

Auditor's Report & Financial Statements

of

Alif Industries Limited

As at and for the year ended June 30, 2024



Independent Auditor's Report

To the Shareholders of Alif Industries Limited

Report on the Audit of the Financial Position

Opinion

We have audited the financial statements of Alif Industries Limited ("the Company"), which comprise the statement of financial position as at June 30, 2024 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting Policy Information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at June 30, 2024 and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended 30 June 2024. These matters were addressed in the context of the audit of the financial statements as a whole and in forming the auditors' opinion thereon and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matters
Sales Revenue/ Turnover	
Export Sales Revenue is a significantly material item in the statement of profit and loss and other comprehensive income. The	Our procedures consisted of obtaining and documenting understanding from the management of the Company about its recognition and measurement processes adopted and applied.

<p>Company has reported export sales revenue of Tk 813,886,632/- for the year ended 30 June 2024.</p> <p>Sales revenue is recognized at fair value of the consideration received or receivable in the period during which direct export, deem export subcontract bill are manufactured and delivered based on point in time.</p> <p>See Note- 2.12, 23.00 to the financial statements.</p>	<p>We performed test of details from our sampled population to verify whether sales revenue was accounted for in accordance with the revenue accounting policy as disclosed in Note #2.12 of the financial statements. In addition, we assessed whether the disclosed revenue accounting policy was in accordance with relevant accounting standards.</p> <p>For revenue recognition during the year, we tested selected key controls, including results reviews by management, for their operating effectiveness and performed procedures to gain sufficient audit evidence on the accuracy of the accounting for customer contracts and related financial statement captions.</p> <p>Our audit procedures on implementation of IFRS 15 - Revenue from contracts with Customers, we verified management's conclusion from assessing different types of contracts and the accuracy of the revised accounting policies in light of the industry specific circumstances and our understanding of the business. We tested the appropriateness of the accounting treatment on a sample basis. In addition, we verified the accuracy of IFRS 15 related disclosures.</p> <p>These procedures included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. We made enquiries with management to understand their risk assessments and examined meeting minutes to identify relevant changes in their assessments and estimates.</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> ▪ Obtained an understanding of the various revenue streams and nature of sales contracts entered by the Company. ▪ Evaluated the design of internal controls relating to recording of reports incurred and estimation of efforts required to complete the performance obligations.
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	<ul style="list-style-type: none"> ▪ Tested of revenue recorded over the year using sampling techniques by examining the relevant supporting documents including sales order, delivery challan, VAT invoice issued and bank statement for subsequent receipts of revenue from goods delivered to customers and also, we confirmed selected customers' receivable balances at the statement of financial position date, selected on a sample basis by considering the amount outstanding with those customers. ▪ Evaluated the design of internal controls relating to identification of performance obligations and determining timing of revenue recognition. ▪ Selected a sample of contracts and reassessed contractual terms to determine adherence to the requirements of the new accounting standard. ▪ We specifically put emphasis on those transactions occurring close before or after the statement of financial position date to obtain sufficient evidence over the accuracy of cut-off. ▪ Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.
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Key Audit Matters	How our audit addressed the key audit matters
Valuation of Inventory	
<p>The closing inventories of Tk. 142,985,273 /- as at 30 June 2024 was reported by the Company in the financial statements.</p> <p>Inventories comprised finished goods, Work in Process (Yards), Raw Materials-Fabrics (Yards), Raw Materials-Yarn (Kg), Raw Materials-Accessories, Packing Materials and spare parts which need to be valued at lower of cost and net realizable value as per IAS 2</p>	<p>As part of our audit procedures for closing inventories, we carried out the following tests in response to our assessed risk of material misstatements:</p> <ul style="list-style-type: none"> ▪ Evaluating the design and implementation of primary inventory controls operated across the factory, including those at a sample of, factory plant, stores;



<p>Inventories. Cost of inventories concludes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.</p> <p>As disclosed in note #2.05 to the financial statements, the Company uses weighted average method to determine their value to be reported. Where necessary, allowance should be provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realizable value.</p> <p>Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.</p>	<ul style="list-style-type: none"> ▪ Evaluating internal controls to monitor or keep track of inventory movement; ▪ Comparing the net realizable value, obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories; ▪ Reviewing the historical accuracy of inventory provisioning, and the level of inventory write-off during the year;
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Key Audit Matters	How our audit addressed the key audit matters
Recoverability of trade receivables	
<p>Refer to notes 9.00 to the financial statements of the related accounting policies, judgments and estimates.</p> <p>At 30 June 2024, the total receivables balance in note 9.00 was Taka. 755,959,277/- (2023: Taka. 618,133,269/-).</p> <p>The recoverability of trade receivables and the level of provisions for bad debts are considered to be a key risk due to the significance of these balances to the financial statements, and the judgments required in making appropriate provisions.</p>	<p>In order to test the recoverability of trade receivables, we performed the following procedures:</p> <ul style="list-style-type: none"> ▪ We evaluated the company's credit control procedures and assessed and validated the ageing profile of trade receivables; ▪ We assessed recoverability on a sample basis by reference to money received subsequent to year-end, agreement to the terms of the contract in place, and issue of credit notes post year-end, as necessary; ▪ We considered the appropriateness of judgments regarding provisions for trade receivables and assessed whether these provisions were calculated in accordance with the company's provisioning policies or whether there was evidence of management bias in provisioning, obtaining supporting evidence as necessary.



	<ul style="list-style-type: none"> ▪ We convey to management our assessment of the recoverability of older, provisioned amounts. This involves validating management's explanations through supporting documentation and communication with the customer. ▪ We were unable to assess the accuracy of the year-end aging of debtors on a sample basis due to the absence of a detailed aging report for debtors. ▪ However, we were unable to assess the classification of trade receivables in the debtors aging report through a sample-based comparison with sales invoices and other supporting documentation.
Key Audit Matters	How our audit addressed the key audit matters
Factory Overhead & Administrative Expenses	
<p>Refer to notes 24.iv-Factory Overhead & 26.00-Administrative Expenses in the statement of profit and loss and other comprehensive income. The Company has reported factory overhead totaling of Tk 104,124,391 and administrative expense totaling of BDT 14,573,790 for the year ended 30 June 2024.</p> <p>Factory overhead & Admin expense are recognized at fair value of the consideration incurred in the period during which factory overhead & Admin expense are based on point in time.</p> <p>The Company's Salary & allowance expenses did not maintain through banking channel, which constitutes a violation of subclause k, section 55 of Income Tax Act 2023.</p>	<p>In order to test the Factory Overhead & Administrative Expenses, we performed the following procedures:</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> ▪ Obtained an understanding of the various expenses and nature of entered by the Company. ▪ Evaluated the design of internal controls concerning the recording of incurred expenses and estimation of efforts required to complete the performance objective. ▪ Tested of expenses excluding salary and allowance expenses, are recorded over the year using sampling techniques by examining the relevant supporting documents including Ledger, Invoice from 3rd party, received challan, VAT invoice, and Cash payment and bank channel of expenses for goods and services also, we confirmed selected expenses categories for the year, selected on a sample basis by considering the amount and random selection approach ▪ Tested of Salary and Allowance expenses are recorded over the year using sampling



	<p>techniques by examining the relevant supporting documents including payroll sheet, attendance sheet, and Cash payment record of expenses also, we confirmed selected expenses for the year, selected on a sample basis by considering random selection approach.</p> <ul style="list-style-type: none"> ▪ Selected a sample of expenses, the company determine adherence to the requirements of the accounting concept. ▪ We are reviewed that the company's all salary & allowance expenses did not maintain through banking channel.
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Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for information other than financial statements and auditor's report. The other information comprises of the Director's Report, Corporate Governance Compliance Report, Business Responsibility & Sustainability Report and Management Discussion and Analysis. We expect to receive this other information after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern



and using the going concern basis of accounting unless management either intends to liquidate the Company's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

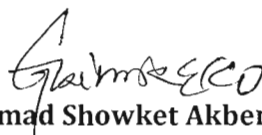
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

- ▶ we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ▶ in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- ▶ the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Place: Dhaka, Bangladesh
Date: October 28, 2024
Ref.: GKC/24-25/A/152



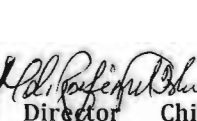
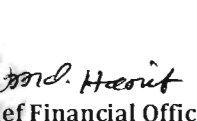


Mohammad Showket Akber, FCA
Partner
G. KIBRIA & CO.
Chartered Accountants
ICAB Enrol.No.970
DVC: 2410270970AS121567



ALIF INDUSTRIES LIMITED
Statement of Financial Position
AS AT 30 June 2024

Particulars	Notes	Amount in BDT	
		30-Jun-2024	30-Jun-2023
ASSETS:			
Non-Current Assets		336,119,708	350,590,858
Property, Plant and Equipments	5.00	332,819,708	340,162,253
Right Use of Assets	6.00	-	-
Advances , Deposits & Pre-payments	7.00	3,300,000	10,428,605
Current Assets:		943,038,086	874,553,412
Inventories	8.00	142,985,273	140,948,640
Trade Receivable	9.00	755,959,277	618,133,269
Export Incentive Receivable	10.00	-	1,554,626
Income Tax deducted at Source	11.00	27,620,886	26,401,868
Cash & Cash Equivalents	12.00	16,472,650	87,515,010
Total		1,279,157,794	1,225,144,270
EQUITY AND LIABILITIES			
Shareholders' Equity		1,086,675,662	1,026,418,113
Share Capital	13.00	442,516,690	442,516,690
Retained Earnings	14.00	389,609,573	325,855,303
Tax Holiday Reserve	15.00	2,481,728	2,481,728
Revaluation Reserve	16.00	252,067,670	255,564,392
Non-Current Liabilities		3,573,981	3,057,757
Deferred Tax Liability	17.00	3,573,981	3,057,757
Current Liabilities		188,908,151	195,668,400
Lease Liability	18.00	-	-
Accrued Expenses	19.00	4,865,432	5,088,213
Sundry Creditors	20.00	56,711,698	53,193,814
Provision for WPPF	21.00	-	5,297,187
Dividend Payable	22.00	17,437,288	16,301,708
Unclaimed / Unpaid Dividend	22.01	2,301,894	4,206,607
Provision for Income Tax	23.00	107,591,839	111,580,871
Total		1,279,157,794	1,225,144,270
Net Asset Value (NAV) per Share		24.56	23.20

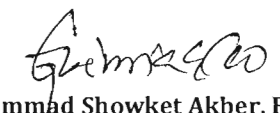
The annexed notes form an integral part of these financial statements.

 Chairman
  Managing Director
  Director
  Chief Financial Officer
  Company Secretary

Signed in terms of our annexed report of even date

Place: Dhaka, Bangladesh
Date: October 28, 2024
Ref. No. GKC/24-25/A/152




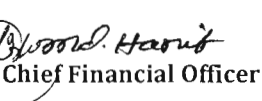




Mohammad Showket Akber, FCA
 Partner
G. Kibria & Co.
 Chartered Accountants
 ICAB Enrollment no. 970
 DVC: 2410270970AS121567

ALIF INDUSTRIES LIMITED
Statement of Profit or Loss and other Comprehensive Income
for the year ended 30 June 2024

Particulars	Notes	For the year 2023-24	For the year 2022-23
Turnover	24.00	813,886,632	650,626,591
Less: Cost of Sales	25.00	689,630,088	557,022,196
Gross Profit		124,256,544	93,604,395
Less: Operating Expenses		14,573,790	4,693,927
Administrative Selling & Distribution Expense	26.00	14,573,790	4,693,927
Operating Profit		109,682,754	88,910,468
Add: Other Income	27.00	6,218,215	120,640
Add: Foreign Currency Gain / (loss)		2,955,925	852,714
Profit Before Financial Charges & Taxes		118,856,894	89,883,822
Less: Financial Charges	28.00	849,664	617,308
Less: Worker Profit Participation Fund (WPPF)		-	-
Profit Before Tax		118,007,230	89,266,514
Less: Income Tax Expense		13,652,543	9,608,362
Current Tax	22.01	13,510,968	9,177,458
Deferred Tax Expense/(Income)		141,575	430,904
Profit After Tax		104,354,686	79,658,152
Other Comprehensive Income			-
Deferred Tax Expenses on excess depreciation		374,649	
Total Comprehensive Income for the year		103,980,037	79,658,152
Earnings Per Share (EPS)		2.36	1.80

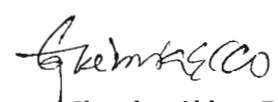
The annexed notes form an integral part of these financial statements.

 Chairman
  Managing Director
  Director
  Chief Financial Officer
  Company Secretary

Signed in terms of our annexed report of even date

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Mohammad Showket Akber, FCA
 Partner
G. Kibria & Co.
 Chartered Accountants
 ICAB Enrollment no. 970
 DVC: 2410270970AS121567

ALIF INDUSTRIES LIMITED
Statement of Changes in Equity
for the year ended 30 June 2024

Particulars	Share Capital	Tax Holiday Reserve	Unrealised Gain/(Loss)	Revaluation Reserve	Retained Earnings	Total
Balance as on 01.07.2023	442,516,690	2,481,728		255,564,392	325,855,303	1,026,418,113
Prior Year Adjustment					(437,141)	(437,141)
Profit after tax for the year	-	-		-	104,354,686	104,354,686
Cash Dividend @17% for the year 2022-2023	-	-		-	(43,285,348)	(43,285,348)
Transfer to retained earnings for additional depreciation	-	-		(3,122,073)	3,122,073	-
Adjustment on Tax on Depreciation of revaluation Assets	-	-		(374,649)	-	(374,649)
Balance as on 31.03.2024	442,516,690	2,481,728		252,067,670	389,609,573	1,086,675,661

ALIF INDUSTRIES LIMITED
Statement of Changes in Equity
for the year ended 30 June 2023

Particulars	Share Capital	Tax Holiday Reserve	Unrealised Gain/(Loss)	Revaluation Reserve	Retained Earnings	Total
Balance as on 01.07.2022	442,516,690	2,481,728		258,686,465	278,841,284	982,526,167
Profit after tax for the year	-	-		-	79,658,152	79,658,152
Cash Dividend @12% for the year 2021-2022	-	-		-	(35,391,557)	(35,391,557)
Transfer to retained earnings for additional depreciation	-	-		(2,747,424)	2,747,424	-
Adjustment on Tax on Depreciation of revaluation Assets	-	-		(374,649)	-	(374,649)
Balance as on 30.06.2023	442,516,690	2,481,728		255,564,392	325,855,303	1,026,418,113

 Chairman
 Managing Director
 Director
 Chief Financial Officer
 Company Secretary



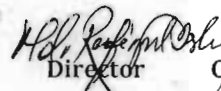
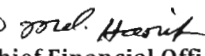

Signed in terms of our annexed report of even date

Place: Dhaka, Bangladesh
Date: October 28, 2024
Ref. No. GKC/24-25/A/152



ALIF INDUSTRIES LIMITED
Statement of Cash Flows
for the year ended 30 June 2024

Particulars	Notes	Amount in BDT	
		30-Jun-2024	30-Jun-2023
A. Cash Flows from Operating Activities			
Receipts:			
Cash Collection from Sales		673,380,562	678,540,668
Effect of rate of foreign exchange rate		624,670	852,714
Cash Collection from Other Sources		5,593,398	120,640
Total Receipts		679,598,630	679,514,022
Payments:			
Payment to Suppliers		(584,024,446)	(475,438,003)
Payment to other Operating Expenses		(103,807,043)	(95,040,716)
RMG Central Fund		(36,002)	(65,565)
Income Tax paid		(18,719,018)	(1,849,679)
Total Payments		(706,586,510)	(572,393,963)
Net Cash flows from Operating Activities		(26,987,880)	107,120,059
B. Cash Flows from Investing Activities			
Acquisition of Fixed Assets		-	(67,900)
Net Cash Flows from Investing Activities		-	(67,900)
C. Cash Flows from Financing Activities			
Payment of Dividend		(44,054,481)	(28,123,330)
Marginal Deposits and Short Term Loan		-	(2,595,572)
Short Term Loan		-	(18,485,828)
Net Cash Flows from Financing Activities		(44,054,481)	(49,204,730)
Net Cash Inflow for the year		(71,042,360)	57,847,429
D. Opening balance of cash & cash equivalents		87,515,010	29,667,581
E. Closing balance of cash & cash equivalents		16,472,650	87,515,010
Net Operating Cash flow Per Share (NOCFPS)		(0.61)	2.42

 Chairman
  Managing Director
  Director
  Chief Financial Officer
  Company Secretary

Signed in terms of our annexed report of even date

Place: Dhaka, Bangladesh
Date: October 28, 2024
Ref. No. GKC/24-25/A/152



ALIF INDUSTRIES LIMITED
Notes to the Financial Position
As at and for the year ended 30 June 2024

01.00 BACKGROUND AND ACTIVITIES OF THE COMPANY:

01.01 Background of the Company:

The company was incorporated as a Private Limited Company vide registration No.C-22524(932)/92 dated August 02, 1992 under the Companies Act, 1913. It was converted into a 'Public Limited Company' in 1995. The Company went for Initial Public Offering (IPO) in September 1995, and listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in December 1995. The company changed its name from "Sajib Knitwear and Garments Limited" to "Alif Industries Limited" in March 2015. Currently company's share are listed in main platform of both DSE and CSE.

01.02 Address of the Registered and Corporate office:

The registered office and corporate office of the company is located at Bilquis Tower (9th floor), House # 06, Road # 46, Gulshan Circle-2, Dhaka-1212

01.03 Nature of Business Activities:

The Principal activities of the company are to carry on the business of 100% export oriented knit garments

01.04 Production Unit:

Production unit of the company is situated at 05 Tatki, Rupganj, Narayanganj.

02.00 SIGNIFICANT ACCOUNTING POLICIES:

02.01 Basis of Preparation and Presentation of the Financial Statements:

The Financial Statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987, International Accounting Standards (IASs) and International Financial Reporting Standard (IFRSs) as applicable to the company. The Statement of Financial Position and Statement of Profit or Loss and other Comprehensive Income have been prepared according to IAS I 'Presentation of Financial Statements' based on accrual basis of accounting and going concern assumption. Statement of Cash Flows of the company has been prepared under direct method in accordance with IAS 7: Statement of Cash Flows.

02.01 (a) Going Concern

The company has adequate resources to continue in operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reason the directors continue to adopt going concern basis in preparing the Financial Statement



02.02 Basis of Measurement:

These financial statements have been prepared on historical cost basis except for the following items in the statement of financial position:

- (a) Land and land development is measured at revalued amount.
- (b) Building & other civil work is initially measured at cost and subsequently at revalued amount less accumulated depreciation
- (c) Addition to property, plant & equipment after the date of revaluation is measured at cost.

02.03 Principle Accounting Policy:

The specific accounting policies have been selected and applied by the company's management for significant transactions and events that have a material effect within the Framework for the preparation and presentation of Financial Statements. Financial Statements have been prepared and presented in compliance with applicable IASs and IFRSs.

02.04 Application of accounting Standards

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

- IAS 01 Presentation of Financial Statements IAS
- IAS 02 Inventories
- IAS 07 Statement of Cash Flows
- IAS 08 Accounting Policies, Changes In Accounting Estimates and Errors
- IAS 10 Events after the Reporting Period
- IAS 12 Income Taxes
- IAS 16 Property, plant and Equipment
- IAS 19 Employee Benefits
- IAS 21 The Effects of Changes In Foreign Exchange Rates
- IAS 23 Borrowing Costs
- IAS 24 Related party Disclosures
- IAS 33 Earnings Per Share
- IAS 36 Impairment of Assets
- IAS 39 Financial Instruments: Recognition and Measurement
- IFRS 7 Financial Instruments: Disclosure
- IFRS 8 Operating Segments
- IFRS 9 Financial Instruments
- IFRS 15 Revenue from Contracts with Customers
- IFRS 16 Leases

The other related IFRSs are also compiled for the preparation of these financial statements.



02.05 Valuation of Inventories:

Inventories consisting of raw materials, work in progress, finished goods are valued at lower of cost and net realizable value as per IAS 2: Inventory. Cost of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using the weighted average cost formula. Where necessary, allowance is provided for damaged, obsolete, and slow-moving items to adjust the carrying amount of inventories to the lower of cost and net realizable value as the board approve from time to time. Net realizable value is based on estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Category of Stocks	Basis of Valuation
Raw Materials	At lower of cost or net realizable Value
Finished Goods	At lower of cost or net realizable Value
Goods in Transit	At lower of cost or net realizable Value
WIP	At lower of cost or net realizable Value

Impairment of Inventories

Impairment of inventory is made as and when inventory became obsolete or unusable or for slow moving items for which the management of the company is giving decisions from time to time. Based on sales cycle of slow-moving items, the sales prices of the products may decrease over time. The management of the Company reviews the carrying amounts of its inventory (Balance Sheet Date) to determine whether there is any indication of impairment in accordance with IAS-2: 'Inventories'. When the sales price moves below the inventory cost prices, the loss on sales is recognized immediately in the Financial Statements. However, there was no indication of impairment of inventory during the year; and as such, no adjustment was given in the Financial Statements for impairment.

The company conducted year end inventory count held at 30/06/2023 as per accepted guideline set by management. A management expert team consisting of members with adequate knowledge & expertise was engaged in counting and valuation of inventory. The breakdown of the components of inventory is disclosed in note no 7:00. As per accepted practice within the industry, management has made adequate declaration regarding the value & quantity of inventory as at 30/06/2023.

02.06 Statement of Cash Flows:

Statement of cash Flow is prepared principally in accordance with IAS 7: 'Statement of Cash Flows' and the cash flows from operating activities have been presented under direct method as required by the Bangladesh Securities and Exchange Rules 1987 and Considering the para 19 of IAS 7 that "Enterprises are Encouraged to Report Cash Flow From Operating Activities Using the Direct Method".



02.07 Use of estimates and judgments:

The preparation of financial statements requires management to make and apply consistent judgments, estimates and assumptions for records and balances 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. Revision to accounting estimates is recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period if the revision affects both current and future periods.

02.08 Events after the Reporting Period:

Events after the reporting date that provide additional information about the Company's position at the reporting date are reflected in the financial statements. Events after the reporting date that are not adjusting events are disclosed in the notes when material.

02.09 Income Tax

Current Tax

Current income tax is provided on the taxable income for the year. During the year provision for taxation has been made at 12% as per Finance Act, 2018 and the Income Tax Ordinance, 1984 on the taxable income made by the company.

Deferred Tax:

Deferred tax liabilities are the amount of income taxes payable in future years in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future years in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted at the financial statement date. The company has recognized Deferred Tax as per provision of IAS-12: Income Taxes

02.10 Property, Plant and Equipment:

Property plant and equipment are shown at cost/revalued amount less accumulated depreciation. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All repairs and maintenance expenses are charged to the Statement of Profit or Loss and other Comprehensive Income during the year when these are incurred.

Revaluation of Property, Plant & Equipment (PPE)

PPE have been revalued In accordance with IAS: 16 Property, Plant & Equipment.

- i) Effective date of revaluation to the financial Statements 31 December 2016.
- ii) Land & Land Developments and Buildings & other civil works has been revalued by an independent valuer, Ata Khan & CO. Chartered Accountants.
- iii) Initial revaluation surplus of Tk. 297,882,901 has been transferred to Revaluation Reserve deducting deferred tax therefrom and distribution of such surplus to the shareholders is restricted.



02.11 Depreciation of property, plant and equipment

Depreciation on all property, plant and equipment other than land and land development has been charged on Straight-line method considering the economic and useful lives of such assets. Depreciation of an asset begins when it is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The estimated depreciation rates are as follows:
The estimated depreciation rates are as follows:

Category of Fixed Assets	Rate%
Factory Building and civil Constructions	2.50
Plant and Machinery	5.00
Electrical Installation	5.00
Furniture & Fixture	5.00
Transports and Vehicles	7.50
Office Decoration	10.00
Computer	15.00

02.12 Revenue Recognition:

As per IFRS-15: "Revenue from contracts from customers" an entity shall account for a contract with a customer only when all of the following criteria are met:

- i) The parties to the contract have approved the contract (in writing, orally, or In accordance with other customary business practices) and are committed to perform their respective obligations,
- ii) The entity can identify each party's right regarding the goods or services to be
- iii) The entity can identify the payment terms for the goods or services to be transferred
- iv) The contract has commercial substance (i.e. the risk, timing or amount of the entity's future cash flow is expected to change as a result of the contract; and
- v) It is probable that the entity will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

02.13 Employee Benefits (IAS 19):

The company maintains defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS 19: Employee Benefits.

The cost of employee benefit is charged off as revenue expenditure in the period to which the contributions relate.

The company's employee benefits Include short-term employee benefits such as maternity leave allowance, medical service, day care center etc. Obligations for such benefits are measured on an undiscounted basis and are expensed as the related service is provided.

02.14 The Effects of Changes in Foreign Exchange Rates:

The financial statements are presented In Taka/Tk., which is company's functional currency. Transactions in foreign currencies are recorded in the books at the exchange rate prevailing on the date of the transaction. Assets and liabilities outstanding at 30 June 2024 denominated in foreign currencies have been shown In Taka at the rate In terms of foreign currencies ruling on the statement of financial position date. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognized in statement of profit or loss and other comprehensive Income as per IAS 31: The Effects of Changes in Foreign Exchange Rates.

02.15 Borrowing Costs:

Borrowing costs/Financial expenses comprise of interest expense on long term loan, short term loan, finance lease, L/C commission, bank charges etc. All such costs are recognized In the statement of profit or loss and other comprehensive income except those are capitalized in accordance with IAS- 33: Borrowing Costs.

02.16 Related Party Disclosures:

Related party transaction Is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. During the year the company large number of transactions with related party other than payment to directors disclosed in note 4 # 31 B to the financial statements.

02.17 Earnings per Share:

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

02.18 Impairment of Assets:

In compliance with the requirements of IAS 36: Impairment of Assets, the carrying amount of non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and impairment losses are recognized in profit or loss account. No such indication of impairment has been observed till to date.

02.19 Provisions:

In accordance with the guidelines as prescribed by IAS 37 provisions were recognized in the following situation:

- > When the company has a present obligation (legal or constructive) as a result of past
- > When it is probable that an outflow of resources embodying economic benefits will be required
- > Reliable estimate can be made of the amount of the obligation

02.20 Contingent liabilities and assets

A contingent liability is:

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the control of the company; or
- b) a present obligation arising from past events but not recognized because:
 - i) an outflow of resources to settle the obligation is not probable; or
 - ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the control of the company. During the year there were no such assets or liabilities of the company.

02.21 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Derivative:

According to IFRS 7: "Financial Instruments: Disclosures", the Company was not a Party to any derivative contract (financial instruments) at the financial statement date, such as forward contracts, future contracts to hedge risks arising from borrowings, future purchase, etc.

Non-Derivative:

Non-derivative financial instruments comprise of trade and other receivables, borrowings and other payables and are shown at transaction cost as per IAS 39 "Financial Instruments: Recognition and Measurement".

02.22 Cash and Cash Equivalents:

Cash and Cash Equivalent include cash in hand, cash at banks, etc. which are available for use by the company without any restrictions. There is an insignificant risk of change in value of the same.

02.23 Trade Receivable

Trade receivable from foreign currency transactions are recognized into Bangladeshi Taka using exchange rates prevailing on the closing date of the accounts in accordance with IAS-21: The Effects of Changes in Foreign Exchange Rates. Uncollectible receivables are charged to statement of profit or loss and comprehensive income as bad debts.

02.24 Trade and Other Payable:

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

02.25 Segment Reporting

No segmental reporting is applicable for the company as required by IFRS 8: "Segment Reporting" as the company operates in a single industry segment and within a single operational unit.

02.26 Leases

An entity shall assess a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In line with IFRS-16 Leases, an entity shall determine the lease term as the non-cancellable period of a lease together with both:

- I. Period covered by the option to extend the lease and;
- II. Period covered by the option to terminate the lease.

Initial measurement of right of use asset shall be measured at cost and subsequently either by fair value or follow revaluation model

The company does not hold any such right of use of asset for non-cancellable period of time in exchange for any consideration.

03.00 COMPLIANCE AND OTHERS:

03.01 Compliance with Local Laws:

The Financial Statements have been prepared in compliance with requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and other relevant local laws and rules.

03.02 Compliance with International Accounting Standards (IAS)

The Financial Statements have been prepared in compliance with requirements of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS).

03.03 Reporting Currency and Level of precision:

The figures in the Financial Statements represent Bangladesh Currency (Taka), which have been rounded off to the nearest Taka except where indicated otherwise.

03.04 Reporting period:

The Financial year of the company covers one (1) year from 1st July 2023 to 30th June 2024 Consistently.

04.00 General

- i. Wherever considered necessary, previous Period's figures have been rearranged for the purpose of comparison.
- ii. Figures appearing in the financial statements have been rounded off to the nearest Taka.
- iii. The Financial Statements were authorized by the Board of Directors on 28 October, 2024.



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023
5.00 Property, Plant & Equipment			
	(A) At Cost:		
	Opening Balance	483,872,646	483,804,746
	Addition During the year	-	67,900
	Adjustment During the year	-	-
	Closing Balance	483,872,646	483,872,646
	(B) Depreciation:		
	Opening Balance	143,710,393	136,098,551
	Charge during the year	7,342,545	7,611,842
	Adjustment During the year	-	-
	Closing Balance	151,052,938	143,710,393
	Written Down Value	332,819,708	340,162,253
	Details of property, plant and equipment have been shown in annexure A.		
6.00 Right of Use Assets			
	Opening Balance	-	-
	Add: Previous Year Adjustment	399,641	-
	Addition During the Year	-	-
	Less: Adjustment During the year	(399,641)	-
	Closing Balance	-	-
7.00 Advances , Deposits & Pre-payments			
	Advance		
	Deposit to DESA	-	175,540
	Deposit to Titas Gas	-	1,474,812
	Deposit to T&T	-	80,140
	Deposit to CDBL	300,000	300,000
	Marginal Deposit	-	5,339,517
	AIL-Convertible Bond	3,000,000	3,000,000
	Advance against Office Rent	-	58,596
	Total	3,300,000	10,428,605
8.00 Inventories			
	Raw Materials-Fabrics	50,766,800	38,174,610
	Raw Materials-Yarn	-	9,285,630
	Raw Materials-Accessories	20,326,466	19,640,200
	Packing Materials	6,870,627	5,278,600
	Spare Parts	1,168,900	476,900
	Work in Process	25,696,350	28,696,200
	Finished Goods	38,156,130	39,396,500
	Total	142,985,273	140,948,640
9.00 Trade Receivable			
	This represents invoice value of goods delivered to customer. This is considered good and collectible		
	Trade Receivable Opening	618,133,269	645,959,352
	Add: Sales during the period	809,250,264	616,958,926
	Add: Exchange Gain of Foreign Currency	3,221,599	-
	Less: Realized	674,645,855	644,785,009
	Total	755,959,277	618,133,269



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023
	The aging of trade receivables are as follows		
	Below 60 Days	83,027,722	73,564,479
	Within 61-120 Days	279,867,048	158,647,454
	Within 121-180 Days	203,900,571	212,685,730
	Over 180 Days	189,163,936	173,235,606
	Total	Tk. 755,959,277	618,133,269

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.	306,131,311	304,799,935
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.	449,827,966	313,333,334
The maximum amount of receivable due by any director or other officer of the company.	-	-
Total	755,959,277	618,133,269

Receivables due by common management included M/S. Shadhin Garments Ltd and Alif Casual Ware Ltd.

10.00 Export Incentive Receivable

This receivables arise due to cash incentive on export.

Beginning Balance	1,554,626	1,554,626
Add: Export Incentive claimed during the year	-	-
Less: Written off	1,554,626	-
Total	-	1,554,626

11.00 Advance Income Tax

Opening Balance	26,401,868	24,552,189
Addition During the year	18,719,018	1,849,679
Less: Adjustment During the year	(17,500,000)	-
Total	27,620,886	26,401,868

12.00 Cash & Cash Equivalents

Cash in Hand (11.01)	8,510,925	24,648,882
Cash at Bank (11.02)	7,961,725	62,866,128
Total	16,472,650	87,515,010

12.01 Cash in Hand

Cash in Hand	8,510,925	24,648,882
	8,510,925	24,648,882



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023

12.02 Cash at Bank

EXIM Bank A/C No. 3511100085318	389,778	233
EXIM Bank A/C No. 03919500173701	7,507,732	60,065,153
EXIM Bank A/C No. 039111-169486	16,540	4,223
EXIM Bank A/C No. 03915200396493	139	3,597
EXIM Bank A/C No. 0713100840782	30,989	2,785,427
Islami Bank A/c No. FC 205010223-73610	1,060	761
EXIM Bank A/C No. 190000005158	599	-
EXIM Bank A/C No. 03913100296723	14,888	6,734
Total Taka	7,961,725	62,866,128

13.00 Share Capital

i Authorized Capital

400,000,000 ordinary Shares @ Tk 10 each.	4,000,000,000	4,000,000,000
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ii Issued, Subscribed and Paid-up Capital

44,251,669 Ordinary Shares @ Tk 10 each.	442,516,690	442,516,690
Total Tk.	442,516,690	442,516,690

iii Detail Break up of issued, Subscribed and Paid-up Share Capital

Ordinary Shares	205,000,000	205,000,000
Stock Dividend @12% in 2015	24,600,000	24,600,000
Stock Dividend @31% in 2016	71,176,000	71,176,000
Stock Dividend @25% in 2017	75,194,000	75,194,000
Stock Dividend @10% in 2018	37,597,000	37,597,000
Stock Dividend @7% in 2019	28,949,690	28,949,690

Total Tk. 442,516,690 442,516,690

iv Share Holding Patterns	30 June, 2024		As on 30 June, 2023	
	No of Shares	%	No of Shares	%
Sponsor/ Directors	13,836,264	31.27%	14,758,705	33.35%
Institutions	10,560,918	23.87%	6,679,167	15.09%
General Public and Others	19,854,487	44.87%	22,813,797	51.55%
Total Shares	44,251,669	100%	44,251,669	100%

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

Particulars	30 June, 2024		As on 30 June, 2023	
	No of Shares	Amount (Tk.)	No of Shares	Amount (Tk.)
MD. AZIZUL ISLAM	1,566,879	15,668,790	1,566,879	15,668,790
MD. AZIMUL ISLAM	11,337,846	113,378,460	11,337,846	113,378,460
LUBNA ISLAM	-	-	922,441	9,224,410
M/S ALIF APPARELS LTD	931,539	9,315,390	931,539	9,315,390
INSTITUTIONS	10,560,918	105,609,180	6,679,167	66,791,670
GENERAL PUBLIC	19,854,487	198,544,870	22,813,797	228,137,970
Total	44,251,669	442,516,690	44,251,669	442,516,690



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023

vi Classification of Shares by holding as on 31.03.2024

Slabs by No of Shares	30 June, 2024		30 June, 2023	
	No of Share Holders	Shareholder %	No of Share Holders	Shareholder %
Less than 500 Shares	1026	44.82	1,355	38.16
500 to 5,000 Shares	796	34.78	1,596	44.95
5,001 to 10,000 Shares	162	7.08	231	6.51
10,001 to 20,000 Shares	104	4.54	172	4.84
20,001 to 30,000 Shares	43	1.88	49	1.38
30,001 to 40,000 Shares	23	1.00	22	0.62
40,001 to 50,000 Shares	10	0.44	24	0.68
50,001 to 100,000 Shares	60	2.62	43	1.21
100,001 to 1,000,000 Shares	59	2.58	53	1.49
Over 1,000,000 Shares	6	0.26	6	0.17
Total	2289	100	3,551	100

14.00 Retained Earnings

Retained Earning Beginning	325,855,303	278,841,284
Less: Previous Years Adjusment	437,141	-
Add: Profit after tax for the year	104,354,686	79,658,152
Less: Cash Dividend	43,285,348	(35,391,557)
Transfer from revaluation reserve for additional depreciation	3,122,073	2,747,424
Total	389,609,573	325,855,303

15.00 Tax Holiday Reserve

This amount is made up as per the last years account.

Tax Holiday Reserve	2,481,728	2,481,728
Total	2,481,728	2,481,728

16.00 Revaluation Reserve

Revaluation Reserve Land	173,000,000	173,000,000
Factory Building	124,882,901	124,882,901
Prior Year Adjustment	(22,025,036)	-
Deferred Tax on Revaluation reserve	(374,648)	-
Transfer to retained earnings for additional depreciation	(20,293,473)	(39,196,436)
Depreciation on Revalued Asset (Current Year)	(3,122,073)	(3,122,073)
Total	252,067,670	255,564,392

Particulars	Book Value as on 31.12.2016	Repalcement Value as on 31.12.2016
Land & land Development	7,000,000	180,000,000
Factory Building	32,780,699	157,663,600
Total	39,780,699	337,663,600



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023
17.00	Deferred Tax Liability/(Asset)		
	A. Temporary difference:		
	Written down value of PPE	58,352,353	62,572,825
	Tax base value of PPE	(34,068,491)	(37,091,514)
	Taxable temporary difference	24,283,862	25,481,311
	Unrealized Gain	2,377,242	-
	Tax Base Unrealized Gain	-	-
	Temporary Difference	2,377,242	-
	Total Temporary Difference	26,661,104	25,481,311
	Income Tax rate	12%	12%
	Deferred Tax Liability	3,199,332	3,057,757
	Deferred Tax Asset on excess depreciation of revalued asset	374,649	374,649
	Closing Deferred Tax Liability	3,573,981	2,683,109
	Opening balance	3,057,757	2,252,204
	Deferred Tax Expenses shown in Profit /Loss	141,575	-
	Add:Depreciation on Revalued Assets	374,649	374,649
	Expense/ (Income)	516,224	430,904
18.00	Lease Liability		
	Opening Balance	-	-
	Add:Previous year Adjustment	423,472	-
	Addition During the Year(Finance Cost)	103,718	-
	Less:Adjustment During the year	(527,190)	-
	Closing Balance	-	-
19.00	Accrued Expenses		
	Listing Fees	663,774	1,846,230
	Salaries & Wages	3,566,575	2,781,208
	Electricity Bill	135,583	104,775
	CDBL Fees	212,000	106,000
	Audit Fees	287,500	250,000
	Total	4,865,432	5,088,213
20.00	Sundry Creditors		
	Liabilities for BTB LC	22,430,358	18,912,475
	Liabilities for Fire Fighting System (Alif Garments Ltd)	34,281,340	34,281,340
	Total	56,711,698	53,193,815
20.01	The break down is given as below:		
	Opening Banalce	18,912,474	62,109,249
	Purchases (Through BTB LC)	38,464,534	114,982,828
	Payment During the period	36,165,656	158,179,602
	Unrealized loss against BTB LC	1,219,006	-
	Total	22,430,358	18,912,475
21.00	Provision for WPPF		
	Beginning Balance	5,297,187	5,297,187
	Provision made during the year	-	-
	Total	5,297,187	5,297,187

Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023

Reason for not providing provision for WPPF in the Audited Accounts:

Alif Industries Limited is a 100% export oriented garments manufacturer and member of The Bangladesh Garment Manufacturers and Exporters Association (BGMEA). As per Sub-Section 3 of Section 232 of Bangladesh Labor Act 2006 re-placed by the Act No 30, Para 63 of the year 2013 as follows:

"in case of a 100% export-oriented industrial sector or for any industry investing 100% foreign exchange, the Government, through enactment of Rule, shall adopt required provisions with regard to formation of sector-based central fund comprising of buyers and owners, form a Board to execute that fund, determine contributions and their realization procedure and provisions for utilizations of the money for the welfare of the beneficiaries in the sector."

Amount for WPPF central fund has been deducted at source in accordance with এফইপিডি (রপ্তানি নীতি) ২২০/২০১৬-১৮ and the sales revenue has been netted of against deduction of contribution for WPPF.

22.00 Dividend Payable

Opening Balance		16,301,708	13,240,088
Add: Dividend declared During the Period		43,285,348	35,391,557
Less: Unclaimed Dividend		-	4,206,607
Dividend paid during the Period		42,149,768	28,123,330
Closing Balance	Total Tk.	17,437,288	16,301,708

22.01 Unclaimed / Unpaid Dividend

Opening Balance		4,206,607	-
Unclaimed dividend during the Period		-	4,206,607
Less: Payments during the year		1,904,713	-
		2,301,894	-
		2,301,894	4,206,607
Transfer to Gov. Fund		-	-
Closing Balance	Total Tk.	2,301,894	4,206,607

23.00 Provision for Income Tax

Opening Balance		111,580,871	102,403,413
Provision for the year		13,510,968	9,177,458
Payment During the year		17,500,000	-
Total	Tk.	107,591,839	111,580,871

22.01 A. Current Tax

Profit as per Account	104,354,686	79,658,152
Add: Accounting Depreciation	4,220,473	7,611,842
Less: Tax base Depreciation	3,023,023	11,202,716
Less: Non-Operating Income	9,174,140	-
Taxable Income	96,377,996	76,067,278
Current tax @ 12.00%	11,565,359	9,053,996
Non-Operating Income @ 22.50%	2,064,182	123,462
Total Current Tax	13,629,540	9,177,458

B. Minimum Tax:

Gross Receipts	813,886,632	650,626,591
Minimum Tax @ 0.60%	4,883,320	3,903,760
Whichever is Higher from above calculation A & B.	13,629,540	9,177,458



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023
24.00	Turnover		
	Direct Export	133,525,387	298,344,526
	Deemed Export *	675,724,877	318,614,400
	Subcontract Bill	4,672,371	33,733,230
	Less: RMG Central Fund	36,003	65,565
	Total	813,886,632	650,626,591

* Balance of Deemed export represents that Shadin Garment's export work order, a sister concern of Alif group ltd ,has been done by Alif Industries for the respective years.

25.00 Cost of Gods Sold

i Raw Materials Consumed

Opening Raw Materials	67,100,440	85,421,073
Add: Purchase of Raw Materials	574,988,761	428,383,801
Less: Closing Stock	71,093,266	67,100,440
Raw Material Consumed	Total 570,995,935	446,704,434

The breakdown of Raw Materials Consumptions are given as below:

a Yarn

Opening Balance	9,285,630	16,968,121
Add: Purchase during the year	213,903,322	50,512,038
Less: Closing Balance	-	9,285,630
Sub Total (Yarn consumption)	Total 223,188,952	58,194,529

b Fabrics

Opening Balance	38,174,610	49,568,585
Add: Purchase during the year	289,598,195	340,409,695
Less: Closing Balance	50,766,800	38,174,610
Sub Total (Fabrics Consumption)	Total 277,006,005	351,803,670

c Accessories (Various

Opening Balance	19,640,200	18,884,367
Add: Purchase during the year	71,487,244	37,462,068
Less: Closing Balance	20,326,466	19,640,200
Sub Total (Accessoris Consumptions)	Total 70,800,978	36,706,235
Raw Material Consumption (a+b+c)	Total 570,995,935	446,704,434

ii Packing Materials Consumed

Opening Balance	5,278,600	4,336,671
Add: Purchase during the year	10,976,360	3,353,570
Less: Closing Stock	6,870,627	5,278,600
Total	9,384,333	2,411,641

iii Store & Spares Consumed

Opening Balance	476,900	836,700
Add: Purchase	1,577,209	503,858
Less: Closing Stock	1,168,900	476,900
Total	885,209	863,658



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023
iv	Factory Overhead		
	Wages & Overtime	41,289,472	39,809,490
	Tiffin Bill	455,563	285,927
	Electricity Bill	1,477,575	1,489,200
	Electrical Expenses	43,620	96,666
	Depreciation	7,342,545	7,611,842
	Dyeing Charges	19,300,905	40,579,000
	Knitting Charges	11,995,057	1,083,491
	Fabrics Printing Charges	17,705,177	390,488
	Local Agent Commission	1,257,054	978,205
	Fuel (CNG)	1,626,295	1,366,169
	Fuel (Dissel)	361,426	587,664
	Machine Oil	12,880	23,840
	Medecine	4,286	-
	Fire Extinguisher & Compliance	6,740	27,530
	Repair & Maintainance	246,609	746,274
	Freight & Carrying Exp	999,187	1,450,425
	Total	104,124,391	96,526,211
v	Work In Process		
	Opening Work In Process	28,696,200	27,530,119
	Closing Work In Process	25,696,350	28,696,200
	Total	2,999,850	(1,166,081)
vi	Cost of Sales		
	Opening Finished Goods	39,396,500	51,078,833
	Cost of Goods Manufactured	688,389,718	545,339,863
	Closing Finished Goods	38,156,130	39,396,500
	Total	689,630,088	557,022,196
26.00	Administrative Expense		
	Salary & Allowances	1,800,000	1,272,850
	AGM Expense	713,592	474,061
	Director's Remuneration	900,000	675,000
	Board Meeting Fees	15,000	30,000
	Bkash	62,819	76,749
	Printing & Stationary	96,623	118,362
	Travelling & Conveyance	172,620	161,815
	Bond Documentation	-	80,500
	General Expenses	176,510	129,962
	CDBL fees	106,000	104,911
	Car Maintenance	3,190	93,763
	Listing fees DSE & CSE	628,598	566,054
	Office Expenses	125,087	221,444
	Office Rent	-	102,500
	Entertainment Expense	352,761	271,269
	Audit Fees	287,500	250,000
	News Paper	2,106	3,187
	Depreciation on lease	399,641	-
	Postage	-	30,000
	Telephone	-	7,500
	Impairment of Deposits	8,683,231	
	Internet Expense	48,512	24,000
	Total	14,573,790	4,693,927



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023
27.00	Non Operating Income		
	Wastage Sales	868,000	63,000
	Interest Income	53,028	57,640
	Income Against WPPF Writen off	5,297,187	-
	Total	6,218,215	120,640
28.00	Financial Charges		
	This is made up as follows:		
	Bank Charges and Commission	745,946	617,308
	Lease Finance Cost 28.01	103,718	
	Total	849,664	617,308
28.01	lease Finance cost	28,028	
	Previous year adjustment	75,690	
		103,718	



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023

29.00 Net Asset Value Per Share

The Calculation is as follows:

Paid Up Capital	442,516,690	442,516,690
Tax Holiday Reserve	2,481,728	2,481,728
Revaluation Reserve	252,442,319	258,686,465
Retained Earnings	385,384,260	278,536,378
	<u>1,082,824,997</u>	<u>982,221,261</u>
Total Net Asset Value		
No of shares applied to calculate Net Asset Value per Share	44,251,669	44,251,669
Net Asset Value (NAV) Per Share	24.47	22.20

30.00 Earnings Per Share (EPS)

The calculation is as follows:

Profit After Tax	106,410,370	79,658,152
No of shares applied to calculate Earning per Share (EPS)	44,251,669	44,251,669
Earnings Per Share (EPS)	2.40	1.80

Previous year's EPS has been adjusted in accordance with BAS 33: Earnings Per Share.

31.00 Net Operating Cash Flows Per Share(NOCFPS)

This Calculation Is as follows

Cash Receipt from operation	679,598,630	679,514,022
Less: Cash Used in operation	(706,488,542)	(572,393,963)
Net Cash Flows From Operation	(26,889,912)	107,120,059
No of shares applied to calculate Net Operating Cash flow per	44,251,669	44,251,669
Net Operating Cash Flows Per Share (NOCFPS)	(0.61)	2.42

32.00 Reconciliation of Profit/(Loss) before tax to cash generated from operations

Net Profit after tax	104,354,686	89,266,514
Add: Depreciation	7,742,186	7,611,842
(Increase)/Decrease in Advance, Deposit & Prepayments	7,128,605	2,595,572
(Increase)/Decrease in Inventories	(2,036,633)	34,654,130
(Increase)/Decrease in Receivable	(143,779,514)	(28,600,701)
Write off in Export Incentive Recivable	1,554,626	-
Add: Deferred Tax Expenses	141,575	805,553
Effect of foreign exchange rate	624,670	852,714
(Increase)/Decrease Income Tax	(5,208,049)	-
Increase/(Decrease) in Accrued Expenses	(222,781)	-
Increase/(Decrease) in Sundry Creditors	3,517,884	-
Increase/(Decrease) in Dividend Payable	1,135,580	-
Increase/(Decrease) in Unclaimed / Unpaid Dividend	(1,904,713)	-
RMG Central Fund	(36,002)	(65,565)
	<u>(26,987,880)</u>	<u>107,120,059</u>

33.00 Related Party Transactions

A. The Name & the nature of the related parties, the nature of these transactions and their total value are:



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023

Name of the parties	Relationship	Nature of transactions	Value of Transactions	Closing Balance
Shadin Garments Limited	Common Management	Accounts Receivable	307,288,523	307,288,523
Alif Casual Wear Limited	Common Management	Accounts Receivable	142,539,443	142,539,443
Alif Garments Limited	Common Management	Fire Equipment Suppliers	32,481,340	(32,481,340)
Total				417,346,626

B. Payments/Perquisites to directors

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

Managerial Remuneration	900,000
	15,000
	915,000

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

Mr. MD. Azimul Islam 675,000

(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 board of directors except as stated in

There is no other related party except as stated in (33) above.

34.00 This Company Alif Industries Limited has not taken any services from the external auditor except statutory audit.

Capacity Utilization

Particulars	Installed Capacity(PCS)	Export During the year	Capacity Utilization
PCS	6,000,000	5,349,541	89%

35.00 Number of Employees

The company paid an aggregate amount more than taka 12,600 per month to all the 209 employees who were in employment for the year.

36.00 Contingent Liability

There is no such liability for which the company is liable as on 30 June 2024.

37.00 Capital Expenditure commitment

There is no such capital expenditure introduced for the company as on 30 June 2024.

38.00 Financial Risk Management Policies

The Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company does not hold or issue derivative Financial Instruments for speculative or trading purposes.

Interest Rate Risk



Notes	Particulars	Amount in BDT	
		30 June, 2024	30 June, 2023

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.

Foreign 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.

Credit Risk

Credit risk is the potential Financial loss resulting from the failure of a customer or counterparty to settle its Financial and contractual obligations to the company as and when they fall due. Management has a credit policy in place and the exposure to Credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of Credit Risk. The maximum exposure to Credit Risk is represented by the carrying amount of each Financial Asset in the Statement of Financial Position. However, due to a large number of parties comprising the group's customer base, Management does not anticipate material losses from its debt collection.

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 to 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 equivalent 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.

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.

Events after the Reporting Period:

Following events occurred since the balance sheet date:

(a) The board of directors recommended 10% stock to all share holders and 10% cash all share holders (Excluding Directors/Sponsors) only at the Board meeting held on 28 October, 2024 for the year ended June 30, 2024, record date on 21 November 2024. This dividend is subject to final approval by the shareholders at the forthcoming Annual General Meeting (AGM) of the company.

(b) Except for the fact stated above, no circumstances have arisen since the balance sheet date which would require adjustment to, or disclosure in, the financial statements or notes thereto.



ALIF INDUSTRIES LIMITED
Schedule of Property, Plant and Equipment
As at 30 June 2024

Amount in BDT					Annexure-A			
Sl. No.	Particulars	Cost		Rate %	Depreciation		WDV as on 30-06-2024	
		Balance as on 1-7-23	Addition during the Period		Balance as on 30-06-2024	Addition during the Period		
A) At Cost								
01	Land & Land Development	7,000,000	-	0.0%	-	-	7,000,000	
02	Building & Other Civil Works	71,766,900	-	2.5%	50,595,201	1,794,172.50	19,377,527	
03	Machinery	49,289,589	-	5.0%	49,289,589	-	-	
04	Fire Fighting System	34,367,210	-	5.0%	5,153,112	1,718,360.50	27,495,738	
05	Electrical Installation	13,735,294	-	5.0%	8,569,441	686,764.70	4,479,088	
06	Furniture & Fixture	4,703,236	-	5.0%	4,703,236	-	-	
07	Motor Vechiles	1,492,000	-	7.5%	1,492,000	-	-	
08	Office Decoration	3,389,416	-	10.0%	3,389,416	-	-	
09	Computer	246,100	-	15.0%	224,925	21,175.00	-	
Sub Total		185,989,745	-		123,416,920	4,220,473	58,352,353	

B) At Revaluation						
01	Land & Land Development	173,000,000	-		-	-
02	Building & Other Civil Works	124,882,901	-	2.5%	20,293,473	3,122,073
	Sub Total	297,882,901	-		20,293,473	3,122,073
						23,415,546
	Balance (A+B) at 30 June 2024	483,872,646	-		143,710,393	7,342,545
						151,052,938
	Balance (A+B) at 30 June 2023	483,804,746	67,900		136,098,551	7,611,842
						143,710,393
						340,162,253

