



**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 JANUARY-2021**

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 January 2021 is as follows:

Sl. No.	Purpose of Utilization	Allotment as per IPO (Tk.)	Fund utilized (Taka) up to the month of December 2020	Fund utilized (Taka) for the month of January 2021	Total Utilization of Fund up to January 31, 2021	Unspent Balance (Taka)
1	Construction of new factory building in the existing vacant area	144,655,552	76,761,581	34,460,879	111,222,460	33,433,092
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
	<b>Total IPO Proceeds</b>	<b>300,000,000</b>	<b>135,105,183</b>	<b>34,460,879</b>	<b>169,566,062</b>	<b>130,433,938</b>
5	Interest Income/ (Bank Charges)	14,481,571	247,780	6,000	253,780	14,227,791
	<b>Total IPO Proceeds &amp; Interest Income/ (Bank Charges)</b>	<b>314,481,571</b>	<b>135,352,963</b>	<b>34,466,879</b>	<b>169,819,842</b>	<b>144,661,729</b>

Total unutilized of fund excluding interest income Tk. 130,433,938 (Taka: Thirteen Crore Four Lac Thirty Three Thousand Nine Hundred and Thirty Eight) only and including interest income/ (Bank Charges) Tk. 144,661,729 as on 31 January 2020 as at Bank with Eastern Bank Limited, Principal Branch, Jiban Bima Bhaban 10, Dilkusha C/A, Dhaka-1000. (Account number 1011360531186) and FDR Balance with Bank Asia Ltd. We have collected relevant information and required documents for all disbursements made and we have also checked and enclosed Status Report (Annexure-A) of utilization of fund prepared by management.

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

(a) the management of 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.




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(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 Asia Ltd. The Company deposited as FDR amount in Tk.20,00,00,000 in The Bank Asia Ltd. (Taka: Twenty Crore) again to separate FDR Account for 03 Months and 01 Month with 06% and 04% interest rate per annum during the month of September 2020. The Company have encashed Tk. 5.4 Crore upto the month January 2021 out of Tk. 20 Crore including Tk.1.8 Crore during the month of January 2021. Balance amount have included in the total unutilized fund.

(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. 12,186,158 net off with holding tax upto the month of January 2021 and Tk. 33,979 during the month of January 2021.

(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.

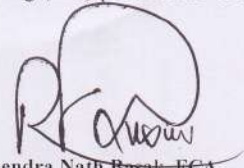
i) The management of SILCO PHARMACEUTICALS LIMITED have paid Tk. 111,222,460 upto the month of January 2021 and Tk. 34,460,879 during the month of January 2021 for Construction of new factory building in the existing vacant area from the allotment as per IPO.

**We also report that:**

- i. the expenses/utilization has been made in line with the provision of Initial Public Offering (IPO) documents;
- ii. the expenses/utilization made in line with the condition 4, part C of consent letter of Initial Public Offering (IPO);
- iii. the expenses/utilization Tk. 169,566,062 of IPO proceeds have been completed upto 31 January 2021 mentioned the time schedule/ implementation schedule as specified Initial Public Offering (IPO) documents. The Company extendent its IPO fund utilization time period another 06 months and approved by the shareholder in 25th Annual General Meeting (AGM);
- iv. the expenses/utilization made is accurate /for the purpose of the company as mentioned in Initial Public Offering (IPO) documents; and
- v. we also confirmed that: (i) expenses have been procured/incurred maintaining proper procedure as well as at a reasonable price; and (ii) books and records including vouchers in support of utilization of Initial Public Offering (IPO) proceeds are found correct.

Dated: 10 February 2021  
Place: Dhaka





Ramendra Nath Basak, FCA  
Partner  
SHIRAZ KHAN BASAK & CO.  
Chartered Accountants

**Report on Utilization of IPO Proceeds for the month of January-2021**

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				Un-utilized %	Remarks
				Fund utilization (Taka) up to the month of December 2020	Fund utilized (Taka) for the month of January, 2021	Total Utilized Amount	Utilized %		
1	Construction of new factory building in the existing vacant area	18 Months	144,655,552	76,761,581	34,460,879	111,222,460	76.89%	33,433,092	23%
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%
<b>Total IPO Proceeds</b>			<b>300,000,000</b>	<b>135,105,183</b>	<b>34,460,879</b>	<b>169,566,062</b>		<b>130,433,938</b>	

**Note:**

- \* BDT 46,700 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 December 2020 and Tk. 6,000 (FDR Accounts) during the month December.
- \* Balance as at Bank as on 31 January 2021 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. 13.00 Crore (FDR), Bank Asia Ltd. Balance BDT. Nil-
- \* 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 submissin of TIN not yet.
- \* The management of SILCO PHARMACEUTICALS LIMITED have received as interest (FDR Accounts) amounting Tk. 12,186,158 net off with holding tax upto the month of January 2021 and Tk. 33,979 during the month of January 2021.
- \* The Company extend its IPO fund utilization time period another 06 months and approved by the shareholder in 25th Annual General Meeting (AGM)

সিলকো ফার্মাসিউটিক্যালস লিমিটেড

Chairman

Managing Director

Company Secretary

Chief Financial Officer

