

2019

Annual Report



NORTHERN TOSRIFA
GROUP

The Potentialisers

TOSRIFA INDUSTRIES LIMITED



Our Achievements



TOSRIFA INDUSTRIES LIMITED

Gazipur, Bangladesh

HAS FULLY MET THE REQUIREMENTS OF THE LEED GREEN BUILDING RATING SYSTEM CERTIFICATION ESTABLISHED BY THE U.S. GREEN BUILDING COUNCIL, AND VERIFIED BY GREEN BUSINESS CERTIFICATION INC.

LEED 2009
NEW CONSTRUCTION AND MAJOR RENOVATIONS

PLATINUM

April 2019

Mahesh Ramanijan

MAHESH RAMANIJAN, PRESIDENT & CEO, U.S. GREEN BUILDING COUNCIL,
PRESIDENT & CEO, GREEN BUSINESS CERTIFICATION INC.

LEED ANNOUNCEMENT

Tosrifa Industries Limited (TIL) is delighted to inform you that, after the **LEED Gold** Certification of its Garments unit and also the Fabric division of **Tosrifa Industries Limited** recently achieved **LEED Platinum** Certification under the category of Knit Fabric Dyeing. In terms of effective resource utilization capacity, both the unit continues to strive for sustainable and environment friendly 100% export oriented knit garments manufacturing facility.

It is one of the most Prestigious and Highest Categories **LEED Certification** from the United States Green Building Council (USGBC) through the path of excellence in sustainability and optimization of resources. Developed by USGBC, **LEED® (Leadership in Energy and Environmental Design)** is an internationally recognized green building certification system that provides to ensure efficient resource consumption, effective waste management, water efficiency, minimizing environmental hazard, CO2 emissions reduction and improved indoor environmental quality system.



This company is already entrusted by the global RMG buyers and retailers as one of the prime Bangladeshi hubs for manufacturing quality apparels for more than one decade. One of the sister concerns of **Northern Tosrifa Group**, TIL has implemented a number of sustainable technologies, energy, water, material resource and Innovation processes which was thought to be impossible to apply for knit fabric in Bangladesh.

Tosrifa Industries Ltd (TIL)-Fabric Division has implemented CPB Fabric Dyeing in its fabric division unit and achieved **60% less water** and **38% less energy consumption**. In addition, the low-temperature dyeing uses minimal salt and thereby major reduction on effluents TDS.

Some of the key projects that made achieving **LEED Platinum** certification included:

- ✓ Cold Pad Batch Dyeing
- ✓ Servo Motor in Sewing Machines
- ✓ Solar Panel
- ✓ Lighting Management for Energy-use Reduction through Scheduling
- ✓ Energy Audit for Energy-use Trend Analysis & Reduction Opportunities
- ✓ Rainwater harvesting facility
- ✓ Environment-friendly Biological ETP

Letter of Transmittal

All the Shareholders
Bangladesh Securities & Exchange Commission
Dhaka Stock Exchange Limited
Chittagong Stock Exchange Limited
Registrar of Joint Stock Companies & Firms

Subject: Annual Report for the year ended on 30 June 2019.

Dear Sir (s),

We are pleased to enclose herewith a copy of the **Annual Report** together with the Audited Financial Statements for the year from **01 July 2018 to 30 June 2019** of **Tosrifa Industries Limited** along with reports of the Directors and Auditor thereon for your reference and record.

Yours Sincerely,

Sd/-

Hayder Ali

Company Secretary

Date: 06 December 2019

Dhaka

N.B: The Annual Report 2019 is also available in the website of the Company at www.til.com.bd

Notice of The 17th ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of Tosrifa Industries Limited will be held on 23 December 2019 at Baridhara DOHS Convention Center, DOHS Baridhara, Dhaka Cantonment at 9:30 AM to transact following agenda:

- To receive, consider & adopt the Directors Report to the Shareholders, Auditors Report and Audited Financial Statements for the year ended June 30, 2019.
- To declare as recommended by the Board of Directors dividend for the year ended on 30 June 2019.
- To retire, elect and appointment of directors in terms of the relevant provision of the Articles of Association of the Company.
- To appoint Statutory Auditor of the Company for the Financial Year 2019-20 and fix-up their remuneration.
- To appoint the Corporate Governance Compliance Auditor for the year 2019-20 and fix-up their remuneration.

By Order of the Board,

Sd/-

Hayder Ali

Company Secretary

Date: 06 December 2019

Dhaka

Notes:

- i. The record date in lieu of Book-Closure shall be on 21 November 2019.
- ii. That, Record Date declared i.e., 21 November 2019 for entitlement of 1% cash will be paid subject to approval of the shareholders in the forthcoming AGM.
- iii. The Shareholders' whose name will appear in the Share Register of the Company and in the Depository register on the Record date will be eligible to receive the dividend.
- iv. The proxy form must be affixed with requisite revenue stamp and must be deposited at the Share Office of the Company not less than 48 hours before the time fixed for the meeting.
- v. The Annual Report 2019 of the company will be available at the company's website at www.til.com.bd
- vi. The concerned brokerage houses & merchant bankers are requested to provide us with a statement with the details (shareholders name, BO ID number, e-TIN number, gross dividend receivable, applicable tax rate, and net dividend receivable) of their margin loan holders who hold shares of the Company as on the Record Date, along with the name of the contact person in this connection. The brokerage houses & merchant bankers are also requested to provide us with their Bank Account Name, number, routing number etc. on or before December 15, 2019
- vii. Pursuant to the Bangladesh Securities and Exchange Commission Notification No BSEC/ CMRRCD/ 2006-158/ 208/Admin/dated June 03 2018, the annual report of the company shall be sent to the respective e-mail address of shareholders in their mentioned BO account holders with the depository.

N.B: Members may please note that no gift or benefit in cash or kind will be given at the AGM.

INSIGHT FROM MANAGEMENT

Being a Potentialisers in this industry, we **Tosrifa Industries Limited (TIL)** as one of the sister concerns of **Northern Tosrifa Group (NTG)** believe to transform in a sustainable way, by nurturing and empowering our employees to achieve the organization objective through creating and distributing value to our all stakeholders, society, business partners, members and buyers. Innovative excellence aligning with transparency, openness and bias free action can help us to promote the good governance inside and outside of the organization.



Hence, our modern integrated energy efficient machinery, technology driven initiative, shorter lead time capability and sustainable financing approach move towards the next level of footprint in RMG arena of global apparel market.

CREDIT RATING



The summary of the up-to-date credit rating done by the **Credit Rating Information and Services Ltd. (CRISL)** is presented below:

Credit Rating Report

Date of Rating : November 26, 2019	Valid up to : November 26, 2020	
	Long Term	Short Term
Entity Rating	A+	ST-3
Outlook	Stable	

CRISL has reaffirmed the **Long Term rating to 'A+'** (Pronounced as single A+) and **Short Term rating to 'ST-3'** of Tosrifa Industries Limited (TIL) based on both relevant qualitative and quantitative information up-to the date of rating. The above ratings have been reassigned due to consistent maintenance of the fundamentals of the company such as equity based capital structure, good financial performance, sound infrastructure, regular loan payment history, experienced management team etc. However, the above factors are constrained to some extent by moderate production capacity, risk of political instability as well as other industry specific and macroeconomic factors.

The Long Term rating implies that entities rated in this category are adjusted to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rate in the higher categories. The Short Term rating indicates good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good.

CRISL also placed the company with **"stable outlook"** in consideration of its consistent business growth and demand for the products.



Founder

OF NORTHERN TOSRIFA GROUP

Shafiuddin Ahmed

The Path Finder



Founder

Chairperson

OF TOSRIFA INDUSTRIES LIMITED

Tosrifa Ahmed

Our Inspiration



Rafiq Hassan

CHAIRMAN

Dear Shareholders,

In the very beginning, on behalf of the Board Members, I would like express my gratitude and welcome you all to the 17th Annual General Meeting (AGM) of **Tosrifa Industries Limited (TIL)**.

Your enduring trust, support and ownership enable us to provide a long term value creation for all stakeholders of this Company. We let you know that in this financial year your Company's sales turnover increased at 56.50% and gross profit slightly raised by 24.24% compared to previous financial year but due to higher operational and financial expenses along with impacts of Tax expenses hit the current net profit margin significantly. In spite of that current ongoing work place safety, investment in the backward linkage industry has influenced directly to enhance cost. Our constant effort makes your company to be able and deliver more value added quality products by optimizing cost through energy proficient machinery as well as shorter lead time to deliver the products to our valued customers.

Also, I am proud to inform you that TIL's fabric division has achieved **LEED® Platinum** certification from the U.S. Green Building Council (USGBC). It is one of the pioneer dyeing unit in the world which has achieved this prestigious certification. Since its inception TIL has been committed to the practice and innovation of environment friendly sustainable machinery. We believe that there is no longer the need to compromise on superior quality and delivering the environmental integrity in all aspect of operation.

The directors of TIL have always been concerned on maximizing the Shareholders' value, formulation of policies and guidelines to ensure sustainable profitability through prudent risk management and good governance.

We thankfully appreciate the constant support and confidence of our valued Shareholders, Customers and other Stakeholders alike and would look forward to having the more future growth in the journey ahead.

I also extend my sincere thanks to my fellow Directors for their support, guidance and contributions.

Sd/-
Rafiq Hassan
Chairman

Mohim Hassan

MANAGING DIRECTOR



Dear Shareholders,

Take the warmest greetings from the Board of **Tosrifa Industries Limited (TIL)**.

TIL has concluded a constant sales growth at 56.50% in the last financial year 2018-19 comparing the previous year.

We always concentrate to maximize Shareholders' value through ethical business practices by implementing modern and energy efficient machinery. In view of that we are pleased to inform you that your Company TIL's Fabric Unit has already achieved the highest **LEED-Platinum** certification from U.S. Green Building Council in April 2019. TIL's Garments Unit also achieved **LEED-Gold** certification from U.S. Green Building Council in 2016.

Your Company TIL has accomplished various initiatives for increasing productivity and minimizing cost by executing effective planning along with a strong backward linkage, effective supply chain management initiative and reducing production lead time. Different design and high-value apparel products would be the ultimate destination for Bangladeshi Ready Made Manufacturer (RMG) to sustain this industry in a long run and we as a company aligning to move on the same way.

Apart from price, the RMG industry witness other challenges that includes increasing intense competition and decreasing profit margin. At current stage labor wages are not cheaper in Bangladesh, energy costs in continuous higher trends and financial costs increasing day-by-day. As like some of others TIL has also set-up green factory but till now not possible to avail bank finance at lower rates.

Moreover, some of the global buyers are shifting their orders from Bangladesh to others countries. As a consequence of that, US-China trade war is benefiting Vietnam, Cambodia, Pakistan, and Myanmar more than Bangladesh as more apparel manufacturers, buyers and investors shift their supply chains away from China.

Being a trend setter in this industry; sustainable and environment-friendly operational work of Green Fabric Division of **Tosrifa Industries Ltd. (TIL)** is now optimizing the usage of gas, electricity and other natural resources by setting up the world-class eco-friendly machinery.

The Management of TIL is always value driven organization for its human resource to enrich their capability, potentiality by enhancing their careers. Our cautious risk management policies, aiming the stability of financial management, inventive product delivering capacity, good corporate governance all of which we take into reflection while setting our goals made us to deliver the greater value to our shareholders, clients, employees and communities.

We care about our Shareholders and value them in the utmost way in order to make your Company TIL as an exemplary in the RMG industry by enriching our commitments as a responsible business partner of the society towards delivering the highest value of our community. I am extremely thankful to each of you and good wish to all of you.

Sd/-

Mohim Hassan
Managing Director

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Board of Directors & Corporate Profile

Board of Directors

Chairman	- RAFIQ HASSAN
Managing Director	- MOHIM HASSAN
Director	- NAIM HASSAN
Director	- LYRA RIZWANA QUADER
Director	- ANJUMAN ARA BEGUM
Nominated Director	- HASIBUDDIN AHMED
Independent Director	- PROF. DR. KHONDAKAR MOHAMMOD SHARIFUL HUDA
Independent Director	- MD. NASIRUL ISLAM

Corporate Executives

Company Secretary	- HAYDER ALI
Chief Operating Officer	- MD. ARMANUL AZIM
Sr. DGM-Fabric Division	- MD. HABIBUR RAHMAN
Sr. AGM-Garments Division	- MD. KHURSHED ALAM
Head Of Accounts	- A. B. M. FARHAD UDDIN CHOWDHURY, FCMA
Head of Internal Audit	- MD. MONIR HOSSAIN BHUIYAN, FCCA, ACA

Registered Office

Plot # 28-30, Level-16, Kemal Ataturk Avenue, Banani, Dhaka-1213, Bangladesh

Corporate Office

4/2A, Plot-49 & 57, Mouja: 135, Gopalpur, Munnu Nagor, Tongi, Gazipur, Bangladesh

Factory - 01

4/2A, Plot-49 & 57, Mouja: 135, Gopalpur, Munnu Nagor, Tongi, Gazipur, Bangladesh

Factory - 02

Holding No-121/1, Block-H, Beraiderchala, Sreepur, Gazipur, Bangladesh

Statutory Auditor

Shiraj Khan Basak & Co.
Chartered Accountants

Compliance Auditor



Financial Partners



THE CITY BANK LIMITED



STANDARD CHARTERED BANK



IDLC FINANCE LIMITED



INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Insurance Partner



Credit Rating Company

CRISL Credit Rating Information and Services Ltd.

Legal Adviser

Dr. Kamal Hossain & Associates





Board of Directors & Corporate Profile



Rafiq Hassan
Chairman

Mr. Rafiq Hassan served not only as the Chairman of TIL and Director of the group but also as a pioneer for expansion into new markets.

Mr. Hassan's quick thinking, adventurous and strategic personality sets a perfect guide for TIL to jump into fresh waters and expand our horizons beyond the RMG sector, allowing TIL to become a diversified Company.

Mr. Hassan completed his Bachelors degree in Business Administration from Assumption University, Thailand in the year 1994.



Mohim Hassan
Managing Director

Mr. Mohim Hassan has been a part of TIL since it's leap into the RMG industry. He has since played a monumental part in ensuring the constant growth and enrichment of the company in the competitive market. Mr. Hassan believes in creating a sustainable growth in which the company not only advances in quantity and quality but also creates a process of production which is environmentally beneficial. He believes in growing with our community and ensuring minimal wastage, ensuring company sustainability in the long run.

Mr. Hassan completed his MSS from the University of Dhaka in 1990. He believes in its through workshops, online courses or trainings he is always seeking new ways to enhance his knowledge and stay on top of his game.

Mr. Naim Hassan completed his MSS in 1993 and since then he has worked day and night in making TIL an efficient and self-sufficient enterprise. Mr. Hassan's contributions over the years has ensured that the quality and efficiency of our products increases exponentially.



Naim Hassan
Director

Mrs. Lyra Rizwana Quader has been a part of the TIL family since the inception of TIL in 2002. She has since brought her skills and knowledge from her degree in Commerce from Dhaka University and her teaching background. She adds a culture of nurture and growth to TIL for the last 2 decades and have been actively participating in the company's strategic decisions and corporate relations.



Lyra Rizwana Quader
Director



Anjuman Ara Begum
Director

Mrs. Anjuman Ara Begum has been a part of TIL since 2002. Over the years she has been an active contributor to the company branding and auditing. Ms. Anjuman Ara Begum also supports the group in various governance issues as TIL aims to always go above and beyond when it comes to good governance and practices.



Hasibuddin Ahmed
Nominated Director

Hasibuddin Ahmed, aged 67, is the Nominated Director from Northern Copopratation Limited. He has completed his Bachelors of Commerce Degree under Rajshahi University in the year 1973. After completion of graduation he started his family business with his father for few years. He then started his service life from 1981. He worked with several renowned Companies like Steel re-rolling Mills, Textile Industries, Ready Made Garment Industries and so on. He has done many certificate courses at home and abroad on various business development activities like textile technology, international sales & marketing, human resource development etc. He has joined at Northern Corporation Limited on 1987 and he has established himself as a man of sincerity, honesty, laborious and leader of the leaders with Northern Tosrifa Group. He has very fine knowledge over raw yarn quality, dyed fabric quality and overall RMG production process. He already proved his commitment into the development and improvement of the Company's business.

Prof. Dr. Khondakar Mohammad Shariful Huda, is one of the Independent Directors of the Company. He is in teaching profession as a Professor, Department of Geography and Environment of Jahangirnagar University. He is an specialist on Geographical Information System (GIS), Global Positioning System (GPS) and Remote Sensing for Environment and Resource Management, Water Resource Management and Disaster Management having extensive field experience and advanced computing skills. He did his B.Sc. and M.Sc. in Geography, Jahangirnagar University and M.A. in Geographical Information for Development from University of Durham, UK.

He is a resource personnel having vast contributions in research works in relevant fields and attended in remarkable international and national forums. Apart from university teaching and research, he has engaged himself in different social and youth development program. With his dynamic practical knowledge and experiences, he is able to help the company in the development of operational activities and corporate governance practice.



**Prof. Dr. Khondakar
Mohammad Shariful Huda**
Independent Director

Md. Nasirul Islam, aged 65, has been appointed as one of the Independent Directors of the Company. He has completed his M.Com under University of Dhaka in the year 1976. After the academic qualification he joined Bangladesh Agriculture Development Corporation (BADC) as an Assistant Accountant and served BADC for 36 years and he retired from the organization as In-charge of J.C.A.

He has acquired vast knowledge in accounts and finance of government organization during his service life and able to hold key position in the same field. After being appointed as an Independent Director of the Company he is doing his duties to develop the corporate governance culture of the Company. He is also appointed as Chairperson of the NRC & Audit Committee created of the Company.



Md. Nasirul Islam
Independent Director



Hayder Ali
Company Secretary

Mr. Hayder Ali has been with this Group since 1984. He is currently playing his role in the Company as a Company Secretary of Tosrifa Industries Limited with wide range of experience in the field of Accounting, Finance, Secretarial, Tax, VAT & Commercial arena.

He has played an active role in this company through due diligence, funding, Tax & VAT etc. Bringing with him over 30 years of experience and had a long association with this group where he led and supported various Finance, Accounts & Secretarial leadership roles. He has completed his graduation from Rajshahi University in the field of commerce and MBA degree from Victoria University with the concentration area of

Corporate
**Governance
Statement**



Tosrifa Industries Limited (TIL) as a 100% export oriented RMG company committed to operate its business with full of integrity, transparency, confidence can help to facilitate the prudent, effective and management which can help to achieve the long-term success of the company.

The Board of Directors of TIL is responsible for ensuring that the Company has an appropriate corporate governance framework to protect and enhance Company performance and build sustainable value for shareholders. The Company gives highest priority to absolute transparency in conducting business and in its dealings and communications with its suppliers, customers, service providers, business partners, as well as with the local communities whenever it operates.

The Company is a law abiding responsible corporate citizen of the country.

At the same time the Company expects that its Shareholders, Board of Directors, employees and suppliers would act in compliance with applicable laws and with honesty, integrity and openness. The Company also ensures compliance with the accounting and reporting standards in consonance with the requirements of Bangladesh Securities and Exchange Commission and applicable laws of the countries in which the Company operates.

ROLES & RESPONSIBILITIES OF THE BOARD

The present Board of the Company consists of 08 Directors headed by the Chairman of the Company. The Managing Director leads the management of the Company. He is also a member of the Board of Directors. He works as the bridge between the Board and the management of the Company. Two (2) Independent Directors are members of the Board of Directors as per the requirements of Bangladesh Securities and Exchange Commission corporate governance code BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018. The business of the Company is managed by the Board of Directors. The Board of Directors is responsible to ensure that the business activities are soundly administrated and effectively controlled. At the same time the Board of Directors provides the management of the Company necessary guidance and directors ensure and uphold the highest interest of the shareholders.

The Board of Directors meets at least once in a quarter. Apart from that the Board of Directors passes necessary resolution through Resolutions by Correspondence as per the provisions of the Articles of Association of the Company.

- That a sound system of risk management and internal control is in place.
- That timely and balanced disclosure of all material information concerning the Company is made to all Stakeholders.
- That all regulatory and statutory rules and regulations are complied with.
- That the Board is appropriate in size and members are committed to their respective duties and responsibilities

The TIL Board Members are wide range of expertise as well as significant experience in corporate strategy making, legal & financial activities enabling them to discharge governance duties in an effective manner.

Non-Executive Directors

All the Non-Executive Directors are nominated by their respective requirement fulfilling ability and the Directors bring forth independent judgment and considerable knowledge to perform their roles effectively. The Board of Directors ensures that the Company's activities are always conducted with adherence to stringent and the highest possible ethical standards and in the best interests of all stakeholders. None of the Non Executive Directors of the Board are involved in the day-to-day operations of the Company; rather, they provide their valuable insights and guidance to the management in the meeting of the Board and its committees.

Retirement

Not less than one third of the whole number of Directors are persons whose period of office is liable to determination of at any time by retirement of Directors rotation. The Independent Directors are not subject to retirement by rotation.

Committees

Currently, the standing committees of the Board are the Audit Committee and Nomination and Remuneration Committee according to the Corporate Governance Code, 2018 and these committees was maintaining and discharging their work within the framework to facilitate the Board of Directors. The Board will appoint from among its members for committees which necessary or appropriate to conduct its business.

Board Meetings

The Company conducts 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. Additional meetings are also be scheduled as and when required. During the year from 01 July 2018 to 30 June 2019 there were total 10 Board Meetings and the meeting attendance was as under:

Name of Directors	Position	Attendance
Rafiq Hassan	Chairman	10
Mohim Hassan	Managing Director	10
Naim Hassan	Director	10
Mrs. Lyra Rizwana Quader	Director	10
Mrs. Anjuman Ara Begum	Director	10
Hasibuddin Ahamed (Northern Corporation Limited)	Nominated Director	04
Prof. Dr. khondaker Mohammad Shariful Huda	Independent Director	08
Md. Nasirul Islam	Independent Director	08

Internal Audit

Internal Audit supports the company in achieving its objectives by bringing a systematic and disciplined approach which evaluate and improve the effectiveness of its risk management, control & governance processes. The management of TIL is always conscious about the Internal Control procedures. In order to ensure organizational independence of Internal Audit, The Audit Committee consists 03 members along with one Independent Director. This Audit committee regularly monitors whether the appropriate accounting policies have been consistently applied in preparation of the financial statements. Bangladesh Accounting Standard and International Accounting standards, as applicable in Bangladesh have been followed and adequately disclosed.

External/Statutory Auditors

The Statutory Audit is governed by the Companies Act, 1994, the Bangladesh Securities and Exchange Commission's Ordinance, 1969 and Bangladesh Securities And Exchange commission Rules 1987 which explicitly provides guidelines for the appointment, scope of the work and retirement of auditors. The Audit Committee meets with the statutory auditors to ensure that the auditors are acting independently and reviews the financial statements before submission to the Board for approval.

Representation of Independent Directors in the Board and their independence

As per the initial and subsequent amendment of Corporate Governance Code of Bangladesh Securities and Exchange Commission (BSEC), at least one-fifth of the total directors of the Board shall be Independent Directors. Thus, in compliance with the guideline, two (2) Directors out of the total five (8) Directors are Independent, having no share or interest in TIL.

Corporate Affairs Division

The Corporate Affairs Division is the key department to assist the Board of Directors in discharging of its responsibilities of corporate secretarial functions to ensure the corporate governance, ethical standard and norms under the prevailing laws existing in this country with other legal, ethical code of conduct and statutory requirement.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Showing the great honor to welcome you all in the 17th Annual General Meeting (AGM) of Tosrifa Industries Limited (TIL). We are presenting the Audited Balance sheet, Income Statement, Statement of changes in equity and Cash Flow Statement for the year ended on 30 June 2019 along with Auditors' Report thereon.

The company is currently manufacturing all kinds of Knit Garment products with some reputed fashion brands in the world like Original Marine, Next, Toray, Sports Master, Gustav Daiber, Carry Four and LPP. The company has already established a Knit Fabric unit division at Beriderchala, Sreepur, Gazipur to manufacture all types of knit garment products within the shorter lead time along with products diversity and superiority. The newly added fabric division is continuously producing the premium quality knit fabric which can able to deliver the supreme quality knit garment products. This fabric dyeing unit can facilitate to deliver the stable growth with some value driven initiative that can help to generate the long-term value addition to its all stakeholders. But, Cost of doing business is increasing in Bangladesh. On the other hand, profit margins of garment products are continuously declining in the international market.

Infrastructure and Facilities

The Garments Division is built on a seven-storied building with a floor space of approximately 190,400 sft. which is fully owned by TIL. The facility is located on 12 bighas of owned land area at 135, Gopalpur, Munnu Nagar, Tongi, Gazipur. TIL has been operating with 35 circular knitting machines, 24 flat bed knitting machines, 750 sewing machines and 8.63 million pcs of garments per year. The company has established a green dyeing unit. The land area of the dyeing project is 1,255 decimal (out of which 437 decimal in the name TIL and rest 818 decimal lease agreements with its sister concern namely Northern Knit Ltd.) with 273,000 sft. building area. The company can meet dyeing requirement of the company as well as its sister concerns and take order from outsides. The dyeing unit is equipped with 65 sets of different machineries which has been in operation since November 2017. The company installed new machineries which have been imported from Japan, China, Germany, Singapore and Taiwan for dyeing project. The company also has sufficient safety instruments like fire fighting equipments, hose pipes, smoke detectors to protect against fire. The company has insurance coverage of Tk.1,360.70 million with Desh General Insurance Company Ltd. This insurance has the coverage to protect raw material, building and machinery with a premium of Tk. 6.12 million which is valid up to December 31, 2019.

Economic Outlook

Bangladeshi economy is continuing the fastest growing economy in the world and RMG sector is one of the main key driven factors of this continued GDP growth. After a major reformation of RMG industry, Bangladesh is still the second largest apparel sourcing country in the world but now Vietnam comes into third position to export the RMG. The export growth is largely dependent on the growth of knitwear and it's played a vital role in value addition of Gross Domestic Product (GDP). According to Export Promotion Bureau (EPB) data, Bangladesh's export earnings from the RMG sector stood at \$34.13 billion, posting 11.49% growth in the last fiscal year. Our current ongoing investment initiative to ensure that we are well positioned for continued long-term and profitable growth. Though the growth rate is impressive it is too optimistic to reach \$50 billion mark by 2021 which target set by the government.

Ready Made Garments (RMG) Industry Overview 2018-19

The export growth rate is 11.49% which was only 8.76% in 2017-18 indicates the upward trend of RMG export after the disastrous year in 2016-17 when the RMG export growth was the slowest in the history. The export of knit and woven products seems even to be growing at a similar rate, however woven products have surpassed knit export in terms of value in the past 5-6 years. The garment owners of the country are continuously investing in their factories and upgrading their capacity along with production facilities to meet the highest compliance standards. Twenty-five Bangladeshi factories have achieved the highest certificate provided by the US Green Building Council (USGBC).

The Ready-made Garment (RMG) industry of Bangladesh has emerged as a competent garment producer in the world. The World Trade Organization (WTO) declared Bangladesh as the second largest RMG exporter after China. The industry accounts for more than 82 percent of the total export earnings of the country and is a source of livelihood for around 4 million workers, mostly poor rural women. With more than three decades of experience, the apparel industry has achieved phenomenal growth from the policy support from the Government, dynamism of the private sector entrepreneurs and extremely hardworking workers. Around 130 countries of the world are the consumers of 'Made-in-Bangladesh' knit garments and woven products.

According to the research director of CPD, in the beginning of the year, the government projected single digit growth but there is double digit growth which shows a positive sign for the RMG sector. However, if 10% average growth is predicted in the upcoming two fiscal years, the total RMG exports will stand at \$37.54 billion in 2019-20 and \$41.29 billion in 2020-21 which is shy by 8.71 billion USD compared to the ambitious target of \$50 billion set by the Government of Bangladesh.

Moreover, a sharp growth of RMG export, workplace safety, investment in backward linkage industry, political stability and duty-free access to the export destinations are considered as vital factors. Now Bangladesh has the most number of green industries compared to any other RMG exporting countries. A McKinsey report forecasts export-value growth of 7 to 9% annually within the next ten years. But at present, the mightiest pillar of our economy is under threat and facing unprecedented challenges posed by some unfortunate incidents and pressure from the buyer side to reduce the cost of garment products. With challenges on one side and huge opportunities for further growth on the other, we are now at a crossroads. However, the country does not have the capacity to provide jobs to this huge number of workers in any other sector, leading to further instability. The way to resolve the issue is improving building and fire safety at the garment factories to prevent further catastrophic collapse or fire.



In rise of the production cost has increased by up to 17% due to gas crisis, devaluation of euro and price fall in EU and US markets, on the back of the US election and BREXIT. The government, policymakers and entrepreneurs are mainly worried with growing labour costs and export boundaries but have been overlooking few imperative factors vital to sustaining this growth. In such situations, apparel manufacturers have to move forward for global new market explorations and product diversification along with machinery and process enhancement by ensuring quality. Another big issue for the sustainable expansion of the RMG industry in near future will be the skill Up gradation of the workers. As the industry is transforming to more IT intensive and automotive approach, it is required for the industry to optimize and develop appropriate skills. As per Bangladesh Institute of Development Studies (BIDS) report, demand for skill labours in approximately 10 years will be as high as 122 per cent. If the skill gaps are not addressed by that time, the productivity will be hampered and Bangladesh will lose its edge with available pool of labour.

Meanwhile, US-China trade war is another big issue for sharp rise in export earnings. The economists said, it's an issue as the international buyers shifted their orders from China to Bangladesh for having in alternative sourcing destination which made Bangladesh's position in the US market stronger than it was in the previous time. According to Export Promotion Bureau (EPB) data, in the fiscal year 2018-19, Bangladesh exports to the US market is \$6.13 billion, grows by 14.60%, up from \$5.35 billion in the previous year. According to President of International Apparel Federation (IAF), due to the on-going trade war between US-China, China will move to Europe, which means Bangladesh will have strong competition in the EU market. In the upcoming days, Bangladesh may get some extra benefits from the China-US trade war although Bangladesh's competitors are quickly taking over a greater share of the US RMG market by using advantage of ongoing US-China trade war.

On the other side, the new imposed gas tariff is another big challenge for the RMG sector due to increasing the production cost further but buyers are not interested to pay more which makes the owner anxious. According to the Head of EU mission in Bangladesh, to reach the \$50-billion target, Bangladesh would have to fight and win three battles: the battle of technology, international engagement and team spirit. Most of the exports earning of the apparel sector comes from basic goods which is a concern for industrialists. For getting better price, Bangladesh should invest in technology for value addition and foreign investment in industry.

Segment-wise & Product-wise Performance

During the financial year 2018-19 the revenue details was as under:

Segment-wise Performance:

Type of sales	Amount in Taka	
	30 June, 2019	30 June, 2018
Particulars		
Export of readymade garments	1,678,756,645	1,172,315,494
Deemed export	279,733,540	78,995,335
Total	1,958,490,185	1,251,310,829

Product-wise Performance:

Particulars	1 July, 2018 to 30 June, 2019		1 July, 2017 to 30 June, 2018	
	Quantity	Amount	Quantity	Amount
Polo Shirt	1,458,004	420,360,664	960,383	291,466,103
T - Shirt	1,941,327	518,567,928	1,478,552	364,165,096
Tank Top	904,170	212,362,716	552,810	126,767,853
Others	1,779,794	527,465,338	1,235,315	389,916,442
Total	6,083,295	1,678,756,645	4,227,060	1,172,315,494

Capacity utilization

Section	Installed capacity			Utilization for the period	% of utilization	Over/(under) utilized
	Per day		For 1/year			
	Ton/PCS	Ton/Pcs	Ton/PCS	Ton/PCS	%	Ton/PCS
Knitting (ton)	8.50	-	2,550	2,015	79%	(535)
Dyeing (ton)	10.00	22.00	3,300	2,550	77%	(750)
Sewing - basic T-shirts (PCS)	23,000	34,500	8,625,000	6,153,641	71%	(2,471,359)

- 300 days have been considered as working days for the period of 1 year;
- The capacity varies depending on sophistication of the product. For higher grade products, the capacity decreases from the mentioned level.
- Sewing capacity for "Basic T-Shirt" is 23,000 pieces per day. The capacity varies depending on the sophistication of the product. For higher grade products, the capacity decreases from the mentioned level.
- Sewing capacity 23,000 pcs per day for 6 month & 34,500 pcs per day for 6 month
- Dyeing capacity 10 ton per day for 11 month & 22 ton per day for 1 month
- Capacity utilized in knitting section is 79%, i.e. 2015 ton.
- Capacity utilized in Dyeing section is 77%, i.e. 2550 ton.
- Capacity utilized in sewing section is 71%, i.e. 61,53,641 pieces.

Risk Factors

There are various risk factors has been associated with carry out the business activities. Although, the risks of the industry are continuously evolving, the Company has taken reasonable steps to identify material risks that could have hampered the Business of the Company and had adopted preventive measures in this respect.

(a) Liquidity risk

Liquidity risk is one of the major risk that encounter directly in meeting the obligations associated with its financial liabilities that have to be settled by delivering cash or another financial assets or liabilities. The Company's approach in managing liquidity is to ensure that it will always have sufficient liquid assets to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputations.

(b) Foreign currency risk

The risk that the fair value of future cash proceeds of a financial instrument might fluctuate because of adverse changes in foreign exchange rates. The company experiences currency risks on export of sales & purchase of raw materials, capital machinery, accessories and other items.

(c) Interest rate risk

Interest rate risk arises from the fluctuation of interest rate assigned with certain financial asset or liabilities. Exposure to interest risk of the Company at the reporting dates is only related with outstanding oshore loan/-commitment having its relation to LIBOR plus interest rate.

(d) Raw Cotton Price Risk

Raw cotton price fluctuation is directly affected by Ready Made Garments industry manufacturer when we have largely dependent on global market.

(E) Industry Risk

Due to increase of raw materials price most RMG Exporter of the world are currently struggling to hold on their own position. Although, As a Preferred destination of most of the RMG buyers in the world we constantly focus to develop our system, employees skills and efficiency that directly impact on productivity by using the latest technology. Also, we are expecting the continuous government support to improve the infrastructural development.



Statement – Cost of Goods sold

	Amount in Taka	
	June 30, 2019	June 30, 2018
Opening inventories of raw materials	209,169,752	147,679,396
Raw materials (yarn)	183,488,734	122,175,388
Raw materials (finished fabrics)	16,896,425	18,421,680
Raw materials dyes & chemical	335,441	
Raw materials (accessories)	5,015,444	3,435,592
Needle and spare parts	3,433,708	3,646,736
Add: Raw materials purchased during the year	1,018,311,025	587,797,947
Yarn	635,089,124	376,841,898
Finished fabrics	34,510,246	34,479,210
Dyes & Chemical	166,718,136	41,162,254
Accessories	172,655,573	124,076,464
Needles and spare parts	9,337,946	11,238,120
Raw materials available for use	1,227,480,777	735,477,343
Less: Closing inventories of raw materials	315,429,047	209,169,752
Raw materials (yarn)	208,851,536	183,488,734
Raw materials (finished fabrics)	41,907,252	16,896,425
Raw materials dyes & chemical	40,930,881	335,441
Raw materials (accessories)	13,555,765	5,015,444
Needle and spare parts	10,183,612	3,433,708
Raw materials consumed	912,051,730	526,307,590
Add: Direct expenses	307,741,618	255,085,153
Prime cost	1,219,793,348	781,392,743
Add: Factory overhead	461,061,652	293,566,524
Cost of production	1,680,855,001	1,074,959,267
Add: Opening inventories of work-in-process	84,335,742	32,936,961
Manufacturing cost at standard	1,765,190,743	1,107,896,228
Less: Closing inventories of work-in-process	87,361,873	84,335,742
Cost of goods manufactured	1,677,828,870	1,023,560,485
Add: Opening inventories of finished goods	41,630,778	28,130,979
Goods available for sale	1,719,459,648	1,051,691,464
Less: Closing inventories of finished goods	60,723,107	41,630,778
Cost of Sales	1,658,736,541	1,010,060,687

Extra Ordinary Gain/Loss

There is no extraordinary gain or loss occurred during the reporting period.

Related party Transactions

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements in Note:38 in accordance with relevant Bangladesh Accounting Standards (BAS).

Utilization of IPO Proceeds

Tosrifa Industries Limited has received Tk. 638,721,200 (Taka Sixty Three Crore Eighty Seven Lac Twenty One Thousand and Two Hundred) only as Initial Public Offering (IPO) proceeds through subscription from 24 March 2015 to 09 April 2015 in the separate Bank Account (STD account number 0002-0320002679) maintaining with Mutual Trust Bank Limited, W.W. Tower, 68 Motijheel C/A, Dhaka-1000. In line with the condition number 6, Part C of the consent letter number SEC/CI/IPO-216/2013/131 dated: 23 February 2015 of Bangladesh Securities and Exchange Commission (BSEC). Fund utilization status as on 31 July 2017 is as follows:

Amount of Capital Raised Through IPO	: BDT 638,721,200.00
Date of Close of Subscription	: 09 April 2015
Proceeds Receiving Date	: 17 June 2015
Proceeds Utilization Completed	: June 2017

Sl.	Purpose Mentioned in the Prospectus	Amount as per Prospectus	Amount as per revised utilization Plan	Total Utilized Amount
I)	Business Expansion	618,789,481	618,789,481	618,789,481
a)	Building & Civil Works	303,500,000	336,986,543	336,986,543
b)	Dyeing Machinery -Imported	122,087,600	122,087,600	122,087,600
c)	Dyeing Utility Machineries -Imported	41,736,911	41,736,911	41,736,911
d)	Dyeing Utility Machinery-Local	62,371,000	62,371,000	62,371,000
e)	Sewing Machinery-Imported	45,740,000	29,938,292	29,938,292
f)	Sewing utility Machineries	13,563,970	5,879,135	5,879,135
g)	Furniture, Fixture, Office Equipment	10,000,000	-	
h)	Other Expense & Contingency	19,790,000	19,790,000	19,790,000
II)	IPO Expenses (approximate)	19,931,719	19,931,719	28,679,423
l)	Issue Management Fee	2,000,000	2,000,000	
m)	Listing related Expenses	2,181,080	2,181,080	
n)	BSEC Fees	968,082	968,082	
o)	IPO Expenses related Expense	4,962,909	4,962,909	
p)	CDBL Expenses & Fees	778,098	778,098	
q)	Printing & Post Public offer Expenses	9,041,550	9,041,550	
	Total	638,721,200	638,721,200	647,468,904

Significant Variance between Quarterly and Period Ended Report

No significant difference between quarterly performance and overall period ended on 30 June, 2019 performance of the Company. Throughout this period, the Company was able to maintain judicious performance both in operational and financial perspective.

Directors Remuneration

Directors have received the following remuneration from the Company during the period from 01 July 2018 to 30 June 2019.

Name of Directors	Designation	01 July, 2018 - 30 June, 2019		30 June, 2019	30 June, 2018
		Monthly remuneration	Monthly house rent	Amount in Taka	Amount in Taka
Mr. Rafiq Hassan	Chairman	-	-	-	1,950,000
Mr. Mohim Hassan	Managing Director	345,000	25,000	4,440,000	4,410,000
Mr. Naim Hassan	Director	145,000	25,000	2,040,000	2,010,000

As per Code 4 (e) of Corporate Governance Code dated 10 June 2018, Mr. Rafiq Hassan, Chairman considered as a Non-executive Director. So, he has not received any remuneration during the Financial Year 2018-19.

Nomination & Remuneration Committee (NRC):

Nomination and Remuneration Committee (NRC) has been already formed as per provision of Corporate Governance Guidelines Notification No: BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 by Bangladesh Securities and Exchange Commission (BSEC) and details discussion has presented in Annexure – IV.

Statutory Auditor

Ahmad & Akhtar Chartered Accountants were appointed as the statutory Auditors of the company in the 16th Annual General Meeting (AGM) held on December 31, 2018 to audit the financial statements for the year ended on 30 June 2019. But, As per order of BSEC "Revised Panel Auditors" dated on 16 July 2019 in which the Auditor "M/S AHMAD & AKHTAR" was delisted and subsequently the Company collected offers from some of other listed auditors. As a consequence to fill up the casual vacancy for conducting statutory audit and Board of Directors recommended to appoint the Auditor: "M/S Shiraj Khan Basak & Co", Chartered Accountants, for audit financial accounts of Tosrifa Industries Limited for the financial year 2018-2019 in place of auditor of M/S Ahmad & Akhtar, Chartered Accountants in its Board meeting held on 15 September, 2019 and the appointment along with the audit fee will be approved by the Shareholders in the forthcoming 17th AGM.

The relationship with or interest with TIL that in the judgments of Statutory Auditor, may reasonably be thought to have a bearing on their independence within the meaning of the Code of Professional Conduct and Ethics issued by the Institute of Chartered Accountants of Bangladesh, applicable on the date of this report.

Compliance Auditor

The 16th AGM held on 31st December 2018 approved the appointment of M/S Poddar and Associates, Cost Management Accountants, as the compliance auditor of the company to audit the "Corporate Governance Code" for the year 2018-19.

Re-constitution of Board

Mr. Hasib Uddin Ahamed, appointed as a Nominated Director representing Northern Corporation Limited approved by the shareholders in its 16th Annual General Meeting held on 31st December, 2018. Also, Prof. Dr. Khondaker Mohammad Shariful Huda and Md. Nasirul Islam as re-appointed again for another terms as Independent Director in the same Annual General Meeting.

In addition, Shareholder Directors of the Company will retire, elected and appointed as per Article 129 of Articles of Association and Corporate Governance Code.

Rafiq Hassan	Chairman
Mohim Hassan	Managing Director
Naim Hassan	Director
Mrs. Lyra Rizwana Quader	Director
Mrs. Anjuman Ara Begum	Director
Hasib Uddin Ahamed (Northern Corporation Limited)	Nominated Director
Prof. Dr. Khondaker Mohammad Shariful Huda	Independent Director
Md. Nasirul Islam	Independent Director

Appropriation of Profit

After the considerations of financial results of the Company during the year and free reserve carried over, the Directors recommended appropriation of net profit as follows:

	(Amount in Taka)		
	2018-19	2017-18	2016-17
Un-appropriated Profit from previous Year	459,380,397	440,970,816	418,691,980
Less: Prior Year Adjustment if any	-	-	-
Adjusted Un-appropriated Profit from previous Year	459,380,397	440,970,816	418,691,980
Add: Net Profit after Tax for the Year	7,787,306	79,922,111	83,338,359
Add: Realization through use of Revaluation Reserve	1,161,582	1,655,990	2,108,997
Total Available for Appropriation (a)	468,329,285	522,548,917	504,139,336
Appropriation Proposed:			
Proposed Dividend:			
Cash Dividend	6,632,694	31,584,260	63,168,520
Stock Dividend	-	31,584,260	-
Total Dividend (b)	6,632,694	63,168,520	63,168,520
Balance Carried Forward (a-b)	461,696,591	459,380,397	440,970,816

Dividend

The Board recommended dividend Cash @ 1% of the financial period ended on 30 June 2019. Record Date declared on 21 November 2019 for entitlement of dividend Cash @ 1% will be paid subject to the approval of the Shareholders in the forthcoming AGM.

The System of Internal Control

The Board of Directors assures the Shareholders that the Company has a robust risk management process to ensure that the system of internal control is sound in design and has been effectively implemented and monitored. Although it is possible that all risks to the business are not known at present, the Company takes reasonable steps to identify material risks that may hamper business results and systematically reviews these risks in light of the changing internal and external environment in order to assess that the controls in place are adequate to address these risks.

FINANCIAL PERFORMANCE ANALYSIS

Particulars		FY2018-19	FY2017-18	FY2016-17
Capacity	Knitting(ton/year)	2,550	2,550	2,550
	Dyeing (ton/ 1 years)	3,300	1,050	---
	Garments(million pcs/year)	8.63	6.90	6.90
Production	Knitting(ton/year)	2,015	2,238	2,261
	Dyeing (ton/seven months)	2,550	810	---
	Garments(million pcs/year)	6.15	5.62	5.57
Capacity Utilization (%)	Knitting	79%	87.76	8.67
	Dyeing	77%	77.14	----
	Garments	71%	81.44	80.74
Sales (Tk. in million)		1,958.49	1,251.31	1,206.90
COGS (Tk. in million)		1,658.73	1,010.06	979.93
Gross Profit (In million Tk.)		299.75	241.25	226.96
Net Profit after tax (In million Tk.)		7.78	79.92	83.34
Return on Average Assets after tax (ROAA)%		0.19	2.43	3.08
Return on Average Equity after tax (ROAE)%		0.36	3.78	3.96
Gross profit margin (%)		15.30	19.00	18.81
Operating profit margin (%)		5.91	7.43	7.78
Net profit margin (%)		0.39	6.39	6.91
Administrative to Revenue ratio (%)		5.14	7.94	7.49
Finance Cost to Revenue ratio (%)		3.88	1.88	1.63

The overall financial performance of the company has been found to be steady though direct export increase compared to previous year. But, Operational and finance cost significantly increase which causes to downward the net profit margin. It is noted that overall worker efficiency has been found moderate (on an average around 45% against planned efficiency of 60%) due to frequent changes in style (small quantity order), timely feeding of raw materials, worker turnover etc. The sales volume has significantly increased compare to previous year due to increase in sales volume (in deem export) which resulted increase in gross profit by 24.06%. However, the operating profit has slightly increased but net profit margin have been found in declining trend mainly due to substantial increase in operating expense, deferred Tax and tiny increase in other income which mainly generated from cash incentive received.

FINANCIAL STRENGTH AND SOLVENCY

(Amount in million)

Particulars:	FY2018-19	FY2017-18	FY2016-17	FY2015-16
Current Assets	1,114.77	770.77	699.37	1074.64
Less: Current Liabilities	1,393.04	792.96	568.92	304.87
Net Current Assets	(227.27)	(22.19)	130.45	769.78
Non-Current Assets:	3,217.53	2,839.62	2,256.05	1,374.27
Net Capital Employed	2,990.26	2,817.41	2,386.50	2,144.05
Finance By:				
Non-Current Liability	838.33	692.70	278.53	43.62
Shareholders' Equity:				
Share Capital	663.27	631.69	631.69	631.69
Share Premium	433.05	433.06	433.06	433.06
Revaluation Reserve and Surplus	536.27	537.43	539.08	541.19
Retained Earnings	468.33	522.55	504.14	494.49
Total	2,990.26	2,817.43	2,386.50	2,144.05
Leverage Ratio (X)	1.06	0.70	0.40	0.17

LIQUIDITY AND FUND FLOW ANALYSIS

LIQUIDITY INDICATORS	FY2018-19	FY2017-18	FY2016-17	FY2015-16
Current Ratio (X)	0.80	0.97	1.23	3.52
Quick Ratio (X)	0.38	0.55	0.86	3.02
Operating cash flow (Tk. in million)	(58.62)	118.94	116.91	64.67
Net working capital (Tk. in million)	(227.27)	(22.19)	130.45	769.78

The overall liquidity position of the company has been found to be average. Working capital requirement is financed by Back to Back L/C, F/C account, Over Draft facility, Packing Credit facility and short term loan. The requirement of working capital has increased due to increase of lead time (around 42 days from 30 days) and significant stock pile. The net working capital has been found to be in decreasing trend and become negative in current period. After reviewing the working capital limit it appears that TIL has enhanced its working capital limit for the requirement of dyeing project. While analysing the cash flow from operations it appears that the company has generated sufficient fund from its operation to discharge the fixed financial burden.

Going Concern

The Directors after making necessary inquiries and reviews including reviews of the budget for the ensuing year, capital expenditure requirements, future prospects and risks, cash flows and such other matters required to be addressed in the Code of Best Practice on latest Corporate Governance issued by the Bangladesh Securities and Exchange Commission. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements. It is the responsibility of the management of a company to determine whether the going concern assumption is appropriate in the preparation of financial statements. If the going concern assumption is considered by the management to be invalid, the financial statements of the entity would need to be prepared on break up basis. TIL has adequate resources to continue operations into the foreseeable future.

DECLARATION AS TO FINANCIAL STATEMENTS

Pursuant to Bangladesh Securities and Exchange Commission's Notifications on "Corporate Governance Code" published on 03 June, 2018, the Directors also report that:

- i. Details of risk management process has been discussed to Directors report to shareholders.
- ii. The Initial Public Offering (IPO) issue were made in 2015 and no further issue of any instrument was made during the year.
- iii. The remuneration of directors has been presented in note: 39.00 in the notes of the financial statements.
- iv. The financial statements of the company fairly presented of affairs, result of its operations, cash flows and changes in equity.
- v. Proper books of accounts of the company have been maintained.
- vi. Appropriate accounting policies have been followed in preparation of financial statements and accounting estimates made on prudent manner and judgement.
- vii. The Financial Statements were prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS).
- viii. The internal control system is sound in design and has been effectively implemented and monitored.
- ix. Significant deviations from the previous year in operating result of the company of the company have been highlighted and reasons there of have been explained.
- x. Right and interest of shareholders have been protected by means of proper disclosure of material Information of the company.
- xi. The Financial Statements prepared by the Management of the Company present a true and fair view of Company's state of affairs, result of its operation, cash flows and changes in equity.
- xii. The Managing Director and Head of Accounts have certified to the Board that they have reviewed the financial statements and believe that these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- xiii. The Managing Director and Head of Accounts have certified to the Board that they have reviewed the financial statements and believe that 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.
- xiv. The Managing Director and Head of Accounts have further certified to the Board that there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's codes of conduct.
- xv. Certificate of Due Diligence by Managing Director and Head of Accounts is in Annexure-I.
- xvi. The patterns of Shareholding as on 30 June 2019 is being discussed in Annexure-II.
- xvii. 5 Years Comparative financial results are discussed in Annexure-III.
- xviii. Nomination and Remuneration Committee Report is in Annexure-IV.
- xix. Audit Committee Report is in Annexure-V.
- xx. Renewed Certificate of Bangladesh Association of Publicly Listed Companies Annexure-VI.
- xxi. Status of Compliance with the conditions imposed by Securities and Exchange Commission along with Corporate Governance Certificate issued by Poddar & Associates. Cost and Management Accountants is enclosed as Annexure-VII.

Declaration on Financial Statements for the year ended on 30 June, 2019

[As per condition No. 1(5)(xxvi)]

Tosrifa Industries Limited
Declaration on Financial Statements
26 October 2019

The Board of Directors
Tosrifa Industries Limited
28-30, Kemal Ataturk Avenue, 16th Floor,
Banani, Dhaka-1213

Subject: Declaration on Financial Statements for the year ended on 30 June, 2019

Dear Sirs,

Pursuant to the condition No. 1(5) (xxvi) imposed vide the commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03 June, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969:

We do hereby declare that:

- (1) The Financial Statements of Tosrifa Industries Limited for the year ended on 30 June, 2019 have been prepared in compliance with Bangladesh Accounting Standards (BAS) or Bangladesh Financial Reporting Standards (BFRS), as applicable in the Bangladesh and it has been adequately disclosed;
- (2) The estimates and judgments related to the financial statements were made on 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) Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
- (5) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no materials uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.
- (6) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records.

In this regard, we also certify that:-

- a. We have reviewed the financial statements for the year ended on 30 June, 2019 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- b. 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 of Directors or its members.

Sincerely yours,

Sd/-
Managing Director
Tosrifa Industries Limited

Sd/-
Head of Accounts
Tosrifa Industries Limited

Patterns of Shareholding as on June 30, 2019

SL	Shares held by	Status	No of Ordinary Shares Held	%
A.	Sponsors/Directors:			
1	Rafiq Hassan	Chairman	2,121,786	3.20%
2	Mohim Hassan	Managing Director	2,245,543	3.39%
3	Tosrifa Ahmed	Sponsor Shareholder	463,787	0.69%
4	Naim Hassan	Director	2,245,543	3.39%
5	Sayed Hassan	Sponsor Shareholder	84,666	0.13%
6	Mrs. Lyra Rizwana Quader	Director	6,978,050	10.52%
7	Mrs. Anjuman Ara Begum	Director	5,349,865	8.07%
8	Northern Corporation Ltd.	Director	13,482,000	20.33%
9	Prof. Dr. Khondaker Mohammad Shariful Huda	Independent Director	-	-
10	Md. Nasirul Islam	Independent Director	-	-
B.	Top Executives:			
1	Hayder Ali	Company Secretary	-	-
2	Md. Armanul Azim	Chief Operating Officer	-	-
3	Mr.Habibur Rahman	Sr. DGM- Fabric Division	-	-
4	Mr.Khorshed Alam	Sr. AGM- Production	-	-
5	A. B. M. Farhad Uddin Chowdhury, FCMA	Head of Accounts	-	-
6	Md. Monir Hossain Bhuiyan, FCCA, ACA	Head of Internal Audit	-	-
C.	Government			
D.	Institutions			
E.	General Shareholders			
Total:			66,326,946	100.00%

On 28-April-2019 total 32,46,498 shares (30,91,903 original shares and 1,54,595 bonus shares) of honourable late Sponsor of the Company Mrs.Tosrifa Ahmed (who died on 07.04.2016) have been transmitted in the accounts of her legal successors through stock exchange in the following manner as per succession certificate issued by the Honourable Court:

4,63,785 shares each to her sons Feroz M. Hassan, Faruque Hassan, Mohim Hassan (Sponsor Director), Naim Hassan (Sponsor Director), Sayeed Hassan (Sponsor) and Rafiq Hassan (Sponsor Director) and 2,31,893 shares each to her daughters Abeda Rahman and Shameem Ara Begum. Except Sayeed Hassan all other legal successors received their shares. Now Sayeed Hassan did not receive his 4,63,785 shares up-to 30-June-2019.

During the financial year 2018-19, Mrs. Anjuman Ara Begum, one of the Directors of the Company, sold 1,728,185 shares of the company through declaration in Stock Exchanges (DSE & CSE).

During the financial year 2018-19, Mrs. Lyra Rizwana Quader, another Director of the Company, sold 100,000 shares of the company through declaration in Stock Exchanges (DSE & CSE).

Comparative Financial results of 05 Years

(BDT in Million)

Particulars	2018-19	2017-18	2016-17	2015-16	2015
Sales Turnover	1,958.49	1,251.310	1,206.89	1,424.00	1,537.03
Cost of Goods Sold	1,658.73	1,010.06	979.93	1,187.68	1,249.81
Gross Profit	299.75	241.25	226.96	236.32	287.23
Operating Expenses	184.00	148.33	133.04	130.33	159.16
Operating Profit	115.75	92.92	93.91	105.99	128.07
Non-Operating Income	29.17	25.38	38.17	68.48	74.90
Financial Expenses	76.07	23.48	19.68	19.29	19.24
Non-operating Expenses (WPPF)	3.27	4.51	5.35	7.38	9.18
Net Profit before Tax	65.57	90.28	107.05	147.78	174.53
Provision for Income Tax	57.78	10.36	23.72	36.89	39.47
Net profit after Tax	7.79	79.92	83.34	110.89	135.06
Earnings Per Share (Tk.)	0.12	1.27	1.32	1.76	2.44
Total Assets	4,332.29	3,610.38	2,955.42	2,448.92	2,373.08
Total Liabilities	2,231.37	1,485.67	847.45	348.48	328.82
Shareholders' Equity	2,100.92	2,124.722	2,107.96	2,100.43	2,044.26
NAV Per Share (Tk.)	31.68	33.64	33.37	33.25	32.36
Gross Profit Margin	15.30%	19.00%	18.81%	16.59%	18.68%
Operating Profit Margin	5.91%	7.43%	7.78%	7.44%	8.32%
Net Profit Margin	0.39%	6.39%	6.91%	7.79%	8.78%
Return on Equity	0.37%	3.76%	3.95%	5.27%	6.60%
Return on Investment	0.18%	2.21%	2.82%	4.52%	5.68%

Nomination and Remuneration Committee (NRC) Report

The Nomination & Remuneration Committee of Tosrifa Industries Limited has been constituted by the Board of Directors, as required by the Corporate Governance Code-2018 of Bangladesh Securities and Exchange Commission (BSEC) notification. The NRC consists of three members, of whom one is an independent director, and rest is the nominated directors as non-executive directors. The composition of the Present committee as follows –

1. Md. Nasirul Islam	Chairperson
2. Mrs, Lyra Rizwana Quader	Member
3. Mrs. Anjuman Ara Begum	Member

Hayder Ali, Company secretary join the meeting as a secretary. Managing Director and Human Resource Head of the Company attend the meeting on invitation.

The Responsibilities of the Committee:

- ▶ This committee is accountable to the Board.
- ▶ This committee assists the Board for formulating and determining the qualification of Directors and senior level executives as well as fix up their remuneration.
- ▶ Developing the succession planning of future Board members.
- ▶ Assist the Board as required to identify individuals who are qualified to become Directors and who may be appointed in top level executive position in accordance with the nomination criteria laid down, and recommend their appointment/re-appointment and removal to the Board.
- ▶ Review and recommend to the Board the policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality.
- ▶ Review the Code of Conduct of Board on a periodic basis, and recommend any amendments for Board consideration.
- ▶ Developing, recommending and reviewing annually the company's human resources and training policies.
- ▶ Review and recommend to the Board the meeting attendance fees for the Non-Executive Directors of the Board.
- ▶ Formulate the transparent and standard process for selection of the Board members.

This Committee has already conducted a 01 meeting as per fulfilling the requirement of Corporate Governance Code-2018 and taken some initiative as per following manner-

- Review the compensation and training related activities for the employees.
- Recommend the board appointment and fix up the Board members meeting fees.
- Discussion regarding the future Board members qualification and appointment process.

On be-half of the Nomination & Remuneration Committee.

Sd/-

Md. Nasirul Islam, Independent Director
Chairperson of Nomination and Remuneration Committee

23 November, 2019
Dhaka

Audit Committee Report

For the year– 01 July 2018 to 30 June 2019

The Board of Directors of Tosrifa Industries Limited has constituted an Audit Committee according to the Notification of Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission's (BSEC) Guidelines. All Members of the Audit Committee are financially literate and are able to analyze and interpret financial statements to effectively discharge their duties and responsibilities as Members of the Audit Committee.

The Audit Committee assists the Board of Directors 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. The Audit Committee is comprised of three members of the Board including one independent director and two non-executive directors.

The Audit Committee consists of the following persons:

1. Md. Nasirul Islam	Chairperson
2. Mrs. Lyra Rizwana Quader	Member
3. Mrs. Anjuman Ara Begum	Member

Rafiq Hassan, Chairman of the Company was a member of the Audit Committee. But, as per Clause 2(b) of Corporate Governance Code dated June 10, 2018; Rafiq Hassan resigned from the Audit Committee.

Hayder Ali, Company Secretary attends the meetings as the secretary of the committee. The Managing Director and Head of Accounts attend the meetings on the invitations.

The scope of Audit Committee was defined as under:

- ▶ Review statement of significant related party transactions submitted by the management;
- ▶ Monitor and oversee choice of accounting policies and principles, internal control risk management process, auditing matter, hiring and performance of external auditors;
- ▶ Carry on a supervision role to safeguard the systems of governance and independence of statutory auditors; and
- ▶ Monitor financial reporting process as well as review the quarterly, half yearly and annual financial statement before presenting the Board,
- ▶ Review and consider the report of internal auditors and statutory auditors' observations on internal control.

Authority

The Audit Committee is authorized by the main Board to review any activity within the business as per its terms of reference. It is authorized to seek any information it requires from, and require the attendance at any of its meetings of, any director or member of management, and all employees are expected to co-operate with any request made by the Committee. The Committee is also authorized to have information and advice from the Company Legal Advisor, Tax Consultant and Statutory Auditor if required. The terms of reference of the Audit Committee may be amended from time to time as required for the business in line with BSEC Code 2018 subject to approval by the Board.

Meeting Attendance

During the reporting period under review, the Committee held total four (04) meetings. The attendance of the members at these meeting is as under:

	Designation	Total Meetings Held	No. of Meetings Attended
Md. Nasirul Islam	Chairman	04	04
Lyra Rizwana Quader	Member	04	04
Anjuman Ara Begum	Member	04	04

Reporting of the Committee

On discharging its responsibilities, the audit committee has ensured the followings:

- Adequate and appropriate risk controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded and that the financial position of the Company is adequately managed.
- Financial statements have been prepared and presented in compliance with all laws, regulations & standards as applicable.
- This Committee regularly met with internal and external auditors and taken their view.

Sd/-

Md. Nasirul Islam
Independent Director,
Chairperson of Audit Committee

20 November, 2019
Dhaka





PODDER & ASSOCIATES
Cost and Management Accountants

Report to the Shareholders of Tsrifa Industries Limited on compliance on the Corporate Governance Code.

We have examined the compliance status to the Corporate Governance Code by **Tsrifa Industries Limited** for the year ended on June 30, 2019. 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 Except under conditions number 1(7)(a), 1(7)(b), 6 to 6(3)(c).
- (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.

Place: Dhaka
Dated: 02nd December 2019

For Podder & Associates

Jayanta Kumar Podder
Cost & Management Accountants



Tosrifa Industries Limited

Status of Compliance with the Corporate Governance Code (CGC)

For the year ended 30th June 2019

Status of compliance with the conditions imposed by the Commission's Notification No.BSEC/CMRRCD/2006-158/207/ Admin/80, dated 03 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 \checkmark 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 (herein after referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)].	\checkmark	-	The TIL Board is comprised of 8 Directors including Managing Director.
1.2	Independent Directors:			
1.2(a)	At least one fifth (1/5) of the total number of Directors shall be Independent Directors	\checkmark	-	02 out of 8 directors are appointed as Independent Director
1.2(b)	Independent Director means a director:			
1.2(b) (i)	Who either does not hold any share in the Company or holds not less than one percent (1%) shares of the total paid-up shares of the Company	\checkmark	-	The Independent Directors have declared their compliances.
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 shareholder who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the Company	\checkmark	-	
1.2(b) (iii)	Who has not been executive of the Company in immediately preceding 2 (two) financial years.	\checkmark	-	
1.2(b) (iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the Company or its subsidiary/associated companies	\checkmark	-	
1.2(b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder director or officer of any stock exchange	\checkmark	-	
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	\checkmark	-	
1.2(b) (vii)	Who is not a partner or 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	\checkmark	-	
1.2(b) (viii)	Who shall not independent director in more than 5 (Five) listed companies	\checkmark	-	
1.2(b) (ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or advance to a bank or Non-Bank Financial Institution (NBFi)	\checkmark	-	
1.2(b) (x)	Who has not been convicted for a criminal offence involving moral turpitude	\checkmark	-	
1.2 (c)	Independent Director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM)	\checkmark	-	
1.2 (d)	The post of Independent director(s) cannot remain vacant for more than 90 (ninety) days	\checkmark	-	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not complied	
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) tenure only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]:	√	-	
1.3	Qualification of Independent Director (ID)			
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 business.	√	-	
1.3(b)	Independent director shall have following qualifications:			
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.			N/A
1.3(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or 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.	√	-	
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.	√	-	
1.3(b)(iv)	University teacher who has educational background in Economics or Commerce or Business Studies or Law.		-	N/A
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 experience in any filed mentioned in clause (b)	√	-	
1.3(d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the Commission.		-	N/A
1.4	Duality of Chairperson of the Board of Directors and Managing Directors or Chief Executive Officer :-			
1.4(a)	The position 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.	√	-	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not complied	
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 Boards meeting the reason of absence of the regular Chairperson shall be duly recorded in the minutes.		-	N/A
1.5	The Directors' Report to Shareholders			
1.5(i)	Industry outlook & possible future development in the industry	√	-	
1.5(ii)	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 and Net Profit Margin and Net profit Margin, Where applicable	√	-	
1.5(v)	Discussion on continuity of any Extra-Ordinary activities and their implication (gain or loss)		-	N/A
1.5(vi)	A detailed discussion on related party transactions alongwith a statement showing amount, nature of related party,nature of transactions and basis of transactions of all relatedparty transactions;	√	-	
1.5(vii)	A statement of utilization of proceeds raised through publicissues, rights issues and/or any other instruments;	√	-	
1.5(viii)	An explanation if the financial results deteriorate after the Company goes for IPO, RPO, Rights offer, Direct listing etc.		-	N/A
1.5(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		
1.5(x)	A statement of Remuneration paid to directors including independent directors	√	-	
1.5(xi)	A statement that The financial statements present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√	-	
1.5(xii)	Proper books of accounts have been maintained	√	-	
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)	IAS/BAS/IFRS/BFRS, as applicable in Bangladesh, have been followed and adequate disclosure for any departure	√	-	
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.		-	N/A
1.5(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√	-	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not complied	
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;	√	-	
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		-	The Company has declared 1% cash dividend.
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/Subsidiary/Associated Companies and other related parties (Name wise details)		-	N/A
1.5(xxiii) (b)	Directors, Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO), Head of Internal Audit (HIA) and their spouses and minor children (Name wise details)	√	-	No share held except Directors & CEO (as per notification)
1.5(xxiii) (c)	Executives		-	N/A
1.5(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the Company (Name wise details)		-	N/A
1.5(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-		-	N/A
1.5(xxiv)(a)	A brief resume of the Director	√	-	
1.5(xxiv)(b)	Nature of his /her expertise in specific functional areas	√	-	
1.5(xxiv)(c)	Name of companies in which the person also holds the directorship and the membership of committees of that 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 the 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	√	-	
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	√	-	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not complied	
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.	✓		
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	✓	-	It is in under precess
1.7(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company.	✓	-	Will be complied after finalization of the code of conduct
2	Governance of Board of Directors of Subsidiary Company.	TIL Doesn't have any subsidiary		
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(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 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	✓	-	
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)	✓	-	

Condition No.	Title	Compliance Status (Put \checkmark in the appropriate column)		Remarks (If any)
		Complied	Not complied	
3.2	Requirement to attend Board of Directors' Meetings			
	The MD or CEO CS, CFO and H/AC of the company shall attend the meetings of the Board:	\checkmark	-	
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;	\checkmark	-	
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	\checkmark	-	
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;	\checkmark	-	
3.3 (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	\checkmark	-	
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	\checkmark	-	
4.ii	Nomination and Remuneration Committee.	\checkmark	-	
5	AUDIT COMMITTEE:			
5(i)	Responsibility to the Board of Directors			
5.1(a)	The Company shall have an Audit Committee as a sub-committee of the Board of Directors	\checkmark	-	
5.1(b)	The Audit Committee shall assist the BOD 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	\checkmark	-	
5.1(c)	The Audit Committee shall responsible to the BOD. The duties of the Audit Committee shall be clearly set forth in writing	\checkmark	-	
5.2(a)	The Audit Committee shall be composed of at least 3 (three) members	\checkmark	-	
5.2(b)	The BOD shall appoint members of the Audit Committee who shall be directors of the Company and shall include at least 1 (one) independent director.	\checkmark	-	
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	\checkmark	-	
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	\checkmark	-	



Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not complied	
5.2(e)	The Company Secretary shall act as the Secretary of the Audit Committee	✓	-	
5.2(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director	✓	-	
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):	✓	-	
5.4(a)	The Audit Committee shall conduct at least its four meetings in a financial year	✓	-	
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	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 Control Risk management process	✓	-	
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;	✓	-	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not complied	
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 purposes stated in relevant offer document or prospectus approved by the Commission:		-	N/A
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 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		-	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 incidence arose
5.7	Reporting to the Shareholders and General Investors			
	Report on the activities carried out by the Audit Committee, including any report made to the Board under condition no. 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).	Formation of NRC is under process		
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	√	-	
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	√	-	
6.2(g)	The Company Secretary shall act as the secretary of the Committee			
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:	√	-	
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	√	-	
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	√	-	

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (If any)
		Complied	Not complied	
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	√	-	
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)(ii)	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	√	-	
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 / STATUTORY AUDITORS:			
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)	√	-	
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: Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members	√	-	
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	√	-	

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (If any)
		Complied	Not complied	
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 listing 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.	√	-	



TOSRIFA INDUSTRIES LIMITED
**AUDITED FINANCIAL
STATEMENTS**

For the year ended
on 30 June 2019

Independent Auditor's Report

To
The Shareholders of Tosrifa Industries Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tosrifa Industries Limited (the Company), which comprise the Statement of Financial Position as at 30 June 2019, and Statement of Profit or Loss & 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 a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the company as at 30 June 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), The Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations.

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 Auditors' 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' Code of Ethics for Professional Accountants (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 the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the Risk
<p>Revenue Recognition</p> <p>At year end the reported total revenue of Tk. 1,958,490,185.</p> <p>The company generates revenue from sale of goods to export customers. The timing of the revenue recognised and realised increases the risk of exposure of revenue to foreign exchange fluctuations.</p> <p>There is also a risk that revenue may be overstated /understated due to the timing differences Between L/C opening and goods exported.</p> <p>We identified revenue recognition as key audit matter as it is one of the key performance indicators of the Company, which give rise to an inherent risk of the existence and the accuracy of the revenue.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> ➤ Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that revenue is recognised in the appropriate accounting period. ➤ Segregation of duties in invoice creation and modification and timing of revenue recognition. ➤ Assessing the appropriateness of the Company's accounting policies for revenue recognition and compliance of those policies ➤ Obtain supporting documentation for sale transaction recorded either side of year end to determine whether revenue was recognized in the current period.

	<ul style="list-style-type: none"> ➤ Comparing a sample of revenue transactions recognised during the year with the sale invoices and other relevant underlying documentation. ➤ Critically assessing manual journals posted to revenue to identify unusual or irregular items, and finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
See note no 27.00 to the statement of profit or loss & other comprehensive income.	
<p>Valuation of inventory The inventory of Tk. 463,514,027 as at 30 June, 2019 held in warehouses and across multiple product lines in factory.</p> <p>Inventories are carried at the lower of cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for slow-moving or obsolete items.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provision by:</p> <ul style="list-style-type: none"> ➤ Evaluating the design and implementation of key inventory controls operating across the factory and warehouse. ➤ Attending inventory counts and reconciling the count results to the inventory listing to test the completeness of data. ➤ Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year; and challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory lines to assess whether provisions for slow moving/obsolete stock are valid and complete. ➤ Comparing the net realizable value obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories and comparison to the associated provision to assess whether inventory provisions are complete.
See note no. 12.00 to the financial statements	
<p>Valuation of Property, Plant and Equipment The carrying value of the PPE amounted to Tk. 3,215,054,216 as at 30 June, 2019. The valuation of PPE was identified as a key audit matter due to the significance of this balance to the financial statements.</p> <p>Expenditures are capitalised if they create new or enhance the existing assets, and expensed if they relate to repair or maintenance of the assets. Classification of the expenditures involves judgment. The useful lives of PPE items are based on management's estimates regarding the period during which the asset or its significant components will be used. The estimates are based on historical experience and market practice and take into consideration the physical condition of the assets.</p>	<p>Our audit included the following procedures:</p> <ul style="list-style-type: none"> ➤ We assessed whether the accounting policies in relation to the capitalisation of expenditures are in compliance with IFRS and found them to be consistent. ➤ We obtained a listing of capital expenditures incurred during the year and, on a sample basis, checked whether the items were procured based on internal purchase order that had been properly approved by the responsible individuals. ➤ We inspected a sample of invoices and L/C documents to determine whether the classification between capital and operating expenditure was appropriate.



	<ul style="list-style-type: none"> ➤ We evaluated whether the useful lives determined and applied by the management were in line with historical experience and the market practice. ➤ We checked whether the depreciation of PPE items was commenced timely, by comparing the date of the reclassification from capital in progress to ready for use, with the date of the act of completion of the work.
See note no. 6.00 to the financial statements	
<p>Long term & Short term loan</p> <p>As at 30 June 2019, the reported amount of total long-term loan and Short-term is Tk. 909,176,481 (Current & Non-current portion) & Tk. 794,303,948 respectively. The company borrowed fund from various Bank & Non-banking financial institutions for the purpose of acquisition of non-current assets and working capital as well.</p> <p>The company may face difficulties due to unfavorable movement in interest rate, monetary policy and adverse variance between import & export that may result in short-term cash flow crisis.</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> ➤ Obtaining an understanding of and assessing the design and operating effectiveness of controls designed to ensure that the proper use of loan. ➤ We verified sanction letter, loan schedule and bank statements to confirm the loan outstanding and found that the balance had been reported in the financial statements accurately. We also submit the balance confirmation to the respective banks and financial institutions ➤ We also checked the financial expenses and classification of loan and repayment schedule as well. ➤ We had checked the recording date of transactions and found the recording date is in line with the loan disbursement date. We also confirmed that the company had paid its installments within due time.
See note no. 18.00, 20.00 & 24.00 to the financial statements	

Other Matter

Tosrifa Industries Limited had appointed AHMAD & AKHTAR as an auditor of the financial statements for the year ended 30th June 2019 in the company's last Annual General Meeting. Due to ineligibility of AHMAD & AKHTAR to perform audit, the company re-appointed us as the auditor of the financial statements for the year ended 30th June 2019 according to vide letter no. NTG/TIL/FO/CA/2019-20/079, dated: 16 September, 2019.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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, 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 and Internal Controls:

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, The Companies Act 1994, The Securities and Exchange Rules 1987 and other applicable laws and regulations 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. The Companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company.

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 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.

Auditor's 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 circumstances.
- 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements we are responsible for the direction, supervision and performance of the company audit. We are solely responsible for our audit opinion.

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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books;
- c) The Statement of Financial Position, Statement of Profit or Loss & Other Comprehensive Income and Statement of Changes in Equity and Statement of Cash Flows of the Company dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purpose of the Company's business.

Dated, Dhaka
28 October, 2019

Sd/
Ramendra Nath Basak, FCA
Partner
Shiraz Khan Basak & Co.
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED

Statement of Financial Position

As at 30 June 2019

Particulars	Notes	(Amount in Taka)	
		30 June 2019	30 June 2018
Assets			
Non-current assets			
Property, plant and equipment	6.00	3,215,019,017	1,800,352,533
Capital work-in-progress	7.00	-	1,036,462,941
Intangible assets	8.00	2,508,370	2,801,689
		1,114,769,347	770,767,811
Current assets			
Advances, deposits and prepayments	9.00	117,674,079	142,676,693
Trade and other receivables	10.00	392,928,779	71,543,032
Accrued income	11.00	9,865,506	13,085,478
Inventories	12.00	463,514,027	335,136,272
Cash and cash equivalents	13.00	130,786,956	208,326,336
		4,332,296,734	3,610,384,974
Total assets			
Equity and Liabilities			
Shareholders' equity			
Share capital	14.00	663,269,460	631,685,200
Share premium	15.00	433,059,200	433,059,200
Retained earnings	16.00	468,329,284	522,548,917
Revaluation surplus	17.00	536,267,372	537,428,954
		2,100,925,316	2,124,722,271
Non-current liabilities			
Long term loans (secured), net of current portion	18.00	774,065,553	676,760,939
Deferred tax liabilities	19.00	64,263,456	15,943,788
		838,329,009	692,704,727
Current liabilities			
Trade and other payables	20.00	451,702,745	221,471,559
Provisions for expenses	21.00	1,378,613	485,000
Short term loans	22.00	794,303,948	553,798,373
Current portion of long term loans	23.00	135,110,928	9,935,463
Provision for income tax	24.00	-	-
Workers' profit participation and welfare fund	25.00	10,546,174	7,267,581
		1,393,042,408	792,957,976
		4,332,296,734	3,610,384,974
Total equity and liabilities			
Net asset value (NAV) per share	34.00	31.68	32.03

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

Sd/-

Managing Director

Sd/-

Director

Sd/-

Head of Accounts

Sd/-

Company Secretary

Dated: 28 October 2019
Place: Dhaka

Sd/-

Shiraz Khan Basak & Co.
Chartered Accountant

TOSRIFA INDUSTRIES LIMITED
Statement of Profit or Loss and other Comprehensive Income
For the year ended 30 June 2019

Particulars	Notes	(Amount in Taka)	
		30 June 2019	30 June 2018
Sales revenue (export)	26.00	1,958,490,185	1,251,310,829
Less: Cost of sales	27.00	1,658,736,541	1,010,060,687
Gross profit		299,753,644	241,250,142
Less: Operating expenses		184,005,406	148,330,903
General and administrative expenses	28.00	100,704,439	99,409,883
Marketing, selling and distribution expenses	29.00	83,300,967	48,921,020
Operating profit		115,748,238	92,919,239
Add: Other income	30.00	29,171,557	25,376,331
Profit before finance costs		144,919,795	118,295,570
Less: Finance costs	31.00	76,069,324	23,497,566
Profit before WPPF		68,850,471	94,798,004
Less: Workers' profit participation and welfare fund	32.00	3,278,594	4,514,191
Profit before income tax		65,571,877	90,283,813
Less: Income tax expenses	33.00	57,784,572	10,361,702
Current tax expense		9,464,903	10,361,702
Deferred tax expense		48,319,668	-
Profit after income tax		7,787,306	79,922,111
Add: Other comprehensive income		-	-
Total comprehensive income		7,787,306	79,922,111
Earnings per share			
Basic earnings per share (Face value Tk. 10.00)	35.00	0.12	1.20

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

Sd/-
Managing Director

Sd/-
Director

Sd/-
Head of Accounts

Sd/-
Company Secretary

Dated: 28 October 2019
Place: Dhaka

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountant

TOSRIFA INDUSTRIES LIMITED
Statement of Changes in Equity
For the year ended 30 June 2019

(Amount in Taka)

Particulars	Share capital	Share premium	Retained earnings	Revaluation surplus	Total
Balance as at 01 July, 2018	631,685,200	433,059,200	522,548,917	537,428,954	2,124,722,271
Total comprehensive income for the period					
Profit	-	-	7,787,306	-	7,787,306
Other comprehensive income	-	-	-	-	-
Transactions with owners of the Company:					
Issue of ordinary shares	-	-	-	-	-
Share premium	-	-	-	-	-
Stock dividend	31,584,260	-	(31,584,260)	-	-
Cash dividend	-	-	(31,584,260)	-	(31,584,260)
Transfer from revaluation surplus to retained earnings	-	-	1,161,582	(1,161,582)	-
Balance as at 30 June, 2019	663,269,460	433,059,200	468,329,284	536,267,372	2,100,925,316

TOSRIFA INDUSTRIES LIMITED
Statement of Changes in Equity
For the year ended 30 June, 2018

(Amount in Taka)

Particulars	Share capital	Share premium	Retained earnings	Revaluation surplus	Total
Balance as at 01 July, 2017	631,685,200	433,059,200	504,139,336	539,084,944	2,107,968,680
Total comprehensive income for the period					
Profit	-	-	79,922,111	-	79,922,111
Other comprehensive income	-	-	-	-	-
Transactions with owners of the Company:					
Issue of ordinary shares	-	-	-	-	-
Share premium	-	-	-	-	-
Stock dividend	-	-	-	-	-
Cash dividend	-	-	(63,168,520)	-	(63,168,520)
Transfer from revaluation surplus to retained earnings	-	-	1,655,990	(1,655,990)	-
Balance as at 30 June, 2018	631,685,200	433,059,200	522,548,917	537,428,954	2,124,722,271

Sd/-
Managing Director

Sd/-
Director

Sd/-
Head of Accounts

Sd/-
Company Secretary

Dated: 28 October 2019
Place: Dhaka

Sd/-
Shiraz Khan Basak & Co.
Chartered Accountant

TOSRIFA INDUSTRIES LIMITED

Statement of Cash Flow For the year ended 30 June 2019

Particulars	Notes	(Amount in Taka)	
		01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		1,637,104,438	1,333,658,419
Cash receipts from other sources		32,250,054	21,682,767
Cash paid to suppliers, contractors and others		(1,642,444,201)	(1,198,187,000)
Finance costs		(76,069,324)	(23,497,566)
Income taxes paid		(9,464,904)	(14,715,497)
Net cash (used in)/generated by operating activities		(58,623,936)	118,941,123
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of property, plant and equipment		(445,005,408)	(9,901,270)
Payments for capital work-in-progress		-	(604,348,317)
Payments for acquisition of intangible assets		(302,220)	(1,646,990)
Net cash used in investing activities		(445,307,628)	(615,896,577)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from/(repayment of) long term loans		97,304,613	414,175,212
Proceeds from/(payment of) accepted liabilities for machinery		-	(95,478,192)
Proceeds from/(repayment of) short term loans		240,505,575	272,459,412
Current portion of Long term loan		125,175,465	(16,306,232)
Interest income		141,475	1,578,442
Payment of dividend		(34,274,341)	(64,588,710)
Proceeds from/(refund of) unsuccessful IPO application money		-	(10,400)
Net cash generated by financing activities		428,852,787	511,829,532
D. Net changes in cash and cash equivalents (A+B+C)		(75,078,778)	14,874,078
E. Cash and cash equivalents at the beginning of the year		208,326,336	193,452,258
F. Exchange Fluctuation loss (Net)		(2,460,602)	-
F. Cash and cash equivalents at the end of the year (D+E)		130,786,956	208,326,336
Net operating cash flow per share	36.00	(0.88)	1.79

Sd/-

Managing Director

Sd/-

Director

Sd/-

Head of Accounts

Sd/-

Company Secretary

Dated: 28 October 2019
Place: Dhaka

Sd/-

Shiraz Khan Basak & Co.
Chartered Accountant

TOSRIFA INDUSTRIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2019

1.00 Corporate information of the reporting entity

"Tosrifa Industries Limited (hereinafter referred to as "the Company") is a public limited Company incorporated in Bangladesh on 27 August 2002 under the Companies Act, 1994 vide registration number C-46888 and has its registered address at Plot-91, Regency Palace (4th Floor), Block-K, Suhrawardy Avenue, Baridhara, Dhaka. The Company was initially registered as a private limited Company and subsequently converted into a public limited Company on 18 August 2011. It commenced its commercial operation in 2005. The industrial unit and the principal place of the business of the Company is located at 135 Gopalpur (Level 1-6), Munnu Nagar, Tongi, Gazipur. The fabric unit is located at holding -121/1, Block-H, Beraidhala, Sreepur, Gazipur.

The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE)."

2.00 Nature of business

The Company operates an international standard industrial unit of readymade garments to carry on the business of knitting, dyeing, designing, manufacturing and marketing of readymade garments to deal in the foreign markets.

3.00 Financial statements and corporate reporting

These financial statements comprise a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows and other explanatory notes covering the accounting policies applied.

3.01 Authorization for issue

These financial statements were authorized for issue by the Board of Directors of the Company on 28 October 2019.

4.00 Basis of preparation

4.01 Statement of compliance

The financial statements have been prepared in compliance with the requirements of the Companies Act 1994, the Securities & Exchange Rules 1987, the Listing Regulations of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) and other relevant local laws as applicable and in accordance with the applicable International Financial Reporting Standards (IFRSs) including International Accounting Standards (IASs) as issued by International Accounting Standards Board (IASB) and adopted by the Institute of Chartered Accountants of Bangladesh (ICAB). Prior year financial statements were prepared in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) which were adopted accounting standards from IASB.

4.02 Basis of measurement

These financial statements have been prepared on going concern basis. Unless otherwise specifically mentioned, historical cost principle has been followed for the purpose of these financial statements.

4.03 Going Concern

The company has adequate resources to continue its operations for the foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the Financial Statements. The current revenue generations and resources of the company are sufficient to meet the present obligation of its existing businesses and operations.

4.04 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 as adopted by ICAB as IAS-1 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

- a) Statement of financial position as at 30 June 2019;
- b) Statement of profit or loss and other comprehensive income for the period ended 30 June 2019;
- d) Statement of changes in equity for the period ended 30 June 2019;
- c) Statement of cash flows for the period ended 30 June 2019;
- e) Notes, comprise a summary of significant accounting policies and other explanatory information for the period ended 30 June 2019;

4.05 Applicable Accounting Standards & Financial Reporting Standards

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

Sl. No.	Name of the IAS	IAS's no.
1	Presentation of Financial Statements	1
2	Inventories	2
3	Statement of Cash Flows	7
4	Accounting policies, Changes in accounting Estimates and Errors	8
5	Events after the Reporting Period	10
6	Income Taxes	12
7	Property, Plant & Equipment	16
8	Leases	17
9	Revenue	18
10	Employee Benefits	19
11	The Effects of Changes in Foreign Exchange Rates	21
12	Borrowing Costs	23
13	Related Party Disclosures	24
15	Earnings Per Share	33
16	Impairment of Assets	36
17	Provision, Contingent Liabilities and Contingent Assets	37
18	Intangible Assets	38

Sl. No.	Name of the IFRS	IFRS No
1	Financial Instruments: Disclosures	7
2	Operating Segments	8
3	Financial Instruments	9
4	Fair Value Measurement	13

4.06 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT) which is also the functional currency of the Company. The amounts in these financial statements have been rounded off to the nearest Taka. Because of these rounding off, in some instances the totals may not match the sum of individual balances.

4.07 Accrual basis of accounting

These financial statements have been prepared under the accrual basis of accounting.

4.08 Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions that

affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected thereby.

4.09 Reporting period

The financial statements of the company cover one year from 01 July, 2018 to 30 June, 2019.

4.10 Compliances with Local Laws

As required by the company, the management complies with the following major legal provisions in addition to the Companies Act 1994 and the Securities and Exchange rules 1987.

- (i) The Income Tax Ordinance 1984;
- (ii) The Income Tax Rules 1984;
- (iii) The Value Added Tax Act 1991;
- (iv) The Value Added Tax Rules 1991;
- (v) The Customs Act, 1969; and
- (vi) Bangladesh Labor Law, 2006. (Amendment 2013)

4.11 Comparative Information

Comparative information has been disclosed in accordance with IASs-1: Presentation of Financial Statements in respect of the previous period for all numerical information in the current financial statements as below:

- a) Statement of Financial Position as at the end of the preceding financial period;
- b) Statement of Profit or Loss and other Comprehensive Income for the comparable period of preceding financial period;
- c) Statement of Changes in Equity for the comparable period of preceding financial period; and
- d) Statement of Cash Flows for the comparable interim period of preceding financial period.

The narrative and descriptive information where it is relevant for understanding of the current period financial statement has also represented

Re-arrangement

Comparative figures have been rearranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liability as reported in the financial statement.

5.00 Significant accounting policies

Accounting policies set out below have been applied consistently to all periods presented in these financial statements. Comparative information has been rearranged wherever considered necessary to conform to the current period's presentation.

5.01 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- i. expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii. held primarily for the purpose of trading,
- iii. expected to be realized within twelve months after the reporting period, or
- iv. cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.



All other assets are classified as non-current.

A liability is current when it is:

- i. expected to be settled in normal operating cycle,
- ii. held primarily for the purpose of trading,
- iii. due to be settled within twelve months after the reporting period, or
- iv. there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax liabilities are classified as non-current liabilities."

5.02 Offsetting

The Company reports separately both assets and liabilities, and income and expenses, unless required by an applicable accounting standard or offsetting reflects the substance of the transaction and such offsetting is permitted by applicable accounting standard.

5.03 Property, plant and equipment

5.03.1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When major parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

5.03.2 Subsequent costs

The cost of replacing or upgradation 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 item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

5.03.3 Depreciation

No depreciation is charged on land and land developments as the land has unlimited useful life.

Depreciation on other items of property, plant and equipment is recognized on a diminishing balance method over the estimated useful life of each item of property, plant and equipment. Depreciation method, useful lives and residual values are reviewed at each period-end and adjusted if appropriate. Depreciation has been charged on addition of assets during the year when the assets available for use. The depreciation rate based on estimated useful lives of the items of property, plant and equipment for the current and comparative periods are as follows:

Particulars	June 30, 2019	June 30, 2018
	Rate	Rate
Plant and machinery	15%	15%
Motor vehicles	20%	20%
Furniture and fixtures	10%	10%
Office equipment	15%	15%
Building and civil works (RCC)	2.5%	2.5%

Fabric Department		
Plant and machinery		
Production Machinery - Dyeing	5%	-
Lab Equipment	5%	-
Utility Machinery - Dyeing	7.5%	-
Effluent Treatment Plant	7.5%	-
Electrical Sub-Station & Equipments- Dyeing	10%	-
Furniture, Fixture & Equipment	10%	-
Washing Machineries	5%	-
Warehouse Storage	7.5%	-

Building & civil works (RCC)		
Production Building	2.5%	-
WTP & Chemical Store	2.5%	-
Utility Building	2.5%	-
Husk Boiler Building	2.5%	-
Effluent Treatment Plant Building	2.5%	-
Fabric store Building	2.5%	-
Knitting Building	2.5%	-

5.04 Capital work-in-progress

Capital work-in-progress (CWIP) consists of unfinished building and civil works at sites (i.e. dyeing unit project) and capital plant and machinery which are yet to be ready for use.

5.05 Intangible assets

5.05.1 Recognition and measurement

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment loss, if any. Intangible assets are recognized when all the conditions for recognition as per IAS 38 Intangible Assets are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

5.05.2 Subsequent costs

Subsequent costs are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other costs are recognized in profit or loss as incurred.

5.05.3 Amortization

Amortization is recognized in profit or loss on a diminishing balance method over the estimated useful lives of intangible assets. The amortization rate based on estimated useful lives are as follows:

	June 30, 2019	June 30, 2018
	Rate	Rate
Software and applications	20%	20%
Website	20%	20%

Amortization methods, useful lives and residual values are reviewed at each period-end and adjusted, if appropriate.

5.06 Advances, deposits and prepayments

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

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition, prepayments are carried at cost less charges to profit and loss account.

5.07 Financial instruments

Financial assets and liabilities are recognized on the statement of financial position when the Company has become a party to a contractual provision of the instrument.

5.08 Trade and other receivables

Trade and other receivables are stated at their nominal value and considered good. No provision has been made for doubtful debt and no amount was written off as bad.

5.09 Accrued income

Accrued income includes incomes which have been earned but not received during the reporting period.

5.10 Inventories

Inventories comprise of raw materials (yarn), raw materials (finished fabrics), raw materials (accessories), needle and spare parts, work-in-process, and finished goods. Inventories are stated at the lower of cost and net realizable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in process, cost includes an appropriate share of production overheads based on normal operation capacity. Cost of inventories is determined by using the weighted average cost formula. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

5.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks, and other bank deposits free of encumbrance.

5.12 Share capital

Ordinary shares are classified as equity.

5.13 Loans

Interest bearing bank loans and overdrafts are recorded at the proceeds received net of direct issue costs. Finance charges are accounted for on an accrual basis.

5.14 Trade and other payables

Trade and other payables are stated at their nominal value.

5.15 Accruals, provisions and contingencies

(a) Accruals

Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amounts due to employees. Accruals are reported as part of trade and other payables.

(b) 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 reporting date. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

(c) Contingencies

A contingent liability is a possible obligation that arises from 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 Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from 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 Company.

5.16 Income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

(a) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The applicable tax rate for the Company is currently 12% on its taxable income derived from export and 25% on taxable income derived from sources other than export. The company is a internationally recognized green buiding certified involve with 100% export oriented RMG business. accordig to the SRO no. 255-AIN/Income Tax/2017 dated 1 August 2017, applicable tax rate on its busniess income is 10%

(b) Deferred tax

Deferred tax is recognized in compliance with IAS 12 Income Taxes, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and amounts used for taxation purpose. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.



A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each period-end and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

5.17 Employee benefits

5.17.1 Worker's profit participants & welfare funds

The company contributed 5% of net profit before charging the amount to the aforementioned fund in accordance with the requirement of section 234 of labor Act 2006, (Amendment 2013).

5.18 Revenue recognition, measurement and presentation

Revenue of the Company is derived from sale of goods (i.e. readymade garments) to foreign buyers through export and deemed export.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably."

5.19 Finance costs

The Company's finance costs include interest expenses on bank loans, and other borrowings. Interest expense is recognized using the effective interest method.

5.20 Foreign currency transactions

These financial statements are presented in Taka/Tk./BDT, which is Company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities in foreign currencies at the date of statement of financial position are translated into Taka at the exchange rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in profit or loss as per IAS 21 The Effects of Changes in Foreign Exchange Rates.

5.21 Related party transactions

The Company carried a number of transactions in arm length price with its related parties in the normal course of its business. The nature of those transactions and their total value have been disclosed in (Note 38).

5.22 Earnings per share

The Company presents basic and diluted (when dilution is applicable) earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for the effect of change in number of shares for bonus issue, share split and reverse split. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant periods.

5.23 Statement of cash flows

Cash flows from operating activities are presented under direct method in accordance with IAS-7 "Statement of Cash Flows". It has been also prepared in accordance with the Securities and Exchange Rules, 1987.

5.24 Events after the reporting period

Amounts recognized in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

5.25 Segment Reporting

No segmental reporting is applicable to the company as required by "IFRS-8: Operating Segment" as the company operates in a single industry segment and within as geographical segment.

5.26 Impairment of Assets

In accordance with the provision of IAS-36, the carrying amount of non-financial assets other than inventories of the company involved in the manufacturing of the products. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in the statement of comprehensive income. No such indication of impairment has been observed till the end of the period.



	Amount in Taka	
	30 June 2019	30 June 2018
6.00 Property, plant and equipment		
Cost		
Opening balance	2,173,162,688	1,578,969,070
Add: Addition during the year	1,502,522,417	758,593,509
	3,675,685,105	2,337,562,578
Less: Disposal /Transfer during the year	-	164,399,891
Closing balance	3,675,685,105	2,173,162,688
Depreciation		
Opening balance	372,810,155	313,840,032
Add: Addition during the year	87,855,932	58,970,123
	460,666,087	372,810,155
Less: Adjustment during the year	-	-
Closing balance	460,666,087	372,810,155
Written Down Value	3,215,019,017	1,800,352,533
Details have been shown in Annexure-A		
7.00 Capital work-in-progress		
Opening balance	1,036,462,941	989,318,118
Add: Addition during the year	1,136,602,652	609,287,163
	2,173,065,593	1,598,605,281
Less: Transferred to PPE during the year	2,173,065,593	562,142,340
Closing balance	-	1,036,462,941
This is made up as follows:		
Building and civil works (dyeing unit project)	-	497,651,509
Plant and machinery - dyeing	-	538,811,433
	-	1,036,462,941
8.00 Intangible Assets		
Cost		
Opening balance	5,302,125	3,655,135
Add: Addition during the year	302,220	1,646,990
	5,604,345	5,302,125
Less: Adjustment during the year	-	-
Closing balance	5,604,345	5,302,125
Amotization		
Opening balance	2,500,436	2,054,653
Add: Addition during the year	595,539	445,783
	3,095,975	2,500,436
Less: Adjustment during the year	-	-
Closing balance	3,095,975	2,500,436
Carrying amount	2,508,370	2,801,689

Details have been shown in Annexure-B

9.00 Advances, deposits and prepayments**Advances**

		Amount in Taka	
		30 June 2019	30 June 2018
Advance against salary	Note: 9.01	863,210	2,261,706
Advance against expenses	Note: 9.02	55,089,578	31,871,955
Advance against purchase	Note: 9.03	7,347,927	8,636,080
Advance against building construction	Note: 9.04	28,258,704	56,453,867
		91,559,419	99,223,608

Deposits

Security deposits	Note: 9.05	16,854,841	16,654,841
LC margin		6,191,800	23,808,500
		23,046,641	40,463,341

Advance Against Mobile

Advance Against Mobile		6,444	20,970
		6,444	20,970

Prepayments

Prepaid insurance		3,061,575	2,968,774
		3,061,575	2,968,774
		117,674,079	142,676,693

9.01 Advance against salary

Abdul Wadud	-	135,000
ABM Farhad Uddin Chowdhury	-	195,000
AKM Shahalam	35,000	100,000
Arjuk Kumar	-	10,000
Armanul Azim	-	45,000
Atiqur Rahman	70,000	-
Bashir Driver	7,500	-
Biswajit Saha	14,733	-
Faisal Hossain	-	60,000
Golzar Alam	85,000	155,000
Habibur Rahman	-	141,800
Iftekhhar Rahman	-	80,000
Istta Jahan Ela Pervin	-	20,000
Jafar Sharif Chowdhury	-	48,000
Jakir Hossain	-	75,000
Jillur Rahman	-	283
Joyanal Abedin (Office Assistant)	2,000	10,000
Mainuddin	24,000	-
Mamunur Rashid	45,000	-
Mizanur Rahman	108,167	150,000
Mohaimanul Islam	10,500	-
Moshiur Rahman Palash	150,000	8,948
Mustak Ahemd	-	200,000
Omar Ali	42,000	52,000
Omit Sarker	43,000	25,000
Raju	-	12,000



	Amount in Taka	
	30 June 2019	30 June 2018
Ramjan Ali	12,000	-
Rashel-Office Asst	6,250	-
Rustom Ali	-	8,000
S.K. Arif Ahmed	150,000	65,227
Shahabuddin	20,000	-
Shahadat Hossain	-	4,000
Shajahan Bhuyhan	-	30,000
Shajedur Rahman	-	200,000
Shakhawat	-	179,888
Shamim Azaz	25,000	-
Somesh Uddin	-	24,000
Touhidul Islam	5,060	25,060
Touhidul Islam (Supervisor)	8,000	15,000
Wahiduzzaman	-	30,000
Zillur Rahman	-	157,500
	863,210	2,261,706
9.02 Advance against expenses		
Adex Corporation Limited	20,341	65,341
AG Hi-Tech Ltd.	-	35,000
Ahsanullah & Co.	530,000	-
A L M Tensile Membrane Structure Ltd.	511,875	-
Arabi Fashion Ltd.	-	1,974
Ascend Elevators & Escalators Ltd	-	15,000
Axis Automation & Industrial Solution	-	20,000
Bangladesh Building Systems Ltd.	193,199	-
Binimoy Textile limited	2,315,247	-
Biplob	171,974	100,000
Bismillah Engineering Workshop	192,500	-
Butterfly Marketing Ltd.	161,835	-
Chittagong Denim Mills Ltd	-	53,792
Conforce Limited	4,654,497	-
Dehsar Works	315,000	-
Earth Squad (BD) Ltd	-	800,000
Easy Software Solutions	10,000	-
Elite Force	-	10,000
Eltech Engineering Co.Ltd	-	811,800
Energypac Electronics Ltd	180,000	-
Energypac Engineering Ltd	-	130,000
Esquire Knit Composite Ltd	101,560	4,000
Euro Enterprise	-	95,905
Europrinters Ltd	21,000	-
Famkam Printing Ltd.	102,900	-
Farnoor Garments Limited	428,266	-
Ford Automobile Limited	175,000	-
Gazi Tanks_AP_Others	133,650	-
Greenland Engineering & Tractor Company	94,500	-
Imap Export SPA (Original Marines)	12,788,790	-
Infrastructure Development Company Ltd.	28,750	-
ITS Labtest Bangladesh Ltd	-	26,112

	Amount in Taka	
	30 June 2019	30 June 2018
J. K. Power Pac	-	900,000
Jahangir Alam	3,000,000	3,000,000
Kazi Khan (Land)	10,000,000	10,000,000
Khan Global	-	27,000
Lisky Technology (BD) Ltd	703,150	-
Logic Software Ltd.	2,200,000	-
Mahabub	-	15,600
Maheen Enterprise	-	25,000
Mcdry Desiccant Ltd.	21,000	-
Mohammed Trading_AP_Satrang	33,263	-
Mr. Asad	-	10,000
M/S Zaman Traders	128,000	-
Naji Electro Power Ltd.	-	4,000,000
N.A.Z Bangladesh Ltd_AP_Sub	341,451	-
National Polymer Industries Ltd._AP_Others	13,517	-
Neo Technology	-	227,000
Neoformation Architects_AP_Others	445,000	-
Nitol Motors Limited	2,424,762	-
Northern Corporation Ltd.	-	7,118,777
Pandora Associate	-	15,000
Rabeya Quader	254,290	321,899
Rabeya Quader Chowdhury Enterprise	38,763	-
Rafiz Engineering Works	82,500	-
Rashid Enterprise	-	102,000
Regular Activities Ltd	-	300,000
RSS Home Depot	48,000	-
Saimin Water Solutions & Technologies	162,500	-
Sajeda Tin Ghar	-	125
Sarker Steel Ltd_AP_Others	200,000	-
Shah Mohammed	-	368,400
Shahiduzzaman	-	373,250
Spy Security System	-	727,952
Square Fashion Ltd_AP_Others	2,705	-
ST Gas Construction Co.	4,600,000	-
Suplob New Model Furniture	-	205,000
Texmate Engineering	-	300,000
Tex Solution	777,500	-
Textile Engineering & Consultancy Service	2,870,537	-
The Successors	3,435,756	1,541,873
Viyellatex Ltd	-	124,156
Zaman Traders	176,000	-
	55,089,578	31,871,955
9.03 Advance against purchase		
M/S.Yousuf Engineering Works	-	115,000
Mr. Abdullah Al Mamun Prince	-	100,000
Mr. Abul Kalam Azad	-	116,000
Mr. Adnan Shobuj	-	6,996
Mr. Gitendra Chandra Gosh	230,440	699,563
Mr. Habibur Rahman	-	87,500
Mr. Jafar Sharif Chowdhury	-	68,045
Mr. Kamruzzaman	5,120,000	5,320,000
Mr. Omar Farooq	1,330,446	891,483
Mr. Rupok	212,402	113,202
Mr. Syed Rashedul Haque	178,700	1,118,291
Mr. Nizamul Islam	55,535	-
Mr. Zaid Al Refai	220,404	-
	7,347,927	8,636,080



9.04 Advance against building construction

A L M Tensile Membrane Structure Ltd.
ANH Enterprise
A-One Polymer Ltd.
Automatic Bricks & Ceramics (Pvt.) Ltd.
Babel Enterprise
Bangladesh Building Systems Ltd
BBS Cables Ltd.
Bengal Bricks Corporation
Carnival Inc
Conforce Limited
Dayamoy Trading
Dehsar Works
Delowar Trading Corporation
Digita Interactive Limited
Energy Pac Electronics Ltd.
Famkam Printing Ltd.
Ford Automobile Limited
Infrastructure Development Company Ltd.
Infratrade Limited
Inter Trade Ltd
Japanese ETP Consulting
KSRM Steel Plant Ltd
Lafarge Surma Cement Ltd
Logic Software Ltd.
Lub-Rref (Bangladesh) Ltd.
M.I. Cement Factory Ltd
Mcdry Desiccant Ltd.
Mir Concrete Products Ltd
Mirpur Ceramic Works Ltd.
Mohammad Trading
Move Business
N.A.Z Bangladesh Ltd
National Polymer Ind. Ltd.
Nayem Traders
NDE Ready Mix Concrete Ltd
Neoformation Architects
Nitol Motors Limited
Pickers Ltd
Rafiz Engineering Works
Rangpur Metal Industries Ltd
RSS Home Depot
S M Knitwears Ltd
S.T. Corporation
Saimin Water Solutions & Technologies
Shaheen Bricks Manufacturing
Shajahan Mistre
Shohel & Brothers Pte Ltd
Sierra Instruments Inc
Sohag Design Engineering
Square Fashion Ltd
SSR Consultants
ST Gas Construction Co.
Star Ceramics Ltd.
Star Particle Board Mills Ltd.

Amount in Taka	
30 June 2019	30 June 2018
-	511,875
-	1,750,000
-	177,138
-	494,500
3,515,418	2,843,780
-	10,000,000
329,099	250,000
191,900	1,050,000
-	1,500,000
-	2,753,000
257,480	586,480
-	315,000
-	1,700
-	100,000
-	77,399
-	102,900
-	165,000
-	28,750
-	138,450
-	800,000
1,850,000	1,550,000
1,279,030	331,900
-	88,870
-	500,000
-	315,700
-	359,760
-	114,520
-	498,500
81,510	40,510
-	539
-	1,121
-	303,171
73,065	72,887
-	162,000
3,460,865	1,850,000
10,335,000	10,335,000
-	2,424,762
-	75,149
400,000	615,500
-	55,147
-	48,000
-	700
-	1,026,560
-	162,500
-	609,000
-	50,000
-	10,718
-	936,000
-	400,000
-	940,917
-	464,300
-	1,300,000
3,195,261	2,590,261
-	62,207

		Amount in Taka	
		30 June 2019	30 June 2018
	Superior Builders And Engineers Ltd.	3,290,076	2,110,000
	Tara Enterprise	-	270,000
	Term Trading	-	1,180,076
	Tritech Building Services Ltd.	-	708,130
	Unique Network Solution	-	59,290
	United Plastic Wood Industries(Pvt.)Ltd.	-	140,700
	Vision Tex Co.	-	43,500
	World Tech International	-	-
		28,258,704	56,453,867
9.05	Security deposits		
	Security deposit to BTCL	8,600	8,600
	Security deposit to DESCO	9,959,336	9,759,336
	Security deposit to Titas Gas	6,386,905	6,386,905
	Security deposit to CDBL	500,000	500,000
		16,854,841	16,654,841
10.00	Trade and other receivables		
	Opening balance		
	Add: Export & Deemed export during the year	71,543,032	153,890,622
		1,958,490,185	1,251,310,829
	Less: Proceeds realized during the year	2,030,033,217	1,405,201,451
		1,637,104,438	1,333,658,419
		392,928,779	71,543,032
	The closing balance consists of as follows:		
	El Corte Ingles S.A.	44,598,990	8,759,149
	IMAP Export S.P.A	148,855,614	30,044,695
	Gustav Daiber GMBH	-	2,492,099
	Lifco S.A.L	5,010,134	10,936,614
	OM FranceS.A.S.	-	820,834
	MQ Retail AB	7,168,144	1,993,213
	Mustang Apparel Limited	6,461,805	-
	Next Sourcing Ltd.	7,194,010	-
	Sports Master Ltd.	131,320,921	6,879,990
	Toray International Inc.	304,530	2,653,867
	Adury Knit composite	-	360,001
	Advanced Composite Textile Ltd	2,649,660	-
	Anlima Textile Limited	1,205,937	-
	Aswad composite Mill Ltd	-	1,372,570
	Blue Planet Fashionwear Limited	2,677,855	-
	Dal knitware Ltd	240,659	4,100,000
	Fashion Asia Ltd.	11,830,423	-
	Hams Garments Ltd.	2,158,552	-
	Kenpark Bangladesh PVT Ltd.	1,728,450	-
	Meghna Knit composite Ltd	3,758,913	800,000
	Mondol Fabrics Ltd	4,126,091	-
	Niagra Textile Ltd	-	330,000
	Ragadi Textile Ltd	508,395	-
	RBSR Fashion Ltd.	1,997,355	-
	Sonnet Textile Industries Ltd	4,855,874	-
	Taqwa Fabrics Ltd.	1,199,054	-
	Taratex Fashion Ltd.	3,077,413	-
		392,928,779	71,543,032



Amount in Taka

30 June 2019 **30 June 2018**

Aging schedule:

0 - 3 months	3-6 months	> 6 months	Total
392,928,779	-	-	392,928,779

Information about trade receivables as per requirement of Schedule XI, Part I, Paragraph 4 of the Companies Act, 1994:

Debtors have been stated at their nominal value. Debtors are accrued in the ordinary course of business.

(i) Debt considered good in respect of which the company is fully secured

Trade receivables accrued in the ordinary course of business are considered good and secured against confirmed LC.

(ii) Trade receivables considered good for which the company hold no security other than the personal security

There is no such trade receivables as on 30 June 2019.

(iii) Trade receivables considered doubtful or bad

The Company did not make any provision for doubtful debt as on 30 June 2019, because of the fact that sales/exports are being based on 100% confirmed letter of credit with fixed maturity dates.

(iv) Trade receivables due by directors or other officers of the company

There is no such trade receivables as on 30 June 2019.

(v) Trade receivables due by Common Management

There is no such trade receivables as on 30 June 2019.

(vi) Reserve for doubtful debts

There is no such reserve created as on 30 June 2019.

11.00 Accrued income

Accrued interest income

-

Accrued cash incentive

9,865,506

9,865,506

13,085,478

13,085,478

12.00 Inventories

Raw materials (yarn)

208,851,536

183,488,734

Raw materials (finished fabrics)

41,907,252

16,896,425

Raw materials (accessories)

13,555,765

5,015,444

Raw materials (Dyes & Chemicals)

40,930,881

335,441

Needle and spare parts

10,183,612

3,433,708

Work-in-process

87,361,873

84,335,742

Finished goods (garments)

60,723,107

41,630,778

463,514,027

335,136,272

Disclosure of quantities as per requirement under Schedule XI, Part II, Paragraph 3 of the Companies Act, 1994:

Items	Unit	30 June, 2019		30 June, 2018	
		Opening (Qty)	Closing (Qty)	Opening (Qty)	Closing (Qty)
Raw materials (yarn)	KG	617,246	767,382	468,934	617,246
Raw materials (accessories)*	-	-	-	-	-
Raw materials (finished fabrics)	KG	38,941	100,473	46,332	38,941
Finished goods (garments)	PCS	109,899	233,604	109,899	109,899
Needle and spare parts*	-	-	-	-	-
Work-in-process	PCS/KG	153,158	406,785	153,158	153,158

* Quantity-wise breakup of raw materials (accessories), and needle and spare parts could not be given as it is difficult to quantify each item in a separate and distinct category due to large variety of raw materials (accessories), and needle and spare parts.

13.00 Cash and cash equivalents

Cash in hand

Note 13.01

6,838,179

1,571,772

Cash at bank

Note 13.02

123,948,777

206,754,564

130,786,956

208,326,336

13.01 Cash in hand

Cash at head office

6,266,580

945,194

Cash at factory

571,599

626,578

6,838,179

1,571,772

13.02 Cash at bank

Name of the bank/NBFI	Branch	Type of Account	Account Number	Amount in Taka	
				30 June, 2019	30 June, 2018
Eastern Bank Ltd.	Gulshan	CD	1041070005263	155,592	1,783,060
Dutch Bangla Bank Ltd.	Banani	CD	1031100034643	1,126,721	504,057
Prime Bank Ltd	Banani	CD	13211060000614	158,607	160,482
Prime Bank Ltd	Banani	FC (ERQ)	13251050006186	3,636,561	3,605
Prime Bank Ltd	Banani	STD	13231030025488	73,606	73,434
AB Bank Ltd	Kakrail	STD	4009-78-5851-430	4,117	9,021
City Bank Ltd	Gulshan	CD	1101495932001	4,688,578	45,298,648
City Bank Ltd	Gulshan	FC (ERQ)	5121495932001	2,124,788	9,830,876
City Bank Ltd	Gulshan	Margin	1000241001108	82,211,320	113,978,565
City Bank Ltd	Gulshan	SND/Dividend	3101703841001	6,454	487,280
Mutual Trust Bank Ltd*	Gulshan	STD	320002679	2,861,698	2,792,718
Mutual Trust Bank Ltd*	Gulshan	FC	0002-0260000704	213,909	212,110
Mutual Trust Bank Ltd*	Gulshan	Dividend	0002-0320003543	8,106	563,172
Mutual Trust Bank Ltd*	Gulshan	Dividend/17	0002-0320003785	14,451	1,934,833
Mutual Trust Bank Ltd*	Gulshan	Dividend/18	0002-0320004113	23,013	-
Mutual Trust Bank Ltd	Gulshan	CD	0220210010605	1,177,057	230,489
Standard Chartered Bank	Gulshan	ERQ	42130804801	110,267	4,382,342
Standard Chartered Bank	Gulshan	Margin	46130804801	28,986,856	24,509,872
Total				123,948,777	206,754,564

* These balances represent unclaimed portion of refundable amount and unclaimed dividend.

The balances of foreign currency accounts have been converted considering the prevailing rate of respective banks as on the reporting date.

Name of the bank	Branch	Account Number	Currency	Amount USD	Translation rate	Amount in Taka	
						June 30, 2019	June 30, 2018
Prime Bank Ltd	Banani	13251050006186	USD	\$ 43.63	83.35	3,636,561	3,605
Standard Chartered Bank	Gulshan	46-1308048-01	USD	\$ 347,147.98	83.50	28,986,856	24,509,872
Standard Chartered Bank	Gulshan	42-1308048-01	USD	\$ 1,320.56	83.50	110,267	4,382,342
Mutual Trust Bank Ltd	Gulshan	0002-0260000704	USD	\$ 2,566.39	83.35	213,909	212,110
City Bank Ltd	Gulshan	5121495932001	USD	\$ 25,416.12	83.60	2,124,788	9,830,876
City Bank Ltd	Gulshan	Margin	USD	\$ 983,389.00	83.60	82,211,320	113,978,565
Total				\$1,359,883.68		113,650,776	152,917,370



14.00 Share capital

Authorized capital:

(Divided into 100,000,000 ordinary shares of BDT 10.00 each)

Amount in Taka	
30 June 2019	30 June 2018

1,000,000,000	1,000,000,000
663,269,460	631,685,200

Issued, subscribed and paid-up capital:

(Divided into 6,63,26,946 ordinary shares of BDT 10.00 each)

Shareholding position as on 30 June 2019:

Name of shareholders	No. of ordinary shares	Face value per share	Amount in Taka	
			30 Jun, 2019	30 Jun 2018
Ms. Tosrifah Ahmed*	463,787	10.00	4,637,870	30,919,033
Ms. Anjuman Ara Begum	5,349,865	10.00	53,498,650	67,410,000
Ms. Lyra Rizwana Quader	6,978,050	10.00	69,780,500	67,410,000
Mr. Mohim Hassan	2,245,543	10.00	22,455,430	16,969,130
Mr. Naim Hassan	2,245,543	10.00	22,455,430	16,969,130
Mr. Rafiq Hassan	2,121,786	10.00	21,217,860	15,790,487
Mr. Sayeed Hassan	84,666	10.00	846,660	806,350
Northern Corporation Ltd.	13,482,000	10.00	134,820,000	128,400,000
Other than sponsors	33,355,706	10.00	333,557,060	287,011,070
	66,326,946		663,269,460	631,685,200

On 28-April-2019 total 32,46,498 shares (30,91,903 original shares and 1,54,595 bonus shares) of honorable late Sponsor of the Company Mrs. Tosrifah Ahmed (who died on 07.04.2016) have been transmitted in the accounts of her legal successors in the following manner as per succession certificate issued by the Honorable Court:

4,63,785 shares each to her sons Feroz M. Hassan, Faruque Hassan, Mohim Hassan (Sponsor Director), Naim Hassan (Sponsor Director), Sayeed Hassan (Sponsor) and Rafiq Hassan (Sponsor Director) and 2,31,893 shares each to her daughters Abeda Rahman and Shameem Ara Begum. Except Sayeed Hassan all other legal successors received their shares.

Shareholding position on the basis of Group:

Group name	Number of shareholders	Number of shares	Ownership (%)
Company	85	16,635,752	25.08%
Sponsors/Directors	8	32,971,240	49.71%
General public	7,963	16,719,954	25.21%
Total	8,056	66,326,946	100.00%

Shareholding position on the basis of Range:

Shareholding range	Number of shareholders	Number of shares	Ownership (%)
1-500	6,681	85,305	0.13%
501-5000	984	2,585,378	3.90%
5001-10000	165	1,212,136	1.83%
10001-20000	92	1,285,177	1.94%
20001-30000	43	1,060,090	1.60%
30001-40000	14	466,450	0.70%
40001-50000	13	592,211	0.89%
50001-100000	27	1,880,023	2.83%
100001-1000000	27	7,372,342	11.12%
1000001-1000000000	10	49,787,834	75.06%
Total	8,056	66,326,946	100.00%

Amount in Taka	
30 June 2019	30 June 2018

15.00 Share premium

Share premium

433,059,200	433,059,200
-------------	-------------

Share premium received against 24,566,200 ordinary shares issued to other than sponsors at each BDT 16.00 and 2,000,000 shares issued to placement each BDT 20.00

	Amount in Taka	
	30 June 2019	30 June 2018
16.00 Retained earnings		
Opening balance	522,548,917	504,139,336
Add: Transferred from revaluation surplus	1,161,582	1,655,990
Add: Net profit/(loss) during the year	7,787,306	79,922,111
	531,497,804	585,717,437
Less: Dividend	63,168,520	63,168,520
	468,329,284	522,548,917
17.00 Revaluation surplus		
Opening balance	537,428,954	539,084,944
Less: Transfer to retained earnings from building and civil works	1,161,582.00	1,655,990
	536,267,372	537,428,954
Breakup of closing balance:		
Revaluation surplus for land and land development	414,400,000	414,400,000
Revaluation surplus for building and civil works	121,867,372	123,028,954
	536,267,372	537,428,954

17.01 Revaluation surplus as on 30 June 2011

Group of PPE	Amount in Taka		
	Depreciated historical cost	Depreciated current cost	Revaluation surplus
Land and land development	53,751,501	468,151,501	414,400,000
Building and civil works	228,894,119	371,699,362	142,805,243
Total	282,645,620	839,850,863	557,205,243

The revaluation of land and land development, and building and civil works has been done by Saha Mazumder & Co., Chartered Accountants considering the cut off date 30 June 2011 and signed on 10 November 2011.

Method of valuation:

a) Valuation of land

i) Land was valued on the basis of "FAIR MARKET VALUE" which is the amount in terms of money which the property would bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeable and assuming the price is not affected by undue stimulus. Market prices were obtained from local sources. Opinion based on discussion with the deed writers, income tax and gain tax personnel and officials of sub registrars' office were taken into consideration for the purpose of revaluation.

lands during last six months in and around Mouza: Gopalpur, Tongi, Gazipur were also compared with the land property under appraisal giving due consideration to different factors including location, size, shape, bargaining allowance and other market constraints.

b) Valuation of building and civil works

i) The building constructions of company which are situated on the above mentioned land have been physically verified. The building has been revalued based on Current Cost Accounting (CCA) method.

ii) This cost has been ascertained considering factors, like the basis of the type of structure, price at which building materials, technical and non-technical labor, cost of transportation etc. are available at site, the quality of materials used in construction, workmanship, the quality of their maintenance and the accumulated depreciation thereon for the expired portion of their effective lives and the present condition of the assets in question and other relevant factors.

iii) Cost of construction of similar buildings and other constructions were obtained from local sources available, and independent engineering consultants. The total value of buildings and civil construction has been ascertained at BDT 371,699,362.

18.00 Long term loans (secured), net of current portion

The long term loans are with The City Bank Ltd., Gulshan Avenue Branch, 136 Gulshan Avenue, Gulshan, Dhaka, Bangladesh. The purpose of the term loan of The City Bank Ltd is to construction of building and import and local procurement of capital machinery for green dyeing project.

All these loans are secured by land, building, furniture, fixture, plant and machinery, personal guarantee of Directors and corporate guarantee, all present and future fixed and floating assets (excluding stock & book debts).

Amount in Taka

30 June 2019

30 June 2018

Purpose of loan	Bank Name and Account Number	Interest rate p.a.	Maximum tenor	Repayment clause
Long term loan for civil construction	The City Bank Ltd	11.00%	7 years including 18 months moratorium period.	Principal amount will be paid in 22 equal quarterly installments & interest will be serviced on quarterly basis.
Long term loan for Machinery	The City Bank Ltd.	11.00%	7 years including 18 months moratorium period.	Principal amount will be paid in 22 equal quarterly installments & interest will be serviced on quarterly basis.
Long term loan for Machinery	IDCOL	5%	6 years including 18 months moratorium period.	Principal amount will be paid in 18 equal quarterly installments & interest will be serviced on quarterly basis.

This balance consists of as follows:

Term Loan with The City Bank Ltd (Civil Construction)	Note-18.01	354,960,158	326,205,366
Term Loan with The City Bank Ltd (Machine)	Note-18.02	500,350,462	350,555,573
Term Loan with IDCOL (Machine)		53,865,861	-
		909,176,481	676,760,939
Less : Current portion of long term loan		135,110,928	-
Net current liability		774,065,553	676,760,939

18.01 Long Term Loan (Civil Construction)

The City Bank Ltd	LTL_9471495932005	7,878,341	8,663,114
The City Bank Ltd	LTL_9471495932006	18,204,896	20,010,829
The City Bank Ltd	LTL_9471495932007	18,204,896	20,010,829
The City Bank Ltd	LTL_9471495932009	5,750,051	6,322,015
The City Bank Ltd	LTL_9471495932010	2,472,280	2,716,488
The City Bank Ltd	LTL_9471495932011	2,997,867	3,294,629
The City Bank Ltd	LTL_9471495932012	18,204,880	20,010,829
The City Bank Ltd	LTL_9471495932014	2,791,692	3,068,020
The City Bank Ltd	LTL_9471495932015	1,614,561	1,773,116
The City Bank Ltd	LTL_9471495932016	18,203,501	20,010,829
The City Bank Ltd	LTL_9471495932017	7,062,802	7,766,643
The City Bank Ltd	LTL_9471495932018	964,745	1,007,935
The City Bank Ltd	LTL_9471495932019	427,915	448,124
The City Bank Ltd	LTL_9471495932020	11,701,816	12,245,799
The City Bank Ltd	LTL_9471495932021	37,816,441	39,603,817
The City Bank Ltd	LTL_9471495932026	764,530	800,452
The City Bank Ltd	LTL_9471495932027	8,523,705	8,521,137
The City Bank Ltd	LTL_9471495932028	14,388,128	14,375,677
The City Bank Ltd	LTL_9471495932029	13,091,599	13,079,477
The City Bank Ltd	LTL_9471495932031	7,801,019	7,918,589
The City Bank Ltd	LTL_9471495932032	5,287,848	5,366,727
The City Bank Ltd	LTL_9471495932033	1,563,599	1,585,106
The City Bank Ltd	LTL_9471495932034	2,795,797	2,836,287
The City Bank Ltd	LTL_9471495932035	3,327,063	3,324,533
The City Bank Ltd	LTL_9471495932036	6,063,584	6,667,014
The City Bank Ltd	LTL_9471495932037	5,442,718	5,440,173
The City Bank Ltd	LTL_9471495932038	3,210,828	3,208,299
The City Bank Ltd	LTL_9471495932039	12,486,665	2,007,990
The City Bank Ltd	LTL_9471495932040	3,606,858	3,604,327
The City Bank Ltd	LTL_9471495932044	11,213,306	11,201,215
The City Bank Ltd	LTL_9471495932046	5,763,774	5,761,229
The City Bank Ltd	LTL_9471495932047	10,970,760	10,958,670
The City Bank Ltd	LTL_9471495932049	4,766,059	4,763,521
The City Bank Ltd	LTL_9471495932053	6,481,426	6,478,875
The City Bank Ltd	LTL_9471495932055	2,825,275	2,822,751
The City Bank Ltd	LTL_9471495932057	3,172,340	3,169,815

Amount in Taka

30 June 2019

30 June 2018

The City Bank Ltd	LTL_9471495932060	1,010,051	1,007,542
The City Bank Ltd	LTL_9471495932061	1,319,685	1,317,175
The City Bank Ltd	LTL_9471495932062	2,485,224	2,482,719
The City Bank Ltd	LTL_9471495932063	5,691,205	5,688,733
The City Bank Ltd	LTL_9471495932064	2,217,505	2,215,020
The City Bank Ltd	LTL_9471495932065	5,940,493	5,938,038
The City Bank Ltd	LTL_9471495932067	1,427,581	1,425,100
The City Bank Ltd	LTL_9471495932068	1,028,208	1,025,723
The City Bank Ltd	LTL_9471495932069	4,855,501	4,853,112
The City Bank Ltd	LTL_9471495932070	5,838,176	5,835,845
The City Bank Ltd	LTL_9471495932071	1,181,392	1,178,924
The City Bank Ltd	LTL_9471495932076	2,379,686	2,392,559
The City Bank Ltd	LTL_9471495932082	1,302,436	-
The City Bank Ltd	LTL_9471495932083	1,587,442	-
The City Bank Ltd	LTL_9471495932084	559,472	-
The City Bank Ltd	LTL_9471495932085	4,512,384	-
The City Bank Ltd	LTL_9471495932087	1,877,794	-
The City Bank Ltd	LTL_9471495932088	893,730	-
The City Bank Ltd	LTL_9471495932091	1,432,050	-
The City Bank Ltd	LTL_9441495932001	3,184,492	-
The City Bank Ltd	LTL_9441495932004	2,503,749	-
The City Bank Ltd	LTL_9441495932009	2,744,934	-
The City Bank Ltd	LTL_9441495932014	2,021,836	-
The City Bank Ltd	LTL_9441495932021	2,688,839	-
The City Bank Ltd	LTL_9441495932026	2,296,386	-
The City Bank Ltd	LTL_9441495932030	2,739,396	-
The City Bank Ltd	LTL_9441495932037	1,396,945	-
		354,960,158	326,205,366

18.02 Long Term Loan (Machine)

The City Bank Ltd	LTL_9471495932001	15,540,845	18,975,227
The City Bank Ltd	LTL_9471495932002	887,793	1,105,557
The City Bank Ltd	LTL_9471495932003	22,585,070	27,879,728
The City Bank Ltd	LTL_9471495932004	63,680,847	77,796,966
The City Bank Ltd	LTL_9471495932008	4,404,209	4,841,596
The City Bank Ltd	LTL_9471495932013	3,534,728	3,885,173
The City Bank Ltd	LTL_9471495932022	9,559,468	10,001,916
The City Bank Ltd	LTL_9471495932023	9,559,464	10,001,916
The City Bank Ltd	LTL_9471495932024	9,559,464	10,001,916
The City Bank Ltd	LTL_9471495932025	746,519	911,779
The City Bank Ltd	LTL_9471495932030	2,883,352	3,335,303
The City Bank Ltd	LTL_9471495932041	1,945,702	1,943,186
The City Bank Ltd	LTL_9471495932042	2,103,419	2,310,955
The City Bank Ltd	LTL_9471495932043	1,139,407	1,136,896
The City Bank Ltd	LTL_9471495932045	524,874	524,369
The City Bank Ltd	LTL_9471495932048	2,265,915	2,620,647
The City Bank Ltd	LTL_9471495932050	19,030,781	22,609,428
The City Bank Ltd	LTL_9471495932051	10,451,477	10,439,390
The City Bank Ltd	LTL_9471495932052	12,948,476	1,371,289
The City Bank Ltd	LTL_9471495932054	1,941,269	2,245,015
The City Bank Ltd	LTL_9471495932056	3,153,233	3,150,707
The City Bank Ltd	LTL_9471495932058	2,656,909	2,781,036
The City Bank Ltd	LTL_9471495932059	2,287,420	2,284,900
The City Bank Ltd	LTL_9471495932066	2,406,379	2,403,896
The City Bank Ltd	LTL_9471495932072	1,514,940	1,525,456
The City Bank Ltd	LTL_9471495932073	2,002,400	2,017,111
The City Bank Ltd	LTL_9471495932074	10,932,913	12,106,047
The City Bank Ltd	LTL_9471495932075	964,480	971,098
The City Bank Ltd	LTL_9471495932077	4,640,258	4,667,752
The City Bank Ltd	LTL_9471495932078	3,666,310	4,051,599
The City Bank Ltd	LTL_9471495932079	2,962,387	3,263,310
The City Bank Ltd	LTL_9471495932080	3,284,662	3,442,089
The City Bank Ltd	LTL_9471495932081	1,587,171	-
The City Bank Ltd	LTL_9471495932086	1,132,867	-
The City Bank Ltd	LTL_9471495932089	7,561,209	-
The City Bank Ltd	LTL_9471495932090	2,324,153	-



Amount in Taka

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The City Bank Ltd	LTL_9471495932092	2,663,426	-
The City Bank Ltd	LTL_9471495932093	4,383,485	-
The City Bank Ltd	LTL_9471495932094	15,311,288	-
The City Bank Ltd	LTL_9471495932095	1,860,732	-
The City Bank Ltd	LTL_9471495932096	8,703,190	-
The City Bank Ltd	LTL_9471495932097	5,373,723	-
The City Bank Ltd	LTL_9441495932002	1,237,606	-
The City Bank Ltd	LTL_9441495932003	2,568,729	-
The City Bank Ltd	LTL_9441495932005	588,136	-
The City Bank Ltd	LTL_9441495932006	1,162,905	-
The City Bank Ltd	LTL_9441495932007	2,611,144	-
The City Bank Ltd	LTL_9441495932008	14,962,433	-
The City Bank Ltd	LTL_9441495932010	1,852,405	-
The City Bank Ltd	LTL_9441495932011	2,171,576	-
The City Bank Ltd	LTL_9441495932012	4,339,994	-
The City Bank Ltd	LTL_9441495932013	1,453,753	-
The City Bank Ltd	LTL_9441495932015	3,687,148	-
The City Bank Ltd	LTL_9441495932016	6,895,273	-
The City Bank Ltd	LTL_9441495932017	2,684,804	-
The City Bank Ltd	LTL_9441495932018	485,304	-
The City Bank Ltd	LTL_9441495932019	636,520	-
The City Bank Ltd	LTL_9441495932020	2,001,881	-
The City Bank Ltd	LTL_9441495932022	2,005,108	-
The City Bank Ltd	LTL_9441495932023	361,515	-
The City Bank Ltd	LTL_9441495932024	2,379,924	-
The City Bank Ltd	LTL_9441495932025	3,060,257	-
The City Bank Ltd	LTL_9441495932027	6,493,101	-
The City Bank Ltd	LTL_9441495932028	4,077,656	-
The City Bank Ltd	LTL_9441495932029	4,181,203	-
The City Bank Ltd	LTL_9441495932031	3,725,798	-
The City Bank Ltd	LTL_9441495932032	3,208,222	-
The City Bank Ltd	LTL_9441495932033	543,294	-
The City Bank Ltd	LTL_9441495932034	6,249,218	-
The City Bank Ltd	LTL_9441495932035	711,291	-
The City Bank Ltd	LTL_9441495932036	2,469,710	-
The City Bank Ltd	LTL_9441495932038	3,583,701	-
The City Bank Ltd	LTL_9441495932039	5,980,591	-
The City Bank Ltd	LTL_9441495932040	9,596,982	-
Mutual Trust Bank	LTL_221102000418	82,649,938	73,458,540
Mutual Trust Bank	LTL_221102000338	9,813,520	8,720,570
Mutual Trust Bank	LTL_221102000347	7,343,207	6,525,158
Mutual Trust Bank	LTL_221102000258	3,574,113	3,173,591
Mutual Trust Bank	LTL_221102000427	2,335,887	2,074,460
		500,350,462	350,555,573

19.00 Deferred tax liabilities

Opening Balance		15,943,788	15,943,788
Add: Provision made during the year		48,319,668	-
		64,263,456	15,943,788

Details shown in Note No. 33 and Annexure-D

20.00 Trade and other payables

Trade payables			
Back to Back (BTB) and other LC	Note 20.01	211,095,326	120,836,481
		211,095,326	120,836,481
Other payables:			
Building construction	Note 20.02	4,169,480	11,310,575
Withholding income tax (TDS)		13,613,898	12,821,151
Withholding VAT (VDS)		174,709.00	6,450
Unclaimed IPO application money	Note 20.03	3,049,849	3,049,849
Unclaimed dividend	Note 20.04	150,645	2,840,726
Account Payable	Note 20.05	219,448,838	46,211,328
Advance for employees car policy		-	1,875,000
Fashion Asia Limited		-	22,520,000
		240,607,419	100,635,078
		451,702,745	221,471,559



Amount in Taka

30 June 2019

30 June 2018

Back to Back (BTB) and other LC

A-Den Company Ltd.	2,451,820	-
Ador Composite Ltd.	2,460,000	-
Amann Bangladesh Ltd.	115,947	-
American & Efird (BD) Ltd.	1,253,198	-
Ayesha Clothing Company Ltd.	173,617	-
Apical Printing & Design	-	1,400,121
BD Corporation	732,774	1,058,415
BDTEX Ltd.	534,724	-
BD Trims Industry.	144,525	-
BFS Thread Dyeing Ltd.	-	1,022,844
BHT Industries Ltd	2,717,928	996,919
Bros Macao Commercial Offshore Ltd	-	1,765,744
BWJ International	112,602	459,036
Chittagong Denim Mills Ltd	-	282,408
Commerce Corner.	369,000	-
Dekko Accessories Ltd.	-	588,804
Design Mode	392,522	-
DGI Printing Company	-	843,675
Dhaka Texmart Industries Ltd	741,491	1,552,854
Dird Composite Textiles Ltd	6,185,882	-
Dody Trims Limited	-	303,668
Dress Poly & Packeaging BD	-	207,057
Drytech BD	173,090	-
Dystar Singapore Pte Ltd.	204,188	-
Ensign Corporation	-	187,626
Enviro Pack Ltd	1,857,572	179,307
Envoy Textiles Ltd	2,517,860	1,079,862
Epyllion Ltd.	956,894	1,258,631
ETI Textil Trading Co.	-	118,306
Etaisia (BD) Ltd.	471,414	-
Fabian Industries Ltd	-	1,189,178
Fariha Spinning Mills Ltd.	1,898,044	-
Four Line	-	803,936
Freudenberg & Vilene International Ltd	173,387	173,512
Fujian Shi Lian Da Garments Accessories Co Ltd.	431,461	-
GalaxyBD	1,079,670	-
Hossain Dyeing & Printing Mills Ltd.	4,196,518	2,811,801
HRS Business Corporation	295,536	422,470
H.S. Corporation	2,494,545	-
Hyosung Dong Nai Co. Ltd.	3,066,682	3,083,958
Integrated Textile Resources Ltd	-	700,198
International Trimming & Labels (BD) Pvt.	873,666	-
IRS Universal Pte Ltd.	26,631,959	-
Isin International Pte Ltd	-	6,531,137
J.K.R. Thread & Accessories	-	203,302
Jahan Textile	476,275	182,728
Jiangsu Zhonglu Technology Development Co,Ltd	-	1,932,084
Jist Industrial Co. Ltd	668,011	259,402
Kamal Yarn Ltd	-	3,296,400
KPR Mills Limited	-	22,163,860
K.S Enterprise.	150,874	-
Malek Spinning Mills Ltd	16,678,993	1,537,500
Maple Packages (Pvt.) Ltd	-	552,356
Millman Limited	-	3,689,607
M.N Pakaging & Printing Accessories.	225,822	-
Montrims Limited	256,802	217,970
NAZ Bangladesh Ltd.	3,422,314	1,385,091
New J.S Fashion	293,592	-
NRG Hometex Ltd	1,673,903	-
NRG Composite Yarn Dyeing	1,679,065	-
NRG Spinning Mills Ltd.	14,786,025	-



Amount in Taka

30 June 2019

30 June 2018

Back to Back (BTB) and other LC

A-Den Company Ltd.	2,451,820	-
Ador Composite Ltd.	2,460,000	-
Amann Bangladesh Ltd.	115,947	-
American & Efird (BD) Ltd.	1,253,198	-
Ayesha Clothing Company Ltd.	173,617	-
Apical Printing & Design	-	1,400,121
BD Corporation	732,774	1,058,415
BDTEX Ltd.	534,724	-
BD Trims Industry.	144,525	-
BFS Thread Dyeing Ltd.	-	1,022,844
BHT Industries Ltd	2,717,928	996,919
Bros Macao Commercial Offshore Ltd	-	1,765,744
BWJ International	112,602	459,036
Chittagong Denim Mills Ltd	-	282,408
Commerce Corner.	369,000	-
Dekko Accessories Ltd.	-	588,804
Design Mode	392,522	-
DGI Printing Company	-	843,675
Dhaka Texmart Industries Ltd	741,491	1,552,854
Dird Composite Textiles Ltd	6,185,882	-
Dody Trims Limited	-	303,668
Dress Poly & Packeging BD	-	207,057
Drytech BD	173,090	-
Dystar Singapore Pte Ltd.	204,188	-
Ensign Corporation	-	187,626
Enviro Pack Ltd	1,857,572	179,307
Envoy Textiles Ltd	2,517,860	1,079,862
Epyllion Ltd.	956,894	1,258,631
ETI Textil Trading Co.	-	118,306
Etaisia (BD) Ltd.	471,414	-
Fabian Industries Ltd	-	1,189,178
Fariha Spinning Mills Ltd.	1,898,044	-
Four Line	-	803,936
Freudenberg & Vilene International Ltd	173,387	173,512
Fujian Shi Lian Da Garments Accessories Co Ltd.	431,461	-
GalaxyBD	1,079,670	-
Hossain Dyeing & Printing Mills Ltd.	4,196,518	2,811,801
HRS Business Corporation	295,536	422,470
H.S. Corporation	2,494,545	-
Hyosung Dong Nai Co. Ltd.	3,066,682	3,083,958
Integrated Textile Resources Ltd	-	700,198
International Trimming & Labels (BD) Pvt.	873,666	-
IRS Universal Pte Ltd.	26,631,959	-
Isin International Pte Ltd	-	6,531,137
J.K.R. Thread & Accessories	-	203,302
Jahan Textile	476,275	182,728
Jiangsu Zhonglu Technology Development Co,Ltd	-	1,932,084
Jist Industrial Co. Ltd	668,011	259,402
Kamal Yarn Ltd	-	3,296,400
KPR Mills Limited	-	22,163,860
K.S Enterprise.	150,874	-
Malek Spinning Mills Ltd	16,678,993	1,537,500
Maple Packages (Pvt.) Ltd	-	552,356
Millman Limited	-	3,689,607
M.N Pakaging & Printing Accessories.	225,822	-
Montrims Limited	256,802	217,970
NAZ Bangladesh Ltd.	3,422,314	1,385,091
New J.S Fashion	293,592	-
NRG Hometex Ltd	1,673,903	-
NRG Composite Yarn Dyeing	1,679,065	-
NRG Spinning Mills Ltd.	14,786,025	-

		Amount in Taka	
		30 June 2019	30 June 2018
20.02	Building construction		
	Abdullah & Sons	-	158,174
	A-One Polymer Ltd	-	6,374
	Automation Engineering & Controls Ltd.	10,476	6,831
	Bangladesh Building Systems Ltd.	-	1,612,367
	BBS Cable Industries Ltd	158,367	111,162
	Halim & Brothers	496,005	1,168,767
	Hamid Construction Ltd	354,000	854,000
	Inter Trade	470,000	4,102,882
	Jamal Hossain	-	432,340
	Keya Steel King	50,000	-
	Lub-Rref (Bangladesh) Ltd.	126,075	-
	M.I. Cement Factory Ltd.	449,280	149,760
	M/S. Limon Enterprise	-	563,400
	Nimpex Limited	410,001	-
	Northern Knit Ltd	863,867	628,267
	R.K. Textile Laboratory & Scientific Instrument	-	66,750
	Rafiz Engineering Works	-	407,500
	Rapid Construction and Engineering	190,935	995,001
	S.S Trade Link	53,374	47,000
	Safeshot Pest Control & Cleaning Services	47,100	-
	Shaheen Traders	140,000	-
	Tritech Building Services Ltd.	350,000	-
		4,169,480	11,310,575
20.03	Unclaimed IPO application money		
	Unclaimed IPO application money (IPO refund warrant)	3,049,849	3,049,849
		3,049,849	3,049,849
20.04	Unclaimed dividend		
	Mutual Trust Bank	150,645	2,388,343
	The City Bank	-	452,383
		150,645	2,840,726
20.05	Account Payable		
	Aamra Resources Limited	12,075	-
	ABG Engineering Services (Pvt.) Ltd	-	274,195
	ACI Limited	29,000	192,000
	Ador Composite Ltd.	524,600	-
	Adury Knit Composite Ltd.	571,067	174,672
	AGS INT'L Ltd.	-	192,936
	Ahmad & Akhtar Chartered Accountants	-	-
	Akij Plastics Ltd.	175,000	-
	Ali Enterprise	107,066	-
	Allport Cargo Services (Air) Ltd.	449,871	-
	AI-Ready Courier Service	-	9,300
	AlwaysOn Network Bangladesh Ltd.	34,400	22,200
	Al-Zayeed Enterprise	36,950	-
	Amber IT Ltd.	-	4,600
	Amtex Trading	14,250	-
	ANH Enterprise	2,340	-
	Anowara Motors	4,000	7,500
	Anudip Autos Ltd (Tongi Unit)	42,937	-
	APS Apparels Ltd.	-	840
	Arabi Fashion Limited	-	8,455



	Amount in Taka	
	30 June 2019	30 June 2018
Ascend Elevators & Escalators Ltd.	269,000	-
Asgar Trading	160,000	234,101
Asha Knitting Industries	316,568	560,297
Asif Enterprise	463,700	102,000
ASM Chemical Industries Ltd.	1,805,250	-
Aswad Composite Mills Ltd.	555,327	149,184
Auxicolour Bangladesh	155,925	-
B.T. Tex. Access	71,900	-
Badsha Traders	-	43,000
Bangladesh Express Co. Ltd.	12,662	-
Bellal & Sons	-	30,874
Biozymes	67,500	207,000
Bok Bangladesh	51,200	5,000
Bonded Fashion Ltd	-	62,226
BRAC-CDM	169,808	-
Building Blocks Limited.	52,500	-
Bureau Veritas Consumer Products Services (BD) Ltd.	286,684	-
BWJ International	-	5,994
Carnival Inc.	44,517	-
Central Depository Bangladesh Ltd.	-	106,000
Clean & Care.	-	86,000
Commerce Corner.	16,400	146,546
Cool Tech Bangladesh	65,000	-
Corporate Office Machine	-	16,000
Crystal Vision Solutions	251,040	-
Cygnat Corporation	11,000	-
Dapang Industry	-	37,000
Dayamoy Trading	51,798	499,850
Dekko Accessories Ltd	8,385	-
Desh General Insurance Company Ltd.	524,436	140,511
Dhaka Texmart Industries Ltd.	62,550	143,870
DHL Worldwide Express (BD) Private Ltd.	180,649	90,000
Dutch Lube Company Ltd.	233,994	228,000
Eco Green Corporation	180,000	-
Electromech Automation & Engineering Ltd	14,892	96,696
Elite Worldwide Express Ltd	27,126	-
Energypac Electronics Ltd	-	38,707
Enviro Pac Ltd	4,796,910	761,903
Euro Enterprise	194,300	87,860
Euro Express Ltd	74,347	32,000
Eye Care Project-MSS	18,700	-
F.F. Trading Corporation	920,774	1,843,572
Fabric Colour Solution Center	-	8,276
Faical Auto Mobiles	17,600	72,450
Faithness Limited	195,000	94,400
Fashion Asia Ltd.	37,860,402	18,390,359
Freinds Agro Trading	-	340,733
Fuji Associates	-	25,000
Giant Textiles Ltd.	232,712	84,018
GMS Composite Knitting Ind. Ltd.	77,034	13,200
Golden Office Equipment	12,000	15,000
Good Luck Stationery	1,487,490	356,197
Good Star Automobiles	1,300	3,800
Grameen CyberNet Ltd	43,810	23,000
GSM Composite Knit Ind. Ltd	-	14,634
GTA Sports Ltd	-	35,700
Hardy Tech	-	13,500
HRC Lighting Limited	37,800	-

	Amount in Taka	
	30 June 2019	30 June 2018
HR International	89,863	-
Index Holding Ltd.	152,032	-
ITS Labtest Bangladesh Ltd	51,041	6,783
Jaman Marker Paper Converting	538,621	165,316
Jamuna Auto Rice Mills	2,500,000	-
Jinnat Apparels Ltd.	856,819	873,626
K.B. Traders	-	114,000
K.C. Apparels Ltd	-	5,460
K.M. International	35,926	43,950
Kazi Enterprise	243,000	65,000
Kentucky Knit Composite Ltd.	-	69,200
Keya Enterprise_Accessories	33,930	-
Khaja Art Press	78,630	73,640
Khan Traders	40	291,625
KSS Knit Composite Ltd.	474,688	-
Lantabur Apparels Ltd.	-	8,816
Latifa Enterprise	354,660	215,272
Lisky Technology (BD) Ltd	-	45,000
M M Boring	5,500	-
M. Chan & G.S. Corporation	72,000	-
M.B. Trade Corporation	664,010	38,000
M.M. Corporation	6,400	-
Mascom Composite Ltd.	-	21,389
Masluk CNG & Filling Station Ltd.	23,043	-
Master Screen Print	52,998	-
Masud & Company	-	16,000
Mayed Dowa Automobile	-	200
Mayed Doya Automobiles Works	7,000	-
Mayer Doa Mechanical Workshop	-	2,100
Mazim Trading Company	5,000	-
Media New Age Ltd	6,072	-
Meghna Knit Composite Ltd	27,944	-
Micro Marks Electronics	181,400	-
Mishu Enterprise	637,808	230,109
Modern Tex	900	700
Momota Engineering	110,000	-
Mondol Knitwears Ltd.	426,122	214,260
Move Business	1,739	-
Muktijodha Printing & Embroidery Fashion House	-	60,913
N.K. Brothers Fillings Station	260,000	130,000
Naji Electro Power Ltd.	273,200	-
National Care Service	60,000	-
Needle Craft	10,880	58,760
Net Planet Information Systems Ltd	29,700	-
Norban Comtex Ltd.	-	104
North Knit Ltd.	46,684	46,580
Northern Corporation Ltd.	120,735,720	-
NRG Composite Grey (U1)	-	210,554
NRG Composite Yarn Dyeing	778,799	254,183
O.M. International	67,270	82,186
Orient Computers	19,200	-
Orthi Servicing Center	255,948	115,250
P.H. International	16,935	-
Pacific Associates Ltd.	-	100,500
Pacific Chemitrade Co.	55,250	42,500
Padma Poly Cotton Knit Fabrics Ltd.	-	94,017
Padma Poly Cotton Knit Fabrics Ltd	94,017	-
People's Mill Store	87,632	13,628



	Amount in Taka	
	30 June 2019	30 June 2018
Phulki	-	8,000
Printers & Printers Ltd.	14,678,727	3,113,794
Prisma Technologies Ltd	126,000	180,000
Protiva Corporation	252,000	-
Quick Computer	-	1,200
R.H Corporation	224,000	-
Rabeya Quader Chowdhury Enterprise	-	99,477
Ranks-ITT Ltd.	4,178	7,780
Rashel Rahad Collar & Twisting House	96,022	-
Rashid Enterprise	134,878	50,000
Ratul Printing Press	105,590	-
Redox Chemical Industries Ltd.	93,000	-
Relative Knit & Fashions Ltd.	88,680	85,092
RR Trade International.	201,750	98,000
Rupa Fabrics Ltd.	-	48,974
S. R Quality Colour Shading	107,687	35,630
S.E. Limited	-	107,000
S.K Fabric Solution	-	12,752
S.K Traders	2,186,050	140,550
S.K. Fashion	-	36,442
S.T. Corporation	326,252	703,626
Sadik Enterprise	826,800	563,400
Sadman Transportation Service	154,400	77,200
Saimon Saining Fabrics	57,012	-
Salary A/P	2,662,300	1,540,881
Salim Autos	9,310	3,470
Sarker Design & Printing	-	2,332,287
Satata Fire International	16,175	22,550
Sawftex Ltd.	30,692	28,790
Sayeed Brothers	90,584	-
SAZ Accessories	-	1,900
Shafayet Silk House	-	220,000
Shahchand Paribhan Sangstha	3,661,500	195,000
Shaher Enterprise	122,460	1,019,553
Shapla Knitting Ltd.	370,140	291,372
Shohel & Brothers PTE Ltd	935,735	301,805
Smart Technologies (BD) Ltd	71,100	-
So Sign	21,842	-
Spares Sourcing HUB	-	29,900
Sparkle Knit Composite Ltd.	-	61,013
SRKH Design Ltd.	20,055	33,644
Star Tech & Engineering Ltd.	16,200	30,000
Stock Dividend_Fraction	100,607	-
Subat Knit Composite Ltd	-	60,712
Suplob New Model Furniture	-	30,000
Sys Computers Ltd.	46,150	-
T.M.S. Thread & Accessories	55,430	-
Tamim Glass & Aluminium Fabricators	70,479	-
Tanaaz Traders	57,250	-
Tanvir Machinerics	19,500	-
Team Star Asia	-	35,200
Texhill Knitwears.	454	531,084
Texmark Knitwears.	-	50,266
Textile Engineering & Consultancy Service	-	225,175
TNT Express	87,575	37,309
Toner Point	2,800	-
Total Freight Ltd.	3,139,569	243,151
Transport	27,833	23,500

	Amount in Taka	
	30 June 2019	30 June 2018
UL VS Bangladesh Ltd.	3,659	5,756
Unearned Revenue	2,799,656	2,851,359
Uni-Asia Associates Ltd	109,870	36,000
Unitrade Fashions Ltd	-	2,665
Universal Tech Co	47,795	-
Urban Trims	-	27,300
Uttar Salna Apparels Ltd.	110,740	-
Viyellatex Ltd.	6,346	164,750
Yangfaa International	-	28,575
Yousuf Engineering Works	-	12,785
Z Express	-	452,350
Zafrat Enterprise	313,400	-
Zara Associate	170,000	-
Zee Fashion Ltd.	76,640	71,532
	219,448,838	46,211,328
21.00 Provision for expenses		
Provision salary	527,411	-
Audit fee	460,000	460,000
Gas bill	20,000	25,000
Interest expense	371,202	-
	1,378,613	485,000

22.00 Short term loans

Bank(s)	Account No. / Note	Type of loan and interest rate	Amount in Taka	
			30 June 2019	30 June 2018
The City Bank Ltd	6331495932001	SOD (11%)	66,213,203	104,026,845
AB Bank Ltd	4009-785851-000	SOD	112,948	187,835
Standard Chartered Bank	01-1308048-01	CD/OD	(7,285,957)	4,009,004
The City Bank Ltd & SCB	Note: 22.01	PC (7.00%)	109,901,856	66,925,425
The City Bank Ltd	Note: 22.02	EDF(LIBOR+2.5%)	326,824,115	157,827,845
The City Bank Ltd & IDLC Finance	Note: 22.03	STL	187,933,744	156,793,646
The City Bank Ltd	Note: 22.04	STL (11%)	110,604,039	64,027,772
Total			794,303,948	553,798,373

(a) Loans with The City Bank Ltd, Gulshan Avenue Branch, Gulshan and Standard Chartered Bank, Gulshan Branch are for the purpose of working capital , import of raw materials & Machinery purchase.

(b) Security: Hypothecation of stock along with notarized IGPA to sell the assets under hypothecation without further reference to the court in case of default.

22.01 Packing Credit (PC) loan

Bank(s)	Branch	Account No.	Amount in Taka	
			30 June 2019	30 June 2018
The City Bank Ltd	Gulshan	6171495932021	-	933,919
The City Bank Ltd	Gulshan	6171495932022	-	17,186,450
The City Bank Ltd	Gulshan	6171495932023	-	1,005,056
Standard Chartered Bank	Gulshan	91308048001	-	11,000,000
Standard Chartered Bank	Gulshan	91308048002	-	18,000,000
Standard Chartered Bank	Gulshan	91308048003	-	10,800,000
Standard Chartered Bank	Gulshan	91308048004	-	8,000,000
The City Bank Ltd	Gulshan	6171495932038	4,800,803	-
The City Bank Ltd	Gulshan	6171495932039	9,395,842	-
The City Bank Ltd	Gulshan	6171495932040	3,023,917	-
The City Bank Ltd	Gulshan	6171495932041	10,079,722	-



Amount in Taka

30 June 2019

30 June 2018

The City Bank Ltd	Gulshan	6171495932042	9,613,067	-
The City Bank Ltd	Gulshan	6171495932043	15,014,583	-
Standard Chartered Bank	Gulshan	91308048010	18,600,000	-
Standard Chartered Bank	Gulshan	TF411P0584-00001	13,400,000	-
Standard Chartered Bank	Gulshan	TF411P0585-00001	1,853,639	-
Standard Chartered Bank	Gulshan	TF411P0585-00038	4,400,000	-
Standard Chartered Bank	Gulshan	TF411P0588-00001	2,400,000	-
Standard Chartered Bank	Gulshan	TF411P0609-00001	7,271,434	-
Standard Chartered Bank	Gulshan	TF411P0546-00001	10,048,851	-
Total			109,901,856	66,925,425

22.02 EDF loan

Bank(s)	Branch	Account No.	Amount in Taka	
			30 June 2019	30 June 2018
The City Bank Ltd.	Gulshan	75117031890	-	518,940
The City Bank Ltd.	Gulshan	75118030468	-	1,485,675
The City Bank Ltd.	Gulshan	75118050106	-	18,827,540
The City Bank Ltd.	Gulshan	75118050182	-	5,048,817
The City Bank Ltd.	Gulshan	75118050183	-	1,052,814
The City Bank Ltd.	Gulshan	75117031836	-	1,980,160
The City Bank Ltd.	Gulshan	75117050508	-	5,625,765
The City Bank Ltd.	Gulshan	75117050510	-	2,187,760
The City Bank Ltd.	Gulshan	75117050533	-	3,356,683
The City Bank Ltd.	Gulshan	75117050536	-	11,468,527
The City Bank Ltd.	Gulshan	75117050537	-	4,787,258
The City Bank Ltd.	Gulshan	75117050547	-	2,048,143
The City Bank Ltd.	Gulshan	75117050548	-	5,132,877
The City Bank Ltd.	Gulshan	75118030004	-	2,842,235
The City Bank Ltd.	Gulshan	75118030092	-	10,814,595
The City Bank Ltd.	Gulshan	75118050026	-	1,545,909
The City Bank Ltd.	Gulshan	75118050038	-	10,612,541
The City Bank Ltd.	Gulshan	75118050039	-	20,483,374
The City Bank Ltd.	Gulshan	75118050040	-	6,774,928
The City Bank Ltd.	Gulshan	75118050041	-	1,559,825
The City Bank Ltd.	Gulshan	75118050044	-	10,122,872
The City Bank Ltd.	Gulshan	75118050055	-	6,406,226
The City Bank Ltd.	Gulshan	75118050056	-	3,061,148
The City Bank Ltd.	Gulshan	75118050098	-	1,742,278
The City Bank Ltd.	Gulshan	75118050104	-	5,896,979
The City Bank Ltd.	Gulshan	75518050307	-	6,221,989
The City Bank Ltd.	Gulshan	75518050308	-	6,221,989
The City Bank Ltd.	Gulshan	6301495932056	13,363,000	-
The City Bank Ltd.	Gulshan	6301495932057	17,060,061	-
The City Bank Ltd.	Gulshan	6301495932058	2,990,988	-
The City Bank Ltd.	Gulshan	6301495932059	2,803,043	-
The City Bank Ltd.	Gulshan	6301495932060	981,724	-
The City Bank Ltd.	Gulshan	6301495932061	19,183,520	-
The City Bank Ltd.	Gulshan	6301495932062	929,600	-
The City Bank Ltd.	Gulshan	6301495932063	5,381,803	-
The City Bank Ltd.	Gulshan	6301495932064	599,675	-
The City Bank Ltd.	Gulshan	6301495932065	834,277	-
The City Bank Ltd.	Gulshan	6301495932066	3,707,610	-
The City Bank Ltd.	Gulshan	075118050055	1,981,564	-
The City Bank Ltd.	Gulshan	6301495932006	19,252,900	-
The City Bank Ltd.	Gulshan	6301495932007	6,412,590	-
The City Bank Ltd.	Gulshan	6301495932008	6,477,075	-
The City Bank Ltd.	Gulshan	6301495932009	10,435,967	-
The City Bank Ltd.	Gulshan	6301495932010	6,112,960	-
The City Bank Ltd.	Gulshan	6301495932011	4,587,825	-
The City Bank Ltd.	Gulshan	6301495932012	5,267,410	-
The City Bank Ltd.	Gulshan	6301495932013	1,142,186	-
The City Bank Ltd.	Gulshan	6301495932014	3,395,800	-
The City Bank Ltd.	Gulshan	6301495932015	954,432	-

Amount in Taka

30 June 2019

30 June 2018

The City Bank Ltd.	Gulshan	6301495932016	4,180,963	-
The City Bank Ltd.	Gulshan	6301495932017	4,261,467	-
The City Bank Ltd.	Gulshan	6301495932018	3,419,766	-
The City Bank Ltd.	Gulshan	6301495932019	5,115,661	-
The City Bank Ltd.	Gulshan	6301495932020	4,730,627	-
The City Bank Ltd.	Gulshan	6301495932021	3,326,400	-
The City Bank Ltd.	Gulshan	6301495932022	6,376,892	-
The City Bank Ltd.	Gulshan	6301495932023	2,222,977	-
The City Bank Ltd.	Gulshan	6301495932024	5,245,067	-
The City Bank Ltd.	Gulshan	6301495932025	5,420,250	-
The City Bank Ltd.	Gulshan	6301495932026	5,598,027	-
The City Bank Ltd.	Gulshan	6301495932027	1,255,938	-
The City Bank Ltd.	Gulshan	6301495932028	4,958,266	-
The City Bank Ltd.	Gulshan	6301495932029	10,839,468	-
The City Bank Ltd.	Gulshan	6301495932030	7,338,721	-
The City Bank Ltd.	Gulshan	6301495932031	10,880,100	-
The City Bank Ltd.	Gulshan	6301495932032	7,200,570	-
The City Bank Ltd.	Gulshan	6301495932033	2,145,000	-
The City Bank Ltd.	Gulshan	6301495932034	14,235,732	-
The City Bank Ltd.	Gulshan	6301495932035	1,732,500	-
The City Bank Ltd.	Gulshan	6301495932036	5,530,717	-
The City Bank Ltd.	Gulshan	6301495932037	1,423,125	-
The City Bank Ltd.	Gulshan	6301495932038	940,500	-
The City Bank Ltd.	Gulshan	6301495932039	1,122,825	-
The City Bank Ltd.	Gulshan	6301495932040	4,277,434	-
The City Bank Ltd.	Gulshan	6301495932041	2,099,757	-
The City Bank Ltd.	Gulshan	6301495932042	5,042,701	-
The City Bank Ltd.	Gulshan	6301495932043	5,377,296	-
The City Bank Ltd.	Gulshan	6301495932044	5,341,644	-
The City Bank Ltd.	Gulshan	6301495932045	2,211,000	-
The City Bank Ltd.	Gulshan	6301495932046	1,494,000	-
The City Bank Ltd.	Gulshan	6301495932047	1,810,728	-
The City Bank Ltd.	Gulshan	6301495932048	13,962,919	-
The City Bank Ltd.	Gulshan	6301495932049	1,006,500	-
The City Bank Ltd.	Gulshan	6301495932050	3,672,750	-
The City Bank Ltd.	Gulshan	6301495932051	3,608,633	-
The City Bank Ltd.	Gulshan	6301495932052	10,077,893	-
The City Bank Ltd.	Gulshan	6301495932053	5,090,118	-
The City Bank Ltd.	Gulshan	6301495932054	5,255,773	-
The City Bank Ltd.	Gulshan	6301495932055	3,137,400	-
Total			326,824,115	157,827,845

22.03 STL loan

Bank(s)	Branch	Account No.	Amount in Taka	
			30 June 2019	30 June 2018
The City Bank Ltd.	Gulshan	6931495932076	-	51,594,160
The City Bank Ltd.	Gulshan	9791495932142	-	1,482,125
IDLC		1026102211396005	-	52,423,611
IDLC		1026102211396006	-	51,293,750
The City Bank Ltd.		6571495932001	38,757,949	-
The City Bank Ltd.		6881495932002	912,437	-
The City Bank Ltd.		6881495932003	4,892,525	-
The City Bank Ltd.		6931495932078	20,556,111	-
The City Bank Ltd.		6931495932079	20,513,333	-
IDLC		1026106211396009	51,101,389	-
IDLC		1026106211396010	51,200,000	-
Total			187,933,744	156,793,646



22.04 STL loan MC

Bank(s)	Branch	Account No.	Amount in Taka	
			30 June 2019	30 June 2018
The City Bank Ltd.	Gulshan	9101495932004	-	11,960,155
The City Bank Ltd.	Gulshan	9101495932005	-	10,145,241
The City Bank Ltd.	Gulshan	9101495932008	-	9,843,800
The City Bank Ltd.	Gulshan	9101495932006	-	9,612,258
The City Bank Ltd.	Gulshan	9101495932001	-	5,137,679
The City Bank Ltd.	Gulshan	9101495932007	-	4,500,675
The City Bank Ltd.	Gulshan	9101495932002	-	3,713,850
The City Bank Ltd.	Gulshan	9101495932009	-	2,968,080
The City Bank Ltd.	Gulshan	9101495932003	-	1,414,400
The City Bank Ltd.	Gulshan	6491495932007	-	819,903
The City Bank Ltd.	Gulshan	6491495932003	-	808,308
The City Bank Ltd.	Gulshan	6491495932001	-	677,967
The City Bank Ltd.	Gulshan	6491495932005	-	645,366
The City Bank Ltd.	Gulshan	6911495932002	-	543,049
The City Bank Ltd.	Gulshan	6491495932006	-	416,052
The City Bank Ltd.	Gulshan	6491495932004	-	323,758
The City Bank Ltd.	Gulshan	6491495932002	-	320,390
The City Bank Ltd.	Gulshan	6921495932014	-	174,546
The City Bank Ltd.	Gulshan	6921495932009	-	2,295
The City Bank Ltd.	Gulshan	9101495932013	25,968,675	-
The City Bank Ltd.	Gulshan	9101495932014	39,518,905	-
The City Bank Ltd.	Gulshan	9101495932015	2,763,750	-
The City Bank Ltd.	Gulshan	9101495932016	29,086,250	-
The City Bank Ltd.	Gulshan	9102523760002	5,003,586	-
The City Bank Ltd.	Gulshan	9102523760003	3,814,903	-
The City Bank Ltd.	Gulshan	9102523760004	4,447,970	-
Total			110,604,039	64,027,772

Amount in Taka

30 June 2019

30 June 2018

23.00 Current portion of long term loans

Current portion of long term loans include part of the long-term loans disclosed in (Note 18.00) falling due for repayment in next 12 months.

This is made up as follows:

Term loan with The City Bank Ltd

135,110,928	9,935,463
135,110,928	9,935,463

24.00 Provision for income tax

Opening balance

-	4,353,795
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Add: Provision made during the year

9,464,903	10,361,702
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in respect of the current year

8,454,912	10,268,294
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in respect of the year (2018)

1,009,991	93,409
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Less: Payments made during the year

9,464,903	14,715,497
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Advance Income Tax (Note-24.01)

9,464,903	14,715,497
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on the basis of return of income

-	-
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24.01 Advance income tax paid during the year

Against export proceeds

6,418,666.69	9,357,373
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Against cash incentive

736,288.62	533,748
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Against interest income

15,382.37	157,181
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Income Tax Others

1,007,074.65	116,492
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Against vehicle

277,500.00	103,500
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8,454,912	10,268,294
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Cash paid for the year 2018

1,009,991	4,447,203
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9,464,903	14,715,497
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25.00 Workers' profit participation and welfare fund

Opening Balance

7,267,581	11,979,557
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Add: Addition during the year

3,278,594	4,514,191
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10,546,174	16,493,749
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Less: Disbursed during the year

-	9,226,168
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10,546,174	7,267,581
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26.00 Sales revenue (export)

Type of sales	Amount in Taka	
Particulars	30 June, 2019	30 June, 2018
Export of readymade garments	1,678,756,645	1,172,315,494
Deemed export	279,733,540	78,995,335
Total	1,958,490,185	1,251,310,829



Sale of finished goods

			1 July, 2017 to 30 June, 2018	
			Quantity	Amount
Polo Shirt	1,458,004	420,360,664	960,383	291,466,103
T - Shirt	1,941,327	518,567,928	1,478,552	364,165,096
Tank Top	904,170	212,362,716	552,810	126,767,853
Others	1,779,794	527,465,338	1,235,315	389,916,442
Total	6,083,295	1,678,756,645	4,227,060	1,172,315,494

Product-wise breakup as per Schedule XI, Part II, Para 3 of the Companies Act, 1994:

Particulars	June 30, 2019	June 30, 2018
	Quantity	Quantity
Opening stock		
Polo Shirt	44,770	34,883
T - Shirt	56,913	38,151
Tank Top	45,765	20,710
Others	15,810	16,155
Total	163,258	109,899

Add: Production during the year

Polo Shirt	1,481,797	970,270
T - Shirt	1,969,165	1,497,314
Tank Top	913,816	577,865
Others	1,788,863	1,234,970
Total	6,153,641	4,280,419

Less: Closing stock

Polo Shirt	68,563	44,770
T - Shirt	84,751	56,913
Tank Top	55,411	45,765
Others	24,879	15,810
Total	233,604	163,258
Sales during the year	6,083,295	4,227,060

		Amount in Taka	
		30 June 2019	30 June 2018
27.00 Cost of sales			
Opening inventories of raw materials		209,169,752	147,679,396
Raw materials (yarn)		183,488,734	122,175,388
Raw materials (finished fabrics)		16,896,425	18,421,680
Raw materials dyes & chemical		335,441	
Raw materials (accessories)		5,015,444	3,435,592
Needle and spare parts		3,433,708	3,646,736
Add: Raw materials purchased during the year		1,018,311,025	587,797,947
Yarn		635,089,124	376,841,898
Finished fabrics		34,510,246	34,479,210
Dyes & Chemical		166,718,136	41,162,254
Accessories		172,655,573	124,076,464
Needles and spare parts		9,337,946	11,238,120
Raw materials available for use		1,227,480,777	735,477,343
Less: Closing inventories of raw materials		315,429,047	209,169,752
Raw materials (yarn)		208,851,536	183,488,734
Raw materials (finished fabrics)		41,907,252	16,896,425
Raw materials dyes & chemical		40,930,881	335,441
Raw materials (accessories)		13,555,765	5,015,444
Needle and spare parts		10,183,612	3,433,708
Raw materials consumed	Note 27.01	912,051,730	526,307,590
Add: Direct expenses	Note 27.02	307,741,618	255,085,153
Prime cost		1,219,793,348	781,392,743
Add: Factory overhead	Note 27.03	461,061,652	293,566,524
Cost of production		1,680,855,001	1,074,959,267
Add: Opening inventories of work-in-process		84,335,742	32,936,961
Manufacturing cost at standard		1,765,190,743	1,107,896,228
Less: Closing inventories of work-in-process		87,361,873	84,335,742
Cost of goods manufactured		1,677,828,870	1,023,560,485
Add: Opening inventories of finished goods		41,630,778	28,130,979
Goods available for sale		1,719,459,648	1,051,691,464
Less: Closing inventories of finished goods		60,723,107	41,630,778
Cost of Sales		1,658,736,541	1,010,060,687



27.01 Raw materials consumed during the year

Particulars	01 July 2018 to 30 June 2019		01 July 2017 to 30 June 2018	
	Qty (KG)	Amount in taka	Qty (KG)	Amount in taka
Opening balance				
Yarn	617,246	183,488,734	468,934	122,175,388
Finished fabrics	38,941	16,896,425	46,332	18,421,680
Dyes & Chemical	-	335,441	-	-
Accessories	-	5,015,444	-	3,435,592
Needle and spare parts	-	3,433,708	-	3,646,736
Total	656,187	209,169,752	515,266	147,679,396
Add: Purchase during the year				
Yarn	2,336,700	635,089,124	1,373,755	376,841,898
Finished fabrics	79,958	34,510,246	84,096	34,479,210
Dyes & Chemical	-	166,718,136	-	41,162,254
Accessories	-	172,655,573	-	124,076,464
Needle and spare parts	-	9,337,946	-	11,238,120
Total	2,416,658	1,018,311,025	1,457,851	587,797,947
Raw materials available for consumption	3,072,845	1,227,480,777	1,973,117	735,477,343
Less: Closing balance				
Yarn	767,382	208,851,536	617,246	183,488,734
Finished fabrics	96,911	41,907,252	38,941	16,896,425
Dyes & Chemical	-	40,930,881	-	335,441
Accessories	-	13,555,765	-	5,015,444
Needle and spare parts	-	10,183,612	-	3,433,708
Total	864,293	315,429,047	656,187	209,169,752
Raw materials consumed:				
Yarn	2,186,564	609,726,321	1,225,443	315,528,552
Finished fabrics	21,988	9,499,419	91,486	36,004,465
Dyes & Chemical	-	126,122,696	-	40,826,813
Accessories	-	164,115,251	-	122,496,612
Needle and spare parts	-	2,588,042	-	11,451,148
Total material consumed	2,208,552	912,051,730	1,316,930	526,307,590

Quantity-wise breakup of raw materials of accessories, and needle and spare parts and Dyes & Chemical have not be given as it is difficult to quantify each item in a separate and distinct category due to large variety of goods.

		Amount in Taka	
		30 June 2019	30 June 2018
27.02	Direct expenses		
	Direct labor		
	Wages and allowances	148,815,590	115,898,020
	Overtime allowance	46,819,173	30,069,073
		195,634,763	145,967,093
	Materials related expenses		
	Grey fabric dyeing and finishing expenses	5,090,046	45,807,243
	Garments printing expenses	66,588,033	35,698,400
	Garments embroidery expenses	16,599,125	11,094,502
	Garments washing expenses	1,600,890	2,798,409
	Yarn dyeing expenses	22,228,761	13,719,506
		112,106,855	109,118,060
		307,741,618	255,085,153
27.03	Factory overhead		
	Audit & Inspection (Compliance)	591,708	424,889
	Bonus Festival	9,841,948	8,239,890
	Bonus Festival	10,975,990	8,459,165
	Carrying and handling expenses	3,244,982	1,753,481
	Cleaning expenses	501,693	163,584
	Compliance expenses	297,772	765,760
	Computer Accessories	64,670	80,040
	Consultancy fees	8,000	104,554
	Conveyance	1,564,122	1,229,996
	Crockeries and cutleries	31,887	17,870
	Depreciation (Annexure-A)	70,284,746	47,176,098
	Earn leave	3,855,244	744,792
	Electric goods	2,042,698	1,890,836
	Electricity bill, net of VAT refund	55,994,328	27,643,876
	Entertainment	659,655	244,894
	Fire extinguisher expenses	237,906	177,555
	Fooding & Lodging	362,790	157,455
	Fuel and lubricants	21,050,868	24,331,213
	Gardening	-	1,740
	Gas bill	29,469,829	8,929,420
	Haj expenses	45,940	246,540
	Hardware items	2,113,988	851,564
	Holiday allowance	7,692,514	3,651,687
	ID card	4,324	6,450
	Inspection charges	83,111	16,129
	Insurance premium	6,030,349	4,369,759
	Land tax	169,750	162,500
	Leed certification	958,930	1,944,000
	Lunch expenses	184,460	230,439
	Machine rent	3,230,502	-
	Maintenance	7,463,611	4,106,879
	Maternity benefit	3,131,253	2,523,964
	Medical expenses	275,760	242,337
	Miscellaneous expenses	426,453	426,850
	Mobile allowance	570,493	503,309
	Night allowance	804,633	583,771
	Other accessories	2,248,700	1,173,815
	Overtime allowance	19,128,266	15,403,825
	Postage & Courier	91,305	64,107
	Printing expenses	2,890,550	2,088,400



	Amount in Taka	
	30 June 2019	30 June 2018
Renewals and registration fees	1,982,951	1,330,214
Selinder Gas Expenses	121,320	92,200
Service benefits	1,692,002	1,529,893
Solve chemical	208,500	273,125
Spot lifter	160,091	294,591
Stamp Charges	1,000	500
Target bonus	5,700,192	4,147,131
Telephone bill	1,314	50,481
Testing charges	36,850	43,525
Tiffin expenses	4,751,308	3,240,220
Toner	312,350	377,800
Training & Motivation	52,300	7,000
Transport Allowance	104,226	1,500
Uniform and liveries	720,355	451,801
Wages, salaries, and allowances	175,655,597	109,905,311
Workers' refreshment	935,569	687,798
	461,061,652	293,566,524
28.00 General and administrative expenses		
Advertisement	440,087	520,650
AGM and board meeting expenses	1,916,069	1,867,977
Amortization of intangible assets (Annexure-B)	595,539	445,783
Audit fees with VAT	460,000	460,000
Cleaning expenses	767,914	695,179
Computer accessories	219,410	108,050
Consultancy fees	24,200	-
Contribution-BGMEA	412,444	378,534
Conveyance	1,391,215	1,519,534
Credit rating fees	139,100	149,500
Croceries & Cutleries	82,809	48,315
CSR expenses	1,656,577	2,105,387
Depreciation (Annexure-A)	17,571,186	11,794,025
Directors' remuneration	6,480,000	8,370,000
Discount Allowed	-	252
Earn leave	1,826,058	92,387
Electric bill	2,342,214	2,600,148
Electric goods	11,930	3,940
Entertainment	1,596,636	1,493,720
Festival bonus	4,203,960	4,387,137
Fire Fighting Expenses	198,450	1,800
Fuel and lubricants	1,043,900	1,199,386
Holiday Allowance	457,431	152,324
Insurance Premium	-	1,274
Internet bill	575,960	680,265
Lab expenses	277,300	143,693
Legal expenses	245,960	164,750
License and membership renewal fees	994,719	888,074
Maintenance	3,574,741	4,877,866
Medical Expenses	1,729	261
Miscellaneous expenses	19,612	55,000
Mobile expenses	422,148	487,895
Office rent	1,656,000	2,024,472
Overtime allowance	617,695	255,044
Paper and periodicals	4,364	5,093
Postage and courier	27,721	62,126
Printing & Stationery	1,030,440	1,032,619
Renewal & Registration Fees	224,000	92,885
Salaries and allowances	41,154,040	40,479,494
Security service	154,553	245,593
Service benefit	668,276	198,814
Staff refreshment	913,535	687,982

	Amount in Taka	
	30 June 2019	30 June 2018
Stamp charges	280,000	10,200
Target bonus	916,116	5,695,450
Telephone/fax/internet	69,879	35,880
Tiffin Bill	-	3,553
Toner (photocopier and printer)	280,320	451,100
Transport & Fooding (Director)	702,200	600,000
Transport allowance (employees)	1,931,616	1,419,750
Training & Motivation	111,825	-
Uniform	12,560	106,867
Utilization declaration charges	-	309,855
	100,704,439	99,409,883
29.00 Marketing, selling and distribution expenses		
Adhesive Stamp Charge	-	240,000
Advertisement Expenses	-	109,706
Bank charge (foreign currency commission)	8,750,308	2,094,691
Bank Charge(Miscell.)	34,506	7,200
Bill of lading charges	1,482,766	1,353,968
C&F charges	4,637,886	3,079,221
Conveyance	5,450	2,480
Document collection charges	187,036	100,505
Document postage charges	771,998	554,701
Earn leave	706,005	36,177
Electric Goods	6,200	183,600
Exchange Fluctuation Loss	2,460,602	4,177,237
Exp. Certify Charge	27,250	25,000
Fabric testing	5,661,163	161,115
Festival bonus	1,273,030	1,098,620
Freight charges	10,479,342	7,223,148
Fuel and lubricant	432,821	-
GSP fees	625,564	351,587
Holiday allowance	188,140	93,305
Lunch Expenses	120	19,177
Maintenance	193,145	144,775
Marine insurance		457
Maternity benefit	23,782	-
Miscellaneous expenses	595,185	-
Mobile bill	230,621	168,547
Needle Exp	2,275	270
Night Bill	117,363	56,782
Other accessories	1,725,705	1,223,959
Overtime allowance	211,339	338,540
Postage and courier	916,332	512,997
Salaries and allowances	21,698,326	15,856,723



		Amount in Taka	
		30 June 2019	30 June 2018
	Sampling expenses	4,872	-
	Selling & Distribution Overhead	652,069	-
	Staff Refreshment	1,752	3,693
	Target bonus	311,440	317,530
	Tiffin bill	111,302	127,652
	Toner (photocopier and printer)	148,600	38,200
	Tours and travelling	1,872,276	547,618
	Trade promotion	9,180,225	4,922,506
	Transport allowance (employees)	1,048,710	932,253
	Transportation expenses	6,525,460	2,817,080
		83,300,967	48,921,020
30.00	Other income		
	Wastage sales	-	54,000
	Interest income	141,475	1,578,442
	Rental income	1,713,600	3,427,200
	Cash incentive	27,316,482	20,316,689
		29,171,557	25,376,331

Note 30.01

The rental income of BDT 24,48,000 earned from letting out a portion of a building owned by the Company to Fashion Asia Ltd as per rental agreement dated 6 March 2014 between Tosrifa Industries Ltd and Fashion Asia Ltd, has been treated as other income. The rented portions could not be sold separately and significant portion of the building was held for production and administrative purpose of the Company. As per BAS 40, Paragraph 10 and substances of the deed, this income has not been derived from any investment property. 30% revenue from rental income is consider as repair & maintenance expense. The rent was for six month (July-2018 to December-2018)

30.01	Interest income		
	Interest income from IPO SND accounts	83,092	86,479
	Interest income from FDR	-	1,407,827
	Accrued interest income from FDR	-	-
	Interest income from dividend payable accounts	56,673	73,606
	Interest income from savings accounts	1,710	10,531
		141,475	1,578,442
31.00	Finance costs		
	Bank charge	1,167,238	1,622,516
	Interest on EDF loans	11,992,614	6,218,890
	Interest on FDBP	302,221	263,920
	Interest on PC loans	4,862,330	2,658,035
	Interest on term loans	38,210,922	2,366,561
	Interest on SOD loans	2,366,852	1,721,703
	Interest on STL loans	17,167,146	8,645,943
		76,069,324	23,497,566

32.00 Workers' profit participation and welfare fund

The Company has Workers' Profit Participation and Welfare Fund (WPPWF) as employee benefit and contributed 5% of net profit before tax.

Workers' profit participation and welfare fund	3,278,594	4,514,191
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		Amount in Taka	
		30 June 2019	30 June 2018
33.00	Income tax expenses		
	Current tax expenses:		
	Provision made in respect of the current year	8,454,912	10,268,294
	Add: Charged in respect of year 2018	1,009,991	93,409
		9,464,903	10,361,702
	Deferred tax expenses:		
	Deferred tax Liability as on 30 June, 2019	64,263,456	29,746,288
	Less: Opening Balance	15,943,788	15,943,788
		48,319,668	13,802,500
		57,784,572	10,361,702
	Details shown in Annexure-C		
34.00	Net asset value (NAV) per share		
	Total assets	4,332,296,734	3,610,384,974
	Less: Total liabilities	2,231,371,418	1,485,662,703
	A. Net asset value	2,100,925,316	2,124,722,271
	B. Number of ordinary shares	66,326,946	66,326,946
	Net asset value (NAV) per share (A/B)	31.68	32.03
35.00	Earnings per share		
	Basic Earnings Per Share		
	A. Profit attributable to the ordinary shareholders (basic)	7,787,306	79,922,111
	B. Weightage average number of shares outstanding (basic)	66,326,946	66,326,946
	Ordinary shares fully outstanding	66,326,946	66,326,946
	Basic Earnings Per Share (EPS) (A/B)	0.12	1.20
	Weighted average number of ordinary shares		
	The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the period.		
	Diluted earnings per share		
	No diluted earnings per share is required to be calculated for the periods presented as the Company has no dilutive potential ordinary shares.		
36.00	Net operating cash flow per share		
	A. Net cash (used in)/generated by operating activities	(58,623,936)	118,941,123
	B. Number of ordinary shares	66,326,946	66,326,946
	Net operating cash flow per share (A/B)	(0.88)	1.79
37.00	Case No. 5(2) (e) of notification No. BSEC/CMRRCD/2006-158/2008/Admin/81, Dated : 20 June 2018: Reconciliation of Net Operating Cash Flow under indirect method:		
	Profit after income tax	7,787,306	79,922,111
	Depreciation expense	87,855,932	58,970,123
	Amortization expense	595,539	445,783
	Interest income (Consider in financing activities)	(141,474)	(1,578,442)
	Decrease in Account receivable		82,347,590
	Increase in Account receivable	(321,385,747)	
	Increase in Account Payable	242,522,964	71,709,537
	Increase in Provision for expense	893,613	-
	Deffered tax expense	48,319,668	-
	Decrease in accrued income	3,219,972	-
	Increase in accrued income	-	(2,115,121)
	Increase in inventory	(128,377,754)	(126,388,937)
	Increase in advance deposit & prepayment	(3,192,549)	(31,494,663)
	Decrease in provision for expense	-	(3,811,086)
	Decrease in provision for income tax	-	(4,353,795)
	Decrease in provision for WPPF	-	(4,711,977)
	Increase in provision for WPPF	3,278,594	-
	Net cash (used in)/generated by operating activities	(58,623,936)	118,941,123



38.00 Related party disclosures

During the period of one year ended 30 June 2019, the Company entered into a number of transactions with related parties in the normal course of business. The names of the significant related parties, nature of these transactions and amounts thereof have been set out below in accordance with the provisions of IAS 24 Related Party Disclosures. Nature of relationship and significance of the amounts have been considered in giving this disclosure.

38.01 Related party transactions during the period/year

Name of related parties	Relationship	Nature of transactions	Amount in Taka	
			June 30, 2019	June 30, 2018
Northern Corporation Limited	Shareholder & Common Directorship	Purchase of materials and dyeing services	127,854,497	86,085,595
Enviro Pac Limited	Common Directorship	Purchase of accessories	17,810,557	10,133,919
Printers & Printers Limited	Common Directorship	Purchase of accessories	42,350,783	30,834,463
Fashion Asia Ltd	Common Directorship	Rental income	(2,448,000)	(4,896,000)
		Purchase of accessories	19,470,043	10,200,000
Northern Knit Ltd	Common Directorship	Lease rent	235,600	235,600

38.02 Receivables/(payables) with related parties

Name of related parties	Relationship	Nature of transactions	Amount in Taka	
			June 30, 2019	June 30, 2018
Northern Corporation Limited	Shareholder & Common Directorship	Purchase of materials and dyeing services	(120,735,720)	7,118,777
Enviro Pac Limited	Common Directorship	Purchase of accessories	(1,857,572)	(179,307)
		Advance for expenses	(4,796,910)	(761,903)
Printers & Printers Limited	Common Directorship	Purchase of accessories	(16,339,225)	(3,113,794)
Fashion Asia Limited	Common Directorship	Purchase of accessories	(37,860,402)	(18,390,359)
		loan	-	(22,520,000)
Northern Knit Ltd	Common Directorship	Lease rent	(863,867)	(628,267)

The Company has not made any single contract for the sale or purchase of assets of 1% or above of the total tangible assets as shown in the statements of financial position as the end of immediately preceding completed financial year or for supply of goods and materials amounting to 1% or above of the revenue for the immediate preceding financial year with the related parties. The above transaction with each related party went through multiple contracts during the financial period.

39.00 Number of board meetings held during the period

Total 10 board meetings were held during the period.

40.00 Disclosure of Directors' remuneration under Paragraph 4 of Schedule XI, PART II of the Companies Act, 1994

Directors have received the following remuneration from the Company during the period from 01 July 2018 to 30 June 2019.

Name of Directors	Designation	01 July, 2018 30 June, 2019		30 June, 2019	30 June, 2018
		Monthly remuneration	Monthly house rent	Amount in Taka	Amount in Taka
Mr. Mohim Hassan	Managing Director	345,000	25,000	4,440,000	4,410,000
Mr. Naim Hassan	Director	145,000	25,000	2,040,000	2,010,000
Mr. Rafiq Hassan	Chairman	-	-	-	1,950,000
Total				6,480,000	8,370,000

As per code 4 (e) of Corporate Governance Code dated 10 June 2018, Mr. Rafiq Hassan, Chairman considered as a Non-Executive Director. So he has not received any remuneration during the financial year 2018-19.

41.00 Disclosure as per requirement of Schedule XI, part II, para 4 of companies act 1994

a.	Managerial Remuneration paid during the year to the directors, including managing directors, a managing agent or manager.	6,830,000
b.	Expenses reimbursed to Managing Agent	Nil
c.	Commission or 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 perquisite or benefits in cash or in kind stating, approximate money value where applicable.	Nil
g.	Other allowances and commission including guarantee commission	Nil
h.	Pensions etc.	Nil
	(i) Pensions	Nil
	(ii) Gratuities	Nil
	(iii) Payments from a provident funds, in excess of own subscription and interest thereon	Nil
i.	Share Based payments	Nil

As per IAS- 24: Para 17

An entity shall disclose key management personnel compensation in total and for each of the following benefits:

(a) Short-term employee benefits	6,830,000
(b) Post-employee benefits	Nil
(c) Other long term benefits	Nil
(d) termination benefits and	Nil
(e) share- based payment	Nil

As per IAS 24: Para 18

Disclosure requirements of IAS 24 Para 18 minimum disclosure shall include:

a) the amount of transaction	205,273,480
b) the amount of outstanding balance, including commitments	(182,453,696)
i) their terms & condition, including whether they are secured, and the nature of the consideration to be provided in settlement	Normal Business Transaction
ii) details of any guarantee given or received	Nil
c) Provisions for doubtful debts related to the amount of outstanding balance	Nil
d) the expenses recognized during the period in respect of bad or doubtful debts due from related parties	Nil

42.00 Directors' fees for attending board meetings

BDT 5,000 was paid to each director for attending each board meetings during the year.

43.00 Board Meeting attendance Fees

Directors' are entitled Tk. 5000 as Board Meeting fee for attending each Board Meeting as per Articles of Association. The break down is as follows:

Name of the Board of Directors	Designation	No. of meeting held	No. of meeting attending	Amount in Taka
Rafiq Hassan	Chairman	10	10	50,000.00
Mohim Hassan	Managing Director	10	10	50,000.00
Naim Hassan	Director	10	10	50,000.00
Lyra Rizwana Quader	Director	10	10	50,000.00
Anjuman Ara Begum	Director	10	10	50,000.00
Hasib Uddin Ahamed	Nominated Director of Northern Corporation Ltd.	10	4	20,000.00
Prof. Dr. Khondaker Mohammad Shariful Huda	Independent Director	10	8	40,000.00
Md. Nasirul Islam	Independent Director	10	8	40,000.00
Total Taka				350,000.00

Hasib Uddin Ahamed was elected as Nominated Director of Northaern Corporation Ltd. In 16 th annual General Meeting (AGM) held on 31 December 2018.

44.00 Receivables from directors

No amount is lying as receivable from the directors as at 30 June, 2019.

45.00 Disclosure under Para III of Schedule XI, Part II of the Companies Act, 1994

The Company has 3053 number of employees and all of them are getting more than BDT 63,600 as salary per year.



46.00 Capacity utilization

Section	Installed capacity			Utilization for the period	% of utilization	Over/(under) utilized
	Per day		For 1/year			
	Ton/PCS	Ton/Pcs	Ton/PCS	Ton/PCS	%	Ton/PCS
Knitting (ton)	8.50	-	2,550	2,015	79%	(535)
Dyeing (ton)	10.00	22.00	3,300	2,550	77%	(750)
Sewing - basic T-shirts (PCS)	23,000	34,500	8,625,000	6,153,641	71%	(2,471,359)

Notes:

- a) 300 days have been considered as working days for the period of 1 year;
- b) The capacity varies depending on sophistication of the product. For higher grade products, the capacity decreases from the mentioned level.
- c) Sewing capacity for "Basic T-Shirt" is 23,000 pieces per day. The capacity varies depending on the sophistication of the product. For higher grade products, the capacity decreases from the mentioned level.
- d) Sewing capacity 23,000 pcs per day for 6 month & 34,500 pcs per day for 6 month
- e) Dyeing capacity 10 ton per day for 11 month & 22 ton per day for 1 month
- f) Capacity utilized in knitting section is 79%, i.e. 2015 ton.
- g) Capacity utilized in Dyeing section is 77%, i.e. 2550 ton.
- h) Capacity utilized in sewing section is 71%, i.e. 61,53,641 pieces.

47.00 Transactions in foreign currency

Particulars	Currency	01 July 2018 to 30 June 2019	01 July 2017 to 30 June 2018
Import or local purchase in foreign currency			
Yarn	USD	7,591,435.00	4,399,440.60
Fabrics	USD	320,957.10	402,918.81
Accessories	USD	1,939,190.00	1,401,953.68
Fabrics dyeing and finishing	USD	40,000.00	507,275.94
Embroidery	USD	90,239.00	31,124.48
Garments printing	USD	633,315.34	237,483.90
Garments washing	USD	18,956.25	23,318.91
Total		10,634,093	7,003,516.33
FOB value of export	USD	23,596,267	14,266,815.87
Total		23,596,267	14,266,815.87

48.00 Contingent liabilities

There is no contingent liability as at the reporting date for the Company.

49.00 Guarantees and commitments

As at 30 June, 2019 the Company had no capital commitment towards procurement of items of property, plant, and equipment or intangibles.

50.00 Claims against the Company not acknowledged as debt

There is no claim against the Company acknowledged as debt.

51.00 Events after the reporting period

There is no material event that had occurred after the reporting period to the date of issue of these financial statements, which could affect the figures stated in the financial statements.



TOSRIFA INDUSTRIES LIMITED
 Schedule of Property, Plant & Equipment
 As at 30 June, 2019

Particulars	Cost			Depreciation			Amount in Taka			
	Balance as on 01 July 2018	Addition during the year	Disposal/Transfer during the year	Balance as on 30 June 2019	Rate	Balance as on 1 July 2018	Charged during the year	Adjustment during the year	Balance as on 30 June 2019	Written down value as on 30 June 2019
Non-revalued assets										
Plant and machinery	336,165,264	53,860,677	-	390,025,941	15%	222,477,558	22,631,704	-	245,109,262	144,916,679
Motor vehicles	46,614,219	-	-	46,614,219	20%	21,320,537	5,058,732	-	26,379,269	20,234,950
Furniture and fixtures	24,893,114	1,964,150	-	26,877,264	10%	11,744,766	1,373,950	-	13,118,716	13,756,548
Office equipment	62,042,196	11,801,222	-	73,843,418	15%	29,517,830	5,858,758	-	35,376,588	38,466,830
Revalued assets										
Land and land developments	461,322,474	6,829,027	-	468,151,501	0%	-	-	-	-	468,151,501
Building & civil works (RCC)	493,433,182	27,660,156	-	521,113,338	2.5%	72,743,317	10,568,262	-	83,311,579	437,801,759
Total	1,424,470,449	102,155,232	-	1,526,625,681		357,804,008	45,491,406	-	403,295,414	1,123,330,267
Fabric Department										
Particulars	Balance as on 01 July 2018	Addition during the year	Disposal/Transfer during the year	Balance as on 30 June 2019	Rate	Balance as on 1 July 2018	Charged during the year	Adjustment during the year	Balance as on 30 June 2019	Written down value as on 30 June 2019
Plant and machinery										
Production Machinery - Dyeing	161,289,649.64	568,495,494	-	729,785,144	5.00%	4,704,574	17,646,497	-	22,351,071	707,444,073
Lab Equipment	7,385,474.50	15,189,030	-	22,574,504	5.00%	215,409	629,379	-	844,788	21,709,717
Utility Machinery - Dyeing	24,416,134.00	106,334,272	-	130,750,406	7.50%	1,068,206	4,600,504	-	5,668,710	125,081,696
Effluent Treatment Plant	8,570,624.00	7,412,622	-	15,983,246	7.50%	374,965	681,487	-	1,056,452	14,926,794
Electrical, Sub-Station & Equipments- Dyeing	71,569,966.77	30,412,245	-	101,982,212	10.00%	4,174,914	8,163,646	-	12,338,560	89,643,652
Furniture, Fixture & Equipment	-	19,532,276	-	19,532,276	10.00%	-	162,769	-	162,769	19,369,507
Washing Machineries	-	42,637,760	-	42,637,760	5.00%	-	177,657	-	177,657	42,460,103
Warehouse Storage	-	46,718,774	-	46,718,774	7.50%	-	291,992	-	291,992	46,426,782
Land and land developments	186,549,898.73	13,346,559	-	199,896,458	-	-	-	-	-	199,896,458
Building & civil works (RCC)										
Production Building	132,780,667.00	176,054,582	-	308,835,249	2.50%	1,936,384	4,596,729	-	6,523,113	302,312,136
WTP & Chemical Store Building	48,182,102.00	43,471,164	-	91,653,266	2.50%	702,655	1,286,089	-	1,988,744	89,664,521
Utility Building	22,587,658.00	29,354,143	-	51,941,801	2.50%	329,404	922,622	-	1,252,026	50,689,775
Husk Boiler Building	17,482,062.00	28,594,879	-	46,076,961	5.00%	509,884	974,796	-	1,484,680	44,592,271
Effluent Treatment Plant Building	67,867,982.00	-	-	67,867,982	2.50%	988,742	1,671,956	-	2,661,698	65,206,284
Fabric store Building	-	63,668,733	-	63,668,733	2.50%	-	132,643	-	132,643	63,536,090
Knitting Building	-	209,164,652	-	209,164,652	2.50%	-	435,760	-	435,760	208,728,892
Total	748,692,238.64	1,400,367,185	-	2,149,059,424		15,006,147	42,364,526	-	57,370,673	2,091,688,751
Grand Total Asset	2,173,162,688	1,502,522,417	-	3,675,685,105		372,810,155	87,855,932	-	460,666,087	3,215,019,017
Depreciation charged during the period/year has been allocated into factory overhead, and general and administrative expenses at 80/20 ratio.										
Allocation of Depreciation:										
Particulars	Rate	Amount								
Factory Overhead	80%	70,284,746								
Administrative Expenses	20%	17,571,186								
Total	100%	87,855,932								

TOSRIFA INDUSTRIES LIMITED
Schedule of Property, Plant & Equipment
As at 30 June 2018

Annexure-A

Amount in Taka

Particulars	Cost			Depreciation			Written down value as on 30 June 2018		
	Balance as on 01 July 2017	Addition during the year	Disposal/Transfer during the year	Balance as on 30 June 2018	Rate	Charged during the year		Adjustment during the year	Balance as on 30 June 2018
Non-revalued assets									
Plant and machinery	335,677,919	487,345	-	336,165,264	15%	20,032,946	-	222,477,558	
Motor vehicles	43,666,930	2,945,269	-	46,614,219	20%	6,397,510	-	21,320,537	
Furniture and fixtures	24,003,016	890,098	-	24,893,114	10%	1,407,371	-	11,744,766	
Office equipment	56,463,658	5,578,538	-	62,042,196	15%	5,339,229	-	29,517,930	
Revalued assets									
Land and land developments	625,722,365	-	164,399,891	461,322,474	0%	-	-	-	
Building & civil works (RCC)	493,433,182	-	-	493,433,182	2.5%	10,786,920	-	72,743,317	
Total	1,578,969,070	9,901,270	164,399,891	1,424,470,449		43,963,976	-	357,804,008	
Written down value as on 30 June 2018								1,066,666,441	
Fabric Department									
Particulars	Balance as on 01 July 2017	Addition during the year	Disposal/Transfer during the year	Balance as on 30 June 2018	Rate	Charged during the year	Adjustment during the year	Balance as on 30 June 2018	Written down value as on 30 June 2018
Plant and machinery									
Production Machinery - Dyeing	-	161,299,650	-	161,299,650	5.00%	4,704,574	-	4,704,574	156,595,076
Lab Equipment	-	7,385,475	-	7,385,475	5.00%	215,409	-	215,409	7,170,066
Utility Machinery - Dyeing	-	24,416,134	-	24,416,134	7.50%	1,068,206	-	1,068,206	23,347,928
Effluent Treatment Plant	-	8,570,624	-	8,570,624	7.50%	374,965	-	374,965	8,195,659
Electrical Sub-Station & Equipments- Dyeing	-	71,569,967	-	71,569,967	10.00%	4,174,914	-	4,174,914	67,395,052
Land and land developments	-	186,549,899	-	186,549,899		-	-	-	186,549,899
Building & civil works (RCC)									
Production Building	-	132,780,667	-	132,780,667	2.50%	1,936,384	-	1,936,384	130,844,283
WTP & Chemical Store Building	-	48,182,102	-	48,182,102	2.50%	702,655	-	702,655	47,479,447
Utility Building	-	22,587,658	-	22,587,658	2.50%	329,404	-	329,404	22,258,254
Husk Boiler Building	-	17,482,062	-	17,482,062	5.00%	509,894	-	509,894	16,972,168
Effluent Treatment Plant Building	-	67,867,962	-	67,867,962	2.50%	989,742	-	989,742	66,878,240
Total	-	748,692,299	-	748,692,299		15,006,147	-	15,006,147	733,686,092
Grand Total Asset	1,578,969,070	758,593,509	164,399,891	2,173,162,688		58,970,123	-	372,810,155	1,800,352,533
Allocation of Depreciation:									
Particulars	Rate	Amount							
Factory Overhead	80%	47,176,098							
Administrative Expenses	20%	11,794,025							
Total	100%	58,970,123							



TOSRIFA INDUSTRIES LIMITED
 Schedule of Intangible Assets
 As at 30 June, 2019

Annexure-B

Amount in Taka

Particulars	Cost				Amortization				Carrying Amount As at 30 June 2019	
	Balance as on 01 July 2018	Addition during the year	Disposal/ Transfer during the year	Balance as on 30 June 2019	Rate	Balance as on 01 July 2018	Charged during the year	Adjustment during the year		Balance as on 30 June 2019
Software and applications	5,257,125	250,000	-	5,507,125	20%	2,477,036	587,116	-	3,064,152	2,442,973
Website	45,000	52,220	-	97,220	20%	23,400	8,423	-	31,823	65,397
Total	5,302,125	302,220	-	5,604,345		2,500,436	595,539	-	3,095,975	2,508,370

TOSRIFA INDUSTRIES LIMITED
 Schedule of Intangible Assets
 As at 30 June, 2018

Particulars	Cost				Amortization				Carrying Amount As at 30 June 2018	
	Balance as on 01 July 2017	Addition during the year	Disposal/ Transfer during the year	Balance as on 30 June 2018	Rate	Balance as on 01 July 2017	Charged during the year	Adjustment during the year		Balance as on 30 June 2018
Software and applications	3,610,135	1,646,990	-	5,257,125	20%	2,036,653	440,383	-	2,477,036	2,780,089
Website	45,000	-	-	45,000	20%	18,000	5,400	-	23,400	21,600
Total	3,655,135	1,646,990	-	5,302,125		2,054,653	445,783	-	2,500,436	2,801,689

TOSRIFA INDUSTRIES LIMITED

Annexure-C

Income Tax Liabilities

As at 30 June, 2019

Particulars	Amount in Taka 30 June 2019
Computation of Total Income	
Accounting Profit before other Income and Tax	36,400,321
Add: Other Inadmissible Allowances	
Accounting Depreciation & Amortization	88,451,471
Provision for WPPF	3,278,594
Less: Items for Separate Consideration	
Depreciation as per 3rd Schedule	436,901,749
Payment for WPPF (Previous)	-
Total Taxable Income	(308,771,363)
Rate	10%
A. Tax on Total Taxable Income	-
Other Income (Excepted Cash Incentive)	1,855,075
Rate	25%
B. Tax from Other Income (Excepted Cash Incentive)	463,768.65
C. Other Income (Cash Incentive)	27,316,482
Rate	3%
B. Tax from Other Income (Excepted Cash Incentive)	819,494.46
Total Tax Expenses (A+B+C)	1,283,263

Calculation of Gross Receipt as per 82 (C) :

Sales during the year	1,958,490,185
Add: Trade receivable as on 30 June 2018	71,543,032
Less: Trade receivable as on 30 June 2019	(392,928,779)
Gross receipt from sale (A)	1,637,104,438
Add: Other income during the year	29,171,557
Add: Accrued income as on 30 June 2018	13,085,478
Less: Accrued income as on 30 June 2019	(9,865,506)
Gross receipt from Other Income (B)	32,391,529
Tax rate as per 82© Minimum Tax @ 0.17% (A)	2,806,465
Tax rate as per 82© Minimum Tax @ .60% (B)	194,349
Tax As per 82 ©	3,000,814
TDS during the year	8,454,912
Which ever is higher from above calculation	8,454,912
Add: Previous year Tax	1,009,991
Total Tax	9,464,903

Business profit as per profit or loss accounts	36,400,321
Tax rate @ 10%	3,640,032
Add: Tax on other income	1,283,263
Total Tax Liability	4,923,295

Note: Minimum tax rate calculation for business income as 82 C

As per paripatra 2016-2017, whenever any company pay tax at reducing rate, minimum tax rate on gross receipt of reducing rate income will be reduce proportionately based on general tax rate. Here

General tax Rate	35%
Minimum tax rate as per 82 C	0.60%
Tax rate for green building garments factory	10%
Minimum tax rate for green building garments factory	0.17%

TOSRIFA INDUSTRIES LIMITED

Deferred Tax Liability

As at 30 June, 2019

Annexure - D

Deferred tax assets/liability recognized in accordance with the provision of IAS-12, is arrived as follows:

Particulars	Amount in Taka	
	30 June 2019	30 June 2018
Opening Balance	15,943,788	15,943,788
Deferred Tax Liability /(Assets) as on 30 June 2019	64,263,456	29,746,288
Increase/(Decrease) of Deferred Tax Liability	48,319,668	13,802,500

Particulars	Carrying Amount on Balance Sheet date (Taka)	Tax Base (Taka)	Temporary Differences (Taka)
At 30 June 2018			
Property, Plant & Equipment	3,215,019,017	2,562,666,215	652,352,802
Intangible Assets	2,508,370	1,680,434	827,936
Temporary difference for lease Assets	-	-	
Liability to Employees	(10,546,174)	-	(10,546,174)
Net temporary difference	3,206,981,213	2,564,346,649	642,634,564
Applicable Tax rate			10%
Deferred Tax Liability/(Asset)			64,263,456





TOSRIFA INDUSTRIES LIMITED

Registered & Share Office:
28-30, Kemal Ataturk Avenue, 16th Floor, Banani, Dhaka-1213
Website: www.til.com.bd

PROXY FORM

I/We.....

Of.....

.....being a Shareholder Member of Tosrifa Industries Limited, do hereby appoint Mr. /Mrs.

.....

of.....

either of them may, in writing, appoint anyone to act as my proxy at the 17th Annual General Meeting of the Company to be held on Monday, 23 December 2019 and at any adjournment thereof

As Witness my/our hand this..... day of.....2019

.....
Signature of Proxy

Revenue
Stamp of
Tk. 20/=

.....
Signature of Shareholder(s)

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of shares held.....

Notes:

1. A member 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 corporate office of the Company at least 48 hours before of the meeting.
3. Signature of the member(s) must be accordance with the Specimen Signature recorded with the Company



TOSRIFA INDUSTRIES LIMITED

Registered & Share Office:
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Website: www.til.com.bd

ATTENDANCE SLIP

I/we do hereby record my/ our attendance at the 17th Annual General Meeting (AGM) of the Company being held on Monday,

23 December 2019 at Baridhara DOHS Convention Center, DOHS Baridhara, Dhaka Cantonment, Dhaka at 09.30 a.m.

Name of the Shareholder(s) / Proxy.....

Folio/BO ID No. of the Shareholder(s):

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

No. of Shares held:

.....
Signature of Shareholder(s) / Proxy

Note: Please present this attendance slip at the registration counter on or before 09.00 a.m of the AGM date. Children and Non-Shareholders will not be allowed at the meeting.





TOSRIFA INDUSTRIES LIMITED

Registered Office

28-30, Kemal Ataturk Avenue, 16th Floor, Banani, Dhaka-1213, Bangladesh.

Corporate Office

4/2 A, Plot-49 & 57, Mouza-135, Gopalpur, Munnu Nagar, Tongi, Gazipur, Bangladesh.

Factory - 01

4/2A, Plot-49 & 57, Mouja: 135, Gopalpur, Munnu Nagar, Tongi, Gazipur, Bangladesh.

Factory - 02

Holding No-121/1, Block-H, Beraiderchala, Sreepur, Gazipur, Bangladesh.

Contact Details

E-mail: info@til.com.bd, Website: www.til.com.bd, Phone: +880 9617888777.