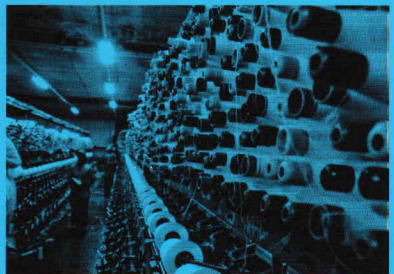


CREDIT RATING REPORT



Index Agro Industries Limited

www.crab.com.bd



**CREDIT RATING
AGENCY OF
BANGLADESH LTD.**



CREDIT RATING REPORT (10TH SURVEILLANCE)

Index Agro Industries Limited

Particular	Rating	Remark
Index Agro Industries Limited	A ₂	-
BDT 421.4 million long term outstanding	A ₂ (Lr)	
BDT 1,000.0 million short term funded limit	ST-3	Vide Appendix-1
BDT 3,120.0 million short term non funded limit	ST-3	
Outlook	Stable	-

Lr-Loan Rating, ST-Short Term

Date of Rating : 30 December, 2024

Validity : 30 December, 2025

Rating based on : Audited Financial Statements (FYE 30/06/2024, 30/06/2023, 30/06/2022, and 30/06/2021), bank liability position as on 30/11/2024, and other information up to the date of rating declaration.

Methodology: CRAB's Corporate Rating Methodology (www.crab.com.bd)

Analyst Contact:

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nazrul@crab.com.bd

Mohd. Asifur Rahman
asif.rahman@crabrating.com

Financial Highlights (Figures in Millions, BDT)		
Period	30/06/24	30/06/23
Revenue	4,281.3	4,191.0
EBITDA	599.6	543.5
EBITDA Margin (%)	14.0	13.0
Net Profit after Tax	259.2	246.6
Net Profit Margin (%)	6.1	5.9
Return on Avg. Asset (%)	3.7	3.8
Quick Ratio (x)	0.7	0.6
Total Equity	3,881.2	3,638.3
Total Liability to Equity (x)	0.8	1.0
Borrowed Fund to Equity (x)	0.7	0.8
Borrowed Fund to EBITDA (x)	4.5	5.7
Cash Flow from Operation	697.8	(58.1)
EBIT/Interest Expenses (x)	2.3	2.4

Source: The Company and CRAB Analysis

■ BRIEF PROFILE

Index Agro Industries Limited (hereinafter also referred to as "IAIL" or "the Company") was incorporated as a Private Limited Company in September 2000 and started its commercial operation in July 2004. The Company was converted into Public Limited Company in March 2015. IAIL is engaged in manufacturing & marketing of poultry feed & fish feed and producing Day Old Chicks (DOC). Presently, the Company has capacity of producing 25 MT feed per hour. The Authorized Capital of IAIL is divided into 1,000.0 million ordinary shares of BDT 10.0 each. The Company's paid-up capital was BDT 472.5 million up to 30 June 2024.

■ RATIONALE

Credit Rating Agency of Bangladesh Limited (CRAB) has upgraded the long-term rating of Index Agro Industries Limited to A₂ (Single A Two) and assigned A₂(Lr) rating to BDT 421.4 million long-term outstanding of the Company. CRAB has also assigned ST-3 rating to BDT 1,000.0 million funded limit and BDT 3,120.0 million non-funded limit of the Company in the short term.

The upgradation of long-term rating favorably considers scale of operation, revenue growth with improved profitability, positive cash flows, adequate interest coverage and satisfactory loan repayment history. Moreover, long track record of operations, moderately established selling and distribution network, experience of the promoters and group strength positively support the rating.

However, ratings are constrained to some extent by stiff competition, seasonal nature of the industry, working capital intensity and volatility in the raw material price in the local market as well as international market. The rating is also constrained by the probabilities of several diseases including *Avian influenza* (Bird Flu) which causes major business risk for the poultry & fisheries industry.

Index Agro Industries Limited produces poultry feed (segregated in boiler and layer), fish feed (segregated in sinking and floating) and Day-Old-Chicks (DOC). IAIL has set up 01 Feed Mill at Valuka of Mymensingh, 01 Hatchery & Breeder Farm at Rajendrapur of Gazipur, 01 Hatchery at Rangpur and another Breeder Farm at Bogura.

In FY2024, IAIL's revenue reached BDT 4,281.3 million, reflecting a 2.2% growth compared to the previous year. The Company's gross profit margin was 17.7% in FY2024, improving from 17.5% in FY2023. EBITDA also grew to BDT 599.6 million, with a margin of 14.0%, up from 13.0% in FY2023. Operating and net profit margins also saw a slight increase to 13.6% (FY2023 13.0%) and 6.1% (FY2023: 5.9%) respectively, reflecting improved profitability. However, its return on average assets and equity showed a decline, with a drop from 4.4% to 3.7% and from 8.4% to 6.9%, respectively, indicating reduced asset and equity efficiency.

The Company's liquidity position is strong, with a current ratio of 1.7x in FY2024, up from 1.5x in the prior years, though the quick ratio remains relatively low at 0.7x. IAIL's inventory management remains a challenge, with the average inventory processing period increasing of 285 days in FY2024. IAIL also faces pressure on its working capital, as its operating cycle increased to 355 days, up from 341 days in FY2023. The cash conversion cycle also rose to 350 days in FY2024, reflecting delays in inventory and receivables management. Despite this, IAIL generated positive cash flow from operations of BDT 697.8 million, a significant improvement from the negative CFO of FY2023, showcasing better management of working capital.

In terms of leverage, IAIL's total equity increased to BDT 3,881.2 million in FY2024, improving its capital structure. The borrowed funds to equity ratio decreased to 0.7x from 0.8x in FY2023, indicating a slight reduction in financial leverage. Additionally, the borrowed fund to EBITDA ratio improved to 4.5x, down from 5.7x, showing a comfortable debt level relative to earnings.

Regarding coverage, the company's ability to meet its financial obligations improved with an FFO to borrowed funds ratio of 11.8%, up from 9.6% in FY2023. The EBIT to financial expenses ratio was slightly lower at 2.3x, down from 2.4x, but still sufficient for debt servicing. The company reported an EPS of BDT 5.48 in FY2024, up from BDT 5.22 in FY2023, reflecting stable earnings.

Considering a normal business scenario CRAB anticipates positive revenue growth for IAIL if the company can further utilize its capacity and explore new markets. However, the industry's competitive and seasonal nature could lead to revenue volatility. Additionally, fluctuations in the prices of DOC, poultry, and fish feed could reduce profitability, potentially putting the Company in a vulnerable position for debt servicing.

Going forward, favorable changes in financial matrix along with consistency in operation and business profile may have positive impact on future rating consideration, and vice versa.

■ KEY RATING DRIVERS

Rating Strengths

- + Long track record, vast experience of promoters, expertise of management and availability of support from associates
- + Established selling and distribution network
- + Geographical diversification of production facility would reduce production hinder risk in case of disease outbreak in one area
- + Healthy financial profile: revenue growth, improved profitability, sustained leverage and adequate coverage position

Rating Challenges

- Stiff competition and seasonal nature of the industry could lead to volatility in revenue
- Vulnerability to input prices and foreign exchange risk
- Price fluctuation of Day-Old-Chicks, poultry and fish feed could result lower margin
- High inventory reserve requirement & credit sales created working capital pressure
- Probability of several diseases including *Avian influenza* (Bird Flu) causes the major business risk for the poultry & fisheries industry

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■ BACKGROUND OF THE COMPANY

Index Agro Industries Limited was incorporated in September 2000 and started its operation in July 2004 with poultry farming and hatching facility at Rajendrapur, Gazipur. Later in 2009, the Company started its feed manufacturing facility at Valuka, Mymensingh with initial capacity of 90,000 MT (15 MT per hour) per annum. Presently the Company has the facility of producing poultry feed and fish feed with installed capacity of 25 MT per hour i.e., annual installed production capacity of 150,000 MT. But the planned production capacity is 19 MT per hour i.e., annual planned production capacity of 114,000 MT (considering the feed processing plant runs 2 shifts per day at 10 hours per shift and normally operates for 300 days in a year). In 2014, the Company established another hatchery unit at Mithapukur, Rangpur. IAIL established its second breeder farm at Sherpur, Borga to support the production of DOC at Rangpur Hatchery. The aggregate production capacity of hatcheries is approximately 30.0 million DOC per annum. IAIL was awarded ISO 9001:2008 certification for its feed manufacturing plant.

Table 1: IAIL at a Glance

Particulars	Details
Name of the Company	: Index Agro Industries Limited (IAIL)
Date of Incorporation	: 13 September 2000 as a Private Limited Company
Commercial Operation	: 01 July 2004
Converted into Public Limited	: 31 March 2015
Authorized Capital	: BDT 1,000.0 million
Paid-up Capital	: BDT 472.5 million as on 30 June 2023
Chairman	: Mr. Md. Mazherul Quader
Managing Director	: Mr. Mahin Bin Mazher
Corporate Office	: MF Tower, Plot: GA-95/C, Pragati Sarani, Gulshan-1 Link Road, Dhaka-1212
	: Valuka, Mymensingh (Feed Mill)
Factory Location	: Rajendrapur, Gazipur (Hatchery & Breeder Farm)
	: Durgapur, Mithapukur, Rangpur (Hatchery Unit)
	: Bhabanipur, Sherpur, Bogura (Breeder Farm)
Products	: Poultry Feed, Fish Feed and Day-Old-Chicks (DOC)
Net Sales in FY2024	: BDT 4,281.3 million (FY2023: 4,191.0 million)
Net Profit in FY2024	: BDT 259.2 million (FY2023: BDT 246.6 million)
Auditor	: G. Kibria & Co., Chartered Accountants
Web	: www.index-agro.com

Source: IAIL

■ SHAREHOLDING AND BOARD COMPOSITION

Index Agro Industries Limited (Trading Code: INDEXAGRO) has been listed with the Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) since April, 2021. The Authorized Capital of IAIL is divided into 1,000.0 million ordinary shares of BDT 10.0 each and paid-up capital was BDT 472.5 million up to 30 June, 2024.

Table 2: Composition of Share Holding Position

Date	30/06/2024		30/06/2023	
	No of Shares	%	No of Shares	%
Name of Shareholders				
Sponsors & Directors	27,300,000	57.77	27,300,000	57.77
Individual	11,700,000	24.76	11,700,000	24.76
Pre-IPO Total	39,000,000	82.53	39,000,000	82.53
Eligible Investors (excluding Mutual Funds & CIS)	2,368,565	5.01	2,368,565	5.01
Mutual Funds and CIS	1,524,700	3.23	1,524,700	3.23
Individual	3,488,352	7.38	3,488,352	7.38
Non-Resident Bangladeshis	872,032	1.85	872,032	1.85
IPO	8,253,649	17.47	8,253,649	17.47
Post IPO Total	47,253,649	100.00	47,253,649	100.00

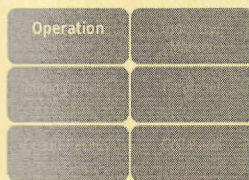
Source: IAIL

OVERVIEW OF X INDEX COMPANIES

X Index Companies (XIC) started its journey with Index Architects Limited in 1977 which is the flagship entity of the group and involved in architectural and physical planning as well as engineering. Architect Md. Mazherul Quader is the founder of the Group. He has designed and constructed notable structures i.e., IDB Bhaban, BRAC Centre, Janata Tower etc. in Bangladesh as well as in UAE, Liberia, Sri Lanka, Uganda and few other countries. The group diversified its business in the fields of real estate development, building construction, feed manufacturing, poultry farming & hatchery, manufacturing of ceramics, power generation etc. At present, the Group has been managing 10 active large and small companies including Index Holdings Limited.

Table 3: Synopsis of the Concern of XIC

Company Name	Year of Operation	Nature of Business	Capacity
Index Construction Ltd.	1999	Construction, Real Estate Development	n.a.
Index Agro Industries Ltd.	2004	Poultry and Feed Manufacturing	150,000 MT Feed & 30 million DOC/Year
Index Poultry (Pvt.) Ltd.	2008	Poultry (Hatchery)	10 million Egg/Year
Index Holdings Ltd.	2009	Associate Investor	n.a.
X-Ceramics Ltd.	2010	Tiles Manufacturing	24,000 sqm/day
Monalisa Ceramics (BD) Ltd.	2016	Tiles Manufacturing	20,000 sqm/day
Tangail Palli Power Generation Ltd.	2020	Power Generation (HFO Fired)	22.00 MWh
Bhairab Power Limited	2021	Power Generation (HFO Fired)	54.50 MWh
Kanchan Purbachal Power Generation Ltd.	2021	Power Generation (HFO Fired)	55.00 MWh

OPERATION, BUSINESS & FINANCIAL RISK PROFILE


Index Agro Industries Limited produces poultry feed (segregated in boiler and layer), fish feed (segregated in sinking and floating) and Day-Old-Chicks (DOC). IAIL has set up 01 Feed Mill at Valuka, 01 Hatchery & Breeder Farm at Rajendrapur, Gazipur, 01 Hatchery at Rangpur and another Breeder Farm at Bogura.

Table 4: Existing Facilities of IAIL

Particulars	Location	Operation	Annual Capacity
Rajendrapur Hatchery	Rajendrapur, Gazipur	2004	14.0 million DOC
Rangpur Hatchery	Mithapukur, Rangpur	2014	16.0 million DOC
Total DOC Production Capacity			30.0 million DOC
Feed Mill (Installed Capacity)	Valuka, Mymensingh	2009	150,000 MT Feed
Actual Production Capacity of Feed Mill			114,000 MT Feed

Source: Management of the Company

In FY2024, IAIL produced 22.81 million DOC against annual production capacity of 30.0 million (capacity utilization: 76.0%) which was 28.93 million against same annual production capacity (capacity utilization: 96.4%) in FY2023.

Table 5: Details of Feed Production

Period ended	30/06/2024	30/06/2023	30/06/2022
Installed Capacity	150,000	150,000	150,000
Actual (Attainable) Capacity	114,000	114,000	114,000
Production			
Broiler Feed	38,500	37,571	36,903
Layer Feed	47,319	43,659	43,959
Sinking Feed	2,350	1,750	1,991
Floating Feed	9,437	8,497	8,209
Total Feed Production During the Period	97,606	91,476	91,062
Capacity Utilization (%) *	85.62%	80.24%	79.88%

*Based on attainable capacity

IAL produced 97,606 MT of feed registering capacity utilization of 85.6% in FY2024 which was 80.2% in FY2023 and 79.9% in FY2022. Capacity utilization as well as volume of sales increased in FY2024 which resulted increased revenue of the Company.

Revenue of IAIL comes from the sale of feeds and Day-Old-Chicks where feed sale is the dominant source of revenue of the Company. In FY2024, poultry feed contributed 67.4% and fish feed contributed 11.4% of total revenue. Revenue from the feed segment increased in FY2024 with higher volume of sales and increased average feed price per unit compared to previous year.

Table 6: Product-Wise Contribution in Revenue

Period	30/06/2024		30/06/2023		30/06/2022	
	Mil. BDT	% of Total	Mil. BDT	% of Total	Mil. BDT	% of Total
Layer Feed	1,247.7	29.1	1,137.6	27.1	1,028.5	24.8
Broiler Feed	1,638.5	38.3	1,493.9	35.6	1,579.9	38.0
Sinking Feed	96.7	2.3	88.2	2.1	84.4	2.0
Floating Feed	390.8	9.1	356.3	8.5	356.1	8.6
Total Feed	3,373.8	78.8	3,075.9	73.4	3,049.0	73.4
DOC	907.5	21.2	1,115.1	26.6	1,105.4	26.6
Total	4,281.3	100.0	4,191.0	100.0	4,154.3	100.0

Source: The Company

Moreover, revenue from DOC sales was fluctuating over the years resulting from volatile nature of DOC price. Revenue from DOC decreased in FY2024 due to lower volume of sales compared to that of previous year.

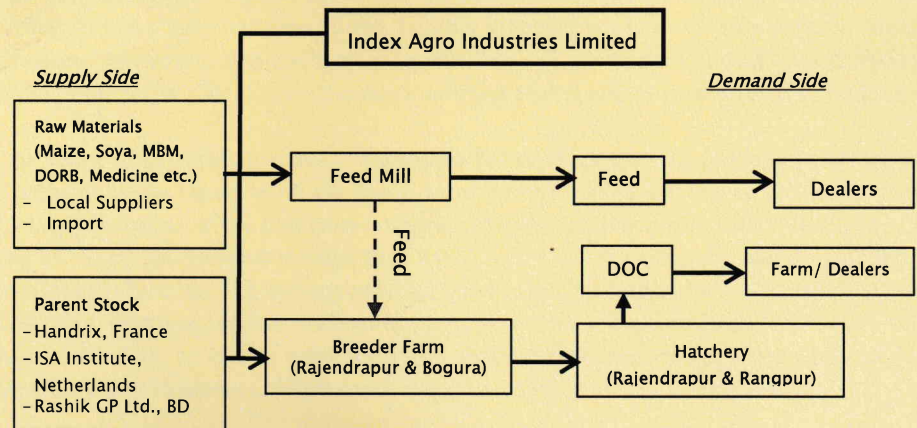
Table 7: Details of DOC Sales

Period	30/06/2024	30/06/2023	30/06/2022
Revenue from DOC Sales (Mil. BDT)	907.5	1,115.1	1,105.4
Sales Quantity of DOC (Mil. Pieces)	22.81	28.93	28.90
Average Sales Price (BDT/Pcs)	39.79	38.55	38.25

Source: IAIL

The Company procures parent stock (PS) from Hubbard & Handrix of France, ISA Institute de Selection of Netherland and Rashik GP Limited of Bangladesh for its breeder farms. The Company directly sells DOC to different poultry farmers as well as selected dealers all over the country, which poses low customer concentration risk.

Figure 1: Business Model of IAIL



Moreover, IAIL produces different types of feed from available set of choices composing of 7 types breeder, 11 types broiler, 4 types layer, and 48 types fish feed (considering both floating and sinking feed types combined). The Company procures its required raw materials for feed mostly from local market. Maize, Wheat, Soyabean, DORB, Meat & Bone

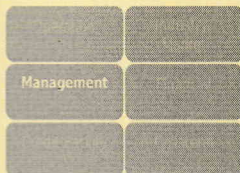
Meal, Fish Oil, Feed Medicines, Vitamins, Mineral Premix etc. are procured from the selected local manufacturers or traders as well as import from international suppliers. Available alternative sources for raw material & medicine mitigates the supplier concentration risk to some extent. Among the raw materials for feed, maize occupies approximately 30%-40% of the requirement which is procured from locally as well as import from India, Argentina, Brazil and other countries. Sourcing of maize basically depends on the seasonality and price. In India peak season for maize production is from October-December and May to July. In this time frame IAIL imports maize from India.

However, the produced feed is sold directly from Head Office and also from the factory, through more than 300 dealers apart from few individual customers having on average 25 to 30 days credit facility. IAIL sells its products to dealers net off basis. Marketing Executives are frequently visiting prospective dealer, farms and describing about product quality and supplying products to the farmers. The marketing personnel's collect purchase order from the dealer and confirm it to the Marketing Department. After confirmation dealers transmit sales proceeds through banking channel. After receiving sales proceeds, Accounts Department confirms delivery order and factory personnel's deliver required feed to the customer. Sometimes dealer deposit cash direct to Cash Depot at the factory and factory deliver feeds to the dealer. In addition to that, the Company has several regional depots at Jessore, Kushtia, Comilla, Narsingdi, Mymensingh, Bogura, Rangpur, Barisal, Faridpur etc.

The Company is exposed to volatility of both product price derived from demand and raw materials price. The sponsors and management of the Company have long experience in related business which may support to mitigate business risk derived from price volatility of raw materials. IAIL has been able to ensure the continuous supply and production of poultry and fish feed for commercial consumption at poultry hatcheries & farms, fish hatcheries & farms etc. The Company having breeder farms support as a backward linkage facility for the poultry feed consumption.

IAIL has insurance coverage with Peoples Insurance Company Limited for sum insured of BDT 935.6 million. Insurance covered the industrial all risk only on building & machinery, poultry & fish feed & stock.

As poultry industry, threat of epidemic of Livestock is one of the major risks. The probabilities of several diseases including *Avian influenza* (Bird Flu), *Pasteurella multocida* (Fowl Cholera) causes the major business risk for any poultry farm which eventually forced to shut down thousands of poultry farms of Bangladesh in the recent past. The Company has set up a good hygiene system in all facilities to prevent disease outbreaks, and increased use of technology in poultry farming to reduce poultry exposure to carry various diseases. Moreover, geographical diversification of production facility would reduce production hinder risk in case of disease outbreak in one area such impact to some extent.

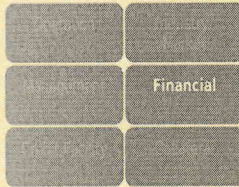


The Board of Directors is overall responsible for total functioning and operations of the Company. Under reporting to the Board, a team of dedicated employees carries out day-to-day operations of the Company. Management risk for Index Agro Industries Limited is low as a team professional management exists with more than four decades of experience in related industries. The management team is headed by *Architect Md. Mazherul Quader*, Chairman; who had initiated the business by establishing Index Architects Limited in 1977. Apart from IAIL, he is also associated with Index Architects Limited, Index Construction Limited, Index Holdings Limited and X-Ceramics Limited as Chairman/Director.

Mr. Mahin Bin Mazher, Managing Director of the Company has been involved in the business for more than 24 years. The Company also appointed professional General Manager who is a veterinary professional with more than 30 years of cross functional experience in well-known companies related to poultry & livestock industries. Managing

Director of IAIL monitors day to day activities with the support of other directors and departmental heads.

Most of the senior officers have been serving the company for long time revealing employee satisfaction. Employees in the head office are recruited by the Board through HRD and workers of the factory are recruited by the factory management through the approval of head office. The job responsibility of the management and technical personnel is clearly defined by the Managing Director and Board of Directors of IAIL. Among different fringe benefits, IAIL provides provident fund, festival bonus, performance bonus etc.



IAIL reported revenue of BDT 4,281.3 million in FY2024 which was BDT 4,191.0 million in FY2023 registering 2.2% growth with higher volume of feed sales and increased average unit price compared to previous year. The Company experienced increase in gross profit and EBITDA margin due to decrease of CoGS in FY2024. Despite higher financial expenses, net profit margin of the Company increased to 6.1% in FY2024 from 5.9% in FY2023. Coverage position of IAIL slightly weekend as EBIT to financial expenses decreased to 2.3x in FY2024 from 2.4x in FY2023. However, such coverage position is still adequate to repay the present financial obligation of IAIL.

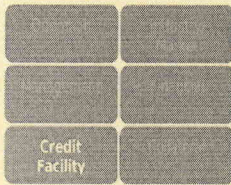
Table 8: Cost Component and Profitability as % of Revenue

Period ended	30/06/2024		30/06/2023		30/06/2022	
Particulars	Mil. BDT	%	Mil. BDT	%	Mil. BDT	%
Revenue	4,281.3	100.0	4,191.0	100.0	4,154.3	100.0
Cost of Goods Sold	3,523.2	82.3	3,459.5	82.5	3,579.1	86.2
Administrative Expenses	72.3	1.7	60.9	1.5	68.3	1.6
Selling & Distributing Exp.	105.2	2.5	126.0	3.0	111.3	2.7
Operating Profit	580.6	13.6	544.7	13.0	395.5	9.5
Financial Expenses	235.4	5.5	203.1	4.8	143.3	3.4
Foreign Exchange Loss	56.4	1.3	83.1	2.0	-	-
Income Tax	43.4	1.0	43.4	1.0	48.2	1.2
Net Profit	259.2	6.1	246.6	5.9	240.6	5.8

The Company has working capital intensive nature as it has to hold huge inventory which should be maintained to buffer production and stock. IAIL experienced working capital pressure in FY2024 as operating cycle increased to 355 days which was 341 days in FY2023 resulting from increased average inventory period and receivable collection period. Cash conversion cycle of the Company also increased to 350 days in FY2024 from 336 days in FY2023. However, the Company generated positive cash flows in FY2024 following the adjustment of net changes in working capital and capital expenditure.

The Company's equity position is decorated by sound portion of retained earnings which provides cushion to its debt level and future expansion and regular capital expenditure. Total equity of the Company stood at BDT 3,881.2 million (including revaluation reserve of BDT 495.4 million) at the end of 30 June 2024. The adjusted total equity of BDT 3,385.8 million comprises BDT 472.5 million as paid-up capital, BDT 417.5 million as share premium, and BDT 2,495.8 million as retained earnings. Borrowed fund to adjusted equity of 0.8x in FY2024 (FY2023: 1.0x) and Borrowed fund to EBITDA ratios of 4.5x in FY2024 (FY2023: 5.7x) indicating improved though moderate leverage position at present. The overall cash flow position compared to debt exposure exerts moderate position in FY2024.

Considering a normal business scenario CRAB opines that, revenue growth of IAIL may experience a positive growth in the upcoming year if the Company could utilize its capacity further by exploring new markets. However, stiff competition and seasonal nature of the industry could lead to volatility in revenues. Moreover, price fluctuation of DOC, poultry and fish feed could result decreasing profitability. Decreasing profitability may lead the Company to vulnerable position for debt servicing.



IAIL has financial dealings with six banks having total short term limit facilities of BDT 4,120.0 million and BDT 421.4 million long-term outstanding as of 30 November, 2024. As per information received from the banks, it is found that the dealings of the Company are at satisfactory level considering no reschedule & default history in last five years with these banks. Details of loan liability position is given in Appendix-1.

■ RECENT INFORMATION

IAIL reported revenue of BDT 941.4 million during the first three months of operation in FY2025 with lower profit due to increase of CoGS and financial expenses in Q1 of FY2025 compared to that of previous year. As a result, Earnings Per Share (EPS) of the Company decreased to BDT 1.01 in Q1 of FY2025 from BDT 1.02 in Q1 of FY2024.

Table 9: Performance of IAIL in Q1 of FY2025

Quarter ended	Quarter Growth	30/09/2024		30/09/2023	
		Amount	% of Revenue	Amount	% of Revenue
Revenue	-0.2%	941.37	100.0	942.94	100.0
Cost of Goods Sold	0.8%	770.96	81.9	764.69	81.1
Operating Expenses	-18.8%	30.88	3.3	38.03	4.0
Operating Profit	-0.5%	139.53	14.8	140.22	14.9
Financial Expenses	21.8%	81.72	8.7	67.10	7.1
Profit before Tax	-1.0%	52.38	5.6	52.91	5.6
Profit after Tax	-0.5%	47.84	5.1	48.08	5.1

Source: Un-audited Financial Statements

Table 10: Stock Market Information as of 29/12/2024 (Trading Code: INDEXAGRO)

Paid-up Capital	:	BDT 472.54 million
Market Category	:	A
Listing Year	:	2021
Listed with	:	DSE, CSE
Opening Price (DSE)	:	BDT 67.50
Closing Price (DSE)	:	BDT 66.30
Day's Price Range (DSE)	:	BDT 66.00 - BDT 67.80
52 Week's Moving Range (DSE)	:	BDT 54.00 - BDT 103.60
Day's Trading Value (DSE)	:	BDT 0.16 million
Day's Trading Volume (Shares, DSE)	:	17,298.00
Day's Trade (No., DSE)	:	91
Market Capitalization	:	BDT 3,184.90 million
Dividend	:	25% C (2024), 20% C (2023), 10% C (2022)

Source: www.dsebd.org

APPENDIX - 1 : CREDIT FACILITIES OF INDEX AGRO INDUSTRIES LIMITED (IAIL)

Loan Type	Nature	Bank Name	Facility Name	Limit	Outstanding	Limit Expiry
Long Term	Funded	Trust Bank PLC.	Term Loan	500.0	421.4	15/06/2028
		Total Long Term		500.0	421.4	
Short Term	Funded	Bank Asia PLC.	Time Loan	600.0	533.3	05/03/2025
		Islami Bank BD PLC.	Murabaha TR	(950.0)	862.4	31/05/2025
		Midland Bank PLC.	LTR (Inner of LC)	(285.0)	130.6	30/04/2025
			Time Loan (In/LTR)	(180.0)	157.1	30/04/2025
		Prime Bank PLC.	Bai-Muajjal (Com)*	400.0	533.3	30/04/2025
			Bai-Muajjal (In/LC)	(250.0)		30/04/2025
		Trust Bank PLC.	Bai-Murabaha	(550.0)	536.0	31/10/2025
Total Short Term Funded			1,000.0	2,752.7		
Short Term	Non-Funded	Islami Bank BD PLC.	LC/Bills	1,200.0	-	31/05/2025
		Midland Bank PLC.	LC (Sight/DP/UPAS)	300.0	-	30/04/2025
		Prime Bank PLC.	LC/ABP	400.0	9.9	30/04/2025
			BG (Inner of LC)	20.0	17.9	30/04/2025
		Trust Bank PLC.	LC (Sight/DP/UPAS)	850.0	-	31/10/2025
		SCB	LC/Acceptance	350.0	23.6	28/02/2025
		Total Short Term Non-Funded			3,120.0	51.4
Total Short Term			4,120.0	2,804.1		

Note:

- Figures in millions, BDT.
- Bank liabilities are based on 30/11/2024.
- Limits within brackets are sub-limits of other independent limits.
- Banks' Feedback: Generally Satisfactory with occasional delay repayment nature.

APPENDIX 2: RATING HISTORY

Date of Rating	Entity Rating	Long Term Loan Rating	Short Term Loan Rating	Outlook
20/12/2023	A ₃	A ₃ (Lr)	ST-3	Stable
29/12/2022	A ₃	A ₃ (Lr)	ST-3	Stable
26/12/2021	A ₃	A ₃ (Lr)	ST-3	Stable
28/12/2020	A ₃	A ₃ (Lr)	ST-3	Stable

APPENDIX – 2: KEY FINANCIAL INDICATORS

Type of Statement: Audited (G. KBIRIA & CO., Chartered Accountants)

		Figures in Million, BDT)			
Period ended		30/06/2024	30/06/2023	30/06/2022	30/06/2021
Earnings & Stability	Revenue	4,281.3	4,191.0	4,154.3	3,672.7
	Revenue Growth (%)	2.2	0.9	13.1	-9.3
	CoGS as % of Revenue	82.3	82.5	86.2	85.3
	EBITDA	599.6	543.5	481.1	430.7
	EBITDA Margin (%)	14.0	13.0	11.6	11.7
	Net Profit after Tax	259.2	246.6	240.6	232.6
Profitability	Gross Profit Margin (%)	17.7	17.5	13.8	14.7
	Operating Profit Margin (%)	13.6	13.0	9.5	9.9
	Net Profit Margin (%)	6.1	5.9	5.8	6.3
	Return on Average Asset (%)	3.7	3.8	4.4	5.6
	Return on Average Equity (%)	6.9	7.5	8.4	9.7
Liquidity	Current Ratio (x)	1.7	1.5	1.5	1.5
	Quick Ratio (x)	0.7	0.6	0.6	0.8
	Inventories	2,673.1	2,822.4	2,444.8	1,645.1
	Average Inventory Processing Period (Days)	285	278	209	148
	Accounts Receivables	811.2	812.7	625.5	653.6
	Average Receivable Collection Period (Days)	70	63	57	63
	Accounts Payables	41.3	40.5	40.7	39.7
	Average Payable Payment Period (Days)	5	5	5	6
	Operating Cycle (Days)	355	341	266	211
Cash Conversion Cycle (Days)	350	336	261	205	
Leverage & Capital Structure	Total Equity	3,881.2	3,638.3	2,973.5	2,753.3
	Total Liabilities	3,093.7	3,567.3	2,955.4	2,277.5
	Total Assets	6,974.9	7,205.6	5,928.9	5,030.8
	Total Borrowed Fund	2,711.3	3,083.7	2,580.5	1,950.4
	Total Long-Term Debt	405.7	500.0	217.8	35.6
	Fund Flow from Operation (FFO)	320.7	297.0	289.6	284.4
	Cash Flow from Operation (CFO)	697.8	(58.1)	(68.5)	(795.2)
	Total Liabilities to Equity (x)	0.8	1.0	1.0	0.8
	Borrowed Fund to Equity (x)	0.7	0.8	0.9	0.7
	Borrowed Fund/EBITDA (x)	4.5	5.7	5.4	4.5
Coverage	FFO/Borrowed Fund (%)	11.8%	9.6%	11.2%	14.6%
	CFO/Borrowed Fund (%)	25.7%	-1.9%	-2.7%	-40.8%
	EBIT to Financial Expenses, TIER (x)	2.3	2.4	3.0	3.4
	EPS (BDT)	5.48	5.22	5.09	5.63
	NAV Per Share (BDT)	82.14	77.00	62.93	58.27
	NOCF Per Share (BDT)	14.77	(1.23)	(1.45)	(16.83)

Other Indicators (Leverage Ratio considering Adjusted Equity*):

Total Equity	3,881.2	3,638.3	2,973.5	2,753.3
Revaluation Reserve	495.4	496.7	33.0	34.2
Adjusted Equity	3,385.8	3,141.6	2,940.6	2,719.1
Total Liability to Adjusted Equity (x)	0.9	1.1	1.0	0.8
Borrowed Fund to Adjusted Equity (x)	0.8	1.0	0.9	0.7

*Adjusted Equity is adjusted with Revaluation Reserve.

CRAB RATING SCALES AND DEFINITIONS - Long Term (Corporate)

CRAB's Long Term Rating Scale	BSEC's equivalent Rating Notches	Definition
AAA Triple A	AAA Triple A	Companies rated in this category have extremely strong capacity to meet financial commitments. These companies are judged to be of the highest quality, with minimal credit risk.
AA ₁ , AA ₂ , AA ₃ * Double A	AA+, AA, AA- Double A	Companies rated in this category have very strong capacity to meet financial commitments. These companies are judged to be of very high quality, subject to very low credit risk.
A ₁ , A ₂ , A ₃ Single A	A+, A, A- Single A	Companies rated in this category have strong capacity to meet financial commitments, but are susceptible to the adverse effects of changes in circumstances and economic conditions. These companies are judged to be of high quality, subject to low credit risk.
BBB ₁ , BBB ₂ , BBB ₃ Triple B	BBB+, BBB, BBB- Triple B	Companies rated in this category have adequate capacity to meet financial commitments but more susceptible to adverse economic conditions or changing circumstances. These companies are subject to moderate credit risk. Such companies possess certain speculative characteristics.
BB ₁ , BB ₂ , BB ₃ Double B	BB+, BB, BB- Double B	Companies rated in this category have inadequate capacity to meet financial commitments. Have major ongoing uncertainties and exposure to adverse business, financial, or economic conditions. These companies have speculative elements, subject to substantial credit risk.
B ₁ , B ₂ , B ₃ Single B	B+, B, B- Single B	Companies rated in this category have weak capacity to meet financial commitments. These companies have speculative elements, subject to high credit risk.
CCC ₁ , CCC ₂ , CCC ₃ Triple C	-	Companies rated in this category have very weak capacity to meet financial obligations. These companies have very weak standing and are subject to very high credit risk.
CC Double C	-	Companies rated in this category have extremely weak capacity to meet financial obligations. These companies are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
C Single C	C Single C	Companies rated in this category are highly vulnerable to non-payment, have payment arrearages allowed by the terms of the documents, or subject of bankruptcy petition, but have not experienced a payment default. Payments may have been suspended in accordance with the instrument's terms. These companies are typically in default, with little prospect for recovery of principal or interest.
D (Default)	D (Default)	D rating will also be used upon the filing of a bankruptcy petition or similar action if payments on an obligation are jeopardized.

*Note: CRAB appends numerical modifiers 1, 2, and 3 to each generic rating classification from AA through CCC, which are equivalent to +(positive) sign, without any sign and -(negative) sign respectively as mentioned in the rating notches of BSEC (CRC) Rules, 2022 (Form XI). The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

LONG-TERM RATING: LOANS/FACILITIES FROM BANKS/FIS
(All loans/facilities with original maturity exceeding one year)

Rating	Definition
AAA (Lr) Highest Safety	Loans/facilities rated AAA (Lr) are judged to offer the highest degree of safety, with regard to timely payment of financial obligations. Any adverse changes in circumstances are unlikely to affect the payments on the loan facility.
AA (Lr)* High Safety	Loans/facilities rated AA (Lr) are judged to offer a high degree of safety, with regard to timely payment of financial obligations. They differ only marginally in safety from AAA (Lr) rated facilities.
A (Lr) Adequate Safety	Loans/facilities rated A (Lr) are judged to offer an adequate degree of safety, with regard to timely payment of financial obligations. However, changes in circumstances can adversely affect such issues more than those in the higher rating categories.
BBB (Lr) Moderate Safety	Loans/facilities rated BBB (Lr) are judged to offer moderate safety, with regard to timely payment of financial obligations for the present; however, changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal than for issues in higher rating categories.
BB (Lr) Inadequate Safety	Loans/facilities rated BB (Lr) are judged to carry inadequate safety, with regard to timely payment of financial obligations; they are less likely to default in the immediate future than instruments in lower rating categories, but an adverse change in circumstances could lead to inadequate capacity to make payment on financial obligations.
B (Lr) High Risk	Loans/facilities rated B (Lr) are judged to have high risk of default; while currently financial obligations are met, adverse business or economic conditions would lead to lack of ability or willingness to pay interest or principal.
CCC (Lr) Very High Risk	Loans/facilities rated CCC (Lr) are judged to have factors present that make them very highly vulnerable to default; timely payment of financial obligations is possible only if favorable circumstances continue.
CC (Lr) Extremely High Risk	Loans/facilities rated CC (Lr) are judged to be extremely vulnerable to default; timely payment of financial obligations is possible only through external support.
C (Lr) Near to Default	Loans/facilities rated C (Lr) are currently highly vulnerable to non-payment, having obligations with payment arrearages allowed by the terms of the documents, or obligations that are subject of a bankruptcy petition or similar action but have not experienced a payment default. C is typically in default, with little prospect for recovery of principal or interest. C (Lr) are typically in default, with little prospect for recovery of principal or interest.
D (Lr) Default	Loans/facilities rated D (Lr) are in default or are expected to default on scheduled payment dates.

*Note: CRAB appends numerical modifiers 1, 2, and 3 to each generic rating classification from AA through CCC, which are equivalent to +(positive) sign, without any sign and -(negative) sign respectively as mentioned in the rating notches of BSEC (CRC) Rules, 2022 (Form XI). The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

SHORT-TERM CREDIT RATING: LOANS/FACILITIES OF BANKS/FIS
(All loans/facilities with original maturity within one year)

CRAB's Rating Scale	BSEC's equivalent Rating Notches	Definition
ST-1 Highest Grade	ST 1	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is very strong.
ST-2 High Grade	ST 2	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is strong; however, the relative degree of safety is lower than that for issues rated higher.
ST-3 Adequate Grade	ST 3	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is adequate; however, the issues are more vulnerable to the adverse effects of changing circumstances than issues rated in the two higher categories.
ST-4 Marginal	ST 4	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is marginal; and the issues are quite vulnerable to the adverse effects of changing circumstances.
ST-5 Inadequate Grade	ST 5	This rating indicates that the degree of safety regarding timely payment on the loans/facilities is minimal, and it is likely to be adversely affected by short-term adversity or less favorable conditions.
ST-6 Lowest Grade	ST 6	This rating indicates that the loans/facilities are expected to be in default on maturity or is in default.

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