive package for this type of business.

#### **Technological Risk**

IRSL is involved in technological risk. Refueling Station in Bangladesh uses mainly capital intensive technology. For large scale of services, capital intensive technologies are more useful. So, cheaper capital intensive technology may be available in upcoming days which might create substantial pressure on IRSL existing technology for market acceptance.



### Operational Risk

The refueling station of IRSL is equipped with power backup. The CNG station equipment is also under insurance coverage in order to get reasonable compensation for the fire loss. All of these indicate that IRSL is exposed to low operational risk.

### Market Risk

There are many players operating in the same market. Many companies exist which are bigger in size and have larger network than Intraco Refueling Station Limited. In this viewpoint, IRSL is exposed to moderate market risk.

### Exchange Rate Risk

Being an export oriented company Intraco Refueling Station Limited is exposed foreign currency risk to some extent. IRSL import machinery, equipment's and gas from abroad. WCRC perceives that due to the high volatility of USD Vs. BDT currency may expose exchange rate risk.

### Political Risk

All types of business activities always remain in positive trend when there is political stability in the country. A country like us is always on risk due to political instability. So the company has always some political risk.

## RATING OBSERVATIONS

### Rating Strengths

- Experienced and proactive management
- Strong brand image "INTRACO"
- Financial flexibility arising from Intraco Group
- Increased scale of revenue
- Most transactions are in cash
- Low levered in the capital structure
- Good liquidity position considering short cash conversion cycle
- Good interest coverage position
- Presence of fire insurance policy
- Satisfactory health and safety measures
- Good infrastructural arrangement with state of art machineries

### Rating Concerns

- Average disclosure of financial statements
- Vulnerability in products price in the local and international market may impact profitability
- Rented business premises

### Business Threat

- Increased competition from local players
- Foreign currency risk
- Change of the government policy regarding import

### Business Potentials

- Potential large market
- Availability of work force

## END OF THE REPORT

*Disclaimer: Information used herein was obtained from sources believed to be accurate and reliable. However, WCRC does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. The rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities or to finance in a project. All rights of this report are reserved by WCRC. The contents may be used by the news media and researchers with due acknowledgement.*



**Annexure Table:**

<b>Financial Position</b>					
<b>Indicators</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Sales Revenue (Tk. in Million)	582.88	571.08	291.16	369.53	393.35
Profit Before Interest and Tax (Tk. in Million)	123.33	124.37	104.01	104.78	126.33
Profit After Tax (PAT) (Tk. in Million)	101.59	92.01	70.96	75.28	99.76
COGS/ Sales (%)	81.98	82.14	84.22	80.92	83.83
Financial Cost/ Sales (%)	0.84	0.70	2.27	1.60	2.03
Administrative Expense/ Sales (%)	2.91	2.96	5.95	5.49	5.81
<b>Profitability Analysis</b>					
<b>Indicators</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Gross Profit Margin (%)	18.02	17.86	15.78	19.08	16.17
Operating Profit Margin (%)	15.10	14.90	9.83	13.59	10.37
Net Profit Margin (%)	17.43	16.11	24.37	20.37	25.36
Return on Average Assets (ROAA) (%)	7.91	7.71	6.44	7.35	10.04
Return on Average Equity (ROAE) (%)	9.51	9.28	7.67	8.65	11.71
<b>Liquidity Analysis</b>					
<b>Indicators</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Current Ratio (X)	1.42	1.19	3.96	3.64	4.39
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Average No. of Days Receivables Outstanding (Days)	0	0	1	1	0
Average No. of Days Payable Outstanding (Days)	13	10	23	27	26
Cash Conversion Cycle (Days)	12	9	1	-9	-11
<b>Leverage and Capital Structure</b>					
<b>Indicators</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Debt to total asset(X)	0.16	0.18	0.16	0.16	0.14
Debt to Equity Ratio (X)	0.19	0.21	0.20	0.19	0.17
Short term Debt to Equity Ratio(X)	0.14	0.14	0.11	0.12	0.10
Long term Debt to Equity Ratio(X)	0.05	0.07	0.08	0.07	0.06
Internal Capital Generation (%)	9.51	9.28	7.67	8.65	11.71
<b>Credibility</b>					
<b>Indicators</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Debt Service Coverage Ratio (X)	6.02	6.35	6.99	3.82	4.16
Interest Coverage Ratio (X)	25.31	31.25	15.71	17.76	15.84
FFO (in Million)	101.59	92.01	70.96	75.28	99.76
FFO/Debt (X)	0.47	0.42	0.38	0.46	0.70
FCF/Debt (X)	0.31	0.56	0.27	0.36	0.70





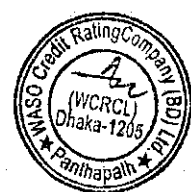
**RATING SCALE & DEFINITION**

**WCRCL RATING SCALE FOR CORPORATE**

Corporate Long Term Rating Categories

Corporate Short Term Rating Categories

<b>Investment Grade</b>	
AAA	Issuer/Issue rated AAA is judged to be of the highest quality with minimal credit risk.
AA1, AA2, AA3	Issuer/Issue rated AA is judged to be of very high quality and subject to very low credit risk.
A1, A2, A3	Issuer/Issue rated A is an upper medium grade and subject to low credit risk.
BBB1, BBB2, BBB3	Issuer/Issue rated BBB is subject to medium credit risk. And considered medium grade and as such may possess certain speculative characteristics.
<b>Speculative Grade</b>	
BB1, BB2, BB3	Issuer/Issue rated BB is judged to have speculative elements and subject to substantial credit risk.
B1, B2, B3	Issuer/Issue rated B is considered speculative and subject to high credit risk.
<b>Risky Grade</b>	
CCC1, CCC2, CCC3	Issuer/Issue rated CCC is judged to be of poor standing and subject to very high credit risk.
CC1, CC2, CC3	Issuer/Issue rated CC is highly speculative and likely or very near in default, with some prospect of recovery of principal and interest.
C	Issuer/Issue rated C is the lowest rated class of bonds and typically in default with little prospect of recovery of principal and interest.
<b>Default Grade</b>	
D	Indicates that the issuer/Issue is in default, is technically or actually in bankruptcy.
ST-1	Issuer/Issue rated "Short Term - 1" has a superior ability to repay short term debt obligations. It is most likely to have the capacity to meet their obligations over the coming 12 months through internal resources without relying on external sources of committed financing.
ST-2	Issuer/Issue rated "Short Term - 2" has a strong ability to repay short term debt obligations. It is likely to meet their obligations over the coming 12 months through internal resources but may rely on external sources of committed financing.
ST-3	Issuer/Issue rated "Short Term - 3" has an acceptable ability to repay short term debt obligations from internal sources. However, it is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.
ST-4	A short-term obligation rated ' Short Term - 4' is regarded as having some speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it may face uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.
ST-5	A short-term obligation rated ' Short Term - 5' is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation.
ST-6	A short-term obligation rated ' Short Term - 6' is in payment default or jeopardized through bankruptcy petition of similar action.

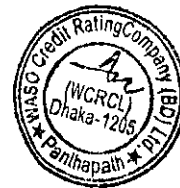




**DISCLOSURE AS PER RULE 8(b) of SEC NOTIFICATION NOVEMBER 17, 2009**

We, WASO Credit Rating Company (BD) Ltd (WCRCL), while assigning this rating to the "Intraco Refueling Station Limited" hereby solemnly declare that:

- (1) We, WASO Credit Rating Company (BD) Ltd (WCRCL), as well as the analysts of the rating has examined, prepared, finalized and issued this report without compromising with the matters of our conflict of interest, if there be any;  
And
- (2) We have complied with all the requirements, policy and procedures of these rules as prescribed by the Securities and Exchange Commission vide No. SEC/CMRRCD/2001-27/01/Admin/01-41 dated November 17, 2009 in respect of this rating.



## **Section 24: Private Offer Application Procedure**

### **For Existing Shareholders of Intraco Refueling Station Limited:**

Existing shareholders of Issuer, as determined in the record date, shall have the option of subscription under Private Offer as per approval of BSEC. The application will be received through ESS.

### **For Private Offer**

The Issuer and/or Arranger shall procure that the prospective Investors shall have been provided with a copy of the Information Memorandum and an invitation letter to subscribe. Based on the Information Memorandum and subsequent clarification of queries (if any), the Investors shall submit a letter of commitment to the Arranger and/or Issuer with the amount of intended subscription specified.

## **Section 25: Public Offer Application Procedure**

### **For Public Offer,**

The Information Memorandum, as approved by the Commission, shall be published by the Issuer and/or Arranger and/or the Exchange(s) and/or other concern authority as applicable in the official websites. The subscription shall be conducted through Electronic Subscription System of the Exchange(s) and subsequently made it available in the websites of the Issuer and/or Arranger and/or the Exchange(s) and/or other concern authority as applicable.

General public and non-resident Bangladeshi (NRB) shall submit the application for subscription of the Bonds through stockbroker/ merchant banker

