

Report on Utilization of IPO Proceeds for the month of August-2020

Name of the Company : SILCO PHARMACEUTICALS LIMITED

Amount (BDT) of Capital Raised Through IPO : BDT. 300,000,000.00

Date of Close of Subscription : March 19, 2019

Proceeds Receiving Date : April 15, 2019

Last Date of Full Utilization of Fund as per Proceeds : December 14, 2020 (within 20 Months of obtaining IPO proceeds)

Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus	Status of Utilization					Remarks	
				Fund utilization (Taka) up to the month of July 2020	Fund utilized (Taka) for the month of August 2020	Total Utilized Amount	Utilized %	Total Un-utilized Amount		Un-utilized %
1	Construction of new factory building in the existing vacant area	18 Months	144,655,552	6,702,121	-	6,702,121	4.63%	137,953,431	95%	IPO Utilization proceeds Certified by Shiraz Khan Basak & Co., Chartered Accountants
2	Import of new Machinery	20 Months	97,356,000	670,000	-	670,000	0.69%	96,686,000	99%	
3	Purchase of Delivery Van	03 Months	36,310,000	36,310,000	-	36,310,000	100%	-	0%	
4	IPO Related Expenses	As or when required	21,678,448	21,363,602	-	21,363,602	98.55%	314,846	0.00%	
Total IPO Proceeds				65,045,723	-	65,045,723		234,954,277		

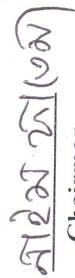
Note:

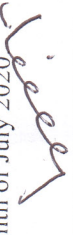
* BDT 28,700 has been charged by the bank as maintenance fee and others of IPO proceeds accounts (A/C No. 1011360531186 maintaining with Eastern Bank Limited) upto the month of June 2020 and Tk. 345 during the month.

* Balance as at Bank as on 31 August 2020 with Eastern Bank Limited, Principal Branch, Jiban Bima Bhaban 10, Dilkusha C/A, Dhaka-1000. (Account number 1011360531186) BDT 15,124.67, Bank Asia Ltd. BDT. 219,177,879 and Prime bank Ltd. BDT.2,43,30,000.

* The management have received as interest (IPO Accounts) amounting Tk. 22,95,412.79 net off withholding tax upto the June 2020 and Tk. 708,609.79 during the month of June 2020 and adjusted with Tk. 36,744.93 by the bank as TDS dut to submission of TIN not yet.

* The management of SILCO PHARMACEUTICALS LIMITED have received as interest (FDR Accounts) amounting Tk. 1,19,25,000 net off with holding tax upto the month of July 2020 and Tk. 58,50,000 July 2020 during the month of July 2020


Chairman


Managing Director


Company Secretary


Chief Financial Officer



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

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

R. K. TOWER (Level-10)
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During the course of our certification, we have found that:

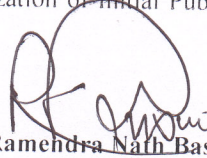
- (a) the management of SILCO PHARMACEUTICALS LIMITED have paid Tk. 2,13,63,602 during the months of May 2019 for IPO expenses from the allotment as per IPO including Tk. 1,22,61,638 adjusted which were previously paid from the company's bank account.
- (b) the management of SILCO PHARMACEUTICALS LIMITED deposited as FDR amount in Tk. 15,00,00,000 (Taka: Fifteen Crore) only during the months of June 2019 with Eastern Bank Limited to separate FDR Account for 6 months period with 9% interest rate per annum which is encashed during the month December 2019. The Company deposited as FDR amount in Tk.15,00,00,000 in The City Bank Ltd. (Taka: Fifteen Crore) again to separate FDR Account for 180 days with 9% interest rate per annum. This amount have encashed during the month of July 2020 and transferred to Bank
- (c) the management of SILCO PHARMACEUTICALS LIMITED have received as interest (IPO Accounts) amounting Tk. 22,95,412.79 net off withholding tax upto the June 2020 and Tk. 708,609.79 during the month of June 2020 and adjusted Tk. 36,744.93 by the Bank as TDS due to submission of TIN not yet.
- (d) The management of SILCO PHARMACEUTICALS LIMITED have paid Tk. 3,65,11,200 during the month of July 2019 to big Automobiles for purchase of Delivery Van (12 No. of Van with defferent model) from the allotment as per IPO and excess Tk. 2,01,200 paid to cash and adjusted with interest income.
- (e) The management of SILCO PHARMACEUTICALS LIMITED have transfered Tk. 2,50,00,000 (Pay Order No.1732748 Date: 09 January 2020)during the month of January 2020 to Company's own Bank Account (CD A/C No.3115111005507, Prime Bank Ltd. IBB Amberkhana Branch) for opening Letter of Credit for purchase of new machinery from the allotment as per IPO and the amount have included in the total unutilized fund.
- (f) the management of SILCO PHARMACEUTICALS LIMITED have received as interest (FDR Accounts) amounting Tk. 1,19,25,000 net off with holding tax upto the month of July 2020 and Tk. 58,50,000 July 2020 during the month of July 2020.
- (g) The management of SILCO PHARMACEUTICALS LIMITED have transfered Tk. 3,92,00,000 and 3,08,30,000 (Pay Order No.1732748 and 1809511 Date: 06 April 2020 and 9 July 2020) during the month of April and July 2020 respectively to Company's IPO Liaison Bank Account (CD A/C No.01036000766, Bank Asia Ltd. Shylet Main Branch) and the amount have included in the total unutilized fund.
- h) The company opened Letter of Credit (L/C No. 0000182120010015) of Prime Bank Ltd and paid Tk.670,000 against said L/C during the month of March 2020 which was reporting during the month of April 2020.
- i) The management of SILCO PHARMACEUTICALS LIMITED have paid Tk. 67,02,121 upto the month of July 2020 and Tk. 41,02,121 during the month of July 2020 form Bank Asia Ltd to different party's for purchase of constuction m of July aterials from the allotment as per IPO.

We also report that:

- i. the expenses/utilization has been made in line with the provision of Initial Public Offering (IPO) documents (Not applicable for the month of August 2020);
- ii. the expenses/utilization made in line with the condition 4, part C of consent letter of Initial Public Offering (IPO) (Not applicable for the month of August 2020);
- iii. the expenses/utilization Tk. 65,045,723 of IPO proceeds have been completed Sixteen (16) months (after the receiving of IPO fund) within 20 (Twenty) months mentioned the time schedule/ implementation schedule as specified Initial Public Offering (IPO) documents (Not applicable for the month of August 2020);
- iv. the expenses/utilization made is accurate /for the purpose of the company as mentioned in Initial Public Offering (IPO) documents (Not applicable for the month of August 2020); and
- v. we also confirmed that: (i) expenses have been procured/incurred maintaining proper procedure as well as at a reasonable price; and (ii) books and records including vouchers in support of utilization of Initial Public Offering (IPO) proceeds are found correct (Not applicable for the month of August 2020).

Dated: 03 September 2020
Place: Dhaka




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



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

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

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

This is to certify that SILCO PHARMACEUTICALS LIMITED has received Tk. 300,000,000 (Taka Thirty Crore) only as Initial Public Offering (IPO) proceeds through subscription from 07 March 2019 to 19 March 2019 in the separate Bank Account (Account number 1011360531186) maintaining with Eastern Bank Limited, Principal Branch, Jiban Bima Bhaban 10, Dilkusha C/A, Dhaka-1000. In line with the condition number 4, Part C of the consent letter number BSEC/CI/IPO-271/2017/97 dated: 07 February 2019 of Bangladesh Securities and Exchange Commission (BSEC), fund utilization status as on 31 August 2020 is as follows:

Sl. No.	Purpose of Utilization	Allotment as per IPO (Tk.)	Fund utilized (Taka) up to the month of July 2020	Fund utilized (Taka) for the month of August 2020	Total Utilization of Fund up to August 31, 2020	Unspent Balance (Taka)
1	Construction of new factory building in the existing vacant area	144,655,552	6,702,121	-	6,702,121	137,953,431
2	Import of new Machinery	97,356,000	670,000	-	670,000	96,686,000
3	Purchase of Delivery Van	36,310,000	36,310,000	-	36,310,000	-
4	IPO Related Expenses	21,678,448	21,363,602	-	21,363,602	314,846
	Total IPO Proceeds	300,000,000	65,045,723	-	65,045,723	234,954,277
5	Interest Income/ (Bank Charges)	14,220,413	229,780	-	229,780	13,990,633
	Total IPO Proceeds & Interest Income/ (Bank Charges)	314,220,413	65,275,503	-	65,275,503	248,944,910

Total unutilized of fund excluding interest income Tk. 234,954,277 (Taka: Twenty Three Crore Forty Nine Lac Fifty Four Thousand Two Hundred and Seventy Seven) only and including interest income/ (Bank Charges) Tk. 248,944,910 as on 31 August 2020 as at Bank with Eastern Bank Limited, Principal Branch, Jiban Bima Bhaban 10, Dilkusha C/A, Dhaka-1000. (Account number 1011360531186) and other Bank Balance. We have collected relevant information and required documents for all disbursements made and we have also checked and enclosed Status Report (Annexure-A) of utilization of fund prepared by management.

