

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

For the month of February 28, 2023

**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 FEBRUARY 28, 2023**

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 February 28, 2023 was as follows:

| SL. No. | Purpose of Utilization | Allocation as per IPO/Approved in 21st AGM (Taka) | Utilization of Fund (Taka) Up to January 31, 2023 | Fund utilized (Taka) during the month of February 28, 2023 | Total Utilization of Fund up to February 28, 2023 | Unspent Balance (Taka) |
|---------|---|---|---|--|---|------------------------|
| 1 | Repayment of Short Term Loan | 138,500,000 | - | 138,500,000 | 138,500,000 | - |
| 2 | Machineries and Equipment | 161,132,100 | 36,956,998 | - | 36,956,998 | 124,175,102 |
| 3 | Building & Civil Construction | 175,367,900 | 20,000,000 | - | 20,000,000 | 155,367,900 |
| 4 | IPO Expenses | 25,000,000 | 25,000,000 | - | 25,000,000 | - |
| | Total IPO Proceeds | 500,000,000 | 81,956,998 | 138,500,000 | 220,456,998 | 279,543,002 |
| 5 | Interest Income up to February 28, 2023 | 5,018,710 | - | - | - | 5,018,710 |
| 6 | Tax on Interest and up to the month of February 28, 2023 | (481,289) | - | - | - | (481,289) |
| 7 | Bank Interest during the month of February 28, 2023 | - | (182,478) | - | (182,478) | (182,478) |
| 8 | Foreign Currency Exchange Loss/gain | - | 1,894,068 | - | - | 1,894,068 |
| | Total IPO Proceeds & Interest Income/Bank Charges /FC ange Loss/gain | 504,537,421 | 83,668,588 | 138,500,000 | 220,274,520 | 285,792,014 |

Total unutilized fund excluding Interest Income/Bank Charges/FC Exchange loss/gain is Taka 279,543,002 (Taka Twenty Seven Crore Ninety Five Lac Forty Three Thousand and Two) only and including Interest Income/Bank Charges/FC Exchange Loss/gain is Taka 285,792,014 only as on February 28, 2023 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 according to the bank statement. We have collected relevant information and required documents for all disbursements and 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:

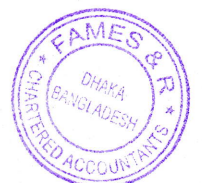
- (a) The management of Index Agro Industries Limited has utilised Taka 20,000,000 as against Construction of Building and other Civil Works in the month of September 30, 2022 from IPO proceeds account.
- (b) The management of Index Agro Industries Limited has paid Taka 2,500,000 as IPO expenses in the 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 229,350,000 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:3021355810003) Tk. 2,15,00,000; up to the month of February 2023. The management of Index Agro Industries Limited has encashed an amount of Tk. 160,317,333 with interest against FDR and transferred full amount to BRAC bank, in which loan paid Tk. 13,85,00,000 and New FDR formed Tk 2,15,00,000 with BRAC bank and remaining amount Taka 317,333 remains as cash at Bank during the month of February ,2023.
- e) The Management of Index Agro Industries Limited has paid Taka 138,500,000 for repayment of L-50- Time Loan to Bank AsiaLtd. in Account No :00750000079 during the month of February 28, 2023.
- e) The management of Index Agro Industries Limited 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 and Equipment as per prospectus but repayment of Short Term Loan has approved in 21st AGM on dated December 09, 2021 instead of Acquisition of Machineries. Short Term Loan amount of Taka 13,85,00,000 has approved the BSEC Vide letter no BSEC/CFD/2021/237/Part-01/1305 on dated January 17, 2023.
- 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, where the company has applied to Bangladesh Securities and Exchange Commission (BSEC) for 1st time, time extension for 12 months up to August, 2023. The BSEC has approved for extension of time up to August 2023 vide letter no BSEC/CFD/2021/237/Part-01/1305 date on January 17, 2023.

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 220,456,998 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: March 12, 2023
Place: Dhaka


FAMES & R
Chartered Accountants



Report on Utilization of IPO Proceeds for the month of February 28, 2023


Name of the Company : INDEX AGRO INDUSTRIES LTD.
Amount (BDT) of Capital Raised Through IPO : Tk. 500,000,000.00
Date of Opening of Subscription : February 22, 2021
Date of Closing of Subscription : February 28, 2021
Last Date of Full Utilization : within 30 Months of obtaining IPO proceeds.(August 2023)

Annexure-A

| 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 January 31, 2023 | Fund utilized (Taka) during the month of February 28, 2023 | Total fund Utilization up to February 28, 2023 | Utilization % | Total Un-utilized Amount | Un-utilization % | Remarks |
|---------------------------|-------------------------------------|-----------------------------|--|---|--|--|---------------|--------------------------|------------------|---------|
| 1 | Repayment of Short Term Loan | As or when required | 138,500,000 | - | 138,500,000 | 138,500,000 | 100% | - | 0% | |
| 2 | Machineries and Equipment | As or when required | 161,132,100 | 36,956,998 | - | 36,956,998 | 23% | 124,175,102 | 77% | |
| 3 | Building & Civil Construction | As or when required | 175,367,900 | 20,000,000 | - | 20,000,000 | 11% | 155,367,900 | 89% | |
| 4 | IPO Expenses | As or when required | 25,000,000 | 25,000,000 | - | 25,000,000 | 100% | - | 0% | |
| Total IPO Proceeds | | | 500,000,000 | 81,956,998 | 138,500,000 | 220,456,998 | | 279,543,002 | | |

Note: **Balance as at Bank as on February 28, 2023 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, in amount from IPO proceeds FC accounts will be refunded.

Total amount of Taka 229,350,000 as FDR as on February 28, 2023 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:3021355810003) Tk. 2,15,00,000; during the month of February 2023.


Chairman


Managing Director


Director


Company Secretary


Chief Financial Officer

Date: March 12, 2023
Place: Dhaka

