

**CERTIFICATE ON
STATUS REPORT ON UTILIZATION
OF
PROCEEDS FROM PUBLIC OFFERING
OF
INDEX AGRO INDUSTRIES LTD.**

For the month of December 31, 2022



**AUDITOR'S CERTIFICATE REGARDING MONTHLY STATUS REPORT OF
UTILIZATION OF FUND AGAINST INITIAL PUBLIC OFFERING (IPO) OF
INDEX AGRO INDUSTRIES LTD.
FOR THE MONTH OF DECEMBER 31, 2022**

This is to certify that INDEX AGRO INDUSTRIES LIMITED received Tk. 500,000,000 (Taka Fifty Crore) only as Initial Public Offering (IPO) proceeds through subscription from 22 February 2021 to 28 February 2021 which was kept in a separate Bank Account (BDT A/C # 20502130900016109, GBP A/C # 20502131100033000, EURO A/C # 20502131100032908 and USD A/C # 20502131100032807) maintained with Islami Bank Bangladesh Limited, Head Office Complex Branch, Islami Bank Tower, 40 Dilkusha C/A, Dhaka-1000. In line with the condition number 4, Part C of the consent letter number BSEC/CI/BB-06/2016/314 dated: January 20, 2021 of Bangladesh Securities and Exchange Commission (BSEC) Fund utilization status as on December 31, 2022 was as follows:

SL. No.	Purpose of Utilization	Allocation as per IPO/Approved in 21st AGM (Taka)	Utilization of Fund (Taka) Up to November 30, 2022	Fund utilized (Taka) during the month of December 31, 2022	Total Utilization of Fund up to December 31, 2022	Unspent Balance (Taka)
1	Repayment of Short Term Loan	354,932,100	-	-	-	354,932,100
2	Construction of Building and other Civil Works	120,067,900	20,000,000	-	20,000,000	100,067,900
3	IPO Expenses	25,000,000	25,000,000	-	25,000,000	-
	Total IPO Proceeds	500,000,000	45,000,000	-	45,000,000	455,000,000
4	Interest Income up to December 2021	-	4,722,068	26,821	4,748,889	4,748,889
5	Tax on Interest and up to the month of December 2022	-	(427,325)	(26,982)	(454,307)	(427,325)
6	Bank Interest during the month of December 31, 2022	-	-	(91,247)	(91,247)	(91,247)
7	Foreign Currency Exchange Loss/gain	-	-	-	-	1,894,068
	Total IPO Proceeds & Interest Income/Bank Charges /FC ange Loss/gain	500,000,000	49,294,743	(91,408)	49,203,335	461,124,385

Total unutilized fund excluding Interest Income/Bank Charges/FC Exchange loss/gain is Taka 455,000,000 (Taka Forty five Crore Fifty Lac) only and including Interest Income/Bank Charges/FC Exchange Loss/gain is Taka 461,124,385 only as on December 31, 2022 lying with Islami Bank Bangladesh Limited, Head Office Complex Branch, Islami Bank Tower, 40 Dilkusha C/A, Dhaka-1000. We have collected relevant information and required documents and found in order from bank statement, as per bank statement. We have collected relevant information and required documents for all disbursements and we have also checked all the relevant document, Enclosed herewith the Status Report as Annexure-A for utilization of fund which has been prepared by the management.



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

- (a) The management of Index Agro Industries Limited has utilised Taka 20,000,000 as against Construction of Building and other Civil Works upto the month of September 30, 2022 from IPO proceeds account.
- (b) The management of Index Agro Industries Limited has paid Taka 2,500,000 as IPO expenses upto the month of September 30, 2022 from IPO proceeds account. The amount of Taka 11,146,084 has been transferred to company's own account for the adjustment against IPO Expenses which was spent previously.
- (c) The management of Index Agro Industries Limited deposited as FDR an amount of Taka 29,00,00,000 (Twenty Nine Crore) during the month of June 2021 with Islami Bank Bangladesh Limited. The management of Index Agro Industries Limited has encashed such FDR total amount of Taka 306,837,577 and transferred to Prime Bank (AC No:21101133010030).
- (d) The management of Index Agro Industries Limited has deposited total amount of Taka 367,850,000 as FDR in which SIBL (FDR No "0025321264535) TK. 10,00,00,000, Lanka Bangla Finance Limited (A/C: 000929100000227) TK.55,000,000, IDLC (A/C: 10252208467001) Tk. 52,850,000, BRAC Bank (A/C:3021355810001) Tk. 100,000,000; BRAC Bank (A/C:3021355810002)Tk. 60,000,000; during the month of December 31, 2022. Total amount of Taka 390,000,000 as FDR from IPO Account but FDR balance Tk 367,850,000 up to the month of December 31, 2022 and remain balance amount 22,150,000 in which has been paid to Custom dues Tk. 36,956,998 for Acquisition of Machineries
- (e) The management of Index Agro Industries Limited has been spent total amount of Taka 36,956,998 for the purpose of Acquisition of Machineries as per prospectus but Repayment of Short Term Loan has approved in 21st AGM dated on December 09, 2021 instead of Acquisition of Machineries. Short Term Loan amount has not approved the BSEC till date.
- (f) According to the fund utilization monthly report of IPO Proceeds, report submission time line has been ended on August, 2022 as per Prospectus. We have received a letter from the company, reference no. IAIL/CS/Share/2022/09-06 on dated September 11, 2022, where the company has applied to Bangladesh Securities and Exchange Commission (BSEC) for 1st time, time extension for 12 months up to August, 2023 and BSEC has received the letter dated September 12, 2022, But there is no approval letter available from BSEC as of today.

We also report that:

- i. the expenses/utilization have been made in line with the provision of Initial Public Offering (IPO) documents;
- ii. the expenses/utilization of Taka 45,000,000 of IPO proceeds have been completed as mentioned the time schedule/ implementation schedule as specified in Initial Public Offering (IPO) documents;
- iii. the expenses/utilization made in line with the condition 4, part C of consent letter of Initial Public Offering (IPO);
- 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 in support of utilization of Initial Public Offering (IPO) proceeds are found correct.

Date: January 14, 2023
Place: Dhaka


FAMES & R
Chartered Accountants



Report on Utilization of IPO Proceeds for the month of December 31, 2022

: INDEX AGRO INDUSTRIES LTD.

Name of the Company
Amount (BDT) of Capital Raised Through IPO
Date of Opening of Subscription
Date of Closing of Subscription
Last Date of Full Utilization

: Tk. 500,000,000.00
: February 22, 2021
: February 28, 2021
: within 18 Months of obtaining IPO proceeds.

Sl. No.	Purpose Mentioned in the Prospectus	Time line as per prospectus	Amount as per prospectus /Approved in 21st AGM	Utilization of Fund (Taka) Up to November 30, 2022	Fund utilized (Taka) during the month of December 31, 2022	Total fund Utilization up to December 31, 2022	Utilization %	Total Un-utilized Amount	Un-utilization %	Remarks
1	Repayment of Short Term Loan	As or when required	354,932,100	-	-	-	0%	354,932,100	100%	
2	Construction of Building	18 Months	120,067,900	20,000,000	-	20,000,000	17%	100,067,900	83%	
3	IPO Expenses	As or when required	25,000,000	25,000,000	-	25,000,000	100%	-	0%	
Total IPO Proceeds			500,000,000	45,000,000	-	45,000,000		455,000,000		

Annexure-A

Note: **Balance as at Bank as on December 31, 2022 with Islami Bank Bangladesh Limited, Account Number (A/C # 20502130900016109)BDT 25,877,471 (A/C # 20502131100033000)GBP 85.72, (A/C # 20502131100032908) EURO 292.70 and (A/C # 20502131100032807) USD 528,158.86. The excess USD 10,354 amount from IPO proceeds FC accounts will be refunded.

Total amount of Taka 376,103,620 as FDR as on December 31, 2022 with SIBL (FDR No "0025321264535)TK. 10,00,00,000, Lanka Bangla Finance Limited (A/C: 000929100000227)TK.55,000,000, IDLC (A/C: 10252208467001) Tk. 52,850,000, BRAC Bank (A/C:3021355810001) Tk. 100,000,000; BRAC Bank (A/C:3021355810002) Tk. 60,000,000; during the month of December 31, 2022.

Chairman:

Managing Director

Director

Company Secretary

Chief Financial Officer

Date: January 14, 2023
Place: Dhaka

