

Ref: DSBSL/SD/2023/037

Date: April 11, 2023

The Chairman

Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C, Agargaon, Dhaka-1207, Bangladesh

Managing Director

Dhaka Stock Exchange Limited
DSE Tower, Plot # 46/1 Road # 21,
Nikunja 2, Dhaka 1229

Managing Director

Chittagong Stock Exchange Ltd.
52-53, Dilkusha C/A, (level-15),
Dhaka-1000, Bangladesh.

Subject: Submission of IPO Fund Utilization of Dominage Steel Building Systems Ltd. for the month of March 2023

Sir,

With reference to the above-mentioned subject, we are pleased to submit herewith a report on Utilization of Public Offering Proceeds Compliance, in compliance with the **Condition No. 3 of Part-C of the Consent letter No: Ref: BSEC/CI/IPO-296/2019/204 dated: September 17, 2020**

This is for your kind information and record.

Thanking you.



Engr. Mohammad Rafiqul Islam
Managing Director



Handwritten signature and date: 13:11:23 10:30 AM

**CERTIFICATE ON
STATUS REPORT ON UTILIZATION
OF
PROCEEDS FROM PUBLIC OFFERING
OF
DOMINAGE STEEL BUILDING
SYSTEMS LTD.**

For the month of March 31, 2023

**AUDITOR'S CERTIFICATE REGARDING MONTHLY STATUS REPORT OF
UTILIZATION OF FUND AGAINST INITIAL PUBLIC OFFERING (IPO) OF
DOMINAGE STEEL BUILDING SYSTEMS LTD.
FOR THE MONTH OF MARCH 31, 2023**

This is to certify that **Dominage Steel Building Systems Ltd.** has received Tk. 300,000,000 (Taka Thirty Crore) only as Initial Public Offering (IPO) proceeds through subscription from October 19, 2020 to October 25, 2020 in the separate Bank Account (Account number 1501202139605001) maintaining with Brac Bank Limited, Principal Branch, Anik Tower 220/B, Tajgaon Gulshan Link Road, Dhaka-1208. In line with the condition number 4, Part C of the consent letter number BSEC/CI/IPO-296/2019/204 dated on September 17, 2020 of Bangladesh Securities and Exchange Commission (BSEC), fund utilization status as on March 31, 2023 is as follows:

| Sl. No. | Purpose of Utilization | Time Line as per Prospectus | Allotment as per IPO (Tk.)/Approved in 15th AGM (Taka) | Fund utilized up to the month of February 28, 2023 | Fund utilized (Taka) for the month of March 31, 2023 | Total Utilization of Fund up to March 31, 2023 | Unspent Balance (Taka) |
|---------|--|-----------------------------|--|--|--|--|------------------------|
| 1 | Building and other | 24 Months | 58,647,418 | - | - | - | 58,647,418 |
| 2 | Electrical Installation | 24 Months | 22,690,000 | - | - | - | 22,690,000 |
| 3 | Acquisition of new plant & machinery | 24 Months | 202,155,833 | 147,330,000 | - | 147,330,000 | 54,825,833 |
| 4 | IPO Related Expenses | As or when required | 19,576,000 | 19,576,000 | - | 19,576,000 | - |
| | Total IPO Proceeds | | 303,069,251 | 166,906,000 | - | 166,906,000 | 136,163,251 |
| 5 | Interest Income up to March 31, 2023 | | 9,600,592 | - | - | - | 9,600,592 |
| 6 | Tax on Interest up to March 31, 2023 | | (959,933) | - | - | - | (959,933) |
| 9 | Bank Charge and Foreign currency loss | | - | 486,474 | - | 486,474 | (486,474) |
| | Total IPO Proceeds & Interest Income/ (Bank | | 311,709,910 | 167,392,474 | - | 167,392,474 | 144,317,437 |

Total unutilized fund excluding Interest income of Tk.136,163,251 (Taka: Thirteen Crore Fourty Sixty One Lac and Sixty Three Thousand Two Hundred Fifty One) only and including Interest income / (Bank Charges) Taka 144,317,437 as on March 31, 2023 in lying with Brac Bank Limited, Principal Branch, Anik Tower 220/B, Tajgaon Gulshan Link Road, Dhaka-1208, (Account number 1501202139605001) and FDR balance with NRB Commercial Bank Ltd. We have collected relevant information and required documents and is on expenses during the of March 31, 2023. Enclosed herewith the Status Report as *Annexure-A* for utilization of fund which has been prepared by the management.

*** The Board of Directors of the company approved by shareholders on 15th Annual General Meeting held on dated December 30, 2021 has decided to make the following changes in the utilization of net IPO Proceeds during the months of January-2022:

| Particular | Amount as per Prospectus | Amount as per proposed change/Approved in 15th AGM (Taka) |
|--------------------------------------|--------------------------|---|
| Building and other construction | 90,423,910 | 58,647,418 |
| Electrical Installation | 22,690,000 | 22,690,000 |
| Acquisition of new plant & machinery | 167,310,090 | 202,155,833 |
| Total (BDT) | - | 283,493,251 |



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

- (a) The management of Dominage Steel Building Systems Ltd. has paid Taka. 19,576,000 upto the month of February 28, 2022 for IPO expenses in which the amount of Taka 1,06,000 has been paid in IPO bank Account and Taka 6000 has been adjusted the companys own fund for during the month of February-2022.The amount of Taka 5,556,000 has been adjusted which was previously paid from the company's own bank account.
- (b) The management of Dominage Steel Building Systems Ltd. has received as Interest (IPO Accounts) amounting Taka. 1,074,794 and net off Withholding Tax upto the month December 31, 2021.
- (c) The management of Dominage Steel Building Systems Ltd. has been incurred Foreign currency loss amounting to Taka 83,815 which has been shown in the month of December 31, 2020.
- (d) The management of Dominage Steel Building Systems Ltd. has encashed the FDR an amount of Taka 5,29,13,072(Five Crore Twenty Nine Lac Thirteen Thousand and Seventy Two) only during the month of May, 2022 with NRBC Bank Ltd. Principle Branch, Motijheel .The company has deposited as FDR in remaining amount of Taka 117,310,090 (Eleven Crore Seventy Three Lac Ten Thousand and Ninety) only during the month of June 30, 2022 with NRB Commercial Bank Ltd for 3 (Three) months period with 6.00% interest rate par annual. Balance amount have included in the total unutilized fund.
- e) The management of Dominage Steel Building Systems Ltd. has paid the amount of Taka 147,330,000 (Forteen Crore Seventy Three Lac Thirty Thousand) as advance for acquisition of new plant & machinery to Arena Construction & Engineering through banking channal in which the amount of Taka 2500,000 (Tewnty Five Lac) during the month of December 31, 2022.
- f) According to the fund utilization monthly report of IPO Proceeds, report submission time line has been ended on November 22, 2022 as per Prospectus.We have received a letter from the company, reference no. DSBSL/SD/2022/073 on dated November 19, 2022 ,where the company has applied to Bangladesh Securities and Exchange Commission (BSEC) for 1st time, time extention for 15 months up to February 22, 2024 but BSEC has approved for extension of time up to March 2024 vide letter no BSEC/CFD/06/2021/Part-02/1254 date on January 11, 2023.

We also report that:

- i. the expenses/utilization has been made during the month of March 31, 2023 from the fund of Initial Public Offering (IPO);
- 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 Taka 166,906,000 (Sixteen Crore Sixty Niner Lac Six Thousand) of IPO proceeds have been completed up to March 31, 2023 according to the mentioned 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 by maintaining proper procedure as well as at a reasonable price; and (ii) books and records including vouchers are found correct in support of utilization of Initial Public Offering (IPO) fund.

Dated: April 08, 2023
Place: Dhaka


FAMES & R
Chartered Accountants



REPORT ON UTILIZATION OF IPO PROCEEDS
For the Month of March 31, 2023

Name of the Company : Dominage Steel Building Systems Ltd.
Amount(BDT) of Capital raised through IPO : Tk. 300,000,000
Date of close of Subscription : October 25, 2020
Proceeds Receiving Date : November 3, 2020
Last Date of Full Utilization of Fund as per Prospectus : November 22, 2022 (With in 24 Months of receiving IPO Fund)
Extent Date of Full Utilization : March 2024 (Approved by BSEC)

| SL. | Purpose Mentioned in the Prospectus | Time Line as per Prospectus | Allotment as per IPO (Tk.)/Approved in 15th AGM (Taka) | Status of Utilization | | | Utilized (%) | Total Un-utilized Amount | Un-utilized (%) | Annexure-A |
|-----|--------------------------------------|-----------------------------|--|---------------------------------|------------|-----------------------|--------------|--------------------------|-----------------|------------|
| | | | | Utilized upto February 28, 2023 | This Month | Total Utilized Amount | | | | |
| a) | Building and other construction | 24 Months | 58,647,418 | - | - | - | 0.00% | 58,647,418 | 100.00% | |
| b) | Electrical Installation | 24 Months | 22,690,000 | - | - | - | 0.00% | 22,690,000 | 100.00% | |
| c) | Acquisition of new plant & machinery | 24 Months | 202,155,833 | 147,330,000 | - | 147,330,000 | 72.88% | 54,825,833 | 27.12% | |
| d) | IPO Expenses | As or when required | 19,576,000 | 19,576,000 | - | 19,576,000 | 100.00% | - | 0.00% | |
| | Total taka | | 303,069,251 | 166,906,000 | - | 166,906,000 | | 136,163,251 | | |

Notes:

- (a) The Management of Dominage Steel Building Systems Ltd. has been received as interest (IPO Accounts) an amount of Tk.9,600,592 and TDS has been deducted Taka 959,933 on Interest income up to the month up to the March 31, 2023
- (b) The Management of Dominage Steel Building Systems Ltd. has been paid as bank charge (IPO Accounts) an amount of Tk.4,86,474 including Tk. 83,815 Foreign currency loss upto the month of March 31, 2023
- (c) Bank Balance as on March 31, 2023 with BRAC Bank Limited, (Account number No. 1501202139605001) BDT. 901,388.79 & (Account number No. 1501202139605005) BDT. 23,024,942.47; (Account number No. 1501202139605002) (USD) BDT. 1674.83 (Account number No. 1501202139605003) (GBP) BDT. 0.00; and (Account number No. 1501202139605004) EUR. 0.00 and Tk.117,310,090 as FDR on NRB Commercial Bank Ltd.


Chairman

Dated: April 08, 2023
Place: Dhaka


Managing Director


Chief Financial Officer


Company Secretary

