

Annual Report 2014



NORTHERN TOSRIFA
GROUP

The Potentialisers

TOSRIFA INDUSTRIES LIMITED



SUCCESS

ANNUAL REPORT 2014



TOSRIFA INDUSTRIES LIMITED

Letter of Transmittal

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

Subject: Annual Report for the year ended 31st December 2014.

Dear Sir (s),

We are pleased to enclose herewith a copy of the Annual Report together with the Audited Financial Statements for the Financial Year ended 31st December 2014 of **Tosrifa Industries Limited** along with reports of the Directors and Auditors thereon for your reference and record.

Yours Sincerely,

Sd/-
Hayder Ali
Company Secretary

Date : 06 September 2015
Dhaka

N.B: The Annual Report 2014 is also available in the website of the Company at www.til.com.bd



Notice of the 13th Annual General Meeting

Notice is hereby given that the 13th Annual General Meeting of **Tosrifa Industries Limited** will be held on 21st September 2015 at Army Golf Club, Dhaka Cantonment, Dhaka at 10.00 a.m. to transact the following agenda:

- ▶▶ To receive, consider & adopt the Audited Financial Statements of the Company for the Financial Year ended 31st December 2014 along with reports of the Directors and Auditors thereon.
- ▶▶ To declare dividend for the year ended 31st December 2014.
- ▶▶ To retire & elect directors as per provision.
- ▶▶ To appoint Auditor of the Company for the Financial Year 2015 and fix-up their remuneration.
- ▶▶ To approve appointment of Independent Directors.
- ▶▶ Misscellenious if any.

By Order of the Board

Sd/-

Hayder Ali

Company Secretary

Date: 01 September 2015
Dhaka

Notes:

- i. The record date in lieu of Book-Closure shall be on 30th August 2015.
- ii. 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.
- iii. 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.
- iv. Admittance to the Meeting Venue will be on production of the Attendance Slip that will be affixed with the Annual Report.

N.B. : No gift or benefit in cash or kind shall be paid / offered to the hon'ble Shareholders in the 13th AGM of the Company as per BSEC Circular under reference No. SEC/CMRRCB/2009-193/154 dated 24.10.2013

Corporate Management Board of Directors & Corporate Profile

BOARD OF DIRECTORS

Chairman	- TOSRIFA AHMED
Managing Director	- MOHIM HASSAN
Director	- NAIM HASSAN
Director	- RAFIQ 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	- MD. ARMANUL AZIM
AGM-Garments Division	- MD. KHURSHED ALAM
AGM-Fabric Division	- MD. HABIBUR RAHMAN

AUDITOR

M/S MASIH MUHITH HAQUE & 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

Achievements Highlights

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

SUCCESS

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

Short Term

Date of Rating : August 27, 2015		Valid up to : August 26, 2016	
	Long Term	Short Term	
Entity Rating	A	ST-3	
Outlook	Stable		
Bank Facilities Rating			
Bank/FI	Mode of Exposures (Figures in Million)	Ratings	
AB Bank Limited	WCL* TK. 290.00	blr A	
The City Bank Limited	WCL TK. 630.00	blr A	
	TLO** TK.73.80		

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.

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Vision

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

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

FOUNDER

OF NORTHERN TOSRIFA GROUP



The Path Finder

CHAIRMAN



Chairman's Statement

Distinguished Shareholders, Respected Members of the Board, the dedicated Management Team and members of **Tosrifa Industries Limited**.

It is my great pleasure to welcome you all, on behalf of the members of Board to the 13th Annual General Meeting of Tosrifa Industries Limited. I would like to take the opportunity to express my sincere gratitude and heartfelt thanks for your trust, faith, confidence, continued support and cooperation.

Dear Valued Shareholders,

As you know that the year 2014 was a tough year in every term. Global economy could not achieve the expected growth and national economy suffered a setback due to uncertain and lingering political turmoil. Resultantly the overall business arena could not run in the desired level.

But I would like to assure you that your company is run under the right management because despite the pitfalls in the national and global economy, the honorable shareholders will be delighted to be informed that your company Tosrifa Industries Limited was capable to export BDT 1,476.84 million in the year 2014 through achieving a growth rate of 56.83%

comparing the export earnings of previous year 2013.

I appreciate the management team along with all employees and workers of Tosrifa Industries Limited to do a better job within a very critical business environment. I also assure the shareholders that their investment is secured and will be in positive consistent growth.

Thanking you all,

Sd/-

Tosrifa Ahmed
Chairman

Managing Director's Message



Managing Director's Message

Dear Shareholders,

I am exceedingly pleased to welcome you all at the 13th Annual General Meeting (AGM) of TOSRIFA Industries Limited and to place herewith the Annual Report of the Company for the year 2014. It was another prosperous year for your Company. During 2014, the Company had to operate with multifarious uncertainties and challenges in front of it. However, after all these off-putting aspects of local and international economy, I would like to thank all the valuable investors of Company who have shown confidence and trust in the Company.

Our performance indicates that the Company was on the right track in the year backed by right strategies and having an able leadership to deliver consistent value for our shareholders. I am pleased to report that the Company's Gross Turnover (GT) for the year was BDT 1,476.84 million which incurred 56.83% growth comparing the turnover of previous year. Out of total sales revenue after meeting up all costs including Costs of Goods Sold, Operating Costs, Financial Costs and Corporate Income Tax The Net Profit for the year was BDT 104.42 million which is 7.07% of total Sales Revenue and having a 21.58% growth than on previous year. As a result, Earnings Per Share (EPS) has moved up to BDT 3.03 and the NAV Per Share stood at BDT 37.44.

The Board of Directors recommended Stock Dividend @ 7% (7 Bonus Shares for 100 existing Ordinary Shares each for the year ended as on December 31, 2014) & Cash Dividend @ 5% (BDT 0.50 for each ordinary share of BDT 10.00) from the accumulated retained earnings up-to 31st December 2014.

Day-to-day business faces impediments from the unexpected consequences of and impact from global financial crunch, recession in the developed economies, energy crisis, high fuel price, incremental cost of raw materials and so on. Despite having these pitfalls, management of the Company tried the best to carry on

the business trend unabated and Board of Directors of the company assured their unsurpassed performance with their capability in order to make the profit expected by the investors for the optimum return of capital invested by the investors. As we look back to the year 2014, we do not feel frustrated as the national economy and our corporate performance had succeeded in overcoming the dreaded effects of the continuing recession in the developed countries. However, looking forward, we feel, as apprehended by almost all concerned, the ensuing years may shake us at the root due to both external and internal turmoil. We should, therefore, be prepared to re-define our strategy and consolidate our financial and operational strength with wisdom and tolerance for protecting the interest of the present owners/stakeholders and their cohorts. Here I have to thank the Board of Directors, whole Management, Employees, Workers and all other stakeholders of the company for their team work with heart and soul contribution to these achievements of the Company.

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 2014. 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, Employees of the Company and Government of the Peoples' Republic of Bangladesh for their support and cooperation.

I wish the Company and Shareholders every success in the future.

Sd/-

Mohim Hassan

Managing Director

BOARD OF DIRECTORS



- ① **Tosrifa Ahmed** - Chairman
- ② **Mohim Hassan** - Managing Director
- ③ **Naim Hassan** - Director

- ④ **Rafiq Hassan** - Director
- ⑤ **Lyra Rizwana Quader** - Director
- ⑥ **Anjuman Ara Begum** - Director

BOARD OF DIRECTORS



Tosrifa Ahmed, Chairman

Tosrifa Ahmed, aged 80, is the Chairman of the Company. The name of this Company has been inspired by her name and experience. She is a graduate and in her long career has conceived and promoted many different type of institutes. She is also Chairman of Northern Corporation Limited, Northern Fashion Limited, Enviro Pac Limited, Northern Knit Limited and Northern Yarn Limited. As a Chairman of the group she is involved in mentoring, guiding and giving vision to the board of directors. Her contribution to the industrialization of the country is remarkable and well known in the business arena. She is also heavily involved in different charitable and development activities; she is the Chairman of Shafiuddin Ahmed Foundation a nonprofit organization working for the healthcare development in rural areas, apart from that she has created numerous trust funds for financing the education of underprivileged meritorious student.



Mohim Hassan, Managing Director

Mohim Hassan, aged 49, 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 27 years of success. As a sign of his commitment to CSR he received the award for CSR activities from the BGMEA in 2009.

BOARD OF DIRECTORS



Naim Hassan, Director

Naim Hassan, aged 47, 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 24 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.



Rafiq Hassan, Director

Rafiq Hassan, aged 44, is the director of the Company and brings with him 23 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 abroad 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.

BOARD OF DIRECTORS



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.

BOARD OF DIRECTORS



Prof. Dr. Khondakar Mohammad Shariful Huda

Independent Director

Prof. Dr. Khondakar Mohammad Shariful Huda, aged 47, is one of the Independent Directors of the Company. He is in teaching profession as a Professor, Department of Geography and Environment of Jahangirnagar University. He is an specialist on Geographical Information System (GIS), Global Positioning System (GPS) and Remote Sensing for Environment and Resource Management, Water Resource Management and Disaster Management having extensive field experience and advanced computing skills. He did his B.Sc. and M.Sc. in Geography, Jahangirnagar University and M.A. in Geographical Information for Development from University of Durham, UK. 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.

BOARD OF DIRECTORS



Md. Nasirul Islam
Independent Director

Md. Nasirul Islam, aged 63, 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.

Highlights of Annual Report 2014

Gross Profit - Tk. 320.94 million
Operating Profit - Tk. 162.82 million
Profit Before Tax - Tk. 135.22 million
Profit After Tax - Tk. 104.43 million
Earnings Per Share - Tk. 3.03

Sales Revenue-Exports
Tk. 1,476.85 million

Shareholders' Equity
Tk. 1,290.70million

Total Assets - Tk. 1,657.41 million
Total Liabilities - Tk. 366.71 million
NAV Per Share - Tk. 37.44



MANAGEMENT

EXECUTIVES



Managing Director Mr. Mohim Hassan with his Team



Md. Zillur Rahman, FCMA
 Chief Financial Officer

Md. Zillur Rahman, FCMA, aged 45 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.

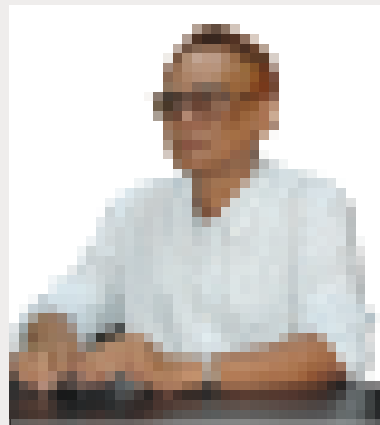
He started his career in management level and till now continues it in a number of renowned organizations with his superior talents and excellences. He has acquired vast knowledge in finance and accounts of various types of company of various sectors during his service life and able to hold the key position 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 20 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 also visited many countries of the world in connection with business and has gathered sufficient knowledge.



Hayder Ali, Company Secretary

Hayder Ali, aged 54, 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 64, 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. Good Corporate Governance is key to successful sustenance. Board of Directors of **Tosrifa Industries Limited**. 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.

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, **Tosrifa Industries Limited**. 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 **Tosrifa Industries Limited**. 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. In **Tosrifa Industries Limited**. the Board presently consists of 8 (eight) Directors including 2 (two) Independent Directors. Tosrifa Ahmed currently occupies 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.
- ☐ Formulating the Company's governance framework and approving the Standards of Business Conduct and policies of the Company
- ☐ Identifying risk and concern and reviewing the Company's risk management and the internal control system.

- ☐ Approving the Company's Annual Report and reviewing its periodical financial reports.
- ☐ Ensuring and guiding management to manage external stakeholders.
- ☐ Considering and approving other matters specifically reserved for the attention of the Board.
- ☐ Receiving and reviewing reports of Board Committees.
- ☐ Organizing Annual General Meeting with usual agenda for shareholders deliberations.
- ☐ Empowering the management's responsibilities through appropriate delegation of authorities for business operation.
- ☐ Overseeing the conduct of the Company's business to evaluate whether the business is properly managed.

Board Meetings

The composition of the Board Committee as at 31st December 2014 and out of total 5 Board meetings, the attendance of the Directors at the Board and the Committee meetings held in 2014 are as follows:

Name of Director	Position	No. of Meetings Attended
Tosrifa Ahmed	Chairman	5
Mohim Hassan	Managing Director	5
Naim Hassan	Director	5
Rafiq Hassan	Director	5
Lyra Rizwana Quader	Director	5
Anjuman Ara Begum	Director	5
Prof. Dr. Khondaker Mohammad Shariful Huda	Independent Director	Appointed on - 11 March 2015
Md. Nasirul Islam	Independent Director	Appointed on - 11 March 2015

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 at 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.

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.

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 (Tosrifa Ahmed) 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.

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 Year ended 31st December 2014 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 as a private limited Company 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 344,698,000 respectively

The Company's registered office is located at plot # 91, (4th Floor) , Block- k, Suhrawardy Avenue, Baridhara, Dhaka-1212 and the factory is at Mouza 135 Gopalpur, Munnu Nagar, Tongi, Gazipur, 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 yarn and 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.

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. Its 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 and Availability of Raw Materials and Principal Suppliers

The major raw material of the Company is cotton yarn. It also procures fabric from outside sources if its in-house machinery cannot produce the type of fabric required by the buyer. In addition, the Company procures several types of accessories during normal course of business. It procures the raw material from various sources around the world including China, India, Hong Kong, Singapore to avoid dependency on any single supplier.

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 run 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 1,350 full time employees as of 31st December 2014. 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 & Welfare Fund: The Company introduced Workers Profit Participation Fund in 2010 as per requirement of Bangladesh Labour Law, 2006. The Company disbursed as per provision of the law.

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

C. Festival Bonus: employees of TIL get festival bonus, they are also entitled to get a target bonus. Factory workers receive production target bonus which is based on daily target. On the otherhand all employees of the Company also receive yearly target bonus which is based on achievement of the Company's yearly target. If they achieve 100% of the yearly target, they will get target bonus equal to one month's gross salary If they

achieve 90% of the target, they will get 75% of one month's gross salary and if they achieve 75% of the target they will get 50% of one month's gross salary

D. Medical Facilities: The Company has a well equipped medical center in the factory staffed with 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 get 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 Year 2014 of Tsrifa 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:

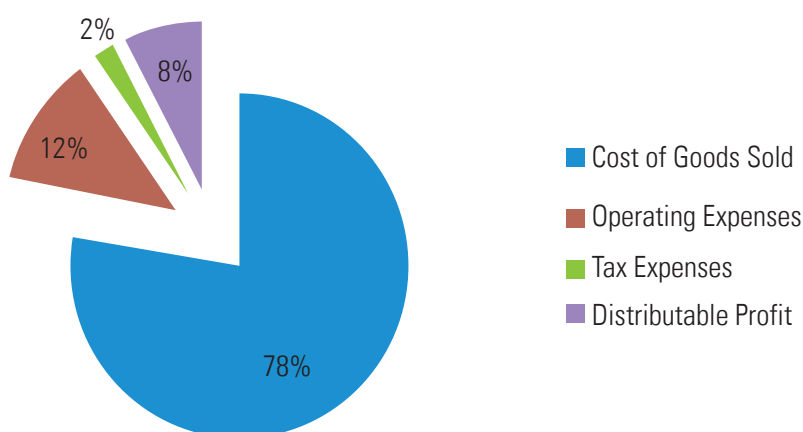
Figures in Million

Particulars	2014	2013	2012	2011
Sales Turnover	1,476.84	941.67	799.46	677.93
Cost of Goods Sold	1,155.90	724.05	606.71	514.76
Gross Profit	320.94	217.62	192.75	163.17
Operating Expenses	158.12	87.93	65.28	54.02
Operating Profit	162.81	129.69	127.47	109.15
Non-Operating Income	5.62	0.27	0.63	5.44
Financial Expenses	26.45	29.50	29.16	27.87
Non-operating Expenses (WPPF)	6.76	4.77	4.71	4.13
Net Profit before Tax	135.22	95.44	94.23	82.59
Provision for Income Tax	30.79	9.56	13.80	4.60
Net profit after Tax	104.42	85.89	80.43	77.99
Earnings Per Share (Tk.)	3.03	2.64	2.33	2.26
Total Assets	1,657.41	1,543.20	1,612.34	1,314.67
Total Liabilities	366.71	356.92	571.95	354.70
Shareholders' Equity	1,20.70	1,186.27	1,040.38	959.95
NAV Per Share (Tk.)	37.44	34.41	32.04	29.56
Gross Profit Margin	21.68%	23.11%	24.11%	24.06%
Operating Profit Margin	10.97%	13.70%	15.89%	16.10%
Net Profit Margin	7.04%	9.03%	10.01%	11.37%
Return on Equity	8.06%	7.16%	7.69%	8.02%
Return on Investment	6.52%	5.44%	5.49%	7.61%

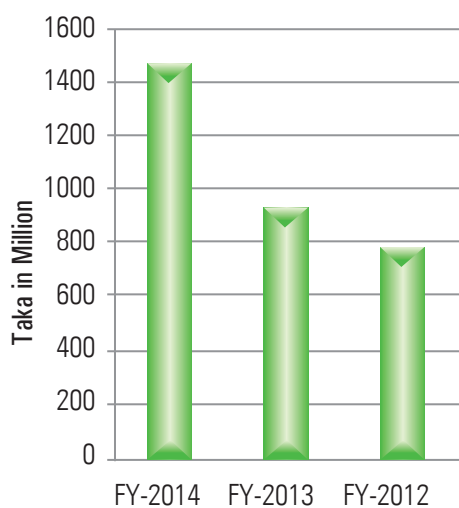
Financial Year 2014 at a Glance

	(Figures in Taka)		(Figures in Taka)
Turnover (Net)	1,476,847,815	Total Assets	1,657,413,672
Gross Profit	320,942,197	Total Liabilities	366,709,975
Operating Profit	162,819,667	Total Shareholders' Equity	1,290,703,397
Net Profit before Tax	135,224,070	Net Asset Value Per Share	37.40
Net profit after Tax	104,427,740		
Earnings Per Share	3.03		

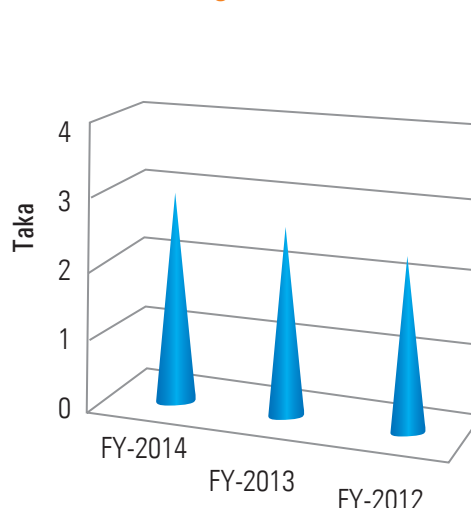
Revenue Distribution in 2014



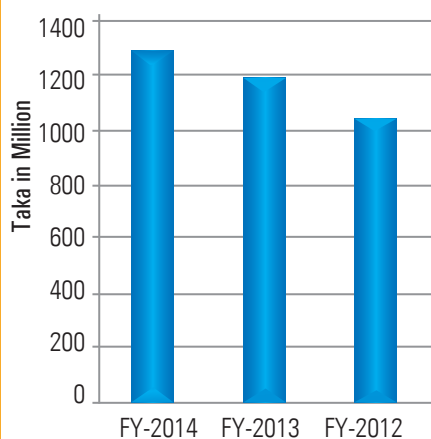
Sales Turnover



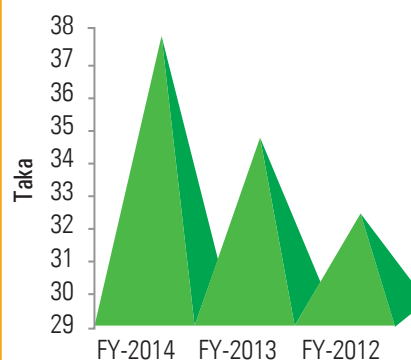
Earning Per Share



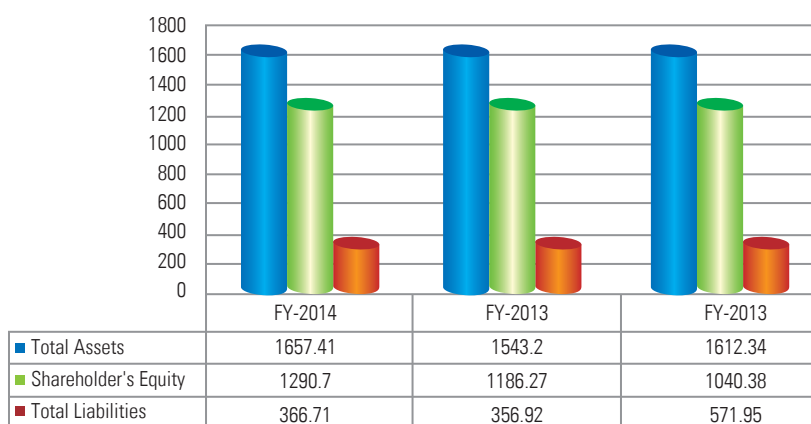
Shareholder's Equity



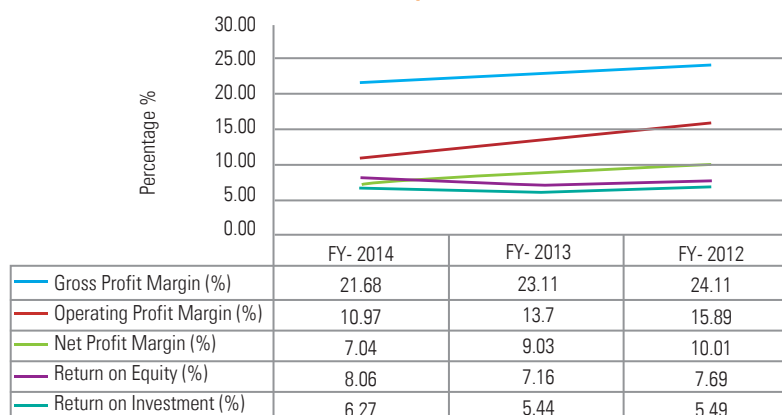
NAV Per Share



Balance Sheet Items



Profitability Ratios



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 2014. 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, **Tosrifa Industries Limited** 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.

Cost of Goods Sold (COGS) in Details

Particulars	2014 Tk.	2013 Tk.
Opening stock of raw materials	51,372,527	136,648,341
Add: Purchased during the year	738,390,412	320,766,922
Raw materials available for use	789,762,939	457,415,263
Less: Closing stock of raw materials	86,470,053	51,372,527
Raw materials consumed	703,292,886	406,042,736
Add: Direct expenses	231,917,828	124,478,623
Prime cost	935,210,714	530,521,359
Add: Factory overhead	179,367,694	103,003,718
Cost of production	1,114,578,408	633,525,078
Add: Opening inventories of WIP	69,572,790	56,738,346
Manufacturing cost at standard	1,184,151,198	690,263,424
Less: Closing inventories of WIP	73,954,711	69,572,790
Cost of goods manufactured	1,110,196,487	620,690,634
Add: Opening inventories of finished goods	76,740,760	180,103,792
Goods available for sale	1,186,937,247	800,794,426
Less: Closing inventories of finished goods	31,031,629	76,740,760
Cost of goods sold (COGS)	1,55,905,618	724,053,666

Contributions

a) Contribution to National Exchequer

Taxation is provided in accordance with fiscal regulations as applicable. The company taxation is under final settlement of tax liability under section 82 (c) of the Income Tax Ordinance 1984 .As the company is under final settlement of tax liability under section 53 BB and disclosure required under Para 79-88 of BAS 12 are not applicable for this company.

The applicable tax deduction rate at source on export sales proceed from January 01, 2014 to April 21, 2014 @ 0.80% and April 22, 2014 to December 31, 2014 @ 0.30% under section 53 BB. The Company made contribution of an amount Tk. 30.79 million in financial year 2014 to the National Exchequer which is 222% more than of previous financial year and the contributions consist of the following:

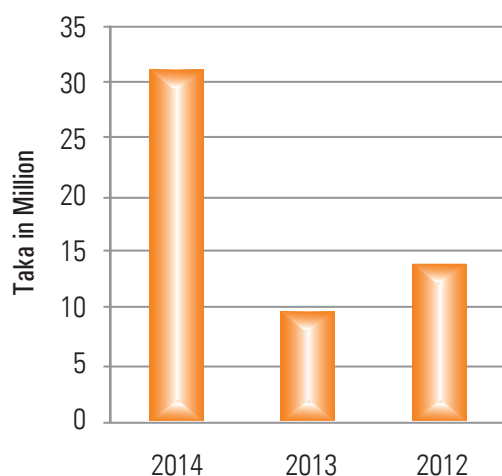
	(USD in million)		
	2014	2013	2012
Corporate Income Tax	30.79	9.56	13.80

b) Foreign Exchange Earned

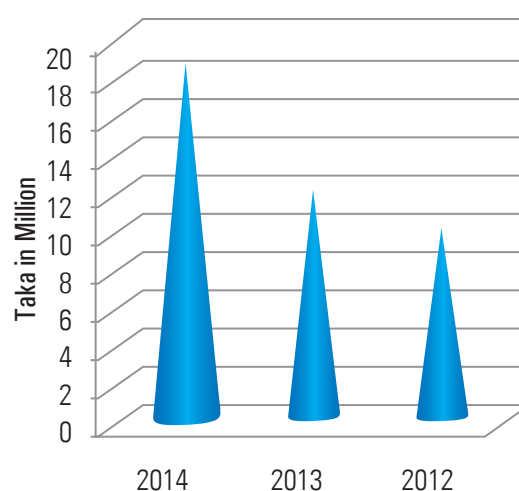
After the establishment, the Company contributed annually to the Foreign Exchange Reserve of the Country through its exports. In financial year 2014 Tosrifa Industries Limited has contribution of BDT 1,476.84 million which is equal to USD 18.93 million and 56.83% more than of the previous financial year 2013.

	(USD in million)		
	2014	2013	2012
Total Export Earnings	18.93	12.07	10.24

Contribution to National Exchequer



Foreign Exchange Earned

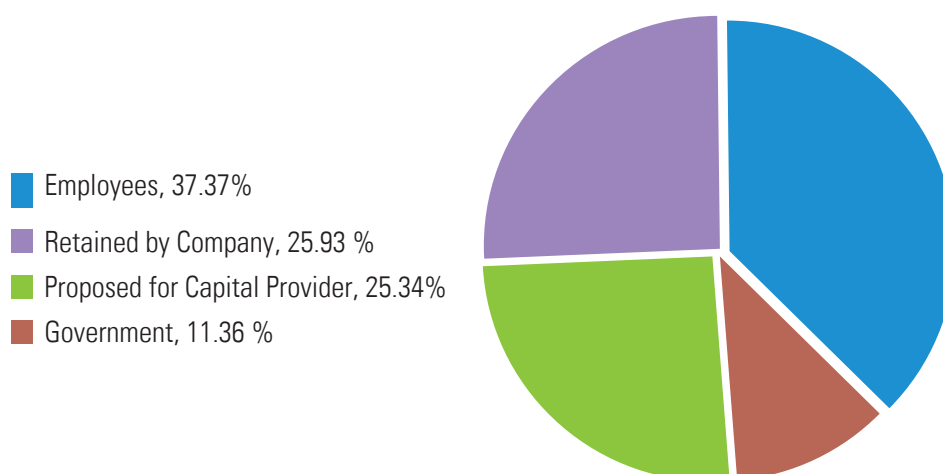


c) Value Added Statements:

(Amount in Taka)

2014

Sources of Funds	
Net Turnover	1,476,847,815
Less: Bought in Materials and Services	(1,202,902,025)
Add: Other Income	5,623,744
Value Added	279,569,570
Applied in the following ways:	
Employees (37.37%)	104,501,788
Salaries, Wages, Gratuity and Other benefits	97,740,585
Contribution to WPPF & WWF	6,761,203
Government (11.36%)	31,765,181
Corporate Income Tax, Value Added Tax (VAT)	31,357,183
Other Government Dues	407,998
Proposed for Capital Provider (25.34%)	70,843,200
Cash Dividend @ 5%	29,518,000
Stock Dividend @ 7%	41,325,200
Retained by the Company (25.93%)	72,459,401
Depreciation	38,874,861
Retained Earnings	33,584,540
Total	279,569,570



Investors Summary as on 30th June 2015

As per Listing Regulations of Stock Exchange regarding share holding position of different categories of investors as on June 30, 2014, we have submitted the following information to the concerned authorities:

Share Holding Status of Different Categories as on 30th June 2015

A. On the Basis of Group:

Group Name	Number of Shareholders	No. of Shares	Ownership (%)
All Investors A/C	5	269,800	0.45%
Company	343	7,921,145	13.41%
General Public	47,337	17,741,849	30.05%
NRB [Non - Resident Bangladeshi]	2,993	633,406	1.07%
Sponsor / Director	10	32,469,800	55.00%
Total :	50,688	59,036,000	100.00%

B. On the Basis of Range:

Share Holding Range	Number of Shareholders	No. of Shares	Ownership (%)
1-499	47,781	9,577,632	16.22%
500-5000	2,399	3,912,352	6.63%
5001-10000	218	1,651,558	2.80%
10001-20000	136	1,978,378	3.35%
20001-30000	44	1,057,417	1.79%
30001-40000	30	1,045,741	1.77%
40001-50000	18	819,241	1.39%
50001-100000	29	1,992,616	3.38%
100001-1000000	26	4,863,889	8.24%
1000001-1000000000	7	32,137,176	54.44%
Total :	50,688	59,036,000	100.00%

Business Expansion

Tosrifa Industries Limited plans to setup a dyeing unit by using of the IPO Proceeds, Foreign and local Loan and Retained Earnings. The state of the art dyeing unit will have a capacity of 15MT per day and to set up the unit necessary machineries will be 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 11,286,000 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.

Appointment of Auditor

Our Auditor M/S Masih Muhith Haque & Co. Chartered Accountants has audited our Company for the last years successfully. A new Chartered Accountants Firm is going to get appointment as Statutory Auditor for the financial year 2015. The Board will recommend their appointment and their remuneration shall be fixed-up in the 13th AGM of the Company.

Directors' Election and Re-appointment

The respective 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, Tosrifa 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 TOSRIFA 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 year 2014. 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 of Directors recommended Stock Dividend @ 7% (7 Bonus Shares for 100 existing Ordinary Shares each for the year ended as on December 31, 2014) & Cash Dividend @ 5% (BDT 0.50 for each ordinary share of BDT 10.00) from the accumulated retained earnings up-to 31st December 2014. These dividends will be payable to those valuable Shareholders whose name will be appeared in the Share Register of Member of the Company or in the Depository on the Record Date which is 30 August 2015.

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:

c) Value Added Statements:

(Amount in Taka)

	2014	2013
Un-appropriated Profit from previous Year	244,372,414	158,484,891
Less: Prior Year Adjustment	-	-
Adjusted Un-appropriated Profit from previous Year	244,372,414	158,484,891
Add: Net Profit after Tax for the Year	104,427,740	85,887,523
Add: Realization through use of Revaluation Reserve	-	-
Total Available for Appropriation (a)	348,800,154	244,372,414
Appropriation Proposed		
Proposed Dividend:		
Cash Dividend @ 5%	29,518,000	-
Stock Dividend @ 7%	41,325,200	-
Total Dividend (b)	70,843,200	-
Balance Carried Forward (a-b)	277,956,954	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 as 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 year. It was your unrelenting commitment, dedication and diligence throughout the year that led to the Company achieving the awards and accolades in 2014.

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

On behalf of the Board of Directors,

Sd/-
Tosrifa Ahmed
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) The patterns of Shareholding as on 31st December 2014 is in ANNEXURE-I.
- e) Comparative financial results are in ANNEXURE-II.
- f) Audit Committee Report is in ANNEXURE-III.
- g) 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-IV.
- h) Certificate of Diligence by Managing Director & CFO is in ANNEXURE-V
- i) Shareholding as on record date is in ANNEXURE - VI

Annexure -I: Shareholding Pattern as on 31st December 2014

Sl. No	Name of Shareholders	Designation	% out of Total Shareholders	No. of Ordinary Shares
1	Tosrifa Ahmed	Chairman	8.38%	2,889,629
2	Mohim Hassan	Managing Director	4.60%	1,585,900
3	Naim Hassan	Director	4.60%	1,585,900
4	Rafiq Hassan	Director	4.28%	1,475,747
5	Lyra Rizwana Quader	Director	18.28%	6,300,000
6	Anjuman Ara Begum	Director	18.28%	6,300,000
7	Abeda Rahman	Shareholder	0.13%	45,360
8	Shameem Ara Begun	Shareholder	0.70%	241,904
9	Sayeed Hassan	Shareholder	0.13%	45,360
10	Northern Corporation Ltd	Shareholder	34.81%	1,20,00,000
11	Epyllion Holdings Ltd.	Shareholder	1.94%	6,70,000
12	Iftekhar Rahman	Shareholder	0.48%	1,66,500
13	Zulfiqar Rahman	Shareholder	0.39%	1,33,500
14	Lisa Nazrana Quader	Shareholder	0.48%	1,67,000
15	Luna Sharmila Quader	Shareholder	0.48%	1,67,000
16	Farah Yasin	Shareholder	0.87%	3,00,000
17	IDLC Investment Ltd.	Shareholder	0.68%	2,33,000
18	Didarul Alam	Shareholder	0.29%	1,00,000
19	Syed Badrul Alam	Shareholder	0.17%	60,000
20	Md. Anisuzzaman	Shareholder	0.01%	3,000
Total			100%	34,469,800

Annexure - II: Comparative Financial Results

Figures in Million

Particulars	2014	2013	2012	2011	2010
Sales Turnover	1,476.84	941.67	799.46	677.93	958.11
Cost of Goods Sold	1,155.90	724.05	606.71	514.76	462.09
Gross Profit	320.94	217.62	192.75	163.17	136.01
Operating Expenses	158.12	87.93	65.28	54.02	46.52
Operating Profit	162.81	129.69	127.47	109.15	89.48
Non-Operating Income	5.62	0.27	0.63	5.44	0.57
Financial Expenses	26.45	29.50	29.16	27.87	25.12
Non-operating Expenses (WPPF)	6.76	4.77	4.71	4.13	3.09
Net Profit before Tax	135.22	95.44	94.23	82.59	61.84
Provision for Income Tax	30.79	9.56	13.80	4.60	2.17
Net profit after Tax	104.42	85.89	80.43	77.99	59.67
Earnings Per Share (Tk.)	3.03	2.49	2.33	2.26	1.73
Total Assets	1,657.41	1,543.20	1,612.34	1,314.67	732.45
Total Liabilities	366.71	356.92	571.95	354.70	392.69
Shareholders' Equity	1,20.70	1,186.27	1,040.38	959.95	339.76
NAV Per Share (Tk.)	37.44	34.41	32.04	29.56	48.53

Annexure - III: Audit Committee Report

Audit Committee Report

For the Year 2015

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 three times during the year 2015 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 2015 are as follows:

	Designation	Total Meetings Held	No. of Meetings Attended
Md. Nasirul Islam	Chairman	03	03
Rafiq Hassan	Member	03	03
Lyra Rizwana Quader	Member	03	03
Anjuman Ara Begum	Member	03	03

Summary of Audit Committee Activities in 2015

This Audit Committee was formed after the respective financial year ended 31 December 2014 so there was no participation of it during 2014. After the constitution on 12 March 2015 till the concerned reporting period, in 2015 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 year 2014 along with running year 2015 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: 30 August 2015



Annexure - V: Corporate Governance Statement & Certificate

As per BSEC rules (letter BSEC/CMRRCD/2006-158/129/Admin/44, dated 03 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 "Cost and Management Accountant" in Bangladesh, takes the gratification to study and opine in attainment of Compliance on Corporate Governance by Tsrifa Industries Limited (TIL) for the period ended 31st December 2014. 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 and clause 32 of consent letter SEC/CI/IPO-216/2013/131

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, **Tsrifa Industries Limited (TIL)** has complied with the conditions of Corporate Governance set by Bangladesh Securities & Exchange Commission except approval of appointment of Independent Director by the board of Directors, which shall be placed for approval in the upcoming AGM.

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: 27 August 2015
Place: Dhaka, Bangladesh

Status of Compliance with the Corporate Governance Guideline (CGC)

As of 31 December 2014

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 08 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 and these appointments will be approved in the forthcoming AGM to be held on 21 September 2015.
(iii)	<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).		✓	2 (two) Independent Directors were appointed on 11 March 2015 and these appointments will be approved in the forthcoming AGM to be held on 21 September 2015.
(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.	✓		
(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.	✓		
(vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.	✓		
(vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	✓		
(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.	✓		
(ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	✓		
(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.	✓		
(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);	✓		No Sharing held except Director's
(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.	√		
(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.	√		

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 year ended 31 December 2014:

- 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 August 2015

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

ANNEXURE-VI: Shareholding Details on Record Date

Pattern of Shareholding on Record Date 30 August 2015 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:			
Tosrifa Ahmed	2,889,629	4.89%	Also Chairman of Company
Mohim Hassan	1,585,900	2.69%	Also Managing Director of Company
Naim Hassan	1,585,900	2.69%	
Rafiq Hassan	1,475,747	2.50%	
Lyra Rizwana Quader	6,300,000	10.67%	
Anjuman Ara Begum	6,300,000	10.67%	
Sponsors Shareholders:			
Sayeed Hassan	75,360	0.12%	
Abeda Rahman	45,360	0.08%	
Shameem Ara Begum	241,904	0.41%	
Northern Corporation Limited	12,000,000	20.33%	
Independent Directors:			
Prof. Dr. khondaker Mohammad Shariful Huda	-	-	
Md. Nasirul Islam	-	-	
Other Shareholdings:			
Md. Zillur Rahman, FCMA	-	-	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	32,469,800	55.05%	
All Investors A/C	237,200	0.41%	
Company	1,579,162	2.67%	
General Public	24,302,198	41.14%	
NRB [Non-Resident Bangladeshi]	417,640	0.70%	

Tosrifa Industries Limited

Audited Financial Statements

For the year ended 31 December 2014

AUDITORS' REPORT

We have audited the accompanying financial statements of **Tosrifa Industries Limited**, which comprises the statement of financial positions as at December 31, 2014 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards, 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. 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 amount 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 and fair presentation of the financial statements 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, prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company's affairs as at 31st December 2014 and of the results of its operations and cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchanges Rules 1987 and other applicable laws and regulations.

We also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 these books;
- c) The statement of financial position and statement of 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, 2015

Sd/-
(Masih Muhith Haque & Co.)
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED

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

STATEMENT OF FINANCIAL POSITION

As at December 31, 2014

PROPERTY & ASSETS	Notes/ Sch	2014 Amount (Tk.)	2013 Amount (Tk.)
A. Non-Current Assets:		1,152,387,796	1,137,230,371
Property, Plant & Equipment (At cost less accumulated depreciation)	Sch - A & B	1,152,387,796	1,038,910,230
Capital Work-in-progress	6.00	-	98,320,141
B. Intangible Assets		2,694,788	21,450
Software and Application	7.00	2,694,788	21,450
C. Current Assets:		502,331,089	405,955,883
Advances, Deposits & Prepayments	8.00	11,157,657	3,945,667
Accounts Receivable	9.00	203,676,327	200,129,367
Inventories	10.00	191,456,393	197,686,077
Cash and Cash Equivalents	11.00	96,040,712	4,194,772
D. Total Property & Assets (A + B + C)		1,657,413,672	1,543,207,705
EQUITY & LIABILITIES			
E. Shareholders Equity:		1,290,703,397	1,186,275,656
Issued, Subscribed & Paid up Capital	12.00	344,698,000	344,698,000
Share Premium	13.00	40,000,000	40,000,000
Retained Earnings	14.00	348,800,154	244,372,413
Revaluation Reserve & Surplus	15.00	557,205,243	557,205,243
F. Non-Current Liability:		59,107,017	64,362,749
Long Term Loan (Secured)	16.00	59,107,017	64,362,749
G. Current liabilities		307,603,257	292,569,299
Accounts Payable	17.00	114,294,189	131,344,355
Provision for Expenses	18.00	1,727,850	6,148,932
Accepted Machinery Liability	19.00	34,178,591	-
Short Term Loan	20.00	98,892,846	83,136,084
Current Portion of Long Term Loan	21.00	28,164,000	32,912,405
Inter Company Current Account	22.00	-	25,791,545
Provision for Income Tax	23.00	23,584,578	8,463,808
Workers' Profit Participation & Welfare Fund (WPPWF)	24.00	6,761,203	4,772,170
H. Total Liabilities & Shareholders' Equity (E + F + G)		1,657,413,672	1,543,207,705
Net Asset Value Per Share	34.00	37.44	34.41

The notes are integral part of the financial statements .

Approved and authorized for issue by the Board of Directors on the date of April 29, 2015 and signed for and on behalf of the board.

Sd/-
Managing DirectorSd/-
DirectorSd/-
Company SecretarySd/-
Chief Financial OfficerSd/-
(Masih Muhith Haque & Co.)
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED

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

STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31,2014

Particulars	Notes	2014 Amount (Tk.)	2013 Amount (Tk.)
Sales Revenue (Export)	25.00	1,476,847,815	941,669,480
Less : Cost of Goods Sold	26.00	1,155,905,618	724,053,666
Gross profits		320,942,197	217,615,815
Less: Office & Administrative Expenses	27.00	69,934,318	50,133,134
Less: Marketing , Selling & Distribution expenses	28.00	88,188,212	37,789,854
Profit from Operation		162,819,667	129,692,827
Add: Non Operating Income	29.00	5,623,744	27,143
Net profit/ (Loss) before Financial expenses		168,443,410	129,719,970
Less: Financial Expenses	30.00	26,458,137	29,504,401
Net profit/(loss) after financial expenses		141,985,273	100,215,569
Less: Workers' Profit Participation & Welfare Fund (WPPWF)	31.00	6,761,203	4,772,170
Net profit /(loss) before tax		135,224,070	95,443,399
Less: Income Tax Expenses	32.00	30,796,330	9,555,876
Net profit/(loss) after tax		104,427,740	85,887,523
Earnings Per Share (Face value Tk. 10)	33.00	3.03	2.64
Earnings Per Share (Fully diluted)		3.03	2.49

The notes are integral parts of the financial statements .

Approved and authorized for issue by the Board of Directors on the date of April 29, 2015 and signed for and on behalf of the board.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
(Masih Muhith Haque & Co.)
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED

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

STATEMENT OF CHANGES IN EQUITY

For the year ended December 31, 2014

Particulars	Share capital	Retained earnings	Share Premium	Revaluation Reserve & Surplus	Total
Year ended : December. 31, 2014					
Balance as on December. 31, 2013	344,698,000	244,372,414	40,000,000	557,205,243	1,186,275,656
Net profit for the year		104,427,740			104,427,740
					-
Balance as on December 31, 2014	344,698,000	348,800,154	40,000,000	557,205,243	1,290,703,397
Year Ended: December. 31, 2013					
Balance as on December. 31, 2012	324,698,000	158,484,891		557,205,243	1,040,388,133
Issue of Ordinary Share	20,000,000				20,000,000
Share Premium			40,000,000		40,000,000
					-
Net Profit fir the Year	-	85,887,523	-	-	85,887,523
					-
Balance as on December 31, 2013	344,698,000	244,372,414	40,000,000	557,205,243	1,186,275,656

The notes are integral part of the financial statements

 Approved and authorized for issue by the Board of Directors on the date of April 29, 2015 and signed for and on behalf
 of the board.

 Sd/-
 Managing Director

 Sd/-
 Director

 Sd/-
 Company Secretary

 Sd/-
 Chief Financial Officer

 Sd/-
 (Masih Muhith Haque & Co.)
 Chartered Accountants

TOSRIFA INDUSTRIES LIMITED

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

STATEMENT OF CASH FLOWS

For the year ended December 31,2014

	2014 Amount (Tk.)	2013 Amount (Tk.)
A CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	1,473,300,855	896,376,430
Cash received from non operating income	5,623,744	27,143
Cash Paid to Suppliers	(884,791,028)	(526,552,903)
Operating expenses paid	(417,587,982)	(167,385,833)
Finance cost	(26,458,137)	(29,504,401)
Income tax paid	(15,675,561)	(15,483,501)
Net cash flow from operating activities	134,411,891	157,476,935
B CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant and Equipment	(53,337,139)	(54,715,659)
Purchase of Software and Application	(3,368,485)	-
Capital work in progress	-	(79,743,377)
Net cash used in investing activities	(56,705,624)	(134,459,036)
C CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash (Paid) / Received for Loan Term Loan	(5,255,732)	(48,099,305)
Cash (Paid) / Received for current portion of Loan Term Loan	(4,748,405)	(12,872,089)
Loan received / (Paid) from Bank (Accepted liability for machinery)	34,178,591	-
Cash Received/ (Paid) from Short Term Loan	15,756,762	6,482,102
Inter company outflow	(25,791,545)	(25,105,925)
Issue of Ordinary Share	-	20,000,000
Share premium	-	40,000,000
Net cash flow from financing activities	14,139,671	(19,595,217)
Net Increase / (Decrease) in Cash & Cash Equivalents (A + B + C)	91,845,939	3,422,682
Cash & Cash Equivalents at the beginning of the year	4,194,772	772,090
Cash & Cash Equivalents at the end of the year	96,040,712	4,194,772
The above balance consists of the followings:		
Cash in hand	461,256	634,424
Cash at bank	95,579,456	3,560,348
	96,040,712	4,194,772

Note: Cash outflows are indicated in brackets.

The notes are integral part of the financial statements .

Approved and authorized for issue by the Board of Directors on the date of April 29, 2015 and signed for and on behalf of the board.

Sd/-
Managing Director

Sd/-
Director

Sd/-
Company Secretary

Sd/-
Chief Financial Officer

Sd/-
(Masih Muhith Haque & Co.)
Chartered Accountants

TOSRIFA INDUSTRIES LIMITED

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

NOTES TO THE FINANCIAL STATEMENTS

TOSRIFA INDUSTRIES LIMITED.

1.00 Corporate History of the Reporting Entity:

TOSRIFA INDUSTRIES LIMITED. was incorporated in Bangladesh on August 27, 2002 under the companies Act, 1994 vide registration no. C - 46888(3367) 2002 as a private limited company by shares, it commenced 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 has moved from at Level-1st to 6th floor, 135 Gopalpur, Munnu Nagar, Tongi, Gazipur, Bangladesh as at 1st 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 Corporate Financial Statements and Reporting:

This comprises Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow and Explanatory notes covering accounting policies.

This is prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1994, the International Accounting Standards (IASs) as International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB).

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

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), The Companies Act 1994 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.

4.02 Other regulatory compliances

The Company comply 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 of generally accepted accounting principles.

4.04 Functional and presentational currency

These financial statements are presented in Bangladeshi Taka (TK.) currency, 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.

4.07 Reporting Period

The reporting period of the company covers one year from 01 January to 31 December.

4.08 Components of the financial statements

- i) Statements of Financial Position
- ii) Statement of Comprehensive Income
- iii) Statement of Changes in Equity
- iv) Statement of Cash flows
- v) Accounting policies and explanatory notes.

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 equipments 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 Comprehensive Income.

5.01.03 Depreciation

All items of property, plant and equipment have been depreciated on reducing 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.

No depreciation is charged in the year of disposal at all.

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 deemed to have an infinite life.

5.02 Inventories

Inventories comprise of raw materials yarn, raw materials accessories, raw material finished fabrics, Needle and spare parts, work in progress and finished goods Inventories. Inventories are valued at cost or net realizable value which ever 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 (Accounts 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 un collect ability of any amount so recognized.

5.04 Advances, deposits and prepayment

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 & Cash Equivalents includes cash in hand, cash at banks 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 charged / credited to profit and loss account by being absorbed in the respective head of income or expenditure.

5.08 Taxation

Taxation is provided in accordance with fiscal regulations applicable. The company taxation is under final settlement of tax liability under section 82 (c) of the Income Tax Ordinance 1984 .As the company is under final settlement of tax liability under section 53 BB and disclosure required under Para 79-88 of BAS 12 are not applicable for this company. The applicable tax deduction rate at source on export sales proceed from January 01, 2014 to April 21, 2014 @ 0.80% and April 22, 2014 to December 31, 2014 @ 0.30% under section 53 BB.

5.09 Employee benefit obligation :

The company has Workers Profit Participation fund as employee benefit and contributing 5% of net profit before 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.

Borrowing cost

5.11 Finance expenses comprise interest expense on bank loan, and other borrowings. All borrowing costs are recognized in the profit and loss account using effective interest method.

5.12 Statement of Cash flows

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

5.13 Earnings per share

The company presents its basic earnings per share (EPS) data 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 has been disclosed in note no.34

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 figures have been rearranged wherever considered necessary for the purpose of current year presentation.

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

6.00 Capital Work-in-progress : Tk. 0

This balance consists of as follows :

Balance at the beginning of the year

Add : Addition during the year

Less : Adjustment made during the year

Balance as on year ended December 31, 2014

This is made up as follows :

Building & Civil Works (Steel Structure)

7.00 Intangible Asset: Tk. 2,694,788

Software and Application

Balance as on year ended December 31, 2014

7.01

7.01 Software and Application : Tk. 2,694,788

The intangible asset has been created against purchase of Tally software

Balance at the beginning of the year

Add : Addition during the year

Less : Written off 20% p. a

Balance as on year ended December 31, 2014

Note: i) Amortization is charged @ 20% on Cost of Tk. 107,250 & Tk. 33,68,485 by using Straight line method.

Details in Schedule - C

8.00 Advances, Deposits & Prepayments : Tk. 11,157,657

This balance consists of as follows :

Balance at the beginning of the year

Add : Addition during the year

Less : Adjustment made during the year

Balance as on year ended December 31, 2014

The balance is made up of the followings

Advance against Salary

8.01

Advance against expenses

8.02

Security deposits

8.03

Advance against purchase

8.04

Advance Income Tax

8.05

LC Margin

8.06

8.01 Advance against Salary: Tk. 803,193

This balance consists of as follows :

Balance at the beginning of the year

Add : Addition during the year

Less : Adjustment made during the year

Balance as on year ended December 31, 2014

	2014 Amount (Tk.)	2013 Amount (Tk.)
Balance at the beginning of the year	98,320,141	18,576,764
Add : Addition during the year	-	79,743,377
Less : Adjustment made during the year	98,320,141	98,320,141
Balance as on year ended December 31, 2014	-	98,320,141
Building & Civil Works (Steel Structure)	-	98,320,141
	-	98,320,141
7.00 Intangible Asset: Tk. 2,694,788		
Software and Application	2,694,788	21,450
Balance as on year ended December 31, 2014	2,694,788	21,450
7.01 Software and Application : Tk. 2,694,788		
Balance at the beginning of the year	21,450	42,900
Add : Addition during the year	3,368,485	-
Less : Written off 20% p. a	3,389,935	42,900
	695,147	21,450
Balance as on year ended December 31, 2014	2,694,788	21,450
Note: i) Amortization is charged @ 20% on Cost of Tk. 107,250 & Tk. 33,68,485 by using Straight line method.		
Details in Schedule - C		
8.00 Advances, Deposits & Prepayments : Tk. 11,157,657		
Balance at the beginning of the year	3,945,667	42,667,246
Add : Addition during the year	30,765,575	25,821,414
Less : Adjustment made during the year	34,711,242	68,488,660
	23,553,585	64,542,993
Balance as on year ended December 31, 2014	11,157,657	3,945,667
The balance is made up of the followings		
Advance against Salary	803,193	354,250
Advance against expenses	260,181	2,009,514
Security deposits	946,865	946,865
Advance against purchase	4,283,491	500,967
Advance Income Tax	218,400	4,071
LC Margin	4,645,527	130,000
	11,157,657	3,945,667
8.01 Advance against Salary: Tk. 803,193		
Balance at the beginning of the year	354,250	640,000
Add : Addition during the year	2,131,311	3,833,381
Less : Adjustment made during the year	2,485,561	4,473,381
	1,682,368	4,119,131
Balance as on year ended December 31, 2014	803,193	354,250

This is made up as follows :

	2014 Amount (Tk.)	2013 Amount (Tk.)
Abul Kalam Azad	100,000	141,374
Arafath Rahman	-	10,351
Ashaduzzaman	8,654	16,063
Atiqure Rahamn	34,000	-
Awoul	24,000	-
Babul Akter	38,000	-
Bashir	9,500	-
Easir Arafat Suvro	17,020	-
Farhad Hossian	10,000	21,000
Golzar Alam	15,539	28,842
Nazrul Islam	59,610	-
Jillur Rahman	8,000	-
Kamruzzaman	88,954	-
Eamin Hossain	40,000	-
Mamunur Rashid	-	9,500
Md. Khayrul Islam	20,000	-
Mizanur Rahman	10,000	20,000
Moniruzzaman	30,000	43,120
Nurul Afsar Rajib	60,419	-
Omar Ali	5,000	-
Rajib Nazmul Hassan	50,371	-
Raju	8,000	-
Rouson Jahid	5,000	-
Shahabuddin Ahmed	56,814	-
Somesh Uddin	34,000	64,000
Zahirul Islam	70,312	-
	803,193	354,250

Aging Schedule of Advance against salary :

	1 - 3 months	3 - 6 months	6 - 9 months	> 9 months	TOTAL
Advance to Employees	453,277	245,604	104,312	-	803,193

8.02 Advance Against Expenses: Tk. 260,181

This balance consists of as follows :

Balance at the beginning of the year	2,009,514	3,129,622
Add : Addition during the year	13,036,402	17,305,691
	15,045,916	20,435,313
Less : Adjustment made during the year	14,785,735	18,425,799
Balance as on year ended December 31, 2014	260,181	2,009,514

This is made up as follows :

Anisul Hoque Ansari	125,000	125,000
Bureau Veritas Consumer Products	30,000	30,000
Envoy Textils	-	1,194,288
Hossain Dyeing & Printing Mills Ltd	15,048	178,797
IDT Global Labels Bangladesh Ltd	-	60,490
Khawaja Shipping Line	90,133	197,862
Maheen Enterprise	-	132,170
Pandora Associate	-	12,000
Shore To Shore (BD) Ltd	-	60,907
SRKH Design Ltd	-	18,000
	260,181	2,009,514

Aging Schedule of Advance against expenses :

	1 - 3 months	3 - 6 months	6 - 9 months	> 9 months	TOTAL
Advance for expenses	105,181	-	-	155,000	260,181

8.03 Security Deposits: Tk. 946,865

This balance consists of as follows :

Balance at the beginning of the year	946,865	946,865
Add : Addition during the year	-	-
	946,865	946,865
Less : Adjustment made during the year	-	-
Balance as on year ended December 31, 2014	946,865	946,865

This is made up as follows :

Security deposit to BTCL
 Security deposit to Titas Gas
 Security deposit to DESCO

8.04 Advance Against Purchases: Tk. 4,283,491

This balance consists of as follows :

Balance at the beginning of the year
 Add : Addition during the year

Less : Adjustment made during the year
Balance as on year ended December 31, 2014

This is made up as follows :

Mr. Syed Rashedul Haque-Purchase Officer
 Mr. Rupok-Factory Accountant.
 Mr. Hasnat Khadem-Purchase Officer
 Mr. Omar Farooq-Purchase Officer
 Mr. Abul Kalam Azad-Compliance Manager
 Mr. Aliur Rahman-Purchase Officer

Note : a) The advance has been paid for purchasing stationary, spare parts and other misc. purchase.

Aging Schedule of Advance against Purchases :

	1 - 3 months	3 - 6 months	6 - 9 months	> 9 months	TOTAL
Advance for purchases	-	4,283,491	-	-	4,283,491

8.05 Advance Income Tax: Tk. 218,400

This balance consists of as follows :

Balance at the beginning of the year
 Add : Addition during the year

Less : Adjustment made during the year
Balance as on year ended December 31, 2014

This balance consists of as follows :

TDS on Rental Income
 TDS on Interest
Total

8.06 LC Margin: Tk. 4,645,527

This balance consists of as follows :

Balance at the beginning of the year
 Add : Addition during the year

Less : Adjustment made during the year
Balance as on year ended December 31, 2014

9.00 Accounts Receivable : Tk. 203,676,327

Receivable - Export Sales

Note: 9.01

2014 Amount (Tk.)	2013 Amount (Tk.)
8,600	8,600
4,06,545	4,06,545
531,720	531,720
946,865	946,865
500,967	427,461
10,494,935	4,548,271
10,995,902	4,975,732
6,712,411	4,474,765
4,283,491	500,967
786,929	23,725
875,517	41,000
999,906	127,258
833,939	151,568
-	157,416
787,200	-
4,283,491	500,967

4,071	543,608
218,400	4,071
222,471	547,679
4,071	543,608
218,400	4,071
204,000	-
14,400	4,071
218,400	4,071
130,000	-
4,884,527	130,000
5,014,527	130,000
369,000	-
4,645,527	130,000

203,676,327	200,129,367
203,676,327	200,129,367

9.01 Export Bills Receivable : Tk. 203,676,327

	2014 Amount (Tk.)	2013 Amount (Tk.)
Colombus Textilvertriebs GMBH	-	6,279,165
El Corte Ingles S.A.	90,586,296	102,354,473
Hipercor S.A	-	5,974,934
IMAP Export S.P.A	85,682,499	8,156,195
Mcgregor Finance Asia Bv	-	4,090,772
MQ Retail AB	-	10,739,841
Norwest Industries Limited	-	22,561,269
Punto Fa. S.L.	7,180,978	1,772,404
Sports Master	4,743,531	186,071
Traders SRL	14,713,023	3,418,200
ZXY International FZCO	-	34,596,043
Gustav Daiver GMBH	770,000	-
	203,676,327	200,129,367

Aging Schedule of Accounts Receivable :

	0 -1 months	3 -6 months	> 6 months	Total
Sale of RMG	113,090,031	90,586,296		203,676,327

Information about Accounts receivable as per requirement under Schedule XI, Part I, Para 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.

Accounts receivable accrued in the ordinary course of business are considered good and secured against confirmed L/C.

ii) Accounts receivable considered good for which the company hold no security other than the personal security.

There is no such accounts receivable in this respect as on December 31, 2014

iii) Accounts receivable considered doubtful or bad

The Company did not make any provision for doubtful debts as on December 31, 2014, because of the fact that sales/export are being based on 100 % confirmed letter of credit with fixed maturity dates.

iv) Accounts receivable due by directors or other officers of the company

There is no such Accounts receivable in this respect as on 31 December 2014

v) Accounts receivable due by Common Management

There is no such Accounts receivable in this respect as on 31 December 2014

vi) Reserve for doubtful debts

There is no such reserve created in this respect as on 31 December 2014.

10.00 Inventory: Tk. 191,456,393

This balance consists of as follows :

Finish goods garments	31,031,629	76,740,760
Needle & Spare Parts	3,918,177	3,269,802
Raw material (Yarn)	60,095,971	32,782,391
Raw material Accessories	4,463,957	4,814,030
Raw material finished Fabrics	17,991,948	10,506,304
Work in Process	73,954,711	69,572,790
	191,456,393	197,686,077

Quantity as requirement under schedule XI part II Para 3 of the Companies Act 1994

Item	Unit	2014		2013	
		Opening Qty	Closing Qty	Opening Qty	Closing Qty
Finish goods garments	pcs.	270,965	110,867	832,762	270,965
*Needle & Spare Parts				-	
Raw material (Yarn)	kg.	83,247	153,353	284,347	83,247
*Raw material Accessories				-	
Raw material finished					
Fabrics	kg.	21,212	36,471	19,018	21,212
Work in process	pcs. Kg (App.)	202,318	218,557	324,521	202,318

* Quantity wise breakup of goods of accessories and Needle, Spare & Parts could not be given as it was difficult to quantify each item in a separate and distinct category due to large variety of goods of accessories and Needle, Spare & Parts.

11.00 Cash and Cash Equivalents: Tk. 96,040,712

This balance consists of as follows :

		2014 Amount (Tk.)	2013 Amount (Tk.)
Cash in hand	11.01	461,256	634,424
Cash at bank	11.02	95,579,456	3,560,348
		96,040,712	4,194,772

11.01 Cash in hand: Tk. 461,256

This balance consists of as follows :

		2014 Amount (Tk.)	2013 Amount (Tk.)
Cash at head office		411,256	403,588
Cash at factory		50,000	230,836
		461,256	634,424

11.02 Cash at Bank: Tk. 95,579,456

The above balance consists of as follows :

Name of the Bank	Branch	Type of A/C	Account Number	2014 Amount (Tk.)	2013 Amount (Tk.)
Eastern Bank Ltd	Gulshan	CD	1041070005263	6,007,973	24,593
Janata Bank Ltd	Local (Motijheel)	CD	10233051561	44,402	45,672
Krishi bank Ltd	Tongi	CD	200008325	-	3,612
Prime Bank Ltd	Banani	CD	13211060000614	326,734	426,773
Prime Bank Ltd	Banani	FC (ERQ)	13251050006186	3,394	68,175
Prime Bank Ltd	Banani	FC Held	13251810005557	-	408,041
Prime Bank Ltd	Banani	STD	13231030025488	72,805	72,006
HSBC Ltd	Corporate	FC Held	001-306968-047	-	35,248
HSBC Ltd	Corporate	CD	001-306968-011	-	716
HSBC Ltd	Corporate	FC	001-306968-091	-	69,408
Sonali Bank Ltd	Baridhara	CD	200004148	197,432	908,359
AB Bank Ltd	Kakrial	CD	4009785851000	351,615	97,744
AB Bank Ltd	Kakrial	FC (ERQ)	4009-78-5851-048	10,704,128	-
AB Bank Ltd	Kakrial	STD	4009-78-5851-430	49,020	-
AB Bank Ltd	Kakrial	Margin	4009-78-5851-254	18,775,510	-
FDR With AB Bank Ltd	Kakrial	FDR	3432984	1,525,650	1,400,000
City Bank Ltd.	Gulshan	CD	1101495932001	4,401,151	-
City Bank Ltd.	Gulshan	FC (ERQ)	5121495932001	28,214,652	-
City Bank Ltd.	Gulshan	Margin		24,904,991	-
Total				95,579,456	3,560,348

The Balance of FC accounts have been converted considering the Prevailing rate of Bangladesh Bank as on 30.12.2014

Name of the Bank	Branch	Balance (USD)	Account Number	Conversion rate	Amount(Tk.)
Prime Bank Ltd.	Banani	\$ 43.63	13251050006186	77.80	3,394
AB Bank Ltd	Kakrial	\$ 137,762.26	4009-78-5851-048	77.70	10,704,128
AB Bank Ltd	Kakrial	\$ 241,641.05	4009-78-5851-254	77.70	18,775,510
City Bank Ltd.	Gulshan	\$ 363,122.93	5121495932001	77.70	28,214,652
City Bank Ltd.	Gulshan	\$ 320,527.56	Margin	77.70	24,904,991
Total		\$ 1,063,097.43			82,602,675

12.00 Issued, subscribed & paid up capital: Tk. 344,698,000**Authorized' capital**

(Divided into 100,000,000 ordinary shares of Tk. 10 each)

1,000,000,000	1,000,000,000
---------------	---------------

Issued, subscribed & paid up capital

344,698,000	344,698,000
-------------	-------------

(Divided into 34,469,800 ordinary shares of tk. 10 each)

Share holding position as on December 31, 2014

Sl.	Name of Share holder	No. of Ordinary Share	Value	% of total Share Holding	Amount (Tk.) 2014	Amount (Tk.) 2013
1	Ms. Abeda Rahman	45,360	10	0.13	453,600	453,600
2	Ms. Tosrifa Ahmed	2,889,629	10	8.38	28,896,290	28,896,290
3	Ms. Anjuman Ara Begum	6,300,000	10	18.28	63,000,000	63,000,000
4	Ms. Lyra Rizwana Quader	6,300,000	10	18.28	63,000,000	63,000,000
5	Mr. Mohim Hassan	1,585,900	10	4.60	15,859,000	15,859,000
6	Mr. Naim Hassan	1,585,900	10	4.60	15,859,000	15,859,000
7	Mr. Rafiq Hassan	1,475,747	10	4.28	14,757,470	14,757,470
8	Mr. Sayeed Hassan	45,360	10	0.13	453,600	453,600
9	Ms. Shameem Ara Begum	241,904	10	0.70	2,419,040	2,419,040
10	Northern Corporation Ltd.	12,000,000	10	34.81	120,000,000	120,000,000
11	Other than sponsor	2,000,000	10	5.80	20,000,000	20,000,000
		34,469,800		100.00	344,698,000	344,698,000

13.00 Share Premium: Tk. 40,000,000

Share premium receive against 20,00,000 ordinary share issue to other than sponsor each Tk. 20.00.

14.00 Retained earnings: Tk. 348,800,154

This balance consists of as follows :

Balance at the beginning of the year

Add : Net profit/ (loss) during the year

Balance as on year ended December 31, 2014

	2014 Amount (Tk.)	2013 Amount (Tk.)
13.00 Share Premium: Tk. 40,000,000	40,000,000.00	40,000,000.00
Balance at the beginning of the year	244,372,413	158,484,890
Add : Net profit/ (loss) during the year	104,427,740	85,887,523
Balance as on year ended December 31, 2014	348,800,154	244,372,413
15.00 Revaluation Reserve & Surplus: Tk. 557,205,243		
This balance consists of as follows :		
Balance at the beginning of the year	557,205,243	557,205,243
Add : Addition during the year	-	-
Less : Adjustment made during the year	-	-
Balance as on year ended December 31, 2014	557,205,243	557,205,243

15.01 Revaluation Reserve & Surplus as on June 30, 2011 : Tk. 557,205,243

Group of Fixed Assets (Tk.)	Depreciated historical cost (Tk.)	Depreciated current cost (Tk.)	Revaluation Surplus(Tk.)
Land and Land Development	53,751,501	468,151,501	414,400,000
Building & Civil Works	228,894,119	371,699,362	142,805,243
Total (Tk.)	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 June 30, 2011 and signed on 10th 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 sellet, each acting prudently, knowledgeable and assuming the price is not affected by undue situmulus. 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 revaluation purpose.

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 and the quality of their maintenance 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 Tk. 371,699,362

16.00 Term Loan (Secured): Tk. 59,107,017

The loans called "Term Loan" are with The City Bank Ltd., Gulshan Avenue Branch, 136 Gulshan Avenue, Gulshan, Dhaka. The loans takeover from Prime Bank Ltd, Banani Branch. The loans are being adjusted in 60 equal monthly installment. The purpose of the Term Loan is constructed a 6th storyed new store building and Import of Capital machinery through the Prime Bank Ltd, Banani Branch.

As described in line B (01) of the loan sanction letter all the loan is secured by land, building, furniture, fixture, plant & machinery, personal guarantee of Directors and corporate guarantee, all present & future fixed & floating assets (excluding stock & book debts).

Type of Loan	Interest Rate	Maximum Tenor	Repayment Clause
Term Loan for Building & Machinery A/C No-9171495932001	15.00%	6 Years period from the date of disbursement.	Amount outstanding will be repaid in 60 equal monthly installment of taka 23.47 lac each month. Excess or Shortfall if any shall be adjust with the last installment.

This is made up as follows :

Project Loan (HP)	Note: 16.01
Project Loan for Building (SOD General)	A/C No-LD1210800012
Term Loan with The City Bank Ltd	A/C No-9171495932001

'2014 Amount (Tk.)	'2013 Amount (Tk.)
-	17,103,869
-	47,258,880
59,107,017	-
59,107,017	64,362,749

16.01 Project Loan (HP) : Tk. 0

This is made up as follows :

Prime Bank Ltd-LD1003200009
Prime Bank Ltd-LD1014600005
Prime Bank Ltd-LD1136300005
Prime Bank Ltd-LD1218000002
Prime Bank Ltd-LD1226000002

-	1,227,614
-	2,181,592
-	1,064,356
-	11,365,398
-	1,264,909
-	17,103,869

17.00 Accounts Payable : Tk. 114,294,189

This balance consists of as follows :

Back to Back & Others LC	17.01
Building Construction	17.02
Tax Deducted at source	17.03
Income Tax Expenses Payable	17.04
Advance Received	17.05

102,320,996	119,257,376
2,277,351	9,094,566
783,949	802,763
-	2,189,650
8,911,893	-
114,294,189	131,344,355

17.01 Back to Back & Others LC : Tk. 102,320,996

This balance consists of as follows :

Balance at the beginning of the year
Add : Addition during the year
Less : Adjustment made during the year
Balance as on year ended December 31, 2014

119,257,376	249,896,569
831,732,723	412,858,282
950,990,099	662,754,851
848,669,103	543,497,475
102,320,996	119,257,376

This is made up as follows :

A T & T Spinning Mills Ltd
A.A. Enterprise
Ama Associates Ltd.
Apex Yarn Dyeing Limited
Badsha Textiles Ltd
Basic Thread Industries Ltd
BD. Corporation
BHT Industries Ltd
Braiform (HK) Ltd
Brothers Trade Accessories
Changshu Huarui Knitting Co. Ltd
Checkpoint Syatems Bangladesh Ltd
Colors Textiles Ltd.
Compliance Fashion & Design Ltd
Dhaka Texmart Industries Ltd
Enviro Pack Ltd
Envoy Textiles Ltd
Epyllion Ltd.
Erum Bangladesh Ltd
Evince Textiles Ltd
FM Yarn Dyeing Ltd
Garg Acrylic Ltd
Hossain Dyeing & Printing Mills Ltd.
HRS Business Corporation
IDT Global Labels Bangladesh Ltd
Impress Accessories Ltd
Invista (Singapore) Pte Ltd
Isin Lanka (Pvt.) Ltd
J.K.R. Thread & Accessories
Jiangsu Guotai Int'l Group Hualian Ind.
Jui Embroidery
Kamal Yarn Ltd
KDS Accessories Ltd.
Khansons Textiles Ltd
La Ventures Inc.
M & U Packaging Ltd.
Mahmud Denims Ltd
Maple Packages (Pvt.) Ltd
Montrims Limited
Nahar Spinning Mills Ltd.
Northern Corporation Ltd
NRG Hometex Ltd
NRG Spinning Mills Ltd
OTL-DG. Manufacturing Co. Ltd
Pahartali Textile & Hosiery Mills Ltd
Plum Tex Print Limited
Printers & Printers Ltd
PT.Pacific Texindo Industry
Rajvir Industries Ltd
RSWM Limited
Rudholm & Heak (HK) Ltd
Sams Fashion
Sarker Design & Printing
Saz Accessories
Shaoxing County Hongji Textile Co. Ltd
Shaoxing Yonglong Knitting & Embroideries Co.Ltd
Shomahar Paper Converting Ltd
Simtex Industries Ltd
Sinotex Corporation Ltd
SMS Printing
Sparkle Knit Composite Ltd
Sportking India Ltd.
Square Textiles Ltd
Square Yarns Ltd
Sri Shanmugavel Mills (P) Ltd
The Glory International
Uniglory Paper & Packaging Ltd
Uttara Tex Ltd.
Viyellatex Ltd
Wenshang Ruyi Tianrong Textile Co. Ltd
YKK Bangladesh Ltd
Z & I Accessories
Z & M Manufacture Ltd

'2014 Amount (Tk.)	'2013 Amount (Tk.)
-	735,024
1,033,560	454,650
-	431,450
1,425,349	675,382
-	3,467,500
-	215,623
439,575	639,631
1,168,808	235,890
501,039	-
2,478,875	316,350
2,707,443	-
1,746,902	-
-	3,578,273
595,842	-
4,181,154	440,283
2,925,851	1,918,700
825,825	-
1,278,695	824,022
97,318	-
736,805	-
1,026,595	-
1,990,450	-
-	1,199,178
4,290,355	427,888
122,164	185,383
-	166,212
832,431	-
-	5,780,985
193,750	160,527
211,750	-
-	246,708
935,165	19,865,150
283,658	249,907
1,333,755	-
308,000	-
-	366,953
1,337,932	-
1,142,882	-
626,963	-
26,162,919	5,165,732
1,540,000	1,117,770
496,650	-
1,087,240	6,822,303
-	116,359
7,724,131	10,673,464
-	590,357
-	2,150,310
-	2,421,982
-	6,307,450
1,728,348	-
2,066,175	1,845,799
594,979	-
1,582,606	-
455,683	-
-	4,067,718
1,655,539	-
-	112,192
-	891,818
73,936	-
296,573	-
4,560,200	1,547,700
-	11,811,688
5,193,265	1,896,770
3,962,381	-
-	10,524,790
534,996	-
2,271,061	103,457
137,960	-
-	8,085,000
496,420	-
2,119,066	-
222,777	-
579,200	423,048
102,320,996	119,257,376

17.02 Building Construction : Tk. 2,277,351

This balance consists of as follows :

Balance at the beginning of the year

Add : Addition during the year

Less : Adjustment made during the year

Balance as on year ended December 31, 2014

17.03 Tax deducted at source : Tk. 783,949

This balance consists of as follows :

Balance at the beginning of the year

Add : Addition during the year

Less : Adjustment made during the year

Balance as on year ended December 31, 2014

This is made up as follows :

Mohim Hassan

Naim Hassan

Rafiq Hassan

Md. Zillur Rahman

Md. Hayder Ali

Hasibuddin Ahmed

Eng. Saif Uddin

Md Khurshed Alam

Md. Armanul Azim

Office Staff

Suppliers

VAT Payble

17.04 Income Tax Expenses Payable : Tk. 0

This balance consists of as follows :

Balance at the beginning of the year

Add : Addition during the year

Less : Adjustment made during the year

Balance as on year ended December 31, 2014

This is made up as follows :

Income Tax for 2011

Income Tax for 2012

17.05 Advance Received : Tk. 8,911,893

This balance consists of as follows :

Balance at the beginning of the year

Add : Addition during the year

Less : Adjustment made during the year

Balance as on year ended December 31, 2014

This is made up as follows :

Gustav Daiber GMBH

18.00 Provision for Expenses : Tk. 1,727,850

This balance consists of as follows :

Balance at the beginning of the year

Add : Addition during the year

Less : Adjustment made during the year

Balance as on year ended December 31, 2014

'2014 Amount (Tk.)	'2013 Amount (Tk.)
9,094,566	19,685,905
3,965,611	11,397,453
13,060,176	31,083,357
10,782,825	21,988,791
2,277,351	9,094,566
802,763	881,729
1,730,412	1,863,553
2,533,175	2,745,282
1,749,226	1,942,519
783,949	802,763
136,000	244,400
80,000	130,000
28,000	36,000
48,000	100,000
12,000	8,065
56,000	46,200
-	29,390
36,000	30,000
32,000	14,700
158,472	119,629
102,867	44,379
94,610	-
783,949	802,763
2,189,650	-
-	2,189,650
2,189,650	2,189,650
2,189,650	-
-	2,189,650
-	1,577,654
-	611,996
-	2,189,650
-	-
8,911,893	-
8,911,893	-
-	-
-	-
8,911,893	-
8,911,893	-
8,911,893	-
6,148,932	4,781,673
63,689,811	68,010,655
69,838,743	72,792,328
68,110,893	66,643,396
1,727,850	6,148,932

This is made up as follows :

Audit fee with VAT
Electric bill
Gas bill
Holiday Allowance
Salary & Wages
Target Bonus
Telephone Bill
Mobile Bills

'2014 Amount (Tk.)	'2013 Amount (Tk.)
201,250	143,750
1,344,000	871,066
50,000	50,820
28,900	49,925
-	5,018,749
20,000	3,630
3,000	10,992
80,700	-
1,727,850	6,148,932

19.00 Accepted Liability for Machinery: Tk. 34,178,591

This balance consists of as follows :

Balance at the beginning of the year
Add : Addition during the year

Less : Adjustment made during the year

Balance as on year ended December 31, 2014

This is made up as follows :

Juki Singapore Pte Ltd
Lisky Technology Co. Ltd
Saudi Factory For Fire Equipment FZCO

-	-
34,178,591	-
34,178,591	-
-	-
34,178,591	-
12,857,676	-
16,377,900	-
4,943,015	-
34,178,591	-

20.00 Short Term Loan: Tk. 98,892,846

The details are given below.

(a) Loan with The City Bank Ltd, Gulshan Avenue Branch, Gulshan and AB Bank Ltd, Kakrial Branch of export or import respectively. The loans are being adjusted against export sales proceeds.

(b) Purpose: To meet the working capital requirement.

(c) Rate of Interest 15% for SOD, 7% for PC, 15% for STL & LIBOR + 2.5% for EDF Loan

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

(e) This balance consists of as follows :

Name of the Bank	Branch	Account No.	Purpose of Loan	2014 Amount (Tk.)	2013 Amount (Tk.)
Prime Bank Ltd.	Banani	Note: 20.01	FDBP Loan	-	15,687,212
Prime Bank Ltd.	Banani	SOD-4204	SOD	-	36,340,795
Prime Bank Ltd.	Banani	LD-1323900001	EDF	-	6,108,077
The City Bank Ltd.	Gulshan	6331495932001	SOD	9,413,189	-
CBL & ABBL	Gulshan	Note: 20.02	PC	27,363,538	-
The City Bank Ltd.	Gulshan	Note: 20.03	EDF	24,880,450	-
The City Bank Ltd.	Gulshan	Note: 20.04	STL	37,235,669	-
IDLC Finance Ltd		No.-396001	Loan Finance	-	25,000,000
Total				98,892,846	83,136,084

20.01 FDBP Loan : Tk. 0

The details are given below.

Name of the Bank	Branch	Account No.	Purpose of Loan	2014 Amount (Tk.)	2013 Amount (Tk.)
Prime Bank Ltd.	Banani	LD1335700006	FDBP Loan (Bill Negotiation)	-	5,001,889
Prime Bank Ltd.	Banani	LD1336300005	FDBP Loan (Bill Negotiation)	-	535,362
Prime Bank Ltd.	Banani	LD1331100003	FDBP Loan (Bill Negotiation)	-	178,328
Prime Bank Ltd.	Banani	LD1333600003	FDBP Loan (Bill Negotiation)	-	5,201,942
Prime Bank Ltd.	Banani	LD1333900007	FDBP Loan (Bill Negotiation)	-	971,646
Prime Bank Ltd.	Banani	LD1333900008	FDBP Loan (Bill Negotiation)	-	2,107,194
Prime Bank Ltd.	Banani	LD1334500007	FDBP Loan (Bill Negotiation)	-	407,736
Prime Bank Ltd.	Banani	LD1334500008	FDBP Loan (Bill Negotiation)	-	768,605
Prime Bank Ltd.	Banani	LD1334500009	FDBP Loan (Bill Negotiation)	-	514,512
Total				-	15,687,212

20.02 PC Loan : Tk. 27,363,538

The details are given below.

Name of the Bank	Branch	Account No.	Purpose of Loan	2014	2013
				Amount (Tk.)	Amount (Tk.)
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				27,363,538	-

20.03 EDF Loan : Tk. 24,880,450

The details are given below.

Name of the Bank	Branch	Account No.	Purpose of Loan	2014	2013
				Amount (Tk.)	Amount (Tk.)
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	75114030208	EDF Loan	197,124	-
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	-
Total				24,880,450	-

20.04 STL Loan : Tk. 37,235,669

The details are given below.

Name of the Bank	Branch	Account No.	Purpose of Loan	2014	2013
				Amount (Tk.)	Amount (Tk.)
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	335,154	-
The City Bank Ltd.	Gulshan	6931495932032	STL Loan	3,718,998	-
Total				37,235,669	-

21.00 Current Portion of Long Term Loan : Tk. 28,164,000

This is made up as follows :

Project Loan (HP)
 Project Loan for Building (SOD General)
 Project Loan for Building (SOD General)
 Term Loan with The City Bank Ltd

Note: 21.01
 A/C No-LD0814600017
 A/C No-LD1210800012
 A/C No-9171495932001

2014	2013
Amount (Tk.)	Amount (Tk.)
-	13,814,545
-	9,488,857
-	9,609,003
28,164,000	-
28,164,000	32,912,405

21.01 Project Loan (HP) : Tk. 0

This is made up as follows :

Prime Bank Ltd-LD0814600019
Prime Bank Ltd-LD0815600002
Prime Bank Ltd-LD0823200004
Prime Bank Ltd-LD0834900002
Prime Bank Ltd-LD1003200009
Prime Bank Ltd-LD1014600005
Prime Bank Ltd-LD1136300005
Prime Bank Ltd-LD1218000002
Prime Bank Ltd-LD1226000002

2014 Amount (Tk.)	2013 Amount (Tk.)
----------------------	----------------------

-	1,001,200
-	5,305,078
-	454,214
-	1,145,471
-	1,497,973
-	1,088,199
-	376,259
-	2,696,394
-	249,757
-	13,814,545

22.00 Inter Company Current Account: Tk. 0

This balance consists of as follows :

Balance at the beginning of the year
Add : Addition during the year

Less : Adjustment made during the year
Balance as on year ended December 31, 2014

25,791,545	50,897,470
-	-
25,791,545	50,897,470
25,791,545	25,105,925
-	25,791,545

23.00 Provision for Income Tax : Tk. 23,584,578

This balance consists of as follows :

Balance at the beginning of the year
Add : Addition during the year (Note-32.02)

Less : Adjustment during the year
Balance as on year ended December 31, 2014

8,463,808	6,201,784
23,584,577	2,262,024
32,048,386	8,463,808
8,463,808	-
23,584,578	8,463,808

24.00 Workers' Profit Participation & welfare Fund (WPPWF): Tk. 6,761,203

This balance consists of as follows :

Balance at the beginning of the year
Add : Addition during the year

Less : Disburse during the year
Balance as on year ended December 31, 2014

4,772,170	4,711,503
6,761,203	4,772,170
11,533,374	9,483,673
4,772,170	4,711,503
6,761,203	4,772,170

Note: 100% of the opening balance of WPPWF has been disbursed during this year.

25.00 Sales Revenue (Export) : Tk. 1,476,847,815

Type of sales	2014 Amount (Tk.)	2013 Amount (Tk.)
Export	1,476,847,815	941,669,480
Total	1,476,847,815	941,669,480

Sales of Finished Goods:

Particulars	2014		2013	
	Quantity	Amount (Tk.)	Quantity	Amount (Tk.)
Polo Shirt	1,092,230	355,499,168	919,438	296,049,194
T - Shirt	2,633,116	620,256,838	1,594,429	377,371,349
Tank Top	858,269	162,513,215	427,312	79,989,629
Others	1,572,225	338,578,594	864,038	188,259,308
Total	6,155,840	1,476,847,815	3,805,217	941,669,480

As per schedule XI, part II, Para 3 of the Companies Act 1994. Product wise Breakup are given bellow -

Particulars	2014	2013
	Quantity	Quantity
Opening Stock		
Polo Shirt	65,031	206,068
T - Shirt	111,095	343,447
Tank Top	32,518	103,034
Others	62,321	180,212
Total	270,965	832,762
Add: Production:		
Polo Shirt	1,053,807	778,401
T - Shirt	2,567,476	1,362,076
Tank Top	839,056	356,796
Others	1,535,403	746,147
Total	5,995,742	3,243,420
Less: Closing stock		
Polo Shirt	26,608	65,031
T - Shirt	45,455	111,095
Tank Top	13,305	32,518
Others	25,499	62,321
Total	110,867	270,965

26.00 Cost of goods sold: Tk. 1,155,905,618

This balance consists of as follows :

Opening inventories of raw materials

Needles & Spare parts
Raw Material Accessories
Raw Material finished Fabrics
Raw Material (Yarn)

Add: Raw materials purchased during the year

Needles & Spare parts
Accessories
Finished Fabrics
Yarn

Raw materials available for use

Less : Closing inventories of raw materials

Needles & Spare parts
Raw Material Accessories
Raw Material finished Fabrics
Raw Material (Yarn)

Raw materials consumed

26.01

Add : Direct Expenses

26.02

Prime Cost

Add : Factory overhead

26.03

Cost of production

Add : Opening inventories of W I P

Manufacturing cost at standard

Less : Closing inventories of W I P

Cost of goods manufactures

Add : Opening inventories of finished goods

Goods available for sale

Less : Closing inventories of finished goods

Cost of goods sold

	2014 Amount (Tk.)	2013 Amount (Tk.)
	51,372,527	136,648,341
	3,269,802	1,900,642
	4,814,030	3,661,702
	10,506,304	8,334,370
	32,782,391	122,751,627
	738,390,412	320,766,922
	8,031,450	4,366,285
	153,355,930	70,355,379
	195,620,533	30,532,332
	381,382,499	215,512,926
	789,762,939	457,415,263
	86,470,053	51,372,527
	3,918,177	3,269,802
	4,463,957	4,814,030
	17,991,948	10,506,304
	60,095,971	32,782,391
	703,292,886	406,042,736
	231,917,828	124,478,623
	935,210,714	530,521,359
	179,367,694	103,003,718
	1,114,578,408	633,525,078
	69,572,790	56,738,346
	1,184,151,198	690,263,424
	73,954,711	69,572,790
	1,110,196,487	620,690,634
	76,740,760	180,103,792
	1,186,937,247	800,794,426
	31,031,629	76,740,760
	1,155,905,618	724,053,666

26.01 Raw material consumed during the year : Tk. 703,292,886

Particulars	2014		2013	
	Qty(Kg)	Amount BDT	Qty(Kg)	Amount BDT
Opening Balance:				
* Stock Needles & Spare parts	-	3,269,802	-	1,900,642
* Stock Raw Material Accessories	-	4,814,030	-	3,661,702
Stock of Fabrics	21,212	10,506,304	19,018	8,334,370
Stock of Yarn	83,247	32,782,391	284,347	122,751,627
Total Opening Balance	104,459	51,372,527	303,365	136,648,341
Add: Addition of Raw materials				
* Needles & Spare parts	-	8,031,450	-	4,366,285
* Material Accessories	-	153,355,930	-	70,355,379
Fabrics	329,705	195,620,533	51,315	30,532,332
Yarn	973,212	381,382,499	559,774	215,512,926
Raw material purchase for	1,302,917	738,390,412	611,089	320,766,922
Material available for consumption	1,407,376	789,762,939	914,454	457,415,263
Less: Closing Balance:				
* Stock Needles & Spare parts	-	3,918,177	-	3,269,802
* Stock Raw Material Accessories	-	4,463,957	-	4,814,030
Stock of Fabrics	36,471	17,991,948	21,212	10,506,304
Stock of Yarn	153,353	60,095,971	83,247	32,782,391
Total Closing Balance	189,824	86,470,053	104,459	51,372,527
Raw material consumed :				
* Needles & Spare parts	-	7,383,075	-	2,997,125
* Material Accessories	-	153,706,003	-	69,203,051
Fabrics	314,446	188,134,889	49,121	28,360,398
Yarn	903,106	354,068,919	760,874	305,482,162
Total material consumed	1,217,552	703,292,886	809,995	406,042,736

* Quantity wise breakup of goods of accessories and Needle & Spare Parts could not be given as it was difficult to quantify each item in a separate and distinct category due to large variety of goods of accessories and Needle & Spare.

26.02 Direct Expenses: Tk. 231,917,828

	2014 Amount (Tk.)	2013 Amount (Tk.)
Overtime Allowance	27,837,433	15,721,569
Wages & Allowance	74,729,944	42,090,921
Bank charge	1,389,016	661,926
Carriage inward	672,000	262,573
Clearing Charges	3,500,521	1,525,056
Dyes Chemical Purchases	28,941,456	11,250,324
Grey Fabric Dyeing & Finishing expenses	89,512,808	49,876,185
Insurance Expenses	745,907	610,332
L/C Advising Charge	9,300	11,739
L/C Doc Opening Commission	4,335,363	2,068,221
L/C Doc Postage Charges	7,000	5,000
L/C Opening Stamp charges	35,550	92,881
L/C Swift/Telex Charges	201,530	301,896
	231,917,828	124,478,623

26.03 Factory Overhead : Tk. 179,367,694

Carrying & Handling expenses	865,022	421,386
Cleaning Expenses	67,993	19,583
Compliance Expenses	484,817	-
Conveyance	1,683,838	462,229
Crockery's & Cutleries	59,480	31,964
Depreciation	30,543,772	30,211,942
Earn leave	4,075,317	1,168,399
Electric Goods	1,348,602	587,318
Electricity bill	10,552,999	9,494,952
Entertainment	118,080	32,154
Buyer's Refreshment	1,678,700	-
Festival bonus	10,135,400	5,078,030
Fire Extinguisher Exp	958,350	333,980
Fuel & Lubricants (For Diesel Generator)	4,397,015	3,857,571
Gas bill	537,963	430,331
Haj Expenses	326,590	-

Hardware items
Holiday Allowance
ID Card
Inspection Charge
Insurance Premium
Land Tax
Lunch Bill
Machine Rent
Maintenance
Maternity Benefit
Medical expenses
Miscellaneous Expenses
Mobile Allowance
Night allowances
Other Accessories
Overtime allowances
Picnic, Milad & Worker Refreshment
Poly Bag
Postage & courier
Printing
Renewals & Registration fee
Wages & Salary
Service Benefits
Solve Chemical
Spare parts & accessories
Spot Lifter
Stationary
Target Bonus
Testing Charges
Tiffin Bill
Training Fees
Uniform & Liveries

2014 Amount (Tk.)	2013 Amount (Tk.)
1,404,893	471,022
593,994	382,252
32,900	36,245
801,808	-
2,422,019	2,737,588
50,000	-
249,214	159,814
1,533,230	-
5,932,946	2,315,231
915,763	691,106
175,802	63,943
14,245	6,240
527,956	336,921
486,721	683,718
898,594	743,940
12,051,366	5,072,004
387,059	80,450
230,790	260,646
144,987	121,238
49,551	45,128
92,920	8,500
71,931,248	31,592,078
405,176	-
607,230	327,500
1,116,720	875,021
588,483	365,290
785,656	745,342
1,027,689	499,895
24,700	4,080
4,875,143	1,659,845
378,025	146,490
796,928	442,352
179,367,694	103,003,718

27.00 Office & Administrative Expenses: Tk. 69,934,318

Audit Fees with VAT
Cleaning Expenses
Consultancy fees
Conveyance
Cookeries & Cutleries
Credit Rating
Depreciation
Earn leave
Electric Bill
Electric Goods
Entertainment
Festival Bonus
Fire Fighting Expenses
Fooding & Lodging
Fuel & Lubricants (For Generator)
Gardening
Hardware Item
Holiday Allowance
ID Card Expenses
Income Tax Expenses
Amortization of Intangible assets
Lab Expenses
Legal Expenses
Lunch & Tiffin Bill
Medical expenses
Miscellaneous Exp
Mobile bill
Municipal Tax
Night Allowances
Overtime Allowance
Paper & Periodical
Postage & Courier

Note: 38.00

2014 Amount (Tk.)	2013 Amount (Tk.)
201,250	143,750
923,536	501,796
-	1,734,853
511,852	227,017
53,789	24,513
153,000	150,000
7,635,943	7,552,986
986,793	481,349
1,862,294	1,250,954
145,308	40,384
612,782	321,470
3,385,489	1,608,832
570,730	50,643
550,890	278,000
417,305	345,613
144,000	25,461
100,237	35,420
53,210	21,564
9,540	5,643
-	8,189,650
695,147	21,450
375,660	16,350
50,000	30,000
230,624	54,263
223,440	45,003
538,303	352,462
536,391	324,679
357,998	100,000
20,350	15,463
1,052,188	553,421
1,118	1,200
92,275	54,251

Remuneration-Directors	Note: 36.00
Rent Office	
Maintenance	
Salary & allowance	
Staff Refreshment	
Stamp Charges	
Stationery	
Telephone /fax/ Internet	
Toner (Photocopier & Printer)	
Training & Motivation	
Transport Allowance (Employees)	
Traveling Expenses	
Uniform	
Value added Tax	
Security Service	

2014 Amount (Tk.)	2013 Amount (Tk.)
6,600,000	5,835,000
60,000	60,000
349,686	234,317
34,516,611	15,358,849
361,756	125,300
30,250	25,461
907,465	925,231
90,463	264,774
254,150	96,900
50,000	14,000
2,512,635	1,606,000
850,600	254,530
236,050	64,521
560,853	709,811
62,357	-
69,934,318	50,133,134

28.00 Marketing , Selling & Distribution Expenses: Tk. 88,188,212

This balance consists of as follows:

Bank Charge(Foreign currency commission)
BGMEA Service Charges
Bill of Lading Charges
Buyer Commission
C & F Charges
Conveyance
Document Collection Charges
Document Postage Charges
Electric goods
Entertainment
Earn Leave
Exchange Fluctuation Loss
Exp. Certify Charge
Fabric Testing
Festival Bonus
Freight Charge
Fuel & Lubricant (For Generator)
GSP Fees
Holiday Allowance
Incidental Exp
Inspection Charges
Insurance Marine
Internet Bill
Late Shipment Penalty
LC Advising Charges
License & Renewal
Lunch & Tiffin Bill
Miscellaneous Expenses
Mobile bill
Needle Expenses
Night Bill Allowance
Overtime Allowance
Postage & Courier
Renewals & Registration Fees
Maintenance
Salary & allowance
Sampling Expenses
Services Benefit
Staff Refreshment
Stationery
Tiffin Bill
Tours & Travelling
Toner (Photocopier & Printer)
Training Fees
Transport Allowance (Employees)
Transportation Expenses
Utilization Declaration Charges

2014 Amount (Tk.)	2013 Amount (Tk.)
7,356,856	4,968,227
335,441	237,000
1,682,746	704,444
1,940,845	-
3,732,947	2,260,094
68,023	57,151
306,776	129,500
728,814	533,100
54,011	2,900
346,486	112,877
868,187	-
3,949,055	-
20,350	12,354
2,481,157	1,040,017
1,568,020	1,339,630
15,358,661	4,113,475
151,254	77,589
581,220	422,260
51,650	35,420
20,564	15,423
-	58,143
146,165	45,454
10,000	53,723
1,329,364	478,800
55,187	59,863
2,500	331,571
51,080	37,611
171,238	5,606
193,875	164,050
24,000	12,450
150,570	130,990
572,795	304,220
1,933,341	923,098
46,770	60,330
526,476	397,399
23,812,937	11,371,778
6,225,435	5,320,450
367,318	-
115,420	112,146
631,655	632,367
49,242	18,020
8,734,563	-
20,450	11,200
-	200,000
118,000	2,500
1,240,380	932,085
56,389	64,540
88,188,212	37,789,854

	2014 Amount (Tk.)	2013 Amount (Tk.)
29.00 Non Operating Income: Tk. 5,623,744		
This balance consists of as follows :		
Wastage Sales	50,000	-
Interest Income	187,624	27,143
Rental Income	4,080,000	-
Cash Incentive	1,306,120	-
	5,623,744	27,143
30.00 Financial Expenses: Tk. 26,458,137		
This balance consists of as follows :		
Bank charge	611,916	442,628
Interest on EDF Loan	1,673,834	-
Interest on HP Loan	3,476,217	8,372,990
Interest on PAD Loan	353,590	-
Interest on PC Loan	1,172,359	-
Interest on Term Loan	11,125,340	13,454,074
Interest on SOD Loan	6,973,663	7,234,709
Interest on STL Loan	1,071,218	-
	26,458,137	29,504,401

31.00 Workers' Profit Participation & welfare Fund (WPPWF): Tk. 6,761,203

The company has Workers Profit Participation & welfare fund as employee benefit and contributing 5% of net profit before TAX.

This balance consists of as follows :

Workers' profit participation & Welfare Fund (WPPWF) @ 5%	6,761,203	4,772,170
32.00 Income Tax Expenses: Tk. 30,796,330		
Tax paid/ deduction at source against export proceeds and cash incentive	32.01 6,723,571	7,293,851
Provision for income tax	32.02 23,584,577	2,262,024
Income Tax paid for 2013	32.03 488,182	-
	30,796,330	9,555,876

32.01 Tax paid/ deduction at source against export proceeds and cash incentive: Tk. 6,723,571

This balance consists of as follows :

Bank Name	Branch Name	2014	2013
Prime Bank Ltd.	Banani Branch	4,551,193	7,046,665
AB Bank Ltd.	Kakrial Branch	1,025,309	-
The City Bank Ltd.	Gulshan Branch	1,081,763	-
Total Tax Deducted at source against Export Proceeds		6,658,265	7,046,665
Tax deducted at source against cash incentive		65,306	243,115
Tax deducted on Interest Income		-	4,071
Total		6,723,571	7,293,851

32.02 Provision for Income Tax: Tk. 23,584,577

This balance consists of as follows :

Provision for Income tax on Interest Income	65,668	10,179
Provision for Income tax on Wastage Sales	17,500	-
Provision for Income tax on Rental Income	999,600	-
Provision for Income Tax on Operating Income	22,501,809	2,251,846
	23,584,577	2,262,024

32.02.01 Provision for Income Tax on Operating Income :Tk. 22,501,809

Net profit /(loss) before tax	135,224,070		
Less: Non Operating Income	5,623,744		
Net Operating Profit	129,600,326	64,800,163	64,800,163
Tax Deducted at Source	6,658,265	3,329,132	3,329,132
Operating Income as per sec.82©(4)		33,291,323	9,511,806
Excess profit 82©(6)		31,508,841	55,288,357
Provision for tax		3,150,884	19,350,925
			22,501,809

32.03 Income Tax paid for 2013: Tk. 488,182

This balance consists of as follows :

Income tax paid for 2013	488,182	-
	488,182	-

33.00 Earnings Per Share: Tk. 3.03

Calculation of earnings per share (EPS) is as under:

Particulars	2014 Amount Tk.	2013 Amount Tk.
Net profit after tax (A)	104,427,740	85,887,523
Number of ordinary share (B) - Weighted Average Method (Note 33.01)	34,469,800	32,480,759
EPS for the year (A / B)	3.03	2.64
EPS (Fully diluted)	3.03	2.49

33.01 Number of ordinary shares for calculating EPS in 2014: No. of Share 34,469,800

Particulars	Shares	Days outstanding	Weighted average No. of shares
Shares outstanding as on 31.12.2014	34,469,800	365 days	34,469,800
Total	34,469,800		34,469,800

34.00 Net Asset Value Per Share: Tk. 37.66

	2014 Amount (Tk.)	2013 Amount (Tk.)
Total Property & Assets	1,657,413,672	1,543,207,705
Less: Non-Current Liability	59,107,017	64,362,749
Current liabilities	307,603,257	292,569,299
Net Asset Value (A)	1,290,703,397	1,186,275,656
Number of outstanding ordinary share (B)	34,469,800	34,469,800
Net Asset Value Per Share (A/B)	37.44	34.41

35.00 Related Party Disclosure Under BAS-24

Name of the Party	Relationship with Company	Nature of Transaction	2014 Amount Tk.	2013 Amount Tk.
Northern Corporation Ltd.	Directorship & shareholding	Loan Payable	(25,791,545)	(25,705,925)
Northern Corporation Ltd.	Directorship & shareholding	Fabrics Dyeing Charge Payable by LC	(1,540,000)	(1,117,770)
Northern Corporation Ltd.	Directorship & shareholding	Office Rent Payable	(60,000)	(60,000)
Enviro Pac Ltd	Common Directorship	Payable For Accessories Purchase	(2,925,851)	(1,918,700)
Northern Knit Ltd	Common Directorship	Land Purchase	-	(18,070,000)
Printers & Printers Ltd	Common Directorship	Payable For Accessories Purchase	-	(2,150,310)
Rafiq Hassan	Director	Land Purchase	-	(2,920,000)
Total			(30,317,396)	(51,942,705)

36.00 Disclosure of Directors remuneration under Para 4 of Schedule XI PART II of the Companies Act 1994 :

Directors have received the following remuneration from the company during the period January 01, 2014 to Dec. 31,2014.

Name	Designation	Monthly remuneration	Monthly House Rent	No. of Month	Jan 01,2014 to Dec. 31,2014	Jan 01,2013 to Dec 31,2013
Mr. Mohim Hassan	M.D.	280,000	20,000	12	3,600,000	3,045,000
Mr. Naim Hassan	Director	130,000	20,000	12	1,800,000	1,695,000
Mr. Rafiq Hassan	Director	80,000	20,000	12	1,200,000	1,095,000
Total		490,000	60,000		6,600,000	5,835,000

37.00 Disclosure under Para III of schedule XI part II of the Companies Act 1994 :

The company has 1850 number of employees and all of them are getting more than TK.63,600 as salary per year.

38.00 Amount paid to auditor : Tk. 201,250

Name	Purpose	Jan 01,2014 to Dec 31,2014	Jan 01,2013 to Dec 31,2013
Masih Muhith Haque & Co.	Audit fee with VAT	201,250	143,750
Total		201,250	143,750
		2014 Amount (Tk.)	2013 Amount (Tk.)

39.00 Quantities Details of opening stock, purchase / production, consumption/ sales and closing stock of raw materials and finished

Item	Unit	Opening Stock	Purchases /Production	Consumption/ Sales	Closing Stock
		Qty	Qty		Qty
Raw Materials : Year ended December 31					
Yarn	Kg.	83,247	973,212	903,106	153,353
Fabrics	Kg.	21,212	329,705	314,446	36,471
Finished Goods: Year ended December 31	Pcs.	270,965	5,995,742	6,155,840	110,867

40.00 Capacity Utilization:

Section	Installed Capacity		Utilization of the year Tons / Pecs.	% of Utilization %	Over/(under) Utilization Tone/ Pecs.
	Per day Tons / Pecs.	Per year Tons / Pecs.			
Year ended December 31, Knitting (Tons.)	7.60	2,280	1,803	79%	(477)
Sewing (Basic T-shirts) Pcs.	29,500	8,850,000	5,995,742	68%	(2,854,258)

Note:

(a) Considering 300 days per year.

(b) The capacity varies depending on sophistication of the product. For higher grade products, the capacity decrease from the mentioned level.

Note: 1.Sewing capacity for "Basic T-Shirt" is 29,500 Pcs/day. The capacity varies depending on the sophistication of the product. For higher grade products, the capacity decreases from the mentioned level of 29,500 pcs/day."

Note: 2. Capacity utilised in knitting section is 79.00%, i.e. 1,803 Tons.

Note: 2. Capacity utilised in sewing section is 68.00%, i.e. 5,995,742 Pcs.

41.00 Transaction in foreign currency:

Particularly	2014 Amount (Tk.)	2014 Amount (\$)
CIF value Import:		
Raw materials-		
Yarn Local	82,020,856	\$ 1,065,206
Yarn Foreign	299,361,643	\$ 3,887,814
Fabrics	195,620,533	\$ 2,540,526
Accessories	153,355,930	\$ 1,991,635
	730,358,962	9,485,181
FOB Value of Export	1,476,847,815	\$ 19,179,842
Total	2,207,206,777	\$ 28,665,023

42.00 Event After Balance Sheet Date

The Board of Directors of the company in their meeting held on 29-04-2015 proposed dividend of 12% (Stock 7% & Cash 5%) for the year ended December 31,2014. Dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.

TOSRIFA INDUSTRIES LIMITED
Plot -91, Regency Palace (4th Floor), Block-K,
Suhrawardy Avenue, Baridhara, Dhaka

Schedule-A

Property, Plant & Equipment Schedule: (Non Revalued Assets)
As on December. 31, 2014

Particulars	Cost			Rate of Dep. (%)	Depreciation			W.D.V
	Opening Balance 01.01.14	Addition during this Year	Disposal during this Year		Opening Balance 01.01.14	Addition during this Year	Closing Balance 31.12.14	
Plant & machinery	251,248,793	32,768,317	-	15%	121,064,120	21,469,218	142,533,338	141,483,772
Motor vehicle	10,933,930	-	-	20%	5,793,866	1,028,013	6,821,879	4,112,051
Furniture & fixture	18,098,346	1,945,398	-	10%	5,557,850	1,371,713	6,929,563	13,114,181
Office equipment	27,287,172	11,555,801	-	15%	10,068,917	3,132,774	13,201,692	25,641,281
Total	307,568,241	46,269,516	-		142,484,754	27,001,717	169,486,472	184,351,285

Schedule-B

Property, Plant & Equipment Schedule: (Revalued Assets)
As on December. 31, 2014

Particulars	Cost			Rate of Dep. (%)	Depreciation			W.D.V
	Opening Balance 01.01.14	Addition during this Year	Disposal during this Year		Opening Balance 01.01.14	Addition during this Year	Closing Balance 31.12.14	
Land and land development	519,931,290	-	-	-	-	-	-	519,931,290
Building & civil works (RCC)	376,899,874	105,387,764	-	2.50%	23,004,420	11,177,997	34,182,418	448,105,220
Sub total	896,831,164	105,387,764	-	-	23,004,420	11,177,997	34,182,418	968,036,510
Grand Total as at Dec. 31, 2014	1,204,399,405	151,657,280	-		165,489,175	38,179,715	203,668,889	1,152,387,796
Balance as at Dec. 31, 2013	1,149,683,746	54,715,659	-		127,724,247	37,764,928	165,489,175	1,038,910,230

Note : Depreciation has been charged yearly and allocated in the following manner :

Factory overhead (80%)	30,543,772
Administrative exp. (20%)	7,635,943
	38,179,715

TOSRIFA INDUSTRIES LIMITED

Plot -91, Regency Palace (4th Floor), Block-K,
 Suhrawardy Avenue, Baridhara, Dhaka

Schedule-C**Intangible Assets Schedule:**

As on December. 31, 2014

Particulars	Cost			Rate of Dep. (%)	Amortization			W.D.V
	Opening Balance 01.01.14	Addition during this Year	Disposal during this Year		Opening Balance 01.01.14	Addition during this Year	Closing Balance 31.12.14	
Software & Application -1	107,250	-	-	20%	85,800	21,450	107,250	-
Software & Application -2	-	3,368,485	-	20%	-	673,697	673,697	2,694,788
Total	107,250	3,368,485	-		85,800	695,147	780,947	2,694,788

Note :

i) Amortization is charged @ 20% on Cost of Tk. 107,250 & Tk. 33,68,485 by using Straight line method.



PROXY FORM



TOSRIFA INDUSTRIES LIMITED

Registered Office: Plot-91, Rgency Place (4th floor)
Block-K, Suhrawardy Avenue, Baridhara, Dhaka -1212.
Tel-9817461-63, Fax: 9882610, Website: www.til.com.bd

I/We.....

Of.....

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

.....

of.....

either of them may, in writing, appoint anyone to act as my proxy at the 13th Annual General Meeting of the Company to be held on Monday, 21st September 2015 and at any adjournment thereof

As Witness my/our hand this..... day of.....2015.

.....
Signature of Proxy

Revenue
Stamp of
Tk. 20/=

.....
Signature of Shareholder(s)

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

No. of shares held.....

Notes:

1. A member entitled to attend and vote in the AGM may appoint a proxy to attend and Vote on his / her behalf.
2. The Proxy Form, duly filed and stamped must be deposited at the corporate office of the Company at least 48 hours before of the meeting.
3. Signature of the member(s) must be accordance with the Specimen Signature recorded with the Company



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ATTENDANCE SLIP

I/we do hereby record my/ our attendance at the 13th Annual General Meeting (AGM) of the Company being held on on Monday, 21st September 2015 at Army Golf Club, Dhaka Cantonment, Dhaka at 10.00 a.m. Bangladesh.

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

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

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No. of Shares held:

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

Note: Please present this attendance slip at the registration counter on or before 9.30 a.m of the AGM date. Children and Non-Shareholders will not be allowed at the meeting.



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