

TOSRIFA INDUSTRIES LIMITED
Statement of Financial Position
As at 31 March 2024

Particulars	Notes	Amount in Taka	
		31st March 2024	30 June 2023
Assets			
Non-current assets		2,982,008,585	3,066,880,517
Property, plant and equipment	6	2,979,937,650	3,064,444,123
Intangible assets	7	2,070,935	2,436,394
Current assets		2,219,542,783	3,168,780,428
Advances, deposits and prepayments	8	127,979,239	89,614,136
Trade and other receivables	9	394,517,063	799,074,482
Accrued income	10	-	-
Inventories	11	1,357,557,408	1,945,926,032
Cash and cash equivalents	12	339,489,074	334,165,778
Total assets		5,201,551,368	6,235,660,945
Equity and Liabilities			
Shareholders' equity		2,102,832,913	2,089,944,823
Share capital	13	679,851,197	679,851,197
Share premium	14	433,059,200	433,059,200
Retained earnings	15	472,079,647	457,227,504
Revaluation surplus	16	517,842,870	519,806,923
Non-current liabilities		652,980,007	764,794,921
Long term loans (secured), net of current portion	17	509,006,230	624,562,399
Deferred tax liabilities	18	143,973,777	140,232,521
Current liabilities		2,445,738,448	3,380,921,201
Trade and other payables	19	605,062,225	977,163,956
Unclaimed Dividend	19.03	715,386	230,244
Provisions for expenses	20	97,324,175	94,996,634
Short term loans	21	1,509,372,674	2,048,351,117
Current portion of long term loans	22	222,439,761	245,348,478
Provision for income tax	23	-	-
Provision for WPPF and welfare fund	24	10,824,227	14,830,773
Total equity and liabilities		5,201,551,368	6,235,660,945
Net asset value (NAV) per share	33	30.93	30.74

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



Managing Director



Director



Director



CFO (CC)



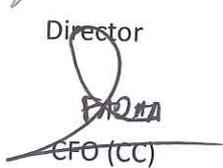
Company Secretary

Place: Dhaka, Bangladesh
Dated: 30 April 2024

TOSRIFA INDUSTRIES LIMITED
Statement of Profit or Loss and other Comprehensive Income
For the 3rd Quarter ended 31 March 2024

Particulars	Notes	Amount in Taka		Amount in Taka	
		1st July 2023 to March 2024	1st July 2022 to March 2023	1st January 2024 to March 2024	1st January 2023 to March 2023
Sales revenue (export)	25	3,418,377,875	3,548,182,941	979,776,415	1,393,643,178
Less: Cost of sales	26	3,059,041,881	3,172,531,553	885,458,399	1,253,841,415
Gross profit		359,335,994	375,651,387	94,318,016	139,801,763
Less: Operating expenses		176,091,901	162,051,361	53,403,478	58,302,121
General and administrative expenses	27	78,167,501	75,607,695	25,236,583	26,893,814
Marketing, selling and distribution expenses	28	97,924,400	86,443,666	28,166,895	31,408,307
Operating profit		183,244,094	213,600,026	40,914,538	81,499,642
Add: Other non-operating income	29	42,560,258	1,557,418	27,860,400	1,555,821
Profit before finance costs		225,804,352	215,157,444	68,774,938	83,055,464
Less: Finance costs	30	139,722,417	97,719,317	47,344,537	38,618,645
Profit before WPPF		86,081,935	117,438,127	21,430,401	44,436,819
Less: WPPF and welfare fund	31	4,099,140	5,592,292	1,020,495	2,116,039
Profit before income tax		81,982,795	111,845,835	20,409,906	42,320,780
Less: Income tax expenses	32	45,299,913	45,155,326	14,889,541	15,728,778
Profit after income tax		36,682,882	66,690,508	5,520,364	26,592,002
Add: Other comprehensive income		-	-	-	-
Total comprehensive income		36,682,882	66,690,508	5,520,364	26,592,002
Earnings per share					
Basic earnings per share (Face value Tk. 10)	34	0.54	0.98	0.08	0.39


Managing Director


Director

CFO (CC)


Director

Company Secretary

Place: Dhaka, Bangladesh
Dated: 30 April 2024

TOSRIFA INDUSTRIES LIMITED



TOSRIFA INDUSTRIES LIMITED
Statement of Changes in Equity
For the 3rd Quarter ended 31 March 2024

(Amount in Taka)

Particulars	Share capital	Share premium	Retained earnings	Revaluation surplus	Total
Balance as at 01 July, 2023	679,851,197	433,059,200	457,227,503.53	519,806,923	2,089,944,823
Total comprehensive income for the period					-
Net profit for the period	-	-	36,682,882	-	36,682,882
Other comprehensive income	-	-	-	-	-
Transactions with owners of the Company:					-
Issue of ordinary shares	-	-	-	-	-
Share premium	-	-	-	-	-
Cash dividend	-	-	(23,794,792)	-	(23,794,792)
Stock Dividend	-	-	-	-	-
Transfer from revaluation surplus to retained earnings	-	-	1,964,053	(1,964,053)	-
Balance as at 31 March, 2024	679,851,197	433,059,200	472,079,647	517,842,870	2,102,832,913

TOSRIFA INDUSTRIES LIMITED
Statement of Changes in Equity
For the 3rd Quarter ended 31 March 2023

(Amount in Taka)

Particulars	Share capital	Share premium	Retained earnings	Revaluation surplus	Total
Balance as at 01 July, 2022	679,851,197	433,059,200	391,003,460	535,629,237	2,039,543,093
Total comprehensive income for the period					-
Net profit for the period	-	-	66,690,509	-	66,690,509
Other comprehensive income	-	-	-	-	-
Transactions with owners of the Company:					-
Issue of ordinary shares	-	-	-	-	-
Share premium	-	-	-	-	-
Cash dividend	-	-	(20,395,536)	-	(20,395,536)
Stock Dividend	-	-	-	-	-
Transfer from revaluation surplus to retained earnings	-	-	-	-	-
Balance as at 31st March, 2023	679,851,197	433,059,200	437,298,432	535,629,237	2,085,838,066


Managing Director


Director


CFO (CC)


Director


Company Secretary

Place: Dhaka, Bangladesh

Dated: 30 April 2024

TOSRIFA INDUSTRIES LIMITED
Statement of Cash Flows
For the 3rd Quarter ended 31 March 2024

Particulars	Notes	Amount in Taka	
		1st July 2023 to 31st March 2024	1st July 2022 to 31st March 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers		3,822,935,295	3,601,131,085
Cash receipts from other sources		41,739,800	18,201,100
Cash paid to suppliers, contractors and others		(2,967,706,679)	(2,958,231,294)
Finance costs		(139,722,417)	(97,719,317)
Income taxes paid		(41,558,657)	(38,155,035)
Net cash (used in)/generated by operating activities		715,687,342	525,226,539
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of property, plant and equipment		(9,635,390)	(73,975,001)
Payments for capital work-in-progress		-	-
Payments for acquisition of intangible assets		-	-
Net cash used in investing activities		(9,635,390)	(73,975,001)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from/(repayment of) long term loans		(115,556,170)	(27,507,394)
Proceeds from/(payment of) accepted liabilities for machinery		-	-
Proceeds from/(repayment of) short term loans		(538,978,443)	(351,551,038)
Current portion of Long term loan		(22,908,717)	(1,777,986)
Interest income		820,458	1,818
Payment of dividend		(23,309,650)	(20,367,024)
Proceeds from/(refund of) unsuccessful IPO application money		-	-
Net cash generated by financing activities		(699,932,522)	(401,201,625)
D. Net changes in cash and cash equivalents (A+B+C)		6,119,431	50,049,913
E. Cash and cash equivalents at the beginning of the year		334,165,778	224,090,928
F. Exchange Fluctuation loss (Net)		[796,135]	[4,356,572]
G. Cash and cash equivalents at the end of the year (D+E)		339,489,074	269,784,268
Net operating cash flow per share	35	10.53	7.73

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


Managing Director


Director

CEO (CC)


Director

Company Secretary

Place: Dhaka, Bangladesh
Dated: 30 April 2024

NOTES TO THE FINANCIAL STATEMENTS

For the 3rd Quarter period ended 31 March 2024

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 address at 4/2 A, Mouja 135, Gopalpur, Munnu Nagar, Tongi, Gazipur. 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 Garments Unit and the principal place of the business of the Company is located at 135 Gopalpur (Level 1-6), Munnu Nagar, Tongi, Gazipur. The Fabric Unit is located at Holding - 121/1, Block-H, Beraiderchala, Sreepur, Gazipur.

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

2.00 Nature of business

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

3.00 Financial statements and corporate reporting

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

3.01 Authorization for issue

These financial statements were authorized for issue by the Board of Directors of the Company on **30 April 2024**.

4.00 Basis of preparation

4.01 Statement of compliance

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

4.02 Basis of measurement

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

4.03 Going Concern

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

4.04 Components of the Financial Statements

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

- a) Statement of financial position as at 31 March 2024;
- b) Statement of profit or loss and other comprehensive income for the period from 01 July 2023 to 31 March 2024;
- c) Statement of changes in equity for the for the period ended 31 March 2024;
- d) Statement of cash flows for the period from 01 July 2023 to 31 March 2024;
- e) Notes, comprise a summary of significant accounting policies and other explanatory information for the period from 01 July 2023 to 31 March 2024;

4.05 Applicable Accounting Standards & Financial Reporting Standards

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

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

Sl. No.	Name of the IFRS	IFRS No
1	Financial Instruments: Disclosures	7
2	Operating Segments	8
3	Financial Instruments	9
4	Revenue from contracts with Customers	15
5	Fair Value Measurement	13

4.06 Functional and presentation currency

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

4.07 Accrual basis of accounting

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

4.08 Use of estimates and Judgments

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 liabilities affected in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates recognized in the period in which the estimates are revised and in any future periods affected thereby.

4.09 Reporting period

The financial statements of the company cover **9 months from 01 July 2023 to 31 March 2024**.

4.10 Compliances with Local laws

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

- (i) The Income Tax Ordinance 1984;
- (ii) The Income Tax Rules 1994;
- (iii) The Value Added Tax Act 1991;
- (iv) The Value Added Tax Rules 1991;
- (v) The Customs Act, 1969; and
- (vi) Bangladesh Labor Law, 2006.

4.11 Comparative Information

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

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

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

Re-arrangement

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

5.00 Significant accounting policies

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

5.01 Current versus non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when it is:

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

The Company classifies all other liabilities as non-current.

Deferred tax liabilities are classified as non-current liabilities.

5.02 Offsetting

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

5.03 Property, plant and equipment

5.03.1 Recognition and measurement

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

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

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

5.03.2 Subsequent costs

The cost of replacing or up gradation of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the item will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day to day servicing of property, plant and equipment are recognized in profit or loss as incurred.

5.03.3 Depreciation

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

Depreciation on other items of property, plant and equipment is recognized on a diminishing balance method over the estimated useful life of each item of property, plant and equipment.

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

Particulars	March 31, 2024	June 30, 2023
	Rate	Rate
Plant and machinery	15%	15%
Motor vehicles	20%	20%
Furniture and fixtures	10%	10%
Office equipment	15%	15%
Building and civil works (RCC)	2.5%	2.5%

Fabric Department		
Plant and machinery		
Production machinery – Dyeing	5%	5%
Lab Equipment	5%	5%
Utility Machinery – Dyeing	7.5%	7.5%
Effluent Treatment Plant	7.5%	7.5%
Electrical Sub-Station & Equipment- Dyeing	10%	10%
Furniture, Fixture & Equipment	10%	10%
Washing Machineries	5%	5%
Warehouse storage	7.5%	7.5%
Building & Civil works (RCC)		
Production Building	2.5%	2.5%
WTP & Chemical Store	2.5%	2.5%
Utility Building	2.5%	2.5%
Husk Boiler Building	5%	5%
Efficient Treatment Plant Building	2.5%	2.5%
Fabric Store Building	2.5%	2.5%
Knitting Building	2.5%	2.5%

5.04 Capital work-in-progress

Capital work-in-progress (CWIP) consists of unfinished building and civil works at sites and capital plant and machinery.

5.05 Intangible assets

5.05.1 Recognition and measurement

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

5.05.2 Subsequent costs

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

5.05.3 Amortization

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

	March 31, 2024	June 30, 2023
	Rate	Rate
Software and Application	20%	20%
Website	20%	20%

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

5.06 Advances, deposits and prepayments

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

Deposits are measured at payment value.

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

5.07 Financial Instruments

Financial assets and liabilities are recognized on the statement of financial position when the company has become 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.

5.16 Income tax

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

(a) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. The applicable tax rate for the Company is currently 12% on its taxable income derived from export and 25% on taxable income derived from sources other than export. The company is an internationally recognized green building certified involve with 100% export oriented RMG business, according to the SRO no. 164-AIN/Income Tax/2020 dated 06-07-2020, applicable tax rate on its business income is 10%.

(b) Deferred tax

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

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

5.17 Employee benefits

5.17.1 Worker's profit participants & welfare funds

The company contributed 5% of net profit before charging the amount to the aforementioned fund in accordance with the requirement of section 234 of Labor Act 2006, (Amendment 2018).

5.18 Revenue recognition, measurement and presentation

Revenue of the Company is derived from sale of goods (1.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 IAS 21 the Effects of Changes in Foreign Exchange Rates.

5.21 Related party transactions

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

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 dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant periods.

5.23 Statement of cash flows

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

5.24 Events after the reporting period

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

6.25 Segment Reporting

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

5.26 Impairment of Assets

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

Clarification regarding signification deviation:

EPS has decreased due to decrease of revenue, RMG workers monthly wages hike & Finance cost increase of the company.

NOCFPS has been increased during the period over earlier period better collection of export proceeds from customers and others and suppliers payment were slightly delay for betterment of the company.

NAVPS has been increased due to making profit during the period.

		Amount in Taka	
Notes	Particulars	31.03.2024	30.06.2023
6.00	Property, Plant and equipment		
	Opening Balance of Property, plant and equipment	4,055,900,405	3,955,520,159
	Add: Addition during the period	3,032,060	93,776,915
		4,058,932,464	4,049,297,075
	Less: Depreciation Charges during the period	1,078,994,814	984,852,952
	Closing Balance of Property, plant and equipment	2,979,937,650	3,064,444,123
7.00	Intangible Assets		
	Opening Balance of Property, plant and equipment	7,804,345	7,804,345
	Add: Addition during the period	-	-
		7,804,345	7,804,345
	Less: Depreciation Charges during the period	5,733,410	5,367,951
	Closing Balnce of Property, plant and equipment	2,070,935	2,436,394
8.00	Advances, deposits and prepayments		
	Advance against salary	703,890	740,890
	Advance against expenses	52,715,724	41,250,645
	Advance against purchase	9,159,837	9,128,828
	Advance against building construction	800,000	800,000
	Advance VAT	1,523,240	1,523,240
	Security Deposit	45,303,191	29,227,641
	LC Margin	13,372,600	3,197,490
	Advance Against Mobile	6,122	3,703
	Prepaid insurance	4,394,635	3,741,699
		127,979,239	89,614,136
9.00	Trade and other receivables		
	Trade recivable	394,517,063	799,074,482
		394,517,063	799,074,482
10.00	Accrued income		
	Accrued cash incentive	-	-
		-	-
11.00	Inventories		
	Raw materials (yarn & finished fabrics)	537,199,766	609,897,156
	Raw materials (accessories)	16,762,274	22,201,059
	Raw materials (Dyes & Chemicals)	303,893,881	452,417,257
	Needle and spare parts	31,382,627	16,463,986
	Work-in-process	238,468,594	668,259,525
	Finished goods (garments)	229,850,266	176,687,049
		1,357,557,408	1,945,926,032

Notes	Particulars	Amount in Taka	
		31.03.2024	30.06.2023
12.00	Cash and cash equivalents		
	Cash in hand	4,049,047	2,208,127
	Cash at bank	335,440,027	331,957,651
		<u>339,489,074</u>	<u>334,165,778</u>
	Cash at bank (Foreign currency) bank account maintained in foreign currency has been disclosed in local currency; foreign exchange fluctuation gain /(loss) has been recognized		
13.00	Share capital		
	Authorized		
	(100,000,000 Ordinary shares of Tk. 10.00 each)	<u>1,000,000,000</u>	<u>1,000,000,000</u>
	Issued, Subscribed & Paid-up:		
	(67,985,119.65 Ordinary shares of Tk. 10.00 each fully paid up in cash)	<u>679,851,197</u>	<u>679,851,197</u>
	The Shareholdings consist of:		
	Holdings	Total Holdings	Percentage
	Sponsor	30,985,519	45.57%
	Institution	13,520,619	19.89%
	General Public	23,478,981	34.54%
		<u>67,985,119</u>	<u>100%</u>
14.00	Share premium		
	Share premium	433,059,200	433,059,200
		<u>433,059,200</u>	<u>433,059,200</u>
15.00	Retained earnings		
	Opening balance	457,227,504	391,003,460
	Add: Transferred from Revaluation Surplus	1,964,053	15,822,315
	Add: Net profit/(loss) during the period	36,682,882	70,797,265
		<u>495,874,439</u>	<u>477,623,040</u>
	Less: Dividend	23,794,792	20,395,536
		<u>472,079,647</u>	<u>457,227,504</u>
16.00	Revaluation surplus		
	Opening balance	519,806,923	535,629,237
	Less Transfer to retained earnings from building & civil works	1,964,053	15,822,315
		<u>517,842,870</u>	<u>519,806,923</u>
17.00	Long term loans (secured), net of current portion		
	Term Loan with The City Bank Ltd (Civil Construction)	152,639,756	187,708,023
	Term Loan with The City Bank Ltd (Machine)	571,520,448	663,995,963
	Term Loan with The City Bank Ltd (Stimulus)	-	-
	Term Loan with IDCOL (Machine)	7,285,786	18,206,892
		<u>731,445,991</u>	<u>869,910,877</u>
	Less : Current portion of long term loan	222,439,761	245,348,478
	Net current liability	<u>509,006,230</u>	<u>624,562,399</u>
18.00	Deffered tax liabilities		
	Opeing balance	140,232,521	132,363,568
	Add: Provision made during the period	3,741,256	7,868,954
		<u>143,973,777</u>	<u>140,232,521</u>
	*Details shown in Annex-B		
19.00	Trade and other payables		
	Trade payables : Back to Back (BTB) and other LC	467,825,868	870,368,199
	Other payables:		
	Building construction	2,724,384	2,750,729
	Withholding income tax (TDS)	3,088,962	1,322,815
	Withholding VAT (VDS)	191,419	47,753
	Accounts Payable	131,231,592	102,674,460
		<u>605,062,225</u>	<u>977,163,956</u>
19.03	Unclaimed Dividend		
	Year 2021	106,850	106,850
	Year 2022	123,394	123,394
	Year 2023	485,141	-
		<u>715,386</u>	<u>230,244</u>

		Amount in Taka	
Notes	Particulars	31.03.2024	30.06.2023
20.00	Provision for expenses		
	Gas Bill	-	13,273,599
	Service Benefit	97,324,175	81,205,535
	Audit fee	-	517,500
		<u>97,324,175</u>	<u>94,996,634</u>
21.00	Short term loans		
	The City Bank Ltd	SOD 56,390,560	83,405,898
	Standard Chartered Bank	CD/OD (1,313,808)	(13,722,834)
	The City Bank Ltd & SCB	PC 133,384,687	269,693,208
	The City Bank Ltd	EDF 786,169,901	1,324,793,486
	The City Bank Ltd	STL 525,235,230	384,181,359
	The City Bank Ltd	STL 9,506,104	-
		<u>1,509,372,674</u>	<u>2,048,351,117</u>
22.00	Current portion of long term loan		
	The City Bank Ltd	222,439,761	245,348,478
		<u>222,439,761</u>	<u>245,348,478</u>
23.00	Provision for income tax		
	Opening balance	-	-
	Provision made during the period	41,558,657	55,835,520
	Less: Payment made during the period advance Income Tax (note 23.01)	(41,558,657)	(55,835,520)
	on the basis of return of income	-	-
23.01	Advance income tax paid during the period		
	Against export proceeds	36,372,643	48,291,047
	Against cash incentive	4,173,980	6,462,550
	Against interest income	164,227	-
	Income Tax Others	460,307	300,422
	Against vehicle	387,500	781,500
		<u>41,558,657</u>	<u>55,835,520</u>
24.00	Workers profit participation and welfare fund		
	Opening balance	14,830,773	8,105,686
	Add: Addition during the period	4,099,140	6,725,087
		<u>18,929,912</u>	<u>14,830,773</u>
	Less: Disbursed during the period	8,105,685	-
		<u>10,824,227</u>	<u>14,830,773</u>

	1st July 2023 to 31 March 2024	1st July 2022 to 31 March 2023	1st January 2024 to 31st March 2024	1st January 2023 to 31st March 2023
25.00	Sales revenue (export)			
	Export of RMG	2,349,359,459	2,791,523,383	540,573,929
	Deemed export	1,069,018,416	756,659,558	439,202,486
		<u>3,418,377,875</u>	<u>3,548,182,941</u>	<u>979,776,415</u>
26.00	Cost of Sales			
	Opening inventories of raw materials	1,100,979,458	3,279,058,923	974,140,698
	Add: Raw Materials purchased during the period	1,397,749,344	2,072,702,966	477,113,115
	Raw materials available for use	<u>2,498,728,802</u>	<u>5,351,761,889</u>	<u>1,451,253,813</u>
	Less: Closing inventories of raw materials	(889,238,547)	(3,180,053,788)	(889,238,547)
	Raw materials consumed	<u>1,609,490,255</u>	<u>2,171,708,101</u>	<u>562,015,266</u>
	Add: Direct expenses	442,157,177	414,466,768	172,291,429
	Prime cost	<u>2,051,647,432</u>	<u>2,586,174,868</u>	<u>734,306,695</u>
	Add: Factory overhead	630,766,736	527,456,986	229,008,611
	Cost of production	<u>2,682,414,167</u>	<u>3,113,631,855</u>	<u>963,315,306</u>
	Add: Opening inventories of work-in-process	668,259,525	825,325,209	209,280,289
	Manufacturing cost at standard	<u>3,350,673,692</u>	<u>3,938,957,064</u>	<u>1,172,595,595</u>
	Less: Closing inventories of work-in-process	(238,468,594)	(1,048,461,519)	(238,468,594)
	Cost of goods manufactured	<u>3,112,205,098</u>	<u>2,890,495,545</u>	<u>934,127,001</u>
	Add: Opening inventories of finished goods	176,687,049	1,556,091,528	181,181,664
	Goods available for sale	<u>3,288,892,147</u>	<u>4,446,587,073</u>	<u>1,115,308,665</u>
	Less: Closing inventories of finished goods	(229,850,266)	(1,274,055,519)	(229,850,266)
	Cost of Sales	<u>3,059,041,881</u>	<u>3,172,531,553</u>	<u>885,458,399</u>
		<u>1,253,841,415</u>		

Notes	Particulars	Amount in Taka			
		1st July 2023 to 31 March 2024	1st July 2022 to 31 March 2023	1st January 2024 to 31st March 2024	1st January 2023 to 31st March 2023
27.00	General and administrative expenses				
	General and administrative expenses	78,167,501	75,607,695	25,236,583	26,893,814
		<u>78,167,501</u>	<u>75,607,695</u>	<u>25,236,583</u>	<u>26,893,814</u>
28.00	Marketing, selling and distribution expenses				
	Marketing, selling and distribution expenses	97,924,400	86,443,666	28,166,895	31,408,307
		<u>97,924,400</u>	<u>86,443,666</u>	<u>28,166,895</u>	<u>31,408,307</u>
29.00	Other income				
	Interest income	820,458	1,818	419,100	221
	Cash Incentive	41,739,800	1,555,600	27,441,300	1,555,600
		<u>42,560,258</u>	<u>1,557,418</u>	<u>27,860,400</u>	<u>1,555,821</u>
30.00	Finance cost				
	Bank charge	4,880,188	1,690,883	1,477,553	612,834
	Interest on EDF loans	35,247,037	25,839,432	10,568,295	12,591,951
	Interest on FDBP	798,193	424,925	798,193	424,925
	Interest on PC loans	4,419,512	6,393,682	1,561,432	2,393,672
	Interest on term loans	42,799,042	51,698,310	9,001,526	17,131,681
	Interest on SOD loans	1,791,611	939,982	665,872	408,805
	Interest on STL loans	49,786,836	10,732,103	23,271,666	5,054,777
		<u>139,722,417</u>	<u>97,719,317</u>	<u>47,344,537</u>	<u>38,618,645</u>
31.00	Workers profit participation and welfare fund				
	Workers profit participation and welfare fund	4,099,140	5,592,292	1,020,495	2,116,039
		<u>4,099,140</u>	<u>5,592,292</u>	<u>1,020,495</u>	<u>2,116,039</u>

Amount in Taka

Notes	Particulars	1st July 2023 to 31 March 2024	1st July 2022 to 31 March 2023	1st January 2024 to 31st March 2024	1st January 2023 to 31st March 2023
32.00	Income tax expenses				
	Current tax expenses	41,558,657	38,155,035	14,035,626	12,412,114
	Deferred tax expenses	3,741,256	7,000,292	853,915	3,316,665
		45,299,913	45,155,326	14,889,541	15,728,778
	*Details shown in Annexure-A				
33.00	Net asset value (NAV) per share				
			31.03.2024	30.06.2023	
	Total assets		5,201,551,368	(6,235,660,945)	
	Less: Total liabilities		(3,098,718,455)	4,145,716,122	
	A. Net asset value		2,102,832,913	(2,089,944,823)	
	B. Number of ordinary shares		67,985,120	67,985,120	
	Net asset value (NAV) per share (A/B)		30.93	(30.74)	
34.00	Earnings per share				
		1st July 2023 to 31 March 2024	1st July 2022 to 31 March 2023	1st January 2024 to 31st March 2024	1st January 2023 to 31st March 2023
	Basic Earnings Per Share				
	A. Profit attributable to the ordinary shareholders (basic)	36,682,882	66,690,508	5,520,364	26,592,002
	B. Weightage average number of shares outstanding (basic)	67,985,120	67,985,120	67,985,120	67,985,120
	Ordinary shares fully outstanding	67,985,120	67,985,120	67,985,120	67,985,120
	Basic Earnings Per Share (EPS) (A/B)	0.54	0.98	0.08	0.39
35.00	Net operating cash flow per share				
			1st July 2023 to 31 March 2024	1st July 2022 to 31 March 2023	
	A. Net cash (used in)/generated by operating activities		715,687,342	525,226,539	
	B. Number of ordinary shares		67,985,120	67,985,120	
	Net operating cash flow per share (A/B)		10.53	7.73	
35.01	Case No. 5(2) (e) of notification No. BSEC/CMRRCD/2006-158/2008/Admin/81, Dated : 20 June 2018:				
	Reconciliation of Net Operating Cash Flow under indirect method:		1st July 2023 to 31 March 2024	1st July 2022 to 31 March 2023	
	Profit after income tax		36,682,882	66,690,509	
	Depreciation expense		94,141,862	100,606,833	
	Amortization expense		365,459	456,843	
	Interest income (Consider in financing activities)		(820,458)	(1,818)	
	Decrease in Account receivable		404,557,419	52,948,144	
	Increase in Account receivable				
	Increase in Account Payable			58,620,209	
	Decrease in Account Payable		(372,101,731)		
	Increase in Provision for expense		2,327,541	53,193,705	
	Decrease in Provision for expense		-		
	Deffered tax expense		3,741,256	7,000,292	
	Decrease in accrued income		-	16,645,500	
	Increase in accrued income		-		
	Increase in inventory				
	Decrease in inventory		588,368,624	157,904,833	
	Increase in advance deposit & prepayment		(38,365,102)		
	Decrease in advance deposit & prepayment			1,212,626	
	Decrease in provision for WPPF		(4,006,545)		
	Increase in provision for WPPF		-	5,592,292	
	Exchange fluctuation gain		-		
	Exchange Fluctuation loss		796,135	4,356,572	
	Net cash (used in)/generated by operating activities		715,687,342	525,226,539	

36.00 Related party disclosurers

During the period ended 31 March 2024, the Company entered into a number of transactions with related parties in the normal course of business of business. The names of the significant related parties, nature of these transactions and amounts thereof have been set out below in accordance with the provisions of IAS 24 Related Party Disclosures. Nature of relationship and significance of the amounts have been considered in giving this disclosure.

36.01 Related party transaction during the period**Amount in Taka**

	Name of the related parties	Relationship	Nature of transaction	1st July 2023 to 31 March 2024	1st July 2022 to 31 March 2023
			Purchase of materials & dyeing services		
	Northern Corporation Ltd.	Shareholders & Common Directorship	Purchase of accessories	98,871,956	3,009,185
	Enviro Pac Ltd.	Common Directorship	Purchase of accessories	33,917,469	19,482,160
	Printer and Printers Ltd.	Common Directorship	Purchase of accessories	24,740,754	26,615,782
	Fashion Asia Ltd.	Common Directorship	Purchase of accessories		
			Fabric sale	396,514,435	239,914,593
	Northern Knit Ltd.	Common Directorship	Lease rent	204,600	204,600

36.02 Receivables /(payables) with related parties

				As at 31 March 2024	As at 31 March 2023
			Purchase of materials and dyeing service		
	Northern Corporation Ltd.	Shareholders & Common Directorship	Purchase of accessories	78,306,708	7,682,863
	Enviro Pac Ltd.	Common Directorship	Purchase of accessories	(15,373,137)	(7,567,314)
	Printer and Printers Ltd.	Common Directorship	Purchase of accessories	(40,397)	-
	Fashion Asia Ltd.	Common Directorship	Purchase of service		
			Fabric sale	163,993,039	89,334,979
	Northern Knit Ltd.	Common Directorship	Lease rent	(1,247,462)	(1,256,812)

36.03 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 July 01, 2022 to December 31, 2022

	Name of Directors	Designation	Monthly remuneration	Monthly House rent	01.07.2023 to 31.03.2024	01.07.2022 to 31.03.2023
	Mr. Mohim Hassan	MD	160,000	25,000	1,665,000	1,665,000
	Mr. Naim Hassan	Director	60,000	25,000	765,000	765,000
					2,430,000	2,430,000

*Directors remuneration is reduce from July 2021

36.04 Compensation of Key personnels

				Remuneration/ Salary Per Month	
Sl.No.	Name of Key Person	Designation		01.07.2023 to 31.03.2024	01.07.2022 to 31.03.2023
1	Mr. Mohim Hassan	MD		185,000	185,000
2	Mr. Naim Hassan	Director		85,000	85,000
3	Mr. Armanul Azim	COO		206,000	206,000
4	Mr. Hayder Ali	CS		173,500	173,500
5	Mr. ABM Farhad Uddin Chowdhury	CFO (CC)		142,000	142,000

TOSRIFA INDUSTRIES LIMITED

Income Tax Liabilities

As at 31 March, 2024

Annexure-A

Particulars	Amount in Taka	Amount in Taka	Amount in Taka
	31st March 2024	31st December 2023	30 September 2023
Computation of Total Income			
Accounting Profit before other Income and Tax	(7,450,494)	19,770,175	27,102,856
Add: Other Inadmissible Allowances			
Accounting Depreciation & Amortization	31,114,996	31,961,250	31,431,075
Provision for WPPF			
Less: Items for Separate Consideration			
Depreciation as per 3rd Schedule	40,674,647	42,500,501	44,648,377
Payment for WPPF (Previous)		(6,035,617)	0
Total Taxable Income	(17,010,145)	15,266,541	13,885,554
Rate	10%	10%	10%
A. Tax on Total Taxable Income	(1,701,015)	1,526,654	1,388,555
Other Income (Except Cash Incentive)	419,100	401,358	0
Rate	20.0%	20.0%	20.0%
B. Tax from Other Income (Except Cash Incentive)	83,820	80,272	-
Other Income (Cash Incentive)	27,441,300	0	14,298,500
Rate	10%	10%	10%
C. Tax from Other Income (Cash Incentive)	2,744,130	-	1,429,850
Total Tax Expenses (A+B+C)	1,126,935	1,606,926	2,818,405
Calculation of Gross Receipt as per 82 (C) :			
Sales during the year	979,776,415	1,070,523,008	1,368,078,453
Add: Trade receivable as on 31st december 2023	642,786,572	558,391,687	799,074,482
Less: Trade receivable as on 31st March 2024	(394,517,063)	(642,786,572)	(558,391,687)
Gross receipt from sale (A)	1,228,045,924	986,128,123	1,608,761,248
Add: Other income during the year	27,860,400	401,358	14,298,500
Add: Accrued income as on 30 December 2023	-	-	-
Less: Accrued income as on 31st March 2024	-	-	-
Gross receipt from Other Income (B)	27,860,400	401,358	14,298,500
Tax rate as per 82@ Minimum Tax @ 0.22% (A)	2,679,373	2,151,552	3,510,025
Tax rate as per 82@ Minimum Tax @ .60% (B)	167,162	2,408	85,791
Tax As per 82 @	2,846,535	2,153,960	3,595,816
TDS during the year	14,035,626	9,540,631	17,982,400
Which ever is higher from above calculation	14,035,626	9,540,631	17,982,400
Add: Previous year Tax			
Total Tax	14,035,626	9,540,631	17,982,400
Business profit as per profit or loss accounts	(7,450,494)	19,770,175	27,102,856
Tax rate @ 10%	(745,049)	1,977,017.49	2,710,285.59
Add: Tax on other income	2,827,950	80,272	1,429,850
Total Tax Liability	2,082,901	2,057,289	4,140,136

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

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

General tax Rate	27.50%	27.50%	27.50%
Minimum tax rate as per 82 @	0.60%	0.60%	0.60%
Tax rate for green building garments factory	10%	10%	10%
Minimum tax rate for green building garments factory	0.22%	0.22%	0.22%

TOSRIFA INDUSTRIES LIMITED
Deferred Tax Liability
As at 31 March, 2024

Annexure - B

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

			Amount in Taka	Amount in Taka
			31st March 2024	31st december 2023
Opening Balance			143,119,862	141,347,245
Deferred Tax Liability /(Assets) as on 31st March 2024			143,973,777	143,119,862
Increase/(Decrease) of Deferred Tax Liability			853,915	1,772,617

Particulars	Carrying Amount on Balance Sheet date (Taka)	Tax Base (Taka)	Temporary Differences (Taka)
At 31st March 2024			
Property, Plant & Equipment	2,979,937,650	1,530,503,111	1,449,434,539
Intangible Assets	2,070,935	943,473	1,127,462
Temporary difference for lease Assets	-	-	-
Liability to Employees	(10,824,227)	-	(10,824,227)
Net temporary difference	2,971,184,357	1,531,446,584	1,439,737,774
Applicable Tax rate			10%
Deferred Tax Liability/(Asset)			143,973,777