



ALIF INDUSTRIES LTD.
THIRD QUARTER (Q3) FINANCIAL STATEMENTS
(UN-AUDITED)

FOR THE PERIOD
FROM JULY 01, 2019 TO MARCH 31, 2020

ALIF INDUSTRIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020
(Un-Audited)


Particulars	Notes	Amount in (Taka)	
		31.03.2020	30.06.2019
PROPERTY & ASSETS			
I. Non-Current Assets		331,602,579	336,183,831
Property Plant & Equipment	5.00	329,087,438	333,668,690
Advance, Deposit & Pre-payment	6.00	2,515,141	2,515,141
II. Current Assets:		749,092,002	748,808,859
Inventories	7.00	180,933,180	178,045,880
Trade Receivable	8.00	498,577,514	470,188,343
Export Incentive Receivable		1,554,626	1,554,626
Income Tax deducted at source	9.00	14,551,051	12,139,868
Cash & Cash Equivalents	10.00	53,475,631	86,880,142
Total		1,080,694,581	1,084,992,690
OWNERS EQUITY AND LIABILITIES			
III. Shareholders' Equity		909,992,338	861,461,986
Paid up Capital	11.00	442,516,690	413,567,000
Retained Earnings	12.00	200,336,490	178,297,196
Tax Holiday Reserve	13.00	2,481,728	2,481,728
Revaluation Reserve	14.00	264,657,430	267,116,062
IV. Non-Current Liabilities		24,349,074	22,943,778
Deferred Tax Liability	15.00	24,349,074	22,943,778
V. Current Liabilities		146,353,169	200,586,926
Accrued Expense	16.00	4,645,403	5,238,265
Liabilities for goods		41,767,540	77,239,008
Provision for WPPF		2,633,558	2,633,558
Dividend Payable		9,141,286	35,773,080
Provision for Income Tax	17.00	88,165,382	79,703,015
Total		1,080,694,581	1,084,992,690

Net Asset Value (NAV) Per Share

20.00

20.56

20.83


Chairman


Managing Director


Director


Chief Financial officer

For. 
Company Secretary

Dated, Dhaka
31-Aug-20



ALIF INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER (Q3) ENDED MARCH 31, 2020
(Un-Audited)

Particulars	1-Jul-19	1-Jul-18	1-Jan-20	1-Jan-19
	to	to	to	to
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
	(9 Months)	(9 Months)	(3 Months)	(3 Months)
Turnover	417,289,692	531,812,005	144,017,568	192,727,563
Less: COGS	347,310,867	429,699,820	122,138,428	162,509,959
Gross Profit	69,978,825	102,112,187	21,879,140	30,217,604
Less:				
Administrative Selling & Distribution Expense	7,299,340	7,637,725	1,861,685	3,055,090
Less: Financial Charges	219,570	69,944	75,650	23,315
Operating Expense	7,518,910	7,707,669	1,937,335	3,078,405
Operating Profit	62,459,915	94,404,517	19,941,805	27,139,200
Add: Non Operating Income	1,864,922		643,887	
Add: Other Income	6,480,188	15,245,905	-	567,450
Profit Before Taxes	70,805,026	109,650,422	20,585,692	27,706,650
Less: Provision for Income Tax				
Current Tax	8,462,367	12,964,234	2,601,339	3,260,641
Deferred Tax	1,288,219	1,130,693	882,526	246,420
Profit After Tax	61,054,440	95,555,495	17,101,828	24,199,589

Earning Per Share (EPS) (Note -21) 1.38 2.16 0.39 0.55


Chairman


Managing Director


Director


Chief Financial Officer


Company Secretary

Dated, Dhaka
31-Aug-20



ALIF INDUSTRIES LIMITED
CASH FLOW STATEMENT
FOR THE THIRD QUARTER (Q3) ENDED MARCH 31, 2020
(Un-Audited)

Particulars	Notes	Amount in (Taka)	
		31.03.2020	31.03.2019
A. Cash Flows from Operating Activities		5,634,293	6,993,019
Cash Collection from Sales		388,900,521	466,384,701
Other Income		8,345,110	6,178,455
Purchase of Raw Materials		(344,367,671)	(391,574,800)
Other Cash Expenses		(47,243,668)	(73,995,337)
B. Cash Flows from Investing Activities			-
Acquisition of Fixed Assets			
Security Deposit to CDBL			
Disposal of Fixed Assets			
C. Cash Flows from Financing Activities		(39,038,804)	(58,366,276)
Payment of Bank Loans		(39,038,804)	(58,366,276)
Payment of Dividend			
Net Cash Inflow for the Period		(33,404,511)	(51,373,257)
D. Opening balance of Cash in Hand and with Bank		86,880,142	79,037,345
E. Closing balance of Cash in Hand and with Bank		53,475,631	27,664,088
Net Operating Cash Flow Per Share - Note 22		0.13	0.16


Chairman


Managing Director


Director


Chief Financial officer


Company Secretary

Dated, Dhaka
31-Aug-20



ALIF INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
AS AT MARCH 31, 2020
(Un-Audited)

Amount in Taka

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Reserve	Retained Earnings	Total
As on 01.07.2019	413,567,000	2,481,728	267,116,062	178,297,196	861,461,986
Profit During the year (01.07.2019 to 31.03.2020)				61,054,440	61,054,440
Payment of Stock Dividend	28,949,690			(28,949,690)	-
Payment of Cash Dividend				(12,407,010)	(12,407,010)
Transferred to retained earning for additional depreciation			(2,341,554)	2,341,554	-
Adjustment for Deferred Tax			(117,078)		(117,078)
As on 31.03.2020	442,516,690	2,481,728	264,657,430	200,336,490	909,992,338

Particulars	Share Capital	Tax Holiday Reserve	Revaluation Reserve	Retained Earnings	Total
As on 01.07.2018	375,970,000	2,481,728	269,769,823	193,443,449	841,665,000
Profit During the year (01.07.2018 to 31.03.2019)				95,555,495	95,555,495
Payment of Stock Dividend	37,597,000			(37,597,000)	
Payment of Cash Dividend				(93,992,500)	
Transferred to retained earning for additional depreciation			(2,341,554)	2,341,554	-
Adjustment for Deferred Tax			351,233		351,233
As on 31.03.2019	413,567,000	2,481,728	267,779,502	159,750,998	843,579,228

M. J. Lajal
Chairman
Managing Director

Leena Islam
Director
Chief Financial Officer

S. M. A. H.
Company Secretary

Dated, Dhaka
31-Aug-20



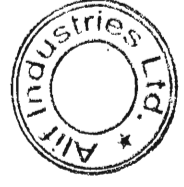
ALIF INDUSTRIES LIMITED

Schedule of property, plant and equipment
As at March 31, 2020

Sl. No.	Particulars	Cost				Depreciation			Written Down Value as on 31-03-2020
		Balance as on 01-07-2019	Addition during the Period	Disposal During the year	Balance as on 31-03-2020	Rate %	Balance as on 01-07-2019	Charged during the Period	
A)	At Cost								
01	Land & Land Development	7,000,000	-	-	7,000,000	0.0%	-	-	7,000,000
02	Building & Other Civil Works	71,720,200	-	-	71,720,200	2.5%	43,422,013	1,344,754	44,766,767
03	Machinery	49,022,689	-	-	49,022,689	5.0%	49,022,689	-	49,022,689
04	Electrical Installation	13,735,294	-	-	13,735,294	5.0%	5,822,381	515,074	6,337,455
05	Furniture & Fixture	4,703,236	-	-	4,703,236	5.0%	4,538,783	164,453	4,703,236
06	Motor Vechiles	1,492,000	-	-	1,492,000	7.5%	1,492,000	-	1,492,000
07	Office Decoration	3,389,416	-	-	3,389,416	10.0%	3,173,999	215,417	3,389,416
08	Computer	181,500	-	-	181,500	15.0%	181,500	-	181,500
	Sub Total	151,244,335	-	-	151,244,335		107,653,365	2,239,697	109,893,062

B) At Revaluation		Balance (A+B) at March 31, 2020		Balance at 30 June 2019	
01	Land & Land Development	173,000,000	-	173,000,000	173,000,000
02	Building & Other Civil Works	124,882,901	-	124,882,901	114,736,166
	Sub Total	297,882,901	-	297,882,901	287,736,166
		449,127,236	-	449,127,236	329,087,438
		449,127,236	-	449,127,236	333,668,690

Admin	5%	229,063
Factory Overhead	95%	4,352,189
Total	100%	4,581,252



ALIF INDUSTRIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE THIRD QUARTER (Q3) ENDED MARCH 31, 2020

	Amount in (Taka)	
	31-Mar-20	30-Jun-19
5.00 Property Plant & Equipment		
Land & Land Development	180,000,000	180,000,000
Building & Other Civil Works	141,689,599	145,375,907
Electrical Installation	7,397,839	7,912,913.00
Furniture & Fixture		164,453
Office Decoration		215,417
Total	329,087,438	333,668,690

Please see Annexure A/1

6.00 Advance Deposit & Prepayment		
Deposit to DESA	175,540	175,540
Deposit to Titas Gas	1,474,812	1,474,812
Deposit to T&T	80,140	80,140
Deposit to CDBL	300,000	300,000
Marginal Deposit	426,053	426,053
Advance against Office Rent	58,596	58,596
Total	2,515,141	2,515,141

7.00 Inventories		
Raw Materials	76,240,573	69,538,872
Raw Materials-Accessories	4,725,753	11,192,120
Packing Materials	1,882,425	1,469,655
Spare Parts	581,885	510,180
Work in Process	38,514,025	39,877,415
Finished Goods	58,988,520	55,457,640
Total	180,933,180	178,045,882

8.00 Trade Receivables		
Opening Balance	470,188,343	424,963,799
Add: Sales during period	417,289,692	629,900,255
Less: Realized	388,900,521	584,675,711
Closing Balance	498,577,514	470,188,343

The aging of trade receivables are as follows

Below 60 Days	107,194,165	138,609,165
Within 61-120 Days	157,450,779	107,764,574
Within 121-180 Days	192,181,689	185,422,029
Over 180 Days	41,750,881	38,392,575
Total	498,577,514	470,188,343

The classification of receivables as required by the schedule XI of the Companies Act, 1994 are given below:

Receivable considered good in respect of which the company is fully secured.	498,577,514	470,188,343
Receivable considered good in respect of which the company holds no security other than the debtor personal security.	-	-
Receivables considered doubtful bad.	-	-
Receivable to Directors.	-	-
Receivables due by common management. any director or other officer of the company.	-	-
Total	498,577,514	470,188,343



ALIF INDUSTRIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE THIRD QUARTER (Q3) ENDED MARCH 31, 2020

	Amount in (Taka)	
	31-Mar-20	30-Jun-19
9.00 Income Tax deducted at source		
Opening Balance	12,139,868	8,644,141
Addition during the year	2,411,183	3,495,727
Less: Adjustments	-	-
	14,551,051	12,139,868

10.00 Cash & Bank Balance		
Cash In Hand	2,127,086	2,014,286
Cash In Bank	51,348,545	84,865,856
	53,475,631	86,880,142

11.00 Share Capital		
i Authorized Capital		
150,000,000 ordinary Shares @ Tk 10 each	1,500,000,000	1,500,000,000
ii Issued, Subscribed and Paid-up Capital		
37,597,000 Ordinary Shares @ Tk 10 each	375,970,000	375,970,000
3,759,700 Ordinary Shares @ Tk 10 each.	37,597,000	37,597,000
2,894,969 Ordinary Shares @ Tk 10 each.	28,949,690	-
	442,516,690	413,567,000

iii Particulars	No of Shares	31-Mar-20	30-Jun-19
Ordinary Shares	8,000,000	8,000,000	8,000,000
Capital Raise	12,500,000	12,500,000	12,500,000
Stock Div @ 12% in 2015	2,460,000	2,460,000	2,460,000
Stock Div @ 31% in 2016	7,117,600	7,117,600	7,117,600
Stock Div @ 25% in 2017	7,519,400	7,519,400	7,519,400
Stock Div @ 10% in 2018	3,759,700	3,759,700	3,759,700
Stock Div @ 7% in 2019	2,894,969	2,894,969	-
	44,251,669	44,251,669	41,356,700

iv Share Holding Patterns	31-Mar-20	
	No of Shares	% of Share
Sponsor/ Directors	14,758,705	33.35%
Institutions	4,686,252	10.59%
General Public	24,806,712	56.06%
	44,251,669	100%

v The Share holding position of the company are as follows:

Particulars	No of Shares	In Tk.
MD. AZIZUL ISLAM	1,566,879	15,668,790
MD. AZIMUL ISLAM	11,337,846	113,378,460
LUBNA ISLAM	922,441	9,224,410
M/S ALIF APPARELS LTD	931,539	9,315,390
INSTITUTIONS	4,686,252	46,862,520
GENERAL PUBLIC	24,806,712	248,067,120
	44,251,669	442,516,690



ALIF INDUSTRIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE THIRD QUARTER (Q3) ENDED MARCH 31, 2020

	Amount in (Taka)	
	31-Mar-20	30-Jun-19
12.00 Retained Earning		
Retained Earning Beginning	178,297,196	193,443,448
Add: Profit after tax for the year	61,054,440	113,321,175
Less: Stock Dividend	(28,949,690)	(37,597,000)
Less: Cash Dividend	(12,407,010)	(93,992,500)
Transfer from revaluation reserve for additional depreciation	2,341,554	3,122,073
Total	200,336,490	178,297,196
13.00 Tax Holiday Reserve	2,481,728	2,481,728
Total	2,481,728	2,481,728
14.00 Revaluation Reservation		
Land & land Development	173,000,000	173,000,000
Factory Building	124,882,901	124,882,901
Transfer to retained earnings for additional depreciation	(10,146,735)	(7,805,181)
Adjustment for deferred tax	(23,078,736)	(22,961,658)
	264,657,430	267,116,062
15.00 Deferred Tax Liability		
A. Temporary difference:		
Written down value of PPE	41,351,272	43,590,970
Tax base value of PPE	(39,753,900)	(46,321,065)
Taxable temporary difference	1,597,372	(2,730,095)
Income Tax rate	12%	12%
Deferred Tax Liability/(Asset)	191,685	(327,611)
Add: Foreign currency translation gain/(loss)	1,078,654	309,731
Deferred Tax Liability/(Asset)	1,270,339	(17,880)
Opening Deferred Tax Liability	(17,880)	(329,390)
Deferred Tax Expense/(Income)	1,288,219	311,509
B. Revaluation:		
Carrying value of land	180,000,000	180,000,000
Other than Land	117,858,238	120,199,792
Tax rate:		
Land	3%	3%
Other than Land	15%	15%
Closing Deferred Tax Liability:	23,078,736	22,961,658
Land	5,400,000	5,400,000
Other than Land	17,678,736	17,561,658
Less: Opening Deferred Tax Liability:	22,961,658	23,429,969
Land	5,400,000	5,400,000
Other than Land	17,561,658	18,029,969
D. Tax asset / liability:		
Deferred Tax Expense/(Income)	117,078	(468,311)
Closing Deferred Tax Liability (A+B)	24,349,074	22,943,778



ALIF INDUSTRIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE THIRD QUARTER (Q3) ENDED MARCH 31, 2020

	Amount in (Taka)	
	31-Mar-20	30-Jun-19
16.00 Accrued Expenses		
Salary & Wages Payable	3,161,750	4,476,658
Listing Fees	674,019	299,797
CDBL Fees	144,179	144,179
Other expenses	365,455	67,631
Audit Fee	300,000	250,000
Total	4,645,403	5,238,265
17.00 Provision for Income Tax		
Beginning Balance	79,703,015	64,672,620
Income Tax during the year	8,462,367	15,030,394
	88,165,382	79,703,015
Less: payment made during the year		
Total	88,165,382	79,703,015
Profit Before tax	70,805,026	128,663,080
Add: Accounting Depreciation	4,581,252	6,185,821
Subtotal	75,386,277	134,848,901
Less: Tax Depreciation	4,866,553	8,356,690
Less: foreign exchange gain		1,238,924
Taxable income	70,519,724	125,253,287
Applicable tax rate	12%	12%
Income tax provision for the period	8,462,367	15,030,394
20.00 Net Asset Value Per Share (NAVPS)		
The calculation is as follows:		
Paid-Up Capital	See note11	442,516,690
Tax Holiday Reserve	See note13	2,481,728
Revaluation Reserve	See note14	264,657,430
Retained Earnings	See note12	200,336,490
		413,567,000
		2,481,728
		267,116,062
		178,297,196
Total Net Asset Value		909,992,338
		861,461,986
No of shares applied to calculate Net Asset Value per Share	44,251,669	41,356,700
Net Asset Value (NAV) Per Share	20.56	20.83
21.00 Earnings Per Share (EPS)		
The calculation is as follows:		
Profit After Tax	61,054,440	95,555,495
No of shares applied to calculate Earning per Share (EPS)	44,251,669	44,251,669
Earnings Per Share (EPS)	1.38	2.16
Previous year's EPS has been adjusted in accordance with BAS 33: Earnings Per Share.		
22.00 Net Operating Cashflow per Share (NOCFPS)		
The calculation is as follows:		
Cash Receipts from Operation	397,245,631	472,563,156
Less: Cash used in Opeartion	(391,611,339)	(465,570,137)
Net Cashflow from Operations	5,634,293	6,993,019
No of shares applied to calculate (NOCFPS)	44,251,669	44,251,669
Net Operating Cash flow Per Share (NOCFPS)	0.13	0.16



23.00 Related party transactions :

- A. The names and nature of the related parties, the nature of these transaction and their total value are as follows:

Name of the parties	Relationship	Nature of transaction	Value of Transaction	Closing Balance
NA	NA	NA	NA	NA

B. **Payment / Perquisites to directors:**

The aggregate amounts paid / provided during the year in respect of directors are disclosed below :

Managerial remuneration	675,000	900,000
Board Meeting fees	65,000	90,000
	<u>740,000</u>	<u>990,000</u>

Managerial remuneration paid to the directors for their full time services, rendered are :

Mr. MD. Azimul Islam	<u>675,000</u>	<u>900,000</u>
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- (a) No compensation was made to the Managing Director of the company except as stated in above.
(b) No amount was spent by the company for compensating any member of the Board of Directors except as stated in above.

There is no other related party except as stated in (23) above

24.00 This company has not taken any services from the external auditor except statutory audit.

25.00 Number of employees :

The company paid an aggregate amount more than Taka 3,000 per month to all the 720 employees who were in employment for the year.

26.00 Contingent Liability

There is no such liability for which the company is liable as on March 31, 2020

27.00 Capital Expenditure Commitment

There was no such commitment as on March 31, 2020



28.00 Financial Risk Management

The management of company is overall responsible for the establishment and oversight of the company's risk management framework. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company has exposure to the following risk for its use of financial instruments.

Credit Risk
Liquidity Risk
Market Risk

Credit Risk

Credit risk is the risk of a financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables. Management has a credit policy in place that are controlled and monitored in accordance with terms and conditions prescribed in export letter of credit. As at 31st March, 2020 most of the receivables are related to export of goods and subject to insignificant credit risk. Risk exposures from other financial assets, i.e. Cash at bank and other external receivables are nominal.

Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The company's approach in managing liquidity (cash and cash equivalents) is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the company's reputation. Typically, the company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses including financial obligation through preparation of the cash flow forecast with due consideration of time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. In extreme stressed conditions the company may get support from the related company in the form of short term financing.

Market Risk

Market risk is the risk that any changes in market prices such as foreign exchange rates and interest will affect the company's income or the value of its holdings financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

(a) Currency risk

The company is exposed to currency risk on certain revenues and purchases such as revenue from foreign customers and import of raw materials, machineries and equipment. Majority of the company's foreign currency transactions are denominated in USD and relate to procurement of raw materials, machineries and equipment from abroad.

(b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowing. The foreign currency loan is subject to floating rates of interest. Local loans are, however, not significantly affected by fluctuations in interest rate risk. The company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

29.00 Events after the Reporting Period:

No Such significant events after Balance Sheet Date

31.00 Any Significant Variation

a) Earnings Per Share (EPS)

EPS decreased due to pandemic COVID 19

b) Net Asset value Per Share (NAVPS)

NA

c) Net Operating Cashflow Per Share (NOCFPS)

NA

