

ENSURING QUALITY
SECURING SATISFACTION

ANNUAL REPORT 2024



Index Agro Industries Limited



ENSURING QUALITY, SECURING SATISFACTION

At Index Agro Industries Limited, quality is our cornerstone. We are committed to producing premium feed products that meet the highest standards of nutrition and safety. Our focus on quality ensures the health and productivity of fish and poultry, directly benefiting farmers and consumers alike. Our well-produced, healthy Day-Old-Chicks (DOC) help farmers to meet the meat demand of the country. By delivering exceptional products and services, we strive to exceed expectations and build long-lasting relationships with our customers.



Notice of 24 th AGM	04
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OVERVIEW

Corporate information	05
Company profile	06
Vision and Mission	08
Comprehensive Strategic Objectives	10
Our core values and code of conduct	12
Awards and Accolades	14
Success Milestones	16

OUR LEADERSHIP

Chairman's message to stakeholders	19
Directors' profile	20
Management of the company	25
Management discussion and analysis	30
Industry outlook and possible future development	34

TABLE OF



PERFORMANCE

General review and evaluation of our performance	40
Assessing our performance and how we measure our progress	43
Segment wise performance	50
Value-added statement, economic value added, market value added statement	51



INTEGRATED REPORTING

Our integrated report	54
Risk management and control	58
Report on utilization of IPO proceeds	62
Our responsibility to the environment and society	63
Corporate Social Responsibility	65
Policy on nomination and remuneration	68
Policy on communication with shareholders and investor complaints redressed policy	70
Policy on distribution of dividends	73
Summary of unpaid/unclaimed dividend	75



REPORTS AND CERTIFICATE

Directors' report	77
Audit committee report	83
Nomination and remuneration committee report	85
Corporate governance report	87
Corporate governance compliance certificate	90
Corporate governance compliance status	91
BAPLC Membership certificate	105
Credit Rating Report	106

CONTENTS



FINANCIALS STATEMENTS AND REPORTS

Declaration by MD and CFO regarding FS	109
Statement on Compliance with ICSB Secretarial Standards	110
Auditors' report and audited financial statements	111
Option for Receiving Dividend	149
Proxy Form and Attendance Slip	151



NOTICE OF THE 24th ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting (AGM) of Index Agro Industries Limited will be held on **Monday, December 23, 2024 at 11:00 a.m.** through hybrid system in combination of both in physical presence at Trust Milonayoton, 545 Old Airport Road (Near Jahangir Gate), Tejgaon, Dhaka-1206 and by using digital platform through the link <https://indexagro24agm.digitalagmbd.net> to transact the following businesses:

AGENDA:

1. To receive, consider and adopt the Audited Financial Statements of the company for the year ended 30th June 2024, together with the reports of the Auditor and the Directors.
2. To declare dividend for the year ended 30th June 2024 as recommended by the Board of Directors.
3. To elect/re-elect Director(s) of the company.
4. To appoint the Statutory Auditors of the company for the year ended 30th June 2025 and fix their remuneration.
5. To appoint the Corporate Governance Compliance Auditors for the year ended 30th June 2025 for compliance certification on corporate governance and fix their remuneration.

By order of the Board of Directors,

Dhaka, Bangladesh
Date: December 01, 2024

Sd/-
Abu Jafar Ali FCS
Company Secretary

Notes:

1. The shareholders whose name appeared in the Share/Depository Register as on the 'Record Date' (**i.e. November 14, 2024**) are eligible to participate in the 24th AGM and receive the dividend.
2. The Board unanimously recommended cash dividend @25% (Twenty five percent) to the General Public Shareholders and 15% (Fifteen percent) to the Directors and Sponsor Shareholders of the respective paid up capital of the company for the year ended 30th June 2024.
3. A shareholder entitled to attend and vote at the AGM may appoint a proxy to attend and vote in his/her behalf. The Proxy Form, duly filled, signed and stamped of Tk. 100.00 must be sent through email to the Company at share@index-agro.com not later than 48 hours before the time fixed for the meeting.
4. Shareholders are requested to submit through email to the Company at share@index-agro.com on or before **December 18, 2024**, their written option to receive dividend in the form available in Company's website www.index-agro.com if the shareholder fails to submit such option within the stipulated time, the dividend will be paid off as deemed appropriate by the Company.
5. The concern stock broker, merchant banker and portfolio manager are requested to submit hard copy or through mail to the Company at share@index-agro.com on or before **December 18, 2024**; the statement along with detail of their margin client or customer who has debit balance or margin loan, who are entitled to receive cash dividend of the Company for the year ended June 30, 2024. The statement should include shareholder's name, BO ID number, client-wise shareholding position, gross dividend receivable, applicable tax rate, net dividend receivable etc. along with the Consolidated Customers' Bank Account number, routing number and contact person.
6. The shareholders will be able to submit their questions/comments and vote electronically **24 hours** before commencement of the AGM and during the AGM. For logging in to the system, the shareholders need to put their 16 digit Beneficial Owner (BO) ID number and other credentials as proof of their identity by visiting the link <https://indexagro24agm.digitalagmbd.net>
7. Shareholders are requested to log in to the system prior to the meeting start time of 11:00 a.m. on **December 23, 2024**. The webcast will start at 10:45 a.m. on **December 23, 2024**. Please contact at **+8801844004118** and **+8801723415126** for any technical difficulties in accessing the virtual meeting.
8. Detail log in process has been sent through email to respective shareholder's mail ID available in their BO account maintained with the Depository. The detailed procedures to participate in the virtual meeting along with link are also available in the Company's website at www.index-agro.com.

CORPORATE INFORMATION

Board of Directors

Chairman
Mr. Md. Mazherul Quader

Managing Director
Mr. Mahin Bin Mazher

Directors
Mr. Md. Mamunur Rashid FCMA
Ms. Mehzabin Mazher

Independent Director
Mr. A.K.M. Delwer Hussain FCMA

Audit Committee

Chairman
Mr. A.K.M. Delwer Hussain FCMA

Members
Mr. Md. Mamunur Rashid FCMA
Ms. Mehzabin Mazher

Secretary
Mr. Abu Jafar Ali FCS

Nomination and Remuneration Committee

Chairman
Mr. A.K.M. Delwer Hussain FCMA

Members
Mr. Md. Mazherul Quader
Ms. Mehzabin Mazher

Secretary
Mr. Abu Jafar Ali FCS

Chief Financial Officer (CC)
Mr. Iqbal Ahmed FCMA

Company Secretary
Mr. Abu Jafar Ali FCS

Head of Internal Audit and compliance
Mr. Md. Ayub Ibne Baquer

Statutory Auditors

G. Kibria & Co.
Chartered Accountants
Plot 51, Floor-2, Road-14
Block-G, Niketon, Gulshan-1
Dhaka-1212, Bangladesh

Compliance Auditors

Podder & Associates
Cost and Management Accountants
6/A/1 (Ground Floor)
Segun Bagicha, Dhaka-1000, Bangladesh

Principal Bankers

Islami Bank Bangladesh PLC.
Prime Bank PLC.
Standard Chartered Bank
Trust Bank PLC.
One Bank PLC.
Bank Asia PLC.
Midland Bank PLC.

Legal Advisor

Dr. Naim Ahmed
Advocate, Bangladesh Supreme Court
166/1, Mirpur Road, Kalabagan
Dhaka-1205

Website

www.index-agro.com
Registered Office

XIC Point
Holding No. Kha-213/2, 213/3 and 213/5
Bir Uttam Rafiqul Islam Sarani
Middle Badda, Dhaka-1212
Phone: +88-02-58817175, +88-02-222296442
Fax: +88-02-58814759

FACTORY

Feed Mill:
601/01, Block: N, Dhaka Mymensingh Road, Kathali,
09 no. Ward, Valuka, Mymensingh

Breeder Farm & Hatchery:
Araisha Prasad, B.K. Bari, Gazipur Sadar, Gazipur

Hatchery:
Vill: Rajghat, P.O: Durgapur, Upazila: Mithapukur, Dist: Rangpur

Breeder Farm:
Dalil, Post office- Bhabanipur, Union-Bhabanipur,
Sherpur, Bogura

COMPANY PROFILE



Background of the company

Index Agro Industries Limited (IAIL), a concern of X-Index Companies (XIC) was incorporated in Bangladesh on 13 September 2000 as a Private Company Limited by shares under the Companies Act, 1994 having the registration no.C-41289(648)/2000. The Company was converted as a Public Limited company by shares under The Companies Act, 1994 on 31 March, 2015. The Company has started its commercial operation on 1st July, 2004.

X-Index Companies is a business conglomerate with notable presence in Bangladesh. With a heritage spanning over four decades, in the year 1977, XIC established itself as a dynamic and progressive entity in the rapidly growing economy in Bangladesh.

Combining deep ethical values with proven business performance, the company has a heritage of deep social commitment that has earned the trust and respect of its customers. Five core values- Integrity, Ethics, Excellence, Unity and Responsibility- woven into the fabric of 'X Index' and its brands are fundamental to its success. The name itself is a unique asset, representing '**Leadership through Experience**'. It stands for consistent business excellence and profitable growth with a commitment to the communities it serves and adherence to high standards of corporate governance.

Board of Directors

Sl. No.	Name of Directors	Position	Education Background
1	Mr. Md. Mazherul Quader	Chairman	Bachelor of Architecture, BUET
2	Mr. Mahin Bin Mazher	Managing Director	MA, Harvard Business School, Boston, USA BBA, Georgia Southern University, USA
3	Ms. Mehzabin Mazher	Director	MBA
4	Mr. Md. Mamunur Rashid	Director	Masters of Commerce, FCMA
5	Mr. A.K.M. Delwer Hussain	Independent Director	B.Com (Hon's), M.Com, FCMA

Nature of business

The principal activities of the company are manufacturing and marketing of poultry feed, fish feed and producing Day-Old-Chicks (DOC). An automated manufacturing facility for poultry feed integration provided a powerful thrust to the breeder and hatchery operations of IAIL by ensuring the availability of quality feed. The company markets and packages its feed products under the brand name X Feed.

To meet up the growing demand of chicken in the country, the company has setup Breeder Farm & Hatchery at Rajendrapur and a Feed Mill at Valuka, Mymensingh.

Feed Mill

The project has been designed for successfully producing and marketing of Fish & Poultry feeds. An experienced and well-organized team of local poultry experts engaged full time for the smooth operation of the company.

Production Capacity

Installed production capacity	: 1,50,000 MT annually
Actual production capacity	: 1,14,000 MT annually
Actual production	: 97,606 MT annually
Capacity Utilization	: 86%

Breeder Farm & Hatchery

The Breeder Farm and Hatchery is being formed to meet the growing demand of chicken in the country. An experienced and well-organized team of foreign and local poultry experts engaged full time for the smooth

operation of the company. Few notable features of Breeder Farm & Hatchery are as follows:

- A fully environment controlled house for the parent stocks;
- A fully equipped with the most modern feeding and drinking systems;
- Vaccination of each and every chicken, increase their immunity against any diseased;
- Production of both broiler and layer chicks take place in the Peter Siam incubator by means of the automatic transfer system and automatic air handle system;
- Temperature and humidity controlled environment to ensure disease free and healthy rearing of chicks.

Production Capacity

Installed production capacity	: 30.00 Million DOC
Actual production capacity	: 30.00 Million DOC
Actual production	: 22.81 Million DOC
Capacity Utilization	: 76 %

Location of the projects

Feed Mill	601/01, Block: N, Dhaka Mymensingh Road, Kathali, 09 No. Ward, Valuka, Mymensingh
Breeder Farm & Hatchery	Araisha Prassad, B.K. Bari, Sadar, Gazipur, Gazipur
Hatchery	Vill: Rajghat, P.O: Durgapur, Upazila: Mithapukur, Dist: Rangpur
Breeder Farm	Dalil, Post office- Bhabanipur, Union- Bhabanipur, Sherpur, Bogura

Index Agro Industries Limited has no subsidiary company but it has an associate company named X-Ceramics Ltd. where the company holds 24.39% shares. X-Ceramics Ltd. is engaged in manufacturing ceramic tiles in Bangladesh.

Our Distribution Channel

IALI has established a proven distribution network all over Bangladesh. The Company appointed over 300 Dealers at various area of Bangladesh based on demand and prospective market. Distribution channel of products of the Company is as follows:



Registered Office

The registered office of the company is situated at XIC Point, Holding No. Kha-213/2, 213/3 and 213/5, Bir Uttam Rafiqul Islam Sarani, Middle Badda, Dhaka-1212.

OUR VISION

To be a role model for poultry operations, in order to improve the livelihood of rural poor peoples in general.



OUR MISSION

To be pioneer in the poultry industry through ensuring highest levels of quality standards in order to get both our customers satisfaction as well as our employees.



OUR COMPREHENSIVE STRATEGIC OBJECTIVES

Combining deep ethical values with proven business performance, Index Agro Industries Limited (IAIL) built a heritage of deep social commitment that has earned the trust and respect of its customers. Five core values of IAIL – Integrity, Ethics, Excellence, Unity and Responsibility – woven into the fabric of 'XIC' and its brands are fundamental to its success. The name itself is a unique asset, representing 'Leadership Through Experience'.

Strategic objective of IAIL is summarized as follows:



Revenue Growth:

IAIL aims to achieve a minimum of 10% year-over-year revenue growth through a combination of expanding our customer base and increasing sales to existing customers.



Operational Efficiency:

Improve operational efficiency by streamlining processes, optimizing the supply chain, and reducing production costs by 5% to enhance profitability.



Customer Satisfaction:

Achieve a customer satisfaction score of at least 90% through improved customer service, better product quality, and enhanced customer engagement initiatives.



Talent Development:

Invest in employee training and development programs to enhance skills and capabilities, aiming to increase in employee productivity.



Digital Transformation:

Accelerate our digital transformation initiatives by implementing new technology solutions to enhance customer experiences, streamline internal processes, and improve data analytics.



Risk Management:

Strengthen our risk management framework to mitigate potential threats to the business, including cyber security, supply chain disruptions, and regulatory changes.



Community Engagement:

Enhance corporate social responsibility efforts by increasing community engagement and supporting charitable initiatives, contributing to our reputation as a responsible corporate citizen.



Financial Stability:

Maintain a strong financial position with a minimum liquidity reserve of annual operating expenses to withstand economic uncertainties.





Market Leadership:

Solidify our position as an industry leader by securing a mentionable market share within our core markets while maintaining a focus on quality and customer satisfaction.

Index Agro Industries Limited also maintained the following Strategic Objectives to create sustainable and profitable growth of the company:

- To test every single feed ingredient as well as our finished products through our most advanced raw material analysis machine called NIR;
- Plant wise individual line/production QC (quality control);
- To follow World Health Organization (WHO) guidelines strictly;
- To maintain the highest level of BIO security;
- To maintain the CGMP (current good manufacturing practice);
- To provide the best breed (Lohman), which is fastest growing breed in the world;
- To setup hatcheries and breeders farms in different strategic location throughout the country;
- To follow the best management practices with highly standard bio security and always maintain maternal anti-body status to produce vertically transmitted disease free DOC;
- To produce high protein feed for fish that helps to increase the body growth and survival rate of cultured fish.



OUR CORE VALUES

Creating core values and a code of conduct is essential for defining the ethical and cultural principles that guide the behavior and decision-making of a company. As a responsible corporate citizen, Index Agro Industries Limited (IAIL) follows a transparent policy to facilitate the development of fair, sustainable and mutually beneficial relationships with customers and other stakeholders of the company.

Core Values of IAIL

The core values of Index Agro Industries Limited are- Integrity, Ethics, Excellence, Unity and Responsibility – woven into the fabric of '**Index Agro**' and its brands are fundamental to its success. Combining deep ethical values with proven business performance, the company built a heritage of deep social commitment that has earned the trust and respect of its customers.

The management of the company comply with all applicable laws, regulations, confidentiality agreements, obligations and corporate policies. Our employees are guided by the following fundamental principles:



CODE OF CONDUCT

1. Compliance with Laws and Regulations

We comply with all applicable laws, regulations, and industry standards in the countries where we operate. We do not engage in any illegal or unethical activities.

2. Conflicts of Interest

We shall not enter into any transaction which is or may likely to have a conflict with the interest of the company. We shall not take up any position or engagement that may be prejudicial to the interest of the company.

3. Confidentiality

We protect sensitive and confidential information entrusted to us by our customers, partners, and colleagues. We do not disclose or misuse such information for personal gain.

4. Fair Competition

We compete fairly and ethically in the market. We do not engage in anti-competitive practices, including price-fixing, collusion, or unfair trade practices.

5. Anti-Corruption

We do not tolerate bribery, corruption, or any form of unethical influence. We maintain a strict anti-corruption

policy and report any suspicious activities promptly.

6. Respect and Inclusion

We treat all individuals with respect, dignity, and fairness, regardless of their race, ethnicity, gender, age, sexual orientation, religion, or nationality.

7. Environmental Responsibility

We are committed to minimizing our environmental impact. We promote sustainable practices and seek opportunities to reduce our carbon footprint.

8. Reporting Violations:

We encourage employees and stakeholders to report any violations of our code of conduct through confidential channels, and we pledge to protect whistleblowers from retaliation.

9. Guiding Principles

The employees careful in the performance of their duties and act in good faith and in a manner they reasonably believe to be in the best interests of the company. They are also sincere to comply with all applicable laws, regulations, confidentiality, obligations and Corporate Policies taken by the company.

The employees are expected to be guided by the following basic principles:

RESPONSIBILITY



ACCOUNTABILITY



INTEGRITY



EFFICIENCY



IMPARTIALITY

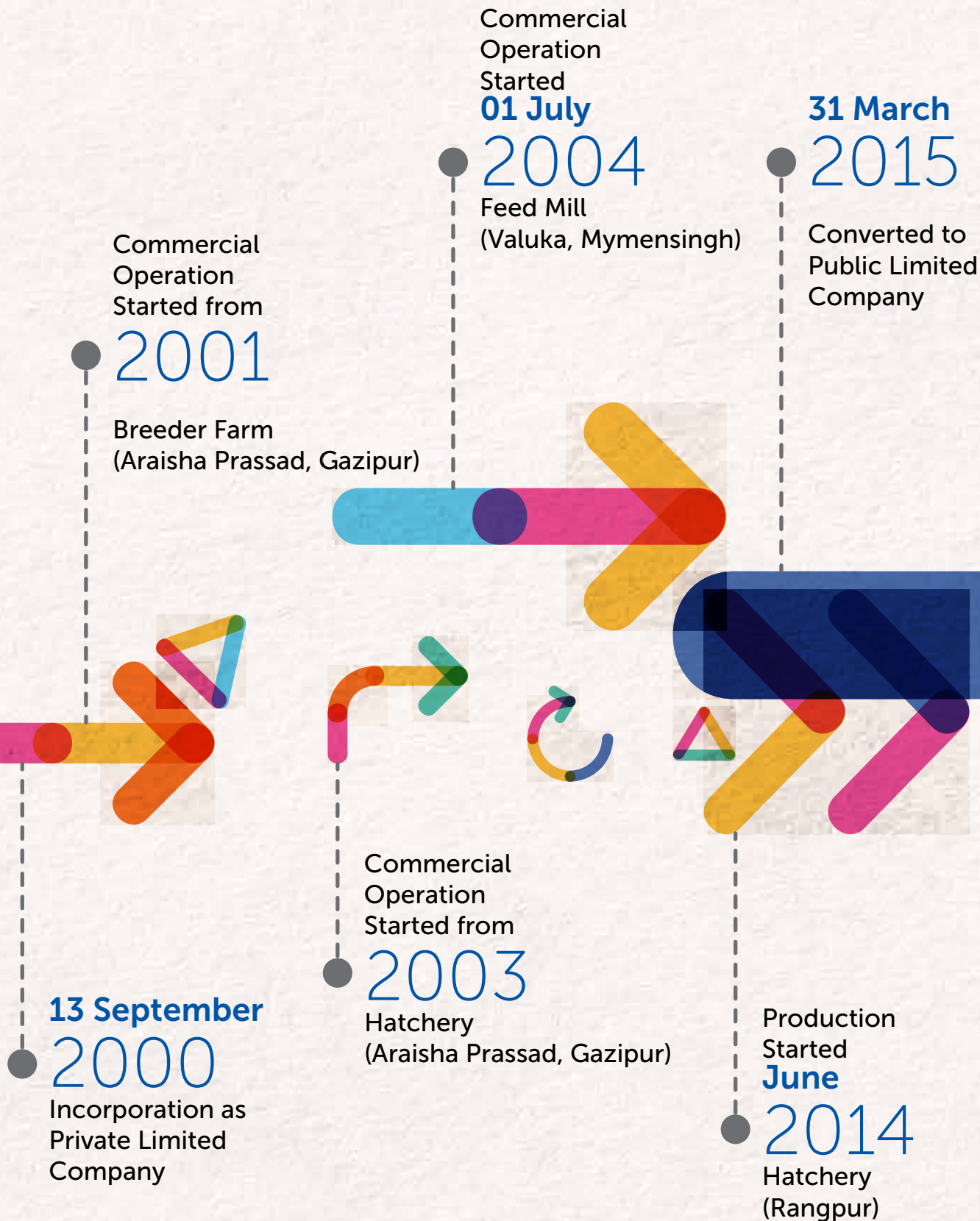


DISCRETION

AWARDS AND ACCOLADES







18 October
2016

Holding
Road Show
for IPO

28 March
2021

Listing with
DSE & CSE

June
2022

Successfully installed
two silos at
Feed Mill Division,
Valuka

SUCCESS MILESTONES

Production
Started

30 May

2015

Breeder Farm
(Sherpur, Bogura)

20 January
2021

IPO approval
by BSEC

07 April

2021

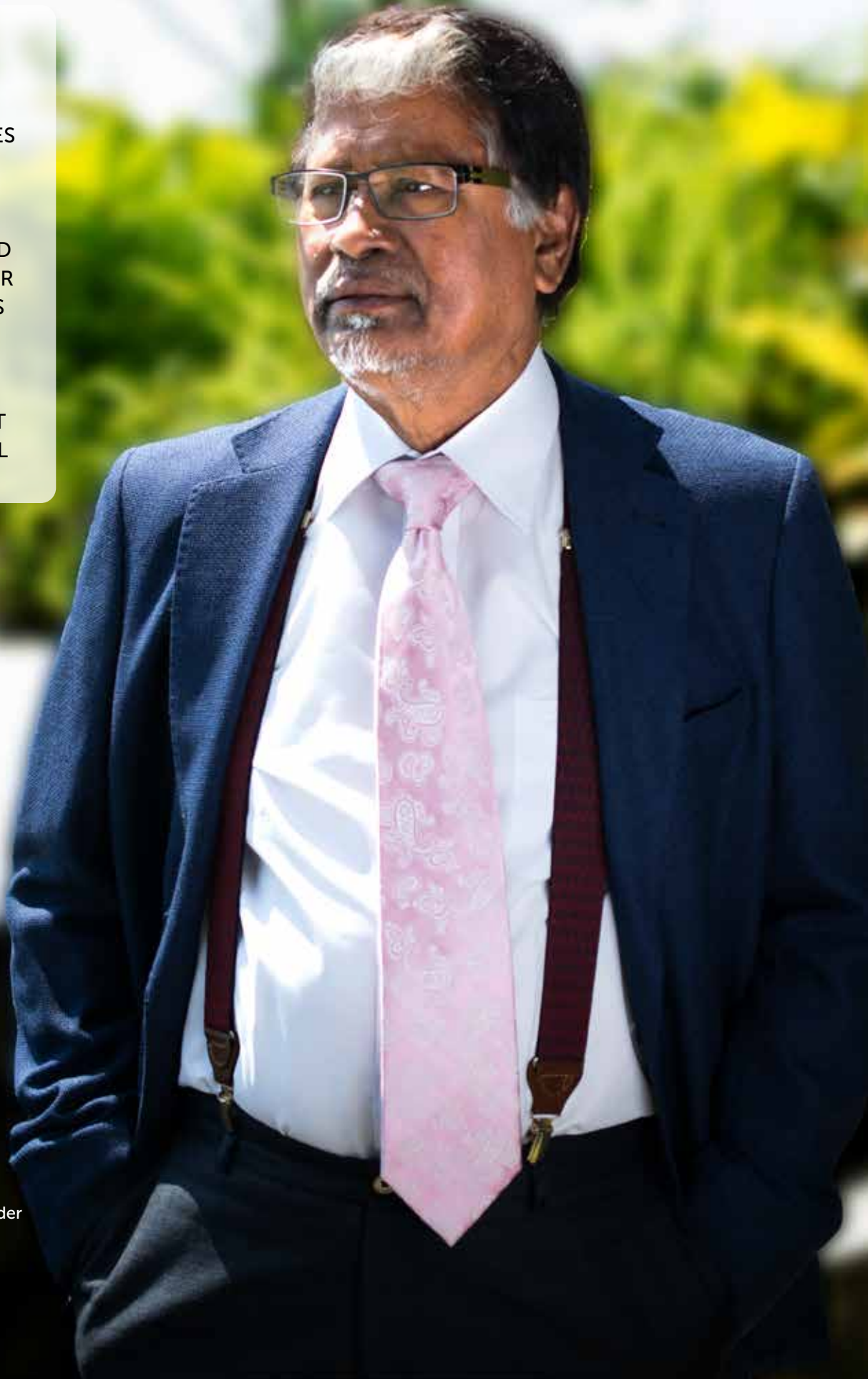
Trading started
in DSE & CSE



“

DESPITE THE
ECONOMIC
UNCERTAINTIES
AND GLOBAL
CHALLENGES
WE
ENCOUNTERED
THIS YEAR, OUR
COMPANY HAS
MAINTAINED
CONSISTENT
GROWTH
THROUGHOUT
THE FINANCIAL
YEAR 2023-24.

- Md. Mazherul Quader
Chairman



CHAIRMAN'S STATEMENT

Dear Shareholders,

Assalamu Alaikum!

I am pleased to present the Annual Report of Index Agro Industries Limited for the year ended 30th June 2024. This year marks a significant milestone in our ongoing journey of growth, resilience, and transformation. Despite the challenges posed by the economic environment, I am proud to report that our company has made remarkable progress, fueled by our steadfast commitment to innovation, sustainability, and operational excellence. I would also like to extend my heartfelt greetings and sincere thanks to all of you for attending the 24th Annual General Meeting of the company.

The global and local economic landscape in 2024 has been marked by volatility, particularly in the poultry sector. Fluctuations in commodity prices, supply chain disruptions, and evolving regulatory frameworks have posed significant challenges. However, through proactive risk management and strategic initiatives, Index Agro Industries has successfully navigated these complexities, reinforcing our market leadership and enhancing our competitive edge.

Despite the economic uncertainties and global challenges we encountered this year, our company has maintained consistent growth throughout the financial year 2023-24. I am pleased to share that Index Agro has achieved outstanding financial results. Our commitment to efficiency and innovation has translated into robust financial performance. In 2024, our revenues rose to Tk. 4,281.25 million against Tk. 4,191.03 million in 2023. This growth is a testament to the hard work and dedication of our team. I am confident that our effective business strategies and ongoing investments will further strengthen the organization in the years ahead.

Dear Shareholders,

You will be glad to know that the installation of two silos, each with a capacity of 8,000 metric tons, equipped with automatic loading and unloading facilities, has been successfully completed at the Feed Mill Division in Valuka, Mymensingh which was communicated you last year. These silos have been fully operational since May 22, 2024.

Dividend

The Board unanimously recommended cash dividend @25% (Twenty five percent) to the General Public Shareholders and 15% (Fifteen percent) to the Directors and Sponsor Shareholders of the respective paid up capital of the company for the year ended 30th June 2024.

Commitment to Sustainability

Sustainability is at the core of our corporate values. We understand that our enduring success is closely tied to the vitality of our environment and the prosperity of our communities. We remain committed to social responsibility by supporting initiatives that improve the lives of farmers, empower women, and advance education and healthcare in rural areas. Our dedication to creating shared value not only fosters socio-economic growth within our communities but also enhances our brand reputation.

Looking Ahead

As we look to the future, we remain cautiously optimistic about the opportunities and challenges that lie ahead. The global agricultural landscape is evolving rapidly, driven by technological advancements, shifting consumer preferences, and regulatory changes. We are confident that our strategic priorities, which include scaling our operations, enhancing digital capabilities, and deepening our commitment to sustainability, will position us well to capitalize on these trends.

Our focus will be on driving innovation, expanding our market presence, and delivering consistent value to our shareholders. We will continue to invest in our people, processes, and partnerships, ensuring that we remain at the forefront of industry developments.

Dear Shareholders,

In closing, I would like to express my deepest gratitude to our shareholders, customers, employees, and partners for their unwavering support and trust in Index Agro Industries Limited. Our achievements in 2024 would not have been possible without your dedication and commitment. As we embark on the next chapter of our journey, we remain committed to creating long term value for all our stakeholders and contributing to a sustainable and prosperous future.

Thank you for your trust and continued confidence in Index Agro Industries Limited. May Allah bless you all with good health and a long life.
Allah Hafez!



Md. Mazherul Quader
Chairman

DIRECTORS' PROFILE



Arch. Md. Mazherul Quader
Chairman

Arch. Md. Mazherul Quader is a prominent entrepreneur and success driven figure in the business community of Bangladesh with a diversified business portfolio. An eminent Architect who has been involved with over 330 projects at home and abroad. He has been entrusted to design many Commercial & Residential buildings in UAE, Liberia, Sri Lanka, Uganda, and other countries. His chequered career includes 38 years of rich and diversified experience in different business sectors such as 'Building & Infrastructure, Consultancy and Construction, Real Estate Developments, Agro, Ceramics' etc. He has won many rewards and recognition to his credit for his business acumen and his associations with different charitable organizations.

Mr. Md. Mazherul Quader is the Chairman of Index Agro Industries Limited (IAIL) and Member of Nomination and Remuneration Committee of IAIL. He is also the member of the Board of X-Ceramics Ltd., Monalisa Ceramics (BD) Ltd., Index Poultry (Pvt) Ltd., Index Construction Ltd. and Index Holdings Ltd.



Mahin Bin Mazher
Managing Director

Mahin Mazher is a prominent entrepreneur and business professional based in Bangladesh. His vision, knowledge, skills and dedication has helped him excel to the peak of the business community today. Currently, he serves as the Managing Director of the company, a concern of X-Index Companies (XIC), one of the top business conglomerate in Bangladesh. He is a "Harvard Graduate and a proud Alumnus". Prior to that, he was educated first in Eckerd College - St. Petersburg, Florida and then in Georgia Southern University, majoring in Finance – USA.

An accomplished business leader who is running diversified businesses and complex organizations in a wide range of industries including 'Agro, Ceramics, Investment & Hospitality, Real Estate & Construction, Venture Capital, Power & Energy with 3 HFO-based IPP power plants, Distribution & Retail' etc.

Mahin Mazher is the Managing Director of Index Agro Industries Ltd. He is also a Board member of X- Ceramics Ltd., Monalisa Ceramics (BD) Ltd., Index Poultry (Pvt) Ltd. and Index Holdings Ltd.

Mahin Mazher is also very passionate about his commitments to social development by providing support in various sectors through a foundation called KKF.

**Mehzabin Mazher**

Director

Mehzabin Mazher, Director of Index Agro Industries Limited (IAIL) is a dynamic and accomplished professional. Her contribution to the growth and prosperity of IAIL is enormous. She has a sound scholastic record with an MBA. Apart from being actively involved with the Branding department, she also supervises real estate sector and formulates directions for Index Constructions Limited.

She is the member of the Board of X-Ceramics Ltd., Monalisa Ceramics (BD) Ltd., Index Poultry (Pvt.) Ltd. and Index Holdings Ltd. Ms. Mehzabin is also the Member of Audit Committee and Nomination & Remuneration Committee of Index Agro Industries Limited.



Md. Mamunur Rashid FCMA

Director

Md. Mamunur Rashid FCMA is a Fellow Member and Past President of the Institute of Cost & Management Accountants of Bangladesh (ICMAB). His academic brilliance was revealed when Mr. Rashid obtained his undergraduate degree in Bachelors of Commerce in the year 1987 and his post- graduation degree in Masters of Commerce (Management) in the year 1989, securing First Class 2nd Position and First Class 4th Position respectively under the University of Dhaka.

Mr. Rashid has been working at X-Index Companies since 2010 and currently serving as additional Managing Director. He is also serving as the Independent Director and Chairman of Audit Committee at Nitol Insurance Company Ltd and Board member of several sister concern of X-Index Companies. He has been serving as the Senior Vice President of Bangladesh Ceramics Manufacturers and exporters Association (BCMEA). He has accumulated a wealth of experience via serving in the Government organization, NGOs, Private and Public Large local business conglomerates with influential designations.

He has been actively involved with the activities of ICMAB. Mr. Rashid served as the President of the Institute of Cost & Management Accountants of Bangladesh (ICMAB) in 2022 and as an Executive Secretary to the South Asian Federation of Accountants (SAFA) for the year 2013. He has been blessed with his wife Jesmin Sultana and two daughters Tanha & Tahiya.



A.K.M. Delwer Hussain FCMA

Independent Director

Mr. A.K.M Delwer Hussain FCMA, a professional Cost & Management Accountant in the Country was born in 1961 in a respectable muslim family. He is serving as the Chairman of the Audit Committee and Nomination and Remuneration Committee of Index Agro Industries Limited. He served as the President of South Asian Federation of Accountants (SAFA) for the year 2021. Currently, he is serving as the treasurer of Atish Dipankar University of Science and Technology, Dhaka.

Mr. Hussain obtained his B.com (Honors) and M.com from University of Dhaka. Later, he completed Cost and Management Accountants from the Institute of Cost and Management Accountants of Bangladesh (ICMAB). He is a fellow member of ICMAB. Moreover, he completed Post Graduate Diploma in Computer Science (PGD) in 1998 from the Bangladesh Institute of Management (BIM) Dhaka and passed with First Class. He held various positions in his professional career.

Mr. Hussain served as the Director of Rupali Bank Limited for the year 2013-2016 and 2017-2019. Apart from that, he was President for the year 2004 and 2013 of the Institute of Cost and Management Accountants of Bangladesh (ICMAB). He rendered his professional services in Bangladesh Sugar & Food Industries Corporation (BSFIC) in the various capacities. Finally, he was the Chairman of BSFIC and successfully completed more than 4 years.

MANAGEMENT OF THE COMPANY



Mr. Mahin Bin Mazher
Managing Director

Philanthropic in mind, dynamic in thinking, far-sighted in Vision; Mr. Mahin Mazher wields appreciably long experience in business that shaped up as a large conglomerate with the passage of time. Index Agro Industries Limited, a concern of X-Index Companies (XIC) is the epitome of his business leadership and corporate excellence, where he is the Managing Director. A US graduate who served in many reputed North American Companies such as 'Merrill Lynch' and 'Bell South Corporation', had decided to come back to his native land and give back to the economy and the society. He is an accomplished business leader who is running diversified businesses and complex organizations in a wide range of industries including 'Agro, Ceramics, Investment & Hospitality, Real Estate & Construction, Architectural Consultancy, Venture Capital, Power & Energy, Distribution & Retail' etc.



Mr. Md. Mamunur Rashid FCMA
Additional Managing Director

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Mr. Wahed Aziz Ur-Rahman

Chief Operating Officer

Wahed Azizur Rahman is a Chartered Certified Accountant (ACCA) from the UK. Prior to joining XIC as group COO, Wahed was Group CEO of Navana Group. He has also served in strategic leadership capacities both in-country and overseas in global companies, including Coats, Reckitt Benckiser, and British American Tobacco and local companies like Rahimafrooz Bangladesh, Viyellatex Limited. Wahed is a lean six sigma green belt holder and practitioner.



Mr. Anowar Uz Zaman

Head Of People's Management

Starting his career as Civilian Gazzeted Officer at Bangladesh Army, Mr. Anowar Uz Zaman has completed his MBA in International Marketing & Human Resources Development. Mr. Zaman served most of the prestigious Corporate houses of Bangladesh like Rahimafrooz Bd. Ltd, Anwar Group of Industries, Hotel Radisson Blue, Amin Mohammed Foundation, Monno Ceramics, Rupayan Group, Paradise Group as Director- HR & Administration. Mr. Zaman obtained several Training nationally & also represented several International Conferences. Due to his 35 yrs of contribution in the Human Resources Development area, Mr. Zaman achieved Doctorate on Human Resources Development from Washington Digital University, USA.



Mr. Moniruzzaman Khondoker
Chief Marketing Officer

Mr. Moniruzzaman khandokar is working as a chief Marketing Officer (CMO) of index Agro Industries Limited (IAIL). He has over 25 years of experience in relevant field. Before joining this company he worked in many reputed companies in Bangladesh like Quality Feeds, City Group, Provita Group and Dhaka Group. In his role, Mr. Moniruzzaman Khandokar oversees the company's Marketing and sales operation.



Mr. Md. Abu Sayeed Chowdhury
General Manager- Feed Mill

Mr. Md. Abu Sayeed Chowdhury is the General Manager – Feed Mill of Index Agro Industries Limited since 2015. He has completed his B.Sc in Electrical and Electronics Engineering from America Bangladesh University in the year of 2011. He has completed “National ITE Certificate in Electrical Technology” from “ITE” Dover, Singapore. He also completed “Othm” Certified “International Postgraduate Diploma in Logistic and Supply Chain Management (UK Level-7)” & “edupro” Certified “ Postgraduate Diploma in Human Resource Management (EP Level-7)”. He has over 31 years of experience, in-between 21 years in the relevant field. He had served various organization and Multi National Company including Overseas job. He is responsible of Feed Mill entire Operation including Administration. He has vast knowledge of Production, Maintenance, Plant & Silo Erection.



Mr. Mohammad Mazedul Hannan
VP (Operations)

Mohammad Mazedul Hannan is a highly qualified professional in the field of animal nutrition and agriculture, boasting over 21 years of experience in reputable agro-industries in Bangladesh. He holds a Bachelor of Science in Animal Husbandry and a Master of Science in Animal Nutrition from Bangladesh Agricultural University. In addition to his specialized education, he has pursued diplomas and certified courses from both local and international institutions. His expertise is further recognized through his role as an Executive Member of the Bangladesh Animal Nutrition Society.



Mr. Iqbal Ahmed FCMA
Chief Financial Officer (C.C)

Mr. Iqbal Ahmed FCMA, is the Chief Financial Officer (CC) of Index Agro Industries Limited. He is a qualified Fellow member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB). He has over 18 years of experience in the relevant field. In his role, Mr. Ahmed oversees the company's accounting and financial operations. He had served in different organization namely, Opsonin Pharmaceutical and Labaid Pharmaceutical in different key positions.



Abu Jafar Ali LLB, FCS
Company Secretary

Mr. Abu Jafar Ali FCS is the Company Secretary of Index Agro Industries Limited since 2019. Before joining the Company, Mr. Jafar was the Company Secretary of Star Ceramics Limited, responsible for Regulatory Compliances, Legal Issues, IPO and Board Secretariat of the Company. In his more than 19 years of career span, he took the challenge of cross functional assignments which developed his expertise in areas like Regulatory Compliance, Corporate Affairs, Corporate Governance, Companies Act, Securities Laws, Initial Public Offering (IPO) and Share Management. Mr. Jafar is a qualified Chartered Secretary and a Fellow Member of the Institute of Chartered Secretaries of Bangladesh (ICSB). He has participated professional training courses as Initial Public Offering (IPO) conducted by Dhaka Stock Exchange Limited.



Mr. Md. Ayub Ibne Baquer
Head of Internal Audit and Compliance

Mr. Md. Ayub Ibne Baquer is the Head of Internal Audit and Compliance of Index Agro Industries Ltd (IAIL). He has over 30 years of experience in the relevant field. Mr. Ayub oversees the company's internal controls and ensures compliance with regulations. He has served in different organizations, namely, BRAC in different positions, BRAC Dairy Food Project (BDFP), National University, and Dhaka Sheraton Hotel. He has completed his Master of Commerce in Accounting from the University of Dhaka. He also completed a professional course at the Institute of Cost Management and Accountants of Bangladesh (ICMAB) and qualified at the "Intermediate level" in 1988. He has participated in some in-house and professional training sessions during his service.

MANAGEMENT DISCUSSION AND ANALYSIS

Business overview

Index Agro Industries Limited (IAIL), a concern of X-Index Companies, commenced operations in 2000. The company specializes in the manufacturing and marketing of poultry feed, fish feed, and the production of Day-Old-Chicks (DOC). The introduction of an automated manufacturing facility for poultry feed has significantly boosted IAIL's breeder and hatchery operations by ensuring a consistent supply of high-quality feed. IAIL markets and packages its feed products under the brand name "X Feed."

Overview of financial operations:

Revenue Growth

During the fiscal year, the company achieved a total revenue of Tk. 4,281.25 million, representing a 2.15% increase compared to the previous year.

Profitability

The company recorded a net profit after tax Tk. 259.17 million, marking a 5.08% year-over-year increase. The gross profit margin improved to 17.71% from 17.46% in the previous year, reflecting enhanced production efficiency, better raw material sourcing, etc.

Earnings per Share (EPS)

Earnings per Share (EPS) for the year stood at Tk. 5.48 as against Tk. 5.22 in the previous fiscal year. This increase in EPS highlights the company's commitment

to enhancing shareholder value.

Cash Flow and Liquidity

IAIL maintained a strong cash position, with operating cash flows reaching Tk. 697.79 million. The company's liquidity remained robust, with a current ratio of 1.69 and profile positions of the company well to meet its short-term obligations and invest in future growth opportunities.

Basis of preparation and presentation of financial statements

The financial statements of the Company have been prepared on a going concern basis, following the historical cost convention. The financial statements presented in accordance with International Accounting Standards (IAS), International Financial Reporting Standards (IFRS), the Securities and Exchange Rules, 1987, the Companies Act, 1994, the Income Tax Act 2023, the Income Tax Rules, 1984, the Value Added Tax (VAT) and Supplementary Duty Act, 2012, the Bangladesh Labour Act, 2006 (as amended in 2018), and other applicable laws and regulations. For further details on the basis of preparation and any changes thereto, please refer to "Note No. 2.0" of the Company's financial statements.

Comparative analysis of financial performance and position of the Company

Comparative financial data of preceding five years are given below:

(Amount in Tk.)

Particulars	30 th June 2024	30 th June 2023	30 th June 2022	30 th June 2021	30 th June 2020
Revenue	4,281,254,785	4,191,025,405	4,154,327,729	3,672,667,933	4,047,090,398
Gross Profit	758,072,873	731,551,312	575,195,232	541,101,146	607,578,654
Net Profit After Tax	259,170,778	246,645,244	240,594,522	232,576,349	264,449,440
Earnings Per Share	5.48	5.22	5.09	5.63	6.78
Net Operating Cash Flow	697,789,339	(58,110,178)	(68,483,150)	(795,210,570)	463,831,406
NOCF per share	14.77	(1.23)	(1.45)		
Net Asset Value (NAV)	3,881,200,528	3,638,305,842	2,973,518,214	2,753,301,630	2,020,725,282
Net Asset Value Per Share	82.14	77.00	62.93	58.26	51.81

The detail of comparative analysis of the financial performance and position of the company's operational results is discussed in the "General review and evaluation of our performance" on page no. 40 of this annual report.

Financial performance vis-à-vis industry peers

Listed Feed and Agro based companies in Bangladesh comprise the following:

Sl. No.	Name	Product Category	Market Category	Year of listing on DSE	Year of listing on CSE	Year end
1	Index Agro	Poultry feed, fish feed, cattle feed and Day Old Chicks (broiler & layer).	A	2021	2021	30-June
2	Aman Feed	Day Old Chicks (DOC), Broiler Feed, Layer Feed, Fish Feed and Cattle Feed	A	2015	2015	30-June
3	National Feed	Broiler Feed, Layer Feed, Fish Feed, Floating Fish Feed and Cattle Feed	B	2015	2015	30-June
4	Golden Harvest	Food processing and Frozen foods	B	2013	2013	30-June

Financial scenario of Agro based companies listed with DSE & CSE:

(Amount in Tk.)

Particulars	For the year ended 30 June 2024			
	Index Agro (30-June-2024)	Aman Feed Ltd. (30-June-2023)	National Feed Mill (30-June-2023)	Golden Harvest (30-June-2023)
Revenue	4,281,254,785	12,224,274,250	576,624,723	968,131,772
Gross profit	259,170,778	1,310,942,591	69,507,088	398,447,052
Net profit/(Loss) after tax	758,072,873	28,520,467	1,874,805	(2,647,198)
Net asset value	3,881,200,528	3,715,530,612	1,099,993,019	2,893,261,381
Net asset value per share	82.14	28.37	11.78	13.40
NOCF per share	14.77	0.62	0.29	0.69
Earnings per share	5.48	0.22	0.02	0.02

Bangladesh economic scenario

Bangladesh has demonstrated remarkable development progress in the last five decades. The country's journey from one of the poorest countries at independence to a lower-middle-income nation within four decades is a testament to its resilience, policy decisions, and commitment to reducing poverty and fostering shared prosperity, said the World Bank in its recent publication 'World Bank in Bangladesh in 2024', according to the editorial of the current News Bulletin (January-March 2024) of the International Chamber of Commerce-Bangladesh (ICCB) released recently.

However, Bangladesh, after LDC graduation in November 2026, will experience significant preference erosion. Although the EU and UK have offered to extend preferential duty-free market access for an additional three years, the export scenario to other markets will change immediately after graduation. Bangladesh has a greater opportunity to increase exports to ASEAN, having a population of 661 million with a GDP of \$3.08 trillion and trade exceeding

\$2.7 trillion. According to 2020 data, Bangladesh imports goods worth nearly US\$7.0 billion from ASEAN countries, as against its exports of only \$1.0 billion. So, Bangladesh should give priority to having a free trade agreement with ASEAN in order to increase its exports.

Despite impressive growth rates, Bangladesh faces challenges in its export basket's diversification, more than 80 per cent of Bangladesh's total export earnings come from garment exports. Bangladesh has significant opportunities in leather, and footwear, food processing, pharmaceuticals, light engineering, assembling plants, and API production. Both domestic investment and FDI will need to be geared towards these sectors.

Bangladesh is also facing an energy crisis due largely to its reliance on imported fuels, which is estimated at US\$ 2.5 billion a year for power generation, and also a lack of renewables and cleantech alternatives. In fact, instead of moving towards exploring renewable energy sources, Bangladesh turned to the use of more fossil fuels such



as coal, oil and LNG. With a depreciating currency, a reliance on imported fuels for power generation has led to a significant rise in power generation costs.

Bangladesh has achieved today's position by overcoming many obstacles and setbacks. With targeted actions and appropriate policy followed by timely implementation to overcome the key challenges, Bangladesh has the capacity to become an upper-middle-income country by 2031.

Source: <https://thefinancialexpress.com.bd/economy/bangladesh/challenges-and-opportunities-for-bangladesh-economy-in-2024>

Outlook and Risks

GDP growth was steady in fiscal year 2024 (FY2024, ended 30 June 2024) but lower than expected. Demand continued to be held down by elevated inflation, tight global monetary conditions, and other macroeconomic challenges. Inflation remained elevated due to high commodity and energy prices and currency depreciation. The current account deficit narrowed following a drop in both exports and imports. Following political unrest and supply disruption, growth in FY2025 is expected to moderate, but inflation is projected to edge up into the double digits. Restoring and sustaining macroeconomic stability depends on accelerated reforms to raise revenue for a better fiscal balance, stabilize the finance sector through better interest and exchange rate regimes, and diversify the economy.

Significant downside risks muddy the macroeconomic outlook:

These risks arise from evolving political uncertainties, the law-and-order situation, data gaps and integrity, the challenge to achieve fiscal objectives, finance sector vulnerabilities, and weak external demand. In the face of these risks, the interim government has formed a committee to prepare a white paper that transparently lays out the state of the economy and recommends reforms for macroeconomic stability, achieving the Sustainable Development Goals, and mitigating challenges that will arise after Bangladesh graduates from the least developed country category in 2026. The government also plans to form three task forces to lay out a road map for banking sector reform.

(Source: Asian Development Outlook, September 2024)

Global economic scenario

The global economy is stabilizing, following several years of overlapping negative shocks. Despite elevated financing costs and heightened geopolitical tensions, global activity firmed in early 2024. Global growth is envisaged to reach a slightly faster pace this year than previously expected, due mainly to the continued solid expansion of the U.S. economy. However, the extent of expected declines in global interest rates has moderated amid lingering inflation pressures in key economies. By historical standards, the global outlook remains subdued: both advanced economies and emerging market and developing economies (EMDEs) are set to grow at a slower pace over 2024-26 than in the decade preceding the pandemic.

Global trade growth is recovering, supported by a pickup in goods trade. Services-trade growth is expected to provide less of a tailwind this year, given that tourism has nearly recovered to pre-pandemic levels. However, the trade outlook remains lackluster compared to recent decades, partly reflecting a proliferation of trade-restrictive measures and elevated trade policy uncertainty.

The anticipated extent of monetary easing in advanced economies this year has diminished substantially since late 2023—by more than a percentage point in the case of the United States. Expected policy rate paths diverge across major economies, as the European Central Bank proceeds with policy easing while the U.S. Federal Reserve keeps rates on hold for longer. Indeed, aside from short-term fluctuations, market expectations for the path of U.S. interest rates have repeatedly moved higher since 2022. Despite this market reassessment, global financial conditions have eased this year, reflecting solid risk appetite following last year's progress on disinflation and diminished concerns about the possibility of a sharp slowdown in global growth. In particular, global equity markets have made sizable gains.

Following two years of sharp fiscal consolidation at the global level, fiscal policy became generally supportive of growth in 2023, especially in advanced economies. Going forward, fiscal consolidation is projected to

resume, exerting a material drag on near-term growth in advanced economies and a modest headwind in EMDEs. This reflects government efforts to rebuild fiscal space, which has been eroded by the run-up in debt since the onset of the pandemic and the sharp increases in borrowing costs.

(Source: Global Economic Prospects, June 2024 of World Bank Group)

Risks and concerns

Details of risks and concerns facing by the company are discussed in detail in the "Risk Management and Control" on page no. 58 of this annual report.

Future plan

The Company has taken all sorts of feasible plans and strategy to continue the operations of the company for foreseeable future and emphasis on continuous development and value addition to ensure a sustaining enterprises. The company maintains a periodic action plans along with mid-term and long-term strategies to maintain the sustainability in its performances and financial position.



Managing Director
Date: October 24, 2024

INDUSTRY OUTLOOK AND POSSIBLE FUTURE DEVELOPMENT

The agricultural sector in Bangladesh is a cornerstone of the nation's economy, contributing significantly to GDP, employment, and food security. The industry is characterized by the cultivation of rice, jute, wheat, tea, sugarcane, and vegetables, alongside livestock, poultry, and fisheries. Despite the challenges posed by climate change, population growth, and limited arable land, the agro-industry has shown resilience and adaptability, making it a critical area for economic planning and development.

Global poultry market dynamics and current trends

Poultry market size 2024 and growth rate

The poultry market size has grown strongly in recent years. It will grow from \$360.5 billion in 2023 to \$385.37 billion in 2024 at a compound annual growth rate (CAGR) of 6.9%. The growth in the historic period can be attributed to strong economic growth in emerging markets, rise in consumption of meat, low interest rates, increased awareness about the health benefits, and rise in disposable income.

Poultry market growth forecast

The poultry market size is expected to see strong growth in the next few years. It will grow to \$494.55 billion in 2028 at a compound annual growth rate (CAGR) of 6.4%. The growth in the forecast period can be attributed to rise in consumption of increasing population. Major trends in the forecast period include technology advancements, organic poultry, camera-based weighing systems, use of artificial intelligence, increasing investments and strategic partnerships and acquisitions.

Global poultry market regional analysis

Asia-Pacific was the largest region in the poultry market in 2023. Western Europe was the second-largest region

in the poultry market. The regions covered in the poultry market report are Asia-Pacific, Western Europe, Eastern Europe, North America, South America, Middle East, and Africa.

The countries covered in the poultry market report are Australia, China, India, Indonesia, Japan, South Korea, Bangladesh, Thailand, Vietnam, Malaysia, Singapore, Philippines, Hong Kong, New Zealand, USA, Canada, Mexico, Brazil, Chile, Argentina, Colombia, Peru, France, Germany, UK, Austria, Belgium, Denmark, Finland, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Russia, Czech Republic, Poland, Romania, Ukraine, Saudi Arabia, Israel, Iran, Turkey, UAE, Egypt, Nigeria, South Africa.

The poultry market consists of sales of frozen chicken meat, fresh/ chilled chicken meat, canned chicken meat, frozen turkey meat, fresh/ chilled turkey meat, canned turkey meat, frozen duck meat, fresh/ chilled duck meat, canned duck meat, frozen rabbit meat, fresh/ chilled rabbit meat, canned rabbit meat, and other poultry meat. The companies in the industry package and distribute their products through various distribution channels to both individual customers and commercial establishments.

The market value is defined as the revenues that enterprises gain from the sale of goods and/or services within the specified market and geography through sales, grants, or donations in terms of the currency (in USD, unless otherwise specified).

The revenues for a specified geography are consumption values that are revenues generated by organizations in the specified geography within the market, irrespective of where they are produced. It does not include revenues from resale along the supply chain, either further along the supply chain or as part of other products.

Poultry Report Forecast and Analysis

Market Size Value in 2024	Revenue Forecast in 2033	Growth Rate
\$385.37 billion	\$494.55 billion	CAGR of 6.4% from 2024 to 2033
Base Year For Estimation	Actual Estimates/Historical Data	Forecast Period
2023	2018-2023	2024 - 2028 - 2033
Market representation		
Revenue in USD and CAGR from 2024 to 2033		

Segments Covered	1) By type: Chicken, Turkey, Ducks, Other Poultry 2) By Product Type: Fresh/Chilled, Frozen, Ready-To-Cook, Ready-To-Eat, Other Product Types 3) By Nature: Organic, Conventional 4) By Distribution Channel: Supermarkets/Hypermarkets, Convenience Stores, Food Services, E-Commerce, Other Distribution Channels
Regional Scope	Asia-Pacific; Western Europe; Eastern Europe; North America; South America; Middle East; Africa
Country Scope	The country covered in the report are Australia, Brazil, China, France, Germany, India, Indonesia, Japan, Russia, South Korea, UK, USA, Canada, Italy, Spain. Additional countries that can be covered in the report for an additional fee: Bangladesh, Thailand, Vietnam, Malaysia, Singapore, Philippines, Hong Kong, New Zealand, Mexico, Chile, Argentina, Colombia, Peru, Austria, Belgium, Denmark, Finland, Ireland, Netherlands, Norway, Portugal, Sweden, Switzerland, Czech Republic, Poland, Romania, Ukraine, Saudi Arabia, Israel, Iran, Turkey, UAE, Egypt, Nigeria, South Africa.

<https://www.thebusinessresearchcompany.com/report/poultry-global-market-report>

Global Animal Feed Market Market Overview

The animal feed market is a global industry responsible for producing and supplying feed and nutritional products for livestock, poultry, and aquaculture. It plays a crucial role in ensuring animal health and optimizing their growth and productivity. Key components in animal feed formulations include grains, protein sources, vitamins, and minerals. Additionally, the animal feed market is evolving with a focus on improving feed efficiency, reducing environmental impact, and ensuring food safety.

The global animal feed market size was USD 448.61 billion in 2023, calculated at USD 465.65 billion in 2024 and is expected to reach around USD 705.15 billion by 2034, expanding at a CAGR of 4% from 2024 to 2034.

Animal Feed Market Key Takeaways

- North America contributed more than 36% of revenue share in 2023.
- Asia-Pacific region is estimated to expand the fastest CAGR between 2024 and 2034.
- By Additives, the amino acid segment has held the largest market share of 59% in 2023.
- By Additives, the antibiotics segment is anticipated to grow at a remarkable CAGR of 7.1% between 2024 and 2034.
- By Animal Type, the poultry segment generated over 42% of revenue share in 2023.
- By Animal Type, the pet segment is expected to expand at the fastest CAGR over the projected period.
- By Mode of Delivery, the premixes segment had the largest market share of 53.2% in 2024.
- By Mode of Delivery, the oral powder segment is expected to expand at the fastest CAGR over the projected period.
- By End User, the feed manufacturers segment generated over 35.8% of revenue share in 2024.
- By End User, the contract manufacturers segment is expected to expand at the fastest CAGR over the projected period.

Animal Feed Market Growth Factors

Population growth: The rising global population drives an increasing demand for animal-based protein, stimulating the need for efficient and sustainable animal feed solutions.

Changing diets: Shifting dietary preferences towards protein-rich diets, particularly in emerging markets,

are boosting the demand for animal feed and related products.

Environmental concerns: A growing focus on sustainable and eco-friendly practices in animal agriculture encourages innovation in feed formulations and production methods.

Alternative proteins: The exploration of alternative protein sources, such as insect meal and plant-based feeds, is gaining momentum as the industry seeks more sustainable and efficient solutions.

Nutritional enhancement: Research into novel feed additives, including probiotics and enzymes, aims to optimize animal nutrition and improve feed efficiency, resulting in healthier animals and lower environmental impact.

Safety and traceability: Stringent regulations and the demand for food safety are driving advancements in feed quality control and traceability throughout the supply chain.

Technology adoption: Embracing technology, such as precision feeding and data analytics, can improve feed efficiency and reduce waste, offering growth opportunities.

Sustainable practices: Developing and marketing sustainable feed options aligns with consumer and regulatory expectations, opening new markets.

Quality assurance: The need for stringent quality control and traceability in the feed production process presents business opportunities for innovative solutions in this space.

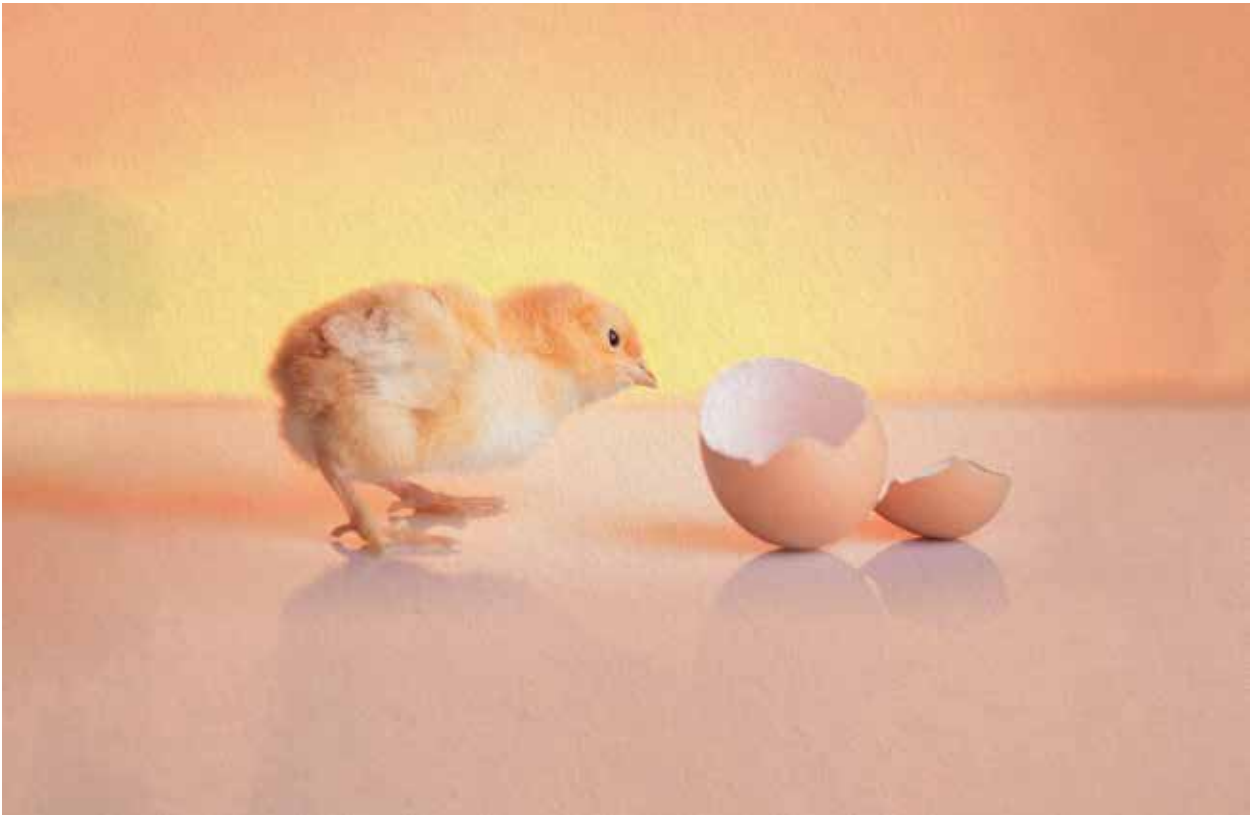
Export market expansion: With increasing global demand for animal products, opportunities exist for businesses to expand into international markets by providing high-quality animal feed solutions.

Customized feeds: Tailoring feeds to meet specific nutritional requirements for various animals, including specialty feeds for pets and exotic animals, presents a niche market with room for growth and innovation. Cargill's 23% revenue increase to \$165 billion in fiscal 2022 reflects robust growth. This financial strength positions the company to invest in research, innovation, and sustainable practices, benefiting the animal feed market.

Market Scope

Market Size by 2034	Market Size in 2023	Market Size in 2024
USD 705.15 Billion	USD 448.61 Billion	USD 465.65 Billion
Growth Rate from 2024 to 2034	Largest Market	Base Year
CAGR of 4%	North America	2023
Forecast Period	Segments Covered	Regions Covered
2024 to 2034	Additives, Animal Type, Mode of Delivery, By End User, and Region	North America, Europe, Asia-Pacific, Latin America, and Middle East & Africa

Source: <https://www.precedenceresearch.com/animal-feed-market>



Overview of Poultry Industry in Bangladesh

The Bangladeshi poultry sector has experienced significant growth over the past few decades, transitioning from traditional backyard farming to more efficient commercial farming practices. Currently, the industry is experiencing rapid growth, with an annual increase in commercial poultry farms of about 15%. This expansion has led to the production of 23.37 billion eggs and 1.46 million tons of poultry meat annually, engaging around 1 million entrepreneurs and employing 8 million people.

In the wake of the COVID-19 pandemic, numerous poultry farms have faced severe financial difficulties. This situation has been exacerbated by the Russia-Ukraine conflict, which has led to a substantial increase in feed prices. Despite the challenges, the sector has demonstrated remarkable resilience, largely due to integrators' improving efficiency and creation of income opportunities for smallholder farmers through contract farming.

According to industry experts, the production of eggs can decrease by 15%-30%, while the weight of an average broiler chicken can be curtailed by 500 grams under intolerable temperatures. Additionally, the mortality rate of chickens in poultry farms has increased due to extreme heat conditions, further impacting efficiency and profitability.

<https://www.lightcastlebd.com/insights/2024/08/bangladesh-poultry-growth-efficiency/>

Future of Poultry Industry in Bangladesh

The future prospects of the poultry industry in Bangladesh are promising, driven by increasing domestic demand, investment in modern technology, and government support. With a population of over 160 million, Bangladesh faces growing demand for affordable protein sources, making poultry one of the most accessible options. The industry has seen significant growth in recent years, and this trend is expected to continue as the economy grows and living standards improve.

1. Increasing demand for poultry products

Rising incomes and urbanization are key drivers for increased poultry consumption. The country's young population is driving demand for fast food and processed poultry products, which are becoming staple items in urban areas. This trend is encouraging further investment

in commercial poultry farms and value-added products. Moreover, there is a cultural shift towards healthier eating, with poultry being preferred over red meats for its low-fat content.

2. Technological advancements and modern farming

To meet rising demand efficiently, the poultry industry in Bangladesh is increasingly adopting modern technology. Innovations such as automated feeding systems, temperature-controlled housing, and advanced breeding techniques are becoming more common. These technologies help in reducing production costs, increasing output, and improving quality. Furthermore, advancements in veterinary medicine are enhancing flock health and productivity, reducing mortality rates, and improving feed-to-meat conversion ratios.

3. Government support and policy initiatives

Government recognizes the poultry industry's potential as a source of employment and economic growth. Incentives such as tax breaks, easier credit access, and subsidies for farm equipment are helping to attract new players into the market. Furthermore, the government has taken steps to ensure food safety standards and regulate quality, which is essential for building consumer trust. Ongoing collaborations with international organizations provide farmers with training and resources, further enhancing productivity and knowledge in the sector.

4. Sustainability and environmental challenges

One of the critical challenges for future growth will be managing environmental impacts and ensuring sustainability. With the growth in commercial farming, issues like waste management, water usage, and the need for sustainable feed sources are becoming more pressing. Integrating sustainable practices, such as recycling waste into biofuels and improving water conservation, will be essential to long-term growth.

5. Conclusion

The future of the poultry industry in Bangladesh holds great promise, supported by domestic demand, government incentives, and technological advancements. For sustainable growth, however, the industry will need to focus on environmental stewardship and potential export markets. With strategic planning, Bangladesh has the potential to position itself as a leading player in the regional poultry market, contributing to food security, economic growth, and job creation in the years to come.

PERFORMANCE



GENERAL REVIEW AND EVALUATION OF OUR PERFORMANCE

Review of Business

Index Agro Industries Limited continued to demonstrate resilience and adaptability in a dynamic business environment. This report highlights our key achievements, financial performance, strategic initiatives, and market outlook for the year ended 30th June 2024. Our focus remains on sustainable

growth, innovation, and delivering value to our stakeholders.

Nature of business

The principal activities of this Company are manufacturing and marketing of poultry feed, fish feed and producing Day Old Chicks (DOC).

Financial Performance

Despite the economic uncertainties and global challenges we encountered this year, Index Agro has maintained consistent growth throughout the financial year 2023-2024. The detail of the performance for the year ended 30th June 2024 is summarized as below:

Key financial Highlights

(Amount in Tk. mn)

Particulars	30 June 2024	30 June 2023	Increased/ (Decreased) (%)
Revenue	4,281.25	4,191.03	2.15
Gross Profit	758.07	731.55	3.63
Operating Profit	580.59	544.70	6.59
Net profit before tax	302.60	290.05	4.17
Net profit after tax	259.17	246.65	4.93
EBIDTA	677.64	613.65	10.35
EPS (Absolute TK.)	5.48	5.22	4.98
Net Asset Value (NAV)	3,881.20	3,638.31	6.67
NAV Per Share (Absolute TK.)	82.14	77.00	6.67

KEY FINANCIAL METRICS

Revenue: Revenue increased by 2.15% to Tk. 4,281.25 mn in June 2024 from Tk. 4,191.03 mn in June 2023.

Gross profit: Gross profit increased by 3.63% to Tk. 758.07 mn in June 2024 from Tk. 731.55 mn in June 2023. Gross profit increased due to increase of sales.

Operating profit: Net operating profit increased by 6.59% to Tk. 580.59 mn in June 2024 from Tk. 544.70 mn in June 2023. Operating profit increased due to increase of gross profit and decrease of operating expenses.

Net Profit after Tax: Profit after tax increased by 4.93% to Tk. 259.17 mn in June 2024 from Tk. 246.65 mn in June 2023.

Operating expenses: The Company's operating expenses (administrative, Marketing and selling) decreased by 5.01% to Tk. 177.48 mn in 2024 from Tk. 186.85 mn in 2023. Operating expenses decreased due to decrease of marketing incentive as cash sale increased. Depot Load-unload expenses is reduced by effective management of depots' operation.

Operating cost matrix:

Particulars	30 June 2024		30 June 2023		Increased/ Decreased (%)
	Amount (TK. mn)	Proportion of sales (%)	Amount (TK. mn)	Proportion of sales (%)	
Cost of Goods Sold	3,523.18	82.29	3,459.47	86.15	1.84
Selling and Distribution	105.22	2.46	125.97	2.68	(16.47)
Administrative Expenses	72.27	1.69	60.88	1.64	18.73

Cost of goods sold: Cost of goods sold increased by 1.84% to Tk. 3,523.18 mn in June 2024 from Tk. 3,459.47 mn in June 2023. The cost of goods sold increased due to increase of sale.

Selling and Distribution: Selling and distribution expenses decreased by 16.47% to Tk. 105.22 mn in June 2024 from Tk. 125.97 mn in June 2023. Selling and distribution expenses decreased due to decrease of marketing incentive as cash sale increased. Depot Load-unload expenses is reduced by effective management of depot operations.

Administrative expenses: Administrative expenses increased by 18.73% to Tk. 72.27 mn in June 2024 from Tk. 60.88 mn in June 2023. Administrative expenses increased due to increase of provision for bad debt and corporate overhead.

Financial expenses: Financial expenses increased by 15.91% to Tk. 235.43 mn in June 2024 from Tk. 203.11 mn in June 2023. Financial expenses increased due to increase of bank interest rate.

BALANCE SHEET PERFORMANCE

Shareholders' Equity: Shareholders' equity increased by 6.67% to Tk. 3,881.20 mn in 2024 from Tk. 3,638.31 mn in 2023. Shareholders' equity increased due to increase of net profit.

Non-current assets: Non-current assets increased by 10.02% to Tk. 2,215.04 mn in 2024 from Tk. 2,013.39 mn in 2023. Non-current assets increased due to addition of plant and machineries.

Current assets: Current assets decreased by 3.70% to Tk. 4,430.62 mn in 2024 from Tk. 4,603.22 mn in 2023. Current assets decreased due to less holding of inventories.

Trade and other receivables: These largely comprise of trade receivables where in average receivables cycle is maintained at 45-90 days.

Asset composition

Particulars	30 June 2024		30 June 2023		Increase/ (Decrease) (%)
	Amount (TK. mn)	Proportion of Total Assets (%)	Amount (TK. mn)	Proportion of Total Assets (%)	
Non-Current assets	2,215.04	31.75	2,013.39	27.95	10.02
Long Term Investments	329.22	4.71	589.00	8.17	(44.21)
Current assets	4,430.62	63.54	4,603.22	63.88	(3.70)
Total	6,974.27	100.00	7,205.61	100.00	

Cash and bank balance:

Particulars	30 June 2024 (Amount in mn)	30 June 2023 (Amount in mn)	Increase/(Decrease) (%)
Cash in hand	24.12	37.11	(35.00)
Cash at bank	141.92	183.59	(22.70)
Total	166.04	220.70	

Equity and liabilities

Capital and reserves: The equity capital comprised 47,253,649 ordinary shares of Tk.10.00 each. The market capitalization is Tk. 3,038.41 mn and 3,019.51 mn on the DSE and CSE (closing price per share were Tk. 64.30 and Tk. 63.90 as on 30 June 2024 on the DSE and CSE respectively).

Non-current borrowings: Non-current borrowings stood at Tk. 405.74 mn in June 2024 as against Tk. 500.00 mn in June 2023. Non-current borrowings decreased due to decrease of long term loan.

Current borrowings: Current borrowings includes current portion of long term loan of Tk. 21.69 mn and short term loan Tk. 2,283.87mn.

Current Liabilities: Current liabilities decreased by 12.51% to Tk. 2,626.84 mn in June 2024 from Tk. 3,002.73 mn in June 2023. Current liabilities decreased due to decrease of short term loan.

Analysis of Cash Flows:

Cash flow from operating activities: Operating cash flow stood at Tk. 697.79 mn in June 2024

against Tk. (58.11) mn in June 2023. Resulted net operating cash flow per share increased to Tk. 14.77 in 2024 from Tk. (1.23) in 2023. Cash flow per share increased due to increase of sale and collection & deferred of the suppliers and others payments.

Cash flow from investing activities: Net cash used by investing activities was to Tk. (55.13) mn in June 2024 which was Tk. (207.56) mn in June 2023. Negative figure of net cash used in investing activities decreased due to less purchase of non-current asset as compare to previous year.

Cash flow from financing activities: Net cash used in financing activities decreased by 405.01% to Tk. (699.43) mn in June 2024 from Tk. 229.31 mn in June 2023. Cash flow from financing activities decreased due to increase of payment of bank loan principal and interest.

Conclusion

In summary, Index Agro has made significant progress in 2024. We remain committed to our strategic goals and are confident in our ability to deliver sustained growth and value to our shareholders.



ASSESSING OUR PERFORMANCE AND HOW WE MEASURE OUR PROGRESS

At Index Agro Industries Limited, assessing our performance and measuring progress have been integral to driving growth, ensuring operational efficiency, and delivering value to our stakeholders. As we reflect on the fiscal year 2023-2024, we take this opportunity to provide an in-depth analysis of how we have performed, the metrics that guided our evaluations, and our strategies for sustained growth. In this report, we will provide an overview of our company's performance and the methods we employ to measure our progress.

Key Performance Indicators (KPIs)

To measure progress and success, we have relied on a set of carefully defined Key Performance Indicators (KPIs) across our business segments. These indicators provide us with a clear and quantifiable way to assess our operational performance, financial health, and overall business impact.

1. FINANCIAL PERFORMANCE

One of the primary indicators of our company's performance is its financial health. We measure this through various financial KPIs, including:

- Revenue Growth
- Profit Margins
- Earnings per Share

Revenue Amount in Tk. mn

30 th June 2024	4,281.25
30 th June 2023	4,191.03
Change (%)	2.15

Gross Profit Amount in Tk. mn

30 th June 2024	758.07
30 th June 2023	731.55
Change (%)	3.63

Profit after Tax (PAT) Amount in Tk. mn

30 th June 2024	259.17
30 th June 2023	246.65
Change (%)	5.08

Earnings per Share Amount in Taka

30 th June 2024	5.48
30 th June 2023	5.22
Change (%)	4.98

Shareholders' equity Amount in Tk. mn

Particulars	30 th June 2024	30 th June 2023	Change (%)
Share Capital	472.54	472.54	-
Share premium	417.46	417.46	-
Retained earnings	2,495.77	2,251.57	10.85
Revaluation reserve	495.43	496.74	0.26
Shareholders' equity	3,881.20	3,638.31	6.68

Asset Composition

Particulars	30 th June 2024		30 th June 2023		Increase/ (decrease) Tk. in mn
	Amount (Tk. mn)	Proportion of asset (%)	Amount (Tk. mn)	Proportion of asset (%)	
Non-Current assets	2,215.04	31.76	2,013.39	27.94	10.02
Long Term Investment	329.22	4.72	589.00	8.18	(44.11)
Current assets	4,430.62	63.52	4,603.22	63.88	(3.75)
Total Assets	6,974.88	100.00	7,205.61	100.00	(3.20)

2. OPERATIONAL EFFICIENCY

Production Output: We closely monitor production capacity utilization to ensure that our facilities are operating at optimal levels while maintaining high standards of quality.

Supply Chain Efficiency: Our ability to maintain a streamlined supply chain minimizing delays and ensuring timely deliveries has been crucial in meeting market demands. We track lead times, inventory turnover, and waste reduction as part of this assessment.

Energy and Resource Management: Sustainability is at the core of our business model. Energy efficiency and responsible water usage metrics are tracked as part of our environmental performance.

3. CUSTOMER AND MARKET GROWTH

Market Share Expansion: Our growth in market share is a key indicator of success, particularly within the poultry, Day-Old-Chicks (DOC) and animal feed sectors. We analyze our market penetration efforts across different

regions and customer segments.

Customer Satisfaction: Maintaining a robust customer base is crucial to our success. We regularly measure customer satisfaction through surveys and feedback mechanisms, ensuring we meet the evolving needs of our clients.

4. SUSTAINABILITY AND CORPORATE RESPONSIBILITY

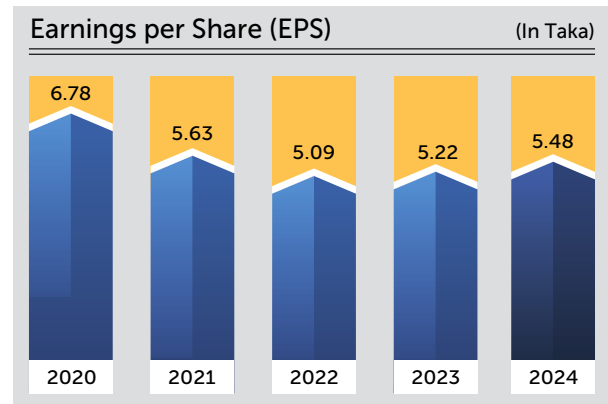
ESG Metrics (Environmental, Social, and Governance): As part of our long-term commitment to sustainable growth, we are increasingly focusing on our environmental, social, and governance (ESG) metrics. These include carbon footprint reductions, employee welfare initiatives, and ethical governance practices.

Community Engagement and Development: Our contribution to local communities, including education and development initiatives, is measured to ensure we are positively impacting the areas in which we operate.

5. CORPORATE PERFORMANCE AND RATIO ANALYSIS

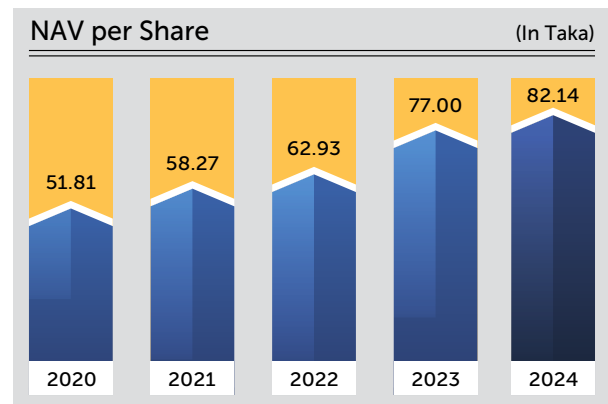
Earnings per Share (EPS)

Earnings per share (EPS) is a financial ratio that represents the portion of a company's net earnings allocated to each outstanding share of common stock. It is calculated by dividing the net income available to common shareholders by the average number of outstanding shares over a specified period.



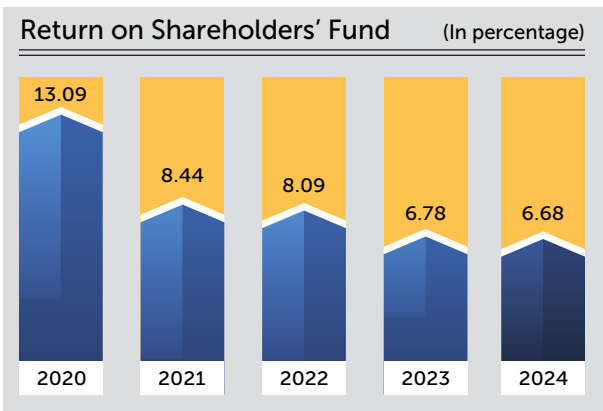
NAV per Share

Net Asset Value (NAV) per share indicates the value of an entity on a per-share basis. It is calculated by subtracting total liabilities from total assets and dividing the result by the total number of outstanding shares.



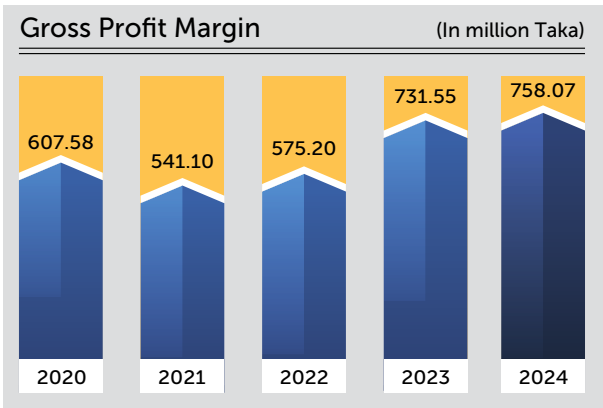
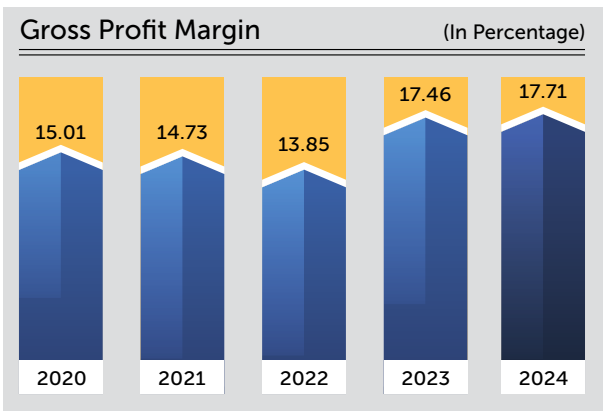
Return on Shareholders’ Fund

The return on shareholders’ equity ratio indicates the percentage of profit returned to shareholders relative to their investment or retained earnings within the company. A higher percentage reflects greater returns to investors, showcasing the company’s efficiency in generating profit from shareholders’ equity.



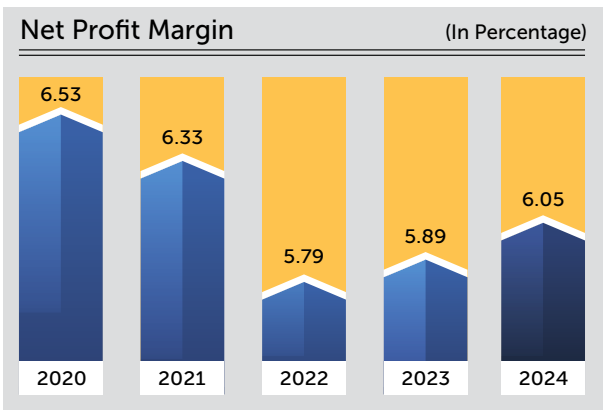
Gross Profit Margin

The gross profit margin is calculated by taking revenue minus the COGS and dividing the difference by revenue. The gross margin result is typically multiplied by 100 to show the figure as a percentage.



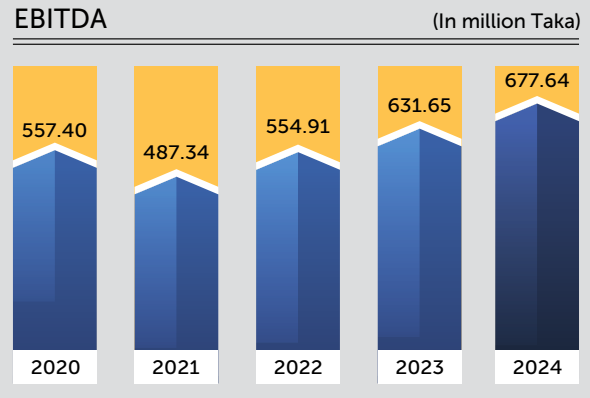
Net Profit Margin

Net Profit Margin is a key financial metric that measures the profitability of a company relative to its total revenue. It indicates how much profit a company retains after accounting for all expenses, including operating costs, interest, taxes, and depreciation.



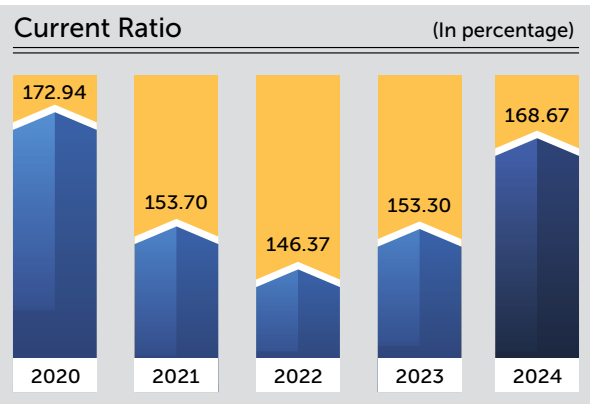
EBITDA

Earnings before interest, tax, depreciation and amortization is a measure of the Company's overall financial performance. EBITDA margins provide investors a snapshot of short-term operational efficiency.



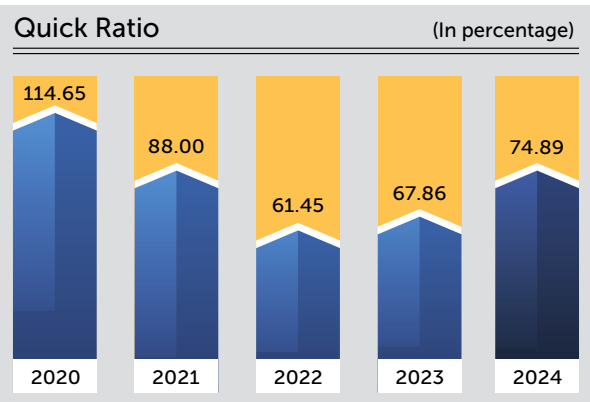
Current Ratio

The current ratio is a liquidity metric that assesses a company's ability to meet its short-term obligations, or those due within a year. This ratio indicates how effectively a company can use its current assets to cover its current debts and other payables, providing insight for investors and analysts into the company's financial health.



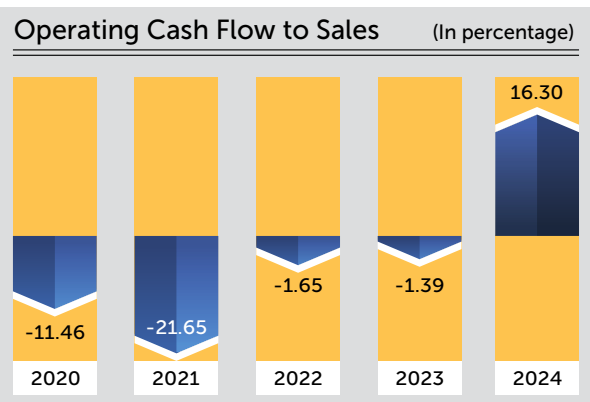
Quick Ratio

The Quick Ratio, also known as the Acid-Test Ratio, is a financial metric used to assess a company's short-term liquidity position. It measures the ability of a company to meet its short-term liabilities with its most liquid assets.



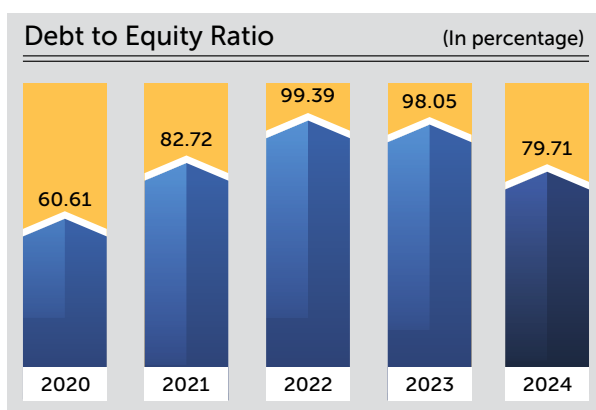
Operating Cash Flow to Sales

Operating Cash Flow to Sales (OCF/Sales) is a financial metric that assesses the efficiency of a company's operations in generating cash flow relative to its sales revenue. This ratio is particularly valuable for evaluating how well a company converts its sales into actual cash, highlighting its operational health and liquidity.



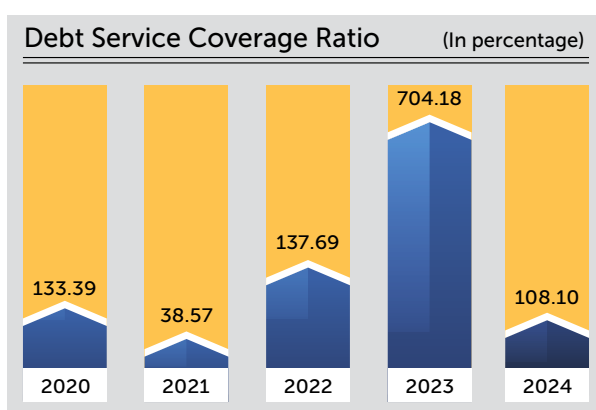
Debt to Equity Ratio

Debt Equity Ratio compares a company's total liabilities to its shareholder equity and can be used to evaluate how much leverage a company is using. Higher-leverage ratios tend to indicate a company or stock with higher risk to shareholders. Debt equity (D/E) is calculated by dividing the company's total debt by shareholders' equity.



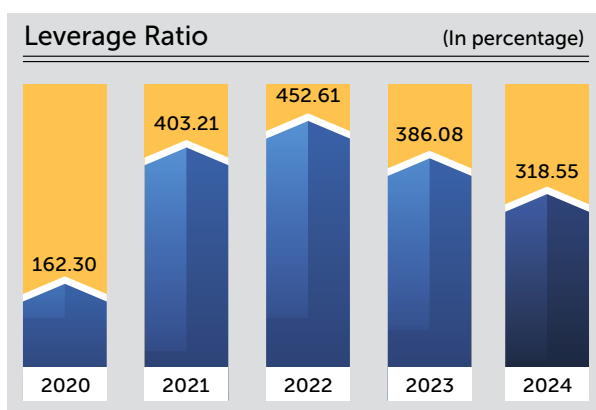
Debt Service Coverage Ratio

The Debt Service Coverage Ratio (DSCR) is a financial metric used to assess an entity's ability to service its debt obligations. It measures the cash flow available to pay current debt obligations, including interest and principal repayments.



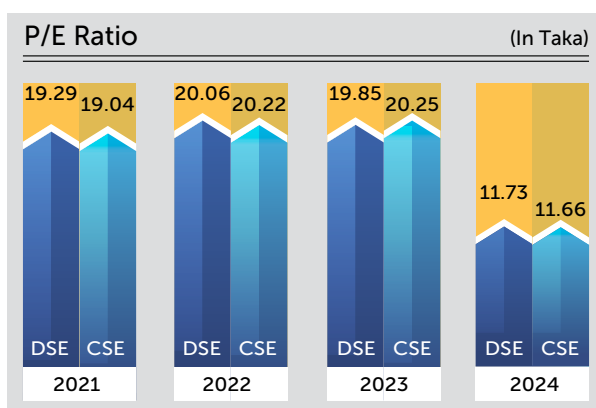
Leverage Ratio

The leverage ratio is a financial metric used to assess a company's ability to meet its financial obligations and the extent to which it is using borrowed funds. It provides insight into the proportion of a company's debt relative to its equity or assets, helping investors, creditors, and analysts evaluate the risk associated with a company's capital structure.



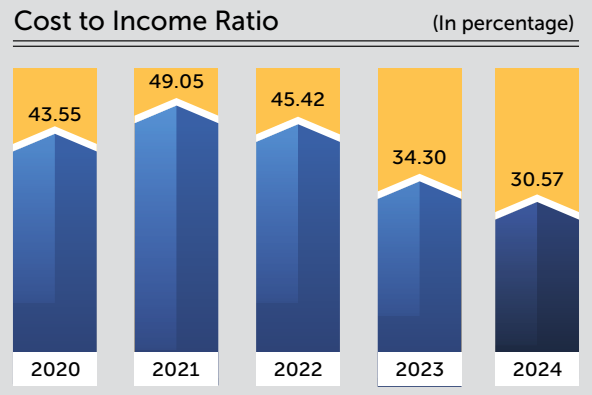
P/E Ratio

The price-to-earnings (P/E) ratio is a financial metric used to evaluate a company's value by comparing its current share price to its earnings per share (EPS).



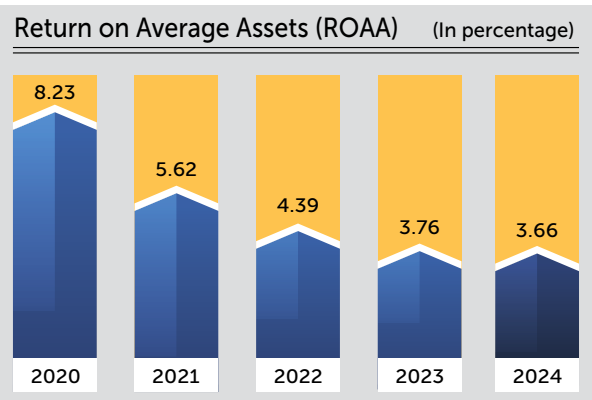
Cost to Income Ratio

The cost-to-income ratio is a metric that enables investors to assess the operational efficiency of a business or organization.



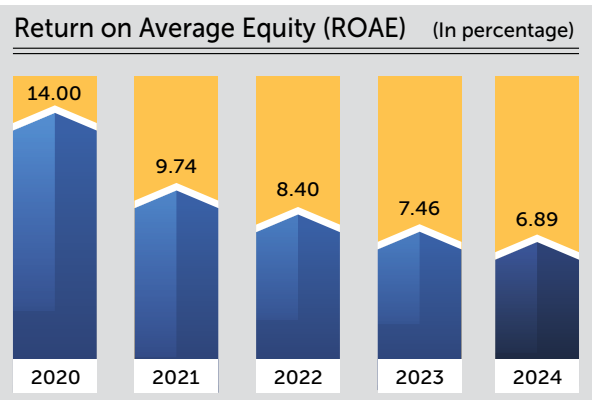
Return on Average Assets (ROAA)

Return on Average Assets (ROAA) is a financial metric used to assess a company's efficiency in utilizing its assets to generate profit. It measures how effectively a company is able to convert its assets into net income over a specific period, typically a year.



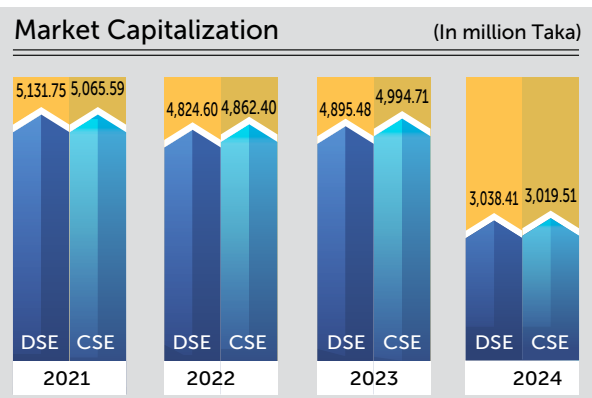
Return on Average Equity (ROAE)

Return on Average Equity (ROAE) is a financial metric used to evaluate a company's performance by measuring how effectively it generates profit from its average shareholders' equity over a given period.



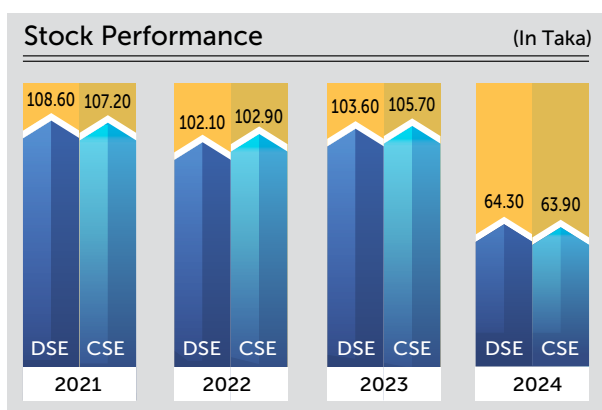
Market Capitalization

Market capitalization represents the total market value of a company, calculated by multiplying the current share price by the total number of outstanding shares.



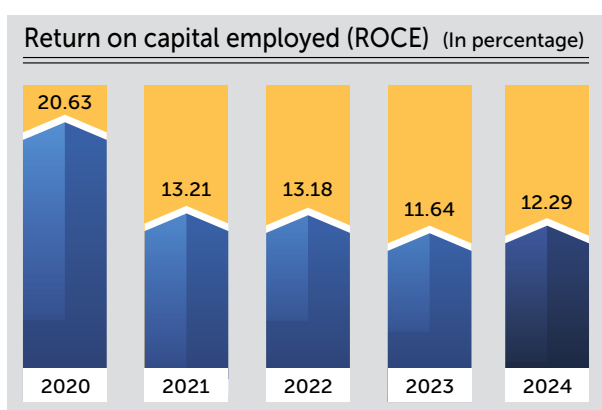
Stock Performance

Stock performance is the market price of stock over the period. Market price of stock multiplied by outstanding number of ordinary shares determine the market capitalization of the Company.



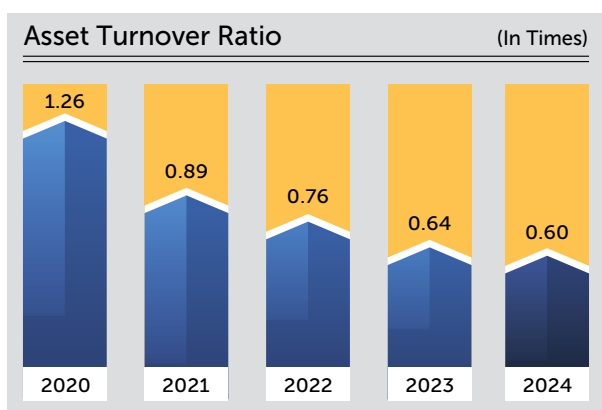
Return on capital employed (ROCE)

Return on capital employed (ROCE) measures a company's efficiency in generating profits from its capital by comparing net operating profit to the capital employed.



Asset Turnover Ratio

The Asset Turnover Ratio is a financial metric that measures the efficiency of a company in utilizing its assets to generate revenue. It indicates how effectively a business is able to convert its assets into sales or revenue over a specific period, usually a fiscal year.



SEGMENT-WISE PERFORMANCE

A. FEED MILL DIVISION

Installed production capacity

- 150,000 MT annually

Actual production capacity

- 114,000 MT annually

Revenue Growth: 9.68% to Tk. 3,373.75 mn in June 2024 from Tk. 3,075.89 mn in June 2023

Gross profit Growth: 4.71% to Tk. 592.96 mn in June 2024 from Tk. 566.31 mn in June 2023

Highlights, 2023-2024

- Capacity utilization stood at 86% at feed mill division
- Actual production was 97,605.71 MT

B. POULTRY & HATCHERY DIVISION

Installed production capacity

- 30.00 Million DOC (Day Old Chicks) annually

Actual production capacity

- 30.00 Million DOC (Day Old Chicks) annually

Revenue Growth: (18.62)% to Tk. 907.51 mn in June 2024 from Tk. 1,115.13 mn in June 2023

Gross profit Growth: (0.08)% to Tk. 165.11 mn in June 2024 from Tk. 165.24 mn in June 2023

Highlights, 2023-2024

- Capacity utilization stood at 76% at poultry & hatchery division
- Actual production was 22.81 million DOC (Day Old Chicks)

Segment- wise Performance

Particulars	June 30, 2024			June 30, 2023		
	Feed	Poultry & Hatchery	Total	Feed	Poultry & Hatchery	Total
Revenue	3,373,749,299	907,505,486	4,281,254,785	3,075,891,480	1,115,133,925	4,191,025,405
Cost of Goods Sold	2,780,787,661	742,394,251	3,523,181,911	2,509,579,356	949,894,738	3,459,474,093
Gross Profit	592,961,638	165,111,235	758,072,873	566,312,125	165,239,187	731,551,312
Interest expenses	181,469,114	50,403,947	231,873,061	137,911,400	61,189,121	199,100,521
Depreciation	43,061,927	18,455,112	61,517,039	35,263,169	15,112,786	50,375,956
Income Tax expenses	35,963,436	7,470,222	43,433,658	34,439,646	8,965,728	43,405,374
Net profit before tax	250,802,954	51,801,483	302,604,437	228,791,468	61,259,150	290,050,618
Net profit after tax	214,839,517	44,331,261	259,170,778	194,351,822	52,293,422	246,645,244

VALUE-ADDED STATEMENT

Particulars	30-Jun-24		30-Jun-2023	
	Taka	%	Taka	%
Revenue	4,281,254,785		4,191,025,405	
Other Income	13,975,450		34,972,023	
Less : Paid to suppliers for materials and services	3,198,337,775		3,341,414,056	
Value Added	1,096,892,460	100%	884,583,372	100%

Distribution of Value Added:

To Government

Income Taxes, Duties and Value Added Tax	59,622,309	5%	108,384,003	12%
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To Suppliers of Capital

Cash Dividends to Shareholders	16,507,298	2%	47,253,649	5%
Stock Dividends to Shareholders	-		-	

To Employees

Wages, Salaries, bonus, commissions, pensions and other benefits	148,168,347	14%	154,686,637	18%
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To Providers of Finance

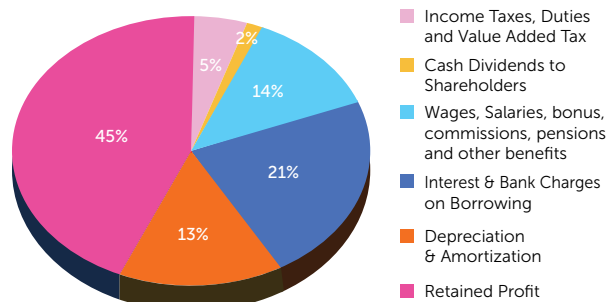
Interest & Bank Charges on Borrowing	235,429,668	21%	203,110,241	23%
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Retained for Reinvestment & Future Growth

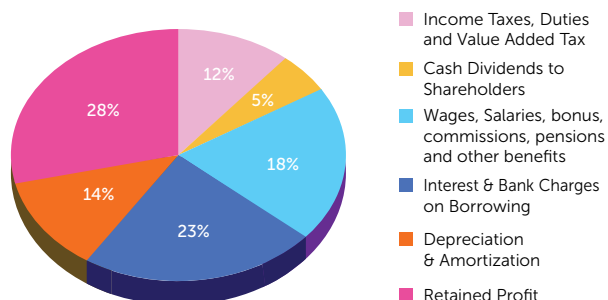
Depreciation & Amortization	143,167,062	13%	124,503,598	14%
Retained Profit	493,997,777	45%	246,645,244	28%

Total	1,096,892,460	100%	884,583,372	100%
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Jun-2024



Jun-2023

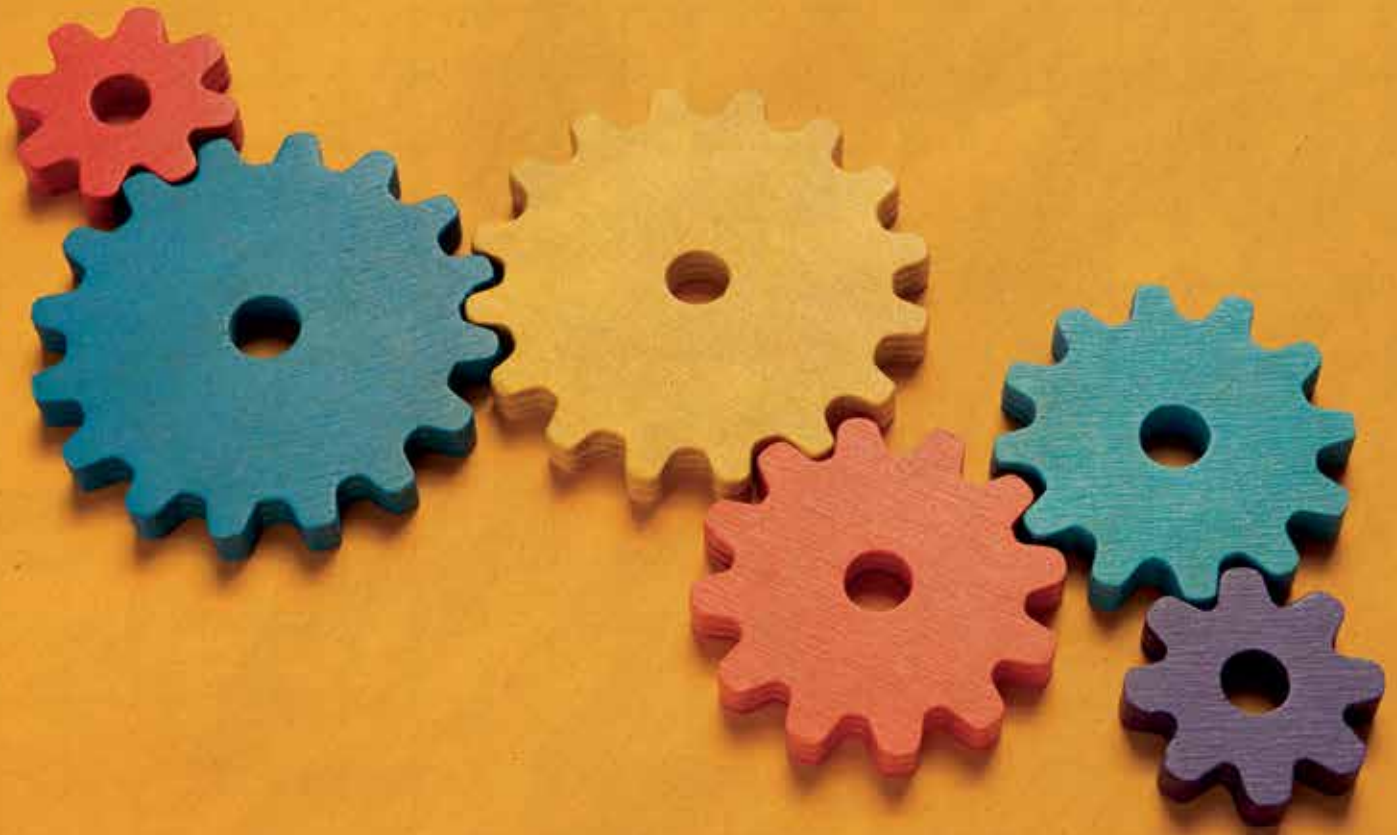


MARKET VALUE ADDED STATEMENT

Particulars	30.06.2024 (Amount in Tk.)	30.06.2023 (Amount in Tk.)
Market value of shares outstanding	3,038,409,631	4,895,478,036
Book value of shares outstanding	3,881,200,528	3,638,305,842
Market value-added	(842,790,897)	1,257,172,195

ECONOMIC VALUE ADDED

Particulars	30.06.2024 (Amount in Tk.)	30.06.2023 (Amount in Tk.)
Net Operating Profit After Tax (NOPAT)	537,156,430	501,292,087
Total Capital Employed	4,348,038,996	4,202,879,264
Cost of Capital (in %)	14%	9%
Cost of Capital (COC)	608,725,459	378,259,134
EVA = NOPAT - COC	(71,569,030)	123,032,953



INTEGRATED REPORTING

OUR INTEGRATED REPORTING

INTEGRATED REPORTING



- ABOUT INDEX AGRO
- REPORTING SCOPE
- INTERNAL CONTROL AND GOVERNANCE
- OUR MAJOR RISKS
- OUR KEY STAKEHOLDERS
- MATERIALITY OF DISCLOSURE
- DISCLAIMER
- AVAILABILITY OF THE ANNUAL REPORT

Overview

This integrated annual report is presented to provide our shareholders and investors with a thorough and interconnected view of Index Agro Industries Limited's performance. Our goal is to empower you with the insights needed to make informed decisions by detailing our achievements, societal and environmental impacts, and the potential for sustained long-term value creation.

Integrated reporting offers a comprehensive approach to corporate reporting by blending financial and non-financial information. This method provides a more transparent and holistic view of a company's performance, integrating insights on strategy, governance, sustainability, and stakeholder relationships. The primary aim of integrated reporting is to deliver a clearer, more complete picture of a company's value creation over time and its capacity for sustaining value in the future.

The Board of Index Agro Industries Limited firmly believes that strong governance is essential for sustainable value creation. We are dedicated to upholding exemplary governance practices both within our business and in our broader societal interactions. This integrated annual report is primarily aimed at our shareholders, financial partners, and the wider investor community.

About Index Agro

Index Agro Industries Limited, a concern of X Index Companies (XIC), began operations in the year 2000. IAIL

produces poultry feed, fish-feed, Day-Old Chicks (broiler & layer). X Index Companies (XIC) is a business conglomerate with notable presence in Bangladesh. Initiating in the year 1977, with a heritage spanning over four decades, XIC established itself as a dynamic and progressive entity in the rapidly growing economy of Bangladesh.

IAIL retains services from renowned professionals to ensure quality, consistency and disaster readiness to ward off different disease related threat that has often crippled Bangladesh livestock industry. The Board, which consists of professionals with wide exposure to agriculture industry, provides policy level direction to steer the business in due course. Due to its quality of operation, the Company obtained ISO 9001:2008 certifications for poultry breeder and hatchery section.

IAIL has an automated manufacturing facility for poultry feed. Such facility integration provided a powerful thrust to the breeder and hatchery operations of IAIL by ensuring the availability of quality feed. The company markets and packages its feed products under the brand name X Feed and X Gold Ring. The breeder Farm and Hatchery is being formed to meet the growing demand of chicken in the country. Its activity is to produce and sell Day Old Chicks (DOC) from the hatchery unit and hatching eggs from the breeder production unit. An experienced and well-organized team of local poultry experts engaged full time for the smooth operation.

REPORTING SCOPE

This integrated annual report details the financial and non-financial performance of Index Agro Industries Limited for the year ending June 30, 2024. It aims to provide stakeholders with a balanced and comprehensive view of the company's financial results, as well as its social, environmental, and economic impacts. The report is designed to help stakeholders gain a clearer and more thorough understanding of IAIL's overall performance and value creation.

To prepare the report, IAIL has considered the following requirements:



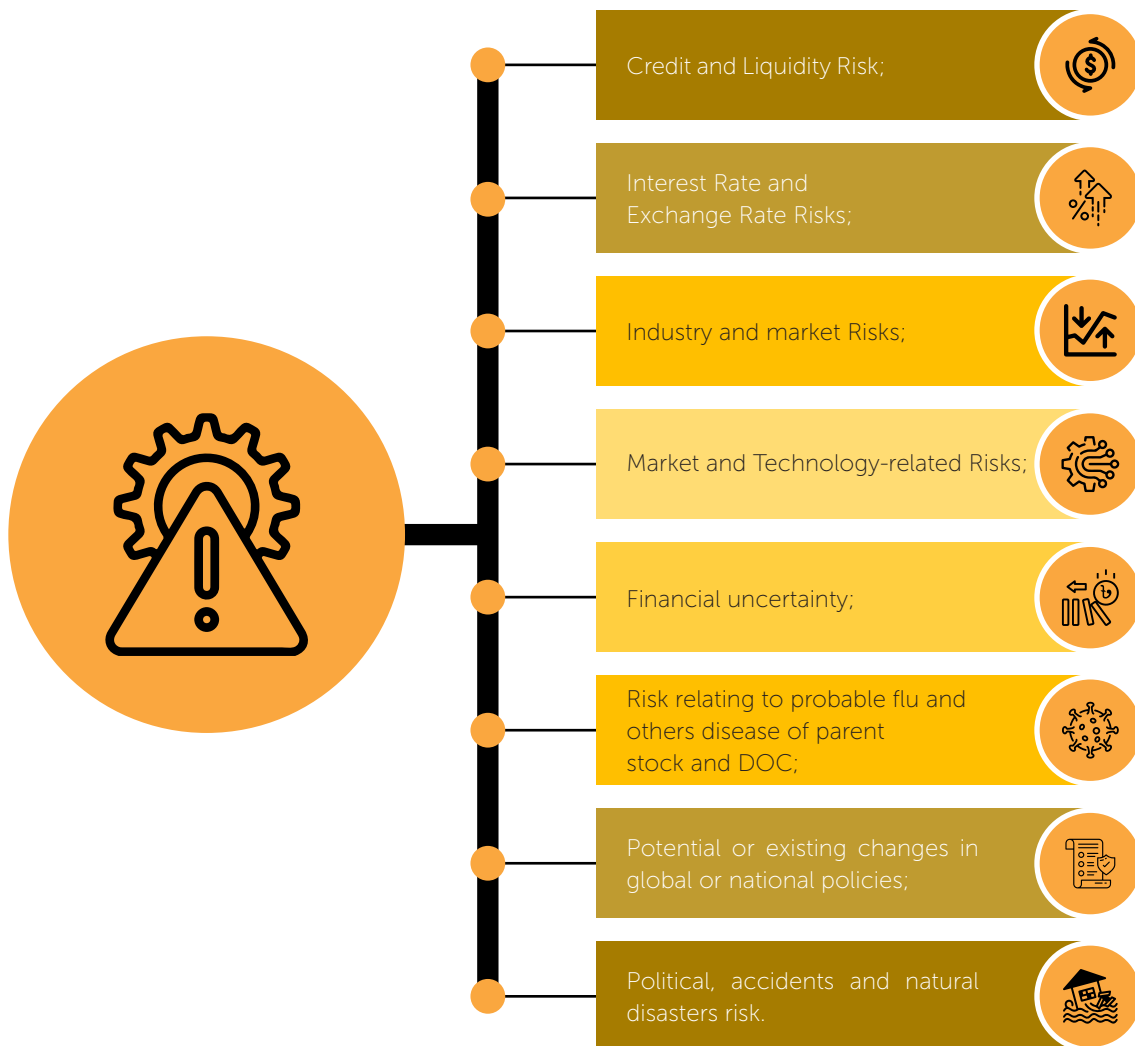
Internal control and governance

Index Agro Industries Limited is well-positioned to navigate future uncertainties arising from changes in both local and global economies. The company proactively identifies key business risks and implements effective mitigation strategies. Additionally, our management continuously reviews and adopts industry best practices, ensuring that we remain aligned with our strategic objectives and achieve our long-term goals.

The Board and Audit Committee have reviewed the effectiveness of the internal control mechanisms for the year ending June 30, 2024, and have deemed them satisfactory. Management concurs that the financial statements accurately reflect the company's financial position, operational results, and cash flows as of June 30, 2024.

OUR MAJOR RISKS

To create sustaining value for our stakeholders, we are dedicated to manage effective risk mitigation with the ultimate aim to minimize impact on business return. Some risks that are faces by the company is as follows:



IAIL understand the risks associated with the business and we manage them proactively and effectively guided by Management.

OUR KEY STAKEHOLDERS

IAIL is always concern about needs and interests of stakeholders. Our approach to stakeholder engagement is to be perceived and experienced as a credible partner. Our stakeholders include:



Materiality of disclosure

All material and significant disclosure reported are aligned with the applicable disclosure requirements as per the Companies Act, 1994 and Bangladesh Securities and Exchange Commission's guidelines, directives and notification issued from time to time. To enhance corporate governance, risk management and controls, the contents of this Report have been reviewed by the management of the Company.

Disclaimer

The Shareholders are advised that this integrated report should be read in conjunction with the 2024 Annual Report, which is available on our website. Please note

that no assurances can be given regarding the accuracy of the forward-looking statements contained herein, and shareholders are encouraged to exercise caution when considering these projections.

Availability of the Annual Report

The Annual Report 2024 of the company is sent to all shareholders through email in due course of time whose email address is available with us as per CDBL record on record date i.e. 14 November 2024 and copy of the same is also made available on the website of the Company at www.index-agro.com. In case of non-receipt of the Annual Report 2024 sent through email, please feel free to collect a copy from the Company's Share Department.

RISK MANAGEMENT AND CONTROL ENVIRONMENT

RISK MANAGEMENT



- RISK MANAGEMENT FRAMEWORK
- KEY RISK AREAS OF THE COMPANY AND ITS MITIGATION PLAN
- CONTROL ENVIRONMENT
- RISK MANAGEMENT SUCCESSES
- FORWARD-LOOKING APPROACH

Risk management and the control environment are critical aspects of organizational governance and operational effectiveness. This is the process of identifying, assessing, and prioritizing risks followed by the coordinated application of resources to minimize, monitor, and control the likelihood or impact of unfortunate events. The goal is to ensure that an organization achieves its objectives and remains resilient in the face of uncertainties.

The Board of Directors of Index Agro Industries Limited acknowledges the importance of a structured approach to identifying and managing risks associated with changes in local and global economic conditions and policies. The company is committed to proactively identifying key business risks and implementing effective mitigation strategies to ensure sustainable growth and long-term success.

1. RISK MANAGEMENT FRAMEWORK:

Index Agro Industries Limited upholds a comprehensive risk management framework that aligns with our strategic objectives. This framework covers the identification, assessment, monitoring, and mitigation of risks. Our dedicated Risk Management Committee consistently evaluates the risk landscape and adjusts our risk management strategies to ensure ongoing effectiveness.

2. KEY RISK AREAS OF THE COMPANY AND ITS MITIGATION PLAN:

a. Market Risk: Risks related to changes in market conditions, such as fluctuations in demand, supply chain disruptions, or changes in consumer behavior.

Management Perception

We recognize the volatility in the agricultural sector and continuously evaluate market conditions to adjust our strategies as needed. To manage market risk, we diversify our product portfolio and utilize derivatives when suitable.

b. Operational Risk: Risks arising from internal processes, systems, people, or external events that disrupt operations.

Management Perception

To maintain smooth operations and avoid disruptions, we enforce rigorous operational controls and invest in advanced technology and infrastructure. We also have detailed business continuity plans to minimize any potential disruptions.

c. Financial Risk: This includes risks related to liquidity, credit, currency fluctuations, and interest rate changes.

Management Perception

We mitigate financial risk through careful financial planning, which involves maintaining sufficient liquidity and managing our debt profile effectively. Our treasury team actively monitors currency and interest rate exposures to ensure stability.

d. Compliance and Regulatory Risk: Risks of legal penalties, fines, or reputational damage due to non-compliance with laws, regulations, or internal policies.

Management Perception

We maintain a proactive approach to compliance with all applicable laws and regulations. We have a dedicated compliance team that conducts regular audits to ensure adherence to the highest ethical and legal standards.

e. Environmental and Sustainability Risk: Risks related to environmental factors, including natural disasters, regulatory changes related to environmental impact, and sustainability concerns.

Management Perception

Recognizing our responsibilities as a sustainable agro based company, we are committed to environmental stewardship. We continually assess and mitigate environmental and sustainability risks by adhering to best practices and industry standards.

f. Human Resources Risk: Risks associated with employee relations, talent management, and labor shortages.

Management Perception

IAIL foster a positive work environment, invest in employee development, and ensure competitive compensation and benefits.

g. Credit risk

Credit risk is the risk of a financial loss to the company if a customer to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables.

Management perception

To mitigate credit risk, the company's management adheres to strict credit control and collection policies. A dedicated credit collection team is responsible for managing outstanding dues, consistently demonstrating strong performance in collecting receivables in line with the company's credit and collection policy.

h. Liquidity risk

Liquidity risk is the risk that a company may not be able to meet its short-term financial obligations due to a lack of sufficient cash or easily liquidated assets. This could arise from an inability to convert assets into cash quickly, unexpected cash outflows, or difficulties in securing funding.

Management perception

The company's approach to managing liquidity is to ensure, as much as possible, that it consistently has adequate resources to meet its liabilities as they come due, both in normal and stressed conditions, without incurring unacceptable losses or harming its reputation. The company maintains sufficient current assets and cash equivalents to cover anticipated operational expenses and financial obligations.

i. Interest Rate Risks

Interest rate risk refers to the potential for financial loss resulting from fluctuations in interest rates. These changes can affect a company's borrowing costs, the value of its financial assets, and its overall profitability.

Management Perception:

Index Agro Industries Limited is exposed to the volatility of interest rate as it has Long Term Bank Loan. In our country, right now, interest is in downtrend which is beneficial for debt-financing because cost of capital has been less expensive than that of earlier. Hence, interest rate risk is manageable.

j. Exchange Rate Risks

Foreign exchange risk is also known as exchange rate risk or currency risk. This risk arises from unanticipated changes in the exchange rate between two currencies. Multinational companies, export import businesses, and investors making foreign investments face exchange rate risks.

Management Perception:

Index Agro is procuring raw materials mostly from local suppliers and its customers are local customers. Hence, company is very low exposed to Exchange Rate risk.

k. Industry Risks

Industry risk refers to the potential threats or challenges that can affect businesses operating within a particular industry or sector. These risks are specific to the industry itself and may arise from various sources. Industry risk assessment is an essential part of business strategy and

risk management, as understanding these risks allows companies to make informed decisions and implement mitigation strategies.

Management Perception:

Index Agro continuously monitoring the industry and market conditions to identify emerging risks and opportunities. Regularly conduct market research to stay informed about customer preferences, competitive forces, and regulatory changes. As there is huge demand of poultry and fish feed and day one old chicken and cattle feed, so there is less industry risk compare to other business.

I. Technology-related risks

Technology plays a vital role in the existence of any industrial concern, ensuring superior customer service and minimizing costs across the production and operations value chain. Innovation of new and cost effective technology can increase productivity and reduce costs of production. On the other hand, obsolete technology may have a negative impact on the business.

Management perception:

Index Agro Industries Limited applies the latest technology to produce feed for fish and poultry along

with day old chicks (DOC) as well.

m. Potential or existing Government regulations

Potential or existing Government regulations may hamper the smooth operation of the industry.

Management perception:

Index Agro Industries Limited are enjoying good atmosphere for operating the business. Government regulations are favorable for the company.

3. CONTROL ENVIRONMENT:

a. Internal Controls: We uphold a strong internal control environment to ensure accurate financial reporting and protect our assets. Regular internal audits are performed to detect and address any control weaknesses.

b. Ethical and Governance Framework: Our corporate governance practices are designed to promote transparency, integrity, and accountability. We have an established Code of Conduct and Ethics to guide our employees and stakeholders.

c. Information Security: Data security is a top priority for us, and we invest in advanced cybersecurity measures to safeguard sensitive information.

4. RISK MANAGEMENT SUCCESSES:

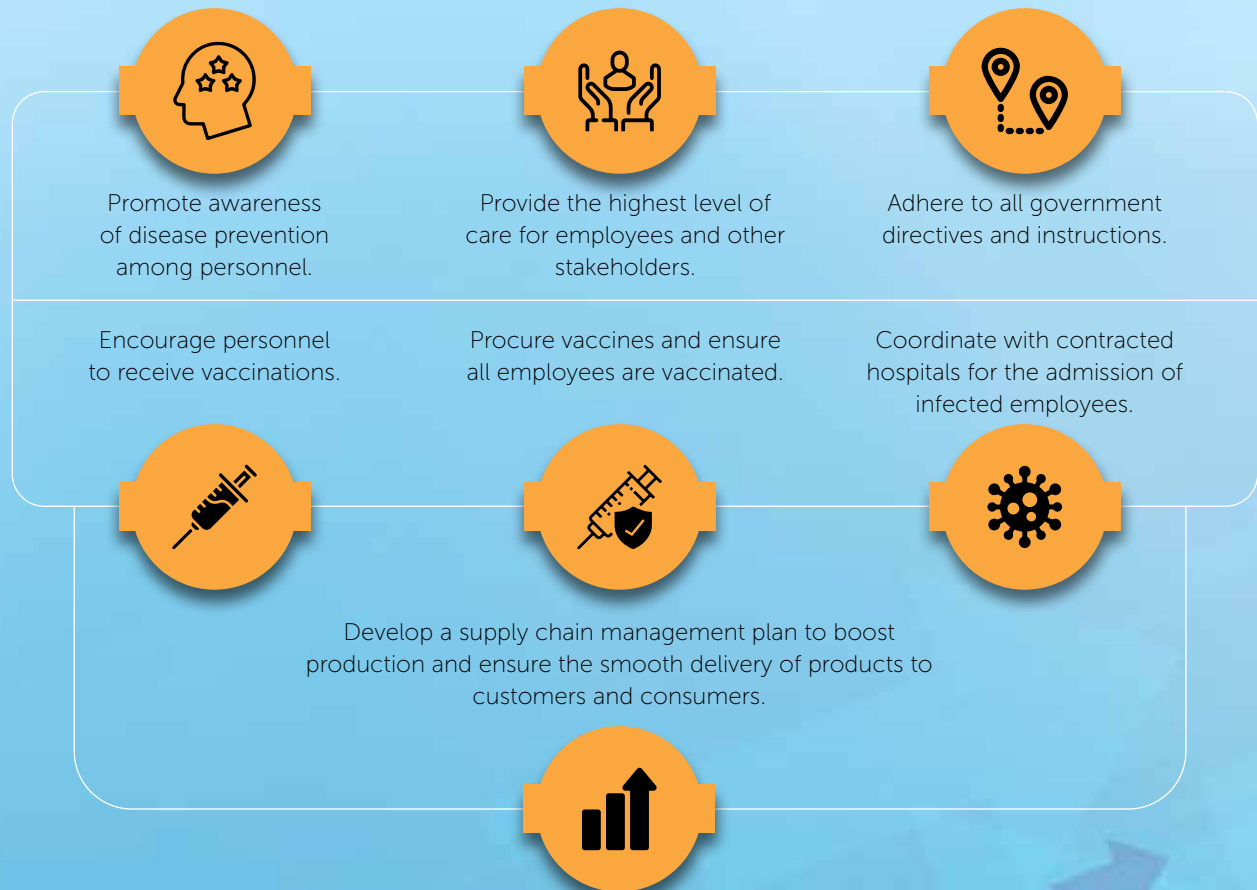
In the past year, our diligent risk management efforts have resulted in:



FORWARD-LOOKING APPROACH:

IAL recognizes that the business landscape is continually changing, and new risks may arise. Our risk management approach is both adaptive and forward-looking. We will continuously evaluate emerging risks and adjust our strategies as needed.

The Company aims at highlighting its strengths in production of safe products, its emphasis on personnel morale, as well as continuously aiding all stakeholders to alleviate impacts caused as follows:



REPORT ON UTILIZATION OF IPO PROCEEDS AS ON JUNE 30, 2024

Name of the Company : **Index Agro Industries Limited**
 Amount of capital raised through IPO : Tk. 500,000,000
 Date of Opening of Subscription : February 22, 2021
 Date of Closing of Subscription : February 28, 2021
 Last date for use of IPO Fund : October 27, 2024

Sl. No.	Purpose of Utilization	Amount as per prospectus/ Approved in 21 st AGM	Total Utilization up to June, 2024	Utilization (%)	Total Un-utilized up to June, 2024	Un-utilization (%)
1.	Repayment of Short-Term Loan	138,500,000	138,500,000	100%	-	0%
2.	Machineries and Equipment	161,132,100	159,022,821	99%	2,109,279	1%
3.	Building & Civil Construction	175,367,900	148,100,023	84%	27,267,877	16%
4.	IPO Expenses	25,000,000	25,000,000	100%	-	0%
Total IPO Proceeds		500,000,000	470,622,844		29,377,156	

Notes:

The utilization of remaining IPO proceeds amounting to Tk. 29,377,156/- has been fully completed by 31st August 2024.

OUR RESPONSIBILITIES TO THE ENVIRONMENT AND SOCIETY

ENVIRONMENT AND SOCIETY



- ENVIRONMENT AND SOCIETY
- OUR COMMITMENTS TO EMPLOYEES
- OUR COMMITMENTS TO SOCIETY AND ENVIRONMENT
- SUSTAINABLE RESOURCE MANAGEMENT
- ENVIRONMENTAL STEWARDSHIP:
- COMMUNITY ENGAGEMENT AND DEVELOPMENT
- HEALTH AND SAFETY STANDARDS
- ETHICAL LABOR PRACTICES
- REGULATORY COMPLIANCE
- STAKEHOLDER COLLABORATION

Index Agro Industries Limited is a prominent agro-based industry in Bangladesh, specializing in the production of poultry feed, fish feed, and day-old chicks. As a responsible corporate entity, Index Agro holds significant obligations toward the environment and society, which align with global trends towards sustainable development. These obligations are grounded in national and international environmental policies, corporate social responsibility (CSR) frameworks, and sustainable business practices.

Index Agro Industries Limited is committed to fostering a sustainable and ethical approach in all aspects of its operations. Acknowledging the impact of its activities on the environment and society, the company pledges to uphold the following obligations:

Corporate Commitment

Index Agro built a heritage of deep social commitment that has earned the trust and respect of our customers. It is our belief that “you cannot grow a business; you can only grow people who grow businesses”. To facilitate the execution of our strategy, we are therefore making significant investments in our people, including the development of a comprehensive training program to help our people grow the skills and competencies required to succeed in a changing and increasingly digitized landscape.

Our commitments to employees

- we maintain a safe, healthy and non-discriminatory work environment;
- we provide equal employment opportunities based on an individual’s capabilities and experience and without
- regard gender, age, religion, disability;
- through the value and power of diversity we actively strive for the inclusive environment that is needed to attract,
- develop, deploy and retain the best people to drive current and future needs;
- we offer the opportunity for self-development to enable employees to reach their full potential;
- We assure our employee’s participation in top management;
- we provide fair and just remuneration to our employees in the context of the labor markets where we operate and ensure that working hours are not excessive and, as a minimum, comply with applicable local laws.

Our commitments to Society and environment

1. Sustainable Resource Management

Index Agro’s primary responsibility is to ensure that

its operations contribute to the sustainable use of natural resources. This includes optimizing water use in manufacturing processes, reducing waste, and improving energy efficiency across its facilities.

Water Conservation: Agriculture and feed production can have a large water footprint. Index Agro is obliged to adopt water-saving technologies, recycle water in its operations, and avoid water pollution through proper wastewater treatment methods.

Energy Efficiency: The Company invest in renewable energy and energy-efficient technologies to reduce its carbon footprint. Reducing fossil fuel dependency by using alternatives such as solar power contributes to long-term environmental sustainability.

2. Environmental Stewardship:

We are committed to reducing our ecological impact by minimizing waste, conserving natural resources, and lowering emissions. Our ongoing goal is to enhance environmental performance through continuous improvement.

3. Community Engagement and Development

Corporate Social Responsibility (CSR) is a key social obligation for Index Agro. The company ensures that its business operations positively impact the communities it operates in.

Employment Opportunities: Providing jobs in rural and semi-urban areas improves livelihoods, stimulates the local economy, and reduces poverty.

Training and Development: Offering skills training and educational programs for employees and local communities builds human capital and enhances productivity.

4. Health and Safety Standards

As a company in the agro-industry, maintaining high standards of health and safety is crucial. Index Agro ensures that its workers, as well as the consumers of its products, are not exposed to health risks.

Workplace Safety: Ensuring that all facilities comply with health and safety regulations is vital. This includes providing proper protective gear, regular health checks, and emergency preparedness programs for workers.

Food Safety: Index Agro's obligation extends to ensuring that its products meet national and international food

safety standards. This includes regular quality checks, avoiding the use of harmful additives, and maintaining hygienic production facilities.

5. Ethical Labor Practices

The company is obligated to adhere to ethical labor standards, ensuring that there is no exploitation or unfair treatment of workers.

Fair Wages and Benefits: Paying workers fairly and offering competitive benefits such as health insurance and paid leave are key obligations.

Child and Forced Labor Policies: As part of international labor standards, Index Agro strictly prohibit child labor and forced labor, complying with the International Labour Organization (ILO) conventions.

6. Regulatory Compliance

Index Agro Industries Limited must comply with both national and international regulations related to environmental protection and social responsibilities. This includes:

Environmental Laws: Complying with national environmental laws such as the Bangladesh Environment Conservation Act, 1995, and the Bangladesh Labour Law, 2006.

International Standards: Adhering to international environmental and labor standards, such as the ISO 9001:2015 (Quality Management Systems).

7. Stakeholder Collaboration:

We actively engage with environmental organizations, government agencies, and other key stakeholders to tackle common challenges and drive collective efforts toward broader sustainability goals. Through these partnerships, we aim to enhance our impact on environmental conservation and promote sustainable practices across the industry.

In conclusion, Index Agro Industries Limited's obligation to the environment and society reflects a comprehensive approach to sustainability, responsible corporate behavior, and compliance with local and global standards. By prioritizing sustainable practices, community welfare, and ethical labor practices, the company can contribute positively to environmental conservation and social development while securing its long-term growth and reputation.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is the concept that businesses should contribute positively to society by considering the environmental and social impacts of their actions. It emphasizes the responsibility companies have to create value not only economically but also socially and environmentally. CSR is closely aligned with sustainability, which involves generating long-term benefits for the economy.

CSR encompasses a wide range of approaches and initiatives, from adopting sustainable practices to actively engaging with communities. As customer expectations for responsible corporate behaviour continue to rise, businesses are increasingly held accountable for their impact on society. CSR involves implementing strategies within corporate governance to ensure that a company's operations are ethical, socially responsible, and beneficial to the broader community. These initiatives are designed to promote both the well-being of society and the long-term success of the business.

As a corporate social responsible, Index Agro Industries Limited has undertaken some program which are as follows:

Khamarir Hashi

This program is extremely supportive towards the cause of making farmers self-dependent. The company is selling the farmers DOC and providing them with feed on credit. In time, the company is buying back the DOC's from the same farmers. By providing such logistical and financial support, the company is creating entrepreneurs.

Contribution in KKF Foundation

The Kamrunnesa Khatun Foundation (KKF) is an independent non-profit charity, committed to bringing about better lives for the disadvantaged people in Bangladesh. KKF works to improve the lives of the underprivileged and disadvantaged groups of people in society by providing them with the opportunity to live full and independent lives. KKF works with a vision for change- a vision to bring qualitative changes in the lives of the underprivileged, especially through supporting the access to quality education, nutritious food, safe water, shelter and sanitation for the underprivileged children all

over Bangladesh. IAIL is one of the biggest contributors in various projects of KKF Foundation. Some of the key projects of KKF Foundation as follows:

1) Shelter house- The establishment of a shelter house became a necessity when 80 orphan kids were thrown into the street because of a lack of funds from another aid firm. Mr. Mahin Mazher stepped forward and established "Joy- for all children" a shelter house dedicated to children from 1 yr to 18 yrs old.

2) Folon- Entrepreneur Development in both the agriculture and poultry sector through Folon (70+Farmers) and Khamarir Hashi (200+Poultry) Projects.

3) Training and workshops- Capacity Development through technical, vocational and professional training and workshops. To date, more than 350 people have been trained through various training programs and workshops enabling them to get better jobs.

4) Health support- every month approximately 25 to 30 persons receive financial support for health-related issues.

5) KKF education- KKF is contributing to the non-formal and formal education for the underprivileged and destitute children through self-published and government-acknowledged reading materials. To date, almost 800 children have received this support.

6) Emergency relief- KKF's Project Manusher Jonno, is saving lives—before, during and after disaster strikes. Bangladesh faces hundreds of disasters every year, causing immense suffering, destruction and loss. With donors help, we respond to these disasters and save lives. Till now KKF were able to provide more than 3,13,075 women, men and children in 56 different districts of Bangladesh with humanitarian aid and disaster response.

7) Skill Development- Support the basic needs along with skill development need, based training for underprivileged and street children of Dhaka City. 25 children have received the facilities.

KKF COMMITMENTS AND THE SDGs

Saving Lives

Joy Shokol Shoshur | Project Safe Motherhood | Project Manusher Jonno
Project Camp | Project Najifa | Project Mayeen



Poverty Alleviation

Project Swanirbhar | Project Unnayan | Project Shufola



Diversified Knowledge Based Economic Growth

Talent Chef | U-Turn | Swapner Hut



Empowerment

KKF Education | Capacity Development | Counselling
Awareness of Rights, Ethics and Dignity



Climate Adaptation

Project Oxygen | Bagh Bidhoba | Participatory Community Help during Disasters



IAIL IS COMMITTED TO TREATING ITS EMPLOYEES WELL

Contribution in various types of charity organizations:

IAIL also donates in various other charity organizations such as different orphanages and madrasas.

Life insurance coverage: All employees are adequately covered by life insurance policy to protect against future hazards.

Provident fund and gratuity scheme: The Company maintains a recognized contributory provident fund and an approved gratuity scheme for all employees.

Workers profit participation fund: The Company maintains workers' profit participation fund (WPPF) as per the Bangladesh Labour Act 2006.

Employee welfare fund: Financial assistance is given to the immediate family members for medical and educational purposes from the Employees' Welfare Fund maintained by the Company.

Training and development: IAIL recognize that a highly skilled and motivated workforce is a fundamental competitive advantage and we encourage all employees to develop both professionally and personally through a variety of training and development opportunities.

Corporate Commitment

We believe that a truly inclusive organization delivers many benefits: helping us attract and retain talented people, allowing us to better understand our stakeholders' needs, and helping us develop an international mind-set, thus contributing to a high performing organization. Furthermore, it is our belief that "you cannot grow a business; you can only grow people who grow businesses". To facilitate the execution of our strategy, we are therefore making significant investments in our people, including the development of a comprehensive

training program to help our people grow the skills and competencies required to succeed in a changing and increasingly digitized landscape. Our commitments to employees are as follows:

- we maintain a safe, healthy and non-discriminatory work environment;
- we provide equal employment opportunities based on an individual's capabilities and experience and without regard gender, age, religion, disability.
- through the value and power of diversity we actively strive for the inclusive environment that is needed to attract, develop, deploy and retain the best people to drive current and future needs;
- we offer the opportunity for self-development to enable employees to reach their full potential;
- we provide fair and just remuneration to our employees in the context of the labor markets where we operate and ensure that working hours are not excessive and, as a minimum, comply with applicable local laws.

Society and environment

We recognize our responsibilities to wider society and the environment by adhering to the following:

- We act in accordance with relevant local and internationally recognized environmental standards;
- We develop sustainable business models and products;
- We seek ways to improve our own eco-footprint as a business;
- We contribute positively to the development of our industry;
- We support good causes and our employees participate in community projects and volunteer activities.

POLICY ON NOMINATION AND REMUNERATION FOR DIRECTORS AND TOP LEVEL EXECUTIVES

1. Purpose of this Policy:

Index Agro Industries Limited (the "Company") has adopted this "Policy on Nomination and Remuneration for Directors and Top Level Executives" (the "Policy") as required by provisions of the Corporate Governance Code 2018 of the BSEC.

2. Objectives of this Policy:

- To establish a transparent and fair process for the nomination of Directors and top-level executives.
- To ensure that the remuneration structure is competitive, performance-driven, and aligned with the Company's long-term goals and shareholder interests.
- To ensure compliance with relevant laws, regulations, and corporate governance practices.
- To attract, retain, motivate, and promote qualified Directors and top-level executives, ensuring the long-term sustainability of skilled leadership, fostering a competitive advantage, and driving the successful operation of the Company.

The Board/Committee shall ensure that the level and structure of remuneration is fair and adequate to attract, retain, and motivate Directors and top-level executives with the necessary qualifications to effectively lead the Company. Additionally, the relationship between remuneration and performance must be clearly defined, aligning with appropriate performance benchmarks.

3. Definitions:

'Act' means the Companies Act, 1994;

'Board' means the Board of Directors of Index Agro Industries Limited;

'Committee' means the Nomination and Remuneration Committee of the Company, constituted and re-constituted by the Board from time to time;

'Company' means Index Agro Industries Limited;

'Directors' means the directors of the Company;

'Independent Director' means a director referred to the provisions of the Corporate Governance Code 2018 of the BSEC, and as amended from time to time;

'Top Level Executives' shall mean top level executives of the Company as determined by the Board from time to time;

'Nomination and Remuneration Committee,' or any equivalent designation, refers to a Committee of the Board of Directors of the Company, formed in compliance with the provisions of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission (BSEC).

'Other employees' means all the employees of the company other than the Directors and Top Level Executives;

'Remuneration' refers to any monetary compensation or its equivalent provided to an individual for services rendered, including any perquisites as defined under the Income Tax Act 2023.

Words and expressions used but not defined in this Policy shall have the meanings assigned to them in the Act, or any rules formulated under the Act, or in the rules and regulations of the Bangladesh Securities and Exchange Commission (BSEC), or the applicable Accounting Standards.

3. Appointment and removal of Directors and Top Level Executives:

3.1. Appointment criteria and qualification

The Committee shall assess and verify the integrity, qualifications, expertise, and experience of individuals being considered for appointment as Directors, in line with the Board's Diversity Policy, and recommend their appointment to the Board.

For the appointment of top-level executives, the candidate must have the necessary qualifications, expertise, and experience relevant to the position under consideration. For administrative convenience, the Managing Director is authorized to identify and appoint suitable candidates for these positions. However, if required, the Managing Director may consult with the Committee or the Board for further guidance or direction.

3.2. Term

The term of the Directors, including the Managing Director and Independent Directors, shall be governed by the provisions of the Act, the rules established thereunder, and the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission (BSEC), as amended from time to time.

In contrast, the term of top-level executives shall be governed by the Company's prevailing HR policies.

3.3. Evaluation of performance

The Committee shall conduct a performance evaluation for each Director. It will establish evaluation criteria that assess Directors based on their knowledge and ability to fulfill their roles, the time and level of participation, performance of duties, oversight capabilities, professional conduct, and independence. The appointment, re-appointment, or continuation of Directors on the Board will be contingent upon the results of this annual evaluation process.

The Committee shall assess the performance of top-level executives based on individual Key Performance Indicators (KPIs). Decisions regarding promotions or the continuation of top-level executives will be contingent upon the results of the annual evaluation process, which will be based on relevant performance benchmarks.

4. Remuneration Structure:

The remuneration policy is designed to reward Directors and top-level executives fairly and competitively, taking into account individual performance, Company performance, and market practices.

Fixed Compensation: This includes the base salary or fees, which will be determined based on the roles, responsibilities, and the experience of the individual. It will be reviewed annually and adjusted based on performance and industry standards.

Variable Compensation: Top-level executives may be eligible for performance-based bonuses linked to the Company's financial and operational performance. These bonuses will be aligned with both short-term and long-term goals of the Company.

Equity Compensation: Where appropriate, Directors and top executives may be granted stock options or other forms of equity-linked incentives to align their interests with those of the shareholders and foster long-term commitment to the Company's success.

Non-Monetary Benefits: These may include benefits such as health insurance, retirement benefits, and other perquisites as per Company policy.

4.1. Directors

Besides the above Criteria, the Remuneration/ Compensation/Commission etc. to be paid to Directors shall be governed as per provisions of the Companies Act, 1994 and rules made there under or any other enactment for the time being in force and as also by Company policy.

4.2. Non-Executive Directors/ Independent Directors

The Non-Executive/Independent Directors may receive sitting fees for attending meetings of the Board or its Committees, with the fee amount determined by the Board of Directors or shareholders from time to time.

Additionally, Independent Directors shall be entitled to receive any other benefits permitted under the Act and the provisions of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission (BSEC), as amended from time to time.

4.3. Top Level Executives

The remuneration for top-level executives shall be determined in accordance with the Company's remuneration policy, taking into account the experience, qualifications, and expertise of the individuals involved. This decision will be made by the Managing Director or the Board, following the established internal processes.

4.4. Other Employees

The authority to determine the remuneration structure for other employees is outlined in the remuneration policy, and its implementation will be overseen by the Managing Director/CEO or any other individual designated by the MD/CEO.

5. Disclosure of this Policy:

This Nomination and Remuneration Policy shall be disclosed in the annual report of the Company as required under the provisions of the Corporate Governance Code 2018 of the BSEC.

6. Amendments to the Policy:

The Committee will review this policy and recommend amendments to the Board as necessary to ensure its continued relevance and alignment with the Company's objectives, regulatory changes, and industry best practices.

POLICY ON COMMUNICATION WITH SHAREHOLDERS AND INVESTORS COMPLAINTS REDRESSED POLICY

Policy on Communication with Shareholders

1. Introduction

Effective communication with shareholders is vital for Index Agro Industries Limited (IAIL). The company is committed to maintaining transparency, accountability, and consistent engagement with shareholders to foster trust and confidence. This policy outlines the approach and mechanisms for communication with shareholders, in alignment with corporate governance practices and regulatory standards.

2. Objectives

The primary objectives of the communication policy are:

- To provide timely, accurate, and clear information about Index Agro's performance, strategies, and business outlook.
- To ensure shareholders have the necessary information to make informed decisions.
- To facilitate two-way communication between shareholders and the company, encouraging shareholder participation in meetings and discussions.

3. Communication Channels

Index Agro Industries Limited engages with its shareholders through multiple channels, ensuring they have access to relevant and timely information. The main channels include:

- **Annual General Meeting (AGM):** To facilitate the participation of all shareholders in the Annual General Meeting, the company ensures that the Annual Report is distributed properly with due time. The AGM date, time, and venue are communicated well in advance to keep shareholders informed. During the AGM, the Board of Directors actively encourages shareholders to express their opinions, which are thoughtfully considered for the continuous improvement and development of the company.
- **Annual Report:** A comprehensive review of the company's performance, financial results, and future outlook. The report is distributed to shareholders and made available on the company's website.

- **Quarterly Financial Statements:** Index Agro publishes quarterly financial results, ensuring that shareholders are regularly informed of the company's financial health.

Corporate Website: The Company's website (www.index-agro.com) serves as a primary platform for disseminating financial results, press releases, corporate governance documents, and other relevant information.

- **Stock Exchange Filings:** As a publicly traded company, Index Agro submits required filings and disclosures to the stock exchanges, ensuring compliance with regulatory requirements.

- **Investor Relations:** The Company maintains an investor relations (IR) department that responds to shareholder inquiries and provides relevant information about corporate developments, financial performance, and governance.

4. Disclosure Practices

Index Agro Industries Limited follows a robust disclosure regime to maintain transparency. The company ensures that information is disclosed in a fair, timely, and efficient manner, adhering to the following principles:

- **Timely Disclosure:** All material information, including financial results, corporate governance changes, or business developments, is communicated to shareholders without delay.
- **Equal Access:** The Company ensures that all shareholders have equal access to information by publishing updates on the corporate website and other public platforms.
- **Regulatory Compliance:** All disclosures have been compliant with the rules and guidelines set by the Bangladesh Securities and Exchange Commission (BSEC) and the Dhaka and Chittagong Stock Exchanges.

6. Engagement with Shareholders

Index Agro is committed to fostering a two-way communication framework with its shareholders. This includes:

- **General Meetings:** Shareholders are invited to

submit questions in advance or during the AGM to engage with the Board and management.

- **Feedback Mechanisms:** Shareholders can provide feedback and suggestions through the company's investor relations contact points.
- **Virtual Participation:** In the interest of enhancing accessibility, the company explores virtual means for shareholders to participate in meetings and stay informed.

7. Corporate Governance and Shareholder Rights

Index Agro is committed to upholding the rights of shareholders, ensuring fair treatment and enabling them to participate effectively in corporate governance. The company respects and values the interests of all shareholders, whether minority or majority, and is dedicated to:

- **Voting Rights:** Shareholders have the right to vote on key matters such as the election of directors, approval of financial statements, approval of dividend and appointment of statutory auditors etc.
- **Information Rights:** Shareholders have the right to access information regarding the company's performance, risks, and strategy.

8. Crisis Communication

In the event of a crisis or major incident, Index Agro ensures that shareholders are promptly informed of the situation and the company's response. The company will communicate any significant impact on its operations and financial position transparently, while maintaining confidentiality of sensitive information as necessary.

Investors' Complaints Redress

Index Agro Industries Limited places high importance on addressing investors' grievances in a timely and effective manner. The company is committed to providing a transparent and accessible mechanism for shareholders to voice concerns, complaints, or inquiries. As part of our commitment to corporate governance, we continuously strive to strengthen the relationship between the company and its shareholders through prompt and efficient redressal of issues.

Grievance Redress Mechanism

Our Investor Relations department is dedicated to handling all investor complaints with professionalism

and care. The company follows a structured process to resolve complaints in compliance with regulatory guidelines, ensuring that every complaint is given due attention and resolved at the earliest.

Key aspects of our redress mechanism include:

1. Dedicated Investor Relations Team

A dedicated team is assigned to manage all investor grievances and ensure that every query or complaint is addressed swiftly. This team acts as a point of contact for investors, responding to queries related to shares, dividends, financial reports, and any other corporate actions.

2. Complaint Channels

Investors can lodge complaints through multiple channels, including:

- Email to the Investor Relations Department
- Written communication to the Company Secretary
- Over cell phone number available on the company website under the menu "Investor Relations"

3. Timely Response and Resolution

Upon receipt of a complaint, the company ensures that an acknowledgment is provided immediately. The resolution process varies depending on the complexity of the issue, but the company endeavors to resolve all complaints within the very short span of time.

4. Compliance with Regulatory Bodies

Index Agro Industries adheres to the rules and guidelines laid down by the Bangladesh Securities and Exchange Commission (BSEC) for investor grievance redress. Any unresolved disputes can be escalated to the regulatory authorities if necessary.

5. Grievance Monitoring

The company maintains a record of all complaints received and the actions taken to resolve them. These records are regularly reviewed to identify trends and areas for improvement in investor relations and complaint handling.

6. Communication from Investors Relation Department

In addition to the above, our Investors Relation Department always follow-up the complaint related issues as follows:

- The share department officials review investors' complaints on a daily basis.

- We request the investors for updating their e-Tin number in the BO account, when cash dividend is declared.
- We request for updating the bank account details in the BO account before sending cash dividend through the BEFTN system.
- We try to ensure all matters related to shareholders of the company with efficiently.
- We review instances of non-receipt of Annual Report and the declared dividend.

- We consider all matters related to shareholders of the company efficiently and with urgency.

Conclusion

Index Agro Industries Limited is committed to maintaining open, transparent, and timely communication with its shareholders. This policy reflects the company's dedication to fostering a strong relationship with its investors, ensuring that they are well-informed and actively engaged in the company's growth and development.

POLICY ON DISTRIBUTION OF DIVIDENDS

Introduction

This Dividend Distribution Policy has been adopted by the Board of Directors of Index Agro Industries Limited in compliance with the Directive of the Bangladesh Securities and Exchange Commission (BSEC) No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021. The Directive requires to formulate a dividend distribution policy which shall be disclosed in the annual report and official website of the company.

Objective

The objective of the policy is to specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the company may or may not expect dividend and how the retained earnings shall be utilized, etc.

Procedures

The dividend distribution shall be as per the recommendations of the Board of Directors and subject to approval by the shareholders in annual general meeting in case of final dividend. The Board may also declare interim dividend as and when think fit depending upon the cash flow situation of the Company.

Declaration and payment of Dividend

- No large dividend shall be declared than is recommended by the Directors, but the Company in its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of Net profit of the Company shall be conclusive.
- No dividend shall be payable except out of the profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company.
- The Directors may from time to time pay the members such interim dividend as in their judgment the financial position of the Company may justify.
- A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
- No limitation in payment of dividend is stipulated in any debt instrument or otherwise.

- The Company shall pay dividend in compliance with all applicable laws, rules and regulations.

Factors to be considered while declaration of dividend

The Board will consider the following various circumstances like current year's profit, retain earnings, future outlook, reinvestment opportunities, tax benefits, Company's present and future performance for declaration and payment of dividend:

1. Internal Factors

- Profit earned during the financial year and retained earnings of the previous years;
- Distributable surplus available with the Company;
- Company's liquidity position, future cash flow requirements for operations and reserve for any contingencies;
- Capital expenditure requirements for expansion and modernization of existing business;
- Dividend payout history;
- Mergers and Acquisitions;
- Loan covenants, if any

2. External Factors

- Dividends distributed by other comparable companies in sector;
- Shareholders' expectations;
- Market conditions and market outlook for the Company;
- Economic environment and industrial downturn;
- Changes in Government policies and regulatory provisions;
- Any other relevant factors that the Board may deem it fit.

3. Financial factors

- Availability of profits;
- Profit growth;

- Financial feasibility of the Company;
- Favorable Debt Equity ratio;
- Liquidity position;
- Business expansions, acquisitions, etc;
- Favorable state of the capital markets;

4. Utilization of retained earnings

- The decision of utilization of retained earnings of the Company shall be based on the following factors:
- Acquisition/Diversification of business;
- Long term strategic plan;
- High cost of debt;
- Market or product development/expansion plan;
- Increase in production capacity;
- Modernization Plan;

Publication of Policy

This Policy, as approved by the Board, shall be disclosed in the annual report and official website of the company at www.index-agro.com

Amendment

In case of any subsequent changes in the provisions of the Companies Act or Regulations or Income Tax Ordinance or any other regulations which makes any of the provisions of this Policy inconsistent with the Act or such other regulations, then the provisions of the Act or such other regulations would prevail over this Policy and the relevant provisions contained in this Policy would be modified accordingly.

Disclaimer

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

SUMMARY OF UNPAID/UNCLAIMED DIVIDEND

The summary of unclaimed/unpaid dividend in cash are as follows:

Year ended 30 June 2021:

Sl. No.	Category of Shareholders	Gross Cash Dividend	TDS on Dividend	Net Dividend	Dividend Distributed/ paid till 30 June 2024	Dividend unclaimed/ unpaid as on 30 June 2024
1	Individuals	15,867,637.50	2,134,665.88	13,732,971.62	13,404,750.08	328,221.54
2	Institutes	4,766,485.00	743,312.00	4,023,173.00	4,022,973.00	200.00
Total		20,634,122.50	2,877,977.88	17,756,144.62	17,427,723.08	328,421.54

Year ended 30 June 2022:

Sl. No.	Category of Shareholders	Gross Cash Dividend	TDS on Dividend	Net Dividend	Dividend Distributed/ paid till 30 June 2024	Dividend unclaimed/ unpaid as on 30 June 2024
1	Individuals	24,879,415.00	2,726,058.30	22,153,356.70	22,035,341.45	118,015.25
2	Institutes	22,374,234.00	4,474,846.80	17,899,387.20	17,898,707.20	680.00
Total		47,253,649.00	7,200,905.10	40,052,743.90	39,934,048.65	118,695.25

Year ended 30 June 2023:

Sl. No.	Category of Shareholders	Gross Cash Dividend	TDS on Dividend	Net Dividend	Dividend Distributed/ paid till 30 June 2024	Dividend unclaimed/ unpaid as on 30 June 2024
1	Individuals	13,089,426.00	1,701,095.60	11,388,330.40	11,176,683.50	211,646.90
2	Institutes	3,417,872.00	555,430.80	2,862,441.20	2,861,081.20	1,360.00
Total		16,507,298.00	2,256,526.40	14,250,771.60	14,037,764.70	213,006.90

REPORTS AND CERTIFICATE



DIRECTORS' REPORT 2024

Dear Shareholders,
Assalamu Alaikum!

The Board of Directors of Index Agro Industries Limited is delighted to present this Directors' Report, accompanied by the Auditors' Report and Audited Financial Statements of the company for the year ended June 30th June 2024. We present this report for your esteemed consideration, approval, and adoption. This report provides a comprehensive overview of the company's performance, achievements, and future prospects.

Principal activities

Index Agro Industries Limited (IAIL) specializes in the manufacturing and marketing of animal feed, including poultry feed and fish feed, as well as the production of Day-Old-Chicks (DOC). In response to the increasing demand for poultry products nationwide, the company has established a Breeder Farm & Hatchery located at Rajendrapur, along with a state-of-the-art Feed Mill in Valuka, Mymensingh. IAIL commitment to quality is upheld by a dedicated team of experienced poultry experts working tirelessly within the company.

Industry outlook and possible future developments

Details of this section has been discussed in the 'Industry outlook and possible future developments' report on page no. 34 of this Annual Report.

Segment-wise performance

Index Agro maintains significant operational capacities, including an annual standard production capacity of 114,000 metric tons in the Feed Mill Division and 30.00 million units of Day-Old-Chicks (DOC) in the Poultry & Hatchery Division. Detailed performance metrics for each segment or product category can be found in the 'Segment-Wise Performance' report on page no. 50 of this Annual Report.

Financial results

For the fiscal year ending 30th June 2024, the company reported:

Revenue: Tk. 4,281.25 million against Tk. 4,191.03 million in the previous year.

Gross Profit: Tk. 758.07 million against Tk. 731.55 million in the previous year.

Net Profit after Tax: Tk. 259.17 million against Tk. 246.65 million achieved in the previous year.

The operational results of the company for the year ended 30th June 2024 as follows:

Particulars	30-Jun-2024	30-Jun-2023	(%) increased/ (decreased)
Revenue	4,281,254,785	4,191,025,405	2.15
Gross Profit	758,072,873	731,551,312	3.63
Net Profit After Tax	259,170,778	246,645,244	4.93
Earnings Per Share (EPS)	5.48	5.22	4.98
Net Asset Value (NAV)	3,881,200,528	3,638,305,842	6.67
Net Asset Value (NAV) per share	82.14	77.00	6.67

Appropriations of profit and key operating & financial data for the of preceding five years

The Directors are pleased to present the financial results for the year ended 30th June 2024, and propose the following appropriations:

Particulars	30 June 2024	30 June 2023
Profit before tax	302,604,437	290,050,618
Less: Provision for tax	43,433,659	43,405,374
Profit after tax	259,170,778	246,645,244
Add: Un-appropriated profit brought forward	2,251,569,959	2,050,555,865
Profit available for distribution	2,510,740,737	2,297,201,197
Less: Appropriation of dividend	16,507,298	47,253,649
Un-appropriated profit C/F	2,494,233,439	2,243,896,738

Key operating and financial data of the preceding five years is given in 'Annexure-A' on page no. 81 of this annual report.

Reserve and surplus

As on 30th June 2024, the company's reserves and surplus stood at Tk. 2,991,200,528 as against Tk. 2,748,305,842 for the year ended 30th June 2023. Reserve and surplus increased due to the Net Profit generated during the year.

Dividend

The Board of Directors has recommended cash dividend @25% (Twenty five percent) to the General Public Shareholders and 15% (Fifteen percent) to the Directors and Sponsor Shareholders of the respective paid up capital of the company for the year ended 30th June 2024, which will be paid subject to approval by the shareholders in the 24th AGM scheduled to be held on 23 December 2024.

The company paid cash dividend @ 20% (twenty percent) to the general public shareholders (Post IPO Shares) for the year ended June 30, 2023. No bonus shares or stock dividend has been declared for the same period.

Contribution to national exchequer

Index Agro Industries Limited is committed to timely disbursement of its direct and indirect tax obligations. During the fiscal year ending June 30, 2024, Index Agro contributed a total of Tk. 59.62 million to the National Exchequer through income tax, regulatory duty, TDS, VAT, CD and SD.

Extraordinary gain or loss

There was no extraordinary activities during the year ended June 30, 2024 affecting any extraordinary gain or loss.

Variance between quarterly and annual financial statements

Due to increased sales and collections, and deferred

payments to suppliers and others, Net Operating Cash Flow per share increased significantly to Tk. 14.77 in June 2024 as against Tk. (1.23) in June 2023.

Material change or change in the nature of business

During the year under review, there are no material changes in the nature of business of the company.

Cost of Goods sold, Gross Profit Margin and Net Profit Margin

Cost of Goods Sold: In June 2024, the cost of goods sold increased by 1.84% to Tk. 3,523.18 million from Tk. 3,459.47 million in June 2023. The cost of goods sold increased due to decrease in both purchases and closing raw material inventory.

Gross Profit: In June 2024, gross profit increased by 3.63% to Tk. 758.07 million from Tk. 731.55 million in June 2023. Gross profit increased due to increase of Revenue. The percentage of increase of revenue is more than the percentage of increase of COGS.

Net Profit: Net profit after tax earned during the year amounting to Tk. 259.17 million, compared to Tk. 246.65 million in 2023, marking a 5.08% increase. Net profit increased due to increase of GP and decreased of Operating expenses.

Risks and concerns

Risk assessment and mitigation are fundamental aspects of Index Agro Industries Limited. The company is well-equipped to anticipate uncertainties arising from changes in the local and global economy. The Board of Directors diligently monitors, assesses, and identifies potential risks and threats that could impact profitability and sustainable growth. Comprehensive details regarding risks and concerns, encompassing both internal and external factors, are elaborated in the 'Risk Management and Control' section on page no. 58 of this Annual Report.

Appointment of Statutory Auditors and Compliance Auditor

M/s G. Kibria & Co., Chartered Accountants were the statutory auditors of the company for previous consecutive 03 (three) years including the year ended 30 June 2024 and shall retire in the 24th AGM and are not eligible for re-appointment as per the Bangladesh Securities and Exchange Commission notification dated 20 June 2018.

The company received 04 (Four) proposals from CA Firms for appointment of auditors of the company for the year ended June 30, 2025. The Audit Committee of the Board scrutinized the proposals and recommended to appoint Khan Wahab Shafique Rahman & Co., Chartered Accountants, as the statutory auditors of the company for the year ended June 30, 2025.

The Board of Directors also recommended to appoint Khan Wahab Shafique Rahman & Co., Chartered Accountants, which will be placed before the 24th AGM for shareholders' approval. Remuneration of the auditor will also be fixed by the shareholders at the AGM.

In compliance with the CG Code 2018 of BSEC, the Board of Directors recommended to re-appoint M/s. Podder & Associates, Cost & Management Accountants as the compliance auditor of the company for the year ended June 30, 2025 for compliance certification on Corporate Governance Code 2018 which will be placed before the 24th AGM for shareholders' approval.

Related party transactions

The company has no transaction with related parties in the normal course of business in financial year ended 30th June 2024.

Utilization of IPO proceeds

The utilization of IPO proceeds of the company has fully completed by 31st August 2024. Detailed information on the utilization of the IPO proceeds is enclosed on page no. 62 of this Annual Report.

Corporate social responsibility

Details of the Company's CSR activities during the year is discussed in the 'Corporate social responsibilities' section on page no. 65 of this Annual Report.

Human Resources Management

Index Agro Industries Limited acknowledges that its people are its most valuable resource, essential to the organization's success. To cultivate and empower employees with essential skills, the company prioritizes their development through regular internal training and workshops aimed at enhancing knowledge in their

respective fields. Additionally, the company is dedicated to providing a safe and healthy work environment for all employees. Currently, Index Agro Industries Limited employs 998 full-time employees.

Internal control

The Company maintains comprehensive policies and procedures to uphold efficient business operations, safeguard assets, prevent and detect fraud and errors, ensure compliance with relevant legislation, maintain accurate and complete accounting records, and promptly produce reliable financial information.

Additionally, the Company has established an independent internal audit and compliance department, led by a dedicated head, to oversee the implementation of internal controls and ensure adherence to regulatory requirements.

Board of Directors

The company's Board of Directors consists of 05 (five) members, including 01 (one) independent director. Throughout the year under review, the Board convened for a total of 08 (Eight) meetings. Details regarding the number of meetings held and the attendance of each director can be found in 'Annexure-B' on page no. 81 of this Annual Report."

Appointment/re-appointment of directors

In accordance with Article 142 of the Articles of Association of the company, Mr. Md. Mamunur Rashid FCMA, will retire from his office as Director by rotation at the 24th Annual General Meeting (AGM). Being eligible, he offers himself for re-election as per the provisions of Article 144 of the Articles of Association of the company.

The name and profiles including nature of his expertise in specific functional areas, holding of directorship of other companies and the membership of committees is also present on page no. 20 of this Annual Report.

Remuneration to Directors including Independent Director

During the year ended 30th June 2024, the company did not pay any remuneration to any directors including the independent director except Board meeting attendance fees.

Code of conduct

In compliance with the conditions of corporate governance code, the Board has laid down a code of conduct for the Chairman of the Board and other Board members of the company and annual compliance of the code is recorded accordingly.

Pattern of shareholding

In accordance with the condition of the Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) on 03 June 2018, the shareholding pattern of the company is disclosed in 'Annexure-C' on page no. 82 of this Annual Report.

Directors' statement on financial reporting

The Directors, in accordance with the corporate governance code 2018 of Bangladesh Securities and Exchange Commission dated June 03, 2018, confirm the followings to the best of their knowledge:

- a) The financial statements prepared by the management of the company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- b) Proper books of account of the issuer company have been maintained.
- c) Appropriate accounting policies have been consistently applied in the preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in the preparation of the financial statements.
- e) The system of internal control is sound in design and has been effectively implemented and monitored.
- f) The minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress.
- g) There is no significant doubt upon the company's ability to continue as a going concern.

Matter of Emphasis

The statutory auditors' disclosed the "matter of emphasis" into the independent auditors' report on the financial statements of the company for the year ended 30th June 2024 as follows:

As per section 234 of the Labor Act 2006 (amended in 2013) regarding "Establishment of Participation Fund and Welfare Fund", the company shall pay 80% of tk. 107,234,074/- to its' employees not later than nine months from the closing of the financial year, which the Company has not complied and utilized this fund otherwise, which is also not in conformity of section 240 (3) of the Labor Act 2006 (amended in 2013). We have seen that the management deposited an amount of Tk. 1,39,73,530/- into Worker's Profit Participation Fund bank account on August, 2024. The management

has assured us that the rest payable amount of WPPF for the year ended 30th June 2024, shall be deposited after the end of the 24th AGM of the company.

Management discussion and analysis

As per requirement of corporate governance code, the statement of 'Management Discussion and Analysis' has been duly signed by the Managing Director of the company and is featured on page no. 30 of this annual report."

Declaration by MD and CFO

In compliance with the corporate governance code, a declaration on financial statements for the year ended 30th June, 2024 duly signed by the Managing Director and Chief Financial Officer is included on page no. 109 of this Annual Report.

Credit rating report

The Credit Rating Agency of Bangladesh Limited (CRAB) assigned the rating for Index Agro Industries Limited on December 20, 2024. This rating took into account the company's audited financials up to 30 June 2023, its bank liability position as on 31 October 2023, and other pertinent quantitative and qualitative information available up to the date of the rating declaration. The certificate on credit rating can be found on page no. 106 of this Annual Report."

Corporate Governance

Corporate Governance is the framework through which companies are directed, managed, and controlled by their Board of Directors, with a strong emphasis on accountability to shareholders. Index Agro Industries Limited is dedicated to adhering to all provisions outlined in the Corporate Governance Code of 2018 by the Bangladesh Securities and Exchange Commission. For more information on our corporate governance practices, please refer to the 'Corporate Governance Report' on page no. 87 of this Annual Report."

Reporting and compliance of corporate governance

The company has adhered to the conditions stipulated in the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission, dated June 3, 2018. Detailed information regarding the company's compliance with corporate governance, including the corporate governance compliance status, can be found on page no. 91 of this Annual Report."

Membership with BAPLC

Index Agro Industries Limited is a member of the Bangladesh Association of Publicly Listed Companies (BAPLC). The certificate of BAPLC membership can be found on page no. 105 of this Annual Report."

Event after the reporting date

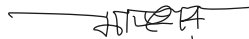
There are no material events which have occurred after the reporting date, non-disclosure of which could affect the ability of the users of these financial statements to make an appropriate evaluation.

Appreciation

The Board would like to express its sincere gratitude to government bodies, shareholders, investors, bankers, employees, and other stakeholders for their unwavering

commitment, cooperation, confidence, and support in achieving the company's objectives and outcomes.

For and on behalf of the Board of Directors



Md. Mazherul Quader

Chairman

Date: 24.10.2024

ANNEXURE-A

Key operating and financial data of preceding five years

Amounts in Taka

Particulars	30-Jun-2024	30-Jun-2023	30-Jun-2022	30-Jun-2021	30-Jun-2020
Revenue	4,281,254,785	4,191,025,405	4,154,327,729	3,672,667,933	4,047,090,398
Cost of goods sold	3,523,181,912	3,459,474,093	3,579,132,497	3,131,566,787	3,439,511,744
Gross profit	758,072,873	731,551,312	575,195,232	541,101,146	607,578,654
Administration expenses	72,266,038	60,879,705	68,316,776	49,566,872	54,598,566
Selling and distribution expenses	105,216,746	125,974,145	111,345,295	128,510,215	129,734,405
Operating Profit	580,590,089	544,697,461	395,533,161	363,024,059	423,245,683
Finance Cost	235,429,668	203,110,241	143,309,210	111,191,083	135,049,725
Other income	13,975,450	34,972,023	30,150,361	9,426,886	6,817,000
Net profit before tax	302,604,437	290,050,618	288,811,290	267,695,120	303,817,323
Income tax expenses	43,433,659	43,405,373	48,216,768	35,118,770	39,367,883
Net profit after tax	259,170,778	246,645,244	240,594,522	232,576,349	264,449,440
NAV per share	82.14	77.00	62.93	58.27	51.81
EPS	5.48	5.22	5.09	5.63	6.78

ANNEXURE-B

The number of Board meetings held and the attendance by each director for the year ended 30th June 2024.

Name of Directors	Position	Number of meetings held while a member	Number of meetings attended
Mr. Md. Mazherul Quader	Chairman	08	05
Mr. Mahin Bin Mazher	Managing Director	08	08
Ms. Mehzabin Mazher	Director	08	07
Mr. Md. Mamunur Rashid FCMA	Director	08	08
Mr. A.K.M. Delwer Hussain FCMA	Independent Director	08	04

ANNEXURE-C

The pattern of Shareholding as on 30th June 2024

Name	Status/Position	No. of Shares held
a) Parent/Subsidiary/Associated companies and other related parties	N/A	Nil
b) Directors/CEO/CS/CFO/HIAC and their spouses and minor children		
Md. Mazherul Quader	Chairman	39,00,000
Mahin Bin Mazher	Managing Director	39,00,000
Index Construction Ltd. (Represented by Mehzabin Mazher)	Director	39,00,000
Index Holdings Ltd. (Represented by Md. Mamunur Rashid FCMA)	Director	9,750,000
A.K.M. Delwer Hussain FCMA	Independent Director	Nil
Mrs. Khurshid Mazher (W/o- Md. Mazherul Quader)	Sponsor Shareholder	19,50,000
Esha Mahin (W/o- Mahin Bin Mazher)	Sponsor Shareholder	19,50,000
Abu Jafar Ali FCS	Company Secretary	Nil
Iqbal Ahmed FCMA	Chief Financial Officer (CC)	Nil
Md. Ayub Ibne Baquer	Head of Internal Audit	Nil
c) Shareholding status of top 5 salaried employees other than Directors, CEO, CS, CFO & HIAC		
Moniruzzaman Khondoker	CMO-Sales & Marketing	Nil
Sair Bin Ahmmmed Rusho	GM-Sales & Marketing	Nil
Mohammad Mazedul Hannan	VP-Operation	Nil
Md. Abu Sayed Chowdhury	GM-Feed Mill	Nil
Khurul Islam	AGM-Sales & Marketing	Nil
d) Shareholders holding 10% or more voting interest in the company		
Index Poultry (Pvt.) Ltd.	Corporate Shareholder	78,00,000
Index Holdings Ltd.	Corporate Shareholder	97,50,000

AUDIT

COMMITTEE REPORT

It is our great pleasure to present the Audit Committee Report for the year 2024. The Audit Committee, a sub-committee of the Board of Directors, plays a key role in supporting the Board by ensuring that the financial statements present a true, fair, and accurate reflection of the Company's financial position. Additionally, the Committee is responsible for overseeing the effectiveness of the Company's monitoring systems and internal controls.

Terms of reference

In accordance with the Corporate Governance Code, 2018, issued by the Bangladesh Securities and Exchange Commission (BSEC) on June 3, 2018, the Board of Directors has established the terms of reference for the Audit Committee of the company.

Composition

Pursuant to the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission (BSEC), the Audit Committee of Index Agro Industries Limited consists of three members, including an Independent Director who serves as the Chairman. The Company Secretary acts as the secretary to the Committee.

The members of the Audit Committee are as follows:

Mr. A.K.M. Delwer Hussain FCMA	Chairman
Mr. Md. Mamunur Rashid FCMA	Member
Ms. Mehzabin Mazher	Member
Mr. Abu Jafar Ali FCS	Secretary

All members of the Committee possess strong business acumen and are highly skilled, knowledgeable individuals with a commitment to integrity and ethics. Their expertise enables them to ensure compliance with financial, regulatory, and corporate laws while also making valuable contributions to the business.

Roles and Responsibilities of the Committee

The roles and responsibilities of the Audit Committee of Index Agro Industries Limited are outlined in the Audit Committee Charter. The committee's primary responsibilities include overseeing the financial

reporting process, the audit process, the company's internal control systems, and ensuring compliance with applicable laws and regulations.

To emphasize the Board's critical oversight responsibilities, particularly in ensuring compliance with all applicable rules and regulations, the key responsibilities of the Audit Committee include, but are not limited to, the following:

- Oversee the financial reporting process;
- Monitor choice of accounting policies and principles;
- Monitor Internal Audit and Compliance process;
- Oversee hiring and performance of external auditors;
- Review along with the management, the quarterly/ half yearly and the annual financial statements before submission to the Board for approval;
- Review the adequacy of internal audit function;
- Review the Management's Discussion and Analysis before disclosing in the Annual Report;
- Review statement of all related party transactions submitted by the management;
- Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;
- Perform other activities related to this Charter as requested by the Board of Directors.

Committee meetings and attendance

Throughout the year, the Committee convened four meetings, in line with the requirement to hold at least one meeting per quarter. These meetings covered a range of topics, including business operations, compliance, and financial matters. The Managing Director, Chief Financial Officer, and Head of Internal Audit and Compliance (HIAC) were permanent invitees. Additionally, relevant departmental heads and other management members attended the meetings as needed.

The proceedings of each meeting were duly recorded in the minutes and regularly reported to the Board of Directors. Below is a summary of the Audit Committee meetings held during the year, along with the attendance of each member:

Name of Members	Position in Audit Committee	Number of meetings held while a member	Number of meetings attended
Mr. A.K.M. Delwer Hussain FCMA (Independent Director)	Chairman	04	04
Mr. Md. Mamunur Rashid FCMA (Director)	Member	04	04
Ms. Mehzabin Mazher (Director)	Member	04	03
Mr. Abu Jafar Ali FCS (Company Secretary)	Secretary	04	04

Internal control and risk management

Index Agro Industries Limited has a solid foundation for identifying potential risks arising from local and global economic changes. The company's internal audit team regularly monitors internal control systems to detect, correct, and prevent fraud and errors, while recommending mitigation strategies to strengthen the system. Management continuously reviews and adopts industry best practices, ensuring the company remains on track to achieve its key objectives.

Activities carried out during year under review

- Reviewed the quarterly, half-yearly and yearly financial statements of the Company and recommended to the Board for adoption and approval;
- Reviewed the internal audit process and effectiveness of internal audit;
- Reviewed the findings of the internal audit team and its corrective actions;
- Reviewed internal control systems are in place to detect, correct and prevent fraud and errors on a timely basis;
- Reviewed whether the financial statements for the year ended June 30, 2024, included comprehensive disclosures and were prepared in accordance with the Bangladesh Financial Reporting Standards (BFRS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).
- Reviewed the state of compliance with corporate governance code and other regulations, as per the requirements of the Bangladesh Securities and Exchange Commission;
- Reviewed and recommended the appointment of the statutory auditors of the company for the year ended June 30, 2024 and payment of remuneration to them;
- Reviewed the Management's Discussion and Analysis and recommended to the Board for approval;
- Reviewed the use of IPO proceeds raised through Initial Public Offering (IPO);
- Issued the certificate on financial statements of the company for the year ended June 30, 2023.

Internal Audit

Internal audit is considered one of the four key pillars

of corporate governance. To uphold internal control and compliance, the Company has established a dedicated Internal Audit and Compliance Department. Internal audits are performed under the supervision of Mr. Md. Ayub Ibne Baquer, Head of Internal Audit and Compliance, in accordance with the approved Audit Committee Charter and the BSEC Corporate Governance Code 2018.

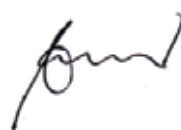
Statutory auditor

The Audit Committee has independently reviewed and confirmed the statutory auditor's independence in accordance with the relevant regulations.

M/s. G. Kibria & Co., Chartered Accountants served as the Company's statutory auditors for the past three consecutive years, including year 2024. They will retire at the 24th AGM and are ineligible for re-appointment according to the Bangladesh Securities and Exchange Commission notification dated June 20, 2018. The Company received quotations from various audit firms for the appointment of auditors for the year ended June 30, 2025. The Audit Committee reviewed these quotations and recommended to appoint Khan Wahab Shafique Rahman & Co., Chartered Accountants as the statutory auditors of the company for the year ended June 30, 2025.

Appreciation

The Audit Committee extends its heartfelt gratitude to the Board members, management, and both statutory and internal auditors for their ongoing support and assistance, which has been instrumental in enabling the Committee to fulfill its duties and responsibilities effectively.



A.K.M. Delwer Hussain FCMA

Chairman, Audit Committee

Dated: October 24, 2024

NOMINATION AND REMUNERATION COMMITTEE REPORT

We are delighted to share the Nomination and Remuneration Committee (NRC) report for the fiscal year ending June 30, 2023. The NRC is dedicated to maintaining an effective board and executive team at Index Agro Industries Limited (IAIL), ensuring alignment with the company's strategic goals and a strong focus on increasing shareholder value. As a sub-committee of the Board, the NRC supports the Board in developing nomination criteria and policies. This includes evaluating the qualifications, positive attributes, experiences, and independence of directors and other senior executives.

Terms of reference

The Board has established the terms of reference for the NRC in compliance with the Corporate Governance Code, 2018, issued by the Bangladesh Securities and Exchange Commission (BSEC) on June 03, 2018.

Composition

In line with the Corporate Governance Code, 2018 issued by the BSEC, the NRC of Index Agro Industries Limited is composed of 03 (three) members, including 01 (one) Independent Director. The Committee is chaired by an Independent Director of the Company and the Company Secretary serves as the Secretary of the Committee. The current members of the NRC are:

- 1 Mr. A.K.M. Delear Hussain FCMA, Chairman
- 2 Mr. Md. Mazherul Quader, Member
- 3 Ms. Mehzabin Mazher, Member
- 4 Abu Jafar Ali FCS, Secretary

Roles and responsibilities

The roles and responsibilities of the NRC are clearly defined in the terms of reference (ToR). The core responsibilities of the NRC, among others, are as follows:

- (1) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
 - b) The relationship of remuneration to performance

is clear and meets appropriate performance benchmarks;

- c) Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- (2) Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
- (3) Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
- (4) Formulating the criteria for evaluation of performance of independent directors and the Board;
- (5) Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- (6) Developing, recommending and reviewing annually the company's human resources and training policies;
- (7) Developing a succession plan for the Board and top level executive and regularly reviewing the plan;

Nomination policy

The NRC is responsible for identifying and evaluating the qualifications, expertise, and experience of candidates for directorships and making recommendations to the Board for their appointment. For administrative efficiency, the Managing Director is authorized to identify and appoint suitable candidates for top-level positions within the company, following discussions with the Committee and/or the Board.

Remuneration policy

The NRC also reviewed the remuneration packages for senior executives to attract and retain top talent while promoting responsible and performance-oriented practices. This review included:

1. Establishing base salaries, bonuses, and long-term incentives.
2. Ensuring that executive compensation aligns with industry standards.

3. Evaluating the alignment of executive pay with company performance.

Evaluation criteria

The Committee shall carry out evaluation of performance of all directors and top level executives of the company. The appointment/re-appointment of Directors on the Board shall be subject to the outcome of the annual evaluation process. The Committee shall identify the evaluation criteria, which will evaluate Directors based on their knowledge to perform the role, time and level of participation, performance of duties, level of oversight and professional conduct and independence. The appointment/re-appointment of Directors on the Board shall be subject to the outcome of the annual evaluation process. The Committee evaluate performance of top-level executives on the basis of individual KPIs.

Activities of NRC

The NRC carried out the following activities during the

year ending June 30, 2024:

- Reviewed the performance of top-level executives;
- Reviewed the company's need for employees at different levels and determined their selection, transfer or replacement and promotion criteria.
- Reviewed human resources and training policies.
- Reviewed the salary and other perquisites at different levels of employees of the company.
- Reviewed the appointment/re-appointment of Directors of the company.

Committee meetings and attendance

During the year ending 30th June 2024, the NRC convened 02 (two) meetings. Detailed minutes of these meetings were accurately recorded. The following outlines the number of NRC meetings held and the attendance of each member during the year ending 30th June 2024:

Name of Members	Position in NRC	Number of meetings held while a member	Number of meetings attended
Mr. A.K.M. Delwer Hussain FCMA (Independent Director)	Chairman	02	02
Mr. Md. Mazherul Quader (Director)	Member	02	02
Ms. Mehzabin Mazher (Director)	Member	02	02
Mr. Abu Jafar Ali FCS (Company Secretary)	Secretary	02	02

Appreciation

The NRC extends its heartfelt gratitude to the Board members and the company's management for their outstanding support and cooperation, which have been crucial in fulfilling our duties and responsibilities effectively. We also wish to thank the stakeholders and shareholders for their continued support and trust on us.



A.K.M. Delwer Hussain FCMA

Chairman, NRC

Date: October 24, 2024

CORPORATE GOVERNANCE REPORT

Corporate Governance refers to the system by which companies are directed and controlled, ensuring accountability, fairness, and transparency in a company's relationship with its stakeholders. At Index Agro Industries Limited (IAIL), we believe that good corporate governance practices are key to maintaining a sustainable business and enhancing shareholder value. This report outlines our governance structure and practices for the year ending June 30, 2024.

At Index Agro, we are dedicated to maintaining high standards of corporate governance to support the long-term sustainability and success of our organization. Our corporate governance framework is crafted to promote accountability, transparency, and integrity throughout all our operations.

1. Governance Structure

Our corporate governance framework is built on the principles of responsibility, accountability, transparency, and fairness. The governance structure at Index Agro Industries Limited is designed to ensure that the Board of Directors, management, and all employees act in the best interest of the company and its stakeholders.

2. The Board of Directors

The Board of Directors plays a central role in overseeing the management of the company and ensuring that business objectives are achieved while adhering to the highest standards of corporate governance. The Board comprises a diverse group of highly experienced professionals, including both executive and non-executive directors. As of 30th June 2024, the Board consists of:

1. Arch. Md. Mazherul Quader, Chairman
2. Mr. Mahin Bin Mazher, Managing Director
3. Ms. Mehzabin Mazher, Director
4. Mr. Md. Mamunur Rashid FCMA, Director
5. Mr. A.K.M. Delwer Hussain FCMA, Independent Director

The Board of Index Agro is responsible for overseeing the company's operations, ensuring adherence to relevant laws and regulations, and protecting shareholder interests. Comprising members with a broad range of skills, experience, and expertise, the Board provides critical insights that drive effective strategic decision-

making.

3. Board Procedure

The Board of Directors of Index Agro has laid down a Code of Conduct of all Board members and annual compliances of the code has been recorded. The minutes of the proceedings of each Board meeting are maintained in terms of statutory provisions. The Managing Director along with the Company Secretary, finalizes the agenda papers for Board meetings, in consultation with concerned teams/stakeholders.

4. Committees of the Board

To ensure effective oversight and to comply the requirements of corporate governance code 2018 of BSEC, the Board has established two sub-committees of the Board as follows:

- a) Audit Committee
- b) Nomination and Remuneration Committee (NRC)

A. Audit Committee

The Audit Committee is a sub-committee of the Board and provides assistance in ensuring the perpetuation of strong monitoring systems across the organization. The Committee comprises three members, which include an Independent Director. The Chairman of the Committee is an Independent Director of the Company. The Company Secretary is the Secretary of the Committee.

The Audit Committee is responsible to the Board, and the duties and responsibilities of the Committee are clearly set forth in writing by the Board in the Audit Committee Charter. The Audit Committee reports to the:

- a) Board of Directors
- b) Relevant regulatory authorities
- c) Shareholders and general investors

Details about the Audit Committee, including terms of reference, composition, responsibilities, meetings, reporting and activities carried out by the Committee are disclosed in this annual report in the "Audit Committee Report 2024", signed by the Chairman of the Committee on page no. 83

B. Nomination and Remuneration Committee (NRC)

NRC is a sub-committee of the Board and assists the Board in formulating the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level

executives, as well as a policy for the formal processes of considering remuneration of Directors and top-level executives.

The NRC comprises three members, which include an Independent Director. The Chairman of the Committee is an Independent Director of the Company. The Company Secretary is the Secretary of the Committee. NRC is independent, responsible and accountable to the Board and to shareholders.

The details about NRC, including terms of reference, composition, responsibilities, meetings, nomination and remuneration policy, evaluation criteria and activities, are disclosed of this annual report in the "Nomination and Remuneration Committee (NRC) Report 2024" on page no. 85

5. Internal Control and Risk Management

Index Agro Industries Limited has a well-established internal control framework designed to manage the risks inherent in its business operations. The company's internal audit function is responsible for regularly assessing and improving the effectiveness of risk management and control processes. The Board, through the Audit Committee, monitors the effectiveness of these internal controls and ensures that any weaknesses are addressed promptly.

6. Compliance with Laws and Regulations

We are committed to adhering to all applicable laws, regulations, and standards. During the year, we complied with the guidelines set by the Bangladesh Securities and Exchange Commission (BSEC) as per Corporate Governance Code 2018 and other regulatory authorities. No significant instances of non-compliance were reported.

7. Shareholders' Rights and Responsibilities

Index Agro Industries Limited is dedicated to safeguarding the rights of its shareholders and ensuring that they have access to timely and accurate information. The company conducts Annual General Meetings (AGMs) and extraordinary general meetings as needed to maintain open communication with its shareholders. Shareholders are encouraged to participate in these meetings and exercise their voting rights.

8. Corporate Social Responsibility (CSR)

The company believes that sustainable business practices are essential for long-term success. In 2024, Index Agro Industries Limited continued its commitment to various CSR initiatives focused on environmental sustainability, education, and community welfare.

9. Transparency and Disclosure

Index Agro prioritizes transparency in its financial reporting by consistently disclosing relevant information to shareholders and stakeholders. This is achieved through comprehensive annual reports, quarterly financial statements, and other communication channels. The Board remains dedicated to complying with all legal and regulatory requirements regarding financial reporting and disclosure.

10. Stakeholder Engagement in community welfare initiatives

We recognize the importance of engaging with our stakeholders, including employees and their families, customers, suppliers, and the communities in which we operate. We actively seek their feedback and input to enhance our operations and strengthen our corporate responsibility initiatives.

11. Chairman of the Board and Managing Director

In compliance with the Corporate Governance Code 2018 of the BSEC, the positions of Chairman and Managing Director at Index Agro are held by separate individuals. The Board of Directors has clearly outlined their respective roles and responsibilities, in addition to their roles and responsibilities as per the Articles of Association of the Company.

12. Managing Director (MD) or Chief Executive Officer (CEO)

In accordance with the Corporate Governance Code 2018 issued by the BSEC, the Managing Director (MD) or Chief Executive Officer (CEO) does not hold the same position in any other listed company. Additionally, the Board conducts an annual evaluation of the performance of the Managing Director.

13. Chief Financial Officer

Mr. Iqbal Ahmed FCMA, serves as the Chief Financial Officer (CC) of Index Agro Industries Limited. He is a qualified member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB). He has over 18 years of experience in the relevant field. In his role, Mr. Ahmed oversees the company's accounting and financial operations. The Board of Directors has clearly defined the roles, responsibilities, and duties of CFO. In line with the corporate governance guidelines set by the Bangladesh Securities and Exchange Commission (BSEC), Mr. Ahmed also attends the Board of Directors' meetings.

14. Company Secretary

Mr. Abu Jafar Ali FCS, is the Company Secretary of Index Agro Industries Limited. He is a qualified Chartered Secretary and Fellow of the Institute of Chartered Secretaries of Bangladesh (ICSB). Mr. Ali has over 19 years of experience in the relevant field. He is responsible for ensuring compliance with statutory and regulatory requirements. The Board of Directors clearly defined respective roles, responsibilities and duties of the Company Secretary.

15. Head of Internal Audit and Compliance

Index Agro Industries Limited has an internal audit department headed by Mr. Md. Ayub Ibne Baquer, who serves as the Head of Internal Audit and Compliance. He has over 30 years of experience in the relevant field. Mr. Ayub is responsible for overseeing the company's internal controls and ensuring compliance with regulations. The internal audit department regularly reports its activities to the Audit Committee of the Board. The Board of Directors has clearly defined the roles, responsibilities, and duties of the Head of Internal Audit and Compliance.

16. Statutory Auditors

The statutory auditors of the company are appointed by shareholders at the Annual General Meeting, where shareholders also determine their remuneration. The statutory auditor's role involves conducting a systematic examination of the company's books and records to verify, report on, and provide assurance regarding the financial operations and results of the company.

To comply with the corporate governance code 2018 of BSEC, the company did not engage the statutory auditors to perform the following services:

- (i) Appraisal or valuation services or fairness opinions;
- (ii) Financial information systems design and implementation;
- (iii) Book-keeping or other services related to the accounting records or financial statements;
- (iv) Broker-dealer services;
- (v) Actuarial services;

- (vi) Internal audit services;
- (vii) Any other service that the Audit Committee determines.
- (viii) No partner or employees of the auditors are holding any shares of Index Agro Industries Ltd. during the tenure of their audit assignment.
- (ix) Audit/certification services on compliance of corporate governance.

17. Code of conduct

The Board of Directors of Index Agro has established a code of conduct for the Chairperson, other Board members, and the Managing Director and/or Chief Executive Officer. Compliance with this code is reviewed and recorded annually. The Company Secretary serves as the Compliance Officer for the Code and is responsible for monitoring adherence to it.

18. Dividend Distribution Policy

As per the Directive of Bangladesh Securities and Exchange Commission (BSEC) No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, the company adopted a Dividend Distribution Policy. The said policy is available in the company's website <https://www.index-agro.com/pages/dividend-distribution-policy> and also disclose on page no. 73 of this annual report.

19. Compliances

Index Agro is committed to comply with all the requirements of corporate governance as set forth by the Bangladesh Securities and Exchange Commission. The certificate on compliance of conditions of corporate governance code of the Company is disclosed on page no. 90 of this annual report.

20. Conclusion

Index Agro Industries Limited is committed to maintaining the highest standards of corporate governance. The company's governance practices are continually reviewed and updated to reflect the evolving regulatory landscape and global best practices. The Board remains dedicated to ensuring that the company operates with integrity, transparency, and accountability, creating value for all stakeholders.

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE



PODDER & ASSOCIATES

Cost and management Accountants

Annexure-B
[Certificate as per condition No. 1(5)(xxvii)]

Report to the Shareholders of Index Agro Industries Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Index Agro Industries Ltd. for the year ended on June 30, 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, Dated: 3 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws ; and
- (d) The Governance of the company is **satisfactory**.

For Podder & Associates



Place: Dhaka
Dated: 13 November, 2024

Jayanta Kumer Podder
Cost & Management Accountants

6/A/1 (Ground Floor), Segun Bagicha, Dhaka-1000. Phone: 02-57160360, 02-57160425, E-mail: podderassociates@yahoo.com
Web: www.thepodders.com

CORPORATE GOVERNANCE

COMPLIANCE STATUS

Annexure - C

[(As per condition no. 1(5)(xxvii)]

Index Agro Industries Limited

Status of Compliance with the Corporate Governance Guideline (CGC)
For the year ended June 30, 2024

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1.	Board of Directors			
1(1)	Size of the Board of Directors			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓	-	The Board of Directors are comprised of 05 (five) Directors
1(2)	Independent Directors			
1(2)(a)	At least one-fifth (1/5) of the total number of directors in the company's Board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s);	✓		There is 01 (one) Independent Director
1(2)(a)(i)	Provided that the Board shall appoint at least 1(one) female independent director in the Board of Directors of the company;	-	-	The company applied to Bangladesh Securities and Exchange Commission (BSEC) on November 12, 2024 for approval of appointment of a female Independent Director.
1 (2) (b)	For the purpose of this clause "independent director" means a director-			
1(2)(b)(i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	✓	-	The Independent Director has declared his compliances.

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(ii)	who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	✓	-	-
1(2)(b)(iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	✓	-	-
1(2)(b)(iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	✓	-	-
1(2)(b)(v)	who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	✓	-	-
1(2)(b)(vi)	who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓	-	-
1(2)(b)(vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓	-	-
1(2)(b)(viii)	who is not an independent director in more than 5 (five) listed companies;	✓	-	-
1(2)(b)(ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	✓	-	-
1(2)(b)(x)	who has not been convicted for a criminal offence involving moral turpitude;	✓	-	-
1(2)(c)	The independent director(s) shall be appointed by the Board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓	-	-
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and	✓	-	No vacancy occurred during the reporting period
1(2)(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only;	✓	-	-
1(3)	Qualification of Independent Director			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	✓	-	-
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or	✓	-	-
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	✓	-	-
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	✓	-	-
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓	-	-
1(3)(c)	The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓	-	-
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-	-	No such issue arose
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	✓	-	-
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	✓	-	-
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	✓	-	-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive Officer;	✓	-	-
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	-	No such incident arose yet

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)	The Directors' Report to the Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓		-
1(5)(ii)	The segment-wise or product-wise performance;	✓	-	-
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓	-	-
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓	-	-
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓	-	No such issue arose
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓	-	-
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any other instruments;	✓	-	-
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc;	✓	-	-
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performance and Annual Financial Statements;	✓	-	Due to increased sales and collections, and deferred payments to suppliers and others, Net Operating Cash Flow per share increased significantly to Tk. 14.77 in June 2024 as against Tk. (1.23) in June 2023.
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	✓	-	No remuneration paid to any Directors
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	-	-
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	-	-
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓	-	-
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	✓	-	-
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	-	-
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	✓	-	-
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	✓	-	No such matter to explain
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓	-	-
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	✓	-	-
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	-	-	N/A
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓	-	-
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details);	✓	-	-
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details);	✓	-	-
1(5)(xxiii)(c)	Executives; and	✓	-	-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	✓	-	-
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-	✓	-	-
1(5)(xxiv)(a)	a brief resume of the director;	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxiv) (b)	nature of his or her expertise in specific functional areas; and	✓	-	-
1(5)(xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board.	✓	-	-
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in financial statements, among others, focusing on:			
1(5)(xxv) (a)	accounting policies and estimation for preparation of financial statements;	✓	-	-
1(5)(xxv) (b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-	-	N/A
1(5)(xxv) (c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓	-	-
1(5)(xxv) (d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓	-	-
1(5)(xxv) (e)	briefly explain the financial and economic scenario of the country and the globe;	✓	-	-
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	✓	-	-
1(5)(xxv) (g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	✓	-	-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓	-	-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	✓	-	-
1(6)	Meetings of the Board of Directors			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	✓	-	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	✓	-	
2.	Governance of Board of Directors of Subsidiary Company			IAIL does not have any Subsidiary Company
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	-	-	N/A
2(b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company;	-	-	N/A
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	-	-	N/A
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	-	-	N/A
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-	-	N/A
3.	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓	-	-
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓	-	-
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	-	-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓	-	-
3(2)	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	✓	-	-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	✓	-	In Practice
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	-	In Practice
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	✓	-	In Practice
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓	-	Disclosed in the Annual Report
4.	Board of Directors' Committee			
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee; and	✓	-	-
4(ii)	Nomination and Remuneration Committee.	✓	-	-
5.	Audit Committee			
5(1)	Responsibility to the Board of Directors			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	✓	-	-
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	✓	-	-
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5 (2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓	-	-
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	✓	-	-
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓	-	-
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	✓	-	-
5(2)(e)	The company secretary shall act as the secretary of the Committee;	✓	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	-	-
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	✓	-	-
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	-	-
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	✓	-	-
5 (4)	Meeting of the Audit Committee			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	✓	-	-
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	✓	-	-
5(5)	Role of Audit Committee			
5(5)	The audit committee shall:			
5(5)(a)	Oversee the financial reporting process;	✓	-	-
5(5)(b)	monitor choice of accounting policies and principles;	✓	-	-
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓	-	-
5(5)(d)	oversee hiring and performance of external auditors;	✓	-	-
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓	-	-
5(5)(f)	review along with the management, the annual financial statements before submission to the Board for approval;	✓	-	-
5(5)(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	✓	-	-
5(5)(h)	review the adequacy of internal audit function;	✓	-	-
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	✓	-	-
5(5)(j)	review statement of all related party transactions submitted by the management;	✓	-	-
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	✓	-	-
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	✓	-	-
5(5)(m)	oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission:	✓	-	-

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5 (6)	Reporting of the Audit Committee			
5 (6) (a)	Reporting to the Board of Directors			
5 (6)(a)(i)	The Audit Committee shall report on its activities to the Board.	✓	-	-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-	-	-	-
5(6)(a)(ii)(a)	report on conflicts of interests;	-	-	No such incidence arose
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	No such incidence arose
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and	-	-	No such incidence arose
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	No such incidence arose
5(6)(b)	Reporting to the Authorities			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	-	-	No such reportable incidence arose
5(7)	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6) (a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	✓	-	-
6.	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	-	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	✓	-	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	✓	-	
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(2)(b)	All members of the Committee shall be non-executive directors;	✓	-	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	✓	-	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	✓	-	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	-	-	No such case in arose
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	-	-	No such occurrence during the year
6(2)(g)	The company secretary shall act as the secretary of the Committee;	✓	-	In Practice
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	✓	-	
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	✓	-	
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	✓	-	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	✓	-	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM	✓	-	
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	✓	-	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	-	-	No such case arose after formation of NRC

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	✓	-	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓	-	
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	-	
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	✓	-	
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	✓	-	
6(5)(b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	✓	-	
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	✓	-	
6(5)(b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;	✓	-	
6(5)(b)(iii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	✓	-	
6(5)(b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	✓	-	
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	✓	-	
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	✓	-	
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	✓	-	
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	✓	-	
7.	External or Statutory Auditors			

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely :-			
7(1) (i)	appraisal or valuation services or fairness opinions;	✓	-	
7 (1) (ii)	financial information systems design and implementation;	✓	-	
7 (1) (iii)	book-keeping or other services related to the accounting records or financial statements;	✓	-	
7 (1) (iv)	broker-dealer services;	✓	-	
7 (1) (v)	actuarial services;	✓	-	
7 (1) (vi)	internal audit services or special audit services;	✓	-	
7 (1) (vii)	any service that the Audit Committee determines.	✓	-	
7 (1) (viii)	audit or certification services on compliance of corporate governance as required under condition No.9(1); and	✓	-	
7 (1) (ix)	any other service that creates conflict of interest.	✓	-	
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company;	✓	-	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓	-	
8.	Maintaining a website by the Company			
8(1)	The company shall have an official website linked with the website of the stock exchange.	✓	-	
8(2)	The company shall keep the website functional from the date of listing.	✓	-	
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s).	✓	-	
9.	Reporting and Compliance of Corporate Governance			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓	-	
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓	-	
9(3)	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	✓	-	

BAPLC

MEMBERSHIP CERTIFICATE



CREDIT RATING AGENCY OF BANGLADESH LIMITED



We are pleased to inform you that Credit Rating Agency of Bangladesh Limited (CRAB) has assigned the following rating to Index Agro Industries Limited:

Particular	Rating	Remark
Index Agro Industries Limited	A ₃	
BDT 512.4 million long term outstanding	A ₃ (Lr)	
BDT 750.0 million short term funded limit	ST-3	Vide Appendix-1
BDT 3,050.0 million short term non-funded limit	ST-3	
Rating Outlook	Stable	

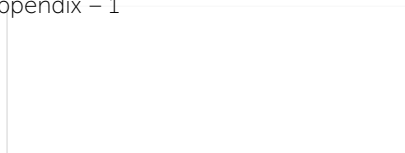
Lr-Loan Rating, ST-Short Term

This rating is valid up to 30 December, 2024. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or financials of Index Agro Industries Limited.



Mohammed Zubair Wafa
Managing Director

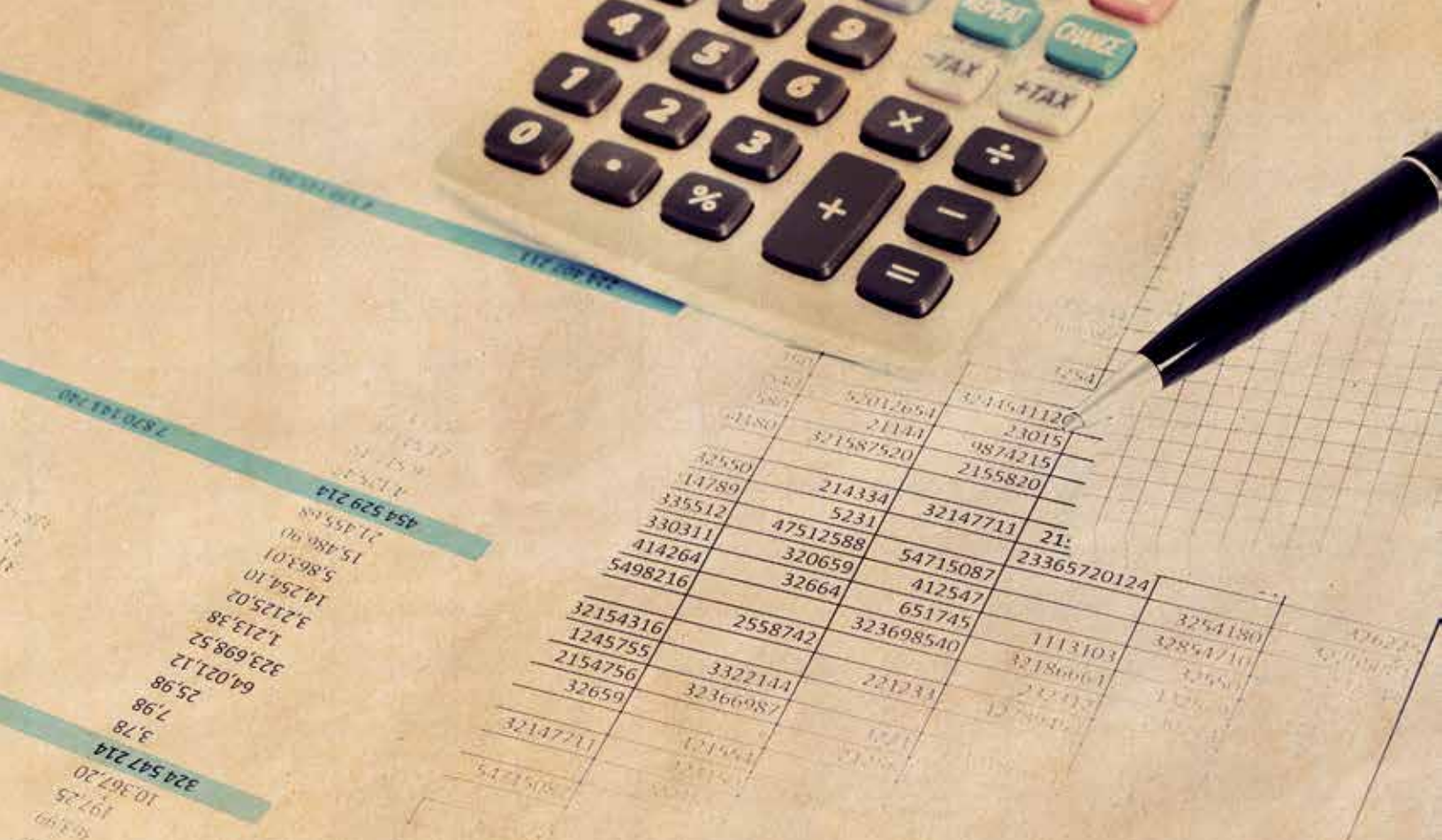
Attachment: Appendix – 1



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APPENDIX – 1: CREDIT FACILITIES OF INDEX AGRO INDUSTRIES LIMITED

Loan Type	Nature	Bank	Facility	Limit	Outstanding	Limit Expiry
Long Term	Funded	Prime Bank Ltd.	Term Loan	84.8	9.9	05/05/2024
		Trust Bank Ltd.	Term Loan	500.0	502.5	15/06/2028
		Total Long Term		584.8	512.4	
Short Term	Funded	Bank Asia Ltd.	Time Loan	500.0	511.5	17/01/2024
		Islami Bank BD Ltd.	Murabaha TR	(950.0)	788.8	12/03/2024
		Prime Bank Ltd.	Bai-Muajjal (Com)	250.0	242.4	30/04/2024
			Bai-Muajjal (Inner of LC)	(250.0)	112.6	30/04/2024
		Trust Bank Ltd.	Bai-Murabaha	(550.0)	151.2	31/10/2024
		Total Short Term Funded		750.0	1,806.5	
Short Term	Non-Funded	Islami Bank BD Ltd.	LC/Bills	1,200.0	26.7	12/03/2024
		Prime Bank Ltd.	LC/ABP	400.0	6.5	30/04/2024
			BG (Inner of LC)	(20.0)	17.9	30/04/2024
		Trust Bank Ltd.	Letter of Credit	850.0	3.3	31/10/2024
		SCB	LC/Acceptance	600.0	-	26/02/2024
		Total Short Term Non Funded		3,050.0	54.4	
Total Short Term				3,800.0	1,860.9	



FINANCIALS STATEMENTS AND REPORTS

DECLARATION BY MD AND CFO TO THE BOARD OF DIRECTORS

Date: October 24, 2024

The Board of Directors

Index Agro Industries Limited

Subject: Declaration on Financial Statements for the year ended 30th June 2024.

Dear Sir,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018 under section 2CC of the Securities and Exchange Ordinance 1969, we hereby declare that:

- (1) The financial statements of Index Agro Industries Limited for the year ended on 30th June 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
- (5) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on 30th June 2024 and to the best of our knowledge and belief:
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) These statements collectively present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,



Mahin Bin Mazher
Managing Director



Iqbal Ahmed FCMA
Chief Financial Officer (CC)

STATEMENT BY THE DIRECTORS ON COMPLIANCE WITH ICSB SECRETARIAL STANDARDS

The Board of Directors of Index Agro Industries Limited confirms that the company has adhered to the Secretarial Standards issued by the Institute of Chartered Secretaries of Bangladesh (ICSB) during the financial year ended 30th June 2024.

The Directors reaffirm their commitment to maintaining compliance with all applicable regulatory and governance frameworks, contributing to the company's sustainable growth and protecting stakeholder interests.

On behalf of the Board of Directors,

A handwritten signature in black ink, appearing to read 'Mahin Bin Mazher'.

Mahin Bin Mazher
Managing Director

Date: October 24, 2024



G. KIBRIA & CO.
CHARTERED ACCOUNTANTS



Independent Auditors' Report To The Shareholders of Index Agro Industries Limited Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Index Agro Industries Limited ("the company"), which comprise the statement of financial position as at June 30, 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting Policy Information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at June 30, 2024 and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

1. As per section 234 of the Labor Act 2006 (amended in 2013) regarding "Establishment of Participation Fund and Welfare Fund", the company shall pay 80% of tk. 107,234,074/- to its' employees not later than nine months from the closing of the financial year, which the Company has not complied and utilized this fund otherwise, which is also not in conformity of section 240 (3) of the Labor Act 2006 (amended in 2013). We have seen that the management deposited an amount of Tk. 1,39,73,530/- into Worker's Profit Participation Fund bank account on August, 2024. The management has assured us that the rest payable amount of WPPF for the year ended 30th June 2024, shall be deposited after the end of the 24th AGM of the company.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2024. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the auditors' opinion thereon and we do not provide a separate opinion on these matters.

Head Office: Sadharan Bima Sadan (5th Floor), 24-25 Dilkusha Commercial Area, Dhaka-1000, Bangladesh
Branch Office: House-51, Floor-4, Road-14, Block-G, Niketon, Gulshan-1, Dhaka-1212
Email: showketca970@gmail.com, Mob: 01798-041236, www.gkibriaandco.com
Tel: +02-223-355-324, +02-4881-2331, +02-4881-2332

Key Audit Matter	How our audit addresses the key audit matter
Revenue and Accounts Receivables	
<p>During the year, the Company has recognized revenue BDT. 4,281,254,785 for the year ended 30 June 2024. (BDT. 4,191,025,405 for the year ended 30 June 2023). The Company's revenue recognized from the sale of goods to local customers.</p> <p>The Company's revenue recognition processes are not complex and does not involve high level of judgement. However, this a driver of company performance and has major impact on financial statement user's decision making. Finally, this account always has risk of management over-ride of internal controls.</p>	<p>Our audit procedures including:</p> <ul style="list-style-type: none"> ➤ Obtaining an understanding of company's internal controls, systems and processes around revenue recognition and accounts receivable. ➤ Review invoice, delivery report and other supporting documents such as payment support to ensure occurrence and completeness of revenue recognized. ➤ Test Subsequent receipts for receivable balance to substantiate existence, collectability and completeness of accounts receivables recognized on the books. ➤ Assessing the disclosure of revenue recognition and receivable provisioning policies.
Details of Revenue recognition are included in Note 22.00 and Accounts Receivables are included in Note 10.00 to the Financial Statements	
Inventory	
<p>The Company's inventories balance BDT. 2,673,069,824 as at 30 June 2024. This represents 38% of Total Assets of the company (39% of company as at 30 June 2023). This is estimation performed by management in regard to obsolescence and determination of net realizable value (NRV). Basis on the requirement of estimates and the fact that this is major category, this is determined to be a key audit matter.</p>	<p>Our audit procedures including:</p> <ul style="list-style-type: none"> ➤ Obtaining an understanding of company's internal controls, systems and processes around inventory management. ➤ Perform procedures over inventory purchase to substantiate existence, completeness, and valuation of inventory. ➤ Perform Physical inspection of inventory to determine the existence and valuation of inventory. ➤ Perform prices testing of inventory to determine inventory valuation and determine whether inventory is obsolete or not. ➤ Revenue prices received by the company and the overall gross margin earned to determine whether the company is able to recover the net realizable value of inventory.
Details of Inventory are included in Note 9.00 to the Financial Statements	

Property, Plant and Equipment (PPE)	
<p>The Company's Property, Plant and Equipment balance BDT. 11,496,198,747 as at June 30, 2024. This represents 21% of Total Assets of the company (19% of company as at 30 June 2023). This is estimation performed by management in regard to assets useful life. Basis on the requirement of estimates and the fact that this is major category, this is determined to be a key audit matter.</p>	<p>Our audit procedures including:</p> <ul style="list-style-type: none"> ➤ Obtaining an understanding of company's internal controls, systems and processes around PPE. ➤ Perform Physical inspection of PPE to determine the existence, completeness of PPE. ➤ Performed discussion with management to understand their process of determining asset useful life. ➤ We performed PPE addition procedures by obtaining supporting documents, invoice, and delivery information as well payments supporting. ➤ We performed reasonability of depreciation expenses charged by management to ensure accuracy and occurrence. ➤ We performed discussions with management's assumption around impairment were reasonable.
Details of PPE are included in Note 4.00 to the Financial Statements	

Long-Term And Short-Term Loans	
<p>The Company's long-term loans balance BDT. 427,430,757 and short-term loans balance BDT. 2,283,865,498 as at 30 June 2024 (Long-term loans balance BDT. 517,777,051 and short-term loans balance Tk. 2,565,899,746 as at 30 June 2023) in the statement of financial position. The company borrowed fund from various Bank for the purpose of acquisition of non-current assets and working capital as well.</p>	<p>Our audit procedures including:</p> <ul style="list-style-type: none"> ➤ Obtaining an understanding of assessing the design to ensure the proper use of loan. ➤ We verified sanction letter, loan schedule bank statements to confirm the loan outstanding and found that the balance had been reported in the financial statements accurately. ➤ We checked the financial expenses and classification of loan and repayment schedule on a test basis as well. ➤ We checked the recording date of transactions and found the recording date is in line with the loan disbursement date.
Details of Long-Term Loan are included in Note 16.00 & 17.00 and Short-Term Loan are included in Note 18.00 to the Financial Statements	

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for information other than financial statements and auditor's report. The other information comprises of the Director's Report, Corporate Governance Compliance Report, Business Responsibility & Sustainability Report and Management Discussion and Analysis. We expect to receive this other information after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may

reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, we also report the following:

- we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Place: Dhaka, Bangladesh
Date: 24.10.2024
Ref.: GKC/24-25/A/140



Mohammad Showket Akber, FCA
Partner
G. KIBRIA & CO.
Chartered Accountants
ICAB Enrol. No.970
DVC: 2410240970AS949793

INDEX AGRO INDUSTRIES LTD.

STATEMENT OF FINANCIAL POSITION

As at June 30, 2024

Particulars	Notes	Amount in BDT	
		June 30, 2024	June 30, 2023
Assets:			
Non-Current Assets		2,215,039,136	2,013,389,865
Property, Plant and Equipment	4.00	1,496,198,747	1,399,705,904
Capital Work in Progress	5.00	-	-
Parent Stocks	6.00	718,840,389	613,683,961
Long Term Investments		329,222,038	588,999,470
Govt. Savings Certificate	7.00	-	81,513,587
Investments	8.00	329,222,038	507,485,883
Current Assets		4,430,618,813	4,603,215,507
Inventories	9.00	2,673,069,824	2,822,411,705
Trade Receivables	10.00	811,183,427	812,716,282
Advances, Deposits and Pre-Payments	11.00	780,318,285	747,386,179
Cash and Cash Equivalents	12.00	166,047,276	220,701,341
Total Assets		6,974,879,987	7,205,604,843
Equity & Liabilities			
Shareholders Equity		3,881,200,528	3,638,305,842
Share Capital	13.00	472,536,490	472,536,490
Share Premium		417,463,510	417,463,510
Retained Earnings	14.00	2,495,774,813	2,251,569,959
Revaluation Reserve	15.00	495,425,715	496,735,883
Non-Current Liabilities		466,838,468	564,573,422
Long Term Loan	16.00	405,737,744	500,000,000
Deferred Tax Liabilities	21.00	61,100,724	64,573,422
Current Liabilities		2,626,840,991	3,002,725,579
Current Portion of Long Term Loan	17.00	21,693,013	17,777,051
Short Term Loan	18.00	2,283,865,498	2,565,899,746
Accounts payables	19.00	41,333,941	40,523,471
Provision for expenses	20.00	279,288,416	378,078,195
Unclaimed Dividend	22.00	660,123	447,116
Total Equity and Liabilities		6,974,879,987	7,205,604,843
Net assets value (NAV) per share	33.00	82.14	77.00

The annexed notes form an integral part of these financial statements.


Chairman


Managing Director



Director


Company Secretary


Chief Financial Officer

Signed as per our separate report on same date.

Place: Dhaka, Bangladesh
Date: 24 October 2024
Ref.: GKC/24-25/A/140


Mohammad Showket Akber, FCA
Partner
G. KIBRIA & CO.
Chartered Accountants
ICAB Enrol. No.970
DVC: 2410240970AS949793

INDEX AGRO INDUSTRIES LTD. STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME


For the year ended June 30, 2024

Particulars	Notes	Amount in BDT			
		Feed	Poultry & Hatchery	2023-2024	2022-2023
Revenue	23.00	3,373,749,299	907,505,486	4,281,254,785	4,191,025,405
Less: Cost of Goods Sold	24.00	2,780,787,661	742,394,251	3,523,181,912	3,459,474,093
Gross Profit		592,961,638	165,111,235	758,072,873	731,551,312
Less: Operating Expenses		133,487,160	43,995,625	177,482,785	186,853,851
Administrative expenses	25.00	56,570,006	15,696,032	72,266,038	60,879,705
Selling and Distribution expenses	26.00	76,917,154	28,299,592	105,216,746	125,974,145
Operating Profit		459,474,478	121,115,610	580,590,089	544,697,461
Non-Operating Income/Expenses		(211,081,831)	(66,724,053)	(277,805,884)	(251,253,341)
Add: Other Income	27.00	13,975,450	-	13,975,450	34,972,023
Less: Foreign Exchange Rate Fluctuation Loss (Realized)	28.00	40,150,562	16,201,104	56,351,666	83,115,123
Less: Financial expenses	29.00	184,906,719	50,522,949	235,429,668	203,110,241
Operating Profit before Tax		248,392,648	54,391,557	302,784,205	293,444,120
Contribution to WPPF		11,828,221	2,590,074	14,418,295	13,973,530
Profit before WPPF and Tax		236,564,426	51,801,483	288,365,909	279,470,591
Share of Profit from Associate		14,238,527	-	14,238,527	10,580,027
Profit before Tax		250,802,954	51,801,483	302,604,437	290,050,618
Income Tax Expenses		35,963,436	7,470,222	43,433,659	43,405,374
Current Tax	36.00	38,232,480	8,442,670	46,675,150	46,526,419
Deferred Tax	31.00	(2,269,044)	(972,447)	(3,241,491)	(3,121,046)
Profit/(Loss) after Tax		214,839,517	44,331,261	259,170,778	246,645,244
Other Comprehensive Income					
Revaluation Surplus(Net of Tax)		-	-	-	465,152,658
Total Comprehensive Income		214,839,517	44,331,261	259,170,778	711,797,902
Earnings per Share	32.00			5.48	5.22

				
Chairman	Managing Director	Director	Company Secretary	Chief Financial Officer

Signed as per our separate report on same date.

Place: Dhaka, Bangladesh
Date: 24 October 2024
Ref.: GKC/24-25/A/140


Mohammad Showket Akber, FCA
Partner
G. KIBRIA & CO.
Chartered Accountants
ICAB Enrol. No.970
DVC: 2410240970AS949793

INDEX AGRO INDUSTRIES LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2024

Particulars	Amount in BDT				Total Equity
	Share capital	Retained Earnings	Revaluation Reserve	Share Premium	
Balance as at 1 July 2023	472,536,490	2,251,569,959	496,735,884	417,463,510	3,638,305,843
Net Profit/(Loss) after Tax	-	259,170,778	-	-	259,170,778
Adjustment for Depreciation on Revalued Assets	-	1,541,374	(1,541,374)	-	-
Adjustment for Deferred Tax on Revalued Assets	-	-	231,206	-	231,206
Cash Dividend (2022-2023)	-	(16,507,298)	-	-	(16,507,298)
Balance as at June 30, 2024	472,536,490	2,495,774,813	495,425,716	417,463,510	3,881,200,529

INDEX AGRO INDUSTRIES LIMITED

STATEMENT OF CHANGES IN EQUITY

For the year ended June 30, 2023

Particulars	Amount in BDT				Total Equity
	Share capital	Retained Earnings	Revaluation Reserve	Share Premium	
Balance as at 1 July 2022	472,536,490	2,050,555,865	32,962,350	417,463,510	2,973,518,215
Net Profit/(Loss) after Tax	-	246,645,244	-	-	246,645,244
Land & Land Development Revaluation	-	-	474,645,570	-	474,645,570
Tax on Revaluation Surplus - Land & Land Development	-	-	(9,492,911)	-	(9,492,911)
Adjustment for Depreciation on Revalued Assets	-	1,622,499	(1,622,499)	-	-
Adjustment for Deferred Tax on Revalued Assets	-	-	243,375	-	243,375
Cash Dividend (2021-2022)	-	(47,253,649)	-	-	(47,253,649)
Balance as at June 30, 2023	472,536,490	2,251,569,959	496,735,884	417,463,510	3,638,305,843

Place: Dhaka, Bangladesh

Date: 24 October 2024

Ref.: GKC/24-25/A/140

INDEX AGRO INDUSTRIES LTD.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2024

Particulars	Amounts in BDT	
	2023-2024	2022-2023
Cash Flows from Operating Activities:		
Cash received from Turnover	4,282,787,640	4,003,850,505
Cash paid to Suppliers	(3,198,337,775)	(3,624,368,724)
Cash paid to employees	(149,396,672)	(155,054,767)
Cash paid to others	(207,525,901)	(206,580,991)
Income Tax paid	(26,943,247)	(55,541,340)
Paid to Workers Profit Participation Fund	(2,794,706)	(20,414,860)
Net Cash provided by Operating Activities: (A)	697,789,339	(58,110,178)
Cash Flows from Investing Activities:		
Purchase of Property, Plant and Equipment	(158,009,882)	(178,918,546)
Proceeds from Initial Public Offering	-	-
Dividend Received from X- Ceramics Limited	-	4,830,000
Interest on FDR & Saving Account	11,191,566	14,775,912
Purchase of Parent stock	(186,806,450)	(249,075,266)
(Investment)/Encashment of Saving Certificate	81,513,587	23,025,072
(Investment)/Encashment FDR	196,977,506	177,804,910
Net Cash used by Investing Activities: (B)	(55,133,672)	(207,557,918)
Cash Flows from Financing Activities:		
Net proceeds/(payment) - Long Term Loan	(90,346,294)	282,205,367
Net Proceeds/(payment) - Short Term Loan	(282,034,248)	220,942,191
Cash Dividend Paid	(16,294,292)	(47,129,234)
Net Foreign Exchange Rate Fluctuation Loss (Realized)	(55,688,890)	(83,115,123)
Financial expenses	(255,067,115)	(143,590,031)
Net Cash generated from Financing Activities: (C)	(699,430,840)	229,313,170
Net Cash inflow/ outflow(A+B+C)	(56,775,172)	(36,354,926)
Net Effect of Foreign Exchange Fluctuations on Cash and Cash Equivalent	2,121,108	8,358,794
Cash and Cash equivalents at the beginning of the year	220,701,341	248,697,472
Cash and Cash equivalents at the end of the year	166,047,276	220,701,341
Net Operating Cash Flows Per Share	35 14.77	(1.23)

Place: Dhaka, Bangladesh

Date: 24 October 2024

Ref.: GKC/24-25/A/140

Index Agro Industries Limited

Notes to the Financial Statements

for the year ended June 30, 2024

1. Reporting entity:

1.01 Background of the company

Index Agro Industries Limited was incorporated in Bangladesh on 13 September 2000 as a Private Company limited by shares under the Companies Act, 1994 having the registration no.C-41289(648)/2000. The company was converted as a Public Limited Company by shares under the Companies Act, 1994 on 31.03.2015.

The registered office of the Company is situated XIC Point, Holding No. Kha-213/2, 213/3 and 213/5, Bir Uttam Rafiqul Islam Sarani, Middle Badda, Dhaka-1212.

The factory office of the company is situated at 601/01, Block: N, Dhaka Mymensingh Road, Kathali, 09 no. Ward, Valuka for producing Poalty feed & Fish Feed, Araisha Prasad, B.K. Bari, Sadar, Gazipur, Gazipur for producing Day Old Chicks (DOC) and Hatching Eggs, Vill: Rajghat, P.O: Durgapur, Upazila: Mithapukur, Dist: Rangpur for producing DOC, Dalil, Post office- Bhabanipur, Union- Bhabanipur, Sherpur, Bogra for producing Hatching Eggs.

1.02 Nature of business

The principal activities of this Company are manufacturing and marketing of poultry feed, fish feed and producing Day Old Chicks (DOC).

2.0 Basis of preparation and presentation of the financial statements:

2.01 Statement of compliance

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Securities and Exchange Rules, 1987, the Companies Act, 1994, Income Tax Ordinance, 1984, Income Tax Rules, 1984, Value Added Tax (VAT) and Supplementary Duty Act, 2012, Bangladesh Labour Act, 2006 (Amendment 2018) and other laws and regulations are applicable for the Company.

2.02 Basis of measurement

All the elements of financial statements have been measured on "Historical Cost" basis which is one of the most commonly adopted basis as provided in "The Conceptual Framework for Financial Reporting" issued by the International Accounting Standards (IASs).

2.03 Responsibility for preparation and presentation of financial statements

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and as per applicable Financial Reporting Framework for the company.

2.04 Use of estimates and judgment

The preparation of financial statements in conformity with IASs/IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a going concern basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

2.05 Functional and presentational currency and level of precision

The financial statements are prepared in Bangladeshi Taka (BDT) which is the Company's both functional currency and presentational currency. All financial information is presented in Taka and has been rounded off to the nearest integer.

2.06 Reporting period

The reporting period of the Company covers the month from July 01, 2023 to June 30, 2024.

2.07 Applicable Accounting Standards

The following IASs/IFRSs are applicable for the financial statements for the year under review:

IAS - 1 Presentation of Financial Statements;
IAS - 2 Inventories;
IAS - 7 Statement of Cash Flows;
IAS - 8 Accounting Policies, Changes in Accounting Estimates and Errors;
IAS - 10 Events after the Reporting Period;
IAS - 12 Income Taxes;
IAS - 16 Property, Plant and Equipment;
IAS - 19 Employee Benefits;
IAS - 23 Borrowing Cost;
IAS - 24 Related Party Disclosures;
IAS - 28 Investments in Associates and Joint Ventures;
IAS - 32 Financial Instruments: Presentation;
IAS - 33 Earnings per Share;
IAS - 36 Impairment of Assets;
IAS - 37 Provisions, Contingent Liabilities and Contingent Assets;
IFRS - 7 Financial Instruments: Disclosures;
IFRS - 8 Operating Segments;
IFRS - 9 Financial Instruments;
IFRS - 13 Fair Value Measurement
IFRS - 15 Revenue from Contracts with Customers.
IFRS - 16 Leases.

2.08 Components of the Financial Statements

According to IAS 1 Presentation of Financial Statements : The complete sets of financial statement includes the following components:

- (a) Statement of financial position;
- (b) Statement of profit or loss and other comprehensive income;
- (c) Statement of changes in equity;
- (d) Statement of cash flows and
- (e) Significant accounting Policy and Other explanatory Notes and relevant information.

2.09 Going Concern

The company has adequate resources to continue its operation for the foreseeable future. As such, the directors intended to adopt the going concern basis in preparing the financial statements. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business.

3.0 Significant Accounting Policies

The accounting policies set out below have been applied consistently through out the period presented in these financial statements.

3.01 Property, Plant and Equipment

a) Recognition and Measurement

In compliance with IAS-16 "Property, Plant and Equipment": items of property, plant and equipment (PPE), excluding land are initially measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at cost. The cost of an item of PPE comprises its purchase price, import duties and non-

refundable taxes, after deducting trade discount and rebates and any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the intended manner.

b) Capitalization of Borrowing Cost

Borrowing costs that are directly attributable to acquisition/construction of plant and machinery and civil construction are included in the cost of those plant & machinery and construction in compliance with IAS - 23 "Borrowing Costs". In this year no borrowing costs have been capitalized under acquisition/construction of plant and machinery and civil construction.

c) Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day to day maintaining cost on PPE are recognized in the Statement of Profit or Loss and other Comprehensive Income as incurred.

d) Revaluation of Fixed Assets

Financial statements of the company have been prepared on historical cost price basis. However, the prices of Building & Civil construction have been increased substantially during the last few years due to high inflationary trend. In this circumstance, management of the Company has decided to determine fair market value of the said assets through revaluation. KaziZahir & Co., Chartered Accountants has revalued the assets of the company as of 15.06.2011, following "current cost method". Such revaluation resulted in a valuation surplus aggregating of Tk. 57,168,989.

The prices of Land & Land Development have been increased substantially during the last few years due to high inflationary trend. In this circumstance, management of the Company has decided to determine fair market value of the said assets through revaluation. Mahfel Huq & Co, Chartered Accountants has revalued the assets of the company as of 01.06.2023, following "Fair market value method". Such revaluation resulted in a valuation surplus aggregating of Tk 474,645,569.

e) Depreciation and Amortization

No depreciation has been charged on land but depreciation is charged on land development worth Tk. 8.93 lac at 5% rate.

Depreciation is recognized in the Statement of Profit or Loss and other Comprehensive Income on a reducing balance method on all items of property, plant and equipment. Deprecation on addition of fixed assets charged when the assets are available for use.

The cost of Day Old Chickens (DOC) and Operating Cost of DOC, i.e. rearing cost have been accumulated as unallocated revenue expenditure. It takes 6-month to turn up the DOC into Parent Stock for laying egg. In addition, Parent Stock's cost and rearing cost have also been accumulated as unallocated revenue expenditure. On an average parent stocks lay 180 eggs in 7-month period of time. Later total unallocated revenue expenditures have been amortized on the basis of productivity, i.e. 180 eggs in 7-month. For simplicity it has been amortized on straight line basis of 7-month.

Parents stock (DOC) are imported and rear in a biosecured environment. The farms are temperature and humidity controlled and confined to prevent diseases. Qualified veterinarians supervise the growth and health condition of the parents stock. The laying parent stock are not sold due to health condition and biosecurity. In Bangladesh there is no market of laying parent stock. For these reasons the fair market value of parents stock can not be realibalely measured. We valued parents stock at cost minus accumulated amortization. The salvage value of parent stock is negligible amount , so we don't consider the salvage value in calculating amortization cost.

The estimated useful rate of PPE for the current year as follows:

Name of the assets	As at 30 June, 2024 (in %)	As at 30 June, 2023 (in %)
Land Development	5	5
Building & Civil construction	5	5
Poultry keeping equipment	10	10
Feed Mill Plant & Machineries	10	10
Factory equipment & appliances	10	10
Silo unit	10	10
Scaling & measuring equipment	10	10
Generator	10	10
Computer & automated system (F)	20	20
Computer & automated system (H/O)	20	20
Furniture	20	20
Cover van & Pickup	20	20
Exhaust fan	20	20
Motor bike	20	20
Electric Fan & Pump	20	20
Leased Assets	20	20

f) Disposal of Property, Plant and Equipment

On disposal of Property, Plant and Equipment the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the Profit or Loss and Other Comprehensive Income, which is determined with reference to the net book value of the assets and net sale proceeds. Depreciation charged on disposal assets for upto the date of assets disposal.

(g) Impairment

The carrying values of all Property, Plant and Equipment are reviewed for impairment on annual basis to assess whether there is any indication that the assets might be impaired. It is confirmed that no such fixed assets have been impaired during the year and for this reason no provision has been made for impairment of assets as per IAS 36 Impairment of Assets.

(h) Capital Work-in- progress

No Capital work in progress during the year.

3.02 Advances, Deposits & Pre-payments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deduction/ adjustment/ transfer to respective account heads such as property, plant and equipment, inventory or expenses.

3.03 Cash & Cash Equivalents

Cash and Cash equivalents include cash in hand, in transit and with banks on current and deposit accounts which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

3.04 Statement of Cash Flows

Statement of Cash Flows is prepared principally in accordance with IAS-7 "Statement of Cash Flows" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and considering the provision of paragraph 19 of IAS-7 which provides that "Entities are Encouraged to Report Cash Flows from Operating Activities Using the Direct Method. As per Bangladesh Securities and Exchange Commission notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 08 August 2018 Cash Flows from operating activities has been reconciled with net income using the Indirect Method.

3.05 Accounts Receivables

Accounts Receivables consist of unpaid bills receivables from enlisted dealers recognized at the reporting date. Accounts receivable are created at original invoice amount, there is no evidence of a risk of non-payment, the full amount of accounts receivable is considered collectable.

3.06 Inventories

Inventories are carried at the lower of cost and net realizable value whichever is lower as prescribed by IAS 2: Inventories. The cost of inventories comprises of expenditure incurred in the normal course of business in bringing the inventories to their present location and condition. Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

Inventories consists of maize, hatching eggs, poultry feed, store & spare parts and packing materials.

3.07 Provisions

A provision is recognized in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position.

3.08 Income tax

Current Tax

As per SRO No – 199/2015, Income Tax Ordinance, 1984 (Ord. XXXVI of 1984) Sec 44 and Sub Sec (4) clause (b), reduced Income Tax has been imposed on income from pelleted feed as follows:

Particulars	Tax Rate
On first 1 million taka	3%
On next 2 million taka	10%
On remaining income	15%

As per SRO No – 157/2022, Income Tax Ordinance, 1984 (Ord. XXXVI of 1984) Sec 44 and Sub Sec (4) clause (b), reduced Income Tax has been imposed on income from Poultry & Hatchery feed as follows:

Particulars	Tax Rate
On first 1 million taka	Nil
On next 1 million taka	5%
On next 1 million taka	10%
On remaining income	15%

Tax on other income has been charged as per Finance Act, 2024.

The Income Tax has been calculated on the basis of above circular.

Up-to assessment year 2023-2024, tax assessments have been completed.

Deferred Tax

The company accounts for deferred tax as per IAS – 12 related to Income Taxes. Deferred Tax is recognized for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purpose. Tax rate prevailing at the balance sheet date is used to determine deferred tax.

3.09 Revenue recognition

In compliance with the requirements of IFRS 15 Revenue from Contracts with Customers, are recognized under the following steps:

- Identify the contracts with customer;
- Identify the performance obligations in the contracts;
- Determine the transaction price;
- Allocate the transaction price to the performance obligation in the contracts;
- Recognize revenue when (or as) a performance obligation is satisfied.

The company followed all the above five steps and recognize revenue when a performance obligation is satisfied.

3.10 Financial expenses

Financial expenses comprise interest expenses on bank loan. All borrowing costs are recognized in the Statement of Profit or Loss and Other Comprehensive Income using effective interest method.

3.11 Earnings per Share

The company calculates Earnings per Share (EPS) in accordance with IAS- 33: Earnings per Share, which has been shown on the face of the Profit or Loss and Other Comprehensive Income.

Basic Earnings

This represents Profit or loss at the end of the year attributable to ordinary shareholders of the entity.

a) Earnings per share

Basic earnings per share are calculated, dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary share outstanding during the year.

b) Diluted Earnings per Share:

No diluted earnings per share are required for the year since there is no scope of dilution of share during the year under review.

3.12 Employees' Benefit:

a) The company maintains defined **Contribution Plan (Provident Fund)** for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate. The company's employee benefits include the following;

b) Defined Contribution Plan (Provident Fund)

The company has a registered provident fund scheme (Defined Contribution Plan) on 31.07.2012 for employees of the company eligible to be members of the fund in accordance with the rules of the provident fund constituted under an irrevocable trust. All permanent employees contribute 5% of their basic salary to the provident fund and the company also makes equal contribution.

The company recognizes contribution to defined contribution plan as an expense when an employee has rendered services in exchange for such contribution. The legal and constructive obligation is limited to the amount it agrees to contribute to the fund.

c) Short Term Employee Benefits

Short-term employee benefits include wages, salaries, festival bonuses etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

d) Contribution to Workers' Profit Participation and Welfare Funds

This represents 5% of Net profit before tax contributed by the company as per provisions of the Bangladesh Labour Act, 2006 (Amended 2018) and is payable to workers as defined in the said law. A portion of the fund is transferred to WPPF account.

3.13 Events after the Reporting Period

Events after the reporting period that provide additional information about the company's position at the date of Statement of Financial Position are reflected in the financial statements. Events after reporting period that are not adjusting events are disclosed in the notes when material.

Management confirmed that no event after the reporting period exists and management has prepared the financial statements accordingly.

3.14 Operating Segment

Segment Results for years ended June 30, 2023 and 2024.

An operating segment is a component of the company that engages in business activities from which it may earn

revenues and incurred expenses. All operating segments are regularly reviewed by chief operating decision maker of the company, to make decisions about resources to be allocated to the segment and to assess its performance to the extent discrete financial information is available. The company is performing on the basis of two products and management has identified two operating segments such as (i) Feed and (2) Poultry & Hatchery as operating segments as per IFRS 8.

3.15 Contingent Assets and Liabilities

A contingent asset is disclosed when it is a possible that asset arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent liability is disclosed when it is a possible obligation that arises from the past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed as per IAS 37: Provisions, Contingent Liabilities and Contingent Assets, where an inflow of economic benefits is probable. A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

3.16 Financial Instruments

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset to one entity and a financial liability or equity instrument to another entity as per IFRS 9 Financial Instruments.

Financial Assets

Financial assets of the company include cash and cash equivalents, equity instrument to another entity, Trade receivables. The company initially recognizes a financial asset in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognize a financial asset when, and only when; the contractual rights to the cash flows from the financial asset expire or transfer the contractual rights to receive the cash flows of the financial asset.

Financial Liabilities

The company initially recognizes a financial liability in its statement of financial position when, and only when, the company becomes a party to the contractual provision of the instrument. The company derecognizes a financial liability from its statement of financial position when, and only when, it is extinguished, that is when the obligation specified in the contract is discharged or cancelled or expires.

3.17 Related Party Disclosure

As required by IAS 24 Related Party Disclosures, significant related party transactions are to be disclosed in the Financial Statements. The company has no transaction with related parties in the normal course of business in financial year 2023-2024.

3.18 Comparative Information

Comparative information has been disclosed in the respect of previous year for all numeric information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current year's financial statement.

3.19 Measurement of Fair Values

When measuring the fair value of an asset or a liability, the company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2: inputs other than quoted prices included in level 1 that are observable for asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.20 Risk management

According to IFRS 7 Financial Instruments: Disclosures, an entity shall disclose information that enables users of its financial statements to evaluate the nature and extent of risks arising from financial instruments to which the entity is exposed at the end of the reporting period. The Management of the company are reviewed risk management policies, procedures and systems regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risk for its use of financial instruments.

- (a) Credit risk
- (b) Liquidity risk
- (c) Market risk

(a) Credit risk

Credit risk is the risk of a financial loss to the Company if a customer to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables.

Management perception

To mitigate the credit risk, the management of the company follows robust credit control and collection policies. The company has dedicated credit collection team who are responsible for any dues and they have been demonstrating remarkable performance in collecting receivables as per company's credit and collection policy.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations on time.

Management perception

The Company's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Company's reputation. The Company has sufficient current assets and cash & cash equivalent to meet expected operational expenses including financial obligations.

(c) Market risk

Market Risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices. It reflects interest rate risk, currency risk and other price risks.

Management perception

Management is fully aware of the market risk, and act accordingly. Market of animal health products in Bangladesh is growing rapidly. Moreover, the objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023

4.00 Property, Plant and Equipment: Tk. 1,496,198,747

This is made up as follows:

Opening balance at Cost	1,467,462,790	1,288,544,244
Add: Addition during the year	158,009,882	178,918,546
Add: Assets revaluation surplus	531,814,559	531,814,559
Less: Disposal during the year		
Closing balance	2,157,287,231	1,999,277,349
Accumulated Depreciation	(599,571,445)	(549,195,489)
Add: Adjustment for depreciation of Revalued Asset	-	-
Add: Adjustment against depreciation on Building	-	-
Depreciation charged during the year	(61,517,040)	(50,375,956)
Written Down Value	1,496,198,747	1,399,705,904

Detail of Property, Plant and Equipment is shown in **Annexure A.**

5.00 Capital Work in Progress: Tk. 0

This is made up as follows:

Particulars	June 30, 2024	June 30, 2023
Opening balance	-	-
Add : Adjustment for advance	-	-
Transfer during the year	-	-
Closing balance	-	-

6.00 Parent Stock: Tk. 718,840,389

This is made up as follows:

Particulars	June 30, 2024	June 30, 2023
Opening balance	613,683,961	438,736,337
Add: Addition during the year	186,806,450	249,075,266
Total	800,490,411	687,811,603
Amortized during the year	(81,650,022)	(74,127,642)
Closing balance	718,840,389	613,683,961

Name wise schedule of purchase of parent stock during the year with payment status is as follows:

Name of parent stock	Qty	Rate	Purchase and Paid amount	Purchase and Paid amount
Institute De-Selection	-	-	-	-
Rashik GP Ltd	-	-		9,733,500
Kazi Farms Limited		-		-
Rashik GP Ltd		-		-
Hubbard SAS	51,838	1,000.68	51,873,425	-
Hendrix Genetics	60,828	971.96	59,122,386	35,182,213
Total	112,666	985.18	110,995,811	44,915,713

Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023
7.00	Govt. Savings Certificate :Tk. 0		
	This is made up as follows:		
	Particulars	June 30, 2024	June 30, 2023
	Opening balance	81,513,587	107,769,242
	Less: Prior year adjustment	-	-
	Add: Savings certificate during the year	-	-
	Less: Disposal	(81,513,587)	(23,025,072)
	Add: Accrued Interest/(provision adjustment)	-	(3,230,582)
	Closing balance	-	81,513,587

8.00 Investment:Tk. 329,222,038

This is made up as follows:

Particulars	Amount in Taka	
	June 30, 2024	June 30, 2023
Investment in X- Ceramics Limited	96,600,000	96,600,000
Accumulated Share of Profit from Associate up to prior year	171,771,017	161,190,990
Add: Addition during the year for Share of Profit from Associate	14,238,527	10,580,027
Dividend Received from X- Ceramics Limited	-	(4,830,000)
Investment in FDR	46,612,493	243,944,866
Closing balance	329,222,038	507,485,883

The company invested Tk. 96,600,000 for 966,000 share @ Tk.100 each (24.39 % of total shares) to X-Ceramics Limited, an associate company of Index Agro Industries Limited according to the approval from RJSC. X - Ceramics Limited has not declared dividend in 2023-2024 financial year.

9.00 Inventories:Tk. 2,673,069,824

This is made up as follows:

Particulars		June 30, 2024		June 30, 2023	
Raw material	Notes-09.01	2,491,521,122		2,645,598,623	
Finished goods	Notes-09.02	98,472,701		97,497,723	
Spare parts	Notes-09.03	66,769,782		63,170,587	
Packing materials	Notes-09.04	16,306,220		16,144,773	
Total:		2,673,069,824		2,822,411,705	

9.01 Raw Material: Tk. 2,491,521,122

Particulars	30.06.2024			June 30, 2023
	Qty	Rate/kg	Amount (Tk.)	Amount (Tk.)
Base Materials	57,303,839	35.20	2,017,095,141	2,140,915,343
Additives	2,949,113	55.52	163,734,748	173,785,672
Vitamin Mineral Premix	407,576	375.25	152,942,897	162,331,359
Amino Acid	167,001	305.25	50,977,014	54,106,259
Anti-Coccidial Drug	31,383	475.25	14,914,709	15,830,254
Enzyme	25,065	550.45	13,797,044	14,643,982
Mould Inhibitor	39,754	232.87	9,257,538	9,825,816
Toxin Binder	110,974	450.5	49,993,680	53,062,562
Total RM for Feed	61,034,705	40.51	2,472,712,771	2,624,501,245
Hatchable Eggs	683,940	27.5	18,808,351	21,097,377
Total	61,718,645		2,491,521,122	2,645,598,623

Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023

9.02 Finished Goods: Tk. 98,472,701

Name of Finished Goods	30.06.2024			June 30, 2023
Fish Feeds	Qty in Kg	Rate/Kg	Amount (TK.)	Amount (TK.)
Sinking Fish Feed	106,752	42.50	4,536,979	4,492,058
Floating Fish Feed	376,947	45.02	16,970,169	16,802,148
Poultry Feeds				
Broiler Feeds	833,038	45.20	37,653,328	37,280,523
Layer Feeds	817,995	43.25	35,378,305	35,028,025
Sonali Feeds	83,258	47.25	3,933,920	3,894,970
Total	2,217,991		98,472,701	97,497,724

9.03 Spare Parts: Tk. 66,769,782

Spare Parts	30.06.2024			June 30, 2023
	Quantity	Rate	Amount (Tk.)	Amount (Tk.)
Imported	9,517	1,235.25	11,756,357	11,122,636
Local	115,757	475.25	55,013,425	52,047,951
Grand Total	125,274		66,769,782	63,170,587

9.04 Packing Materials: Tk. 16,306,220

Name of Packing Materials	30.06.2024			June 30, 2023
	Qty in Pcs	Rate/Pcs	Amount (Tk)	Amount (Tk)
X-FEED				
EnPro Booster	199,276	25.75	5,131,357	5,080,550
Broiler	22,667	24.25	549,664	544,222
Sonali	20,214	26.45	534,648	529,354
Layer	26,715	25.25	674,559	667,880
Breeder	22,227	27.25	605,680	599,683
Fish (Sinking)	28,748	22.25	639,648	633,315
Floating (Oil Coated)	14,000	23.54	329,550	326,287
Floating (Non-Oil Coated)	22,489	22.50	505,994	500,984
Floating (old Bag)	24,463	23.50	574,877	569,185
Sub Total	380,797		9,545,977	9,451,460
DOC				
Chicks box	191,237	35.35	6,760,243	6,693,310
Sub Total	191,237		6,760,243	6,693,310
Grand Total	572,035		16,306,220	16,144,773

10.00 Trade Receivable: Tk. 811,183,427

This is made up as follows:

Particulars

Trade Receivables

Total:

June 30, 2024	June 30, 2023
811,183,427	812,716,282
811,183,427	812,716,282

Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023
Ageing of Accounts Receivables:			
	Dues over 180 days	89,502,660	89,671,789
	Dues 91-180 Days	68,175,564	68,304,392
	Dues 61-90 Days	58,304,155	58,414,330
	Dues 31-60 Days	181,034,322	181,376,414
	Dues 0-30 Days	414,166,726	414,949,358
	Total	811,183,427	812,716,283

The classification of receivables as required by the Schedule XI; Part I; Para 4 of the Companies Act, 1994 are given below:

(1) Receivables considered good and in respect of which the company is fully secured ;	-	-
(2) Receivables considered good for which the company holds no security other than the debtor's personal security;	811,183,427	812,716,283
(3) Receivables considered doubtful or bad ;		
(4) Receivables due by directors or other officers of the company or any of them either severally or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or a member;	-	-
(5) Receivables due by companies under the same management;		
(6) The maximum amount due by directors or other officers of the company at any time during the year.	-	-
Total	811,183,427	812,716,283

The amount of receivable is lying with various enlisted/authorized dealers of the company. Trade receivables have been stated at their nominal value. Trade receivables are accrued in the ordinary course of business. The above amounts are secured by debtors' personal security and considered good. No amount was due by the Directors (including Managing Director) or any other official of the company.

11.00 Advances, Deposits and Pre-payments: Tk. 780,318,285

This is made up as follows:

Particulars	Amount in BDT	
	June 30, 2024	June 30, 2023
Advance to employees	12,228,149	10,947,354
Advance to suppliers and others	644,760,770	540,849,719
Advance Income Tax (Note-11.01)	82,484,587	195,589,106
L/C Margin for goods	40,844,780	-
Bank guarantee Margin		
L/C Margin for Capital Machinery		
Total:	780,318,285	747,386,179

All the Advance and Deposits amounts are considered as good and Recoverable.

Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023
11.01 Advance Income Tax: Tk. 82,484,587			
This is made up as follows:			
		June 30, 2024	June 30, 2023
Opening Balance		195,589,106	140,047,766
Addition during the year		26,943,247	55,541,340
		222,532,353	195,589,106
Less : Adjustment for 2019-2022		140,047,766	-
Closing Balance		82,484,587	195,589,106
The classification of Advance as required by the Schedule XI; Part I; Para 6 of the Companies Act,1994 are given below:			
(1) Advance, deposit & Pre-payments considered good and in respect of which the company is fully secured ;		82,484,587	747,386,179
(2) Advance, deposit & Pre-payments considered good for which the company holds no security other than the debtor's personal security;		-	-
(3) Advance, deposit & Pre-payments considered doubtful or bad ;		-	-
(4) Advance, deposit & Pre-payments due by directors or other officers of the company or any of them either severally or jointly with any other person or Advance due by firms or private companies respectively in which any director is a partner or a director or a member;		-	-
(5) Advance, deposit & Pre-payments due by companies under the same management;		-	-
(6) The maximum amount due by directors or other officers of the company at any time during the year.		-	-
Total		82,484,587	747,386,179
12.00 Cash and Cash Equivalents: Tk. 166,047,276			
This is made up as follows:			
Particulars		June 30, 2024	June 30, 2023
Cash in Hand		24,124,453	37,114,543
Cash at Bank	Notes-12.01	141,922,823	183,586,797
Total:		166,047,276	220,701,341
12.01 Cash at Bank: Tk. 141,922,823			
This is made up as follows:			
Particulars		Amount in BDT	
		June 30, 2024	June 30, 2023
Bank Asia, A/c No. 00733005001		525,813	3,218
Trust Bank-70230212000377		1,687,643	76,371
Mutual Trust Bank Ltd., Monipur Bazar, Gazipur, # 31595		4,625	6,179
Islami Bank BD Ltd. Index Agro Dividend Bank Acc,# 258412		677,849	679,038
Islami Bank BD Ltd. Index Agro Dividend Bank Acc,# 23006		548,245	551,928
Prime Bank Ltd., Mohakhali branch, # 11011080000098		6,876,388	7,539,562
Agrani Bank, Mohakhali branch, A/C no. 0200002359612		128,504	1,307,222
United Commercial Bank, Gulshan branch ,# 22813		791,127	791,127
HSBC, A/C No. 001-211192-012		-	-
Islami Bank BD. Ltd.,Gulshan br.# 2050177090005217		6,124,418	19,344,394

Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023
	National Bank Ltd. Bhaluka branch, A/C No. 33012821	4,050,221	4,187,708
	National Bank Ltd. Banani branch, # 0010633004722	2,644,435	2,650,180
	National Bank Ltd. A/C No. 33007854	-	-
	Bangladesh Krishi Bank, A/C No. 200006084	346,729	193,915
	Sonali Bank Ltd. A/C No. 11633003631	231,747	648,277
	Shahjalal Islami Bank Ltd. Gulsan branch, #11100009871	137,792	808,071
	Brac Bank Limited, A/C No. 1526102452838001	1,182,429	951,644
	Brac Bank Limited, A/C No. 1526202135581001	1,024,755	1,181,661
	Rupali Bank Ltd., Gulshan branch, A/C No. 200011942	4,636,561	4,062,113
	Trust Bank, A/C No. 0052-0210000334	677,316	142,918
	Islami Bank BD. Ltd., A/C No. 20501770100374704	1,606,816	3,981,039
	Bangladesh Krishi Bank, A/c No. 41160320000274	119,892	2,366,535
	National Bank Ltd., Banani branch, # 0106-36000603	1,202,253	105,472
	Prime Bank Ltd., A/C No. 11031090019930	2,838,367	74,745
	Basic Bank Limited, Gulsan branch, # 2110-01-0005852	-	-
	National Bank Ltd., A/C No. 33009267	198,220	6,122
	BDBL, Karwan bazar br Bank A/C No. 200003063	-	-
	Janata Bank Ltd., Rajarbagh branch # 031933008436	1,069,892	1,073,812
	Pubali Bank Ltd., A/C No. 056590127061	2,386,321	9,044,449
	Sonali Bank Ltd., A/C No. 11636000361	3,379,076	1,909,390
	Social Islami Bank Limited- 0161330012378	1,010	1,690
	Islami Bank (BD) Ltd.- 20502130100209004	4,767,261	1,137,477
	Midland Bank, A/C # '00111050010303	611,960	
	Islami Bank BD Ltd. Index Agro Dividend Bank Acc, # 3714	219,404	
	Exim Bank Ltd. A/C # 00713100612843	-	-
	Prime Bank Ltd., Mohakhali branch # 11811090039101	1,226,929	21,318,602
	Mercantile Bank Limited-112911120717974	444,161	198,771
	Standard Chartered Bank Limited-01118494101	1,549,828	24,410,592
	Islami Bank (BD) Ltd. - 20502131100032807 (FC A/C - USD)	25,893,479	57,225,992
	Islami Bank (BD) Ltd. - 20502131100033000 (FC A/C - GBP)	12,791	11,757
	Islami Bank (BD) Ltd. - 20502131100032908 (FC A/C - EUR)	37,015	34,501
	Islami Bank (BD) Ltd.- 20502130900016109 (BDT A/C)	62,061,552	15,560,326
	Total:	141,922,823	183,586,797

13.00 Share Capital: Tk. 890,000,000

This is made up as follows:

Particulars

Authorized Capital :

100,000,000 ordinary shares @ Tk.10/ each

1,000,000,000	1,000,000,000
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Issued, Subscribed and Paid-up Capital:

39,000,000 ordinary shares @ Tk.10/ each

June 30, 2024	June 30, 2023
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82,53,649 ordinary shares @ Tk.10/ each

390,000,000	390,000,000
-------------	-------------

Share Premium 82,53,649 sahares @ Tk. 50.579/ each

82,536,490	82,536,490
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Total:

417,463,510	417,463,510
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890,000,000	890,000,000
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Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023

The composition of share holdings as on balance sheet date were as follows:

Name of Shareholders	30-Jun-24			June 30, 2023
	%	Number of Shares	Amount (Tk.)	Amount (Tk.)
Sponsors & Directors	57.77%	27,300,000	273,000,000	273,000,000
Individual	24.76%	11,700,000	117,000,000	117,000,000
Pre-IPO Total		39,000,000	390,000,000	390,000,000
Eligible Investors (Excluding Mutual Funds and CIS)	5.01%	2,368,565	23,685,650	23,685,650
Mutual Funds and CIS	3.23%	1,524,700	15,247,000	15,247,000
Individual	7.38%	3,488,352	34,883,520	34,883,520
Non-Resident Bangladeshis (NRBs)	1.85%	872,032	8,720,320	8,720,320
IPO		8,253,649	82,536,490	82,536,490
Post IPO Total		47,253,649	472,536,490	472,536,490

14.00 Retained Earnings: Tk. 2,495,774,813

This is made up as follows:

Particulars

Opening balance
Profit during the year
Adjustment for Depreciation on Revalued Assets
Cash Dividend
Closing balance

Amount in Taka	
June 30, 2024	June 30, 2023
2,251,569,959	2,050,555,865
259,170,778	246,645,244
1,541,374	1,622,499
(16,507,298)	(47,253,649)
2,495,774,813	2,251,569,959

15.00 Revaluation Reserve: Tk. 495,425,715

This is made up as follows:

Particulars

Fair Value of Land & Land Development
Less: Book Value of Land & Land Development
Revaluation Surplus
Less: Tax on Revaluation Surplus of Land & Land development
Net Balance of Revaluation Surplus
Opening balance
Adjustment for Depreciation on Revalued Assets
Adjustment for Deferred Tax on Revalued Assets
Closing balance

June 30, 2024	June 30, 2023
-	657,211,500
-	182,565,931
-	474,645,570
-	(9,492,911)
-	465,152,658
496,735,883	32,962,349
(1,541,374)	(1,622,499)
231,206	243,375
495,425,715	496,735,883

Valuer: **Mahfel Huq & Co, Chartered Accountants**. Address: BGIC Tower (4th Floor), 34 Topkhana Road, Dhaka-1000. Mahfel Huq & Co., Chartered Accountants is an enlisted valuer firm of Bangladesh Securities and Exchange Commission (BSEC) for the valuation of assets and liabilities for listing with capital market as well as Auditors panel.

Valuation Date: **June 1, 2023**

Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023
16.00 Long Term Loan: Tk. 405,737,744			
This is made up as follows:			
Particulars	June 30, 2024	June 30, 2023	
Islami Bank Bangladesh Limited	-	-	
Trust Bank limited	427,430,757	500,000,000	
Prime Bank Limited	-	17,777,051	
	427,430,757	517,777,051	
Current portion of long term loan	(21,693,013)	(17,777,051)	
Total	405,737,744	500,000,000	
17.00 Current Portion of Long Term Loan : Tk. 21,693,013			
This is made up as follows:			
Particulars	June 30, 2024	June 30, 2023	
Trust Bank Limited	21,693,013	-	
Prime Bank Limited	-	17,777,051	
Total	21,693,013	17,777,051	
18.00 Short Term loan : Tk. 2,283,865,498			
This is made up as follows:			
Particulars	June 30, 2024	June 30, 2023	
Midland Bank PLC	150,000,000	-	
Islami Bank Bangladesh Limited	832,057,888	928,683,601	
Bank Asia	596,875,600	498,464,950	
Trust Bank Ltd.	198,535,540	670,917,325	
Standard Chartered Bank Limited	20,825,870	235,500,270	
Prime Bank Limited	485,570,600	232,333,600	
Total:	2,283,865,498	2,565,899,746	
The details of Mortgage against the loan is as under:			
Nature: Short Term Loan			
Name of the Bank: Prime Bank Ltd., Islami Bank Bangladesh Ltd., Bank Asia Ltd. , Standard Chartered Bank Ltd., Trust bank Ltd.			
Security: Project land, buildings, machinery, stock, demand promissory note & personal guarantee of all directors.			
19.00 Accounts Payable : Tk.41,333,941			
This is made up as follows:			
Particulars	June 30, 2024	June 30, 2023	
Creditor for local goods	41,333,941	40,523,471	
Other creditors			
	41,333,941	40,523,471	
Aging of Accounts Payable:			
Dues over six months	9,506,806	9,320,398	
Less than six months	31,827,135	31,203,073	
Total:	41,333,941	40,523,471	
All the trade payables had been paid on a regular basis.			

Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023

20.00 Provision for Expenses: Tk. 279,288,416

This is made up as follows:

Particulars

		June 30, 2024	June 30, 2023
Salaries & allowance		10,357,832	10,294,581
Gas bill		1,003,202	1,067,261
Electricity bill		3,069,197	4,978,046
Provision for doubtful debt		5,946,980	1,471,847
P.F Employer's contribution		151,019	161,800
Income Tax	Note- 20.01	88,997,796	182,370,413
WPPF and Welfare Fund	Note- 20.02	107,256,569	95,632,979
Audit fees		207,000	165,000
Interest payable	Note- 20.03	62,298,821	81,936,268
Total:		279,288,416	378,078,195

a) All accrued expenses were paid on regular basis

b) Salary & allowances for the month of June, 2024 has been paid in subsequent month.

20.01 Income Tax: Tk. 88,997,796

This is made up as follows:

Particulars

	June 30, 2024	June 30, 2023
Opening Balance	182,370,412	135,843,993
Add: Addition during the year	46,675,150	46,526,419
	229,045,562	182,370,412
Less: Adjustment for 2019-2022	140,047,766	-
Closing balance	88,997,796	182,370,412

20.02 WPPF and Welfare Fund: Tk. 107,256,569

This is made up as follows:

Particulars

	June 30, 2024	June 30, 2023
Opening balance	95,632,980	102,074,310
Add: Addition during the year	14,418,295	13,973,530
	110,051,275	116,047,840
Less: Disbursed during the year	2,794,706	20,414,860
Closing balance	107,256,569	95,632,980

The balance represents contribution to Workers' Profit Participation Fund by the Company in accordance with Bangladesh Labour Act, 2006 (Amendment 2013) for the year ended June 30, 2024.

The company deposited an amount of Tk. 1,39,73,530/- into Worker's Profit Participation Fund bank account on August, 2024. The rest payable amount of WPPF for the year ended 30th June 2024, shall be deposited immediately after the end of the 24th AGM of the company.

Notes	Particulars	Amount in BDT	
		June 30, 2024	June 30, 2023
20.03 Interest Payable: Tk. 62,298,821			
This is made up as follows:			
Particulars	June 30, 2024	June 30, 2023	
Standard Chartered Bank Ltd.	707,356	1,911,791	
Islami Bank Bangladesh Ltd.	35,389,321	45,740,120	
Bank Asia Ltd.	9,591,730	7,181,085	
Trust Bank Ltd.	4,567,934	25,546,683	
Midland Bank PLC	1,772,427	-	
Prime Bank Ltd.	10,270,053	1,556,589	
Total	62,298,821	81,936,268	
21.00 Deferred Tax Liabilities : Tk. 61,100,724			
This is made up as follows:			
	June 30, 2024	June 30, 2023	
Opening Balance	64,573,421	58,444,931	
Addition during the year (Note: 30.00)	(3,241,491)	(3,121,046)	
Adjustment for Deferred Tax on Revalued Assets	(231,206)	(243,375)	
Tax on Revaluation Surplus of Land & land Development	-	9,492,911	
Total	61,100,724	64,573,421	
22.00 Unclaimed Dividend			
This is made up as follows:			
	June 30, 2024	June 30, 2023	
Opening Balance	447,116	333,692	
Addition during the Year	213,007	118,694	
Paid during the Year	-	5,270	
	660,123	447,116	

23.00 Revenue: Tk. 4,281,254,785

Particulars

Revenue from Feed sales

Revenue from DOC sales

Total

Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
3,373,749,299	-	3,373,749,299	3,075,891,480
-	907,505,486	907,505,486	1,115,133,925
3,373,749,299	907,505,486	4,281,254,785	4,191,025,405

24.00 Cost of Goods Sold: Tk. 3,523,181,912

This is made up as follows:

Particulars

Raw Materials (Note-24.01)

Direct Labor (Notes-24.02)

Factory Overhead(Notes-24.03)

Cost of Production

Add: Opening Finished Goods

Cost of Goods available for Sale

Less: Closing Finished Goods

Cost of Goods Sold

Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
2,592,501,839	539,984,611	3,132,486,451	3,083,625,095
21,456,326	17,229,312	38,685,638	52,170,496
167,804,473	185,180,328	352,984,801	323,921,639
2,781,762,638	742,394,251	3,524,156,889	3,459,717,230
97,497,723	-	97,497,723	97,254,587
2,879,260,362	742,394,251	3,621,654,612	3,556,971,817
98,472,701	-	98,472,701	97,497,723
2,780,787,661	742,394,251	3,523,181,912	3,459,474,093

24.01 Raw Materials : Tk. 3,132,486,451

This is made up as follows:

Particulars

OpeningRaw materials

Add: Purchase during the year

Add: Carriage Inwards

Less: Closing Raw materials

Total:

Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
2,624,501,245	21,097,377	2,645,598,623	2,268,292,328
2,440,126,764	537,482,919	2,977,609,683	3,460,148,967
586,601	212,666	799,267	782,422
5,065,214,610	558,792,962	5,624,007,572	5,729,223,717
2,472,712,771	18,808,351	2,491,521,122	2,645,598,623
2,592,501,839	539,984,611	3,132,486,451	3,083,625,095

24.02 Direct Labor : Tk. 38,685,638

This is made up as follows:

Particulars

Worker wages

Casual worker wages

Total:

Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
15,156,339	16,841,987	31,998,326	42,501,466
6,299,987	387,325	6,687,312	9,669,030
21,456,326	17,229,312	38,685,638	52,170,496

24.03 Factory Overhead: Tk. 352,984,801

This is made up as follows:

Particulars

Power, light & heat

Repair, maintenance

Spare parts(Note-24.04)

Factory salaries & allowances

Employer's contribution to PF

Stationery

Insurance

Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
40,695,888	30,590,257	71,286,145	66,923,768
5,975,727	3,615,217	9,590,944	8,060,367
6,871,980	14,539,885	21,411,865	24,408,227
25,156,339	16,841,987	41,998,326	37,501,466
529,257	247,127	776,384	757,925
197,149	83,753	280,902	274,982
3,018,660	-	3,018,660	1,272,348

Telecommunication	32,867	147,595	180,462	145,508
Depreciation on factory assets	42,907,084	18,388,750	61,295,835	50,111,497
Amortization of parent stock	-	81,650,022	81,650,022	74,127,642
Packing materials(Notes-24.05)	34,313,835	16,497,121	50,810,957	49,878,787
Other production overhead	4,171,581	1,512,365	5,683,946	5,564,155
Fuel for vehicles	76,166	27,613	103,780	101,592
Tour & Travelling Expense	1,608,990	155,004	1,763,995	1,726,818
Entertainment Expense	1,034,279	443,262	1,477,541	1,446,402
Medical expenses	273,054	98,993	372,048	364,207
Other Factory Supplies	941,616	341,373	1,282,989	1,255,950
Total:	167,804,473	185,180,328	352,984,801	323,921,639

24.04 Spare Parts: Tk. 21,411,865

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
OpeningBalance	36,137,159	27,033,428	63,170,587	63,094,873
Add: Purchased during the year	18,955,981	6,055,079	25,011,060	24,483,941
	55,093,140	33,088,507	88,181,647	87,578,814
Less: Closing inventory	48,221,160	18,548,622	66,769,782	63,170,587
Total:	6,871,980	14,539,885	21,411,865	24,408,227

24.05 Packing Materials: Tk. 50,810,957

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
Opening Inventory of packing materials	9,451,462	6,693,310	16,144,773	16,125,422
Add: Purchased during the year	34,408,350	16,564,055	50,972,404	49,898,138
	43,859,812	23,257,365	67,117,177	66,023,560
Less: Closing Inventory of packing materials	9,545,977	6,760,243	16,306,220	16,144,773
Total:	34,313,835	16,497,121	50,810,957	49,878,787

25.00 Administrative Expenses: Tk. 72,266,038

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
Salaries & allowances	32,963,983	5,329,445	38,293,428	36,818,670
Employer's contribution to provident fund	391,322	97,831	489,153	659,101
IPO Expenses	-	-	-	-
Stationery	164,275	70,404	234,679	229,733
Bad debt expenses	3,132,593	1,342,540	4,475,133	852,689
Registration & renewals	677,796	16,314	694,110	686,689
Charity, subscription and renewals	1,615,299	585,611	2,200,909	2,154,524
Business promotional expense	836,722	1,097,795	1,934,517	1,893,746
Courier & postage	73,823	26,764	100,587	98,467
Entertainment	517,936	221,972	739,908	614,836
Corporate overhead expenses	11,325,490	4,853,782	16,179,272	7,227,002
Telecommunication	1,445,674	619,574	2,065,248	2,097,633
Fuel for vehicles	513,330	186,103	699,432	684,692
Depreciation expenses	109,622	46,981	156,603	183,707
Travelling expenses	873,490	374,353	1,247,843	943,462
Maintenance & others	1,174,158	503,210	1,677,368	3,530,204
Audit fees	144,900	62,100	207,000	165,000
Consultancy & professional expenses	609,593	261,254	870,847	2,039,550
Total	56,570,006	15,696,032	72,266,038	60,879,705

26.00 Selling & Distribution Expenses: Tk. 105,216,746

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
Salaries & allowances	19,297,952	8,270,551	27,568,503	26,528,753
Employer's contribution to provident fund	356,915	-	356,915	250,226
Fuel for vehicles	147,757	53,568	201,324	197,081
Repair & maintenance	516,390	221,310	737,700	766,536
Transportation expenses	12,526,181	14,649,220	27,175,401	19,656,110
Marketing incentives	20,002,771	-	20,002,771	37,239,602
Travelling expenses	2,612,406	1,119,602	3,732,008	4,058,522
DOC mortality compensation	-	1,140,021	1,140,021	1,104,458
Entertainment expenses	63,007	35,123	98,130	537,542
Marketing promotional expenses	2,133,584	1,014,447	3,148,031	2,396,438
Toll & fare expenses	457,276	165,781	623,057	609,926
Telecommunication	37,700	23,300	61,000	72,520
Depreciation expenses	45,221	19,381	64,602	80,752
Depot Load-unload expenses	15,680,990	-	15,680,990	27,946,887
Maintenance & others	3,028,037	1,583,313	4,611,350	4,514,164
Medical Expenses (S&M)	10,967	3,976	14,943	14,628
Total	76,917,154	28,299,592	105,216,746	125,974,145

27.00 Other Income: Tk. 13,975,450

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
Interest on 5 years Sanchaypatra	-	-	-	4,683,417
Interest on IPO Proceeds	55,250	-	55,250	1,148,333
Foreign Exchange Rate Fluctuation Gain	2,783,884	-	2,783,884	8,358,794
Interest on FDR	11,136,317	-	11,136,317	20,781,479
Total	13,975,450	-	13,975,450	34,972,023

28.00 Foreign Exchange Rate Fluctuation Loss (Realized): Tk. 56,351,666

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
Foreign Exchange Rate Fluctuation Loss (Realized): Tk. 56,351,666	40,150,562	16,201,104	56,351,666	83,115,123
	40,150,562	16,201,104	56,351,666	83,115,123

29.00 Financial Expenses: Tk. 235,429,668

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
Interest on term Loan	34,043,781	13,905,206	47,948,987	41,112,996
Interest on working capital	147,425,333	36,498,741	183,924,074	157,987,526
Bank service charges	3,437,605	119,002	3,556,607	4,009,719
Total:	184,906,719	50,522,949	235,429,668	203,110,241

30.00 Current Tax: Tk. 46,675,150

This is made up as follows:

Particulars	Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
Current tax expense	38,232,480	8,442,670	46,675,150	46,526,419
Total:	38,232,480	8,442,670	46,675,150	46,526,419

31.00 Deferred Tax : Tk. -3,241,491

Property, Plant & Equipment (Difference in book value & Tax base except land & land development)

Provision for bad debt expense

Temporary Difference

Tax rate

Deferred Tax Liability(C/B) (Except Revaluation Surplus of Land & Land development)

Deferred Tax Liability(O/B) (Except Revaluation Surplus of Land & Land development)

Deferred Tax for this period

30.06.2024			30.06.2023
Feed	Poultry & Hatchery	Total	Total
246,183,766	105,507,328	351,691,094	368,825,901
(3,132,593)	(1,342,540)	(4,475,133)	-
243,051,173	104,164,788	347,215,961	368,825,901
15%	15%	15%	15%
36,457,676	15,624,718	52,082,394	55,323,885
38,726,720	16,597,166	55,323,885	58,444,931
(2,269,044)	(972,447)	(3,241,491)	(3,121,045)

32.00 Earnings per Share (EPS): Tk. 5.48

This is made up as follows:

Particulars

The computation of EPS is given below:

Earning attributable to the shareholders (net profit after tax)

Number of shares outstanding during the year

Earnings per Share (EPS)

June 30, 2024	June 30, 2023
259,170,778	246,645,245
47,253,649	47,253,649
5.48	5.22

33.00 Net assets Value (NAV) per Share : Tk. 82.14

This is made up as follows:

Particulars

The computation of NAV is given below:

Total Asset

Less: Current Liabilities

Less: Non Current Liabilities

Net assets

Number of shares outstanding during the year

Net asset value (NAV) per share

June 30, 2024	June 30, 2023
6,974,879,987	7,205,604,843
(2,626,840,991)	(3,002,725,579)
(466,838,468)	(564,573,422)
3,881,200,528	3,638,305,842
47,253,649	47,253,649
82.14	77.00

34.00 Manpower Information : 998

Manufacturing employees

Workers

Other Employees (Accounts, Marketing, SCM, HR etc.)

Total

Feed	Poultry & Hatchery	June 30, 2024	June 30, 2023
188	187	375	371
242	227	469	477
129	25	154	149
559	439	998	997

35.00 Net Operating Cash Flows per Share : Tk. 14.77

Net Operating Cash Flows

Number of Shares

Net Operating Cash Flows per share

June 30, 2024	June 30, 2023
697,789,339	(58,110,178)
47,253,649	47,253,649
14.77	(1.23)

36.00 Current Tax Expense

A	Particulars	Feed Mill		Poultry & Hatchery			
	Profit before Tax	236,564,426	Rate	Tax Amount	51,801,483	Rate	Tax Amount
	Less: Other income	13,975,450			-		
	Net Operating income	222,588,976			51,801,483		
	Add: Accounting Depreciation	43,061,928			18,455,112		
	Less: Tax Depreciation	31,067,563			13,314,670		
	Add: Provision of Bad Debt	3,132,593			1,342,540		
	Taxable Income	237,715,934			58,284,465		
	First Slab	1,000,000	3%	30,000	1,000,000	0%	-
	Second Slab	2,000,000	10%	200,000	1,000,000	5%	50,000
	Third Slab	-	0%	-	1,000,000	10%	100,000
	Rest amount	234,715,934	15%	35,207,390	55,284,465	15%	8,292,670
	Other income	13,975,450	20%	2,795,090	-	20%	-
	Subtotal	251,691,384		38,232,480	58,284,465		8,442,670
Total			46,675,150				

B Minimum Tax under 163(2) of ITA 2023

TDS

26,943,247

C Minimum Tax under 163(5-kha) of ITA 2023 @ 0.60%

Sales	4,281,254,785
Other income	28,213,978
Total gross receipts	4,309,468,763

As per prescribed slab	Minimum Tax rate	Weighted average rate	
Gross Receipt (Reduced Rate) except other income	0.60%	0.45%	19,265,647
Other income (Regular rate)	0.60%		169,284
			19,434,930

Current Tax expense, which is higher one {A, B or C}

46,675,150

37.00 Numerical Reconciliation between the average effective tax rate and applicable tax rate:

Income Tax Expenses-Current	46,675,150					
Deffed Tax	(3,241,491)					
	43,433,659					
Particulars	30-Jun-24					
	%	Total	%	Feed Mill	%	Poultry & Hatchery
Profit before Tax		288,365,909		236,564,426		51,801,483
Tax using Corporate Tax Rate	15.0%	43,254,886	15.00%	35,484,664	15.00%	7,770,222
Non-deductible Expenses	-0.43%	(1,236,317)		(2,086,318)		850,000
Effect of Tax Exempted Income	-0.35%	(1,000,000)	0.00%	-	-1.93%	(1,000,000)
Effect of Lower Tax Rate	-0.1%	(380,000)	-0.10%	(230,000)	-0.29%	(150,000)
Effect of Higher Tax Rate	1.0%	2,795,090	1.18%	2,795,090	0.00%	-
Average Effective Tax Rate	15.06%	43,433,659	16.08%	35,963,436	12.78%	7,470,223

38.00 Reconciliation of Operating Cash Flows (Indirect method of Cash Flow):

Particulars	30 June 2024	30 June 2023
Operating Profit	580,590,089	393,458,335
Adjustment for non-cash income/expenses:		
Exchange Rate Fluctuation Gain	-	4,044,365
Paid to Workers Profit Participation Fund	(2,794,706)	(2,952,978)
Depreciation	61,517,040	51,044,329
Amortization	81,650,022	77,523,156
Income tax expenses	(46,675,149)	-
Total	674,287,295	523,117,207
Changes in Working capital:		
Increase/Decrease In Inventories	149,341,881	(799,649,238)
Increase/Decrease In Accounts Receivable	1,532,855	28,050,407
Increase/Decrease In Advances, Deposits & Pre-Payments	(32,932,106)	175,217,012
Increase/Decrease In Accounts Payables	810,469	1,007,750
Increase/Decrease In Provision for expenses	(95,251,055)	3,773,712
	23,502,044	(591,600,356)
Net Cash Provided by Operating Activities: (A)	697,789,339	(68,483,150)
No. of Shares	47,253,649	47,253,649
Net Operating Cash Flows Per Share	14.77	(1.45)

39.00 Key management personnel compensation as per paragraph 17 of IAS 24 "Related Party Disclosures"

Not paid any Short-term employee benefits:

Not Paid any post-employment benefits;

Not Paid any other long term benefits;

Not Paid any termination benefits; and

Not paid any share-based payment

40.00 Disclosure as per paragraph 18 of IAS 24 "Related Party Disclosures"

(a) The amount of transaction for remuneration and board meeting fee during the period from 1st July 2023 to 30th June 2024 is nil.

(b) The amount of transaction for remuneration and board meeting fee during the period from 1st July 2023 to 30th June 2024 is nil.

(c) Their terms and conditions, including whether they are secured and the nature of the consideration to be provided in settlement:

There is no terms and condition as no transaction has been occurred.

(d) Details of any guarantees given or received: There is no guarantee given or received as no transaction has been occurred.

(e) Provisions for doubtful debts related to the amount of outstanding balances: no transaction has been occurred, therefore no provision is required.

f) The expense recognized during the period in respect of bad or doubtful debts due from related parties: no transaction has been occurred, therefore no expenses has been recognized in respect of doubtful debts.

41.00 Significant deviation in Net operating Cash Flow per Share (NOCFPS)

NOCFPS has increased due to increase of sale, collection and deferred of the suppliers and others payments.

42.00 Disclosure as per requirement of Companies Act, 1994

Disclosure of Schedule XI, part-II, Para 3 :

a) Turnover:

Particulars	30-Jun-24		
	Feed	DOC	Total
Turnover in BDT.	3,373,749,299	907,505,486	4,281,254,785
Turnover in Quantity (Kg/Pcs)	89,966,648	27,880,353	-

b) (i) Raw Materials Consumed:

Particulars	30-Jun-24		
	Feed	DOC	Total
Raw Materials (Value in BDT.)	2,592,501,839	539,984,611	3,132,486,451
Raw Materials Quantities (kg pcs)	84,309,003	19,845,079	104,154,082

(ii) Finished goods

Particulars	30-Jun-24		
	Feed	DOC	Total
Opening Quantity (Kg/Pcs)	2,196,031	-	2,196,031
Production Quantity during the year (Kg/Pcs)	97,605,707	22,807,811	120,413,518
Closing Quantity (Kg/Pcs)	2,217,991	-	2,217,991

iii) Work-In-Process:

Particulars	30-Jun-24		
	Feed	DOC	Total
Feed (Kg)	-	-	-
Day Old Chicks (DOC)(Pcs)	-	-	-
Total in BDT	-	-	-

Disclosure of Schedule XI, Part II, Note 5 of Para 3:

Employee position of the company for the year June 30, 2024:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office	Factory	
Number of employees whose salary below Tk. 8,000 per month	-	-	-	-
Number of employees whose salary above Tk. 8,000 per month	375	154	469	998
Total	375	154	469	998

Disclosure of Schedule XI, part II, para 4

Particulars	30-Jun-24
(a) Managerial Remuneration paid or payable during the financial year to the directors, including managing director, a managing agent or manager.	Nil
(b) Expenses reimbursed to the managing agent;	Nil
(c) Commission or other remuneration payable separately to a managing agent or his associate;	Nil
(d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the company.;	Nil
(e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year.	Nil
(f) Any other perquisites or benefits in cash or in kind stating, approximate money value where practicable;	Nil
(g) Other allowances and commission including guarantee commission.	Nil
(h) Pensions etc.	
(i) Pensions	Nil
(ii) Gratuities	Nil
(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
(iv) Compensation for loss of office	Nil
(v) Consideration in connection with retirement from office.	Nil

Disclosure of Schedule XI, Part II, Para 7:

Particulars	Unit	Actual Capacity Per Annum	Actual Production per annum	Capacity Utilization %
Feed	MT	114,000	97,605.71	86%
Day Old Chicks (DOC)	million Pcs	30.00	22.81	76%

Disclosures of Schedule XI, Part-II, Para 8:

(a) Value of imports calculated on C.I.F basis by the company during the financial year 2023-2024 in respect of raw materials, component and spare parts and capital goods were as follows:

Particulars	Amount in BDT
Raw Materials	982,050,207
Packing Materials	-
Components of Spare parts	-
Capital Goods (capital work in progress)	-

(b) The Company did not have any expenditure in foreign currency during the financial year on account of royalty, know-how, professional consultancy fees, interest and other matters.

(c) Value of both imported and indigenous raw materials, spare parts and consumption thereon were as follows:

Particulars	Raw Materials		Total
	Imported Value in BDT	Indigenous Value in BDT	
Consumption during the year	1,002,395,664	2,130,090,786	3,132,486,451
Percentage of consumption	32.00%	68.00%	100%

Particulars	Spare parts		Total
	Imported Value in BDT	Indigenous Value in BDT	
Consumption during the year	13,275,356	8,136,509	21,411,865
Percentage of consumption	62.00%	38.00%	100%

Particulars	Packing Materials		Total
	Imported Value in BDT	Indigenous Value in BDT	
Consumption during the year	-	50,810,957	50,810,957
Percentage of consumption	-	100%	

(d) No amount was remitted during the period in foreign currencies on account of dividend to non-residents shareholders. It is mentioned that the Company does not have any non-resident shareholder.

(e) Earnings in foreign exchange classified under the following heads as follows:

- No export made during the year.
- No royalty, know-how, professional and consultation fees were received.
- No Interest and Dividend received.
- No Other income received.

43.00 Event after the Reporting Period:

The Board unanimously recommended cash dividend @ 25% (Twenty five percent) to the post IPO Shareholders (General Public Shareholders) and 15% (Fifteen percent) to the Pre-IPO and Sponsor Shareholders of the respective paid up capital of the company for the year ended 30th June 2024.

INDEX AGRO INDUSTRIES LTD.

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

As at June 30, 2024

Annexure - A

Particulars	Cost		Rate of Dep.	Depreciation			Written down value as on June 30, 2024
	As on July 01, 2023	Addition during the period		As on July 01, 2023	Charged during the period	As on June 30, 2024	
Land & land development	182,565,931	-	0%	-	-	-	182,565,931
Land development	25,590,000	-	5%	7,719,549	893,523	8,613,071	16,976,929
Building & Civil construction	470,743,240	139,860,521	5%	171,177,250	17,733,482	188,910,732	421,693,029
Poultry keeping equipment	55,587,066	-	10%	35,150,678	2,043,639	37,194,316	18,392,750
Feed mill plant & machineries	509,226,614	17,866,361	10%	225,529,704	29,727,927	255,257,631	271,835,345
Factory equipment & appliances	23,519,686	-	10%	11,424,151	1,209,554	12,633,705	10,885,982
Silo unit	116,749,840	-	10%	63,232,037	5,351,780	68,583,817	48,166,023
Scaling & measuring equipment	5,159,392	-	10%	3,825,936	133,346	3,959,282	1,200,110
Generator	47,969,683	-	10%	30,110,815	1,785,887	31,896,702	16,072,981
Computer System (Factory)	1,997,913	-	20%	1,375,018	124,579	1,499,597	498,316
Computer System (Head Office)	2,340,847	57,000	20%	1,593,457	156,603	1,750,060	647,787
Furniture & fixture	5,115,569	56,000	20%	4,162,533	196,207	4,358,740	812,829
Cover van & pickup	14,665,794	170,000	20%	12,679,120	422,835	13,101,955	1,733,839
Exhaust fan	770,364	-	20%	353,061	83,461	436,522	333,842
Motor bike	1,246,146	-	20%	1,125,134	24,202	1,149,336	96,810
Electric Fan & Pump	460,906	-	20%	340,705	24,040	364,746	96,160
Vehicle	3,753,800	-	20%	3,430,791	64,602	3,495,393	258,407
Sub Total Asset as at 30-06-2024	1,467,462,790	158,009,882		573,229,938	59,975,666	633,205,603	992,267,069
Sub Total Asset as at 30-06-2023	1,288,544,244	178,918,546		524,476,481	48,753,457	573,229,938	894,232,852

INDEX AGRO INDUSTRIES LTD.

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT

As at June 30, 2024

Based on Revaluation

Particulars	Cost		Rate of Dep.	Depreciation		Written down value as on June 30, 2024
	As on July 01, 2023	Revalue during the period		As on July 01, 2023	Charged during the period	
Building & Civil construction	57,168,989	-	5%	26,341,507	1,541,374	29,286,108
Land & land development	474,645,570	-	0%	-	-	474,645,570
Sub Total Asset as at 30-06-2024	531,814,559	-		26,341,507	1,541,374	503,931,678
Sub Total Asset as at 30-06-2023	57,168,989	474,645,570		24,719,008	1,622,499	505,473,051
Total Asset as at 30-06-2024	1,999,277,349	158,009,882		599,571,445	61,517,040	1,496,198,747
Total Asset as at 30-06-2023	1,345,713,233	653,564,116		549,195,489	50,375,956	1,399,705,904

Allocation of depreciation:	30.06.2024	30.06.2023
Manufacturing overhead	61,295,835	50,111,497
Administrative	156,603	183,707
Selling & distribution OH	64,602	80,752
Total	61,517,040	50,375,956



Option for receiving Dividend

Annual Report 2024 | 149



INDEX AGRO INDUSTRIES LIMITED

XIC Point, Holding No. Kha-213/2, 213/3 and 213/5, Bir Uttam Rafiqul Islam Sarani, Middle Badda, Dhaka-1212

PROXY FORM

I/We
of
.....being a shareholder of Index Agro Industries Limited, do hereby appoint
Mr./Ms.....of.....
..... as my/our proxy
to attend and vote on my/our behalf at the 24th Annual General Meeting (AGM) of the Company to be held on
Monday, December 23, 2024 at 11:00 a.m. through hybrid system in combination of both in physical presence at Trust
Milonayoton, 545 Old Airport Road (Near Jahangir Gate), Tejgaon, Dhaka-1206 and by using digital platform and can
be accessible on the following link <https://indexagro24agm.digitalagmbd.net>
As witness my/our hand this Day of2024

Revenue
Stamp of
Tk. 100/=

.....
(Signature of Shareholder)

.....
(Signature of Proxy)

No. of Shares held:

BO ID No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

.....
(Signature of Witness)

Notes:

1. A shareholder entitled to attend and vote in the AGM may appoint a Proxy to attend and vote on his/her behalf.
2. The Proxy Form, duly filed and stamped must be deposited at the Registered Office of the Company or sent through email at share@index-agro.com not later than 48 hours before the time fixed for the meeting.
3. Signature of the Shareholder(s) must be in accordance with the Specimen Signature recorded with the Company.

.....
(Authorized Signature)

Index Agro Industries Limited



INDEX AGRO INDUSTRIES LIMITED

XIC Point, Holding No. Kha-213/2, 213/3 and 213/5, Bir Uttam Rafiqul Islam Sarani, Middle Badda, Dhaka-1212

ATTENDANCE SLIP

I/We do hereby record my/our attendance at the 24th Annual General Meeting (AGM) of the Company being held
on **Monday, December 23, 2024 at 11:00 a.m.** through hybrid system in combination of both in physical presence at
Trust Milonayoton, 545 Old Airport Road (Near Jahangir Gate), Tejgaon, Dhaka-1206 and by using digital platform and
can be accessible on the following link <https://indexagro24agm.digitalagmbd.net>

Name of the Shareholder(s)/Proxy:

BO ID No. of shareholder

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of shares held by Shareholder:

.....
Signature of shareholder(s)/Proxy



XIC Point, Holding No. Kha 213/2, 213/3 and 213/5
Bir Uttam Rafiqul Islam Avenue, Dhaka 1212
Tel.: +88 02 58817175, +88 02 222296442, Fax: +88 02 58814759
Email: share@index-agro.com, Web: www.index-agro.com