

ANNUAL
REPORT

2015-2016



NORTHERN TOSRIFA
GROUP

The Potentialisers

TOSRIFA INDUSTRIES LIMITED

Our Achievements



LEED

Leadership in Energy and Environmental Design

PICTORIAL VIEW OF TIL-BMRE PROJECT



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 period from 01 January 2015 to 31 December 2015 and from 01 January 2016 to 30 June 2016.

Dear Sir (s),

We are pleased to enclose herewith a copy of the Annual Report together with the Audited Financial Statements for the period from 01 January 2015 to 31 December 2015 and from 01 January 2016 to 30 June 2016 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: 27 November, 2016
Dhaka

N.B: The Annual Report 2015-2016 is also available in the website of the Company at www.til.com.bd

Notice of the 14th Annual General Meeting

Notice is hereby given that the 14th Annual General Meeting of Tsrifa Industries Limited will be held on 19 December 2016 at Golf Garden, Dhaka Cantonment, Dhaka at 10.30 a.m. to transact following agenda:

- ▶▶ To receive, consider & adopt the Audited Financial Statements of the Company for the period from 01 January 2015 to 31 December 2015 and from 01 January 2016 to 30 June 2016 along with reports of the Directors and Auditor thereon.
- ▶▶ To declare dividend for the period from 01 January 2015 to 31 December 2015 and from 01 January 2016 to 30 June 2016.
- ▶▶ To retire & elect directors in terms of the relevant provision of the Articles of Association of the Company.
- ▶▶ To appoint Auditor of the Company for the Financial Year 2016-17 and fix-up their remuneration.
- ▶▶ To change accounting period.
- ▶▶ Misscullenious if any.

By Order of the Board

Sd/-

Hayder Ali

Company Secretary

Date: 27 November, 2016
Dhaka

Notes:

- i. The record date in lieu of Book-Closure shall be on 7 June 2016.
- ii. In compliance of the Directive (No. SEC/SRMIC/2011/1240/445 dated 27 April 2016) issued by the Bangladesh Securities and Exchange Commission (BSEC) to follow uniform income year from July to June with effect from 01 July 2016 in compliance with the provision of Finance Act, 2015 and for the first time adoption of the change in financial year, AGM of the company will consider 18 (eighteen) months financial statements i.e. audited financial statements from 01 January 2015 to 31 December 2015 and 01 January 2016 to 30 June 2016. The AGM will therefore, be held on 19 December 2016 after closing the financial statements on 30 June 2016, within the calendar and within 15th month from the date of last AGM held on 21st September 2015.
- iii. That, Record Date declared earlier i.e., 07 June 2016 for entitlement of 12% cash dividend shall remain unchanged. The 12% cash dividend will be paid subject to approval of the shareholders in the forthcoming AGM to be held on 19 December 2016.
- iv. The Shareholders' names appearing in the Register of Members of the Company or in the Depository on the Record date will be eligible to receive the dividend and attend the 14th AGM.
- v. 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.
- vi. Members are requested to submit to the Company's Share Office on or before 17th December 2016; with their written option to receive dividend. In case of non-submission of such option within the stipulated time, the dividend will be paid off as deemed appropriate by the company.
- vii. Admittance to the Meeting Venue will be on production of the Attendance Slip that will be sent with the Notice.
- viii. 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, 2016.
- ix. The concerned trusty board of approved superannuation fund or pension fund or gratuity fund or recognize provided fund or workers participation fund are requested to provide us update tax rebate certificate on or before December 15, 2016.

FOUNDER

OF NORTHERN TOSRIFA GROUP



Shafiuddin Ahmed

The Path Finder

FOUNDER
Chairman

OF TOSRIFA INDUSTRIES LIMITED



We Mourn Deeply...

It is our sorrow to inform the Shareholders that founder Chairman of the Company **Tosrifa Ahmed** passed away at age of 81 on 07 April 2016 at 7:15 AM at United Hospital, Dhaka. We pray to Almighty Allah for the salvation of her departed soul and also express our heartfelt condolence. She will always remain in our heart, memories and prayers for her remarkable contribution to the Company and society as well.



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 : September 29, 2016		Valid up to : September 28, 2017	
	Long Term		Short Term
Entity Rating	A+		ST-3
Outlook	Stable		
Bank Facilities Rating			
Bank/Fl	Mode of Exposures (Figures in Million)		Ratings
AB Bank Limited	WCL - TK. 310.00		blr A+
	TLO - TK.8.31		
The City Bank Limited	WCL TK. 1,385		blr A+
	TLO - TK.51.89		

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 adjudged 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.



- First Share Trading -17 June 2015

- DSE Listing - 08 June 2015

- CSE Listing - 21 May 2015

- IPO Lottery - 27 April 2015

- IPO Subscription - 24 March 2015

- Prospectus Publication - 26 February 2015

- Consent Letter Recieved - 23 February 2015

- Applied for IPO - 16 April 2013

- Converted to the Public Limited - 18 August 2010

- Commercial Operation - 01 January 2005

- Incorporation - 27 August 2002



Rafiq Hassan- Chairman

"I want to assure you that your investment is secured and your Company is maintaining its reputation of being one of the most trusted name in RMG Industry."

Chairman's



Statement

Dear Shareholders,

With the continuous support and trust, Tosrifa Industries Limited has concluded the financial period on 30 June 2016. On Behalf of the board, I am delighted to welcome you all to the 14th Annual General Meeting (AGM) of Tosrifa Industries Limited.

With great sorrow I am informing the respected shareholders that founder Chairman of the Company - Tosrifa Ahmed passed away at age of 81 on 07 April 2016 at 7:15 AM at United Hospital, Dhaka. We pray to Almighty Allah for the salvation of her departed soul and also express our heartfelt condolences. She will always remain in our heart, memories and prayers for her remarkable contribution to the Company and society.

I thanked the Board members as they have selected me as Chairman of the Company. I expect co-operation from the honorable Shareholders that I can perform my duties and responsibilities during my tenure as Chairman of the Company. I can assure my Shareholders that your Company aims at delivering positive results that will ensure sustainable growth for the business and at the same time we will deliver long term value to the shareholders and other stakeholders.

From 01 January 2015 to 30 June 2016 has been exciting period for the Company. Over the last aforesaid period, we continued to develop the business strategy and increase operation area with utilizing our resources for a long term vision to strengthen our performance.

Our performance indicates that the company is on the right track in the year backed by right strategies and having a positive leadership to deliver consistent value for our shareholders. Your company aims to create stakeholder belongingness by aiming to do far beyond what is expected. Your company fundamentals are solid by using modern and energy efficient technology in the country that was an achievement of **LEED - Gold rated Green Building** from **United States Green Building Council** which clearly differentiate us from other competitors in this industry.

The Board recommended cash dividend @ 12% for the financial period from 01 January 2015 to 31 December 2015 and from 01 January 2016 to 30 June 2016 in Board Meeting for adoption of audited financial statements. I would like to inform that pursuant to the Directive to follow uniform income year from July to June with effect from 01 July 2016 in compliance with the provision of Finance Act, 2015; the Company needs to change the existing accounting year. In this connection, to follow the above directive of BSEC, the 14th AGM of the Company as declared earlier on 10 August 2016 was postponed. In compliance of the aforesaid Directive and for the first time adoption of the change in financial year, AGM of the company will consider 18 (eighteen) months financial statements i.e. audited financial statements from 01 January 2015 to 31 December 2015 and 01 January 2016 to 30 June 2016. The AGM will therefore, be held on 19 December 2016 after closing the financial statements on 30 June 2016.

As all of you are aware that the TIL-BMRE project will be under operation by June 2017, company needs more fund to complete its construction. so no dividend has been recommended for the six months ended on 30 June 2016

In conclusion, we believe that we have the strengths and resources to continue our progress. Our employees are working hard and with dedication year on year for achieving the Company's objectives in a highly challenging and competitive market. Their success and efforts have been rewarded by our performance in recent financial periods. Their continued and seamless efforts would propel the Company towards future success. On behalf of the Board, I would like to express my sincere appreciation to you all, our valued Customers, Suppliers, Distributors and Employees of the Company for their support and cooperation.

With warm wishes,

Sd/-

Rafiq Hassan
Chairman



Mohim Hassan- Managing Director

"Our ongoing focus is to maintain a sustainable business growth and deliver continuous return to our shareholders"

Dear Shareholders,

At the very beginning I would like to thank you most sincerely for your continued trust in Tsrifa Industries Limited (TIL) and cordially welcome you on my behalf and behalf of the Board of Directors in this 14th Annual General Meeting (AGM) of your Company. It gives me great pleasure to report a financial period of strong performance by TIL.

I express my deep shock and mourn for the demise of our honorable Chairman Tsrifa Ahmed and expect your prayer for her departed soul. I respectfully remember the significant contribution of Tsrifa Ahmed in different aspects of the Company .

As you are already aware, TIL is one of the most renowned garment manufacturer in our country having a strong backward linkage with different suppliers as well as some reputed apparel buyer in the world with product superiority and diversity .

In the recent periods, the garments industry in Bangladesh played vital role in our countries economy. The export earnings from readymade garments (RMG), knit products and other textile items constitute about 81% of the total export products of the country .

In this highly challenging and competitive industry we have consistently maintained our sustainable business growth and profitability. I am really pleased to inform that the company's gross turnover for the period of 01 January 2015 to 31 December 2015 was BDT 1,537.04 million against BDT 1,476.84 million for year 2014. The same trend also continued for the period of 01 January 2016 to 30 June 2016. The Board of Directors recommended cash dividend @ 12% (BDT 1.20 for each ordinary share of BDT 10.00) for the year ended on 31 December 2015.

The volatility and uncertainty of global market makes it difficult to provide profit guidance for the year ahead. However, the company has always maintain its steady performance over the years despite various challenges like energy crisis, price of energy, incremental cost of raw materials and so on. Hence, the Company expects a robust growth with its expansion and market forecast of growing export of RMG industries in Bangladesh. We are confident that

Managing Director's Message

we will overcome the challenges through our innovations and high-quality products. We will continue to focus on meeting our buyer expectations through quality products with on time delivery .

We recognize that the skills, motivation and commitment of our employees remain the most important factors in our success story. We foster these qualities through a human resource policy that is committed to training and development. The company always believes in policy of development & promotion from inside whenever possible. An excellent relationship between management and employees always exist in our company, which indicates proper, unbiased and welfare oriented human resource policy of the Company which ultimate results with increase of production & quality.

I would like to inform the respected shareholders that the construction of our expanded dyeing project will be completed by January 2017 and commercial operation will commence from June 2017. I can assure you that this commercial operation from the dyeing project will make synergic value addition in the company's overall profitability.

I am extending my deepest appreciation to the Company's Shareholders for their trust and enduring support to the Board of Directors to operate the Company. I also would like to put on record my sincere thanks to the Regulatory Authorities, Suppliers, Buyers, various people with whom we have interacted in course of business, management, staff and members of the Company at all levels for their loyalty and extensive hard work.

At the end I would like to express my sincere gratitude for all of you for being with us.

Thanking you all,

Sd/-
Mohim Hassan
 Managing Director



VISION

We are focused to be the most preferred name to our stakeholders customers, employees, suppliers, society and shareholders.

MISSION

- ▶▶ **EXCEED** our customer's expectations delivering right products in right time with excel quality and customer service.
- ▶▶ **EMPOWER** our Human Resource turning them into our Best Asset.
- ▶▶ **CONTRIBUTE** to the enhancement of our Society and Environment.
- ▶▶ **MAXIMIZE** Shareholder's Value.

OUR VALUES

- Highest Compliance Standard
- Safety First
- Continuous Improvement
- Customer Focus
- Transparent business
- Fairness



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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
Independent Director	- PROF. DR. KHONDAKAR MOHAMMOD SHARIFUL HUDA
Independent Director	- MD. NASIRUL ISLAM

CORPORATE EXECUTIVES

Chief Financial Officer	- MD. ZILLUR RAHMAN, FCMA
Company Secretary	- HAYDER ALI
Executive Director	- HASIBUDDIN AHMED
GM-HR, Admin, Compliance and Project Head, TIL-BMRE	- MD. ARMANUL AZIM
DGM-Fabric Division	- MD. HABIBUR RAHMAN
AGM-Garments Division	- MD. KHURSHED ALAM
Head of Internal Audit	- MD. MONIR HOSSAIN BHUIYAN, ACCA

AUDITOR

Hussain Farhad & Co.
Chartered Accountants

BANKERS

THE CITY BANK LIMITED
AB BANK LIMITED

LEGAL ADVISER

Dr. Kamal Hossain & Associates

REGISTERED OFFICE

Plot # 91 (4th Floor), Regency Place, Block- K, Suhrawardy Avenue, Baridhara, Dhaka-1212, Bangladesh

CORPORATE OFFICE & FACTORY

4/2A, Plot-49 & 57, Mouja: 135, Level - 1st to 6th floor, Gopalpur, Munnu Nagor, Tongi, Gazipur, Bangladesh

BOARD OF DIRECTORS

Rafiq Hassan, Chairman



Rafiq Hassan, aged 45, is the director of the Company and brings with him 24 years of managerial experience. After completing his Bachelors degree in Business Administration from Assumption University, Thailand in the year 1994 he has been very instrumental to the Company's activity and growth. He has travelled home and aboard gaining experience in the textile technology and management techniques. He is also the Managing Director of Northern Air Ltd., Total Freight Ltd. Director of Hung Tak Northern Garments Limited, Enviro Pac Ltd, Northern Knit Limited, Northern Yarn Limited, Northern Corporation Limited and Comfort Wear International Limited. Along with his managerial skill he has keen interest in advanced technology, ERP and automation. Rafiq Hassan loves to take part in different community activities which are beneficial for the society.

Mohim Hassan, Managing Director



Mohim Hassan, aged 50, is the Managing Director of the Company. He obtained MSS degree from University of Dhaka in the year of 1990. He has never stopped educating himself from the different institute both home and abroad. He started his business career in 1987 with Northern Corporation Limited and now he is serving as the Chairman of Hung Tak Northern Garments Limited and Euro Printers Limited, Director of Enviro Pac Limited, Fashion Asia Limited, Northern Corporation Limited, Northern Knit Limited, Northern Yarn Limited and Comfort Wear International Limited and Printers & Printers Ltd. He has special interest in sharing knowledge with reputed scholars in the areas of organizational behavior, ethical practice in business, human efficiency and Corporate Social Responsibility (CSR). His commitment into development and improvement of Group's business has already seen over 28 years of success. As a sign of his commitment to CSR he received the award for CSR activities from the BGMEA in 2009.

Naim Hassan, Director



Naim Hassan, aged 48, is a director of the Company. He completed his MSS from University of Dhaka in 1993. Apart from that he has attended many diploma and certificate course on textile technology, international sales and marketing, human resource management and capacity building. After completion of his education he joined as Managing Director of Northern Corporation Limited a concern of the same group and subsequently by merit and performance he became a successful business man within short time. He has great knowledge about yarn quality and overall production process of RMG. His knowledge and perseverance has got him numerous awards. With over 25 years of experience of textile manufacturing and marketing, Naim Hassan is also serving as Managing Director of Fashion Asia Limited, Printers & Printers Ltd., Director of Enviro Pac Limited, Hung Tak Northern Garments Limited, Northern Knit Limited, Northern Yarn Limited. He has great passion for the development of Bangladesh and all his business decisions are taken with the development of country and community in mind.

Lyra Rizwana Quader, Director



Lyra Rizwana Quader is a Director of the Company. She completed Bachelors in commerce from University of Dhaka in the year 1993. After graduation she worked as a teacher for a few years. She is wife of Mohim Hassan and takes passion in promoting corporate social responsibility and business ethics. Lyra Rizwana Quader believes that the Company has responsibilities towards the society and environment and is keen in ensuring such responsibilities are fulfilled.

Anjuman Ara Begum, Director



Anjuman Ara Begum is a Director of the Company. She is completed Bachelors degree from University of Dhaka in the year 1994. She is wife of Naim Hassan. Her farsightedness in socioeconomic activities has been very helpful to the organization success. She is keen in looking after compliance and labor right issues in the factory and takes an interest in prompting women's rights in the workplace.

Prof. Dr. Khondakar Mohammad Shariful Huda

Independent Director



Prof. Dr. Khondakar Mohammad Shariful Huda, aged 48, 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 a 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. As recognition of his bright career he was nominated by the Bangladesh Government and was awarded DFID Scholarship for Masters in Geographical Information for Development in 1995 and by the Commonwealth Academic Staff Scholarship Commission for doing a prestigious doctoral programme in the UK. As a result, he completed PhD on "Detecting and Monitoring Water Resources at Local and Regional Levels for Environment, Planning and Development of Bangladesh using GIS-RS Technology." 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.

Md. Nasirul Islam

Independent Director



Md. Nasirul Islam, aged 64, 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 34 years and he retired from the organization as In-charge of J.C.A. He has done many government certificate courses on Finance, Accounts, Tax, VAT etc. 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. He has got long experience of 34 years as professional accountant. Having rich experience in various industrial concerns he has acquired the required experience, fitness and financial efficiency to run any business unit. He is associated with and donors of mosques, madrasa, schools and other social welfare organization. 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 Chairman of the Audit Committee created of the Company.

Md. Zillur Rahman, FCMA
Chief Financial Officer



Md. Zillur Rahman, FCMA, aged 46 years, is the Chief Financial Officer of the Company. He did his M.Com. from the Department of Management under Business Studies Faculty of the University of Dhaka. In the path of becoming a qualified accountant of the country, he became Associate Member and Fellow Member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB) in 2004 and 2010 respectively.

He started his career in management level and till now continues it in a number of renowned organizations with his superior talents and excellences. He has acquired vast knowledge in finance & accounts, commercial operation, internal audit & control, supply chain management and integrated ERP system of various types of company of various sectors during his service life and able to hold the key position in the same field. He has reached his professional experience to the utmost level by acquiring the both type of experiences to work in financial sector and manufacturing sector. He has also experience to work with the multinational companies so that he gathered his knowledge to work abroad the country. He has got long 21 years experience as professional accountant. Having rich experience in various industrial and financial concerns, he has acquired the required experience, fitness and financial efficiency to run any type of business unit. He is associated with and donors of mosques, madrasha, schools and other social welfare organization. He has participated several television talkshows on various business issues. He has also visited many countries of the world in connection with business and has gathered sufficient knowledge.

Hayder Ali, Company Secretary



Hayder Ali, aged 55, is Company Secretary of the Company. He has completed his Bachelors of Commerce Degree under Rajshahi University in the year 1980. After graduation he worked as an accountant at Bangladesh Red Crescent Society for a few years. He worked with several renowned Companies like Steel re-rolling Mills, Textile Industries, Ready Made Garments Industries and so on. He has attended many certificate courses on Finance, Accounts, Tax, VAT etc. On the way of his profession he has completed MBA degree in Finance from Victoria University of Bangladesh in 2011. He is a man of several cultural affairs. He is a listed artist of Bangladesh Television and Bangladesh Betar. He has great passion and committed for the environmental and social development of the Country.

Hasibuddin Ahmed, Executive Director



Hasibuddin Ahmed, aged 65, is the Executive Director of the Company. 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 Tsrifa 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.

Corporate Governance Statement

At the modern era of business, Corporate Governance is one of the key elements to sustain in competitive environment. Board of Directors of TOSRIFA Industries Limited (TIL) is well committed regarding the highest standard of Corporate Governance and disclosure. The Company always gives the highest priority to its shareholders and responsible to the highest standard of disclosures, transparency and accountability to the shareholders. The Company also ensures compliance with the accounting and reporting standards in consonance with the requirements of the Securities and Exchange Commission and applicable laws of the country operates.

TOSRIFA Industries Limited is committed to operate its business with integrity, transparency and trust through high degree of corporate governance standards.

TIL Corporate Governance policies recognize the importance of the transparency to all of its constituents; including employees, customers, investors, and the regulatory authorities demonstrating that the shareholders are the ultimate beneficiaries of the Company's economic activities. This company corporate Governance philosophy not only meet the regulatory and legal requirement but also practice aimed at a high level of business ethics and enhancement of value for all shareholders. Bangladesh Securities and Exchange Commission (BSEC) revised the Notification of Corporate Governance on 7 August 2012. This Notification shall be followed by all the listed companies on 'comply basis' within 31 December 2012 which will further enhance the state of corporate governance in the interest of investors and the capital market. Being a responsible corporate citizen, TIL is broadly supportive of the BSEC's efforts to encourage more effective narrative reporting which facilitated to enhance further good corporate governance in the country .

The corporate governance framework of TIL is directed towards achieving the Company's business objectives in a responsible manner. Therefore, in order to comply with laws, regulations, rules; corporate governance codes; articles of association; policies and procedures; the Company constantly exercises good Board practices, effective control processes, transparent

disclosures, well-defined shareholders' rights and Board commitments. This statement outlines the adherence to these corporate governance elements as follows:

Board of Directors

The Board is collectively responsible to the Company's shareholders for the success of the Company and for its overall strategic direction, its values and its governance. It provides the leadership necessary for the Company to meet its business objective within the framework of its internal controls, while also discharging the Company's obligations to its shareholders.

Composition of Board

In order to keep pace with the concept of good corporate governance practice and the provisions of Articles of Association, the Board of Directors is liable for overall management relating to the entire affairs of the Company Here, the Board of Directors holds periodic meetings to ensure the smooth managerial practice in the Company After the demise of TOSRIFA Ahmed - Founder Chairman, In TIL the Board presently consists of 7 (seven) Directors including 2 (two) Independent Directors. Mr. Rafiq Hassan currently enrole the position of Chairman of the Board and Mohim Hassan as its Managing Director. The Board of Directors is reconstituted every year by the Shareholders through retirement or re-election or election of one-third of its members.

Responsibilities Board of Directors

The Board's principal responsibilities include:

- Ensuring that the Company is governed effectively so as to attain its broad objectives.
- Approving the Company business strategy and ensuring that an effective management team and the necessary financial and human resources are in place for the Company to meet its objectives.
- Appropriation of profit and interim dividend declaration and recommendation of final dividend.
- Identifying risk and concern and reviewing the Company's risk management and internal control system.
- Approving the Company's Annual Report and reviewing its periodical financial reports.
- Considering and approving other matters specifically reserved for the attention of the Board.
- Organizing Annual General Meeting with usual agenda for shareholders deliberations.
- Overseeing the conduct of the Company's business to evaluate whether the business is properly managed.
- Ensuring and guiding management to manage external stakeholders.
- Receiving and reviewing reports of Board Committees.
- Empowering the management's responsibilities through appropriate delegation of authorities for business operation.

In discharging its responsibilities, the Board is guided by the regulations contained in the memorandum and Articles of Association of the Company, the Companies Act, 1994, Relevant applicable regulations, BSEC Codes of Corporate Governance, Listing Regulations, Company's standards of Business Conduct, Business Principles, Statement of Delegated Authorities and other generally accepted corporate best practices.

Board Meetings

During the period from 01 January 2015 to 31 December 2015 there were total 15 Board Meetings and from 01 January 2016 to 30 June 2016 there were total 06 Board Meetings. The meeting attendance was as under:

Name of Director	Position	01 January 2015 to 31 December 2015	01 January 2016 to 30 June 2016
Tosrifa Ahmed*	Chairman	13	-
Rafiq Hassan**	Chairman	15	6
Mohim Hassan	Managing Director	14	6
Naim Hassan	Director	15	6
Lyra Rizwana Quader	Director	12	6
Anjuman Ara Begum	Director	14	6
Prof. Dr. khondaker Mohammad Shariful Huda	Independent Director	9	6
Md. Nasirul Islam	Independent Director	10	6

* Tosrifa Ahmed died on 07 April 2016.

** Rafiq Hassan appointed as Chairman on 11 April 2016.

Internal Audit & Control

Internal Audit assists the Company to reach its goals and objectives through bringing a systematic and disciplined approach to evaluate and improve the effectiveness of its management, control and governance processes. The Board of the Company ensures the entire Internal Audit procedures to keep the company at optimum level of risk factors. The management is always conscious about the Internal Control procedures. Internal Control is essential to check and validate the expenses and the systems in operation. The Company's internal control system is designed by Board,

Management and individual level to provide reasonable assurance regarding the achievement of Company's objectives in respect to effectiveness and efficiency of operations, reliability (completeness and timeliness) of financial reporting and management information, compliance with applicable laws, regulations and the Company's policies. The Company has its own internal auditors who are accountable to the Audit Committee. Internal Audit assists the Company to reach its goals and objectives through bringing a systematic and disciplined approach to evaluate and improve the effectiveness of its management, control and governance processes.

Statutory Audit

Statutory Audit is conducted with the compliance of Companies Act, 1994 of Bangladesh. Guidelines regarding appointment, scope of work and retirement of Auditor are determined by it. On the basis of suggestion of the Audit Committee, the Board recommends appointment of an auditor, which is approved by the Shareholders at the Annual General Meeting. 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. The report is presented to the Shareholders and forms part of the Annual Report.

Distinctive Role of Chairman and Managing Director

In order to ensure good Corporate Governance practice, two persons separately hold positions and perform their roles as Chairman and Managing Director respectively. Here, the Chairman (Rafiq Hassan) is liable for all functions of the Board as the head of the Board and the Managing Director (Mohim Hassan) performs his roles as the Chief Executive of Executive Management team in the Company.

Executive Management

The Managing Director of the Company is the head of the Executive Management. The team of executive management consists of the senior expert members of the Management Apparatus. The Executive

Management operates their functions according to policy and planning strategies set by the top Management. In order to ensure the smooth management procedures the Executive Management has been divided into series of different committees where the functions are classified for each concerned committee.

Board Commitments

The Board is highly committed to its elements of corporate governance in achieving the Company objectives for the interest of the stakeholders. Therefore the Board through its Audit Committee as well as the Management of the Company discusses and reviews the status of governance and takes necessary measures for continuous improvement in Corporate Governance process in line with BSEC's Notification. As such, stakeholders' rights are being protected, the right resources are ensured to be in appropriate places, compliance is being monitored and the policies are being formalized as required for business growth. As a result, the Company's adherence to corporate governance is being recognized by the stakeholders. The Board is highly committed to its elements of corporate governance in achieving the Company objectives for the interest of the stakeholders.

Directors' Report to the Shareholders

Dear Shareholders,

As per provisions of Section 184 of the Companies Act 1994, Rule 12 (and the schedule there under) of the Securities and Exchange Commission Rules 1987 and IAS- 1 (International Accounting Standards - 1) codes as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), it is the pleasure of the Board of Directors to present its Report to the Shareholders for the period 01 January 2015 to 31 December 2015 and from 01 January 2016 to 30 June 2016 in the following paragraphs:

Company Overview

Tosrifa Industries Limited (TIL) is a 100% export oriented readymade knit garments manufacturing Company. The Company was incorporated on August 27, 2002 under the Companies Act 1994. It commenced commercial operation in 2005. At present, authorized and paid-up capital of the Company stands at BDT 1,000,000,000 and BDT 631,685,200 respectively. Fabric Division under TIL-BMRE Project is situated at Beraidearchala, Sreepur, Gazipur.

The Company's registered office is located at plot # 91, (4th Floor) , Block- k, Suhrawardy Avenue, Baridhra, Dhaka-1212 and the factory is at 135 Gopalpur, Munnu Nagor, Tongi, Gazipur, Bangladesh. The factory and office are situated in a seven storied building.

TIL is one of the most successful garments manufacturers in Bangladesh; a country with great potential in the field of RMG sector. TIL has acquired a versatile production chain to cater flexible orders in shorter lead-time. Being an industry-standard certificate holder, TIL assures the perfect blend of quality and efficiency.

Tosrifa Industries Limited is a green company that keeps the environment in mind while making any organizational decision. As recognition of going green initiative with the intent to promote high-performance, healthy, durable, and environmentally sound practices the Production Facility of Tosrifa Industries Limited at Tongi is now officially certified as a **LEED (Leadership in Energy and Environmental Design) - GOLD rated Green Building** from **United States Green Building Council (USGBC)**. TIL is also establishing its

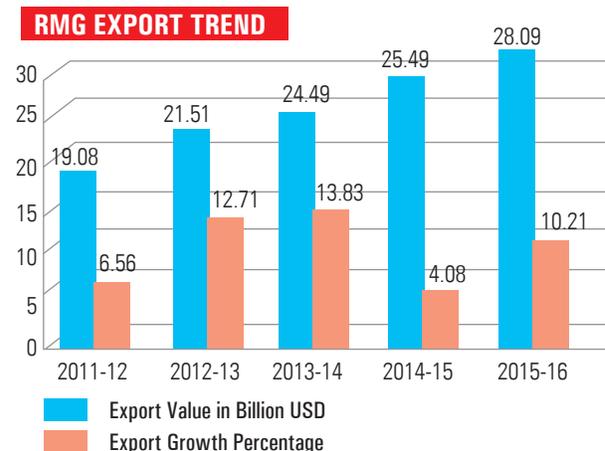
fabric division under BMRE as first green dyeing project in Bangladesh.

Nature of Business

Tosrifa Industries Limited is a 100% export oriented garment manufacturing Company. At present, it has knitting and sewing facilities while it outsources fabric and yarn dyeing works. It procures raw cotton yarn from various local and foreign sources and converts the yarn into grey fabric. The grey fabric is dyed from outside sources as per buyer specification. Then the fabric is cut and sewing to manufacture the finished apparel. Based on buyers' specification, printing and embroidery work are also done on the apparel. The Company supplies the finished goods to some of the most renowned apparel brands in the world. Its major products are ladies' and gents' knitwear such as polo shirt, T-shirt, tank top etc.

Industry Outlook

Bangladesh garment industry has generated \$28.09 billion exports in the fiscal year 2015-16 with a 10.21% growth from the previous year, according to Export Promotion Bureau data.



Future Prospects of RMG Industry

All data, research and survey forecast a positive trend of Bangladesh Readymade Garments sector indicating the annual export growth rate of 7% to 9%. The Slogan comes from the industry people that USD \$ 50 billion of RMG export in 50th birthday of glorious independence of our country. According to McKinsey report, Bangladesh becomes the top future sourcing destination of Ready Made Garments.

Let's Look at the Knit Garments Industry

The growth of our garments export largely dependent on the growth of knitwear which is rapidly increasing. Bangladesh knitwear industry is playing a vital role in value addition of Gross Domestic Product (GDP). Being a quality knit garments manufacturer with a competitive price Bangladeshi knit garments industry future bright and growing in next few years. The current knit garments export value was USD \$13.35 billion in 2015-16 and it is expected that it would be the double within next 5 years.

Quality Focus

TIL believe that quality is not an act, it is a habit and thus keeping it in mind, we make constant efforts to satisfy our valued buyers. We have taken extensive steps to modernize our machineries over the last few years. Production lines are carefully designed in both Modular and Linear layout. Whether ordered in bulks or in much smaller and critical styles, every single piece is engraved with superior quality and thorough proficiency to deliver the best results. Furthermore, in all stages of production starting from knitting yarn to the final garment, 4'Points Product Quality Control and 7'Points Traffic Light Systems are followed. Finally, AQL (Acceptance Quality Limit) Standards, Major 1.50 and Minor 4.00 are practiced for final inspection so that they never have to give up the first place in terms of quality These qualitative steps have producing best quality knit garments which fulfill the buyer requirement.

Principal Products and Services

TIL is engaged in manufacturing knit garment products. Such knit products include but are not limited to polo shirt, t-shirt, tank top etc. There can be several sub-classifications of these product types depending on style and buyer requirements. As a whole, all these products are generally classified as knit garment products.

Distribution of Products/Services

The Company acts as a production arm of its buyers. It exports the finished products to the buyers against Letter of Credit through a clearing and forwarding (C&F) agent designated by the buyers. It carries the finished products to Chittagong sea port (in case of sea

shipment) or to Shahjalal International Airport (in case of air shipment) through delivery trucks. Then, the goods are handed over to the C&F agent. The responsibility regarding distribution of the goods ceases once the goods are handed over to the C&F agent. The C&F agent takes the responsibility of delivering the goods to the buyers. But these conditions might change depending upon the terms and condition of the L/C and buyers requirement. However, the Company is not responsible for branding marketing, distribution and selling of the goods to the end consumers.

Sources of and Requirement for Power, Gas, Water

Electricity	Daily power requirement of the Company is 550 kilowatt which is met by Dhaka Electric Supply Company (DESCO). The Company has two generators with combined capacity of 1011 kilowatt.
Gas	The Company's daily requirement of gas is 500 cubic feet to fire a small boiler in the factory
Water	The Company's daily requirement of water is around 100,000 litres of water to run factory operations, and other purposes. The requirement is met by the Company's own deep tube-well.

Number of Employees & Benefits

Tosrifa Industries Limited values its workers and employees and strives to maintain high standard of labor practices to ensure congenial work environment for its employees. The Company employs 2,257 full time employees as of 30 June 2016. The Company has a well-designed compensation package for the employees to encourage professionalism, greater productivity and stimulate teamwork. The Company provides several benefits to the workers in addition to the monthly remuneration which are illustrated below-

A. Workers Profit Participation Fund: The Company introduced Workers Profit Participation Fund from the beginning as per requirement of Bangladesh Labor Law, 2006. The Company disbursed 100% of opening balance of the fund during the year as per note 30 of the audited accounts for the year ended 30 June 2016.

B. Eran Leave Benefit : Employees are entitled to encash un-availed annual leave.

C. Overtime & Bonus: During each Eid Festival, the employees get a festival bonus equivalent to one month's basic salary. They are also entitled to a target bonus. Factory workers receive production target bonus which is based on daily target. On the other hand all employees of the Company also receive yearly target bonus which is based on achievement of the Company's yearly target.

D. Medical Facilities: The Company has a well equipped medical center in the factory staffed with an M.B.B.S. qualified physician and a qualified nurse. In case of any mishap in the factory premises, the workers get free first aid from the medical center. The Company also bears all medical expenses if a worker is injured on the job.

E. Maternity Benefit: Female workers are entitled to maternity leave of 112 working days along with salary. Half of this amount is provided in advance prior to taking the leave and the rest upon joining. A female worker can get this benefit for a maximum of two times during her employment with the Company.

F. Day Care Facilities: The Company has a day care facility at the factory premises that can accommodate ten to fifteen children.

G. Group Insurance Benefit: Workers and employees get coverage under Company sponsored life insurance policy from Delta Life Insurance Company Limited.



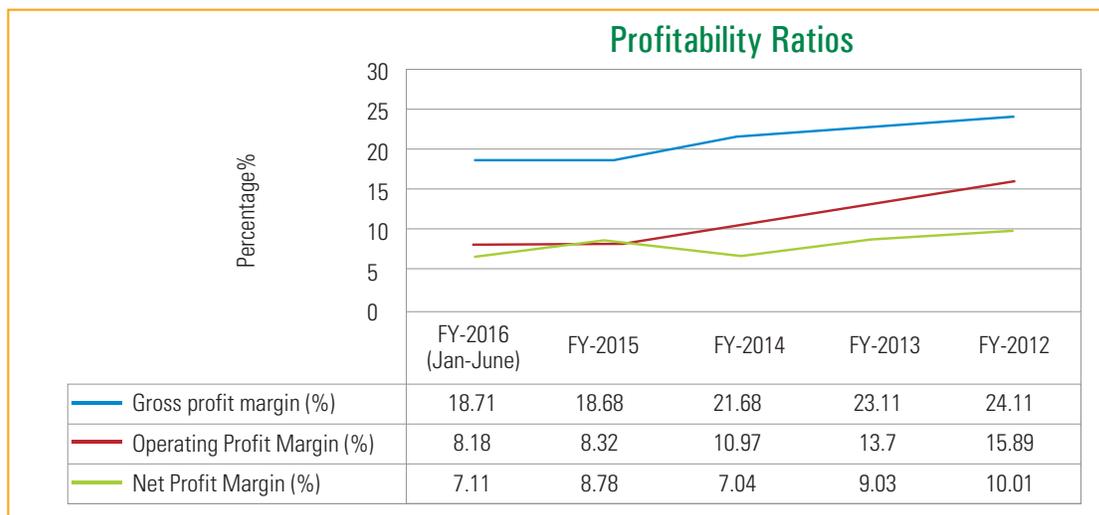
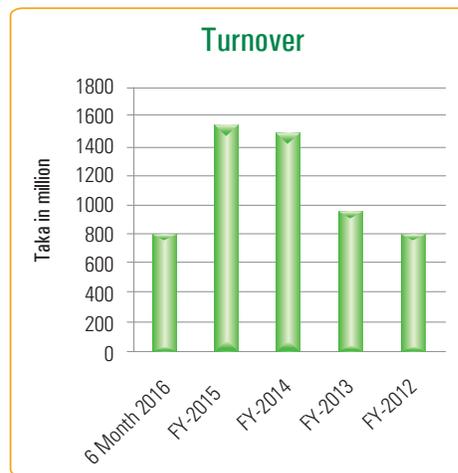
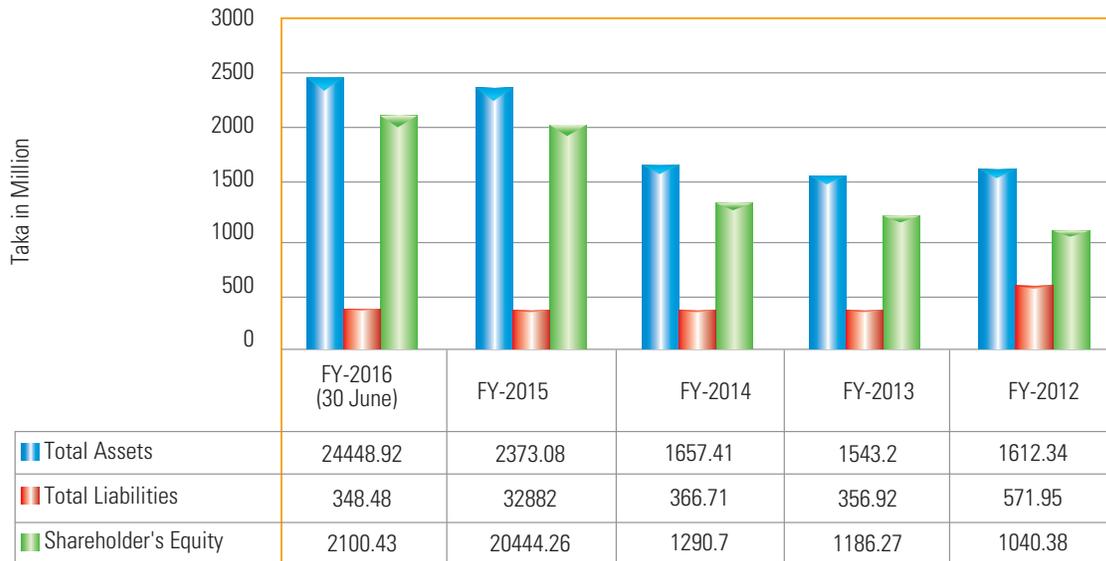
Financial Results

The Financial Period from 01 January 2015 to 30 June 2016 of Tosrifa Industries Limited was encountered with various macroeconomic problems. Inflation has made impediments combined with insufficient increase in wages. Law and order situations were not in favor of proper business performances. Business competition has increased drastically with new players. Despite having all these challenges, the business of the Company comparatively improved in revenue and quality, the Company goes forward into yet another year of strong growth. Now the Company's operating financial results, as compared to the previous year are summarized hereunder:

Figures in Million

Particulars	January- June 2016	2015	2014	2013	2012
Sales Turnover	787.72	1,537.03	1,476.84	941.67	799.46
Cost of Goods Sold	640.26	1,249.81	1,155.90	724.05	606.71
Gross Profit	147.46	287.23	320.94	217.62	192.75
Operating Expenses	82.95	159.16	158.12	87.93	65.28
Operating Profit	64.50	128.07	162.81	129.69	127.47
Non-Operating Income	24.25	74.90	5.62	0.27	0.63
Financial Expenses	11.29	19.24	26.45	29.50	29.16
Non-operating Expenses (WPPF)	3.87	9.18	6.76	4.77	4.71
Net Profit before Tax	73.60	174.53	135.22	95.44	94.23
Provision for Income Tax	17.43	39.47	21.50	9.56	13.80
Net profit after Tax	56.17	135.06	113.72	85.89	80.43
Earnings Per Share (Tk.)	0.89	2.44	2.95	2.64	2.48
Total Assets	2448.92	2373.08	1,657.41	1,543.20	1,612.34
Total Liabilities	348.48	328.82	366.71	356.92	571.95
Shareholders' Equity	2,100.43	2,044.26	1,20.70	1,186.27	1,040.38
NAV Per Share (Tk.)	33.25	32.36	37.44	34.41	32.04
Gross Profit Margin	18.71%	18.68%	21.68%	23.11%	24.11%
Operating Profit Margin	8.18%	8.32%	10.97%	13.70%	15.89%
Net Profit Margin	7.11%	8.78%	7.04%	9.03%	10.01%
Return on Equity	2.67%	6.60%	8.06%	7.16%	7.69%
Return on Investment	2.28%	5.68%	6.27%	5.50%	4.96%

Balance Sheet Items



Statement on Cost of Goods Sold

The biggest challenge in the area of productivity was the escalating devaluation of the local currency in the first half of the year coupled with increased energy prices. These resulted in a significant upward pressure on the cost base. However, TOSRIFA Industries Limited was able to mitigate this through the implementation of proactive foreign exchange risk management strategies as well as applying a strong drive to identify and deliver a number of initiatives that resulted in a phenomenal product cost savings in the reporting period. Thus cost of goods sold per unit was largely held constant on a like to like basis and this enabled gross profit margin to remain stable over the financial year.

Furthermore, TIL embarked on a company-wide smart cost management program and analyzed all opportunities to reduce costs. This program has helped to optimize the operating expenses of the Company and focused resources on areas that were required to fuel growth and sustainability.

	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015	1 Jan 2014 to 31 Dec 2014
	BDT	BDT	BDT
This balance consists of as follows:			
Opening inventories of raw materials	124,268,047	86,470,053	51,372,527
Raw materials (yarn)	94,502,345	60,095,971	32,782,391
Raw materials (finished fabrics)	17,349,640	17,991,948	10,506,304
Raw materials (accessories)	9,416,642	4,463,957	4,814,030
Needle and spare parts	2,999,420	3,918,177	3,269,802
Add: Raw materials purchased during the period/year	285,824,922	719,611,881	738,390,412
Yarn	169,442,957	375,646,342	381,382,499
Finished fabrics	12,616,482	189,588,506	195,620,533
Accessories	98,741,182	147,572,469	153,355,930
Needles and spare parts	5,024,301	6,804,564	8,031,450
Raw materials available for use	410,092,969	806,081,934	789,762,939
Less: Closing inventories of raw materials	97,559,638	124,268,047	86,470,053
Raw materials (yarn)	76,717,267	94,502,345	60,095,971
Raw materials (finished fabrics)	12,123,721	17,349,640	17,991,948
Raw materials (accessories)	5,388,597	9,416,642	4,463,957
Needle and spare parts	3,330,053	2,999,420	3,918,177
Raw materials consumed	312,533,331	681,813,887	703,292,886
Add: Direct expenses	184,360,472	330,535,934	231,917,828
Prime cost	496,893,803	1,012,349,821	935,210,714
Add: Factory overhead	114,273,424	218,398,726	179,367,694
Cost of production	611,167,227	1,230,748,547	1,114,578,408
Add: Opening inventories of work-in-process	74,307,832	73,954,711	69,572,790
Manufacturing cost at standard	685,475,059	1,304,703,258	1,184,151,198
Less: Closing inventories of work-in-process	29,250,915	74,307,832	73,954,711
Cost of goods manufactured	656,224,144	1,230,395,426	1,110,196,487
Add: Opening inventories of finished goods	11,614,468	31,031,629	76,740,760
Goods available for sale	667,838,612	1,261,427,055	1,186,937,247
Less: Closing inventories of finished goods	27,574,727	11,614,468	31,031,629
Cost of sales	640,263,885	1,249,812,587	1,155,905,618

Business Expansion

Tosrifa Industries Limited is setting-up a Eco friendly Dyeing unit (Green Project) with the IPO Proceeds, debt finance & equity. The state of the art dyeing unit will have a capacity of 15MT per day and to set up the unit necessary machineries have been imported from Europe, Turkey and Japan. Presently TIL is depending on subcontracting for its fabric dyeing; with the installation its own dyeing unit the company can reduce these expenses and also its shipment lead time. The dyeing unit will also allow TIL to offer more value added products to its buyers. Along the new dyeing facility; TIL also plans to expand its sewing capacity by adding another 500 sewing machines. With the increase in sewing machine TIL RMG production capacity will be more than 14.00 million pieces per year. Bangladesh is the second highest exporter of RMG in the world and the demand is expected to rise significantly in the future. With TIL's technical expertise and goodwill the installation of the dyeing facility and increased sewing capacity will be financially profitable for the company.

Estimated cost of project expansion

Particulars	Figures in million BDT	Figures in million US\$
Land & Land Development	250.00	3.16
Building & Civil Works	605.42	7.66
Dyeing Machinery- Imported	400.26	5.07
Dyeing utility Machineries -Imported	66.32	0.84
Dyeing utility Machineries -Local	62.37	0.79
Sewing Machinery- Imported	91.79	1.16
Sewing utility Machineries -Imported / Local	14.02	0.18
Electric Capital Machineries	260.10	3.29
Vehicles	35.50	0.45
Furniture, Fixtures, Office Equipment	10.00	0.13
Other expenses- Contingency	22.65	0.29
Preliminary, Pre-operating & Startup expenses	3.80	0.05
Interest/profit During Construction Period (IDCP)	63.47	0.80
Total Cost of the Project	<u>1,885.70</u>	<u>23.87</u>

Means of finance for expansion

Means of finance	Figures in million BDT	Figures in million US\$
Proceed from Pre IPO capital Raising	60.00	0.76
Net proceeds from IPO	618.79	7.83
Retained Earnings	418.44	5.30
Term Loan-LTFF	788.47	9.98
Total Means of Finance	<u>1,885.69</u>	<u>23.87</u>



IPO Fund Utilization Status up-to 31 October 2016

Purpose of Utilization	Estimated as per Prospectus Tk.	Total Fund Utilized up-to 31 October 2016		Investments yet to be made	
		Tk.	%	Tk.	%
A. Business Expansion	618,789,481.00	391,741,634.00	63.31%	227,047,847.00	36.69%
Building & Civil Works	303,500,000.00	200,748,150.00	66.14%	102,751,850.00	33.86%
Dyeing Machinery - Imported	122,087,600.00	122,087,600.00	100.00%	-	0.00%
Dyeing Utility Machineries - Imported	41,736,911.00	33,088,457.00	79.28%	8,648,454.00	20.72%
Dyeing Utility Machineries - Local	62,371,000.00	-	0.00%	62,371,000.00	100.00%
Sewing Machinery - Imported	45,740,000.00	29,938,292.00	65.45%	15,801,708.00	34.55%
Sewing Utility Machineries - Imported/Local	13,563,970.00	5,879,135.00	43.34%	7,684,835.00	56.66%
Furniture, Fixtures & Contingency	10,000,000.00	-	0.00%	10,000,000.00	100.00%
Other Expense & Contingency	19,790,000.00	-	0.00%	19,790,000.00	100.00%
B. IPO Expenses (approximate)	19,931,719.00	28,679,423.00	100.00%	-	0.00%
Issue Management Fee	2,000,000.00	2,000,000.00	100.00%	-	0.00%
Listing Related Expenses	2,181,080.00	2,810,669.00	100.00%	-	0.00%
BSEC Fees	968,082.00	968,082.00	100.00%	-	0.00%
IPO Related Expenses	4,962,909.00	5,815,216.00	100.00%	-	0.00%
CDBL Expenses & Fees	778,098.00	787,598.00	100.00%	-	0.00%
Printing & Post Public Offer Expenses*	9,041,550.00	16,297,858.00	100.00%	-	0.00%
Total (A + B)	638,721,200.00	420,421,057.00		227,047,847.00	

After getting IPO consent letter we started civil construction from 10 June 2015 and subsequently rainy season started badly. Due to heavy rain fall with prolong monsoon in 2015 as well as in 2016, it became difficult to carry on construction work as scheduled. Thus, the civil construction delayed by around 9/10 months. Now civil construction and land development work is almost completed. Some imported machinery has already reached at site. Management is confident to start commercial operation by June 2017.

It is also mentionable that a significant portion of funding of imported machineries will be arranged through foreign currency loan approval of which is under process of Bangladesh Bank and Board of Investment.

We would like to inform you that the existing unit of TIL situated at Tongi, Gazipur has been recently certified as Green Project. Under BMRE, the planned dyeing project with IPO fund will be equipped with the most sophisticated dyeing and utility machineries at Beraidearchala, Sreepur, Gazipur which will be the first one in Bangladesh to be a Green Dyeing Project and LEED Certified. To obtain these certifications, the construction of the project is going through various national and international testing requirements which delay the construction timeframe. Moreover, the required sophisticated dyeing and dyeing utility machinery are not available readymade in international market, we had to place order with required machinery specifications then the concerned suppliers manufacture the machinery and export to us which takes 8/9 months to procure the machinery.

Due to these above factors the project has been delayed and 63.31% out of total IPO Fund has been utilized up to October 31, 2016. Management hopes that civil construction will be completed within January 2017 and after installation of machineries, project will run its commercial operation by next June 2017.

Appointment of Auditor

Our Auditor Hussain Farhad & Co. Chartered Accountants has audited our Company for the last periods successfully and expressed their willingness to be appointed as auditor for the financial year 2016-17 along with their increased price quotation. In this situation, the company has collected the price quotations from other auditors to place all quotations before shareholders in the forthcoming AGM that the shareholders will select auditor as Statutory Auditor for the financial year 2016-17. The Shareholders will also recommend their remuneration to be fixed-up in the 14th AGM of the Company.

Directors' Election and Re-appointment

Shareholder Directors of the Company will retire as per Article 129 of Articles of Association and being eligible they will offer themselves for re-election.

Going Concern

The Directors are of the opinion that the Company Tosrifa Industries Limited is a going concern. Accordingly, Financial Statements are prepared on a going concern basis.

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.

Risk Management

The Risk Management Committee (RMC) of Tosrifa Industries limited at management level consists of knowledgeable cross functional managers including internal auditors who drive an effective risk management framework in the Company. The risk controllers periodically review the departmental risks and report to RMC. The RMC reviews twice a year the functional risks, identifies the Company's key risks and ensure adequate action plans are in place to mitigate the risks.

The key risks of the Company are then endorsed by the Executive Committee and then ratified in Audit Committee as far as effective risk management is concerned. In order to ensure effective risk management in the Company, the RMC is responsible for reviewing risks, maintaining an appropriate level of awareness throughout the Company, ensuring effectiveness of the risk management process. The Company maintains a risk register where all the associated risks as well as action plans are mentioned.

Corporate Governance

As part of its imperative policy, Tsrifa Industries limited always strives to maximize its shareholder's value and wealth. In doing so, the Company has long been committed to maintaining high standards of Corporate Governance. The Company's Corporate Governance framework is directed towards achieving its business objectives in a manner which is responsible and in accordance with its high standards of honesty, transparency and accountability. The principal characteristics that define effective corporate governance are outlined in the Corporate Governance Statement which is appended in the Annual Report. The statement further expands on the broad practices in Tsrifa Industries Ltd. All the employees are expected to live up to these principles and guidance on them which are communicated regularly throughout the Company through various training and awareness programs.

We have the pleasure to confirm herewith that the Company has meanwhile complied with all the necessary guidelines under BSEC Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 7 August 2012. The compliance report along with the necessary remarks/disclosures is appended in the Directors' Report of the Company for the period from 01 January 2015 to 30 June 2016. Further, a Certificate of Compliance required under the said Guidelines, as provided by PODDAR & ASSOCIATES. Cost and Management Accountants, is also annexed to this report.

Dividend

The Board recommended cash dividend @ 12% for the financial year ended on 31 December 2015 at the

board meeting held on 29 April 2016 with declared record date on 07 June 2016.

The Board recommended no dividend for the period of six months ended on 30 June 2016 at the board meeting held on 30 October 2016.

Record Date declared earlier i.e., 07 June 2016 for entitlement of 12% cash dividend shall remain unchanged. The declared 12% cash dividend will be paid subject to approval of the shareholders in the forthcoming AGM.

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:

	2016 (Jan-June, 2016)	2015	2014	2013
Un-appropriated Profit from previous Year	361,267,619	287,250,968	244,372,414	158,484,891
Less: Prior Year Adjustment	-	-	-	-
Adjusted Un-appropriated Profit from previous Year	361,267,619	287,250,968	244,372,414	158,484,891
Add: Net Profit after Tax for the Year	56,169,721	135,062,213	113,721,755	85,887,523
Add: Realization through use of Revaluation Reserve	1,254,640	14,756,662	-	-
Total Available for Appropriation (a)	418,691,980	437,069,843	358,094,168	244,372,414
Appropriation Proposed				
Proposed Dividend:				
Cash Dividend	-	75,802,224	29,518,000	-
Stock Dividend	-	-	41,325,200	-
Total Dividend (b)	-	75,802,224	70,843,200	-
Balance Carried Forward (a-b)	418,691,980	361,267,619	287,250,968	244,372,414

With the balance carried forward earned from this current year, the Directors are well confident that Company will be able to continue consistent dividend policy in coming years.

Management Recognition, Appreciation and Complements

The Board of Directors extends cordial recognition, deep appreciation and heart-felt congratulations for the business performance of the management, the all levels of officers, employees and workers whose relentless effort helped to increase the productivity as well profitability despite having adverse factors of production and marketing. At conclusion, on behalf of the Company, the Board would like to thank the all Shareholders, Board of Directors, Regulatory Bodies, Clients, Employees and all the well wishers for their cooperation and unflinching support.

We also extend to the Management and Employees our warmest greetings and felicitation for being the essential part of TOSRIFA Industries Limited during the financial period.

We are proud of you all and look forward to your continued support as we march ahead to take TIL further forward as a leading player within the Bangladesh Business Community.

On behalf of the Board of Directors,

Sd/-
Rafiq Hassan
Chairman

Declaration as to Financial Statements

As part of preparation and presentation of the financial statements, the Directors also report that:

- i. 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.
- ii. Proper books of accounts as required by law have been maintained.
- iii. Appropriate accounting policies have been followed in formulating the Financial Statements and Accounting estimates are reasonable and prudent.
- iv. The Financial Statements were prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS).
- v. The Managing Director and CFO 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.
- vi. The Managing Director and CFO 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.
- vii. The Managing Director and CFO 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.

Statutory Information

In compliance with the SEC guidelines' condition no. 1.4 the Board of Directors confirms that:

- a) The system of internal control is sound in design and has been effectively implemented and monitored.
- b) There are no significant doubts upon the Company's ability to continue as a going concern.
- c) Significant deviations from last year in operating results of the Company have been highlighted in the Report and reasons thereof have been explained.
- d) Short resume of Directors and key Personnel is in ANNEXURE-I.
- e) The patterns of Shareholding as on 30 June 2016 is in ANNEXURE-II.
- f) 5 Years Comparative financial results are in Annexure-III.
- g) Audit Committee Report is in Annexure-IV.
- h) Certificate of Due Diligence by Managing Director and CFO is in Annexure-V
- i) 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-VI.

ANNEXURE-I: Shareholding Details on Record Date

Pattern of Shareholding on Record Date 07 June 2016 is as followings:

Particulars	Nos. of Shareholding	Percentage	Remarks
Parent Company	-	-	No Existence
Associate Companies	-	-	No Existence
Other Related Parties	-	-	No other related parties
Shareholder Directors:			
Rafiq Hassan	1,579,049	2.50%	Also Chairman of Company
Mohim Hassan	1,696,913	2.69%	Also Managing Director of Company
Naim Hassan	1,696,913	2.69%	
Lyra Rizwana Quader	6,741,000	10.67%	
Anjuman Ara Begum	6,741,000	10.67%	
Sponsors Shareholders:			
Tosrifa Ahmed	3,091,903	4.89%	
Sayeed Hassan	80,635	0.12%	
Abeda Rahman	48,535	0.08%	
Shameem Ara Begum	258,837	0.41%	
Northern Corporation Limited	12,840,000	20.33%	
Independent Directors:			
Prof. Dr. khondaker Mohammad Shariful Huda	-	-	
Md. Nasirul Islam	-	-	
Other Shareholdings:			
Md. Zillur Rahman, FCMA	4,500	0.007%	Chief Financial Officer
Hayder Ali	-	-	Company Secretary
Executives (Top five salaried person other than CFO and CS)	-	-	No share held by such executives
Shareholders other than Sponsors/Directors holding 10% or more voting right	-	-	No holding 10% or more other than Sponsors/Directors
Group Basis Shareholding:			
Sponsors / Directors	34,774,785	55.05%	
Company	5,156,805	8.16%	
General Public	23,236,930	36.79%	

Annexure - II: Shareholding Pattern as on 30 June 2016

1. Total paid-up capital: BDT 631,685,200.00
2. No. of total paid-up shares: 63,168,520
3. % of paid-up capital held by:

A. Sponsors/Promoters/Directors: 55.05%	B. Government: 0%
C. Institute: 16.88%	D. Foreign: 0%
	E. Public: 28.07%

1. Details of shareholding of Sponsors/Promoters/Directors:

Sl. No	Name	Status	No. of shares held by Sponsors/Promoters/Directors
01	Tosrifa Ahmed	Sponsor	3,091,903
02	Mohim Hassan	Sponsor Director	1,696,913
03	Naim Hassan	Sponsor Director	1,696,913
04	Syeed Hassan	Sponsor	80,635
05	Rafiq Hassan	Sponsor Director	1,579,049
06	Abeda Rahman	Sponsor	48,535
07	Shameem Ara Begum	Sponsor	258,837
08	Lyra Rizwana Quader	Sponsor Director	6,741,000
09	Anjuman Ara Begum	Sponsor Director	6,741,000
10	Northern Corporation Limited	Sponsor	12,480,000
11	Dr. Prof. khondaker Mohammad Shariful Huda	Independent Director	-
12	Md. Nasirul Islam	Independent Director	-
	Total		34,774,785

Annexure - III: Comparative Financial results

Figures in Million (BDT)

Particulars	January- June 2016	2015	2014	2013	2012
Sales Turnover	787.72	1,537.03	1,476.84	941.67	799.46
Cost of Goods Sold	640.26	1,249.81	1,155.90	724.05	606.71
Gross Profit	147.46	287.23	320.94	217.62	192.75
Operating Expenses	82.95	159.16	158.12	87.93	65.28
Operating Profit	64.50	128.07	162.81	129.69	127.47
Non-Operating Income	24.25	74.90	5.62	0.27	0.63
Financial Expenses	11.29	19.24	26.45	29.50	29.16
Non-operating Expenses (WPPF)	3.87	9.18	6.76	4.77	4.71
Net Profit before Tax	73.60	174.53	135.22	95.44	94.23
Provision for Income Tax	17.43	39.47	21.50	9.56	13.80
Net profit after Tax	56.17	135.06	113.72	85.89	80.43
Earnings Per Share (Tk.)	0.89	2.44	2.95	2.64	2.48
Total Assets	2448.92	2373.08	1,657.41	1,543.20	1,612.34
Total Liabilities	348.48	328.82	366.71	356.92	571.95
Shareholders' Equity	2,100.43	2,044.26	1,20.70	1,186.27	1,040.38
NAV Per Share (Tk.)	33.25	32.36	37.44	34.41	32.04
Gross Profit Margin	18.71%	18.68%	21.68%	23.11%	24.11%
Operating Profit Margin	8.18%	8.32%	10.97%	13.70%	15.89%
Net Profit Margin	7.11%	8.78%	7.04%	9.03%	10.01%
Return on Equity	2.67%	6.60%	8.06%	7.16%	7.69%
Return on Investment	2.28%	5.68%	6.27%	5.50%	4.96%

Annexure - IV: Audit Committee Report

from 01 January 2015 to 31 December 2015 and 01 January 2016 to 30 June 2016

Consequences of getting the Consent Letter from Bangladesh Securities and Exchange Commission (BSEC) for raising fund from the capital market through Initial Public Offering (IPO), it has been mandatory to comply with the all notifications along with the Corporate Governance Guidelines prescribed or imposed by BSEC. Amid these circumstances referring to the condition no. 32 of Part A of the consent letter no. SEC/CI/IPO-216/2013/131 dated February 23, 2015 and the Section 3, 3.1, 3.2, 3.3 & 3.4 of BSEC notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated August 07, 2012 along with subsequent amendments; the Company has to constitute an Audit Committee for the sake of good corporate governance and financial reporting compliance. In compliance with the said notification of the BSEC **Tosrifa Industries Limited** constituted an Audit Committee on 12 March 2015 as a sub-committee of the Board of Directors in order to assist the Board of Directors in ensuring and fulfilling its oversight responsibilities.

The Audit Committee consists of the following persons:

Md. Nasirul Islam	- Chairman
Rafiq Hassan	- Member
Lyra Rizwana Quader	- Member
Anjuman Ara Begum	- Member
Hayder Ali	- Member Secretary

The scope of Audit Committee was defined as under:

- Review and recommend to the Board to approve the quarterly, half-yearly and annual financial statements prepared for statutory purpose;
- 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
- 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 notifications subject to approval by the Board.

Meeting Attendance

After the formation on 12 March 2015 the Audit Committee met 7 (seven) times during the period till the reporting period. All the members were present in all meetings of the Committee. The details of attendance of each member at the Audit Committee meetings during the aforesaid period are as follows:

	Designation	Total Meetings Held	No. of Meetings Attended
Md. Nasirul Islam	Chairman	7	7
Rafiq Hassan	Member	7	7
Lyra Rizwana Quader	Member	7	7
Anjuman Ara Begum	Member	7	7

Summary of Activities

After the constitution on 12 March 2015 till the concerned reporting period, the Audit Committee reviewed its terms of reference in line with requirements of BSEC notification on corporate governance. The Committee carried out its duties in accordance with the terms of reference of the Audit Committee. Moreover, an Audit Committee effectiveness survey had been carried out for the period which reflected full compliance to the effectiveness Guidelines. The Committee reviewed the integrity of the quarterly and annual financial statement and recommended to the Board for consideration. The Committee had overseen, reviewed and approved the procedure and task of the internal audit, financial report preparation and the external audit reports. The Committee found adequate arrangement to present a true and fair view of the activities and the financial status of the company and didn't find any material deviation, discrepancies or any adverse finding/observation in the areas of reporting. The Committee also reviewed and recommended to the Board steps to improve the Company's internal control systems derived from the findings of the internal and external auditors.

Sd/-
Hayder Ali
Member Secretary

Date: November 20, 2016

Annexure - V: Certificate of Due Diligence by Managing Director & CFO

Tosrifa Industries Limited

Certificate of Due Diligence by Managing Director & CFO
(As required under the BSEC Guidelines)

The Board of Director

Tosrifa Industries Limited

In compliance with condition no.06 of the Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission Notification no. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012, we the undersigned, Managing Director and Chief Financial Officer (CFO) respectively of Tosrifa Industries Limited, do hereby certify before the Board that we have thoroughly reviewed the Financial Statements of the Company for the period ended 30 June 2016:

- i. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - b) 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.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.

Sd/-
Mohim Hassan
Managing Director

Dhaka
30 October 2016

Sd/-
Md. Zillur Rahman, FCMA
Chief Financial Officer

Annexure - VI: Corporate Governance Statement & Certificate

As per BSEC rules (letter SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August, 2012), all the companies listed with any stock exchange in Bangladesh shall comply with some conditions in accordance with condition no. 7. The condition requires that the directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions and prerequisite set by BSEC in their letter.

Compliance Certificate on **CORPORATE GOVERNANCE** To the Shareholders of **TOSRIFA INDUSTRIES LIMITED**

"Podder & Associates", being one of the firm of "Professional Accountants" in Bangladesh, takes the gratification to study and opine in attainment of Compliance on Corporate Governance by **Tosrifa Industries Limited** for the period ended 30th June 2016. This study is completed in accordance with the guideline set by **Bangladesh Securities and Exchange Commission (BSEC)** through the notification SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August, 2012.

Accomplishment of compliance on corporate governance is the conscientiousness of the management of the Company. Our study is imperfect to the measures and execution of such as per guideline set by BSEC. It is neither an audit nor expression of opinion on the financial affairs of the Company.

As per our study and observation on the best of information & explanations provided, **Tosrifa Industries Limited** has complied with the conditions of Corporate Governance set by Bangladesh Securities And Exchange Commission.

On the above note, we would also like to state that such compliance is neither an assurance as to the future capability of the Company nor the efficiency or effectiveness by which management has conducted the affairs of the Company.

For Podder & Associates

Sd-
Jayanta Kumer Podder
Cost and Management Accountant

Date: 20 November 2016
Place: Dhaka, Bangladesh

Status of Compliance with the Corporate Governance Guideline (CGC)

From 01 January 2015 to 31 December 2015 & 01 January 2016 to 30 June 2016

Status of compliance with the condition imposed by the Commission's Notification No. letter SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969

(Report under Condition No. 7.00)

Condition No.	Title	Complied	Not Complied	Remarks (IF ANY)
1	Board of Directors			
1.1	Boards size			
	Boards size	√		The TIL Board is comprised 07 Directors including 01 Managing Director
1.2	Independent Directors			
(i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	√		2 (two) Independent Directors were appointed on 11 March 2015.
(ii)	<i>For the purpose of this clause 'Independent directors' means a director-</i>			
a)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		Independent Directors have declared their compliance.
b)	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 :	√		DO
c)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/ associated companies;	√		DO
d)	Who is not a member, director. or officer of any stock exchange;	√		DO
e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	√		DO
f)	Who is not a partner or an executive or was not a Partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm;	√		DO
g)	Who shall not be an independent director in more than 3 (three) listed companies;	√		DO
h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI);	√		DO
i)	Who has not been convicted for a criminal offence involving moral turpitude.	√		DO
(iii)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√		
(iv)	The post of independent director(s) can not remain vacant for more than 90 (ninety) days.	√		
(v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.			In practice
(vi)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.	√		
1.3	<i>Qualification of Independent Director (ID)</i>			
(i)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	√		In practice
(ii)	The person should be a Business Leader/ Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, and Chartered Secretaries. The independent director must have a least 12(twelve) years of corporate management /professional experiences.	√		
(iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.			Not applicable

Condition No.	Title	Complied	Not Complied	Remarks (IF ANY)
1.4	Chairman of the Board and Chief Executive Officer			
(i)	The position of the chairman of the Board and the Chief Executive Officer of the companies shall be filled by different individuals. The chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the chairman and the chief executive officer.	√		Different persons hold the positions with specific responsibilities set by the Board
1.5	Directors Report to the Shareholders			
(i)	Industry outlook and possible future developments in the industry.	√		Directors reports compliance with the guide line
(ii)	Segment-wise or product-wise performance.			Not Applicable
(iii)	Risks and concerns.	√		
(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	√		
(v)	Discussion on continuity of any Extra-Ordinary gain or loss.			Not Applicable
(vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.			Not Applicable
(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.			Not Applicable
(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.			Not Applicable
(ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.			Not Applicable
(x)	Remuneration to directors including independent directors.	√		
(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	√		
(xii)	Proper books of account of the issuer company have been maintained.	√		
(xiii)	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.	√		
(xiv)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standard (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there-from has been adequately disclosed.	√		
(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
(xvi)	There are no significant doubts 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 thereof should be disclosed.	√		
(xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.			Not Applicable
(xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	√		
(xix)	if the issuer company has not declared dividend(cash or stock) for the year, the reasons thereof shall be given.	√		
(xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	√		
(xxi)	The Pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by:	√		
(xxi) a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	√		
(xxi) b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);		√	Chief Financial Officer holds shares
(xxi) c)	Executives;	√		
(xxi) d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details).	√		

Condition No.	Title	Complied	Not Complied	Remarks (IF ANY)
(xxii)	<i>In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders:</i>			
(xxii) a)	a brief resume of the director;	√		
(xxii) b)	nature of his/her expertise in specific functional areas;	√		
(xxii) c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.			
2.0	Chief Financial Officer (CFO), Head of Internal Audit and Company Secretary (CS)	√		
2.1 Appointment	The company shall Appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control and Compliance) and a Company Secretary (CS). The Board of Directors should clearly define respective roles, responsibilities and duties of the CFO, the Head of internal Audit and the CS.	√		
2.2 Requirement to attend the Board Meetings	The CFO and the Company Secretary of the companies shall attend the meetings of the Board of Directors, provided that the CFO and/or the Company Secretary shall not attend such part of a meeting of the Board of Directors which involves consideration of an agenda item relating to their personal matters.	√		
3.0	Audit Committee	√		
(i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	√		
(ii)	The Audit Committee shall assist 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.	√		
(iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing	√		
3.1	Constitution of the Audit Committee	√		
(i)	The Audit Committee shall be composed of at least 3 (three) members.	√		
(ii)	The Board of Directors shall appoint members of the audit committee who shall be directors of the company and shall include at least 1 (one) independent director.	√		
(iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience,	√		
(iv)	When the term of service of the Committee members expires or there is any circumstance causing any Committee member to be unable to hold office until 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 of Directors shall appoint the new Committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy(ies) in the Committee to ensure continuity of the performance of work of the Audit Committee.			No such incidence arose
(v)	The company secretary shall act as the secretary of the Committee.	√		
(vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
3.2	Chairman of the Audit Committee	√		
(i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	√		
(ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√		
3.3	Role of Audit Committee	√		
(i)	Oversee the financial reporting process.	√		
(ii)	Monitor choice of accounting policies and principles.	√		
(iii)	Monitor Internal Control Risk management process.	√		
(iv)	Oversee hiring and performance of external auditors.	√		
(v)	Review along with the management, the annual financial, statements before submission to the board for approval.	√		
(vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	√		
(vii)	Review the adequacy of internal audit function.	√		

Condition No.	Title	Complied	Not Complied	Remarks (IF ANY)
(viii)	Review statement of significant 'related party transactions submitted by the management.	√		
(ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	√		
(x)	When money is raised through Initial Public Offering (IPO)/Repeat Public Offering (RPO)/Rights Issue the company shall disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	√		
3.4	Reporting of Audit Committee			
(i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-	√		
3.4.1 (ii) a)	report on conflicts of interests;			
b)	suspected or presumed fraud or irregularity or material defect in the internal control system;	√		
c)	suspected infringement of laws, including securities related laws, rules and regulations;:	√		
d)	any other matter which shall be disclosed to the Board of Directors immediately.	√		
Reporting to the Authorities	If the Audit Committee has reported to the Board of Directors about anything which has material impact on the financial condition and results of operation and has discussed with the Board of Directors 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 of Directors for three times or completion of a period of 6 (six) months from the date of first reporting to the Board of Directors, whichever is earlier.	√		
3.5	Reporting to the Shareholders and General Investors			
	Report on activities carried out by the Audit Committee, including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the annual report of the issuer company.			
4.0	External/ Statutory Auditors			
	The issuer company should not engage its external/statutory auditors to perform the following services of the company; namely:-			
(i)	Appraisal or valuation services or fairness opinions.	√		
(ii)	Financial information system design and implementation	√		
(iii)	Book-keeping or other services related to the accounting records or financial statement	√		
(iv)	Broker –dealer services	√		
(v)	Actuarial services	√		
(vi)	Internal audit services	√		
(vii)	Any other services that the audit committee determines.	√		
(viii)	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.	√		
(ix)	Audit/ Certification services on compliance of corporate governance as required under clause (i) of condition o. &	√		
5.0	Subsidiary Company			TIL does not have any subsidiary company
(i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.			Not Applicable
(ii)	At least 1 (one) independent director of the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.			Not Applicable
(iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.			Not Applicable
(iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.			Not Applicable
(v)	The Audit Committee of the holding company shall also review the financial statements, in particular, the investments made by the subsidiary company.			Not Applicable

Condition No.	Title	Complied	Not Complied	Remarks (IF ANY)
6.0	Duties of Chief Executive Officer (CEO) and Chief Financial Officer(CFO)			
The CEO and CFO shall certify to the Board that:-				
(i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief:	√		
a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√		
b)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.	√		
(ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent illegal or violation of the company's code of conduct.	√		
7.0	Reporting and Compliance of Corporate Governance			
(i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost and Management Accountant/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis.	√		
(ii)	The directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions.	√		

Tosrifa Industries Limited

Audited Financial Statements

From 01 January 2015 to 31 December 2015
and 01 January 2016 to 30 June 2016

AUDITORS' REPORT

For the period from 01 January 2016 to 30 June 2016

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TOSRIFA INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Tsrifa Industries Limited (“the Company”), which comprise the statement of financial position as at 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the period from 1 January 2016 to 30 June 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRSs); Bangladesh Accounting Standards (BASs); 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 30 June 2016, and of its financial performance and its cash flows for the period from 1 January 2016 to 30 June 2016 in accordance with Bangladesh Financial Reporting Standards (BFRSs); Bangladesh Accounting Standards (BASs); the Companies Act, 1994; the Securities and Exchange Rules, 1987; and other applicable laws and regulations.

Emphasis of Matter

We draw attention to Note 4.06 to the financial statements where management explains the rationale behind changing the reporting period of the Company to 1 July to 30 June from 1 January to 31 December pursuant to changes in the provision of Section 2(35) of the Income Tax Ordinance, 1984 following the enactment of the Finance Act, 2015. Management also explains in the same note that, to align with the aforesaid changes, the financial statements cover a period of six months from 1 January 2016 to 30 June 2016 and that is not entirely comparable with the comparative figures stated in the financial statements and the related notes. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position, and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

Dated: Dhaka
October 30, 2016

Sd/-
(Hussain Farhad & Co.)
Chartered Accountants

AUDITORS' REPORT

For the period from 01 January 2015 to 31 December 2015

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TOSRIFA INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Tosrifa Industries Limited (“the Company”), which comprise the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the period from 01 January 2015 to 31 December 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRSs); Bangladesh Accounting Standards (BASs); 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2015, and of its financial performance and its cash flows for the period from 01 January 2015 to 31 December 2015 in accordance with Bangladesh Financial Reporting Standards (BFRSs); Bangladesh Accounting Standards (BASs); the Companies Act, 1994; the Securities and Exchange Rules, 1987; and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position, and the statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

Dated: Dhaka
April 29, 2016

Sd/-
(Hussain Farhad & Co.)
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED
STATEMENT OF FINANCIAL POSITION

	Notes	As at	As at	As at
		30 June 2016	31 December 2015	31 December 2014
		BDT	BDT	BDT
ASSETS				
Non-current assets		1,374,270,684	1,289,546,243	1155082584
Property, plant and equipment	6.00	1,211,662,868	1,196,698,171	1152387796
Capital work-in-progress	7.00	160,810,324	90,700,231	0
Intangible assets	8.00	1,797,492	2,147,841	2694788
Current assets		1,074,644,924	1,083,537,327	502,112,688
Advances, deposits and prepayments	9.00	82,104,115	22,873,576	10,939,257
Trade and other receivables	10.00	250,774,035	111,289,198	203,676,326
Accrued income	11.00	1,110,551	5,536,521	-
Inventories	12.00	154,385,280	210,190,347	191,456,393
Cash and cash equivalents	13.00	586,270,943	733,647,685	96,040,712
Total assets		2,448,915,608	2,373,083,570	1,657,195,272
EQUITY AND LIABILITIES				
Shareholders' equity		2,100,432,545	2,044,262,824	1,299,997,411
Share capital	14.00	631,685,200	631,685,200	344,698,000
Share premium	15.00	433,059,200	433,059,200	40,000,000
Retained earnings	16.00	494,494,204	437,069,843	358,094,168
Revaluation surplus	17.00	541,193,941	542,448,581	557,205,243
Non-current liabilities		43,615,769	49,528,007	59,107,017
Long term loans (secured), net of current portion	18.00	36,319,832	49,528,007	59,107,017
Deferred tax liabilities	19.00	7,295,937	-	-
Current liabilities		304,867,294	208,973,156	298,090,844
Trade and other payables	20.00	125,251,250	118,330,278	114,294,189
Provisions for expenses	21.00	4,141,819	8,994,420	1,727,851
Accepted liabilities for machinery	22.00	-	11,958,691	34,178,591
Short term loans	23.00	114,846,831	9,651,887	98,892,846
Current portion of long term loans	24.00	24,333,741	22,631,692	28,164,000
Provision for income tax	25.00	23,234,308	28,220,289	14,072,164
Workers' profit participation and welfare fund	26.00	13,059,345	9,185,899	6,761,203
Total equity and liabilities		2,448,915,608	2,302,763,987	1,657,195,272
Net asset value per share	35.00	33.25	33.48	37.71

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

Sd/-
Managing Director

Sd/-
Director

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
(Hussain Farhad & Co.)
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		1 January 2016 to 30 June 2016	1 January 2015 to 31 December 2015	1 January 2014 to 31 December 2014
Notes	BDT	BDT	BDT	
Sales revenue (export)	27.00	787,719,758	1,537,038,272	1,476,847,815
Less: Cost of sales	28.00	640,263,885	1,249,812,587	1,155,905,618
Gross profit		147,455,873	287,225,685	320,942,197
Less: Operating expenses				
General and administrative expenses	29.00	38,539,687	91,128,317	69,934,318
Marketing, selling and distribution expenses	30.00	44,414,991	68,031,867	88,188,212
		82,954,678	159,160,184	158,122,530
Operating profit		64,501,195	128,065,501	162,819,667
Add: Other income	31.00	24,253,838	74,898,527	5,623,745
Profit before finance costs		88,755,033	202,964,028	168,443,412
Less: Finance costs	32.00	11,286,121	19,246,039	26,458,137
Profit after finance costs		77,468,912	183,717,989	141,985,275
Less: Workers' profit participation and welfare fund	33.00	3,873,446	9,185,899	6,761,203
Profit before income tax		73,595,466	174,532,090	135,224,072
Less: Income tax expenses	34.00	17,425,745	39,469,877	21,502,317
Profit after income tax		56,169,721	135,062,213	113,721,755
Add: Other comprehensive income		-	-	-
Total comprehensive income		56,169,721	135,062,213	113,721,755
Earnings per share				
Basic earnings per share (face value BDT 10.00)	36.00	0.89	2.44	2.95

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

Sd/-
Managing Director

Sd/-
Director

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
(Hussain Farhad & Co.)
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY

Particulars	Share capital	Share premium	Retained earnings	Revaluation surplus	Total
Balance as at 1 January 2016	631,685,200	433,059,200	437,069,843	542,448,581	2,044,262,824
Total comprehensive income for the period					
Profit	-	-	56,169,721	-	56,169,721
Other comprehensive income	-	-	-	-	-
Transactions with owners of the Company					
Issue of ordinary shares	-	-	-	-	-
Share premium	-	-	-	-	-
Stock dividend	-	-	-	-	-
Cash dividend	-	-	-	-	-
Transfer from revaluation surplus to retained earnings	-	-	1,254,640	(1,254,640)	-
Balance as at 30 June 2016	631,685,200	433,059,200	494,494,204	541,193,941	2,100,432,545

Particulars	Share capital	Share premium	Retained earnings	Revaluation surplus	Total
Balance as at 1 January 2015	344,698,000	40,000,000	358,094,168	557,205,243	1,299,997,411
Total comprehensive income for the year					
Profit	-	-	135,062,213	-	135,062,213
Other comprehensive income	-	-	-	-	-
Transactions with owners of the Company					
Issue of ordinary shares	245,662,000	-	-	-	245,662,000
Share premium	-	393,059,200	-	-	393,059,200
Stock dividend	41,325,200	-	(41,325,200)	-	-
Cash dividend	-	-	(29,518,000)	-	(29,518,000)
Transfer from revaluation surplus to retained earnings	-	-	14,756,662	(14,756,662)	-
Balance as at 31 December 2015	631,685,200	433,059,200	437,069,843	542,448,581	2,044,262,824

Particulars	Share capital	Share premium	Retained earnings	Revaluation surplus	Total
Balance as at 1 January 2014	344,698,000	40,000,000	244,372,413	557,205,243	1,186,275,656
Issue of ordinary shares	-	-	-	-	-
Share premium	-	-	-	-	-
Net profit for the year (restated*)	-	-	-	-	-
Balance as at 31 December 2014 (restated*)	344,698,000	40,000,000	244,372,413	557,205,243	1,186,275,656

Sd/
Managing DirectorSd/
DirectorSd/
Company SecretarySd/
Chief Financial OfficerSd/
(Hussain Farhad & Co.)
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED
STATEMENT OF CASH FLOWS

	1st January to 30th June 2016	1st January 2015 to 31st December 2015	1st January 2014 to 31st December 2014
	Taka	Taka	Taka
A. CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	648,234,921	1,629,425,400	1,473,300,855
Cash received from other income	12,396,082	20,726,728	5,623,744
Cash paid to suppliers, contractors and others	(638,513,155)	(1,395,489,555)	(884,791,028)
Payments for operating expenses			(417,587,980)
Financial expenses	(11,218,941)	(19,246,039)	(26,458,137)
Income tax paid	(15,115,789)	(25,321,752)	(15,675,561)
Net cash flow from operating activities	(4,216,883)	210,094,782	134,411,893
B. CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for acquisition of property, plant and equipment	(36,612,572)	(87,556,449)	(53,337,139)
Payments for capital work-in-progress	(133,496,208)	(90,700,231)	(3,368,485)
Payments for acquisition of intangible assets	-	(135,000)	-
Net cash used in investing activities	(170,108,780)	(178,256,680)	(56,705,624)
C. CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from/(payment of) long term loan	(11,506,126)	(15,111,318)	(5,255,732)
Proceeds from/(payment of) current portion of loan term loan			(4,748,405)
Proceeds from/(payment of) accepted liabilities for machinery	(11,958,691)	(22,219,900)	34,178,591
Proceeds from/(payment of) short term loan	34,875,361	(18,921,376)	15,756,762
Inflow/(outflow) from inter-company transactions	-	-	(25,791,545)
Proceeds from issue of ordinary shares	-	245,662,000	-
Proceeds from share premium	-	393,059,200	-
Cash dividend paid	-	(28,956,629)	-
Unclaimed dividend paid	(106,183)		
Interest income	16,283,726	48,635,278	-
Unclaimed IPO application money	(639,167)	3,756,616	-
Net cash flow from financing activities	26,948,919	605,903,871	14,139,671
Net changes in cash and cash equivalents (A + B + C)	(147,376,742)	637,741,973	91,845,940
Cash and cash equivalents as at 1 January	733,647,685	96,040,712	4,194,772
Cash and cash equivalents as at 30 June	586,270,943	733,782,685	96,040,712
Net Operating Cash Flow Per Share (NOCFPS)	(0.07)	3.33	3.90

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

Sd/-
Managing Director

Sd/-
Director

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
(Hussain Farhad & Co.)
Chartered Accountants

NOTES TO THE FINANCIAL STATEMENTS

As at and for the period from 01 January 2016 to 30 June 2016

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 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, 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.

Authorization for issue

These financial statements were authorized for issue by the Board of Directors of the Company on 30 October 2016.

4.00 Basis of preparation

4.01 Statement of compliance

These financial statements have been prepared in accordance with Bangladesh Accounting Standards (BASs); Bangladesh Financial Reporting Standards (BFRSs); the Companies Act, 1994; the Securities and Exchange Rules, 1987; and other applicable laws and regulations.

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 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.

4.04 Accrual basis of accounting

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

4.05 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.

4.06 Reporting period

Pursuant to changes in the provision of Section 2(35) of the Income Tax Ordinance, 1984 following the enactment of the Finance Act, 2015, the Company has changed its reporting period to 1 July to 30 June from 1 January to 31 December. Accordingly, these financial statements cover a period of six months from 1 January 2016 to 30 June 2016. As a result, the comparative figures stated in the financial statements and the related notes are not entirely comparable.

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 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

5.03.01 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."

5.03.02 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.

5.03.03 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. 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:"

	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015
	Rate	Rate
Plant and machinery	15.00%	15.00%
Motor vehicles	20.00%	20.00%
Furniture and fixtures	10.00%	10.00%
Office equipment	15.00%	15.00%
Building and civil works (RCC)	2.50%	2.50%

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. No depreciation is charged on capital work-in-progress (CWIP), as CWIP has not yet been placed in service."

5.05 Intangible assets

5.05.01 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 BAS 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.

5.05.02 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.

5.05.03 Amortization

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

	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015
	Rate	Rate
Software and applications	20.00%	20.00%
Website	20.00%	20.00%

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 and having maturity dates of three months or less from respective dates of deposit.

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.

Contingent liabilities and assets are not recognized in the statement of financial position 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 20% on its taxable income derived from export and 25% on taxable income derived from sources other than export.

(b) Deferred tax

Deferred tax is recognized in compliance with BAS 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

The Company had created funds for workers as 'Workers' Profit Participation and Welfare Fund' and 5% of the profit before charging such expense have been transferred to this fund.

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. 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 BAS 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 as per BAS 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.

NOTES TO THE FINANCIAL STATEMENTS

As at and for the year ended 31 December 2015

1.0 Corporate history of the reporting entity:

Tosrifal Industries Limited (hereinafter referred to as "the Company") was incorporated in Bangladesh on 27 August 2002 under the Companies Act, 1994 vide registration no. C - 46888 (3367) as a private limited company by shares. It commenced its commercial operation in 2005. Subsequently the company was converted into public limited company on 18.08.2011.

The registered office of the company is located at Plot-91, Regency Palace (4th Floor), Block-K, Suhrawardy Avenue, Baridhara, Dhaka. It has moved from Level - 1st to 6th floor, 135 Gopalpur, Munnu Nagar, Tongi, Gazipur, Bangladesh on 1 April 2014. The industrial unit and the principal place of the business of the company is located at Level - 1st to 6th floor, 135 Gopalpur, Munnu Nagar, Tongi, Gazipur, Bangladesh.

2.00 Nature of corporate business:

The company operates a readymade composite knit garments industrial unit of international standard to carry on the business of knitting, designing, manufacturing & marketing readymade garments to deal in the foreign markets.

3.00 Financial statements and corporate reporting:

This comprises statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and explanatory notes covering accounting policies.

Financial statements of the company have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1994, the Bangladesh Accounting Standards (BASs) and the Bangladesh Financial Reporting Standards (BFRS).

The Board of Directors, which is responsible for preparing and presenting the financial statements including adequate disclosures, has approved and authorized the financial statements for issue on 29 April 2016.

4.00 Basis of preparation:

4.01 Statement of compliance:

The financial statements of the company have been prepared in accordance with Bangladesh Accounting Standards (BASs), Bangladesh Financial Reporting Standards (BFRSs), and the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable laws and regulations.

BAS-01	Presentation of Financial Statements
BAS-02	Inventories
BAS-07	Statements of Cash flows
BAS-08	Accounting Policies, Changes in Accounting Estimates & Errors.
BAS-10	Events after the reporting period
BAS-12	Income Taxes
BAS-16	Property, Plant and Equipment
BAS-18	Revenue
BAS-19	Employee Benefits
BAS-21	The effects of Changes in Foreign Exchange Rate
BAS-24	Related Party Disclosures
BAS-33	Earnings per Share
BAS-37	Provisions, Contingent Liabilities and Contingent Assets.
BAS-38	Intangible assets

4.02 Other regulatory compliances:

The Company complies with the following major legal provisions in addition to the Companies Act, 1994 and other applicable laws and regulations:

The Income Tax Ordinance, 1984
The Income Tax Rules 1984
The Value Added Tax Act, 1991
The Value Added Tax Rules 1991
The Securities and Exchange Rules, 1987

4.03 Basis of measurement:

The financial statements have been prepared on going concern basis under historical cost conventions.

4.04 Functional and presentational currency:

These financial statements are presented in the currency Bangladeshi Taka (Taka/Tk./BDT), which is the company's functional currency. The figures of financial statements have been rounded off to the nearest integer.

4.05 Accrual basis of accounting:

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

4.06 Use of estimates & judgment

The preparation of these financial statements is in conformity with BASs/BFRSs which require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and used for accounting of certain terms such as provision for expenses, depreciation and amortization and tax reserve. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected thereby.

4.06.01 Restatement due to errors in income tax provision for the year 2014:

Nature of error: Error in calculating income tax provision in prior year

In 2015, the management of the company has reviewed the provision for income tax expenses made for the year 2014. They have found that there was an error in calculating the income tax provision for the year 2014 due to misinterpretation of the provision of 6th Schedule, Part-A, Paragraph 28 of the Income Tax Ordinance, 1984. As a result, over provision had been made regarding provision for income tax for the year 2014. Also, assessment of the return of income (income tax assessment) of the company for the assessment year 2015-2016 has been completed subsequently on 27 March 2016. The management of the company has made a decision to restate the prior year's financial statements as per BAS 8, Paragraph 42. As a result of restatement of the financial statements, there are some changes of information reported in prior year's financial statements. The effect of changes are as follows:

Affected Items of the Financial Statements for the year 2014:

Particulars	Note No.	Before restatement (Tk.)	After restatement (Tk.)	Changes (Tk.)
Income tax expenses	33	30,796,331	21,502,317	(9,294,014)
Provision for income tax	24	23,584,578	14,290,564	(9,294,014)
Retained earnings	16	348,800,154	358,094,168	9,294,014
EPS	34	2.71	2.95	0.24
NAV PS	35	37.44	37.71	0.27

4.07 Reporting Period

The reporting period of the company covers one year from 1 January 2015 to 31 December 2015.

4.08 Components of the financial statements

- i. Statements of financial position
- ii. Statement of profit or loss and other comprehensive income
- iii. Statement of changes in equity
- iv. Statement of cash flows
- v. Accounting policies, explanatory notes and schedules.

5.00 Significant accounting policies

The accounting policies set out below have been applied consistently (otherwise as stated) to all year presented in these financial statements.

5.01 Property, plant and equipment

5.01.01 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of asset.

5.01.02 Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit or loss and other comprehensive income.

5.01.03 Depreciation

All items of property, plant and equipment have been depreciated on diminishing balance method. No depreciation is charged on land & land development. Depreciation has been charged on the opening amount of fixed assets for one year and depreciation on current year's addition is charged on day basis as and when the assets are available for use and charged at the rates varying from 2.5% to 20% depending on the estimated useful lives of assets.

Rates of depreciation on various classes of fixed assets are as under:

Building & civil works	2.5%
Furniture & fixture	10%
Land and land development	-
Motor vehicle	20%
Office equipment	15%
Plant & machinery	15%

Land is not depreciated as it is deemed to have an infinite life.

5.02 Inventories

Inventories comprise of raw materials (yarn), raw materials (accessories), raw materials (finished fabrics), needle and spare parts, work in progress and finished goods. Inventories are valued at cost or net realizable value whichever is lower. 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 progress, cost includes an appropriate share of production overheads based on normal operation capacity.

5.03 Trade and other receivables

Trade and other receivables are initially recognized at cost which is the fair value of the consideration given in return. After initial recognition these are carried at cost less impairment losses due to doubt in collectability of any amount so recognized.

5.04 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 measure at cost. After initial recognition prepayments are carried at cost less charges to profit and loss account.

5.05 Cash & Cash Equivalents

Cash and cash equivalents include cash in hand, cash at banks, and FDR having tenor of less than three months, which are held and available for use by the company without any restriction.

5.06 Provision

A provision is recognized in the balance sheet 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.

5.07 Foreign currency transaction

Foreign currency transactions are translated at rates ruling on the dates advices were received. Monetary assets and liabilities denominated in foreign currencies at reporting date are reconverted at rates ruling at the balance sheet date. All exchange differences are recognized in the Statement of Profit or Loss and Other Comprehensive Income by being absorbed in the respective head of income or expenditure.

5.08 Taxation

Taxation is provided in accordance with the fiscal regulations applicable. Income tax for the company is under final settlement of tax liability under section 82(c) of the Income Tax Ordinance, 1984. As a result, disclosures required under Paragraph 79-88 of BAS 12 are not applicable for this company.

5.09 Employee benefit obligation:

The company has workers' profit participation & welfare fund as employee benefit and contributing 5% of net profit before WPPWF and income tax.

5.10 Revenue recognition

Goods sold

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 the significant risks and reward of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is continued management involved with the goods, and the amount of revenue can be measured reliably.

5.11 Borrowing cost

Financial expenses comprise interest expense on bank loan, and other borrowings. All borrowing costs are recognized in the statement of profit or loss and other comprehensive income using effective interest method.

5.12 Statement of cash flows

Cash flows from operating activities have been presented under direct method. It was also prepared in accordance with the Securities & Exchange Rules, 1987.

5.13 Earnings per share

The company presents its basic 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 number of ordinary shares outstanding during the year.

5.14 Transaction with related parties

The company carried a number of transactions with related parties in the normal course of business. The nature of transactions and their total value have been disclosed in note 36.

5.15 Comparative information:

Comparative information have been disclosed in respect of the year 2014 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding for the current year financial statements.

5.16 General

5.16.1 Previous year's figures have been rearranged wherever considered necessary for the purpose of current year presentation.

Advances, deposits and prepayments (Note -9.00): Advance Income Tax of Tk.218,400 has been rearranged as adjustment of Provision for income tax (Note - 24.00) in 2015.

5.16.2 Figures in these notes and annexed financial statements have been rounded off to the nearest taka.

6.00 Property, plant and equipment: BDT 1,211,662,868

As at 30 June 2016

Particulars	Cost				Depreciation				
	As at 1 Jan 2016	Addition during the period	Disposal during the period	As at 30 Jun 2016	Rate	As at 1 Jan 2016	Charged during the period	Adjustment during the period	As at 30 Jun 2016
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT
Non-revalued assets									
Plant and machinery	320,839,630	4,265,091	-	325,104,721	15.00%	167,527,935	11,552,075	-	179,080,010
Motor vehicles	25,038,930	2,705,000	-	27,743,930	20.00%	8,349,539	1,695,805	-	10,045,344
Furniture and fixtures	21,353,349	250,309	-	21,603,658	10.00%	8,307,766	656,415	-	8,964,181
Office equipment	45,030,521	3,199,775	-	48,230,296	15.00%	17,307,327	2,214,415	-	19,521,742
Revalued assets									
Land and land developments	544,906,293	23,641,908	-	568,548,201	0.00%	-	-	-	-
Building & civil works (RCC)	486,444,411	2,550,489	-	488,994,900	2.50%	45,422,396	5,529,165	-	50,951,561
Total	1,443,613,134	36,612,572	-	1,480,225,706		246,914,963	21,647,875	-	268,562,838

As at 31 December 2015

Particulars	Cost				Depreciation				
	As at 1 Jan 2015	Addition during the year	Disposal during the year	As at 31 Dec 2015	Rate	As at 1 Jan 2015	Charged during the year	Adjustment during the year	As at 31 Dec 2015
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT
Non-revalued assets									
Plant and machinery	284,017,110	36,822,520	-	320,839,630	15.00%	142,533,338	24,994,597	-	167,527,935
Motor vehicles	10,933,930	14,105,000	-	25,038,930	20.00%	6,821,879	1,527,660	-	8,349,539
Furniture and fixtures	20,043,744	1,309,605	-	21,353,349	10.00%	6,929,563	1,378,203	-	8,307,766
Office equipment	38,842,973	6,187,548	-	45,030,521	15.00%	13,201,692	4,105,635	-	17,307,327
Revalued assets									
Land and land developments	519,931,290	24,975,003	-	544,906,293	0.00%	-	-	-	-
Building & civil works (RCC)	482,287,638	4,156,773	-	486,444,411	2.50%	34,182,418	11,239,978	-	45,422,396
Total	1,356,056,685	87,556,449	-	1,443,613,134		203,668,890	43,246,073	-	246,914,963

Depreciation charged during the period/year has been allocated into factory overhead, and general and administrative expenses at 80:20 ratio.

7.00 Capital work-in-progress: BDT 160,810,324

Opening balance

Add: Addition during the period/year

Less: Transferred to PPE during the period/year

Closing balance

This is made up as follows:

Building and civil works (dyeing unit project)

Plant and machinery - dyeing

	As at 30 Jun 2016	As at 31 Dec 2015	As at 31 Dec 2014
	BDT	BDT	BDT
Opening balance	90,700,231	-	98,320,141
Add: Addition during the period/year	70,110,093	90,700,231	-
	160,810,324	90,700,231	98,320,141
Less: Transferred to PPE during the period/year	-	-	98,320,141
Closing balance	160,810,324	90,700,231	-
This is made up as follows:			
Building and civil works (dyeing unit project)	147,308,152	90,700,231	-
Plant and machinery - dyeing	13,502,172	-	-
	160,810,324	90,700,231	-

8.00 Intangible assets: BDT 1,797,492

As at 30 June 2016

Particulars	Cost				Rate	Amortization				Carrying amount
	As at 1 Jan 2016	Addition during the period	Adjustment during the period	As at 30 Jun 2016		As at 1 Jan 2016	Charged during the period	Adjustment during the period	As at 30 Jun 2016	As at 30 Jun 2016
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT	BDT
Software and applications	3,565,735	-	107,250	3,458,485	20.00%	1,456,144	345,849	107,250	1,694,743	1,763,742
Website	45,000	-	-	45,000	20.00%	6,750	4,500	-	11,250	33,750
Total	3,610,735	-	107,250	3,503,485		1,462,894	350,349	107,250	1,705,993	1,797,492

As at 31 December 2015

Particulars	Cost				Rate	Amortization				Carrying amount
	As at 1 Jan 2015	Addition during the year	Adjustment during the year	As at 31 Dec 2015		As at 1 Jan 2015	Charged during the year	Adjustment during the year	As at 31 Dec 2015	As at 31 Dec 2015
	BDT	BDT	BDT	BDT	%	BDT	BDT	BDT	BDT	BDT
Software and applications	3,475,735	90,000	-	3,565,735	20.00%	780,947	675,197	-	1,456,144	2,109,591
Website	-	45,000	-	45,000	20.00%	-	6,750	-	6,750	38,250
Total	3,475,735	135,000	-	3,610,735		780,947	681,947	-	1,462,894	2,147,841

9.00 Advances, deposits and prepayments: BDT 82,104,115

Advances

Advance against salary	Note 9.01	1,573,205	1,321,814	803,193
Advance against expenses	Note 9.02	5,995,750	2,594,107	260,181
Advance against purchase	Note 9.03	1,910,167	498,442	4,283,491
Advance against building construction	Note 9.04	67,686,115	11,938,610	-

Deposits

Security deposits	Note 9.05	1,482,481	1,482,481	946,865
LC margin		2,109,000	2,297,395	4,645,527

Prepayments

Prepaid insurance		1,347,397	2,740,727	-
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9.01 Advance against salary: BDT 1,573,205

		As at 30 Jun 2016 BDT	As at 31 Dec 2015 BDT	As at 31 Dec 2014 BDT
Abul Kalam		10,000	-	-
Abul Kalam Azad		-	283	100,000
Arafath Rahman		-	52,120	-
Ashaduzzaman		32	80	8,654
Atiqure Rahamn		49	-	34,000
Armanul Azim		400,000	-	-
Azizur Haque		15,000	-	24,000
Badol		28,000	-	-
Babul Akter		-	2,000	-
Bashir		32,000	4,500	38,000
Eamin Hossain		-	50	9,500
Easir Arafat Suvro		-	180	40,000
Faisal Hossain		60	-	17,020
Farhad Hossian		180	60	-
Feroz Kabir		116,004	-	10,000
Golzar Alam		38,160	-	-
Hafizur Rahman		6,000	-	15,539
Helal uddin		60	-	-
Jakir Hossain		20,102	-	-
Jillur Rahman		110	-	-
Julker Nain		39	-	8,000
Khurshed Alam		75,000	-	-
Kamruzzaman		-	62,647	-
Liton Sikder		41	-	88,954
Mahabubur Rahman		24,000	-	-
Mizanur Rahman		-	648	-
Moniruzzaman		640	16,415	10,000
Monjurul Islam		48	-	30,000
Moshiur Rahman Palash		298,948	-	-
Mutaleb		25,000	-	-
Moshiur Rahman		678	-	-
Nafiza Akthar		44	-	-
Omar Ali		52,000	-	-
Omit Sarker		30,000	-	60,419
Raju		6,000	12,000	5,000
Shahabuddin Ahmed		-	10,302	-
Shafiqul Islam 1		25,000	-	8,000
Shafiqul Islam 2		20,000	-	56,814
Shafiqul Islam 3		35,000	-	-
Somesh Uddin		-	4,000	-
Zahirul Islam		-	60	-
Zahirul Islam		-	60	-
Abdul Khalek		4,000	14,000	34,000
Abdul Zabber		2,000	10,000	70,312
Abdur Rahman		-	180	-
ABM Farhad Uddin Chowdhury		-	554	-
Abu Jafar		253	587	-
		82,104,115	22,873,576	10,939,257

Abu Sadat Md. Sayem	-	60	-
Abu Sufian	-	571	-
Ahmed Ali Mollah Kamal	-	90,385	-
Al-Amin Md. Zakara	-	120	-
Alif Nadvi Rahman	171,830	171,830	-
Aminul Islam	-	180	-
Arif Hossain	60	60	-
Arif Hossain	-	20,060	-
Arjuk Kumar	-	120	-
Babul Islam	-	35,000	-
Delowar	-	60	-
Elias	-	111	-
Fahmida Rahman	-	180	-
Faisal Hossain	-	84	-
Faruq Alam	-	100,000	-
Fazlul Haque	-	120	-
Feroz Kabir	-	780	-
Golam Robbani	-	12,000	-
Hafizur Rahman	-	12,000	-
Hasanuzzaman Hassan	-	260	-
Hasanuzzaman	-	134	-
Hasibuddin Ahmed	-	103,396	-
Iftexhar Rahman	-	6,963	-
Iqbal Hossain	-	120	-
Jakir Hossain	-	503	-
Julkar Nain	-	60	-
Khurshed Alam	-	200,000	-
Liton Mia	-	920	-
Lokenath Shaha	-	66	-
M.A. Jalil Sikder	-	3,000	-
Mahbubur Rahman	-	42,000	-
Marufuzzaman	-	120	-
Mazharul Islam	-	4,000	-
Moffazal Hossain	-	64,000	-
Monijurul Islam	-	48	-
Mosharof	-	200,000	-
Mustak Ahem	-	120	-
Nafiza Akhter	-	60	-
Nazimuddin	-	8,000	-
Rabban Ali	-	180	-
Ragiur Rahman	-	180	-
Rajib Hassan	-	180	-
Ramjan Ali	-	9,000	-
S.K. Arif Ahmed	-	40,000	-
Saiful Islam	60	60	-
Samsuzzaman	-	60	-
Sayed Faisal Rafique	60	215	-
Shahidur Rahman	1,356	2,468	-
Shajahan Bhuyhan	34	97	-
Shakhawat	50,000	60	-
Shamim Azaz	-	54	-
Sifat Bin Alam	-	60	-
Touhidul Islam	5,000	120	-
Touhidul Islam	50,000	-	-
Waliur Rahman	357	394	-
Uzzol- SM	26,000	-	-
Yousuf Ali	4,000	-	-
Zaid Al Refai	-	529	-
Nurul Afsar Rajib	-	-	60,419
Awoul	-	-	24,000
Rajib Nazmul Hassan	-	-	50,371
Rouson Jahid	-	-	5,000
	1,573,205	1,321,814	803,193

9.02 Advance against expenses: BDT 5,995,750

Anisul Hoque Ansari	-	125,000	125,000
ABG Engineering Service	400,000	-	-
Al Mamun Traders	100,000	-	-
Bony & Bony apparels Ltd	87,600	-	-
Hossain Dyeing & Printing Mills Ltd	-	15,048	15,048
IDT Global Labels Bangladesh Ltd	-	57,383	-
ITS Labtest Bangladesh Ltd	18,625	-	-
Enviro Pack Ltd	851,430	536,260	-
Euro Express Ltd	34,000	-	-
Exabytesbd	30,000	-	-
Esha Enterprise	-	15,000	-
Golden Boiler Co Ltd	52,500	-	-
Hung Tak northern garments limited	249,100	-	-
J. K. Power Pac	900,000	900,000	-
Jahangir Alam	2,000,000	-	-
KC yarn dyeing Ltd	30,039	-	-
Khan Global	27,000	-	-
Media Consultants Ltd	73,416	73,416	-
Mahabub	15,600	-	-
Mr. Nick	-	643,700	-
New Zahid Art	-	175,000	-
Pickers Ltd	-	53,300	-
Setu Center	247,000	-	-
Shahiduzzaman	373,250	-	-
Shah Mohammed	390,400	-	-
Xebec Trading services	115,790	-	-
Khawaja Shipping Line	-	-	90,133
Bureaus Veritas Conssumer Product	-	-	30,000
	5,995,750	2,594,107	260,181

9.03 Advance against purchase: BDT 1,910,167

Mr. Aliur Rahman (Purchase Officer)	11,000	5,500	787,200
Mr. Hasnat Khadem (Purchase Officer)	126,001	189,705	999,906
Mr. Habibur Rahman	87,500	-	-
Mr. Omar Farooq (Purchase Officer)	322,758	71,716	833,939
Mr. Syed Rashedul Haque (Purchase Officer)	663,059	12,304	786,929
Mr. Rupok (Factory Accountant)	205,797	168,617	875,517
Mr. Gitendra Chandra Gosh (Factory Accountant)	494,052	50,600	-
	1,910,167	498,442	4,283,491

9.04 Advance against building construction: BDT 67,686,115

Abode of Consultants Ltd	-	300,000	-
Babel Enterprise	2,843,780	-	-
Bangladesh Building Systems Ltd	12,411,680	-	-
Bengal Bricks Corporation	4,145,600	-	-
Cemex Cement Bangladesh Ltd	-	1,305,250	-
Concord Ready - Mix & Concrete Products Ltd.	2,781,600	-	-
Dhaka Engineering Works	350,000	-	-
Fairmix Ltd	96,000	-	-
Hamid Construction Ltd	6,625,000	3,100,000	-
Imran Enterprise	-	87,030	-
Insignia Studio	-	300,000	-
Jalalabad Steel Building	-	241,828	-
Japanese ETP Consulting	1,200,000	1,200,000	-
KSRM Steel Plant Ltd	27,394,850	2,814,000	-
Lafarge Surma Cement Ltd	1,982,200	-	-
L.B. Trade Link International	128,000	-	-
Mohammad Trading	327,305	-	-
National Polimer Ind. Ltd	-	282,502	-
NDE Ready Mix Concrete Ltd	2,288,000	548,000	-
Neoformation Architects	2,210,000	1,760,000	-
Nidhi Traders	1,000,000	-	-
Shah Mohammad Building Construction	930,100	-	-
Sierra Instruments Inc	936,000	-	-
Unique Ceramic Industries (Pvt.) Ltd	36,000	-	-
	67,686,115	11,938,610	-

9.05 Security deposits: BDT 1,482,481

Security deposit to BTCL	8,600	8,600	8,600
Security deposit to DESCO	567,336	567,336	531,720
Security deposit to Titas Gas	406,545	406,545	406,545
Security deposit to CDBL	500,000	500,000	-
	1,482,481	1,482,481	946,865

10.00 Trade and other receivables: BDT 250,774,035

Opening balance	111,289,198	203,676,326	200,129,367
Add: Export during the period/year	787,719,758	1,537,038,272	1,476,847,815
	899,008,956	1,740,714,598	1,676,977,182
Less: Proceeds realized during the period/year	648,234,921	1,629,425,400	1,473,300,856
	250,774,035	111,289,198	203,676,326

The closing balance consists of as follows:

El Corte Ingles S.A.	929,408	20,382,402	90,586,296
IMAP Export S.P.A	175,793,793	59,227,556	85,862,499
Lifco S.A.L	12,889,399	9,131,166	-
Sports Master Ltd.	17,049,736	12,078,779	4,743,531
Traders SRL	42,308,093	10,469,295	14,713,023
MQ Retail AB	794,661	-	-
Tel Star Trading BV	1,008,945	-	-
Punto Fa. SL	-	-	7,180,977
Gustab Daiver GMBH	-	-	770,000
	250,774,035	111,289,198	203,856,326

Aging schedule:

0 - 3 months	3 - 6 months	> 6 months	Total
250,774,035	-	-	250,774,035

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 2016.

iii) Trade receivables considered doubtful or bad

The Company did not make any provision for doubtful debt as on 30 June 2016, 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 2016.

v) Trade receivables due by Common Management

There is no such trade receivables as on 30 June 2016.

vi) Reserve for doubtful debts

There is no such reserve created as on 30 June 2016.

11.00 Accrued income: BDT 1,110,551

Accrued interest income	150,991	176,526	-
Accrued cash incentive	959,560	5,359,995	-
	1,110,551	5,536,521	-

	As at 30 Jun 2016	As at 31 Dec 2015	As at 31 Dec 2014
	BDT	BDT	BDT
12.00 Inventories: BDT 154,385,280			
Raw materials (yarn)	76,717,267	94,502,345	60,095,971
Raw materials (finished fabrics)	12,123,721	17,349,640	4,463,957
Raw materials (accessories)	5,388,597	9,416,642	17,991,948
Needle and spare parts	3,330,053	2,999,420	31,031,629
Work-in-process	29,250,915	74,307,832	3,918,177
Finished goods (garments)	27,574,727	11,614,468	73,954,711
	154,385,280	210,190,347	191,456,393

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

Items	Unit	As at 30 June 2016		As at 31 December 2015		As at 31 December 2014	
		Opening (Qty)	Closing (Qty)	Opening (Qty)	Closing (Qty)	Opening (Qty)	Closing (Qty)
Raw materials (yarn)	KG	377,237	330,530	153,353	377,237	83,247	153,353
Raw materials (accessories)*							
Raw materials (finished fabrics)	KG	45,064	32,743	36,471	45,064	21,212	36,471
Finished goods (garments)	PCS	35,784	107,883	110,867	35,784	270,965	110,867
Needle and spare parts*							
Work-in-process	PCS/KG (app.)	519,813	182,723	218,557	519,813	202,318	218,557

* 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: BDT 586,270,943

Cash in hand	Note 13.01	1,308,484	984,429	461,256
Cash at bank	Note 13.02	584,962,459	732,663,256	95,579,456
		586,270,943	733,647,685	96,040,712

13.01 Cash in hand: BDT 1,308,484

Cash at head office	878,998	808,770	411,256
Cash at factory	429,486	175,659	50,000
	1,308,484	984,429	461,256

13.02 Cash at bank: BDT 584,962,459

Name of the bank/NBFI	Branch	Type of account	Account Number	As at	As at	As at
				30 Jun 2016	31 Dec 2015	31 Dec 2014
				BDT	BDT	BDT
Eastern Bank Ltd	Gulshan	CD	1041070005263	1,230,934	669,431	6,007,973
Prime Bank Ltd	Banani	CD	13211060000614	248,857	615,210	44,402
Prime Bank Ltd	Banani	FC (ERQ)	13251050006186	3,385	3,368	326,734
Prime Bank Ltd	Banani	STD	13231030025488	73,437	73,447	3,394
Sonali Bank Ltd	Baridhara	CD	200004148	383,731	358,079	72,805
AB Bank Ltd	Kakrail	FC (ERQ)	4009-78-5851-048	3,631,321	442,434	197,432
AB Bank Ltd	Kakrail	STD	4009-78-5851-430	2,246,948	455,077	351,614
AB Bank Ltd	Kakrail	Margin	4009-78-5851-254	24,256,611	7,017,512	10,704,128
AB Bank Ltd	Kakrail	FDR	4009-78851-200	1,697,253	1,648,327	49,020
City Bank Ltd	Gulshan	CD	1101495932001	3,099,385	1,272,171	18,775,510
City Bank Ltd	Gulshan	FC (ERQ)	5121495932001	3,384,686	1,026,140	1,525,650
City Bank Ltd	Gulshan	Margin		65,469,778	116,762,834	4,401,151
City Bank Ltd	Gulshan	SND	3101703841001	470,877	571,819	28,214,652
Mutual Trust Bank Ltd*	Gulshan	STD	320002679	462,718,607	586,159,114	24,904,991
Mutual Trust Bank Ltd*	Gulshan	FC	0002-0260000704	199,152	267,668	-
IDLC Finance Limited	Uttara	FDR	10752228411101	5,282,499	5,106,875	-
IDLC Finance Limited	Uttara	FDR	10752228411102	5,282,499	5,106,875	-
IDLC Finance Limited	Uttara	FDR	10752228411103	5,282,499	5,106,875	-
				584,962,459	732,663,256	95,579,456

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	Translation rate	As at	Translation rate	As at
						30 Jun 2016		30 Jun 2015
						BDT		BDT
Prime Bank Ltd	Banani	13251050006186	USD	\$ 43.63	77.59	3,385	77.20	3,368
AB Bank Ltd	Kakrail	4009-78-5851-048	USD	\$ 46,657.09	77.83	3,631,321	77.93	442,434
AB Bank Ltd	Kakrail	4009-78-5851-254	USD	\$ 311,661.45	77.83	24,256,611	77.93	7,017,512
Mutual Trust Bank Ltd	Gulshan	0002-0260000704	USD	\$ 2,566.39	77.60	199,152	77.84	267,668
City Bank Ltd	Gulshan	5121495932001	USD	\$ 43,701.56	77.45	3,384,686	77.60	1,026,140
City Bank Ltd	Gulshan	Margin	USD	\$ 845,316.70	77.45	65,469,778	77.60	116,762,834
				\$ 1,249,946.82		96,944,933		125,519,956

14.00 Share capital: BDT 631,685,200

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

Issued, subscribed and paid-up capital:
(Divided into 63,168,520 ordinary shares of BDT 10.00 each)

Shareholding position as on 30 June 2016:

As at	As at	As at
30 Jun 2016	31 Dec 2015	31 Dec 2014
BDT	BDT	BDT
1,000,000,000	1,000,000,000	1,000,000,000
631,685,200	631,685,200	344,698,000

SL.	Name of shareholders	No. of ordinary shares	Face value per share	As at	As at	As at
				30 Jun 2016	31 Dec 2015	31 Dec 2014
				BDT	BDT	BDT
1	Ms. Abeda Rahman	48,535	10.00	485,350	485,350	453,600
2	Ms. Tosrifa Ahmed*	3,091,903	10.00	30,919,033	30,919,033	28,896,290
3	Ms. Anjuman Ara Begum	6,741,000	10.00	67,410,000	67,410,000	63,000,000
4	Ms. Lyra Rizwana Quader	6,741,000	10.00	67,410,000	67,410,000	63,000,000
5	Mr. Mohim Hassan	1,696,913	10.00	16,969,130	16,969,130	15,859,000
6	Mr. Naim Hassan	1,696,913	10.00	16,969,130	16,969,130	15,859,000
7	Mr. Rafiq Hassan	1,579,049	10.00	15,790,487	15,790,487	14,757,470
8	Mr. Sayeed Hassan	80,635	10.00	806,350	806,350	453,600
9	Ms. Shameem Ara Begum	258,837	10.00	2,588,370	2,588,370	2,419,040
10	Northern Corporation Ltd.	12,840,000	10.00	128,400,000	128,400,000	120,000,000
11	Other than sponsors	28,393,735	10.00	283,937,350	283,937,350	20,000,000
		63,168,520		631,685,200	631,685,200	344,698,000

* As per Rule 10 of the Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015, the shares of sponsors and directors shall be subject to lock-in for 3 (three) years from the date of issuance of prospectus or commercial operation, whichever comes later. In accordance with this rule, the shares of Ms. Tosrifa Ahmed, who died on 7 April 2016, shall be under her name till 25 February 2018.

Shareholding position on the basis of Group:

Group name	Number of shareholders	Number of shares	Ownership (%)
All investors' accounts	5	150,305	0.24%
Company	109	10,662,846	16.88%
General public	18,483	17,333,604	27.44%
Non-resident Bangladeshi	811	246,980	0.39%
Sponsors/Directors	10	34,774,785	55.05%
Total	19,418	63,168,520	100.00%

Shareholding position on the basis of Range:

Shareholding range	Number of shareholders	Number of shares	Ownership (%)
1-499	17,774	3,371,261	5.34%
500-5000	1,260	1,961,629	3.11%
5001-10000	142	1,020,521	1.62%
10001-20000	98	1,377,726	2.18%
20001-30000	29	694,114	1.10%
30001-40000	12	390,290	0.62%
40001-50000	18	802,055	1.27%
50001-100000	34	2,446,222	3.87%
100001-1000000	41	10,584,060	16.76%
1000001-1000000000	10	40,520,642	64.15%
Total	19,418	63,168,520	100.00%

15.00 Share premium: BDT 433,059,200

Share premium	433,059,200	433,059,200	40,000,000
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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.

16.00 Retained earnings: BDT 494,494,204

	As at 30 Jun 2016 BDT	As at 31 Dec 2015 BDT	As at 31 Dec 2014 BDT
Opening balance	437,069,843	358,094,168	244,372,413
Add: Transferred from revaluation surplus	1,254,640	14,756,662	-
Add: Net profit/(loss) during the period/year	56,169,721	135,062,213	113,721,755
	494,494,204	507,913,043	358,094,168
Less: Dividend	-	70,843,200	-
	494,494,204	437,069,843	358,094,168

17.00 Revaluation surplus: BDT 541,193,941

Opening balance	542,448,581	557,205,243	557,205,243
Less: Transfer to retained earnings from building and civil works	1,254,640	14,756,662	-
	541,193,941	542,448,581	557,205,243

Breakup of closing balance:

Revaluation surplus for land and land development	414,400,000	414,400,000	414,400,000
Revaluation surplus for building and civil works	126,793,941	128,048,581	142,805,243
	541,193,941	542,448,581	557,205,243

17.01 Revaluation surplus as on 30 June 2011: BDT 557,205,243

Group of PPE	Depreciated historical cost	Depreciated current cost	Revaluation surplus
	BDT	BDT	BDT
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.

ii) Prevailing rate of buying and selling of 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.

	As at 30 Jun 2016	As at 31 Dec 2015	As at 31 Dec 2014
	BDT	BDT	BDT
20.00 Trade and other payables: BDT 125,251,250			
<u>Trade payables</u>			
Back to Back (BTB) and other LC	Note 20.01	110,595,336	108,975,426
		110,595,336	102,320,995
<u>Other payables</u>			
Building construction	Note 20.02	420,455	1,823,491
Withholding income tax (TDS)		5,911,866	1,388,370
Withholding VAT (VDS)		4,750,956	1,825,004
Unclaimed IPO application money	Note 20.03	3,117,449	3,756,616
Unclaimed dividend	Note 20.04	455,188	561,371
		14,655,914	9,354,852
		125,251,250	118,330,278
			114,294,189
20.01 Back to Back (BTB) and other LC. BDT 110,595,336			
A T & T Spinning Mills Ltd		-	6,271,807
Apex Yarn Dyeing Limited		-	1,252,870
Asia Linkage		-	133,259
BD Corporation		701,237	900,946
BDTEX Ltd.		1,139,238	-
BHT Industries Ltd		1,677,605	1,967,432
Braiform (HK) Ltd		-	487,834
Brothers Trade Accessories		212,247	3,043,467
Button Tex Ltd		107,254	335,232
BWJ International		163,538	-
Chaity Composite Ltd		-	1,094,187
Chittagong Denim Mills Ltd		-	144,452
Dekko Accessories Ltd.		345,018	136,964
Design Mode		338,283	-
Dhaka Texmart Industries Ltd		2,813,285	293,629
Enviro Pack Ltd		945,585	3,149,019
Envoy Textiles Ltd		1,939,289	439,041
Epyllion Ltd.		1,423,415	434,659
Euro Washing Ltd		-	1,122,406
Evince Textiles Ltd		-	1,852,087
FAB-CON Textile Mills Ltd.		168,985	-
Far Eastern Apparel (Holding) Ltd		-	154,184
Fariha Spinning Mills Ltd		-	3,971,313
FM Yarn Dyeing Ltd		-	251,113
Four Line		1,729,564	3,009,677
Garg Acrylic Ltd		3,242,096	5,199,269
Giant Textiles Ltd		7,987,138	1,501,813
H.S. Corporation		1,488,462	3,509,886
Hossain Dyeing & Printing Mills Ltd.		1,770,321	1,514,100
Hossain Washing & Dyeing Ind		2,167,389	726,918
Hozhou Gude Textile Co. Ltd		-	884,670
HRS Business Corporation		1,262,122	368,500
Huafu Macao Commercial Offshore Ltd		169,114	-
Jahan Textile		178,969	-
Jiangsu Guotai Int'l Group Hualian Ind.		-	2,044,200
Jist Industrial Co. Ltd		1,817,142	137,775
K.M. International		-	367,050
Madina Dyeing		48,151	-
Malek Spinning Mills Ltd		4,577,177	13,878,578
Maple Packages (Pvt.) Ltd		-	241,104
Montrims Limited		803,194	-
Naf Overseas (PVT.) Ltd		1,016,185	-
Nahar Spinning Mills Ltd.		-	1,744,935
Northern Corporation Ltd		-	13,173,773
NRG Hometex Ltd		1,329,793	-
NRG Spinning Mills Ltd		-	342,892
NZ Accessories Ltd.		2,299,518	-
Orient Button Ltd		106,749	85,626
Pahartali Textile & Hosiery Mills Ltd		3,052,459	1,498,259
Parmita Fashions Ltd		268,097	-

Peacock Design	134,274	-	-
Permess South East Asia Ltd	148,321	-	-
Pioneer Accessories (H.K.) Ltd	830,931	1,358,000	-
Purbani Yarn Dyeing Ltd.	568,635	-	-
Rudholm & Heak (HK) Ltd	-	449,930	2,066,175
Rupa Fabrics Ltd.	1,944,425	-	-
S.H Enterprise	603,047	718,105	-
Sahara Button Industries Ltd	78,389	-	-
Saiham Cotton Mills Ltd	1,897,759	-	-
Sams Fashion	1,240,387	787,950	594,979
Sarker Design & Printing	6,326,206	1,549,753	1,582,606
Shaoxing County Hongji Textile Co. Ltd	-	1,821,243	-
Shaoxing Yonglong Knitting & Embroideries Co. Ltd	1,168,833	-	1,655,539
Siam Computerized Elastic Industries Ltd	-	175,520	-
Simtex Industries Ltd	1,336,370	-	-
SM Spinning Mills Ltd.	694,160	-	-
Sparkle Knit Composite Ltd	7,202,150	7,835,330	4,560,200
Square Fashion Yarns Ltd	21,661,283	3,596,765	-
Square Textiles Ltd	2,989,748	4,247,185	5,193,265
Square Yarns Ltd	550,661	-	3,962,381
Sun Yad Packaging Ltd	574,772	191,458	-
Suzhou Fairtex Co Ltd	276,380	-	-
T.M.S Thread & Accessories	314,066	-	-
Tag Sourcing	-	1,317,754	-
Tamishna Dyeing Ind's Ltd	882,827	897,681	-
The Glory International	1,264,608	-	534,996
Thermax Textile Mills Ltd	241,109	-	-
Uniglory Paper & Packaging Ltd	4,444,826	3,434,359	2,271,061
United Print Shop	1,411,404	310,210	-
Usraat Lace & Tape	493,175	-	-
Vardhaman Textiles Ltd	1,217,131	1,068,114	-
Xarif Enterprise	-	437,557	-
YKK Bangladesh Ltd	1,686,556	768,915	2,119,066
Z & M Manufacturing Ltd.	1,124,284	344,671	579,200
A.A. Enterprise	-	-	1,033,560
Changshu Huarui Knitting Co. Ltd	-	-	2,707,443
Checkpoint Syatems Bangladesh Ltd	-	-	1,746,902
Compliance Fashion & Design Ltd	-	-	595,842
Erum Bangladesh Ltd	-	-	97,318
IDT Global Labels Bangladesh Ltd	-	-	122,164
Invista (Singapore) Pte Ltd	-	-	832,431
J.K.R. Thread & Accessories	-	-	193,750
Kamal Yarn Ltd	-	-	935,165
KDS Accessories Ltd.	-	-	283,658
Khansons Textiles Ltd	-	-	1,333,755
La Ventures Inc.	-	-	308,000
Mahmud Denims Ltd	-	-	1,337,932
RSWM Limited	-	-	1,728,348
Sinotex Corporation Ltd	-	-	73,936
SMS Printing	-	-	296,573
Uttara Tex Ltd.	-	-	137,960
Wenshang Ruyi Tianrong Textile Co. Ltd	-	-	496,420
Z & I Accessories	-	-	222,776
Saz Accessories	-	-	455,683
	110,595,336	108,975,426	102,320,995

	As at 30 Jun 2016	As at 31 Dec 2015	As at 31 Dec 2014
	BDT	BDT	BDT
20.02 Building construction: BDT 420,455			
BRB Cable Industries Ltd	-	15,710	-
Hamid Construction Ltd	-	1,613,631	-
Irony Enterprise	-	186,150	-
Link 3 Technologies Ltd	-	8,000	-
Esha Enterprise	61,322	-	-
Jamal Hossain	202,066	-	-
Northern Knit Ltd	157,067	-	-
The Aircon Ltd			2,277,352
	420,455	1,823,491	2,277,352
20.03 Unclaimed IPO application money: BDT 3,117,449			
Unclaimed IPO application money (IPO refund warrant)	3,117,449	3,756,616	-
	3,117,449	3,756,616	-
20.04 Unclaimed dividend: BDT 455,188			
Unclaimed dividend	455,188	561,371	-
	455,188	561,371	-
21.00 Provisions for expenses : BDT 4,141,819			
Audit fee with VAT	402,500	287,500	201,250
Electricity bill	-	1,444,537	1,344,000
Gas bill	66,642	50,000	50,000
Holiday allowance	78,000	27,350	28,900
Telephone and mobile bills	87,000	185,033	80,700
Target bonus	3,395,046	7,000,000	20,000
Cleaning charge	45,451	-	-
Accrued interest on term loans	67,180	-	-
Telephone bills	-	-	3,001
	4,141,819	8,994,420	1,727,851
22.00 Accepted liabilities for machinery: BDT 0			
Juki Singapore Pte Ltd	-	11,958,691	12,857,676
Lisky Technology Co. Ltd			16,377,900
Saudi Factory For Fire Equipment FZCO			4,943,015
	-	11,958,691	34,178,591

23.00 Short term loans: BDT 114,846,831

Bank(s)	Account No. / Note	Type of loan and interest rate	As at	As at	As at
			30 Jun 2016	31 Dec 2015	31 Dec 2014
			BDT	BDT	BDT
The City Bank Ltd	6331495932001	SOD (10.50%)	28,196,955	825,467	9,413,189
AB Bank Ltd	4009-785851-000	SOD (11.50%)	17,279,311	8,826,420	-
The City Bank Ltd & AB Bank Ltd	Note: 23.01	PC (7.00%)	12,785,958	-	27,363,537
The City Bank Ltd & AB Bank Ltd	Note: 23.02	EDF (LIBOR + 2.5%)	46,469,119	-	24,880,450
The City Bank Ltd	Note: 23.03	STL (13.50%)	10,115,488	-	37,235,670
Total			114,846,831	9,651,887	98,892,846

- (a) Loans with The City Bank Ltd, Gulshan Avenue Branch, Gulshan and AB Bank Ltd, Kakrail Branch are for the purpose of working capital and import of raw materials.
- (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.

23.01 Packing Credit (PC) loan: 12,785,958

Bank(s)	Branch	Account No.	Purpose of Loan	As at	As at	As at
				30 Jun 2016	31 Dec 2015	31 Dec 2014
				BDT	BDT	BDT
The City Bank Ltd	Gulshan	6181495932054	Packing Credit Loan	3,583,288	-	-
The City Bank Ltd	Gulshan	6181495932046	Packing Credit Loan	-	1,916,074	-
The City Bank Ltd	Gulshan	6181495932047	Packing Credit Loan	-	6,428,878	-
The City Bank Ltd	Gulshan	6181495932048	Packing Credit Loan	-	5,519,681	-
AB Bank Ltd	Kakrail	KRLB/PC/06/15	Packing Credit Loan	-	2,299,153	-
AB Bank Ltd	Kakrail	KRLB/PC/07/15	Packing Credit Loan	-	351,585	-
AB Bank Ltd	Kakrail	KRLB/PC/08/15	Packing Credit Loan	-	1,584,133	-
AB Bank Ltd	Kakrail	KRLB/PC/02/16	Packing Credit Loan	509,243	-	-
AB Bank Ltd	Kakrail	KRLB/PC/03/16	Packing Credit Loan	8,693,427	-	-
The City Bank Ltd.	Gulshan	6181495932019	Packing Credit Loan	-	-	326,014
The City Bank Ltd.	Gulshan	6181495932020	Packing Credit Loan	-	-	605,484
The City Bank Ltd.	Gulshan	6181495932021	Packing Credit Loan	-	-	1,410,529
The City Bank Ltd.	Gulshan	6181495932022	Packing Credit Loan	-	-	1,813,251
The City Bank Ltd.	Gulshan	6181495932023	Packing Credit Loan	-	-	1,712,570
The City Bank Ltd.	Gulshan	6181495932024	Packing Credit Loan	-	-	503,753
The City Bank Ltd.	Gulshan	6181495932025	Packing Credit Loan	-	-	2,715,701
The City Bank Ltd.	Gulshan	6181495932026	Packing Credit Loan	-	-	5,011,695
The City Bank Ltd.	Gulshan	6181495932027	Packing Credit Loan	-	-	2,601,012
The City Bank Ltd.	Gulshan	6181495932028	Packing Credit Loan	-	-	3,401,323
AB Bank Ltd	Kakrial	KRBL/PC/03/14	Packing Credit Loan	-	-	718,292
AB Bank Ltd	Kakrial	KRBL/PC/05/14	Packing Credit Loan	-	-	705,950
AB Bank Ltd	Kakrial	KRBL/PC/06/14	Packing Credit Loan	-	-	883,122
AB Bank Ltd	Kakrial	KRBL/PC/07/14	Packing Credit Loan	-	-	681,830
AB Bank Ltd	Kakrial	KRBL/PC/08/14	Packing Credit Loan	-	-	615,688
AB Bank Ltd	Kakrial	KRBL/PC/09/14	Packing Credit Loan	-	-	504,254
AB Bank Ltd	Kakrial	KRBL/PC/11/14	Packing Credit Loan	-	-	1,250,205
AB Bank Ltd	Kakrial	KRBL/PC/12/14	Packing Credit Loan	-	-	1,902,864
Total				12,785,958	18,099,504	27,363,537

23.02 EDF Loan: BDT 46,469,118

Bank(s)	Branch	Account No.	Purpose of Loan	As at	As at	As at
				30 Jun 2016	31 Dec 2015	31 Dec 2014
				BDT	BDT	BDT
The City Bank Ltd.	Gulshan	75115050280	EDF Loan	-	751,768	-
The City Bank Ltd.	Gulshan	75115030440	EDF Loan	-	2,245,800	-
The City Bank Ltd.	Gulshan	75115050225	EDF Loan	-	625,292	-
The City Bank Ltd.	Gulshan	75115050227	EDF Loan	-	4,999,704	-
The City Bank Ltd.	Gulshan	75115050309	EDF Loan	-	5,559,045	-
The City Bank Ltd.	Gulshan	75115050314	EDF Loan	-	7,921,185	-
The City Bank Ltd.	Gulshan	75115050325	EDF Loan	-	4,530,607	-
The City Bank Ltd.	Gulshan	75115050339	EDF Loan	-	5,126,739	-
The City Bank Ltd.	Gulshan	75116050067	EDF Loan	4,494,133	-	-
The City Bank Ltd.	Gulshan	75116030149	EDF Loan	231,140	-	-

The City Bank Ltd.	Gulshan	75116030292	EDF Loan	453,421	-	-
The City Bank Ltd.	Gulshan	75116050068	EDF Loan	4,323,959	-	-
The City Bank Ltd.	Gulshan	75115030161	EDF Loan	4,473,222	-	-
The City Bank Ltd.	Gulshan	75116030567	EDF Loan	1,734,753	-	-
The City Bank Ltd.	Gulshan	75116050083	EDF Loan	793,512	-	-
The City Bank Ltd.	Gulshan	75116050087	EDF Loan	2,109,649	-	-
The City Bank Ltd.	Gulshan	75116050155	EDF Loan	902,119	-	-
The City Bank Ltd.	Gulshan	751166050210	EDF Loan	2,803,260	-	-
AB Bank Ltd.	Kakrail	691150307087	EDF Loan	-	603,116	-
AB Bank Ltd.	Kakrail	691150308146	EDF Loan	-	317,093	-
AB Bank Ltd.	Kakrail	691150312066	EDF Loan	-	701,893	-
AB Bank Ltd.	Kakrail	691150316452	EDF Loan	-	631,400	-
AB Bank Ltd.	Kakrail	691150318650	EDF Loan	-	2,735,250	-
AB Bank Ltd.	Kakrail	691150324051	EDF Loan	-	337,630	-
AB Bank Ltd.	Kakrail	691150508299	EDF Loan	-	447,876	-
AB Bank Ltd.	Kakrail	691150512405	EDF Loan	-	3,044,166	-
AB Bank Ltd.	Kakrail	691150516710	EDF Loan	-	1,377,022	-
AB Bank Ltd.	Kakrail	691150516714	EDF Loan	-	536,773	-
AB Bank Ltd.	Kakrail	691150326634	EDF Loan	4,052,865	-	-
AB Bank Ltd.	Kakrail	691150327146	EDF Loan	5,034,164	-	-
AB Bank Ltd.	Kakrail	691150327158	EDF Loan	2,555,922	-	-
AB Bank Ltd.	Kakrail	691160300100	EDF Loan	903,572	-	-
AB Bank Ltd.	Kakrail	691160300948	EDF Loan	253,248	-	-
AB Bank Ltd.	Kakrail	6911603010733	EDF Loan	6,280,560	-	-
AB Bank Ltd.	Kakrail	691160307559	EDF Loan	846,300	-	-
AB Bank Ltd.	Kakrail	691160308573	EDF Loan	465,869	-	-
AB Bank Ltd.	Kakrail	691160312332	EDF Loan	496,080	-	-
AB Bank Ltd.	Kakrail	69116050370	EDF Loan	3,261,370	-	-
The City Bank Ltd.	Gulshan	75114050019	EDF Loan	-	-	2,662,500
The City Bank Ltd.	Gulshan	75114050022	EDF Loan	-	-	5,789,183
The City Bank Ltd.	Gulshan	75114050027	EDF Loan	-	-	2,870,751
The City Bank Ltd.	Gulshan	75114050028	EDF Loan	-	-	471,839
The City Bank Ltd.	Gulshan	75114050029	EDF Loan	-	-	2,164,590
The City Bank Ltd.	Gulshan	75114050151	EDF Loan	-	-	5,194,128
The City Bank Ltd.	Gulshan	75114110006	EDF Loan	-	-	872,868
The City Bank Ltd.	Gulshan	75114030207	EDF Loan	-	-	83,093
The City Bank Ltd.	Gulshan	75114030214	EDF Loan	-	-	2,817,668
The City Bank Ltd.	Gulshan	75114030221	EDF Loan	-	-	166,186
The City Bank Ltd.	Gulshan	75114030229	EDF Loan	-	-	99,886
The City Bank Ltd.	Gulshan	75114030230	EDF Loan	-	-	295,807
The City Bank Ltd.	Gulshan	75114030237	EDF Loan	-	-	200,070
The City Bank Ltd.	Gulshan	75114050053	EDF Loan	-	-	496,121
The City Bank Ltd.	Gulshan	75114050056	EDF Loan	-	-	498,636
The City Bank Ltd.	Gulshan	75114030208	EDF Loan	-	-	197,124
Total				46,469,118	42,492,359.00	24,880,450

23.03 STL Loan: BDT 10,115,488

Bank(s)	Branch	Account No.	Purpose of Loan	As at	As at	As at
				30 Jun 2016	31 Dec 2015	31 Dec 2014
				BDT	BDT	BDT
The City Bank Ltd.	Gulshan	9791495932016	STL Loan	-	9,727,720	-
The City Bank Ltd.	Gulshan	9791495932028	STL Loan	37,005	-	-
The City Bank Ltd.	Gulshan	9791495932039	STL Loan	11,408	-	-
The City Bank Ltd.	Gulshan	9791495932040	STL Loan	940	-	-
The City Bank Ltd.	Gulshan	9791495932041	STL Loan	7,876	-	-
The City Bank Ltd.	Gulshan	9791495932042	STL Loan	5,783,378	-	-
The City Bank Ltd.	Gulshan	9791495932043	STL Loan	344,139	-	-
The City Bank Ltd.	Gulshan	9791495932044	STL Loan	3,930,742	-	-
The City Bank Ltd.	Gulshan	6931495932026	STL Loan	-	-	30,994,209
The City Bank Ltd.	Gulshan	6931495932027	STL Loan	-	-	960,473
The City Bank Ltd.	Gulshan	6931495932029	STL Loan	-	-	411,764
The City Bank Ltd.	Gulshan	6931495932030	STL Loan	-	-	815,071
The City Bank Ltd.	Gulshan	6931495932031	STL Loan	-	-	335,155
The City Bank Ltd.	Gulshan	6931495932032	STL Loan	-	-	3,718,998
Total				10,115,488	9,727,720	37,235,670

24.00 Current portion of long term loans: BDT 24,333,741

(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 AB Bank Ltd (A/C # 4009-785851-461)
Term loan with The City Bank Ltd (A/C # 9171495932001)

As at 30 Jun 2016	As at 31 Dec 2015	As at 31 Dec 2014
BDT	BDT	BDT

25.00 Provision for income tax: BDT 23,234,308

Opening balance as at 1 January

Add: Provision made during the period/year
- in respect of the current period/year
- in respect of the prior year (2015)
- in respect of the prior year (2014)

Less: Payments made during the period/year
- advance income tax
- on the basis of return of income

492,588	335,007	
23,841,153	22,296,685	
24,333,741	22,631,692	
28,220,289	14,072,164	
10,129,808	39,469,877	
10,053,805	39,469,877	
67,404	-	
8,599	-	
15,115,789	25,321,752	
13,779,628	12,577,150	
1,336,161	12,744,602	
23,234,308	28,220,289	

25.01 Advance income tax paid during the period/year: BDT 13,779,628

- against export proceeds	3,871,896	7,034,038
- against cash incentive	133,863	457,781
- against interest income	1,626,469	4,840,531
- against rental income	122,400	244,800
- against vehicle	25,000	-
- advance tax	8,000,000	-
13,779,628	12,577,150	

26.00 Workers' profit participation and welfare fund: BDT 13,059,345

Balance at the beginning of the period/year

Add: Addition during the period/year

Less: Disbursed during the period/year

9,185,899	6,761,203	4,772,170
3,873,446	9,185,899	6,761,203
13,059,345	15,947,102	11,533,373
-	6,761,203	4,772,170
13,059,345	9,185,899	6,761,203

27.00 Sales revenue (export): BDT 787,719,758

Type of sales	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015	1 Jan 2014 to 31 Dec 2014
	BDT	BDT	BDT
Export of readymade garments	787,719,758	1,537,038,272	1,476,847,815
Total	787,719,758	1,537,038,272	1,476,847,815

Sale of finished goods

Particulars	1 Jan 2016 to 30 Jun 2016		1 Jan 2015 to 31 Dec 2015		1 Jan 2014 to 31 Dec 2014	
	Quantity	BDT	Quantity	BDT	Quantity	BDT
Polo Shirt	575,088	174,268,915	966,091	303,470,589	1,092,230	355,499,168
T - Shirt	1,239,812	287,698,375	2,437,103	565,344,708	2,633,116	620,256,838
Tank Top	455,265	83,272,520	796,582	140,444,998	858,269	162,513,215
Others	810,113	242,479,948	1,456,654	527,777,977	1,572,225	338,578,594
Total	3,080,278	787,719,758	5,656,430	1,537,038,272	6,155,840	1,476,847,815

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

Particulars	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015	1 Jan 2014 to 31 Dec 2014
	Quantity	Quantity	Quantity
Opening stock			
Polo Shirt	8,230	26,608	65,031
T - Shirt	15,029	45,455	111,095
Tank Top	5,367	13,305	32,518
Others	7,158	25,499	62,321
Total	35,784	110,867	270,965
Add: Production during the period/year			
Polo Shirt	593,828	947,713	1,053,807
T - Shirt	1,266,857	2,406,677	2,567,476
Tank Top	468,238	788,644	839,056
Others	823,454	1,438,313	1,535,403
Total	3,152,377	5,581,347	5,995,742
Less: Closing stock			
Polo Shirt	26,970	8,230	26,608
T - Shirt	42,074	15,029	45,455
Tank Top	18,340	5,367	13,305
Others	20,499	7,158	25,499
Total	107,883	35,784	110,867
Sales during the period/year	3,080,278	5,656,430	6,155,840

28.00 Cost of sales: BDT 640,263,885

This balance consists of as follows:

Opening inventories of raw materials

Raw materials (yarn)

Raw materials (finished fabrics)

Raw materials (accessories)

Needle and spare parts

Add: Raw materials purchased during the period/year

Yarn

Finished fabrics

Accessories

Needles and spare parts

Raw materials available for use

Less: Closing inventories of raw materials

Raw materials (yarn)

Raw materials (finished fabrics)

Raw materials (accessories)

Needle and spare parts

Raw materials consumed

Note 28.01

Add: Direct expenses

Note 28.02

Prime cost

Add: Factory overhead

Note 28.03

Cost of production

Add: Opening inventories of work-in-process

Manufacturing cost at standard

Less: Closing inventories of work-in-process

Cost of goods manufactured

Add: Opening inventories of finished goods

Goods available for sale

Less: Closing inventories of finished goods

Cost of sales

	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015	1 Jan 2014 to 31 Dec 2014
	BDT	BDT	BDT
Opening inventories of raw materials	124,268,047	86,470,053	51,372,527
Raw materials (yarn)	94,502,345	60,095,971	32,782,391
Raw materials (finished fabrics)	17,349,640	17,991,948	10,506,304
Raw materials (accessories)	9,416,642	4,463,957	4,814,030
Needle and spare parts	2,999,420	3,918,177	3,269,802
Add: Raw materials purchased during the period/year	285,824,922	719,611,881	738,390,412
Yarn	169,442,957	375,646,342	381,382,499
Finished fabrics	12,616,482	189,588,506	195,620,533
Accessories	98,741,182	147,572,469	153,355,930
Needles and spare parts	5,024,301	6,804,564	8,031,450
Raw materials available for use	410,092,969	806,081,934	789,762,939
Less: Closing inventories of raw materials	97,559,638	124,268,047	86,470,053
Raw materials (yarn)	76,717,267	94,502,345	60,095,971
Raw materials (finished fabrics)	12,123,721	17,349,640	17,991,948
Raw materials (accessories)	5,388,597	9,416,642	4,463,957
Needle and spare parts	3,330,053	2,999,420	3,918,177
Raw materials consumed	312,533,331	681,813,887	703,292,886
Add: Direct expenses	184,360,472	330,535,934	231,917,828
Prime cost	496,893,803	1,012,349,821	935,210,714
Add: Factory overhead	114,273,424	218,398,726	179,367,694
Cost of production	611,167,227	1,230,748,547	1,114,578,408
Add: Opening inventories of work-in-process	74,307,832	73,954,711	69,572,790
Manufacturing cost at standard	685,475,059	1,304,703,258	1,184,151,198
Less: Closing inventories of work-in-process	29,250,915	74,307,832	73,954,711
Cost of goods manufactured	656,224,144	1,230,395,426	1,110,196,487
Add: Opening inventories of finished goods	11,614,468	31,031,629	76,740,760
Goods available for sale	667,838,612	1,261,427,055	1,186,937,247
Less: Closing inventories of finished goods	27,574,727	11,614,468	31,031,629
Cost of sales	640,263,885	1,249,812,587	1,155,905,618

28.01 Raw materials consumed during the period/year: BDT 312,533,331

Particulars	1 Jan 2016 to 30 Jun 2016		1 Jan 2015 to 31 Dec 2015		1 Jan 2014 to 31 Dec 2014	
	Qty (KG)	BDT	Qty (KG)	BDT	Qty (KG)	BDT
Opening balance						
Yarn	377,237	94,502,345	153,353	60,095,971	83,247	32,782,391
Finished fabrics	45,064	17,349,640	36,471	17,991,948	21,212	10,506,304
Accessories	-	9,416,642	-	4,463,957	-	4,814,030
Needle and spare parts	-	2,999,420	-	3,918,177	-	3,269,802
Total	422,301	124,268,047	189,824	86,470,053	104,459	51,372,527
Add: Purchase during the period/year						
Yarn	772,778	169,442,957	1,429,367	375,646,342	973,212	381,382,499
Finished fabrics	31,915	12,616,482	329,131	189,588,506	329,705	195,620,533
Accessories	-	98,741,182	-	147,572,469	-	153,355,930
Needle and spare parts	-	5,024,301	-	6,804,564	-	8,031,450
Total	804,693	285,824,922	1,758,498	719,611,881	1,302,917	738,390,412
Raw materials available for consumption	1,226,994	410,092,969	1,948,322	806,081,934	1,407,376	789,762,939
Less: Closing balance						
Yarn	330,530	76,717,267	377,237	94,502,345	153,353	60,095,971
Finished fabrics	32,743	12,123,721	45,064	17,349,640	36,471	17,991,948
Accessories	-	5,388,597	-	9,416,642	-	4,463,957
Needle and spare parts	-	3,330,053	-	2,999,420	-	3,918,177
Total	363,273	97,559,638	422,301	124,268,047	189,824	86,470,053
Raw materials consumed:						
Yarn	819,485	187,228,035	1,205,483	341,239,968	903,106	354,068,919
Finished fabrics	44,236	17,842,401	320,538	190,230,814	314,446	188,134,889
Accessories	-	102,769,227	-	142,619,784	-	153,706,003
Needle and spare parts	-	4,693,668	-	7,723,321	-	7,383,075
Total material consumed	863,721	312,533,331	1,526,021	681,813,887	1,217,552	703,292,886

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

28.02 Direct expenses: BDT 184,360,472

Direct labor

Wages and allowances

56,472,585

101,186,009

74,729,944

Overtime allowance

21,794,859

29,814,171

27,837,433

78,267,444

131,000,180

102,567,377

Procurement expenses

Bank charge

-

233,469

1,389,016

Carriage inward

-

2,854,816

672,000

Clearing charges

-

2,596,854

3,500,521

Insurance expenses

-

327,039

745,907

LC advising charges

-

2,675

9,300

LC documents opening commission

-

4,621,395

4,335,363

LC documents postage charges

-

1,048,927

7,000

LC Opening Stamp Charges

-

-

35,550

LC SWIFT/telex charges

-

8,701

201,530

-

11,693,876

10,896,187

Materials related expenses

Dyes chemical purchases

3,045,780

4,022,835

28,941,456

Grey fabric dyeing and finishing expenses

78,647,501

138,993,321

89,512,808

Garments printing expenses

10,988,424

20,709,217

-

Garments embroidery expenses

448,839

108,693

-

Garments washing expenses

3,246,540

5,423,003

-

Yarn dyeing expenses

9,715,944

18,584,809

-

106,093,028

187,841,878

118,454,264

Total

184,360,472

330,535,934

231,917,828

28.03 Factory overhead: BDT 114,273,424

Carrying and handling expenses	578,468	868,543	865,022
Cleaning expenses	52,064	125,300	67,993
Compliance expenses	235,519	1,232,826	484,817
Consultancy fees	-	224,400	-
Conveyance	484,388	1,002,399	1,683,838
Crockeries and cutleries	9,310	33,540	59,480
Donation and subscription	65,000	-	-
Depreciation	17,318,300	34,596,858	30,543,772
Earn leave	9,332,764	4,776,921	4,075,317
Electric goods	702,357	1,445,015	1,348,602
Electricity bill, net of VAT refund	7,496,617	12,314,576	10,552,999
Entertainment	447,068	559,189	118,080
Buyers Refreshment	-	-	1,678,700
Festival bonus	7,553,820	13,766,410	10,135,400
Fire extinguisher expenses	57,600	268,980	958,350
Fuel and lubricants (for diesel generator)	1,957,819	3,104,764	4,397,015
Feeding expenses	105,355	-	-
Gas bill	390,266	637,671	537,963
Haj expenses	308,500	298,275	326,590
Hardware items	210,819	1,738,313	1,404,893
Holiday allowance	586,968	673,615	593,994
ID card	-	16,500	32,900
Inspection charges	32,200	49,602	801,808
Insurance premium	1,490,787	928,791	2,422,019
Land tax	32,250	120,000	50,000
Leed certification	906,324	-	-
Lunch expenses	132,625	220,501	249,214
Machine rent	929,520	-	1,533,230
Maintenance	3,063,385	7,051,319	5,932,946
Maternity benefit	830,561	1,551,898	915,763
Medical expenses	101,543	118,224	175,802
Miscellaneous expenses	79,085	195,921	14,245
Mobile allowance	237,754	418,148	527,956
Night allowance	542,811	957,741	486,721
Other accessories	754,380	2,845,647	898,594
Overtime allowance	7,058,844	11,342,974	12,051,366
Workers' refreshment	168,330	1,593,572	387,059
Postage and courier	55,392	70,503	144,987
Printing expenses	650,522	1,180,163	49,551
Renewals and registration fees	369,893	1,484,234	92,920
Wages, salaries, and allowances	44,482,062	90,632,907	71,931,248
Service benefits	591,183	913,591	405,176
Solve chemical	129,175	204,740	607,230
Spot lifter	176,927	239,533	588,483
Stationary	-	668,150	785,656
Target bonus	904,154	14,292,635	1,027,689
Testing charges	-	17,150	24,700
Tiffin expenses	1,783,706	3,187,600	4,875,143
Toner	210,900	-	-
Transportation allowance	271,500	-	-
Telephone bill	4,681	-	-
Uniform and liveries	389,928	429,087	796,928
Poly Bag	-	-	230,790
Spare parts & accessories	-	-	1,116,720
Training Fees	-	-	378,025
Total	114,273,424	218,398,726	179,367,694

29.00 General and administrative expenses: BDT 38,539,687

Audit fees with VAT	402,500	287,500	201,250
Advertisement	451,959	-	-
BTI commission	-	4,378,758	-
Cleaning expenses	307,832	609,978	923,536
Computer accessories	76,570	-	-
Consultancy fees	155,000	1,377,486	-
Conveyance	556,211	835,092	511,852
Cookeries and cutleries	-	116,472	53,789
Credit rating fees	-	149,500	153,000
CSR expenses	372,500	200,000	-
Depreciation	4,329,575	8,649,215	7,635,943
Earn leave	1,296,125	1,445,027	986,793
Electric bill	1,015,798	2,005,319	1,862,294
Electric goods	65,922	63,818	145,308
Entertainment	818,944	1,145,309	612,782
Festival bonus	1,279,970	2,007,535	3,385,489
Firefighting expenses	-	13,400	570,730
Feeding and lodging	-	350,000	550,890
Fuel and lubricants	315,284	677,136	417,305
Gardening	-	29,435	144,000
IPO expenses	-	25,803,568	-
Internet bill	74,000	-	-
Amortization of intangible assets	350,349	681,947	695,147
Lab expenses	226,670	128,082	375,660
Legal expenses	149,560	227,230	50,000
License and membership renewal fees	601,194	-	-
Lunch and tiffin expenses	-	950	230,624
Medical expenses	206,259	551	223,440
AGM and board meeting expenses	115,000	3,094,692	-
Miscellaneous expenses	323,287	1,672,271	538,303
Mobile expenses	270,205	530,307	536,391
Municipal tax	-	592,002	357,998
Overtime allowance	-	3,058	1,052,188
Paper and periodicals	1,876	2,402	1,118
Postage and courier	33,930	297,872	92,275
Directors' remuneration	4,020,000	8,040,000	6,600,000
Office rent	137,340	181,080	60,000
Maintenance	1,700,689	2,490,980	349,686
Salaries and allowances	14,632,018	19,925,961	34,516,611
Service benefit	182,625	-	-
Staff refreshment	550,473	168,423	361,756
Stamp charges	54,000	11,100	30,250
Stationery	528,439	1,037,318	907,465
Telephone/fax/internet	50,467	310,319	90,463
Toner (photocopier and printer)	55,900	10,100	254,150
Training and motivation	2,055,000	62,180	50,000
Transport allowance (employees)	329,000	681,000	2,512,635
Traveling expenses (director)	300,000	321,208	850,600
Target bonus	2,770	-	-
Uniform	101,668	208,078	236,050
Security service	42,778	304,658	62,357
Hardware Item	-	-	100,237
Holiday Allowance	-	-	53,210
ID Card Expenses	-	-	9,540
Night Allowances	-	-	20,350
Value Added Tax	-	-	560,853
Total	38,539,687	91,128,317	69,934,318

30.00 Marketing, selling and distribution expenses: BDT 44,414,991

Bank charge (foreign currency commission)	3,129,102	8,532,037	7,356,856
BGMEA service charges	17,976	150,323	335,441
Bill of lading charges	983,625	2,327,256	1,682,746
C&F charges	1,570,283	3,704,692	3,732,947
Conveyance	5,805	4,660	68,023
Document collection charges	70,500	357,773	306,776
Document postage charges	299,700	1,287,786	728,814
Discount allowed	494,462	-	-
Electric goods	-	34,564	54,011
Earn leave	1,466,128	413,050	868,187
Foreign exchange loss	15,641	1,278,401	3,949,055
Fabric testing	428,851	1,696,144	2,481,157
Festival bonus	975,910	1,972,500	1,568,020
Freight charges	11,259,765	6,905,748	15,358,661
Fuel and lubricant (for generator)	54,775	110,156	151,254
GSP fees	191,060	478,950	581,220
Holiday allowance	37,725	25,635	51,650
Marine insurance	-	401,429	146,165
LC advising charges	-	26,000	55,187
Lunch and tiffin bill	240	-	51,080
Miscellaneous expenses	2,500	4,264,570	171,238
Mobile bill	73,259	232,931	193,875
Maternity benefit	32,780	-	-
Night bill allowance	18,225	4,400	150,570
Other accessories	507,212	-	-
Overtime allowance	139,518	251,027	572,795
Postage and courier	416,358	467,983	1,933,341
Maintenance	47,450	113,007	526,476
Salaries and allowances	15,297,069	24,190,089	23,812,937
Stamp charge	100,000	-	-
Sampling expenses	-	3,127,294	6,225,435
Service benefit	59,825	-	367,318
Stationery	28,700	10,020	631,655
Target bonus	11,700	-	-
Tiffin bill	58,476	35,905	49,242
Tours and travelling	-	696,194	8,734,563
Toner (photocopier and printer)	8,700	97,600	20,450
Trade promotion	4,128,607	-	-
Transport allowance (employees)	280,080	470,750	118,000
Transportation expenses	2,121,506	4,298,886	1,240,380
Utilization declaration charges	81,478	64,107	56,389
Buyer Commission	-	-	1,940,845
Entertainment	-	-	346,486
Exp. Certify Charge	-	-	20,350
Incidental Exp	-	-	20,564
Internet Bill	-	-	10,000
Late Shipment Penalty	-	-	1,329,364
License & Renewal	-	-	2,500
Needle Expenses	-	-	24,000
Renewals & Registration Fees	-	-	46,770
Staff Refreshment	-	-	115,420
Total	44,414,991	68,031,867	88,188,213

31.00 Other income: BDT 24,253,838

	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015	1 Jan 2014 to 31 Dec 2014
	BDT	BDT	BDT
Wastage sales	5,485,991	747,874	50,000
Interest income	16,258,191	48,635,278	187,625
Rental income	2,448,000	4,896,000	4,080,000
Cash incentive	61,656	20,619,375	1,306,120
	24,253,838	74,898,527	5,623,745

Note 31.01

The rental income of BDT 2,448,000, 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.

31.01 Interest income: BDT 16,258,191

Interest income from IPO SND accounts	15,616,244	47,889,185	-
Interest income from FDR	464,917	493,669	141,833
Accrued interest income from FDR	150,991	176,526	-
Interest income from dividend payable accounts	6,208	20,325	-
Interest income from savings accounts	19,831	55,573	45,791
	16,258,191	48,635,278	187,624

Interest income of BDT 15,616,244 has been earned from IPO Short Notice Deposit (SND) account (account number # 0002-0320002679) with Mutual Trust Bank Limited. This SND account is maintained only for handling IPO proceed.

32.00 Finance costs: BDT 11,286,121

Bank charge	2,625,559	1,180,986	611,916
Interest on EDF loans	2,183,402	2,110,264	1,673,834
Interest on FDBP	50,739	-	3,476,217
Interest on PAD loans	481,772	-	353,590
Interest on PC loans	421,298	1,100,384	1,172,359
Interest on term loans	3,798,149	10,393,119	11,125,340
Interest on SOD loans	1,388,143	2,575,860	6,973,663
Interest on STL loans	337,059	1,885,426	1,071,218
	11,286,121	19,246,039	26,458,137

33.00 Workers' profit participation and welfare fund: BDT 3,873,446

The Company has workers' profit participation and welfare fund (WPPWF) as employee benefit and contributed 5% of net profit before WPPWF and income tax.

Workers' profit participation and welfare fund	3,873,446	9,185,899	6,761,204
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34.00 Income tax expenses: BDT 17,425,745

Current tax expenses:			
Provision made in respect of the current period/year	10,053,805	39,469,877	30,308,149
Charged in respect of prior year	67,404	-	488,182
Paid in respect of prior year	8,599	-	-
Adjustment of over provision	-	-	(9,294,014)
	10,129,808	39,469,877	21,502,317
Deferred tax expenses			
Deferred tax expenses relating to origination of temporary differences	7,295,937	-	-
	7,295,937	-	-
	17,425,745	39,469,877	21,502,317

35.00 Net asset value per share

	As at 30 Jun 2016	As at 31 Dec 2015	As at 31 Dec 2014
	BDT	BDT	BDT
Total assets	2,448,915,608	2,373,083,570	1,657,413,672
Less: Total liabilities	348,483,063	258,501,163	366,710,275
Net asset value	2,100,432,545	2,114,582,407	1,290,703,397
Number of ordinary shares	63,168,520	63,168,520	34,469,800
Net asset value per share	33.25	33.480	37.44

36.00 Earnings per share

Basic earnings per share

	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015	1 Jan 2014 to 31 Dec 2014
	BDT	BDT	BDT
Profit attributable to the ordinary shareholders (basic)	56,169,721	135,062,213	104,427,740
<u>Weightage average number of shares outstanding (basic)</u>			
Ordinary shares fully outstanding	63,168,520	34,469,800	34,469,800
Issue of ordinary shares through IPO	-	16,758,860	
Stock dividend	-	4,132,520	
	63,168,520	55,361,180	34,469,800
Basic earnings per share	0.89	2.44	3.03

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.

37.00 Net operating cash flow per share

	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015	1 Jan 2014 to 31 Dec 2014
	BDT	BDT	BDT
Net cash (used in)/generated by operating activities	(4,216,882)	210,094,782	134,411,893
Number of ordinary shares	63,168,520	63,168,520	34,469,800
Net operating cash flow per share	(0.07)	3.33	3.90

38.00 Related party disclosures

During the period of six months ended 30 June 2016, 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 BAS 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	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015
			BDT	BDT
Northern Corporation Limited	Shareholder & Common Directorship	Purchase of materials and dyeing services	9,399,967	133,809,230
		Office rent	30,000	60,000
Enviro Pac Limited	Common Directorship	Purchase of accessories	5,288,307	12,259,838
Printers & Printers Limited	Common Directorship	Purchase of accessories	5,105,037	2,211,731
Fashion Asia Ltd	Common Directorship	Rental income	(2,448,000)	(4,896,000)
Mr. Naim Hassan	Director	Purchase of land	-	8,106,000
Northern Knit Ltd	Common Directorship	Lease rent	157,067	-

38.02 Receivables/(payables) with related parties

Name of related parties	Relationship	Nature of transactions	As at 30 Jun 2016	As at 31 Dec 2015
			BDT	BDT
Northern Corporation Limited	Shareholder & Common Directorship	Purchase of materials and dyeing services	-	(13,173,773)
Enviro Pac Limited	Common Directorship	Purchase of accessories	(945,585)	(3,149,019)
		Advance for expenses	851,430	536,260
Northern Knit Ltd	Common Directorship	Lease rent	(157,067)	-

39.00 Number of board meetings held during the period

Total 6 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 1 January 2016 to 30 June 2016.

Name of directors	Designation	Monthly remuneration	Monthly house rent	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015	1 Jan 2014 to 31 Dec 2014
				BDT	BDT	BDT
Mr. Mohim Hassan	MD	320,000	25,000	2,070,000	4,140,000	3,600,000
Mr. Naim Hassan	Director	140,000	25,000	990,000	1,980,000	1,800,000
Mr. Rafiq Hassan	Director	135,000	25,000	960,000	1,920,000	1,200,000
				4,020,000	8,040,000	6,600,000

41.00 Directors' fees for attending board meetings

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

42.00 Receivables from directors

No amount is lying as receivable from the directors as at 30 June 2016.

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

The Company has 2257 number of employees and all of them are getting more than BDT 63,600 as salary per year.

44.00 Capacity utilization

Section	Installed capacity		Utilization for the period	% of utilization	Over/(under) utilized
	Per day	For 6 months			
	Ton/PCS	Ton/PCS			
			Ton/PCS	%	Ton/PCS
Knitting (ton)	7.60	1,140	1,037	91%	(103)
Sewing - basic T-shirts (PCS)	23,000	3,450,000	3,042,966	88%	(407,034)

Note:

- 150 days have been considered as working days for the period of 6 months;
- 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.
- Capacity utilized in knitting section is 91%, i.e. 1,037 ton.
- Capacity utilized in sewing section is 88%, i.e. 3,042,966 pieces.

45.00 Transactions in foreign currency

Particulars	Currency	1 Jan 2016 to 30 Jun 2016	1 Jan 2015 to 31 Dec 2015	1 Jan 2014 to 31 Dec 2014
Import or local purchase in foreign currency				
Yarn	USD	2,185,765.93	4,528,883.91	4,953,020.00
Fabrics	USD	153,676.34	1,883,241.00	2,540,526.00
Accessories	USD	893,374.28	1,946,155.68	1,991,635.00
Fabrics dyeing and finishing	USD	437,666.89	1,215,744.05	-
Embroidery	USD	5,791.47	1,393.50	-
Garments printing	USD	141,786.12	274,943.64	-
Garments washing	USD	41,890.84	70,169.45	-
Total		3,859,951.87	9,920,531.23	9,485,181.00
FOB value of export	USD	10,138,084.01	19,919,443.00	19,678,071.00
Total		10,138,084.01	19,919,443.00	19,678,071.00

46.00 Contingent liabilities

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

47.00 Guarantees and commitments

As at 30 June 2016, the Company had no capital commitment towards procurement of items of property, plant, and equipment or intangibles.

48.00 Claims against the Company not acknowledged as debt

There is no claim against the Company acknowledged as debt.

49.00 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.

GLIMPSES OF 13TH AGM



Our Achievements





TOSRIFA INDUSTRIES LIMITED

Registered Office:

Plot-91, Regency Place (4th floor), Block-K, Suhrawardy Avenue, Baridhara, Dhaka -1212.
Tel : +88-02-9882516-7, Fax : +88-02-9882610, Website: www.til.com.bd

Corporate Office & Factory:

4/2 A, Plot-49 & 57, Mouza-135, Gopalpur, Munnu Nagar, Tongi, Gazipur, Bangladesh.
Tel : +88-02-9817461-63, Fax : +88-02-9817743