

Report on Utilization of IPO Proceeds

for the month of 31 January, 2020

: Queen South Textile Mills Ltd.

: Tk. 150,000,000

: January 15, 2018

: January 25, 2018

: Within 30th June 2020 Following the approval in the 17th AGM

Name of the Company
Amount (BDT) of Capital Raised Through IPO
Date of Close of Subscription
Proceeds Receiving Date


Last Date of Full Utilization of Fund as per Prospectus


Sl	Purpose Mentioned in the Prospectus	Time line as per prospectus	Revised time line (Up to 30th June 2020)	Amount as per Prospectus	Utilized Amount		Utilized (%)	Total Un-utilized Amount	Un-utilized (%)	Remarks
					This month	Total Utilized Amount				
a)	Construction of Automatic warehouse System	Within 12 months of receiving IPO fund	Up to 30th June 2020 as approved in the 17th AGM held on 22nd December 2019	74,644,050	-	-	0.00%	74,644,050	100.00%	
b)	Acquisition & Installation of Machineries for modernization of existing factory	Within 12 months of receiving IPO fund	-	56,012,034	-	50,027,871	89.32%	5,984,163	10.68%	
c)	Repayment of short term bank loan	Within 3 months of receiving IPO fund	-	6,343,916	-	6,343,916	100.00%	-	0.00%	
d)	IPO Expenses	As and when required	-	13,000,000	-	13,000,000	100.00%	-	0.00%	
Total				150,000,000	-	69,371,787		80,628,213		
Net Interest on IPO Proceeds				11,186,027						
Un-Utilized IPO Proceeds				80,628,213						
Total Un-Utilized IPO Proceeds with Interest Income				91,814,240						


Interest on IPO Proceeds: 7.46%
Un-Utilized IPO Proceeds with Interest Income: 61.21%


Notes:

- During the month, The company has utilized Tk Nil.
- The Company had opened a Letter of Credit (L/C No. DC DA0964037) under Proforma Invoice No. NT0019001 on November 24, 2019 with HSBC Bank of total L/C value of USD 1,493,995 for importing automatic warehouse system machineries among which USD 996,975 has been paid as margin deposit from own source during December, 2019 and remaining USD 497,020 (USD 1,493,995 - USD 996,975) will be paid from own source from Bank Account No.050-002120-005, HSBC Bank, Dhaka Gulshan Branch. The Automatic Warehouse System machineries have not been reached yet at the designated destination. The fund will be utilized/adjusted upon receiving the importing machineries and settlement of the said L/C.
- The Company has maintained Fixed Deposit Receipts (FDR) of Tk. 10,000,000 with Premier Bank Limited, Gulshan Branch, (FDR A/C NO. 0102 24300053090) as per bank certificate No. Premier/Gulshan/GB/2020/0102 dated February 05, 2020.
- The Company has got permission from BEPZA (Bangladesh Export Processing Zones Authority) Dated: November 13, 2018 for Construction of Automatic warehouse system and has started the construction work on February, 2019.
- The Time Frame for utilization of IPO Proceeds has been extended up to 31st October 2019 and approved by the Shareholders on the 16th Annual General Meeting held on December 27, 2018. The revised IPO Utilization plan is yet to be approved by the Bangladesh Securities and Exchange Commission (BSEC). It is mentionable here that the Time Frame for utilization of IPO Proceeds has been extended for the 2nd time up to 30th June 2020 and approved by the Shareholders on the 17th Annual General Meeting held on December 22, 2019. The revised IPO Utilization plan is yet to be approved by the Bangladesh Securities and Exchange Commission (BSEC)


Chief Financial Officer
Goutam Chandra Roy
Chief Financial Officer
Queen South Textile Mills Ltd.


Company Secretary
Massum Rana
Company Secretary
Queen South Textile Mills Ltd.


CEO
Liang Chin Hsien
Chief Executive Officer
Queen South Textile Mills LTD


Chartered Accountants
(Zaker Ahmed, FCA)
Managing Partner
Ahmed Zaker & Co.