Information Document

of

Alif Industries Limited

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E-mail: alifindustries95@gmail.com; **Website**: www.alifgroup-bd.com

Name and address of Issue Management Company: Exempted as per BSEC letter (SEC/SRMIC/95/282/576 dated September 26, 2017

Amount and type of securities being issued: Alif Industries Limited (AIL) is already a public Limited company Listed in OTC market. The company is applied for re-listing of de-listed securities. Therefore, the company is not issuing any new securities

Listed with DSE: 06 December, 1995

Date of Information Document:

"THE MONEY (PROCEEDS) AGAINST SALE OF SHARES THROUGH THIS INFORMATION DOCUMENT WILL BELONG TO THE SPONSORS/SHAREHOLDERS CONCERNED. THE COMPANY WILL NOT GET THIS MONEY."- Exempted as per BSEC letter (SEC/SRMIC/95/282/576 dated September 26, 2017

"If you have any queries about this document, you may consult the issuer and the issue manager"- Exempted as per BSEC letter (SEC/SRMIC/95/282/576 dated September 26, 2017

"APPROPVAL OF LISTING OF THE DHAKA STOCK EXCHANGE LIMITED HAS BEEN OBTAINED FOR DISPOSAL OF SHARES UNDER THE DHAKA STOCK EXCHANGE (LISTING) REGULATIONS, 2015. -Exempted as per BSEC letter (SEC/SRMIC/95/282/576 dated September 26, 2017

IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL, THE EXCHANGE DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY, ANY OF ITS PROJECTS OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER, ISSUE MANAGER AND/OR AUDITOR."

Availability of Information Document

This Information Memorandum is available to be collected from the Issuer Company, Issue Manager and Dhaka Stock Exchange Ltd.

Names, addresses, telephone numbers, fax numbers, website addresses and e-mail addresses and names of contact persons of the institutions where the Information Document and abridged version of Information Document are available in hard and soft forms;

Name & Address	Contact Person	Telephone & Fax Number	Web Address & E-mail
Issuer Company			
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Information Document will also be available on the web sites of the Bangladesh Securities & Exchange Commission (BSEC) (www.secbd.org), Dhaka Stock Exchange Ltd. (www.dsebd.org), and Public Reference Room of the SEC for reading and studying.

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***Ref: As per Annexure-10 of Schedule-A of Dhaka Stock Exchange (Listing) Regulations, 2015**

(3) DISPOSAL OF SHARES

Exempted as per BSEC letter (SEC/SRMIC/95/282/576 dated September 26, 2017

(4) RISK FACTORS AND MANAGEMENT'S PERCEPTION ABOUT THE RISKS

Risk is always associated with any kind of investment. So before taking decision on investing in the shares of Alif Industries Limited, the investors should carefully analyze the following risks in addition to the information contained in the Information Document:

(a) Interest Rate Risk

Interest rate risk is concerned with borrowed funds of short term and long-term maturity. Volatility in money market and increased demand for loans/investment funds raise the rate of interest. High rate of interest enhances the cost of fund of a Company and squeezes the profit. AIL is not affected by this type of risk, as the Company has not borrowed fund.

Management Perception:
Since the AIL has not borrowed fund, hence, the interest rate risk does not arise.

(b) Exchange Rate Risk

Exchange rate risk relates to the core business of AIL, since it is a 100% export oriented company, its revenue comes from exports abroad in foreign currency and moderate imports materials from abroad in foreign currency also.

Management Perception:
As AIL earns in foreign currencies, it can also meet its foreign currency liabilities and costs out of its foreign currency earnings. For a given depreciation of Taka against a particular foreign currency like US Dollar, the import payment and export proceeds will both be higher in terms of Taka. In case of an appreciation of Taka against the same currency, the opposite will occur. Hence, the company has a natural hedge against exchange rate risk and is largely immune to fluctuation of exchange rates of BDT against US Dollars.

(c) Industry Risks
Like other companies, AIL also suffers from industry risks arising out of changes in yarn price, customer choices, labor unrest etc. At present, textile and garments sector of Bangladesh is heavily affected by labor unrest. Any incident of labor unrest would adversely affect the operation of the company. More importantly, the company's reputation in the industry and among its buyers will be affected. This may affect its financial performance in the long run as well.

Management Perception:
AIL management has vast experience in this industry and well aware of such risks that may arise in future know how to mitigate such risk. Any increase in price of raw materials are mitigated with the price adjustment of finished products.

Moreover, the company has always maintained a good relationship with its factory level employees and always aware of their issues with great care. Therefore, the company has able to make a strong bond between the management and factory level employees. The company's factory has a well-equipped

medical center. The center is stuffed with one qualified MBBS physicians and two paramedics. The workers receive primary treatment for any illness in the medical center. In case of any accident within the factory premises, the workers get full medical coverage from the factory. They are also entitled to paid sick leaves as per the country labor laws. The female workers are entitled to maternity leaves of sixteen weeks for a maximum of two times during their service length with the company. Such leaves are fully paid.

Since inception, there has not been any instance of labor unrest or strike at the company's factory premises. The relationship between the workers and the management of the company is quite favorable and accommodative.

(d) Market & Technology related risk

The company operates as a 100% export oriented Knit manufacturer. Hence, the demand of the company's products is derived from the demand of Bangladeshi Knit products in the international market. Therefore, the prospects of future growth of the company depend largely on the demand of Bangladeshi knit products in the international markets. In case the demand of such products in the international market decreases, the future prospects of the company will be affected as well.

Management Perception:
It is expected that the knit garment sector will continue its growth due to several reasons. Firstly, this sector enjoys strong backward linkage capabilities. Secondly, the local exporters can deliver the end products within shorter lead time due to stronger backward linkage capabilities. Hence, the knit garment manufacturers of Bangladesh can deliver highest quality products at a very competitive price compared to other garment exporting nations. Many global apparel buyers are now shifting their orders from other countries like China and India to Bangladesh due to growing production costs in those countries.

(e) Potential or Existing Government Regulations
Like other companies, AIL operations are also affected by potential or existing Government regulations relating to import, export, foreign exchange, monetary and fiscal regimes.

Management Perception:
Since AIL is an export-oriented Company, the Government regulations are mostly investment-friendly including lower taxes and duties, "duty drawback" and easier access to credits.

(f) Potential Changes in Global or National Policies
The performance of the Company may be affected due to unavoidable circumstances both in Bangladesh and worldwide, such as war, terrorism, political unrest in the country or customer/supplier countries. Changes in global or national policies may also adversely affect the economy in general.

Management Perception:
The risk due to changes in global or national policies is beyond control of any Company. Yet AIL has spread its import and export operations in various countries of the world to reduce the risk. Further, it adopted policies to meet the challenges from potential changes in global or national policies.

(g) History of Non-Operation, if any
During the course of business, previous management availed project loan from Islami Bank Bangladesh Limited, keeping lien its Sponsor / Directors Shares in the bank. The Company incurred huge loss and therefore unable to repay the loan in due time. At one stage bank liabilities stood at TK 15.00 crore. The bank stopped opening of Export L/C due to nonpayment of bank loan. As such company was compelled to close production of garments but kept open the only

Dyeing section for local market in 2008. Finding no other way, the then management, with the help of bank, signed an agreement with ALIF GROUP, a renowned group of companies, which is pioneer in Textile Garments Industry. As per agreement, the then management of Sajib knitwear and Garments Limited (present Alif Industries Ltd.) sold their entire Sponsor/Directors shares and transferred the Management to Alif group.

Management Perception:
To overcome any uncertainties, the Company has its own power backup, scientific inventory management and continuous market promotion systems, which may reduce the non-operating risk.

(h) Operational Risks
Non-availability of imported materials may affect the smooth operational activities of AIL. On the other hand, the plants and equipment may face operational and mechanical faults due to various disasters, lack of supervision, unforeseen events and negligence leading to severe accidents and losses.

Management Perception:
The Company is equipped with demand management system, which reduces operational risk. Apart from those, routine check and proper maintenance of the equipment also reduce and eliminate the operational risk.

(5) DESCRIPTION OF BUSINESS

a) Particulars of the Issuer

Alif Industries Limited (AIL) (previously known as Sajib Knitwear and Garments Ltd) was incorporated as a Private Limited Company vide registration No.C-22524(932)/92 dated August 02, 1992 under the Company Act, 1913. It was converted to 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" on March 2015. Currently company's shares are traded in Over the Counter (OTC) market.

Nature of Business
Alif Industries Limited (previous Sajib Knitwear and Garments Ltd) was established as a private limited company in August 1992 under the Company Act 1913. It was then converted to a public limited company in 1995. The company started its business as an export oriented Garments industry having full composite unit, knitting, dyeing & garments.

Issuer	ALIF Industries Limited
Date of Incorporation	02 August, 1992
Date of Commercial Operation	31 August, 1992
Converted to public limited company	1995
Floatation of shares	30 September, 1995
Listed in DSE	06 December, 1995
Listed in CSE	09 December, 1995
De-listed from main market	2007

(b)

(i) Principal Product & Services rendered by the Company:

ALIF Industries Limited is a 100% Knit garments manufacturer. Since last year the company went in full fledge export and discontinued the dyeing business unit.

(ii) If company have more than one product; relative contribution to sales and income of each product that accounts for more than 10% of total revenue:

ALIF Industries Limited is a 100% Knit garments manufacturer. Hence all of its revenue comes from Knit Garments.

(iii) Name of any Associate/Subsidiary/Related holding company and their core area of business:

ALIF Industries Limited doesn't have any associates, subsidiary or holding company.

(iv) Distribution of Products/Services:

Distribution involves physical distribution of the company's products directly to the customer base. Typically, this is a combined transport and warehousing operation, responsible for storing and delivering products to meet the customer's requirements. The Company supplies its products from its own factory warehouse to its customers premises at companies own risk against delivery order and confirmed letter of credit.

AIL is a 100% export oriented company. Therefore, it distributes its products through the following methods:

1. Through Reputed Importers in Europe, North America and Middle-East (Customer Brand).
2. Through Reputed Retailers in Europe and North America (Customer Brand)

(v) Competitive conditions in the business:

Export of readymade garments comprises of 81.49% of Bangladesh's national export, of which knitwear comprises of over 15%. Export of knitwear garments contributes 3.31% of our GDP, which is 23.49% of RMG. Knitwear export growth was only 7.77% in 2015-16 compared to 3.31% of previous year. Political uncertainty, shortage of Gas supplies are severe domestic challenges that the industry is facing today. On the other hand, intense competition from different countries, rise of price of raw materials such as dyes and chemicals, price fluctuation of yarn due to price fluctuation of cotton price in international level also affects the industry.

The Readymade Garments (RMG) industry in Bangladesh, which includes knit and woven items along with specialized textile products, is the prime exporting sector. In spite of the devaluation of image of the country's RMG sector during the last few years due to fire and other accidental incidents and pressure from competitive low-cost countries like Cambodia, Vietnam and India etc., the total RMG export of Bangladesh increased by about 10% to 12% in the last year. Although the global market for knit items is mostly concentrated in the North America and European Union, other Asian and South American

markets have emerged as new export destinations. Due to very competitive labor cost and shift of orders from other countries where cost of production factors is going up, Bangladeshi exporters are still in favorable position compared to foreign buyers.

(vi) Sources and availability of Raw materials and the names of the Principal Suppliers:

The major raw materials of ALIF Industries Limited are imported from overseas, mainly from China and Bangladesh. Suppliers are evaluated periodically on supply reliability, quality and prices with new suppliers being added after they meet the required quality and reliability benchmarks through supplier appraisals and track record. The names of major suppliers are mentioned below:

Sl	Company Name	Items	Address
1	M/s Ishraq Textile Mills Ltd	Fabrics	House: 15, Road-72, Gulshan-2, Dhaka-1212
2	M/s Racy Fashion & Packing Ltd.	Packing Materials	House: 04, Road: 08, Block: D, Vatulia, Nishat Nagar, Uttara, Turag, Dhaka
3	M/s J & M International Trading Ltd.	Accessories	Room: 104, No.: 36, Building No.: 10, East Jiangdong, China
4	M/s Rider Thread Ltd.	Accessories	27, Bangabandhu road, Modina Market, Zimkhana, Narayanganj, Bangladesh
5	M/s Shaoxing Keuiao Fabrics Ltd.	Fabrics	No.: 805, 8th floor, East Building, Keqiao, Shaoxing, Zhejiang, China

(vii) Sources of, and requirement for, Power, Gas and Water:

All required utility facilities are available at the project site and those are stated below:

Power	Source: Bangladesh Rural Electrification Board Requirement: 15,000 KW/Month
Water	Source: Deep Tube-well Requirement: 30,000 ltr. /month
Gas	N/A

(viii) Name of any customers who purchase 10% or more of the company's products:

The Company's products are sold to various customers and no single customer provides 10% or more of the Company's total revenue.

(ix) Description of any contract of the company with its principal suppliers/customers:

The Company's products are purchased from various suppliers and no single supplier provides 10% or more of the Company's total supply of raw materials.

(x) Description of any material patents, trademarks, licenses or royalty agreements:

The Company neither obtained any Patent Right/Trademarks nor signed any royalty agreement with any party. However, it has several regulatory licenses and certificate in order to continue its operation which is incorporated in the table below:

Certificate/License Name	Providing Authority	Certificate /License No	Validity
Trade License	Tarabo Pourashava	3351	30-06-2018
TIN Certificate	National Board of Revenue, Government of Bangladesh	579047252428	N/A
Export Registration certificate	Controller of Imports & Exports, Government of Bangladesh	39865	2017-18
Import Registration certificate	Controller of Imports & Exports, Government of Bangladesh	103135	2017-18
Fire License	Bangladesh Fire Service and Civil Defense	DD DHAKA 8817/1997	2017-18

(xi) Number of employees:

As of June 30, 2016, the total numbers of employees of the company (Head Office & Factory) is as 500 and all of them are full time employee.

(xii) Production capacity and current utilization:

The production capacity and capacity utilization as on June 30, 2016 is as follows:

Particulars	Installed Capacity (Pcs)	Actual Production (Pcs)	Utilization (%)
Pcs	5,000,000	4,284,878	85.70%

(6) DESCRIPTION OF PROPERTY

Property Plant & Equipment:

The written down value of land, building, principal plants and other property of the company as per audited accounts as at June 30, 2016 are stated as below:

As at 30 June 2016

Particulars	Written down value
Land & Land Development	7,000,000
Building & Other civil works	33,677,202
Machinery	-
Electrical Installation	9,973,208
Furniture & Fixture	869,939
Motor vehicles	-
Office decoration	1,232,243
Computer	64,324
Total	**52,816,916**

a) Location and condition of the Principal plant and property:

The Company has its registered office at Bilquis Tower (9th Floor), House # 6, Road # 46, Gulshan Circle-2, Dhaka-1212. The Company Factory is located at 05, Tatki, Tarabo, Rupgonj, Narayanganj.

- **Land:**

Dist. : Narayanganj.
P.S: : Rupgonj.
S.R.O : Rupgonj.

Mouza : Tatki.
Khatian No. : C.S – 41, 44, S.A – 48, 53, R.S – 20, 22.
Dag No. : Sabek – 255, 257, R.S – 231, 272.
Location : Tatki (Tarabo) Sylhet Road, Rupgonj, Narayanganj.
Area of the land : 45.00 Decimal

- **Building:**

SL	DESCRIPTION	AREA	UNIT	TOTAL AREA
Building 1	Existing eight storied factory building, ground floor to 7th floor structure & finishing work completed. Each floor covered area 9300 sft	9,300	8	74,400
Building 2	Existing five storied factory building, ground floor to 4th floor structure and finishing work completed. Each floor Covered area 2300 sft	2,300	5	11,500
Building 3	Existing two storied office building, ground floor to 1st floor structure and finishing work completed. Each floor Covered area 1300 sft	1,300	2	2,600
	Total (sft)			**88,500**

b) Whether the property is owned by the company or taken on lease:
All the assets of the Company are purchased assets in its own name and none of the assets were taken on lease.

c) If the property is owned by the company, whether there is a mortgage or other type of lien on the property:
There is no mortgage or other type of lien on any property owned by the company.

d) If the property is taken on lease, the expiration date of the lease:
No Property is taken by the Company under lease agreement.

(7) PLAN OF OPERATION AND DISCUSSION OF FINANCIAL CONDITION

a) Internal and External Source of Cash:

Particulars	As at June 30, 2016	As at June 30, 2015	As at June 30, 2014	As at June 30, 2013	As at June 30, 2012
Internal sources of cash:					
Collection against sales	320,555,039	231,773,937	66,534,446	16,729,580	11,696,778
Cash Received from Export Incentives	4,331,700	-	-	-	-
Disposal of Fixed Assets	-	20,000,000	-	-	-

Total	**324,886,739**	**251,773,937**	**66,534,446**	**16,729,580**	**11,696,778**
External sources of cash:					
Issue of New Share through capital raise	-	125,000,000	-	-	-
Sub Total	**-**	**125,000,000**	**-**	**-**	**-**
Total Source of Cash	**324,886,739**	**376,773,937**	**66,534,446**	**16,729,580**	**11,696,778**

b) Any material commitments for capital expenditure and expected sources of funds for such expenditure;

ALIF Industries Limited has no other material commitments for capital expenditures in near future.

c) Causes for any material changes from period to period in revenues, cost of goods sold, other operating expenses and net income;

The Company's revenue and other income as well as operating expenses and net income have continued to change due to increasing business volume.

Particulars	Year ended June 30, 2016	Year ended June 30, 2015	Year ended June 30, 2014	Year ended June 30, 2013	Year ended June 30, 2012
Turnover	425,812,863	206,683,677	72,327,342	28,789.896	25,342,432
Less: Cost of Sales	320,354,151	154,889,053	52,466,543	21,077,182	19,397,412
Gross Profit	**105,458,712**	**51,794,624**	**19,860,799**	**7,712,714**	**5,945,020**
Less: Operating Expense	4,745,154	4,802,614	2,864,111	2,557,242	2,519,451
Operating Profit	**100,713,558**	**46,992,010**	**16,996,687**	**5,155,471**	**3,425,570**
Add: Non-Operating Income	-	59,773,942	-	-	-
Profit Before Financial Charges and Taxes	**100,713,558**	**106,765,952**	**16,996,687**	**5,155,471**	**3,425,570**
Less: Financial Expenses	468,463	4,600,846	6,716,685	6,863,512	7,028,731
Profit/(Loss) Before WPPF	**100,245,095**	**102,165,106**	**10,280,003**	**(1,708,041)**	**(3,603,161)**
Less: Provision for WPPF	-	2,119,558	514,000	-	-
Profit/(Loss) before Tax	**100,245,095**	**100,045,548**	**9,766,003**	**(1,708,041)**	**(3,603,161)**
Less: Income Tax expense	20,053,478	4,027,161	1,464,900	-	-
Profit/(Loss) after tax	**80,191,617**	**96,018,387**	**8,301,102**	**(1,708,041)**	**(3,603,161)**

Reason for Material Changes:

- In 2014, only company's dyeing unit was in operation. During that year the company made sales revenue Tk. 72,327,342 by dyeing 904,092 ton of fabrics.
- In 2015, besides dyeing, the company re-started its knit garmenting business. In 2015, revenue from dyeing business was Tk. 76,420,713. On the other hand, the company earned revenue Tk. 130,262,964 from knit garments production for the first time. As a result, total revenue stood Tk. 206,683,677 in 2015 compared to Tk. 72,327,342 in 2014. The increased revenue was due to addition of knit garments business unit in 2015. The Cost of goods Sold was increased accordingly.

- In 2016, the company discontinued its dyeing business and concentrate full fledge on export of knit garments products. Therefore, in 2016, the company exported 4.33 million pcs of garments products. Therefore, the company was able to earn Tk. 419,326,972 from export revenue and Tk. 6,485,891 as export incentive, i.e. total revenue Tk. 425,812,863

- In 2015, the company got waived Tk. 42,773,942 by paying bank liability Tk. 125,000,000 for Tk. 167,773,942. On the other hand, the company sold one of its dyeing machine and had capital gain Tk. 17,000,000. Therefore, total non-operating income for 2015 stood Tk. 59,773,942

d) Any seasonal aspects of the Company's business;

All different types of Readymade Garments are exported from Bangladesh round the year almost in same volume, since the world demand remain more or less same in all seasons. Therefore, the company's business is not significantly affected by the seasonal aspect.

e) Any known trends, events or uncertainties that may have material effect on the company's future business;

Though there are no known trends, events and/or uncertainties that shall have a material impact on the company's future business, the business operation of the Company may be affected by the following events:

i) Increased production cost
ii) Increased competition
iii) Scarcity of power
iv) Political unrest
v) Natural disaster

f) Any assets of the company used to pay off any liabilities;

None of the operating assets of the company has been disposed of to liquidate any liabilities of the company.

g) Any loan taken from or given to any related party or connected person of the Company with details of the same;

The company did not take or give any loan from or to its subsidiary or holding companies during last five years.

h) Any future contractual liabilities the Company may enter into within next one year, and the impact, if any, on the financial fundamentals of the Company;

The company has no plan to enter into any contract creating future liabilities for the company except for those which are created in the normal course of business activities.

i) The estimated amount, where applicable, of future capital expenditure;

The Company as of to this date has not any plan to make any future capital expenditure

j) Any VAT, income tax, customs duty or other tax liability which is yet to be paid, including any contingent liabilities stating why the same was not paid prior to the issuance of the prospectus. Updated income tax status for the last 5 years or from commercial operation, which is shorter;

Value Added Tax (VAT): There are no VAT liabilities of the Company;

Customs Duty: There are no dues outstanding on account of Customs duty or other tax liabilities;

Income Tax: AIL has been paying advance income-tax. The company has made full provision for income tax to date. Therefore, there is no "unaccounted for" income-tax liability of the Company.

Accounting Year	Assessment Year	Status
30 June 2016	2016-17	Assessment for Tax completed and Demand note issued.
30 June 2015	2015-16	Assessment for Tax completed and Demand note issued.
30 June 2014	2014-15	Assessment for Tax completed and Demand note issued.
30 June 2013	2013-14	Assessment for Tax completed and Demand note issued.
30 June 2012	2012-13	Assessment for Tax completed and Demand note issued.

k) Source from which these VAT, Income Tax, Customs Duty and other Tax liabilities are to be paid;
The company did not have any pending VAT, Custom duty. AIL has been paying advance income-tax. The company has made full provision for income tax to date. Therefore, there is no "unaccounted for" income-tax liability of the Company.

l) Details of any operating lease the company has entered into during the five years preceding the publication of the Information Document, clearly indicating terms of the lease and how the company proposes to liquidate such lease;
ALIF Industries Limited did not entered into any operating lease in the previous five years.

m) Any financial commitment, including lease commitment, the company had entered into during the past five years, giving details as to how the liquidation was or is to be effected;
ALIF Industries Limited did not made any financial commitment in the previous five years.

n) Details of all personnel related schemes for which the company has to make provision for in future years;

Compensation:
All permanent employees are paid compensation for fourteen days wages for every year of continues service for five years and above but below ten years, thirty days wages for every year of continues of service for ten years above in the events of worker tendering resignation on the services.

Overtime and Bonus:

There is a provision for two festivals Bonus every year, at one month basic pay, for the permanent employees of the Company. Besides, the Company provides earned leave encashment facilities as per guideline of the Company. Factory employees get overtime for working outside the regular work hour.

Maternity Benefit:
The female employees are entitled to maternity leaves of sixteen weeks for a maximum of two times during their service length with the company. Such leaves are fully paid.

Medical Benefit:
The Company's factory has a well-equipped medical center. The center is stuffed with one qualified MBBS physicians and two paramedics. The employees receive primary treatment for any illness in the medical center. In case of any accident within the factory premises, the employees get full medical coverage from the company. They are also entitled to paid sick leaves as per the country labor laws.

o) Break down of all expenses related to the direct listing/re-listing of securities;

The breakdown of all expenses related to Re- listing of securities is estimated as under:

Particulars	**Amount in Tk.**	**Remarks**
Application Fees	50,000	Submitted
Annual Listing fees	212,748	Already paid for year 2017
Publication of Abridge version of information document in two daily newspapers	1 000,000	Estimated
Miscellaneous Expenses	200,000	Estimated
Total	**1,462,748**	

p) If the issuer has revalued any of its assets, the name, qualification, work done to date by the valuer and the reason for the revaluation, showing the value of the assets prior to the revaluation, itemizing separately each asset revalued in a manner which shall facilitate comparison between the historical value and the amount shown after revaluation and giving a summary of the valuation report;
No revaluation has been made to the Company's assets and liabilities.

q) Where the issuer is a holding/subsidiary company, full disclosure about the transactions, including its nature and amount, between the issuer and its subsidiary/holding company, including transactions which have taken place within the last five years of the publication of the prospectus or since the date of incorporation of the issuer, whichever is earlier, clearly indicating whether the issuer is a debtor or a creditor;
The Company has no subsidiary nor it is operated under any holding company nor does it have any associate company. Hence, no transaction has taken place.

r) **Where the issuer is a banking company, insurance company, non-banking financial institution, a declaration by the board of directors shall be included in the prospectus stating that all requirements as specified in** ব্যাংক কোম্পানি আইন, ১৯৯১ (১১৯৯১ সনের ১৪ নং আইন), বীমা আইন, ২০১০ (২০১০ সনের ১৩ নং আইন), আর্থিক প্রতিষ্ঠান আইন, ১৯৯৩ (১৯৯৩ সনের ২৭ নং আইন) **have been adhered to;**

Alif Industries Limited is a 100% Knitwear Manufacturer Company.

s) **Auditors report regarding any allotment of shares to promoters or sponsors shareholders for any consideration other than for cash;**

Auditors Certificate

We certify that, based on our examination of Share Register and its underlying documents, the paid-up capital of Alif Industries Ltd (Previous Sajib Knitwear and Garments Ltd) as at 30 June 2017 stands at Tk 300,776,000 consisting of 30,077,600 Ordinary Shares of Tk 10 each, as follows: -

Date	Particulars	Consideration	No of Securities	Face Value	Issue Price
August 02, 1992	At the time of Incorporation	Cash	1,000	Tk. 100 each	100,000
October 08, 1994	First Allotment	Cash	119,000	Tk. 100 each	11,900,000
November 01, 1995	Second Allotment	Cash	280,000	Tk. 100 each	28,000,000
November 15, 1995	Third Allotment	Cash	400,000	Tk. 100 each	40,000,000
February 22, 2015	Fourth Allotment	Cash	1,250,000	Tk. 100 each	125,000,000
February 02, 2016	Fifth Allotment	Bonus Share	2,460,000	Tk. 10 each	24,600,000
December 15, 2016	Sixth Allotment	Bonus Share	7,117,600	Tk. 10 each	71,176,000
	Total		**30,077,600 (at Tk. 10 each)**		**300,776,000**

Sd/-
Mahfel Huq & Co
Chartered Accountants

Dated: Dhaka
August 24, 2017

t) Any material information, which is likely to have an impact on the affairs of the company or change the terms and conditions under which the listing to be accepted;

There is no other material information having an impact on the affairs of the Company

(8) DIRECTORS AND OFFICERS

a) Name, ages and positions of all Directors, Alternate Directors of the company and any person nominated to be a Director, showing the period for which the nomination has been made and the name of the organization which has nominated him;

Name	Age	Position	Name of the Institutions and Duration for Nominated Director
Md. Azizul Islam	66	Chairman	N/A
Md. Azimul Islam	32	Managing Director	N/A
Mrs. Lutfun Nessa Islam	61	Director	N/A
Mrs. Nabila Salam	29	Director (representing Alif Textiles Limited)	Alif Textiles Limited From 16.02.2014 to till date
Golam Mostafa	35	Independent Director	N/A

b) In the case of a director or alternate director, the date on which he first became a director and the date on which his current term of office shall expire;

Name	Position	Date of first Directorship	Date of Expiration of Current term
Md. Azizul Islam	Chairman	16.02.2014	Continue
Md. Azimul Islam	Managing Director	16.02.2014	Continue
Mrs. Lutfun Nessa Islam	Director	16.02.2014	Continue
Mrs. Nabila Salam	Director (representing Alif Textiles Limited)	16.02.2014	Continue
Golam Mostafa	Independent Director	03.04.2017	Continue

c) If any director or alternate director is also a director of another company or owner or partner of any other concern, the names of such organizations;

Name	Position in Alif Industries Ltd	Directorship/Sponsorship/ Ownership in other Company
Md. Azizul Islam	Chairman	**Chairman**-Alif Textiles Ltd., Alif Garments Ltd **Managing Director**- CMC-Kamal Textile Mills Ltd.
Md. Azimul Islam	Managing Director	**Managing Director** -Alif Textiles Limited, Alif Garments Ltd **Chairman-** CMC-Kamal Textile Mills Ltd
Mrs. Lutfun Nessa Islam	Director	**Director-** Alif Textiles Limit, CMC Kamal Textile Mills Ltd, Alif Garments Ltd

Mrs. Nabila Salam	Director (representing Alif Textiles Limited)	**Director** - Alif Textiles Limited
Golam Mostafa	Independent Director	**Independent Director: -** CMC- Kamal Textile Mills Ltd

d) If any director or alternate director is also a director of another listed company or owner or partner of any other concern, the names of such organizations, position in the market in terms of dividend and category;

Name	Position in Alif Industries Ltd	Directorship/Sponsorship/ Ownership in other listed Company; and related information
Md. Azizul Islam	Chairman	Name of the company: CMC Kamal Textile Mills Ltd. Position: **Managing Director** Position in the market in terms of Dividend & category: **A**
Md. Azimul Islam	Managing Director	Name of the company: CMC Kamal Textile Mills Ltd. Position: **Chairman** Position in the market in terms of Dividend & category: **A**
Mrs. Lutfun Nessa Islam	Director	Name of the company: CMC Kamal Textile Mills Ltd. Position: Director Position in the market in terms of Dividend & category: **A**
Mrs. Nabila Salam	Director (representing Alif Textiles Limited)	Name of the company: CMC Kamal Textile Mills Ltd. Position: Director (Nominated by Alif Outwears Limited) Position in the market in terms of Dividend & category: **A**
Golam Mostafa	Independent Director	Name of the company: CMC Kamal Textile Mills Ltd. Position: Independent Director Position in the market in terms of Dividend & category: **A**

e) Any family relationships among directors, alternate directors, nominees and officers;

Name	Position	Relationship with other directors
Md. Azizul Islam	Chairman	Husband of Mrs. Lutfun Nessa Islam
Md. Azimul Islam	Managing Director	Son of Mr. Md. Azizul Islam
Mrs. Lutfun Nessa Islam	Director	Wife of Md. Azizul Islam
Mrs. Nabila Salam	Director (representing Alif Textiles Limited)	Wife of Md. Azimul Islam
Golam Mostafa	Independent Director	N/A

f) Short bio-data of each director;

Md. Azizul Islam, Chairman - has a reputation to be a commercially important Person (CIP) for the last 20 years. He is the honorable chairman of Alif Group that has been awarded the National Export Trophy Gold for 4 (Four) years being the highest exporters by the Bangladesh Export Promotion Bureau. He has been operating one of the largest export oriented business group in the country since 1984.

Md. Azimul Islam, **Managing Director -** has obtained his MBA from USA. He is also the Managing Director of Alif group, and the honorable Chairman of Alif SSL Sports Holdings Limited (A concern of Alif group). He started his career in Yarn manufacturing and export oriented business since 2009.

Mrs. Lutfun Nessa Islam, **Director -** is a Director of Alif group. She has completed her B.A (Hon's) and M.A with an outstanding result being first class first. She is the wife of the honorable Chairman of Alif group.

Mrs. Nabila Salam, Director (representing Alif Textiles Limited) - has completed her O' Levels from Scholastica and then she went to university college of London for higher studies, completed graduation on economics and statistics as major. She came back to country in 2008. Worked in HSBC and Green Delta Insurance. She also represents in the board of Directors of Alif group. Travelled more than 25 countries worldwide with great exposure to international culture and business trade. Also have keen interest in retail business and development. Mrs. Nabila Salam is married to Mr. Azimul Islam

Mr. Golam Mostafa, Independent Director – has completed MBA from Dhaka University. He started his professional career from Dhaka Bank Limited– Bangladesh. Subsequently, worked for ICB Islamic Bank Limited-Bangladesh, IDLC finance Limited- Bangladesh and joined in Garments Industries in 2005. He is expert in business accounting and management development and his leadership capabilities contributing greatly to ALIF Industries Limited.

g) Neither the company nor any of its directors or shareholders who hold 5% or more shares in the paid-up capital of the issuer is loan defaulter in terms of the CIB Report of the Bangladesh Bank;
Neither the Company nor any of its Directors or shareholders who hold 5% or more shares in the paid up capital of the issuer is loan defaulter in terms of the CIB report of Bangladesh Bank.

h) Name, position, educational qualification, date of joining in the company, last five years' experience of the Chief Executive Officer, Chief Financial Officer, Company Secretary, Advisers, Consultants, Deputy Managing Directors and All Department Heads

Sl	Name	Position	Educational QuAlification	Date of Joining	Experience in the last five years
1	Md. Azimul Islam	Managing Director & Chief Executive Officer	MBA	16.02.2014	Managing Director and CEO of many companies of Alif Group
2	Mohammad Hanif	Chief Financial Officer	MBA	01.04.2013	Working as a CFO from last 4 years. Prior to join in the company, he worked in different financial institutions such as bank, Merchant bank, insurance, AMC etc
3	Abdul Hakim Molla	Company Secretary	B. A	05.12.2010	30 years of working experience as a CS in different organizations
4		Advisers	NA	NA	NA

5		Consultant	NA	NA	NA
6		Deputy Managing Director	NA	NA	NA
7	Shafiqul Islam	Head of Internal Audit	M.A	01.03.1994	Vast experience in Export, Import, and business operation
8	Abul Hasnat	Head of Commercial	M.A.	01.03.1996	Vast experience in commercial matters
9	Kohinoor Islam	Head of Admin	M.A	05.12.2010	Experience in HR, Admin related issues

(9) INVOLVEMENT OF OFFICERS AND DIRECTORS IN CERTAIN LEGAL PROCEEDINGS

a) Any bankruptcy petition filed by or against any company of which any officer or director of the company filing the information document was a director, officer or partner at the time of the bankruptcy;

There is no such incident of bankruptcy petition filed by or against any company of which any officer or director of the company filing the information document was a director, officer or partner at the time of the bankruptcy.

b) Any conviction of an officer, director in a criminal proceeding or any criminal proceeding pending against him;

There is neither any conviction of an officer, director of the company in a criminal proceeding nor any criminal proceeding pending against them.

c) Any order, judgment or decree of any court of competent jurisdiction against any officer, director permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any officer or director in any type of business, securities or banking activities;

There is no such order, judgment or decree of any court of competent jurisdiction against any officer, director of the company; permanently or temporarily enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities or banking activities.

d) Any order of the Bangladesh Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any officer or director in any type of business, securities or banking activities.

There is no such order of the Bangladesh Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any officer or director of the company in any type of business, securities or banking activities.

(10) CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Description of any transaction during the last two years, or any proposed transactions, between the issuer and any of the following persons involved in the transaction, their relationship to the issuer, the nature of their interest in the transaction and the amount of such interest, namely:

a) Any Director or executive officer of the issuer:

Name	Relationship	Nature of Transaction	Year ended June 30, 2016	Year ended June 30, 2015
Md. Azizul Islam	Chairman	Board Meeting Attendance Fees	6,000	8,000
Md. Azimul Islam	Managing Director	Salary, Remuneration & Board Meeting Attendance Fees	606,000	10,000
Mrs. Lutfun Nessa Islam	Director	Board Meeting Attendance Fees	5,000	8,000
Mrs. Nabila Salam	Director (representing Alif Textiles Limited)	Board Meeting Attendance Fees	5,000	10,000
Golam Mostafa	Independent Director	Board Meeting Attendance Fees	N/A	N/A
***Total**			**632,000**	**42,000**

*(Tk. 10,000 and 6,000 was paid in 2016 and 2015 respectively to Mr. Rafiul Islam (represented by Alif Apparels ltd), and Kaushik Hossain Taposh (Independent Director) as board meeting attendance fees. They are no longer director of Alif Industries ltd.)

Apart from above transactions the company does not have any other transactions with related parties or any proposed transactions with related parties.

b) Any director or Officer:
None, except mention above (point a)

c) Any person owing 5% or more of the outstanding stocks of the issuer:
None

d) Any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above person:
None, except mention above (point a)

e) Any transaction or arrangement entered into by the issuer or its subsidiary for a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the publication of the information document;

There is no Transaction or arrangement entered into by the issuer or its subsidiary or associate or entity owned or significantly influenced by a person who is currently a director or in any way connected with a director of either the issuer company or any of its subsidiaries/holding company

or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the prospectus except the transaction mentioned in the previous table.

f) Any loans either taken or given from or to any director or any person connected with the director, clearly specifying details of such loan in the information document, and if any loan has been taken from any such person who did not have any stake in the issuer, its holding company or its associate concerns prior to such loan, rate of interest applicable, date of loan taken, date of maturity of loan;

The company hasn't taken from or given to any loans to any director or any person connected with the director.

g) Any director holding any position, apart from being a director in the issuer company, in any company, society, trust, organization, or proprietorship or partnership firm;

Name	Position	Directorship/Sponsorship/ Ownership in other Company, society, trust, organization, or proprietorship or partnership firm	Position
Md. Azizul Islam	Chairman	Alif Textiles Limited	Chairman
Md. Azimul Islam	Managing Director	Alif Textiles Limited	Managing Director
Mrs. Lutfun Nessa Islam	Director	Alif Textiles Limited	Director
Mrs. Nabila Salam	Director (representing Alif Textiles Limited)	Alif Textiles Limited	Director
Golam Mostafa	Independent Director		

h) All interests and facilities enjoyed by a director, whether pecuniary or non-pecuniary

The directors have not enjoyed any pecuniary or non-pecuniary except mentioned above (point

(11) EXECUTIVE COMPENSATION

a) The amount of remuneration paid to each of the top ten salaried officers of the issuer in the last accounting year and the name and designation of each such officer;

Sl	Name	Position	Salary as on June 30, 2016
1	Md. Azimul Islam	Managing Director	600,000
2	Mohammad Hanif	Chief Financial Officer	465,500
3	Abdul Hakim Molla	Company Secretary	395,630
4	Shafiqul Islam	Head of Internal Audit	359,100
5	Md. Abul Morshed	Manager, Customs & Bond	425,600
6	Abul Hasnat	Manager, Commercial	598,500
7	Badrul Islam	Manager	551,950
8	Kohinoor Islam	Manager, Admin	545,300
9	Md. Asfaqul Islam	Manager, Commercial	558,600
Total			**4,500,180**

b) Aggregate amount of remuneration paid to all of the officers and directors as a group during the last accounting year;

Sl.	Particulars	Nature of Payment	Period ended June 30, 2016
1.	Directors	Board Meeting Fees	32,000
2.	Managing Director and Directors	Remuneration	600,000
3.	Officers and Executives	Salary and Allowances	5,176,980
Total			**5,808,980**

c) The amount of remuneration paid to any director who was not an officer during the last accounting year;

No remuneration paid to any director who was not an officer during the last accounting year.

d) Any contract with any officer or director providing for the payment of future compensation;

There is no such contract between the company and any of directors or officers regarding any future compensation to be made to them.

e) If the issuer intends to substantially increase the remuneration paid to its officers and directors in the current year appropriate information regarding thereto.

The company has no plan for substantially increasing remuneration to its directors and/or officers except for those that are paid as annual increment to their salaries.

(12) OPTIONS GRANTED TO OFFICERS, DIRECTORS AND EMPLOYEES

Exempted as per BSEC letter (SEC/SRMIC/95/282/576 dated September 26, 2017

(13) TRANSACTION WITH PROMOTERS

Exempted as per BSEC letter (SEC/SRMIC/95/282/576 dated September 26, 2017

(14) TANGIBLE ASSETS PER SHARE

Net asset value per share

Particulars	Note	June 30, 2016 (BDT)
Share Capital as on June 30, 2016	A	229,600,000
Retained Earnings as on June 30, 2016	B	82,456,750
Tax holiday reserve as on June 30, 2016	C	2,481,728
Total Shareholders' Equity as on June 30, 2016	A+B+C	314,538,478
Number of share as on June 30, 2016	D	22,960,000
Net Assets Value (NAV) per share as on June 30, 2016		**13.70**

(15) OWNERSHIP OF THE COMPANY SECURITIES

a) Name and address of any person who owns, beneficially or of record, 5% or more of the securities of the issuer, indicating the amount of securities owned, whether they are owned beneficially or of record, and the percentage of the securities represented by such ownership;

Sl	Name of Shareholder	Address	Amount of Securities Owned	Value of Securities (Tk. 10/= each)	Type of Ownership	Shareholding by beneficially or of record ownership (%)
1	Md. Azimul Islam	NEB, 2/A, Road no-71, Gulshan-2, Dhaka.	17,650,416	176,504,160	Managing Director	58.68%
Total			**17,650,416**	**176,504,160**		**58.68%**

(As on June 30, 2017)

b) Number of shares of the issuer's securities owned by each of the top ten salaried officers, each director, and all other officers as a group, indicating the percentage of outstanding shares represented by the shares owned

(shareholding position of the top ten salaried officers, each director, and all other officers as a group as on June 30, 2017)

Sl. No.	Name of Shareholder	Position	No. of Shareholding	Shareholding (%)
1	Mohammad Hanif	Chief Financial Officer	NIL	NIL
2	Abdul Hakim Molla	Company Secretary	NIL	NIL
3	Shafiqul Islam	Head of Internal Audit	NIL	NIL
4	Md. Mamun Morshed	Manager, Customs & Bond	NIL	NIL
5	Abul Hasnat	Manager, Commercial	NIL	NIL
6	Badrul Islam	Manager	NIL	NIL
7	Kohinoor Islam	Manager, Admin	NIL	NIL
8	Md. Asfaqul Islam	Manager, Commercial	NIL	NIL
9	Md. Mohiuddin	Manager	NIL	NIL
10	Md. Azharul Islam	Manager	NIL	NIL
11	Md. Azizul Islam	Chairman	1,145,883	3.81%
12	Md. Azimul Islam	Managing Director	17,650,416	58.68%
13	Mrs. Lutfun-Nessa Islam	Director	1,159,088	3.85%
14	Mrs. Nabila Salam (Represented by Alif Textiles Ltd)	Nominated Director	1,385,940	4.61%
15	Mr. Golag Mustafa	Independent Director	NIL	NIL
16	Other Officers as a Group	NA	NIL	NIL

(16) DESCRIPTION OF SECURITIES OUTSTANDING OR BEING OFFERED

Exempted as per BSEC letter (SEC/SRMIC/95/282/576 dated September 26, 2017

(17) DEBT SECURITIES: THE INFORMATION DOCUMENT SHALL:

Exempted as per BSEC letter (SEC/SRMIC/95/282/576 dated September 26, 2017

(18) FINANCIAL STATEMENT REQUIREMENTS

a) Auditors' report and Financial Statements

AMAR STOCK

Mahfel Huq & Co.
Chartered Accountants
The first registered accounting firm in independent Bangladesh

An independent member firm of AGN International

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INDEPENDENT AUDITORS' REPORT
To The shareholders of
Alif Industries Limited

We have audited the accompanying financial statements of **Alif Industries Limited**, which comprise the Statement of Financial Position as at 30 June 2016 and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Financial Statements for the year ended 30 June 2016.

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 (BFRSs),Bangladesh Accounting Standards (BASs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, we consider 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.

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Basis of Opinion:

We have conducted the audit in accordance with Bangladesh Standards on Auditing (BSA) and accordingly we have obtained reasonable assurance about whether the Financial Statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall presentation of the financial statements.

We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BASs),Bangladesh Financial Reporting Standards (BFRSs) give a true and fair view of the state of the affairs of the company as at 30 June 2016 and of the results of its operations and its cash flows for the year then ended and comply with the requirements of the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We further report that:

(a) We have obtained all the information and explanation which to the best of our knowledge and believe were necessary for the purpose of our audit and made due verification thereof;

(b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;

(c) The company's 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; and

(d) The expenditure incurred was for the purpose of the company's business.

Dated: Dhaka,
31 Ocotober 2016

Mahfel Huq & Co.
Chartered Accountants

ALIF INDUSTRIES LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT June 30, 2016

Particulars	Notes	Amount in (Taka)	
		30.06.2016	30.06.2015
PROPERTY & ASSETS			
I. Non-Current Assets		**55,332,057**	**59,131,438**
Property, Plant & Equipment	5.00	52,816,916	56,616,297
Advances , Deposits & Pre-payments	6.00	2,515,141	2,515,141
II. Current Assets:		**318,360,818**	**190,802,345**
Inventories	7.00	97,408,449	73,177,764
Trade Receivable	8.00	215,032,365	115,835,467
Export Incentive Receivable	9.00	2,154,191	-
Income Tax deducted at Source	10.00	1,787,739	390,789
Cash & Cash Equivalents	11.00	1,978,074	1,398,325
	Total	**373,692,875**	**249,933,783**
OWNERS EQUITY AND LIABILITIES			
III. Shareholders' Equity		**314,927,789**	**234,346,861**
Share Capital	12.00	229,600,000	205,000,000
Retained Earnings	13.00	82,456,750	26,865,133
Tax Holiday Reserve	14.00	2,481,728	2,481,728
Unrealised Gain/(Loss)	15.00	389,311	-
IV. Non-Current Liabilities		**985,826**	**7,432**
Deferred Tax Liability	16.00	985,826	7,432
V. Current Liabilities		**57,779,260**	**15,579,490**
Accrued Expenses	17.00	2,883,300	1,176,263
Liabilities for Goods	18.00	21,502,089	-
Provision for WPPF	19.00	2,633,558	2,633,558
Unclaimed Dividend	20.00	3,200,600	3,285,040
Provision for Income Tax	21.00	27,559,713	8,484,629
	Total	**373,692,875**	**249,933,783**
Net Asset Value per Share (Re-stated for year 2014-15)	**27.00**	**13.70**	**15.79**

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

Sd/-
Managing Director

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated: Dhaka
31 October, 2016

Sd/-
Mahfel Huq & Co.
Chartered Accountants

ALIF INDUSTRIES LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2016

Particulars	Notes	1-Jul-15 to 30-Jun-16	1-Jul-14 to 30-Jun-15
Turnover	22.00	425,812,863	206,683,677
Less: Cost of Sales	23.00	320,354,151	154,889,053
Gross Profit		**105,458,712**	**51,794,624**
Less:			
Administrative Selling & Distribution Expense	24.00	4,745,154	4,802,614
Operating Expense		**4,745,154**	**4,802,614**
Operating Profit		**100,713,558**	**46,992,010**
Add: Non Operating Income	25.00		59,773,942
Profit Before Financial Charges & Taxes		**100,713,558**	**106,765,952**
Less: Financial Charges	26.00	468,463	4,600,846
Profit Before WPPF		**100,245,095**	**102,165,106**
Less: Provision for WPPF	19.00	-	2,119,558
Profit Befor Tax		100,245,095	100,045,548
Less: Income Tax Expense			
Current Tax	21.00	19,075,084	4,019,729
Deferred Tax	16.00	978,394	7,432
Profit After Tax		**80,191,617**	**96,018,387**
Other Comprehensive Income:			
Unrealized gain /(loss) from foreign exchange translation	15.00	389,311	
Total Comprehensive Income for the year		**80,580,928**	**96,018,387**
Earning Per Share (EPS)(Re-stated for year 2014-15)	**28.00**	**3.49**	**6.47**

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

Sd/-	Sd/-	Sd/-
Managing Director	**Director**	**Company Secretary**

Signed in terms of our separate report of even date annexed.

Sd/-
Mahfel Huq & Co.
Chartered Accountants

Dated, Dhaka
31 October, 2016

ALIF INDUSTRIES LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2016

Particulars	Notes	Amount in (Taka)	
		30.06.2016	30.06.2015
A. Cash Flows from Operating Activities			
Receipts:			
Cash Collection from Sales		320,555,039	231,773,937
Cash Received from Export Incentives		4,331,700	
Total Receipts		**324,886,739**	**231,773,937**
Payments:			
Payment to Suppliers		(276,873,462)	(173,671,928)
Payment to other Operating Expenses		(45,483,675)	(49,358,712)
Payment to Financial Charges		(468,463)	(4,600,846)
Advanced Income Tax paid		(1,396,950)	(390,789)
Total Payments		**(324,222,550)**	**(228,022,275)**
Net Cashflow from Operating Activities		**664,189**	**3,751,662**
B. Cash Flows from Investing Activities			
Acquisition of Fixed Assets			(26,595,137)
Security Deposit to CDBL			(300,000)
Disposal of Fixed Assets			20,000,000
Net Cash Flows from Investing Activities		-	**(6,895,137)**
C. Cash Flows from Financing Activities			
Issue of New Share through Capital Raise			125,000,000
Payment of Bank Loans			(125,000,000)
Payment of Dividend (Declared 2013-2014)		(84,440)	(4,714,960)
Net Cash Flows from Financing Activities		**(84,440)**	**(4,714,960)**
Net Cash Inflow for the Period		**579,749**	**(7,858,435)**
D. Opening balance of Cash in Hand and with Bank		**1,398,325**	**9,256,760**
E. Closing balance of Cash in Hand and with Bank		**1,978,074**	**1,398,325**
Net Operating Cash flow Per Share (NOCFPS)	**29.00**	**0.03**	**0.25**

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

Sd/-	Sd/-	Sd/-
Managing Director	**Director**	**Company Secretary**

Signed in terms of our separate report of even date annexed.

Sd/-

Dated, Dhaka
31 October, 2016

Mahfel Huq & Co.
Chartered Accountants

ALIF INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2016

Amount in BDT

Particulars	Share Capital	Tax Holiday Reserve	Unrealised Gain/(Loss)	Retained Earnings	Total
As on 01.07.2015	205,000,000	2,481,728	-	26,865,133	**234,346,861**
Profit after tax for the year				80,191,617	**80,191,617**
Stock Dividend @12% for the year end 2014-15	24,600,000			(24,600,000)	**-**
Gain from foreign exchange translation			389,311		**389,311**
As on 30.06.2016	**229,600,000**	**2,481,728**	**389,311**	**82,456,750**	**314,927,789**

Particulars	Share Capital	Tax Holiday Reserve	Unrealised Gain/(Loss)	Retained Earnings	Total
As on 01.07.2014	80,000,000	2,481,728	-	(74,772,379)	**7,709,349**
Profit During the year (01.07.2014 to 30.06.2015)				96,018,387	**96,018,387**
Unclaimed Dividend transfer to retained earnings				5,619,125	**5,619,125**
Issue of 12,500,000 ordinary Shares @ Tk 10 each	125,000,000				**125,000,000**
Accounting gain arise due to payment of bank loan					**-**
As on 30.06.2015	**205,000,000**	**2,481,728**	**-**	**26,865,133**	**234,346,861**

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

Sd/-
Managing Director

Sd/-
Director

Sd/-
Company Secretary

Signed in terms of our separate report of even date annexed.

Dated, Dhaka
31 October, 2016

Sd/-
Mahfel Huq & Co.
Chartered Accountants

AMAR STOCK

ALIF INDUSTRIES LIMITED

SCHEDULE OF FIXED ASSETS
AS AT June 30, 2016

Annex A/1

Sl. No.	Particulars	Cost			Depreciation				Written Down Value as on 30-06-2016
		Balance as on 30-06-2015	Addition during the Period	Balance as on 30-06-2016	Rate %	Balance as on 30-06-2015	Charged during the Period	Balance as on 30-06-2016	
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%	36,249,993	1,793,005	38,042,998	33,677,202
03	Machinery	104,501,469		104,501,469	5.0%	103,785,122	716,347	104,501,469	-
04	Electrical Installation	13,735,294		13,735,294	5.0%	3,075,321	686,765	3,762,086	9,973,208
05	Furniture & Fixture	4,703,236		4,703,236	5.0%	3,598,135	235,162	3,833,297	869,939
06	Motor Vechiles	1,492,000		1,492,000	7.5%	1,490,065	1,935	1,492,000	-
07	Office Decoration	3,389,416		3,389,416	10.0%	1,818,231	338,942	2,157,173	1,232,243
08	Computer	181,500		181,500	15.0%	89,951	27,225	117,176	64,324
09									-
Total		**206,723,115**	**-**	**206,723,115**		**150,106,818**	**3,799,381**	**153,906,199**	**52,816,916**

ALIF INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

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 Company Act, 1913. It was converted to 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" on March 2015. Currently company's shares are traded in Over the Counter (OTC) market.

01.02 Address of the Registered and Corporate Office:

The registered 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, the Listing Regulations of Dhaka Stock Exchange and Chittagong Stock Exchange as applicable and Bangladesh Accounting Standards (BAS's), Bangladesh Financial Reporting Standards (BFRS) as applicable to the company. The Statement of Financial Position and Statements of Profit and Loss and other Comprehensive Income have been prepared according to BAS I 'Presentation of Financial Statements' based on accrual basis of accounting and going concern assumption. Cash Flow Statement of the company has been prepared under direct method in accordance with BAS 7.

02.02 Accounting Convention and Assumption:

The Financial Statements are prepared under the Historical Cost Convention.

02.03 Principle Accounting Policies:

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 BASs. Previous year's figures were re-arranged where necessary. There were no significant changes in the accounting policies and valuation policies affecting the financial position and performance of the company. However, changes (as applicable) made to the presentation are explained into the note for the respective items.

02.04 Application of accounting Standards:

The following BAS are applicable to the financial statements for the year under review:
BAS 1 Presentation of Financial Statements
BAS 2 Inventories
BAS 7 Cash Flow Statements
BAS 8 accounting Policies, Changes in Accounting Estimates and Errors
BAS 10 Events after the Balance Sheet Date
BAS 12 Income Tax
BAS 16 Properties, plant and Equipment
BAS 18 Revenue
BAS 19 Employee Benefits
BAS 21 The Effects of Changes of Foreign Exchange Rates
BAS 23 Borrowing Costs
BAS 24 Related parties Disclosure
BAS 33 Earning Per Share
BAS 36 Impairment of Assets
BAS 39 Financial Instruments: Recognition and Management
The related BFRS are also complied for these financial statements

02.05 Valuation of Inventories:

Inventories are stated at the lower of cost or net realizable value in compliance with the requirements of Para 21 and 25 of BAS 2.

Category of Stocks		Basis of Valuation
Raw Materials, Packing Materials and work in Process	:	Weighted Average Cost
Finished Goods at Factory	:	At lower of cost or net realizable value
Store Items	:	Weighted Average Cost

Cost comprises of the value of materials and attributable direct labor, depreciation and production overheads.

The management conducted annual physical verification of inventories on the closing date of business as on June 30, 2016 and made valuation thereof on the basis stated above.

02.06 Cash Flow Statements:

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

02.07 Accounting Policies, Changes in Accounting Estimates and Errors:

As per BAS 8 The preparation of financial Statements in conformity with International Accounting Standards requires management to make judgment to estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and for contingent assets and liabilities that require disclosure, during and at the date of the financial statement.

During the year under review no remarkable change were found that make judgment to estimates and assumptions that affect the application of accounting policies reported amounts of assets, liabilities, income and expenses.

02.08 Events after the Balance Sheet Date:

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

02.09 Income Tax:

Current Tax:

Taxation is provided in accordance with fiscal regulations applicable. The company is publicly traded company as per the Income Tax Ordinance, 1984. The company quAlifies for being treated as a "Publicly Traded Company". The company is 100% export oriented garments industry for which the rate of tax at 20% has been applied for profit on Garments business while making provision for income tax.

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 value of assets, liabilities, income and expenditure and respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted for subsequently at the financial statements date. The company has introduced deferred tax as per provision BAS-12 (Income taxes) during the year and comparative information has been re-stated accordingly.

02.10 Property, Plant and Equipment:

Tangible fixed assets are accounted for according to BAS 16 Property, Plant and Equipment at historical cost less accumulated depreciation. Tangible assets are depreciated according to Straight-line method of depreciation.

02.11 Revenue Recognition:

As per BAS-18, Revenue is to be recognized when it is probable that the economic benefits associated with the transaction will flow to the organization and the amount of revenue can be measured reliably.
The revenue during the year represents revenue arising from sales of knitwear garments items which are recognized when deliveries are made, against the sales order received from the respective customer and after satisfying all the conditions for revenue recognition as provided in BAS 18 “Revenue Recognition”

02.12 Employee Benefits (BAS 19):

In compliance with the requirements of BAS 19, the company provides no additional benefits to its employees other than regular salary, allowances and bonus.

02.13 The Effects of Changes of Foreign Exchange Rates:

Foreign currency transactions are recorded at the rates applicable on the date of transaction in accordance with BAS-21 (The Effects of Changes in Foreign Exchange Rates). Gains or losses out of foreign currency transactions are charged/credited to the profit and loss account whenever arises. This year the company made transactions in foreign currency for export of finished knit garments product which has been accounted for properly.

02.14 Borrowing Cost:

In compliance with the requirements of BAS-23 ‘Borrowing Costs’ borrowing costs of operational period on short-term loan and overdraft facilities from Banks was charged off as revenue expenditure as those were incurred.

02.15 Related Parties Disclosure:

In compliance with the requirements of BAS-24 the company did not carried out any transactions with related parties during the period under audit.

02.16 Earning per Shares:

The company calculates earning of share (EPS) in according with BAS 33 ‘Earning per Shares’ which has been shown on the face of Income Statement. The same has been calculated dividing surplus available for ordinary shareholders by weighted number of ordinary shares outstanding at the end of the year.

02.17 Impairment of Assets:

In compliance with the requirements of BAS 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 assets recoverable amount is estimated and impairment losses are recognized in profit and loss account. No such indication of impairment has been observed till to date.

02.18 Depreciation of Fixed Assets:

Depreciation is providing on Straight-line method.
No depreciation has been charged on additions irrespective of the date of acquisition

The depreciation/amortization rate(s) are as follows:

Category of Fixed Assets	Rate%
Factory Building and civil Constructions	2.5
Plant and Machinery	5.0
Electrical Installation	5.0
Furniture & Fixture	5.0
Transport and Vehicles	7.5
Office Decoration	10.0
Computer	15.0

02.19 Provision:

The preparation of financial statements in conformity with Bangladesh Accounting Standards (BAS) 37 provides that, provisions, contingent liabilities and contingent assets requires management to make estimates and assumption that affect the reported amounts of revenues and expense, assets and liabilities, and the disclosure requirements for contingent assets and liabilities during and at the date of the financial statements.

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

- When the company has a present obligation as a result of past event.
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the obligation

02.20 Intangible Assets:

In compliance with requirements of BAS 38 intangible assets are usually absorbed as revenue charges as and when incurred. The Company has no intangible assets written off during the year under review.

02.21 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.

02.22 Liabilities for Goods:

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

02.23 Repairs and maintenance Charges:

These are usually charged out as revenue expenditure in the period in which it is incurred.

02.24 bad and doubtful debts:

No provision for bad and doubtful debts has been made since sales/exports are based on export LC and 100% confirmed on cash received.

02.25 Segment Reporting:

No segmental reporting is applicable for the company as required by BFRS-8. "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

03.00 COMPLIANCE AND OTRHERS:

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)/BAS:

The Financial Statements have been prepared in compliance with Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standard (BFRS).

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 Comparative Information:

Comparative information have been disclosed in respect of the year end June 2015 for all numerical information in the Financial Statements and also for the narrative and descriptive information when it is relevant for understanding of the current period's Financial Statements.

03.05 Reporting period:

The Financial Period of the company covers year from 1st July 2015 to 30 June 2016 consistently.

03.06 Approval of Financial Statement:

The Financial Statement have been approved by the Board of Directors on 31 October, 2016

			Amount in (Taka)	
5.00	**Property Plant & Equipment**		**30-Jun-16**	**30-Jun-15**
	Land & Land Development		7,000,000	7,000,000
	Building & Other Civil Works		33,677,202	35,470,207
	Machinery		-	716,347
	Electrical Installation		9,973,208	10,659,973
	Furniture & Fixture		869,939	1,105,101
	Motor Vechiles		-	1,935
	Office Decoration		1,232,243	1,571,185
	Computer		64,324	91,549
		Total	**52,816,916**	**56,616,297**
		Please see annexture A/1		
6.00	**Advances , Deposits & Pre-payments**			
	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**	**QTY**		
	Raw Materials-Fabrics (Yards)	670,329	40,011,929	10,472,666
	Raw Materials-Accessories		1,885,379	504,971
	Packing Materials		878,451	651,315
	Spare Parts		90,588	215,455
	Work in Process (Yards)	184550	13,287,624	15,544,789
	Finished Goods (Pcs)	427,632	41,254,478	45,788,568
		Total	**97,408,449**	**73,177,764**
8.00	**Trade Receivable**			
	This represents invoice value of goods delivered to customer. This is considered good and collectible			
	Trade Receivable Beginning		115,835,467	140,925,727
	Add: Sales during the year		419,326,972	206,683,677
	Less: Realized		320,555,039	231,773,937
	Trade Receivable- End	**Total**	**215,032,365**	**115,835,467**
	The aging of trade receivables are as follows			
	Below 60 Days		42,921,480	23,167,093
	Within 61-120 Days		32,259,630	5,791,773
	Within 121-180 Days		129,120,885	40,542,413
	Over 180 Days		10,730,370	46,334,187
			215,032,365	**115,835,467**
9.00	**Export Incentive Receivable**			
	This receivables arise due to cash incentive on export.			
	Beginning Balance		-	-
	Add: Export Incentive occurred during the year		6,485,891	-
	Less: Realized		4,331,700	-
	Export Incentive Receivable	**Total**	**2,154,191**	**-**

10.00 Income Tax deducted at Source

The Break up is as follows:

Opening Balance		390,789	-
Addition During the year		1,396,950	390,789
Less: Adjustments		-	-
	Total	**1,787,739**	**390,789**

11.00 Cash & Cash Equivalents

The break up is as follows:

Cash in Hand	11.01	1,972,105	1,301,599
Cash at Bank	11.02	5,969	96,726
	Total	**1,978,074**	**1,398,325**

11.01 Cash in Hand

Cash in Hand	1,972,105	1,301,599
	1,972,105	**1,301,599**

The Management through balance confirmation certificate has confirmed the above balance as on June 30, 2016

11.02 Cash at Bank

Break up of the amount is given below

Particulars	**Account No**	**30.06.2016**	**30.06.2015**
EXIM Bank	3511100085318	5,969	39,734
EXIM Bank	3911100169486	-	56,992
Total Taka		**5,969**	**96,726**

12.00 Share Capital

i Authorized Capital

50,000,000 ordinary Shares @ Tk 10 each	**500,000,000**	**500,000,000**

ii Issued, Subscribed and Paid-up Capital

22,960,000 Ordinary Shares @ Tk 10 each	229,600,000	205,000,000

iii

	As on June 30,2016	
Particulars	**No of Shares**	**(In BDT)**
Ordinary Shares	20,500,000	205,000,000
Stock Dividend @12% in 2015	2,460,000	24,600,000
Total	**22,960,000**	**229,600,000**

iv Share Holding Patterns

	As on 30 June, 2016		**As on 30 June, 2015**	
	No of Shares	**% of Share**	**No of Shares**	**% of Share**
Sponsor/ Directors	18,268,320	79.57%	16,311,000	79.57%
Institutions	121,600	0.53%	108,571	0.53%
General Public and Others	4,570,080	19.90%	4,080,429	19.90%
	22,960,000	**100%**	**20,500,000**	**100%**

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

	As on 30 June, 2016		**As on 30 June, 2015**	
Particulars	**No of Shares**	**(In TK)**	**No of Shares**	**(In TK)**
MD. AZIZUL ISLAM	874,720	8,747,200	781,000	7,810,000
MD. AZIMUL ISLAM	13,473,600	134,736,000	12,030,000	120,300,000
MRS. LUTFUN NESA ISLAM	884,800	8,848,000	790,000	7,900,000
M/S ALIF APPARELS LTD	851,200	8,512,000	760,000	7,600,000
M/S ALIF TEXTILES LTD	2,184,000	21,840,000	1,950,000	19,500,000
INSTITUTIONS	121,600	1,216,000	108,571	1,085,710
MUTUAL FUNDS	1,037,740	10,377,400	926,554	9,265,540
GENERAL PUBLIC	3,532,340	35,323,400	3,153,875	31,538,750
Total	**22,960,000**	**229,600,000**	**20,500,000**	**205,000,000**

AMARSTOCK

vi **Classification of Shares by holding as on 30.06.2016**

Slabs by No of Shares	As on 30 June, 2016		As on 30 June, 2015	
	No of Share Holders	Holding %	No of Share Holders	Holding %
Less than 500 Shares	3,505	77.48%	3,555	77.72%
500 to 5,000 Shares	981	21.68%	984	21.51%
5,001 to 10,000 Shares	8	0.18%	10	0.22%
10,001 to 20,000 Shares	10	0.22%	7	0.15%
20,001 to 30,000 Shares	4	0.09%	3	0.07%
30,001 to 40,000 Shares	2	0.04%	1	0.02%
40,001 to 50,000 Shares	-	0.00%	1	0.02%
50,001 to 100,000 Shares	4	0.09%	3	0.07%
100,001 to 1,000,000 Shares	8	0.18%	8	0.17%
Over 1,000,000 Shares	2	0.04%	2	0.04%
Total	**4,524**	**100%**	**4,574**	**100%**

	Amount in (Taka)	
	30-Jun-16	**30-Jun-15**
13.00 Retained Earnings		
Retained Earning Beginning	26,865,133	(74,772,379)
Add: Profit after tax for the year	80,191,617	53,244,445
Dividend unclaimed transferred to Retained Earning*	-	5,619,125
Less: Stock Dividend 2015	24,600,000	
Add: Transferred from Workers profit participation fund	-	
Gain Transferred to Retained Earnings		42,773,942
Total	**82,456,750**	**26,865,133**
14.00 Tax Holiday Reserve		
This amount is made up as per the last years account.		
Tax Holiday Reserve	2,481,728	2,481,728
	2,481,728	**2,481,728**

	Amount in (Taka)	
	30-Jun-16	**30-Jun-15**

15.00 Unrealised Gain/(Loss) from Foreign Exchange translation

This unrealized gain arise due to flactuation of USD against BDT. The calculation is as follows:

	As on June 30,2016		
Particulars	**Spot Rate**	**Closing Rate**	**gain/loss**
USD/BDT exchange rate	78.27	78.40	
Assets			
Receivables	214,607,400	214,963,845	356,445
Finished Goods	41,254,478	41,322,998	68,520
Less: Liabilities			
Liabilities for goods	21,466,435	21,502,089	35,654
Unrealized gain/loss	**Total**		**389,311**

16.00 Deferred Tax Liability

Calculation of Deferred Tax :		
Written down value of PPE	52,816,916	56,616,297
Tax written down value of PPE	(47,887,786)	(56,556,841)
Taxable temprorary difference	4,929,130	59,456
Income Tax rate	**20.00%**	**12.50%**
Closing Deferred Tax Liabilities	985,826	7,432
Opening Deferred Tax Liabilities	(7,432)	-
D.Tax (income) / expenses:	**978,394**	**7,432**

17.00 Accrued Expenses

Salary Payable		2,710,800	66,000
Gas Bill			980,237
Wasa Bill			4,500
Audit Fees		172,500	125,526
	Total	**2,883,300**	**1,176,263**

18.00 Liabilities for Goods

Liabilities for Goods	**21,502,089**	-

The break down is given as below:

Name	**Type**	**TK**
M/s Ishraq Textile Mills ltd.	Fabrics	6,343,116
M/s Racy Fashion & Packing Ltd.	Packign Materials	1,075,104
M/s J&M International Trading Ltd.	Accessories	5,805,564
M/s Rider Thread Ltd.	Accessories	752,573
M/s Shaoxing Keuiao Fabrics ltd	Fabrics	7,525,731
Total		**21,502,089**

19.00 Provision for WPPF

Beginning Balance		2,633,558	514,000
Provision made during the year		-	2,119,558
	Total	**2,633,558**	**2,633,558**

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

Alif Industries Limited is a 100% export orientedt 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."

For the above reason management didn't start making provision for WPPF because of not yet forming Board for fund raise and utilization by the government. The board shall format the rules of determination of subscription, procedure of collection and utilization of fund. Alif Industries Limited is a 100% export oriented company also the member of BGMEA, that's why in the audited financial statements did not recognize WPPF.

20.00 Unclaimed Dividend

This consist of 10% cash dividend declared in 2013-14

Cash Dividend payable		3,285,040	8,000,000
Diivdend paid during the year		84,440	4,714,960
Closing Balance	**Total**	**3,200,600**	**3,285,040**

21.00 Provision for Income Tax

Beginning Balance		8,484,629	1,464,900
Capital gain tax		-	3,000,000
Income Tax during the year		19,075,084	4,019,729
		27,559,713	**8,484,629**
Payment made during the year		-	-
	Total	**27,559,713**	**8,484,629**

22.00 Turnover

Export Sales		419,326,972	130,262,964
Dyeing			85,473,750
Export Incentives		6,485,891	
Less: Internal Consumption			(9,053,037)
Total Turnover	**Total**	**425,812,863**	**206,683,677**

23.00 Cost of Sales

i Raw Materials Consume

Beginning Raw Materials		10,977,637	6,199,699
Add: Purchase of Raw Materials		285,980,995	168,886,716
Less: Closing Stock		41,897,308	10,977,637
Raw Material Consumed	**Total**	**255,061,324**	**164,108,778**

The breakdown of Raw Materials Consumptions are given as below:

	30-Jun-16		30-Jun-15	
	QTY (Yards)	**TK**	**QTY (Yards)**	**TK**
a Fabrics				
Opening Balance	212,298	10,472,666	119,897	5,914,513
Add: Purchase during the year	4,993,817	273,111,850	3,266,125	161,117,927
Less: Closing Balance	670,329	40,011,929	212,298	10,472,666
Sub Total (Fabrics Consumptions)	**4,535,786**	**243,572,587**	**3,173,724**	**156,559,774**

b Accessories (Various Type)				
Opening Balance	Various Type	504,971	Various Type	285,186
Add: Purchase during the year	Various Type	12,869,145	Various Type	7,768,789
Less: Closing Balance	Various Type	1,885,379	Various Type	504,971
Sub Total (Accessoris Consumptions)		**11,488,737**		**7,549,004**
Raw Material Consumption (Grand Total)		**255,061,324**		**164,108,778**

ii Packing Materials

Beginning Balance		651,315	-
Add: Purchase		8,805,866	3,256,574
Less: Closing Stock		878,451	651,315
Packing Materials Consumed	**Total**	**8,578,730**	**2,605,259**

iii Store & Spares

Beginning Balance		215,455.00	123,456
Add: Purchase		3,588,690.00	1,528,638
Less: Closing Stock		90,588.00	215,455
	Total	**3,713,557**	**1,436,639**

		Amount in (Taka)	
		30-Jun-16	**30-Jun-15**
iv Factory Overhead			
Salary & Wages & Overtime		32,199,987.00	24,789,833
Tiffin Bill		4,168,112.00	307,868
Entertainment		797,280.00	34,500
Electricity Bill		1,560,660.00	5,284,219
Gas Bill		827,893.00	7,509,049
Depreciation		3,772,156.00	8,059,828
Fire Extinguisher & Compliance		315,455.00	214,526
Repair & Maintainance		1,471,422.00	721,091
Carrying Exp		1,096,320.00	96,961
	Total	**46,209,285**	**47,017,875**

v Work In Process

Opening Work In Process		15,544,789	1,053,859
Closing Work In Process		13,287,624	15,544,789
	Total	**2,257,165**	**(14,490,930)**

vi Cost of Sales

Beginning Finished Goods	474,631 Pcs	45,788,568	
Cost of Goods Manufactured		315,820,061	200,677,621
Closing Finished Goods	427,632 Pcs	41,254,478	45,788,568
Cost of Sales	**Total**	**320,354,151**	**154,889,053**

24.00 Administrative Expense

Salary & Allowances	1,100,960	980,000
Director's Rumunaration	600,000	
Board Meeting Fees	32,000	
Printing & Stationary	138,768	123,408
Travelling & Conveyance	202,957	183,230
Office Expense	41,477	39,725
Bond Audit Fees	105,000	248,150
EPB	14,670	9,600
Soil Test	-	224,000
CDBL fees	121,498	89,630
DSE listing fees	122,991	80,000
Telephone Bill	7,800	5,563
Electricity Bill	82,023	68,423
Wasa Bill	14,400	12,500
Office Rent	300,000	300,000
Entertainment Expense	132,880	103,936
Misc Exp	945,443	949,333
Audit Fees	172,500	100,000
Car Expense	94,200	46,000
Telex & Fax Charges	14,362	5,455
Depreciation	27,225	1,005,961
AGM Expense	450,000	211,700
Internet Expense	24,000	16,000
Total	**4,745,154**	**4,802,614**

	Amount in (Taka)	
	30-Jun-16	**30-Jun-15**

25.00 Non Operating Income

Sales of Machinaries	**See Note 25.a**	-	17,000,000
Gain arise due to payment of Bank Loan	**See Note 25.b**	-	42,773,942
		-	**59,773,942**

25.a Sales of Machenaries

		20,000,000
Acquisition Cost		35,000,000
Less: Depreciation charge		35,000,000
WDM Value of Assets		-
Capital Gain		20,000,000
Less: Taxes		3,000,000
Net Gain		**17,000,000**

As part of the ongoing restructuring porcess , the mamangement has sold two dyeing machine as per board resolution dated June 17, 2015 The acquisition cost and written down value of these two machines were BDT 35,000,000 and 0 respectively. Therefore, by selling those two machines, the gross and net capital gain stood BDT 20,000,000 and BDT 17,000,000 respectively

25.b Gain arise due to payment of Bank Loan

Secured Loan from Bank	-	61,183,312
Bi Muzzal Loan	-	104,942,630
Pre Shipment Loan	-	1,648,000
Total	**-**	**167,773,942**
Less: Payment made	-	**125,000,000**
Gain arise due to payment of bank loan	-	**42,773,942**

Bank liabilities at actual was BDT 113,591,074 and interest charged from 1st July 2007 to June 2014 was BDT 54,182,868 but has not been paid. Thus total bank liability stood at BDT 167,773,942. The bank waived BDT 42,773,942. So the company paid to the bank BDT 125,000,000 after raising paid-up capital of BDT 125,000,000 with the consent of BSEC. ' BSEC Consent no SEC/CI/CPLC-472/2014/826, dated'December 09,2014

26.00 Financial Charges

This is made up as follows:

Interest Expenses		-	3,294,676
Bank Charges and Commission		78,628	118,805
L/C Expenses		389,835	1,187,365
		468,463	**4,600,846**

27.00 Net Asset Value per Share

The calculation is as follows:

Paid-Up Capital	Note 11.00	229,600,000	205,000,000
Tax Holiday Reserve	Note 13.00	2,481,728	2,481,728
Retained Earnings	Note 12.00	82,456,750	26,865,133
Total Net Asset Value		**314,538,478**	**234,346,861**
No of shares applied to calculate Net Asset Value per Share		22,960,000	14,843,561
Net Asset Value (NAV) Per Share (Re-stated for year 2014-15)		**13.70**	**15.79**

28.00 Earning Per Share (EPS)

The calculation is as follows:

Profit After Tax	80,191,617	96,018,387
No of shares applied to calculate Earning per Share (EPS)	22,960,000	14,843,561
Earning Per Share (EPS) (Re-stated for year 2014-15)	**3.49**	**6.47**

29.00 Net Operating Cash flow Per Share (NOCFPS)

The calculation is as follows:

Cash Receipts from Operation	324,886,739	231,773,937
Less: Cash used in Opeartion	(324,222,550)	(228,022,275)
Net Cashflow from Operations	**664,189**	**3,751,662**
No of shares applied to calculate Net Operating Cash flow Per Share (NOCFPS)	22,960,000	14,843,561
Net Operating Cash flow Per Share (NOCFPS)	**0.03**	**0.25**

AMARSTOCK

30.00 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

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

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

Managerial remuneration	600,000	-
Board Meeting fees	32,000	42,000
	632,000	**42,000**

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

Mr. MD. Azimul Islam	**600,000**	**-**

(a) No compensation was made to the Managing Director of the company except as stated in abov
(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 (21) above

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

32.00 Capacity utilization :

Particulars	Installed Capacity (Pcs)	Actual Production (Pcs)	Utilization (%)
Pcs	5,000,000	4,284,878	85.70

33.00 Value of material consumption:

Value of consumption of raw materials, spare parts and components and percentage of consumption are as follows :

Particular	Raw Materials	Spare Parts	Packing Materials	Total
Opening Stock	10,977,637	215,455	651,315	11,844,407
Purchase	285,980,995	3,588,690	8,805,866	298,375,551
Closing Stock	41,897,308	90,588	878,451	42,866,347
Consumption	255,061,324	3,713,557	8,578,730	267,353,611
% of Consumption	95.40%	1.39%	3.21%	100.00%

34.00 Number of employees :

The company paid an aggregate amount more than Taka 3,000 per month to all the 500 employees who were in employment for the year.

35.00 Events after balancesheet date:

There was no siginificant events after the balance sheet date.

b) Information as is required under section 186 of the কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) relating to holding company; - **Not Applicable**

c) Following selected ratios on liquidity, profitability and solvency for last five years of the issuer:

Alif Industries Ltd.
Statement of Ratio Analysis
For the periods from July 01,2012 to June 30, 2016

The following ratios have been computed from the audited financial statements of Alif Industries Ltd. (Previous Sajib Knitwear and Garments Ltd.) for the years ended June 30, 2012, 2013, 2014 2015 and 2016

Name of Ratio	30-Jun-16	30-Jun-15	30-Jun-14	30-Jun-13	30-Jun-12
A. Liquidity Ratios					
(i) Current Ratio (Times)	5.51	12.25	2.04	2.07	2.17
(ii) Quick Ratio (Times)	3.82	7.55	1.94	1.97	2.06
B. Operating Ratios					
(i) Accounts Receivable Turnover Ratio (Times)	2.57	1.61	0.52	0.22	0.21
(ii) Inventory Turnover Ratio (Times)	3.76	3.85	7.41	3.17	2.98
(iii) Assets Turnover Ratio (Times)	1.37	0.92	0.38	0.16	0.29
C. Profitability Ratios					
(i) Gross Margin Ratio (%)	24.77	25.06	27.46	26.79	23.46
(ii) Operating Income Ratio (%)	23.54	20.51	14.21	-5.93	-14.22
(iii) Net Income Ratio (%)	18.83	46.46	11.48	-5.93	-14.22
(iv) Return on Assets Ratio (%)	25.72	42.79	4.38	-0.97	-4.18
(v) Return on Equity Ratio (%)	25.46	40.97	52.84	-23.06	-39.52
(vi) Net Operating Cash Flow to Net Profit Ratio	0.01	0.04	2.42	-2.04	-0.48
D Stock Holder Ratios					
(i) Earning Per Share (EPS)	3.49	7.75	1.04	-0.21	-0.45
(ii) Price/Earning Ratio*	-	-	-	-	-
(iii) Dividend Yield Ratio*					
(iv) Dividend Payout Ratio	0.0%	0.0%	96.4%	0.0%	0.0%
E Solvency Ratios					
(i) Times Interest Earned Ratio (Times)	213.99	9.21	1.53	-0.25	-0.51
(ii) Debt to Equity Ratio (Times)	-	-	10.47	21.30	16.55
(iii) Bad Debt Ratio	-	-	-	-	-

We have examined the calculation of the above ratios of Alif Industries Ltd. (Previous Sajib Knitwear and Garments Ltd.) for the years ended 30 June 2012, 2013, 2014 ,2015 and 2016 and found them correct. The details calculation is presented in Annexure-1.

Sd/-

Dated : Dhaka **Mahfel Huq & Co**

*Price data not available

d) Five years Comparative statements

Alif Industries Ltd.

Auditors' Report in pursuance of section 135(1) under paragraph 24(1) of Part -II of Third Schedule of the Companies Act 1994 [As per Security Exchange Commission (Right Issue) Rules, 2006, Rule-8, 8 (i) and 8 (t)]

We have audited the financial statements of Alif Industries Ltd. for the period from July 01, 2015 to June 30, 2016 & The financial statements for the year ended June 30, 2015, 2014, 2013 & 2012 was audited by Rahman Mustafiz Haq & Co. (Chartered Accountants). In pursuance of Section 135(1) under Paragraph 24(1) of Part -II of Third Schedule of the Companies Act 1994, we report that:

The Statement of financial position of the company are as under:

Particulars	Amount in taka				
	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
ASSETS					
Non-Current Assets	**52,816,916**	**56,616,297**	**39,086,949**	**35,063,034**	**37,911,415**
Property, Plant & Equipment	52,816,916	56,616,297	39,086,949	35,063,034	37,911,415
Other Non- Current Asset	**2,515,141**	**2,515,141**	**2,215,141**	**2,215,141**	**2,215,141**
Advance, Deposit & Pre-Payment	2,515,141	2,515,141	2,215,141	2,215,141	2,215,141
Current Assets:	**318,360,818**	**190,802,345**	**157,559,501**	**143,148,441**	**132,313,453**
Inventories	97,408,449	73,177,764	7,377,014	6,789,094	6,500,937
Trade Receivable	215,032,365	115,835,467	140,925,727	135,132,830	123,072,515
Export Incentive Receivable	2,154,191				
Income Tax Deducted at Source	1,787,739	390,789			
Cash & Cash Equivalents	1,978,074	1,398,325	9,256,760	1,226,517	2,740,001
Total Assets	**373,692,875**	**249,933,783**	**198,861,590**	**180,426,616**	**172,440,008**
EQUITY AND LIABILITIES					
Shareholders' Equity	**314,927,789**	**234,346,861**	**15,709,349**	**7,408,247**	**9,116,288**
Share Capital	229,600,000	205,000,000	80,000,000	80,000,000	80,000,000
Reserve & Surplus	85,327,789	29,346,861	(64,290,651)	(72,591,753)	(70,883,712)
Non Current Liabilities	**985,826**	**7,432**	**105,936,118**	**103,969,741**	**102,328,294**
Deferred Tax Liabilities	985,826	7,432	-		
Bank Loan- Long term Portion			105,936,118	103,969,741	102,328,294
Current Liabilities	**57,779,259**	**15,579,490**	**77,216,123**	**69,048,628**	**60,995,426**
Bank Loan & Overdraft			58,543,147	53,792,839	48,570,774
Accrued Expense	2,883,300	1,176,263	16,694,076	15,255,789	12,424,652
Liabilities for Goods	21,502,089	-			
Provision for WPPF	2,633,558	2,633,558	514,000		
Unclaimed Dividend	3,200,600	3,285,040			
Provision for Income Tax	27,559,713	8,484,629	1,464,900		
Total Equity and Liabilities	**373,692,875**	**249,933,783**	**198,861,590**	**180,426,616**	**172,440,008**
Net Assets Value (NAV)	**13.70**	**18.92**	**1.96**	**0.93**	**1.14**

Sd/-

Date: Dhaka
August 24,2017

Mahfel Huq & Co
Chartered Accountants

Alif Industries Ltd.

The Statement of operating results of the company are as under:

Particulars	Amount in taka				
	1-Jul-15 to 30-Jun-16	1-Jul-14 30-Jun-15	1-Jul-13 30-Jun-14	1-Jul-12 30-Jun-13	1-Jul-11 30-Jun-12
Turnover	425,812,863	206,683,677	72,327,342	28,789,896	25,342,432
Less: Cost of goods sold	320,354,151	154,889,053	52,466,543	21,077,182	19,397,412
Gross Profit	**105,458,712**	**51,794,624**	**19,860,799**	**7,712,714**	**5,945,020**
Less: Operating Expense	**5,213,617**	**9,403,460**	**9,580,796**	**9,420,754**	**9,548,182**
Administrative expense	4,745,154	4,802,614	2,864,111	2,557,242	2,519,451
Financial Charges	468,463	4,600,846	6,716,685	6,863,512	7,028,731
Operating Profit	**100,245,095**	**42,391,164**	**10,280,003**	**(1,708,040)**	**(3,603,162)**
Add: Non Operating Income	-	59,773,942			
Profit Before WPPF & Taxes	**100,245,095**	**102,165,106**	**10,280,003**	**(1,708,041)**	**(3,603,162)**
Less: Workers Profit Participation fund	-	2,119,558	514,000	-	-
Profit Before Taxes	**100,245,095**	**100,045,548**	**9,766,003**	**(1,708,041)**	**(3,603,163)**
Less: Provision for Income Tax	**20,053,478**	**4,027,161**	**1,464,900**	**-**	**-**
Deferred Tax	978,394	7,432			
Current Tax	19,075,084	4,019,729	1,464,900		
Net Profit After Tax	**80,191,617**	**96,018,387**	**8,301,102**	**(1,708,041)**	**(3,603,163)**
Earning Per Share (EPS)	**3.49**	**7.75**	**1.04**	**(0.21)**	**(0.45)**

Sd/-
Mahfel Huq & Co
Chartered Accountants

Date: Dhaka
August 24,2017

Alif Industries Ltd.

Statement of cash flows of the company are as under:

Particulars	Amount in taka				
	1-Jul-15 to June 30, 2016	1-Jul-14 to June 30, 2015	1-Jul-13 to June 30, 2014	1-Jul-12 to June 30, 2013	1-Jul-11 to June 30, 2012
A. Cash Flows from Operating Activities	**664,189**	**3,751,662**	**20,080,243**	**3,486,515**	**1,721,853**
Collection against sales	320,555,039	231,773,937	66,534,446	16,729,580	11,696,778
Cash Received from Export Incentives	4,331,700				
Non operating income					
Payment against purchase	(276,873,462)	(173,671,928)	(12,304,793)	(4,967,002)	(6,755,504)
Payment against oper. expenses	(45,483,675)	(49,358,712)	(34,149,410)	(8,276,063)	(3,219,421)
Payment against financial charges	(468,463)	(4,600,846)			
Advance Income tax paid	(1,396,950)	(390,789)			
Payment against WPPF					
B. Cash Flows from Investing Activities	**-**	**(6,895,137)**	**(12,050,000)**	**(5,000,000)**	**-**
Acquisition of Property Plant & Equipment		(26,595,137)	(12,050,000)	(5,000,000)	-
Security Deposit to CDBL		(300,000)			
Disposal of Fixed Assets		20,000,000			
C. Cash Flows from Financing Activities	**(84,440)**	**(4,714,960)**	**-**	**-**	**-**
Payment of Bank Loan	-	(125,000,000)	-	-	-
Issue of New Share through capital raise	-	125,000,000			
payment of cash Dividend	(84,440)	(4,714,960)			
Short Term Loan Received	-				
Net Cash Inflow for the year (A+B+C)	**579,749**	**(7,858,435)**	**8,030,243**	**(1,513,485)**	**1,721,853**
Opening balance of Cash in Hand and Bank	1,398,325	9,256,760	1,226,517	2,740,001	1,018,148
Closing balance of Cash in Hand and with Bank	**1,978,074**	**1,398,325**	**9,256,760**	**1,226,517**	**2,740,001**

Point to be noted:

1. Dividend Declared:	**30-Jun-16**	**30-Jun-15**	**30-Jun-14**	**30-Jun-13**	**30-Jun-12**
Stock Dividend (%)	31%	12.0%			
Cash Dividend (%)			10%		

2. The company was incorporated on August 02, 1992

3. The Statement of Assets and Liabilities (Statement of Financial Position) as at June 30, 2016 of the company has been duly certified by us.

4. The statement of operating results (Statement of Comprehensive Income) for the month from Jualy 1, 2015 to June 30, 2016 has been duly certified by us

5. The statement of Cash flow for the mont from July 1, 2015 to June 30, 2016 has been duly certified by us

6. Figures related to previous years have been re-arranged whereever considered necessary

sd/

Dated : Dhaka
August 24,2017

Mahfel Huq & Co
Chartered Accountants

e) Calculation of Earnings Per share with Fully Diluted basis (With the total existing number of shares)

Net Profit After Tax	80,191,617
No of Shares	30,077,600
Earnings Per Share (EPS) -Fully Diluted Basis	**2.67**

f) All extra-ordinary income or non-recurring income coming from other than core operations should be shown separately while showing the Net Profit as well as the Earnings Per Share in Information Document- **Not Applicable**

g) Quarterly or Half yearly EPS should not be annualized while calculating the EPS for the purpose of presenting in Information Document; - **Not Applicable**

h) Any issuer who has revalued its asset within 24 months preceding direct listing/re-listing application shall show the Net Asset Value (NAV) with revaluation reserve and without revaluation reserve. - **Not Applicable**

AMAR STOCK