

নিরীক্ষা প্রতিবেদন
AUDITORS' REPORT

OF

Certificate on
Status Report on Utilization of Proceeds
From Repeat Public Offering (RPO) of
Bangladesh Shipping Corporation (BSC)
As on November 30, 2024



Solution Begins



রহমান মোস্তফা আলম এন্ড কোং
RAHMAN MOSTAFA ALAM & CO.
CHARTERED ACCOUNTANTS

Principal Office : Paramount Heights (7th Floor- D2), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000
Tel +88 02 223383449, 47122659, Mob : 01914 284705, 01920 911976, Email : info@rmabd.com, rmadhaka@gmail.com

Branch Office (Dhaka) : High Tower (7th Floor), 9 Mohakhali C/A, Dhaka-1212
Tel : +88 02 48814312, Mob : 01914 284705, 01920 911976, Email : info@rmabd.com, rmadhaka@gmail.com

Branch Office (Chattogram) : Al-Madina Tower, (6th floor), 88/89, Agrabad C/A, Chattogram-4100
Tel : +88 02 33325314, Mob : 01818 127520, 01819 225339, Email : infoctg@rmabd.com, rmactg@gmail.com

Web : www.rmabd.com



**Certificate on
Status Report on Utilization of Proceeds from Repeat Public Offering (RPO) of
Bangladesh Shipping Corporation
For the month of November 30, 2024**

We have been engaged by Bangladesh Shipping Corporation (the "Company") to certify whether the Company has complied with the conditions of Repeat Public Offering (RPO) in relation to the utilization of proceeds from Public Offering as required by Bangladesh Securities and Exchange Commission (BSEC) vide its consent letter (ref: SEC/CI/RPO-7/2010/624 dated September 05, 2011) issued for RPO under section 2CC of the Securities and Exchange Ordinance 1969.

Company's Responsibilities

The Company management is responsible for utilizing the proceeds from RPO and preparation of Status Report on utilization of Proceeds from Public Offering in accordance with the conditions of RPO consent letter issued by BSEC.

Our Responsibilities

Our responsibility is to examine all the relevant documents in connection with the utilization of proceeds from RPO with reference to the Terms of Reference formulated by BSEC and certify whether the proceeds have been utilized and the Status Report have been prepared in accordance with the conditions of RPO consent letter.

We report that:

We have examined relevant documents, obtained information and explanations which to the best of our knowledge and belief were necessary for the purpose of verification and certification of the Status Report. As per Terms of Reference of audit of Status Report, we certify that:

- a) BSC has invested Tk. 161,473,953 to conduct Budgetary Expense of the project of 6 Vessels procurement which was not mentioned in the prospectus issued before going to public. The project named "Procurement of six (06) new vessels {three (03) new product Oil Tankers and three (03) new Bulk Carriers of about 39,000 DWT each}" approved in ECNEC meeting dated 07/07/2015 and also approved by BSC. However, a board resolution was taken by the Board of Directors of BSC in its 275th Board Meeting in this regard and subsequently the same was also approved by the Shareholders in its 36th Annual General Meeting (AGM).
- b) BSC has invested Tk. 593,509,000 to construct multistoried building at Dhaka for strengthening earning capacity which was not mentioned in the prospectus issued before going to public. However, a board resolution was taken by the Board of Directors of BSC in its 264th Board Meeting in this regard and subsequently the same was also approved by the Shareholders in its 34th Annual General Meeting (AGM).



- e) Expenditure of Tk. 64,716,920 for conversion of Govt. Equity of Tk. 2,672,600,000 into 5,345,200 shares @ Tk. 500 each was made from RPO proceeds which was not disclosed or published in the prospectus. However, a board resolution was taken by the Board of Directors of BSC in its 28th Board Meeting in this regard and subsequently the same was also approved by the Shareholders in its 34th Annual General Meeting (AGM).
- d) Interest income on RPO Proceeds up to 30 November 2024 stood at Taka 2,173,827,879 which has been fully utilized as administrative expenses, which was not disclosed or published in the prospectus. Un-utilized RPO proceeds along with interest income stood at Taka 4,376,483,949.
- e) Implementation time for utilization of RPO proceeds have been extended upto June 30, 2025 by obtaining approval from general shareholders in 46th Annual General Meeting held on 16th November, 2023.
- f) Assets have been procured/imported/constructed maintaining proper/required procedure as well as at a reasonable price.
- g) Verification of all necessary documents/papers/vouchers has been made in support of utilization of RPO proceeds making reconciliation with bank statements.

Wattogram,
Date: 17 February 2025

For and on behalf of
Rahman Mostafa Alam & Co.
Chartered Accountants

Arafat Kamal FCA
Partner
ICAB Enrollment No : 1184

Report on Utilization of RPO proceeds for the month of November 2024

Name of the Company : Bangladesh Shipping Corporation
 Amount (BDT) of Capital Raised through RPO : 3,137,000,000
 Date of Close of Subscription : 13.11.2011 (Resident) & 22.10.2011 (NRB)
 Proceeds Receiving Date : 20.11.2011 (Resident) & 02.11.2011 (NRB)
 Last Date of Full Utilization of Fund as per prospectus : Within June 2012 (extended upto June 2025)

(All the figures are in BDT)

Sl	Purpose mentioned in the prospectus	Time line as per prospectus	Revised time line (upto.)	Amount of Subscription	Amount as per prospectus	Amount as per revised utilization plan	Status of utilization			Remarks
							Utilized in November 2024	Total Utilized Amount	Un-utilized (%)	
01	Capital investment for purchasing ships				3,142,000,000	-	-	-	-	No amount was spent for this investment
02	6 Vessel Project				-	2,364,130,023	161,473,953	2,202,656,070	93.17%	Expenditure made for Procuring 6 Vessels was not declared in the Prospectus. It was approved at the 26th AGM of BSC and estimated expenditure for this purpose was Tk. 24.64 Crore. It was approved at the 46th AGM that Un-utilized amount of Building Construction Tk. 37,091,000 & Un-utilized amount of Un-allocated Fund Tk. 1,980,639,023 should be used for procurement of 6 Vessel Project
03	Building Construction			3,137,000,000	-	593,509,000	593,509,000	-	100.00%	Expenditure made from RPO Proceeds not declared in the Prospectus. It was approved at the 34th AGM of BSC and estimated expenses for this purpose was Tk. 63.06 crore
04	RPO Expense				118,444,200	179,360,977	179,360,977	-	100.00%	Expenditure of Tk. 64,716,920 for conversion of Govt. Equity Tk. 2,672,500,000 into 5,345,200 shares @ Tk. 500 each was made from RPO Proceeds which was not disclosed or published in the Prospectus. It was approved at the 34th AGM of BSC.
				3,137,000,000	3,260,444,200	3,137,000,000	934,343,930	2,202,656,070		

Percentage : 6.00%-7.60%
 Interest on RPO Proceeds : 2,173,827,879
 Un-utilized RPO proceeds with interest income : 4,376,483,949

Executive Director (Finance)

[Signature]

MD. AZAM GIB
 General Manager (Gen)
 Bangladesh Shipping Corporation
 Chattogram

[Signature]
 Managing Director

Commodore Mahmudul Malek
 For and on behalf of
 Rahman Mostafa Alam & Co., Managing Director
 Chartered Accountants, Bangladesh Shipping Corporation



[Signature]
 Arafat Kamal F.C.A.
 Partner
 ICAB Enrollment No. 1184

Bangladesh Shipping Corporation (BSC)
Calculations to the Statement of RPO Proceeds Utilization
For the month ended November 30, 2024

Particulars	Notes	Amount (In Taka)
01.00 6 Vessels Project (Work-In-Progress) (Undeclared)		
a) Revenue Expenditures		
Registration Fee of Ships		1,692,783
Buyer's Supervision		98,354,569
Advance to Shipping Agency		3,879,032
Stationery		1,860
Buyer's Representative Inspection		14,089,088
Logistics & Other expenses		35,938,641
Traveling		77,590
Honorarium		191,070
Entertainment		219,320
		<u>154,443,953</u>
b) Capital Expenditures		
Jeep Purchase		7,030,000
		<u>7,030,000</u>
Total (a+b)		<u>161,473,953</u>
02.00 Construction of Building (Undeclared)		
Balance as on 01 11 2024		593,509,000
Add: Addition during the month of June		-
Balance as on 30 11 2024		<u>593,509,000</u>
03.00 RPO Processing Expenses		
Consent Fee of BSEC	03 01	5,280,020
Underwriter Commission		7,842,500
Prospectus Submission Fee		10,000
Annual Fee of DSE		2,100,000
Annual Fee of DSE		1,081,100
Entertainment Expenses		114,125
Post Issue Management Fee		19,000,000
Issue Management Fee		1,000,000
Bankers Commission		3,502,832
Income Tax on Premium	03 02	139,430,400
		<u>179,360,977</u>
03.01 Consent fee of BSEC		
For issue of 62,74,000 shares		4,705,500
For conversion of Govt. equity to 53,45,200 shares (Undeclared)		574,520
		<u>5,280,020</u>
03.02 Income tax on premium		
For issue of 62,74,000 shares		75,288,000
For conversion of Govt. equity to 53,45,200 no. of shares (Undeclared)		64,142,400
		<u>139,430,400</u>
04.00 Balance available for RPO Proceeds		
RPO Proceeds Received		3,137,000,000
RPO Proceeds Utilization		(934,343,930)
		<u>2,202,656,070</u>



04.01 The above balance is kept as follows:-

FDR Account	04 01 01	2,210,000,000
Savings Account	04 02	8,606,380
Fluctuation Gain on Realization of Foreign Currency	04 03	(15,950,310)
		<u>2,202,656,070</u>

04.01.01 FDR Account

Balance as on 01 11 2024		2,210,000,000
Add New FDR Investment		-
Add Interest on FDR		-
		<u>2,210,000,000</u>
Less: Interest Encashment		-
Less: FDR Encashment		-
Less: Excise Duty & TDS		-
		<u>2,210,000,000</u>

Balance as on 30 11 2024

04.01.02 Bank Balance as on 30 November 2024 was made up as follows

FDR No-234468396/2486-9 in the Janata Bank Ltd Asadganj Br.	100,000,000
FDR No-226567997/2491-6 in the Janata Bank Ltd Asadganj Br.	20,000,000
FDR No-239463830/22311 in the Janata Bank Asadganj Br.	100,000,000
FDR No-239467428/24324 in the Janata Bank Asadganj Br.	200,000,000
FDR No-198610245/10225 in the Janata Bank Ltd Strand Road Br.	100,000,000
FDR No-0100224405540 in the Janata Bank Ltd Chaktai Br.	80,000,000
FDR No-226174111/33848 in the Janata Bank Ltd Jubilee road Br.	10,000,000
FDR No-210122529/26348 in the Janata Bank Ltd Wasa Cor Br.	20,000,000
FDR No-162137942/38729 in the Janata Bank City Corp Br.	100,000,000
FDR No-233721420 in the Janata Bank Foreign Exchange Br.	30,000,000
FDR No-0418-01-0003148 in the Basic Bank Ltd Khatungonj Br.	40,000,000
FDR No-1318-01-0006845 in the Basic Bank Ltd Jubilee Road Br.	40,000,000
FDR No-0818-01-0011430 in the Basic Bank Ltd Argabad Br.	40,000,000
FDR No-6018-01-0010953 in the Basic Bank Ltd Patherhat Br.	30,000,000
FDR No-1318-01-0006434 in the Basic Bank Jubilee Road Br.	150,000,000
FDR No-0418-01-0002824 in the Basic Bank Khatunganj Br.	150,000,000
FDR No-0818-01-0010682 in the Basic Bank Agrabad Br.	50,000,000
FDR No-0418-01-0002851 in the Basic Bank Khatunganj Br.	60,000,000
FDR No-5983035000040 in the Rupali Bank Ltd Nazirhat Br.	50,000,000
FDR No-1487035004817 in the Rupali Bank Ltd Dhaniaipara Br.	50,000,000
FDR No-5983035000048 in the Rupali Bank Ltd Nazirhat Br.	50,000,000
FDR No-5082035001676 in the Rupali Bank Ltd Bibirhat Br.	10,000,000
FDR No-5090035004908 in the Rupali Bank Ltd Chaitannyagoli Br.	15,000,000
FDR No-1636035004905 in the Rupali Bank Ltd Station Road Br.	15,000,000
FDR No-1651035000369 in the Rupali Bank Ltd Jubilee Road Br.	4,311,800
FDR No-1578035000113 in the Rupali Bank Ltd Khatunganj Br.	50,000,000
FDR No-5983035000052 in the Rupali Bank Ltd Nazirhat Br.	5,688,200
FDR No-1560035000213 in the Rupali Bank Ltd Amirmarket Br.	10,000,000
FDR No-1719035000153 in the Rupali Bank Ltd Halishahar Br.	20,000,000
FDR No-1628035004906 in the Rupali Bank Strand Road Br.	20,000,000
FDR No-1529035000341 in the Rupali Bank Iqbal Road Br.	20,000,000
FDR No-1743035000273 in the Rupali Bank Omar Ali Market Br.	100,000,000
FDR No-1685035005102 in the Rupali Bank Korbaniganj Br.	100,000,000
FDR No-1289035000338 in the Rupali Bank New market Br.	70,000,000
FDR No-1560035000221 in the Rupali Bank Amir Market Br.	10,000,000
FDR No-1594035000308 in the Rupali Bank Terry Bazar Br.	70,000,000
FDR No-1628035004801 in the Rupali Bank Strand Road Br.	70,000,000
FDR No-0200020180950 in the Agrani Bank Commercial Br.	150,000,000
	<u>2,210,000,000</u>



04.02 Savings Account

Trust Bank Ltd Dilkusha Branch A/C No: FC A/C DAD EURO- 0017-5027000037	95,529
Trust Bank Ltd Dilkusha Branch A/C No: FC A/C DAD POUND- 0017-5026000020	83,581
Trust Bank Ltd Dilkusha Branch A/C No: FC A/C DAD USD- 0017-5025000193	52,208
Trust Bank Ltd Dilkusha Branch A/C No: SND - 0017-0320000898	331,499
HSBC Offshore Singapore Branch Foreign Currency A/C No: 260-361076-178	8,043,563
	<u>8,606,380</u>

04.02.01 HSBC Offshore. Singapore Branch (Bank Reconciliation)

Book Balance as on 01 11 2024	8,043,563
Add Other Deposit	<u>347,146,135</u>
Book Balance as on 30 11 2024	<u>355,189,698</u>

04.03 Fluctuation Gain on Realization of Foreign Currency

Opening Balance	15,930,921
Add Amount Realized	233,712
Add Bank Interest	4,583
Less Bank Charge	-
Less Amount as per subscription rate	<u>(218,906)</u>
Gain/(Loss)	<u>19,389</u>
Total Gain/(Loss)	<u>15,950,310</u>

Executive Director (Finance)


Managing Director

Commodore Mahmudul Malek
Managing Director
Bangladesh Shipping Corporation


MD. AZAM GIR
General Manager (Accounts)
Bangladesh Shipping Corporation
Chattogram

