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AUDITOR'S CERTIFICATE REGARDING MONTHLY STATUS REPORT OF UTILIZATION OF FUND AGAINST INITIAL PUBLIC OFFERING (IPO) OF M.L. DYEING LIMITED
FOR THE MONTH OF JANUARY-2020

This is to certify that M.L. DYEING LIMITED has received Tk. 200,000,000.00 (Taka Twenty Crore) only as Initial Public Offering (IPO) proceeds through subscription from 08 July 2018 to 19 July 2018 in the separate Bank Account (Account number 0021360002882, FC A/C # 0021680000018, A/C # 0021680000019 & A/C # 0021700000011 respectively) maintaining with Social Islami Bank Limited, Principal Branch, 15, Dilkusha C/A, Dhaka-1000. In line with the condition number 4, Part C of the consent letter number BSEC/CI/IPO-152/2011/395 dated: 10 June, 2018 of Bangladesh Securities and Exchange Commission (BSEC), fund utilization status as on 31 January, 2020 is as follows:

Sl. No.	Purpose of Utilization	Allotment as per IPO (Tk.)	Fund utilization (Taka) upto the month of December 2019	Fund utilized (Taka) for the month of January 2020	Total Utilization of Fund (Taka) upto January 31, 2020	Unspent Balance (Taka)
1	Acquisition of Machineries and Equipments	178,300,000	56,016,652	-	56,016,652	122,283,348
2	IPO Expenses	21,700,000	18,403,756	-	18,403,756	3,296,244
	Total IPO Proceeds	**200,000,000**	**74,420,408**	**-**	**74,420,408**	**125,579,592**
3	Exchange Loss /Interest Income/Bank Charges	243,843	168,725	-	168,725	75,118
Total IPO Proceeds & Exchange Loss / Interest Income/Bank Charges		**200,243,843**	**74,589,133**	**-**	**74,589,133**	**125,654,710**

Total unutilized fund excluding Exchange Loss /Interest Income/Bank Charges is Tk. 125,579,592 (Taka: Twelve Crore Fifty Five Lac Seventy Nine Thousand Five Hundred and Ninety Two) only and including Exchange Loss /Interest Income/Bank Charges is Tk. 125,654,710 as on January 31, 2020 with Social Islami Bank Limited Account number 0021360002882, Principal Branch, 15, Dilkusha C/A, Dhaka-1000 and Islami Bank Bangladesh Ltd. (MSND A/C No. 20501020900029211) Local Office Branch. We have collected relevant information and required documents for all disbursements made and we have also checked and enclosed Status Report (Annexure-A) of utilization of fund prepared by the management.

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

(a) the management of M.L. Dyeing Limited has shown Tk. 18,195,196.00 as IPO expenses of which Tk. 10,167,086.00 had expended earlier from Company's own source which has transferred to SBAC Bank Ltd. (SND A/C No. 0002130000763) during the month of October-2018 from Social Islami Bank Ltd. (A/C # 0021360002882) for adjusting the same.

(b) the management of M.L. Dyeing Limited has transferred Tk. 34,051,000.00 (Taka : Three Crore Forty Lac and Fifty One Thousand) only during the months of October 2018 to Islami Bank Bangladesh Ltd. (MSND A/C No. 20501020900029211) for making LC payment for Importing Machineries. Balance of this account is Tk. 33,918,182.00 on 31 October, 2018. Tk. 328,818.00 has already expended in this regard as LC Opening charge, Bank charges and C & F cost which were made Tk. 132,818.00 from Islami Bank Bangladesh Ltd. (A/C # 20501020900029211) and Tk. 196,000.00 from Social Islami Bank Ltd. (A/C # 0021360002882).

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(c) the management of M.L. Dyeing Limited has transferred Tk. 6,400,000.00 (Taka : Sixty Four Lac) only during the months of November 2018 from Social Islami Bank Ltd account no:MND 0021360002882 to Islami Bank Bangladesh Ltd. (MSND A/C No. 20501020900029211) for making LC payment for Importing Machineries. Balance of this account is Tk. 25,194,264.00 on 30 November, 2018. During the month of November 2018, total fund utilized Tk. 15,281,918.00 of which Tk. 158,000.00 expended from Social Islami Bank Ltd. (A/C # 0021360002882) rest of the amount were expended from IBBL for the purpose of LC payment for Importing machineries.

(d) the management of M.L. Dyeing Limited has deposited as FDR amount in Tk. 135,000,000 (Taka : Thirteen Crore and Fifty Lac) only. FDR with Islami Bank Bangladesh Ltd., Local Branch, Dhaka for the term 1-6 Months and rate of interest at not mention. We also noted that the management has enchased Tk. 1.5 crore on April 07, 2019 out of Tk. 13.5 crore. Total encashment amount was Tk. 1,51,70,853.33 where profit included Tk. 1,70,853.33 net of Tax.

(e) the management of M.L. Dyeing Limited has paid Tk. 4,481,319 during the month of December 2018 against L/C opening charges, L/C payment, erection & installation expenses for acquisition of Machineries and Equipments from IPO Proceeds.

(f) the management of M.L. Dyeing Limited incurred Foreign Exchange conversion Loss amounting Tk. 97,160 during the month of December 2018 for realizing NRB IPO Proceeds account maintaining with Social Islami Bank Limited.

(g) the management of M.L. Dyeing Limited have received as interest amounting Tk. 7.71 net off withholding tax during the month of December 2018 from Islami Bank Bangladesh Limited.

(h) the management of M.L. Dyeing Limited has paid Tk. 2,096,161 during the month of January 2019 against L/C payment, Insurance premium, erection & installation (partial), carrying charges, duties and C & F expenses for acquisition of Machineries and Equipments from IPO Proceeds.

(i) the management of M.L. Dyeing Limited has paid Tk. 58,22,420 during the month of February 2019 against L/C Openning Commission & Margin for Fork Lift and erection & installation (partial) under acquisition of Machineries and Equipments from IPO Proceeds.

(j) the management of M.L. Dyeing Limited has paid Tk. 3,67,000 during the month of March 2019 against carrying charges, duties and C & F expenses for acquisition of Machineries and Equipments from IPO Proceeds.

(k) the management of M.L. Dyeing Limited has paid Tk. 2,66,25,377 during the month of April 2019 against L/C opening charges, L/C payment, carrying charges, erection & installation, Duties and C & F expenses for acquisition of Machineries and Equipments from IPO Proceeds.

(l) During the month of April 2019, the management of M.L. Dyeing Limited has expended Tk. 75,000.00 for Audit as pertial payment of fees for IPO utilization. The Company has paid for IPO expenses total amounting Tk. 1,82,68,756 upto the month of April 2019.

(m) the management of M.L. Dyeing Limited has utilized Tk. 60,000 during the month of May 2019 against erection & installation from IPO Proceeds.

(n) the management of M.L. Dyeing Limited has utilized Tk. 491,839 during the month of June 2019 against erection & installation from IPO Proceeds.

(o) During the month of July 2019, the management of M.L. Dyeing Limited has utilized Tk. 60,000.00 for utilization Audit purpose for the period of March '19 to June ;19 as partial payment of fees for IPO utilization. The Company has paid for IPO expenses total amounting Tk. 1,83,28,756 upto the month of July 2019.

(p) During the month of August 2019, the management of M.L. Dyeing Limited has utilized Tk. 15,000.00 for utilization Audit purpose for the period of July 2019 as partial payment of fees for IPO utilization. The Company has paid for IPO expenses total amounting Tk. 1,83,43,756 upto the month of August 2019.

(q) During the month of September 2019, the management of M.L. Dyeing Limited has utilized Tk. 15,000.00 for utilization Audit purpose for the period of August 2019 as partial payment of fees for IPO utilization. The Company has paid for IPO expenses total amounting Tk. 1,83,58,756 upto the month of September 2019.

(r) During the month of October 2019, the management of M.L. Dyeing Limited has utilized Tk. 15,000.00 for utilization Audit purpose for the period of September 2019 as partial payment of fees for IPO utilization. The Company has paid for IPO expenses total amounting Tk. 1,83,73,756 upto the month of October 2019.

(s) the management of M.L. Dyeing Limited has utilized Tk. 3,02,865 during the month of October 2019 against Insurance premium from IPO Proceeds.

(t) During the month of November 2019, the management of M.L. Dyeing Limited has utilized Tk. 15,000.00 for utilization Audit purpose for the period of October 2019 as partial payment of fees for IPO utilization. The Company has paid for IPO expenses total amounting Tk. 1,83,88,756 upto the month of November 2019.

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(u) the management of M.L. Dyeing Limited has utilized Tk. 86,935 during the month of November 2019 against L/C opening charges and Insurance premium from IPO Proceeds.

(v) During the month of December 2019, the management of M.L. Dyeing Limited has utilized Tk. 15,000.00 for utilization Audit purpose for the period of November 2019 as partial payment of fees for IPO utilization.

(w) the management of M.L. Dyeing Limited has utilized Tk. 72,000 during the month of December 2019 against Carrying charges of Machineries.

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 total expenses/utilization Tk. 7,44,20,408 of IPO proceeds have been completed in 16 (Sixteen) months (after the receiving of IPO fund), within 18 (Eighteen) months mentioned the time schedule/ implementation schedule as specified Initial Public Offering (IPO) documents;

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: 12 February, 2020
Place: Dhaka

SHIRAZ KHAN BASAK & CO. Dhaka Chartered Accountants

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

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Report on Utilization of IPO Proceeds for the month of January, 2020

Name of the Company : **M.L. DYEING LIMITED**
Amount (BDT) of Capital Raised Through IPO : BDT. 200,000,000.00
Date of Close of Subscription : July 19, 2018
Proceeds Receiving Date : September 23, 2018
Last Date of Full Utilization of Fund as per Proceeds : March 22, 2020 (within 18 Months after obtaining IPO proceeds)

Annexure-A

Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus	Status of Utilization						Remarks
				Fund utilization (Taka) upto the month of December, 2019	Fund utilized (Taka) for the month of January 2020	Total Utilization of Fund (Taka) upto January 31, 2020	Utilized %	Total Un-utilized Amount	Un-utilized %	
1	Acquisition of Machineries and Equipments	18 Months	178,300,000	56,016,652	-	56,016,652	31.42%	122,283,348	68.58%	L/C Opening & Payment, Carrying & erection charges, Duties and C & F expenses.
2	IPO Expenses	As and when required	21,700,000	18,403,756	-	18,403,756	84.81%	3,296,244	15.19%	
Total IPO Proceeds			**200,000,000**	**74,420,408**	-	**74,420,408**		**125,579,592**		

Note:

* BDT 168,725 has incurred upto January 2020 as Bank Charges and foreign currency Loss of which Tk. 97,160 as Foreign Exchange conversion Loss. The Bank account(s) has been maintaining with Social Islami Bank Ltd., Islami Bank Bangladesh Limited.

* the management of M.L. Dyeing Limited has received total amounting to Tk. 2,43,843 net off withholding tax upto the month of January 2020 of which Tk. 1,70,853 received from FDR encashment.

Chairman | **Managing Director** | **Chief Financial Officer** | **Company Secretary**

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