



SHIRAZ KHAN BASAK & CO.

CHARTERED ACCOUNTANTS

(An associate firm of D. N. Gupta & Associates)

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AUDITOR'S CERTIFICATE REGARDING QUARTERLY STATUS REPORT OF UTILIZATION OF FUND AGAINST INITIAL PUBLIC OFFERING (IPO) OF ISLAMI COMMERCIAL INSURANCE COMPANY LIMITED FOR THE 1ST QUARTER ENDED MARCH 31, 2023

This is to certify that Islami Commercial Insurance Company Limited. has received Tk. 202,611,060 (Taka Twenty Crore twenty six lac eleven thousand and sixty only) as Initial Public Offering (IPO) proceeds through subscription from November 20, 2022 to November 24, 2022 in the Bank Account number # 0151020055797 maintaining with AL-Arafah Islami Bank Limited, Motijheel Corporate Branch, Dhaka. In line with the condition number 4, Part C of the consent letter number BSEC/CI/IPO-330/2022/1022 dated: 18 October 2022 of Bangladesh Securities and Exchange Commission (BSEC), fund utilization status as on 31 March 2023 is as follows:

Sl. No.	Purpose of Utilization	Allotment as per IPO (Tk.)	Fund utilized (Taka) upto the 1st quarter of March 31,2023	Total Utilization of Fund (Taka) upto March 31,2023	Un- Utilized Balance (Taka)
1	Investment in FDR & Treasury Bond	15,27,61,161	15,28,42,097	15,28,42,097	(80,936)
2	Investment in Capital Market of Bangladesh	4,05,22,212	-	-	4,05,22,212
3	IPO Expenses	93,27,687	84,21,441	84,21,441	9,06,246
	Total IPO Proceeds	20,26,11,060	16,12,63,538	16,12,63,538	4,13,47,522
4	Exchange Gain /Interest Income/Bank Charges	-	-	-	-
	Total IPO Proceeds & Exchange gain / Interest Income/Bank Charges	20,26,11,060	16,12,63,538	16,12,63,538	4,13,47,522

Total unutilized fund excluding Exchange Gain /Interest Income/Bank Charges is Tk. 41,347,522 (Taka Four Crore Thirteen Lac Fourty Seven Thousand Five Hundred and Twenty Two only) as on 31 March, 2023 with Lead Bank- AL-Arafah Islami Bank Limited, (Account number # 0151020055797), Motijheel Corporate Branch, Dhaka. 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 Islami Commercial Insurance Company Ltd. invested amount of TK.15,28,42,097 in which they purchased Bangladesh Government Treasury Bond (BGTB) of Tk. 23,080,936 and kept as FDR amount of TK.129,761,161 in several banks. But in prospectus the management declared to invest TK. 15,27,61,161. The company have invested an amount of Tk.80,936 more than the amount declared in the prospectus.





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(b) The management of Islami Commercial Insurance Company Ltd. declared in the prospectus to invest in Capital Market of Bangladesh of Tk. 4,05,22,212 within 3 months after listing which the company could not invest within due time. The amount is lying unutilized in the IPO bank account. The Bangladesh Securities and Exchange Commission (BSEC) was informed by the company that investment could not be made in Capital Market within due time as the market was unstable. After the end of March quarter, on 12 April, 2023, the company has deposited Tk. 15,000,000 to the BO Account for investment in capital market and has started to invest.

(c) In the prospectus the management of Islami Commercial Insurance Company Ltd. declared amount of Tk. 93,27,687 to be incurred for IPO purposes. The expenditures claimed for IPO expenses till March 31, 2023 was total Tk. 84,21,441. An amount of Tk. 906,246 is lying unutilized in the IPO bank account of which the company is yet to take decision on investment of this residual fund.

(d) The IPO expenses was paid directly from general fund account of Islami Commercial Insurance Company Ltd. of Tk. 65,97,768 (bank a/c no. 0151020009928, Al Arafah Islami Bank Ltd.) and Tk. 183,185 (bank a/c no. 1606302001906, Sonali Bank Ltd.). These amounts of total Tk. 67,80,953 are yet to be transferred from IPO bank account to general fund account of Islami Commercial Insurance Company Ltd. reconciliation of which has been provided.

We also report that:

- i. the expenses/utilization made in line with the condition 4, part C of consent letter of Initial Public Offering (IPO). Approval of shareholders for utilization of IPO fund in AGM is yet to be confirmed;
 - ii. the expenses/utilization Tk. 202,611,060 of IPO proceeds have not been completed within March 31, 2023 (after the receiving of IPO fund) which is within 3 (Three) months as mentioned the time schedule/ implementation schedule as specified in Initial Public Offering (IPO) documents for utilization of IPO fund;
 - iii. the expenses/utilization made of Tk. 161,263,538 till March 31, 2023 is accurate and made for the purpose of the company as mentioned in Initial Public Offering (IPO) documents for utilization of IPO fund; and
 - iv. the unspent fund of Tk. 41,347,522 remains unutilized till March 31, 2023 which is lying with the Lead Bank- Al-Arafah Islami Bank Limited, (Account number # 0151020055797), Motijheel Corporate Branch, Dhaka which includes investment to be made in Capital Market of Tk. 40,522,212.
- 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.



Chaity Basak, FCA (Enrol # 1772)
Partner
Shiraz Khan Basak & Co.
Chartered Accountants

Place: Dhaka

Dated: April 13, 2023

REPORT ON UTILIZATION OF IPO PROCEEDS
For the 1st quarter ended March 31, 2023

Name of the Company : Islami Commercial Insurance Company Limited
Amount (BDT) of Capital Raised Through IP : BDT. 202,611,060
Date of Close of Subscription : November 24, 2022
Proceeds Receiving Date : December 11, 2022
Last Date of Full Utilization of Fund as per Prospectus: Within 03 Months after listing

Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus	Status of Utilization				Remarks
				Fund utilized (Taka) upto the 1st quarter of March 31, 2023	Total Utilization of Fund (Taka) upto March 31, 2023	Utilized %	Total Un-utilized Amount	
1	Investment in FDR & Treasury Bond	Investment would be made within 1 Months after listing.	15,27,61,161	15,28,42,097	100.05%	-	0.00%	Investment of Tk. 80,936 has been made more than the amount declared in the prospectus.
2	Investment in Capital Market of Bangladesh	Investment would be made within 3 Months after listing.	4,05,22,212	-	0.00%	4,05,22,212	100.00%	Investment could not be made in Capital Market within due time as the market was unstable. The amount is lying in IPO bank account on 31 March 2023. Tk. 15,000,000 of which has been deposited to BO Account for investment on 12.04.2023 and shares are being purchased. BSEC was duly informed.
3	IPO Expenses	As and when required	93,27,687	84,21,441	90.28%	9,06,246	9.72%	
Total IPO Proceeds			20,26,11,060	16,12,63,538		4,13,47,522		



Shiraz Khan Basak
Managing Director

Shiraz Khan Basak
Chief Financial Officer

Shiraz Khan Basak
Company Secretary

Sheehida
Chairman