

**INDEPENDENT AUDITOR'S REPORT
AND
AUDITED FINANCIAL STATEMENTS
OF
ALPHA CLOTHING LIMITED
AS AT 31 MARCH 2024 AND FOR THE PERIOD
ENDED 31 MARCH 2024**



AHMED MASHUQUE & CO., *Chartered Accountants*

Navana Obaid Eternia
28-29 Kakrail (Level # 05, 13 & 14)
VIP Road, Dhaka-1000, Bangladesh
Tel : +880-2-58316931-39, Fax: +880-2-58316929
Email: info@ahmedmashuque.com, Web : www.ahmedmashuque.com
Member Firm of Crowe Global
www.crowe.com



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
ALPHA CLOTHING LIMITED**

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of ALPHA CLOTHING LIMITED (the Company), which comprise the statements of financial position as at 31 March 2024, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period than ended and notes, comprising significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2024 and its financial performance and its cash flows for the period than ended in accordance with International Financial Reporting Standards (IFRS's)

Basis for opinion

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

Emphasis of Matter-Basis of accounting and Restriction on distribution and use

We draw attention to Note 2.01 of the financial statements, which describes the basis of accounting. The financial statements have been prepared by the management of the company to assist Pearl Global (HK) Limited ('the parent companies') to meet the requirements of preparing the consolidated financial statements. As a result the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Framework and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



AHMED MASHUQUE & CO.

Chartered Accountants

www.ahmedmashuque.com

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Dated, 25 April 2024
Dhaka.

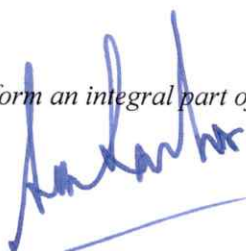

Ahmed Mashuque & Co.
Chartered Accountants


ALPHA CLOTHING LIMITED
Statement of financial position
as at 31 March 2024

	Notes	31-Mar-2024 Taka	31-Mar-2023 Taka
ASSETS			
Non-current assets		451,109,519	401,235,586
Property, plant and equipment	4	448,179,385	397,196,624
Right of use assets	5	2,217,244	3,547,591
Intangible assets	6	712,890	491,371
Current assets		803,016,724	737,534,276
Inventories	7	313,242,808	294,197,373
Trade receivables	8	114,319,195	76,343,335
Incentive receivables	9	4,092,311	13,530,944
Advances, deposits and pre-payments	10	90,055,039	23,611,618
Advance income tax	11	24,219,757	20,490,327
Cash and cash equivalents	12	257,087,614	309,360,679
Total assets		1,254,126,243	1,138,769,862
EQUITY AND LIABILITIES			
Equity		447,139,836	372,836,348
Share capital	13	172,885,300	172,885,300
Revaluation surplus	14	154,391,142	164,658,674
Retained earnings		119,863,394	35,292,374
Non-current liabilities		105,735,831	41,076,338
Long term loans (secured)-net off current maturity	15	72,881,920	20,387,815
Lease liabilities	16	1,044,444	2,498,584
Deferred tax liability	17	6,386,084	6,101,329
Employees' service benefit payable	18	25,423,383	12,088,610
Current liabilities		701,250,576	724,857,176
Trade payable	19	332,526,709	286,664,189
Lease liabilities-current portion	16	1,454,140	1,329,430
Current account with associates	20	-	19,094,598
Short term loan from bank	21	234,360,255	285,247,917
Liability for expenses and other payable	22	108,722,711	112,063,712
Provision for current income tax	23	24,186,761	20,457,330
Total equity and liabilities		1,254,126,243	1,138,769,862

Accompanying notes form an integral part of these financial statements.


Managing Director


Director


Finance Controller

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

Dated, 25 April 2024
Dhaka.


Ahmed Mashuque & Co.
Chartered Accountants

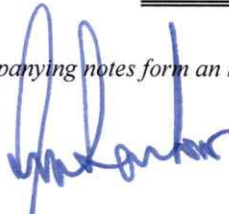



ALPHA CLOTHING LIMITED
Statement of profit or loss and other comprehensive income
for the period ended 31 March 2024

		<u>03 Months</u>	<u>12 Months</u>	<u>03 Months</u>	<u>07 Months</u>
		<u>01 Jan 2024</u>	<u>01 Apr 2023</u>	<u>01 Jan 2023</u>	<u>05 Sep 2022</u>
		<u>to</u>	<u>to</u>	<u>to</u>	<u>to</u>
		<u>31 Mar 2024</u>	<u>31 Mar 2024</u>	<u>31 Mar 2023</u>	<u>31 Mar 2023</u>
	<u>Notes</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Revenue		750,604,361	2,208,654,345	535,449,669	1,148,388,268
Less: Cost of goods sold	24	548,698,379	1,851,206,533	438,922,136	911,931,212
Gross profit/(loss)		201,905,982	357,447,812	96,527,533	236,457,056
Less: Administrative, selling and distribution expenses	25	69,834,336	241,946,489	49,264,502	104,965,033
Net profit/(loss) from operation		132,071,647	115,501,322	47,263,031	131,492,024
Less: Non operating expenses:					
Finance expense and bank charge	26	5,656,161	32,697,737	7,439,301	15,146,099
Interest on lease liabilities		61,385	290,570	90,854	196,846
Net profit/(loss) from operation		126,354,101	82,513,016	39,732,876	116,149,079
Add: Non operation income:					
Cash incentive income	27	86,383	8,984,368	6,358,860	15,367,745
Exchange gain		-	7,360,751	10,628,009	7,750,084
Bank interest		-	31	-	10
Net profit/(loss) for the year before tax		126,440,484	98,858,165	56,719,745	139,266,918
Less: Income tax expenses	28	7,802,549	21,482,095	6,789,097	14,030,144
Net profit/(loss) for the year after tax		118,637,935	77,376,070	49,930,648	125,236,774
Other comprehensive income	29	(1,657,104)	(10,267,532)	(1,850,824)	(4,354,389)
Total comprehensive income for the year		116,980,831	67,108,538	48,079,824	120,882,385

Accompanying notes form an integral part of these financial statements.

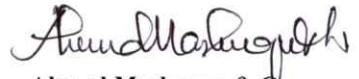
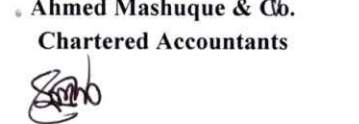

Managing Director


Director


Finance Controller

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

Dated, 25 April 2024
Dhaka.

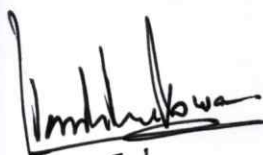

Ahmed Mashuque & Co.
Chartered Accountants


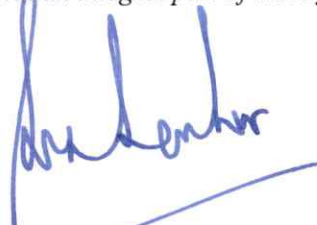


ALPHA CLOTHING LIMITED
Statement of changes in equity
for the period ended 31 March 2024

Particulars	Share capital	Revaluation surplus	Retained earnings	Total
Balance as at 01 April 2023	172,885,300	164,658,674	35,292,374	372,836,348
Less: Deferred tax for revaluation surplus (Note-14)	-	(3,141,629)	-	(3,141,629)
Less: Adjustment for depreciation	-	(5,468,799)	5,468,799	-
Add: Comprehensive income/(loss) for the year	-	-	(41,261,863)	(41,261,863)
Balance as at 31 December 2023	172,885,300	156,048,246	(500,691)	328,432,855
Balance as at 01 January 2024	172,885,300	156,048,246	(500,691)	328,432,855
Less: Deferred tax for revaluation surplus (Note-14)	-	69,046	-	69,046
Less: Adjustment for depreciation	-	(1,726,150)	1,726,150	-
Add: Comprehensive income/(loss) for the year	-	-	118,637,935	118,637,935
Balance as at 31 March 2024	172,885,300	154,391,142	119,863,394	447,139,836

Accompanying notes form an integral part of these financial statements.


Managing Director


Director

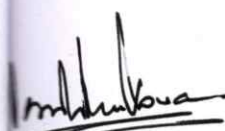

Finance Controller

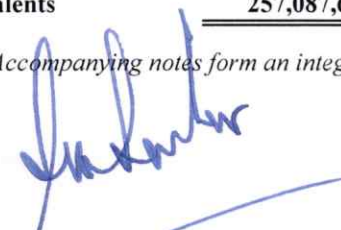


ALPHA CLOTHING LIMITED
Statement of cash flows
for the period ended 31 March 2024

	<u>03 Months</u>	<u>12 Months</u>	<u>03 Months</u>	<u>7 Months</u>
	<u>01 Jan 2024</u>	<u>01 Apr 2023</u>	<u>01 Jan 2023</u>	<u>05 Sep 2022</u>
	<u>to</u>	<u>to</u>	<u>to</u>	<u>to</u>
	<u>31 Mar 2024</u>	<u>31 Mar 2024</u>	<u>31 Mar 2023</u>	<u>31 Mar 2023</u>
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Cash flows from operating activities				
Cash receipts from the customers and others	813,729,980	2,200,857,483	598,145,164	1,243,805,368
Cash payment to employees, suppliers for goods and services	(589,431,059)	(2,117,255,332)	(367,065,604)	(1,005,294,504)
Income tax paid	(8,425,374)	(24,269,923)	(6,577,572)	(14,048,947)
Net cash used in operating activities	215,873,547	59,332,229	224,501,988	224,461,917
Cash flows from investing activities				
Acquisition of property, plant and equipment	(59,717,687)	(80,230,574)	(16,450,931)	(44,580,678)
Acquisition cost of intangible assets	(160,166)	(406,145)	-	(400,000)
Receipt from sales of motor vehicle	-	122,719	-	-
Net cash used in investing activities	(59,877,853)	(80,514,000)	(16,450,931)	(44,980,677)
Cash flows from financing activities				
Cash flows from bank financing with charges	(48,982,731)	(31,091,293)	(136,011,117)	(22,708,784)
Net cash flow from financing activities	(48,982,731)	(31,091,293)	(136,011,117)	(22,708,784)
Net increase in cash and cash equivalents (A+B+C)	107,012,963	(52,273,065)	72,039,940	156,772,456
Add: Opening balance of cash and cash equivalents	150,074,651	309,360,679	237,320,739	120,584,474
Closing balance of cash and cash equivalents	257,087,614	257,087,614	309,360,679	277,356,931

Accompanying notes form an integral part of these financial statements.


Managing Director


Director


Finance Controller



ALPHA CLOTHING LIMITED

Notes, comprising significant accounting policies and other explanatory information
as at 31 March 2024 and for the period ended to 31 March 2024

1 Reporting entity

1.01 Legal status of the company

ALPHA CLOTHING LIMITED is a private limited company by shares has been incorporated on 3rd April 2013 in Bangladesh under the Companies Act, 1994 vide incorporation no. # C-108337/13. BOI Registration No. J-173013054080-H.

1.02 Registered office

The registered office of the company is located at Tenguri, BKSP, Ashulia, Savar, Dhaka, Bangladesh.

1.03 Nature of business

The prime objective of the company is to carry on the business of manufacture readymade garments item and allied products. The company is a 100% export oriented garments industry.

2 Basis of preparation of financial statements

2.01 Statement of compliance

The shareholding position of the company has been re-structured and the Pearl Global (HK) Ltd. has become the shareholder of 1,323,305 shares. These financial statements have been prepared by the management of the company to assist Pearl Global (HK) Limited ('the parent companies') to meet the requirements of preparing the consolidated financial statements.

As required by the Group, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows have prepared for the period ended 31 March 2024 and the statement of financial position has prepared on 31 March 2024.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The title of format of financial statements follow the requirements of IFRS.

2.02 Basis of measurement

The financial statements have been prepared under accrual basis of accounting.

2.03 Comparative information

Comparative information has been disclosed for all numerical, narrative and descriptive information where it is relevant for understanding of the current period's financial statements. Comparative figures have been rearranged wherever considered necessary, to ensure better comparability with the current period's financial statements and to comply with relevant IFRSs.

2.04 Directors' responsibility statement

The Board of Directors takes the responsibility for the preparation and fair presentation of these financial statements.



2.05 Components of financial statements

- (i) Statement of financial position as at 31 March 2024;
- (ii) Statement of profit or loss and other comprehensive income for the period ended 31 March 2024;
- (iii) Statement of changes in equity for the period for the period ended 31 March 2024;
- (iv) Statement of cash flows for the period ended 31 March 2024; and
- (v) Notes, comprising significant accounting policies and other explanatory information as at 31 March 2024 and for the period ended 31 March 2024.

2.06 Use of estimates and judgments

The preparation of financial statements in conformity with the IFRSs, including IASs, require management to make judgements estimates and assumptions that affect the application of accounting policies and the 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 statements.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, Any revision of accounting estimates are recognized in the period in which the estimate is revised and in any future period affected.

In particular, the key areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, inventory valuation, accrued expenses etc.

3 Significant accounting policies

3.01 Property, plant and equipment

3.1.1 Recognition and measurement

The items of Property, plant and equipment are measured at cost or revaluation less accumulated depreciation. The following items were revalued on September 2021:

Land and land development

Factory building

The valuation was done by the firm of professional valuer "City Engineering & Builder Limited" on the basis of applicable methods including market value based method, premised on the accompanying narrative information and valuation methodology. The revaluation surplus has been initially recognized as a separate items of statement of changes in equity and subsequently the amount will be transferred to retained earnings on disposed of or charging depreciation time to time. Cost represent cost of construction or acquisition and include purchase price and other directly attributable cost of bringing the assets to carrying conditions for its intended use.

3.1.2 Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognized as an expense, when ever they incurred.

3.1.3 Depreciation

Land is held on a free hold basis and is not depreciated considering the unlimited life. In respect of all other fixed assets, depreciation is provided to amortize the cost of the assets over their expected useful economic lives after commissioning. Depreciation is charged on fixed assets on reducing balance method. The rates at which assets are depreciated depending on the nature and estimated useful life of assets are given below:



<u>Particulars</u>	<u>Rate of depreciation</u>
Land and land development	0%
Factory building	10%
Plant and machineries	15%
Motor vehicle	20%
Furniture and fixture	10%
Computer and computer equipment	20%
Office equipment	15%
Capital work in progress	0%

3.1.4 Impairment of Assets

As per management assessment no fact and circumstances indicate that company's assets including property, plant and equipment may be impaired.

3.02 Cash and cash equivalents

Cash and cash equivalents comprises cash in hand and cash at bank free of encumbrance except for the balances held into the back to back margin account for making the payment against back to back L/Cs.

3.03 Provisions

Provision are recognized when the company has a present obligation as a result of a past event, and it is probable that the company will be required to settle the obligation at the statement of financial position date.

3.04 Materiality and aggregation

Each material class of similar items are presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

3.05 Taxation

Current Tax:

As per SRO No 44-Law/Income Tax-25/2024 dated 04 March 2024, the rate of income tax on the garments export business of the company is 10% due to the company has Leadership in Energy and Environmental Design (LEED) Certificate. Further, the tax deducted at source by the banks on export proceeds realized is considered as minimum tax subject to the condition laid in section 163 of the Income Tax Act 2023.

Deferred Tax:

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes.

3.06 Revenue recognition

Sales of goods

The Company has applied IFRS 15 "Revenue from Contracts with Customers" for annual reporting periods beginning on or after 01 January 2018. IFRS 15 provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognized when or as those performance obligations are satisfied.

The new standard is based on the principle that revenue is recognized when control of goods or services transfers to a customer, so the concept of control replaces the existing concept of risks and rewards. This standard combines, enhances and replaces specific guidance on recognizing revenue with a single standard. A new five-step process must be applied before revenue from contract with customer can be recognized:



- i) Identify the contracts with customers;
- ii) Identify the separate performance obligation;
- iii) Determine the transaction price of the contract;
- iv) Allocate the transaction price to each of the separate performance obligations; and
- v) Recognize the revenue as each performance obligation is satisfied.

In compliance with the requirements of IFRS 15, revenue from customers against sales are recognized when products are on board/dispatched to customers, that is when the significant risk and rewards of ownership are transferred to the buyers, recovery of the consideration are confirmed, the associated costs and possible return of goods can be estimated reliably, and management has no control on the goods.

3.07 Statement of cash flows

Statement of cash flows is prepared in accordance with IAS-7 "Statement of Cash Flows " under direct method.

3.08 Foreign currency

Foreign currency transactions are translated into Bangladeshi taka at the rates ruling on the transaction date in accordance with the IAS-21 "The Effects of Changes in Foreign Exchange Rates"

3.09 Inventories

Inventories are valued in accordance with IAS - 2 "Inventories" at lower of cost or net realizable value. Cost is determined following weighted average cost method. The cost of raw and packing materials comprise of expenditures incurred in the normal course of business in bringing these items to their present location and condition. The cost of finished goods comprises of cost of raw materials, packing materials, direct labor and production related overheads (based on normal capacity). Net realizable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

3.10 Financial Instruments

Financial assets and liabilities are recognized on the Statement of Financial Position when the company has become a party to a contractual provision of the instrument.

• Receivables

i) Recognition and Measurement-

Trade receivable consists of due proceeds against sales through L/C with a tenure of 60 days to 120 days and realizable at the maturity date.

ii) Bad and Doubtful Debts-

The Company does not have bad and doubtful debts because its sales/export are based on 100% confirm letter of credit with fixed maturity date.

3.11 Advances, deposits and pre-payments

(a) There was no amount due from the Directors (Including Managing Director), Managing Agent, Manager and other Officers of the Company and any of them severally or jointly with any other person.

(b) There was no amount due by the associated undertaking.

(c) The advances, deposits considered good and recoverable.

3.12 Contribution to Workers' Profit Participation and Welfare Fund

As per section 232 (3) of the Bangladesh Labour Act 2006 and Rule 212 of the labour Rules 2015, the Government has established a "Central Fund" for workers profit participation and welfare in 100% export oriented RMG sector. With effect from 01 July 2016, 0.03% of the export proceeds are deducted and deposited to the fund by the concerned bank receiving such export proceeds. The amount are contributed to "Central Fund" has been recognised as expences of the company.



3.13 Employee benefits

Short-term Employee Benefits

Short-term employee benefits are employee benefits (other than termination benefits) that are due to be settled within twelve months after the end of the period in which the employees render the related service.

Festival Bonus

The company recognizes the cost of festival bonus payment when it has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made under IAS 19: Employees Benefit. Festival bonus is a present obligation of the company as it has no realistic alternative but to make the payment.

Employees' service benefit

The company also maintains an unfunded Employees' service benefit scheme for its permanent employees except for the employees employed on contractual basis. Employees are entitled to receive Employees' service benefit after completion of their minimum five years' service in respect of the employees eligible for this benefit.

Leave Encashment

The company also maintains a leave encashment scheme for its permanent employees except for the employees employed on contractual basis. Employees are entitled to receive leave encashment benefit at the time of separation from employment.

3.14 Right of use assets and lease liability

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Recognition

A right-of-use asset and a lease liability is recognized by the company at the commencement date.

Measurement

Initial measurement of the right-of-use asset

At the commencement date, the right-of-use asset are measured at cost.

Initial measurement of the lease liability

At the commencement date, the lease liabilities are measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease/incremental borrowing rate which is 9%.

Subsequent measurement of the right-of-use asset

After the commencement date, the right-of-use asset are measured applying a cost model.

Cost model

To apply a cost model, a lessee shall measure the right-of-use asset at cost:

a) less any accumulated depreciation and any accumulated impairment losses; and



b) adjusted for any remeasurement of the lease liability.

The straight-line depreciation is applying as per requirements in IAS 16 Property, Plant and Equipment is applied in depreciating the right-of-use asset.

IAS 36 Impairment of Assets is applied to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Subsequent measurement of the lease liability

After the commencement date, the lease liabilities are measured by:

- (a) increasing the carrying amount to reflect interest on the lease liability;
- (b) reducing the carrying amount to reflect the lease payments made; and
- (c) remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

Deferred tax application

The difference between the lease liability payment and depreciation on right of use of asset that has been reflected in the statement of comprehensive income is an accounting difference. For deferred tax calculation, the difference has been considered as permanent difference.

3.15 Contingent liabilities and assets

Current or possible obligations or assets arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain events which are not within the control of the company.

3.16 Events after the Reporting Period

As per IAS-10 "Events after the Reporting Period" are those event favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. There are no events after the end of the reporting period.

3.17 Accounting policies, changes in accounting estimates and errors

As per IAS-8 "Accounting Policies, Changes In Accounting Estimates and Errors" shall be applied in selecting and applying accounting policies, and accounting for changes in accounting policies, changes in accounting estimates and correction of prior period errors. The company maintain the provision of this standard as required.

3.18 General

Previous year's figures have been regrouped/reclassified wherever considered necessary to conform to current year's presentation. Figures have been rounded off to the nearest Taka as the currency represented in these financial statements.

This space is intentionally left blank.



	31-Mar-2024	31-Mar-2023
	<u>Taka</u>	<u>Taka</u>
4 Property, plant and equipment (PPE)		
Cost	462,295,903	383,023,830
Less: Accumulated depreciation	174,940,624	153,846,263
Carrying value as at 31.03.2024	287,355,279	229,177,567
Carrying value of revalued assets	160,824,106	168,019,057
Carrying value after revaluation as at 31.03.2024	448,179,385	397,196,624
Details of property, plant and equipment and depreciation as at 31 March 2024 are shown in Schedule-A.		
5 Right of use assets		
Opening balance	3,547,591	3,291,847
Addition during the period	-	1,100,638
Depreciation during the period	(1,330,347)	(844,894)
Closing balance	2,217,244	3,547,591
Detail are described in Note 3.14		
6 Intangible assets (Software)		
Opening balance	491,371	163,246
Addition during the period	245,979	400,000
	737,350	563,246
Less: Amortization @ 30%	184,626	71,875
	552,724	491,371
Add. Capital work in progress	160,166	-
Closing balance	712,890	491,371
7 Inventories		
Raw materials and packing materials	131,430,647	110,992,964
Work-in-process	155,010,578	57,355,056
Finished goods	24,145,317	125,849,353
Spares, Stores & Consumables	2,656,265	-
Total	313,242,808	294,197,373
8 Trade receivables		
Receivables from Related Parties	114,319,194	76,343,335
Closing balance	114,319,195	76,343,335
This represents invoice value of goods exported to the buyer under sales contracts. This is considered good and collectible. No amount was written off as bad and no provision has been made for doubtful debt.		
9 Incentive receivables		
Opening balance	13,530,944	11,949,116
Add: Incentive income during the period	8,984,368	21,062,828
	22,515,312	33,011,944
Less: Realization during the period	18,423,001	19,481,000
Closing balance	4,092,311	13,530,944



	31-Mar-2024	31-Mar-2023
	<u>Taka</u>	<u>Taka</u>
10 Advances, deposits and pre-payments		
Security deposit	1,943,855	1,501,855
LC margin	4,640,571	674,088
Advance against suppliers	49,506,569	15,769,572
Advance against salary and wages	5,933,750	2,999,000
Prepaid expenses	13,960,652	1,377,604
Prepaid insurance	1,435,394	-
Other advances	12,634,249	1,289,499
Total	90,055,039	23,611,618
11 Advance income tax		
Opening balance	20,490,327	27,722,243
Addition during the period	24,186,759	20,490,327
Adjustment during the period	(20,457,330)	(27,722,243)
Closing balance	24,219,757	20,490,327
The balance of advance income tax not adjusted yet due to income tax assessment has not been completed.		
12 Cash and cash equivalents		
Cash in hand	1,738,133	592,725
Funds-In-Transit	-	32,003,748
Cash at bank	255,349,481	276,764,206
Total	257,087,614	309,360,679
12.1 Cash at bank		
AB Bank Limited (SND AC # 4004-785938-430)	258	824
AB Bank Limited (STD AC # 4004-785938-431)	258	255
AB Bank Limited (STD AC # 4004-785938-432)	345	912
AB Bank Limited (CD AC # 4004-785938-000)	716	4,866
Dutch Bangla Bank Limited (AC # 1161100024351)	403,998	131,260
City Bank (Margin AC # 1000241001373)	24,568,240	-
City Bank (ERQ AC # 5123903689001)	1,913,507	-
City Bank Limited-1103903689001	1,622,485	-
UCBL Fixed Deposit	900,000	-
UCBL (CD A/C # 0951101000012614)	11,740,496	883,000
UCBL (ERQ FC # -0951181000000180)	11,101,768	3,827,804
UCBL (BTB Margin # 0951184000000298)	203,097,410	271,915,285
Total	255,349,481	276,764,206
13 Share capital		
Authorized share capital	200,000,000	200,000,000
(2,000,000 ordinary shares @ Tk.100 each)		
Issued, subscribed and paid up share capital	172,885,300	172,885,300
(1,728,853 ordinary shares @ Tk. 100 each)		
Details of issued, subscribed and paid up share capital is as follows:		
Pearl Global (HK) Ltd.	132,330,500	90,086,000
(1,323,305 ordinary shares @ Tk. 100 each)-31.12.2023		
(900,860 ordinary shares @ Tk. 100 each)-31.03.2023		
Mr. Pareshkumar Suryakumar Powani	40,554,800	82,799,300
(405,548 ordinary shares @ Tk. 100 each)-31.12.2023		
(827,993 ordinary shares @ Tk. 100 each)-31.03.2023		
Total	172,885,300	172,885,300



	31-Mar-2024	31-Mar-2023
	<u>Taka</u>	<u>Taka</u>
14 Revaluation Surplus		
Opening balance	164,658,674	170,441,432
Adjustment for deferred tax	(3,072,583)	118,015
Adjustment for depreciation	(7,194,949)	(5,900,773)
Total	154,391,141	164,658,674
15 Long term loans (secured)-net off current maturity		
Term loan- 095SHPL221600001	203,312	963,458
Term loan- 095SHPL221430001	139,355	919,389
Term loan 095SHPL213290001	-	318,822
Term loan 095STLN213210001	-	576,626
Term Loan- 095STLN231700001	72,539,253	-
Term loan (Take over) 095STLN212360001	-	17,609,521
Total	72,881,920	20,387,815

This represents that portion of present outstanding balances of the above term loans which are payable after twelve months from the balance sheet date. The position of the loans are regular. The amount of loans which are payable within 12 months are considered as current liability and disclosed in Note-21.

16 Lease liabilities		
Opening balance	3,828,014	3,370,530
Addition during the period	290,570	1,272,205
Less: Paid during the period	1,620,000	814,721
	2,498,583	3,828,014
Less: Current portion of lease liability	1,454,140	1,329,430
Closing balance	1,044,444	2,498,584
Detail are described in Note 3.14		

17 Deferred tax liability

Deferred tax has been recognized and measured in accordance with the provision of IAS 12, Income taxes.

Deferred tax arrived at 31 March 2024 as follows:

	Carrying Amount as at 31 Mar 2024	Tax base as at 31 Mar 2024	Taxable/(deducta ble)Temporary difference
PPE except land, revaluation surplus of land & factory building	165,624,778	140,926,137	24,698,641
Intangible assets	712,890	456,946	255,943
Employees' service benefit	25,423,383	-	(25,423,383)
Temporary difference except revaluation surplus of land and factory building			(468,798)
Revaluation surplus on land and factory building			160,824,107
Total temporary difference			160,355,308



Deferred tax liability as at 31 Mar 2024	Equity	P&L	Total
Deferred tax on PPE except land @ 10%	-	(46,880)	(46,880)
Deferred tax on land @ 4% u/s 125	6,432,964	-	6,432,964
Deferred tax liability as at 31 Mar 2024	6,432,964	(46,880)	6,386,084
Changes in deferred tax liability	Equity	P&L	Total
Balance as at 31 Mar 2024	6,432,964	(46,880)	6,386,084
Balance as at 31 Mar 2023	3,360,381	2,740,948	6,101,329
Deferred tax expenses/(income)	3,072,583	(2,787,828)	284,755

Deferred tax liability at 31 March 2023 as follows:

	Carrying Amount as at 31 March 2023	Tax base as at 31 March 2023	Taxable/(deductible) Temporary difference
PPE except land, revaluation surplus of land & factory building	167,229,379	127,983,367	39,246,011
Intangible assets	491,371	239,295	252,076
Employees' service benefit	12,088,610	-	(12,088,610)
Temporary difference except revaluation surplus of land and factory building			27,409,478
Revaluation surplus on land and factory building			168,019,057
Total temporary difference			195,428,535

Deferred tax liability as at 31 March 2023	Equity	P&L	Total
Deferred tax on PPE except land @ 10%	-	2,740,948	2,740,948
Deferred tax on land @ 2% u/s 53H	3,360,381	-	3,360,381
Deferred tax liability as at 31 March 2023	3,360,381	2,740,948	6,101,329
Changes in deferred tax liability	Equity	P&L	Total
Balance as at 31 March 2023	3,360,381	2,740,948	6,101,329
Balance as at 30 June 2022	3,478,397	2,657,226	6,135,623
Deferred tax expenses/(income)	(118,015)	83,721	(34,294)

	31-Mar-2024	31-Mar-2023
	<u>Taka</u>	<u>Taka</u>
18 Employees' service benefit payable		
Opening balance	12,088,610	6,574,956
Add: Provision/Adjustment for the period	14,763,814	6,482,234
	26,852,424	13,057,190
Less: Payments to retired employees	1,429,041	968,580
Closing balance	25,423,383	12,088,610
19 Trade payable		
Trade Payables	332,526,709	286,664,189
Total	332,526,709	286,664,189

The company has obtained BTB liability from United Commercial Bank Ltd. for importing of fabrics and accessories for execution of export orders. The validity of each L/C shall be at sight or Usance up to 180 days as per the Guidelines for Foreign Exchange Transactions of Bangladesh Bank. BTB L/C opening commission is fixed at 0.30% flat per quarter for 180 days both for Opening & Acceptance each. These liabilities are to be settled from relative export proceeds or from own source. Details of securities are given in Note-21.05.



		31-Mar-2024	31-Mar-2023
		<u>Taka</u>	<u>Taka</u>
20 Current account with associates			
Norp Knit Industries Ltd.		-	19,094,598
Total		-	19,094,598
21 Short term loan from bank			
Overdraft-United Commercial Bank Limited	(Note 21.1)	22,534,591	27,140,851
UCBL Working Capital Loan	(Note 21.2)	83,106,791	43,884,375
Overdraft-City Bank Limited	(Note 21.3)	30,204,952	-
Working capital Loan	(Note 21.4)	26,937,009	-
EDF loan-UCBL		41,919,269	171,631,648
Current Portion of long term loan		29,657,643	42,591,043
Total		234,360,255	285,247,917
21.1	The company has obtained Overdraft loan from United Commercial Bank Ltd. Corporate Branch, Gulshan Avenue, Dhaka to meet up the working capital requirement of the company and the rate of interest is applicable 12% to 14% p.a quarterly basis subject to change of smart rate. Details of securities are given in Note-21.5.		
21.2	The company has obtained Working capital loan i.e. Time loan, PC loan and other working capital loan from United Commercial Bank Ltd. Corporate Branch, Gulshan Avenue, Dhaka to meet up the additional working capital requirement of the company and the rate of interest is applicable 12% to 14% p.a subject to change of smart rate. Details of securities are given in Note-20.5.		
21.3	The company has obtained Overdraft loan from the City Bank Ltd. Corporate Branch, Gulshan Avenue, Gulshan-2, Dhaka to meet up the working capital requirement of the company and the rate of interest is applicable 12% to 14% p.a quarterly basis subject to change of smart rate.. Details of securities are given in Note-21.5.		
21.4	The company has obtained Working capital Loan fromThe City Bank Ltd. Corporate Branch, Gulshan Avenue, Gulshan-2, Dhaka to meet up the additional working capital requirement of the company and the rate of interest is applicable 12% to 14% p.a subject to change of smart rate. Details of securities are given in Note-21.5.		
21.5	Securities arrangement for loans		
	The security agreements of the loan are, the Hypothecation of fixed and floating assets including plant, machineries and equipments, raw materials, packing materials, work in process, finished goods, goods in transit, debts and receivable and as collateral a) Registered mortgage on 76 decimal land with factory building thereon located at Dist: Dhaka, PS: Ahsulia, Mouza: Tenguri, Plot no. CS & SA-48 & 523, RS-38 & Dag No.-70, RS-20 & BS 41/999 and Dag No. 933/936 owned by Alpha Clothing Ltd.; b) Continuation of registered mortgage on 25.50 decimal land thereon located at Dist: Dhaka, PS: Savar Sub registry office: Ashulia, Mouza: Tenguri, Mouza No. CS-523, RS-38, Khatian No-1, SA-1, R.S-1, Mutation khatian-416 and Joth-412. CS & SA Dag No.-68, RS-42 owned by Alpha Clothing Ltd.; c) Continuation of registered mortgage on 18.25 decimal land thereon located at Dist: Dhaka, PS: Ashulia & Sub registry office: Ashulia, Mouza: Tenguri, CS-523, RS-38, Khatian No.-CS-48, SA-61, RS-20, Plot No.-CS & SA-70, RS-41 owned by Alpha Clothing Ltd.		



	31-Mar-2024	31-Mar-2023
	<u>Taka</u>	<u>Taka</u>
22 Liability for expenses and other payable		
Provision for Audit and professional fees	684,927	461,433
Trade, Employee & Other Payable	189,619	-
Withholding tax payable	3,402,617	695,126
Interest payable	5,289,989	1,148,576
Un-Invoiced Vendor Liability	42,324,522	72,666,670
Provision for leave encashment (Note: 22.1)	9,334,186	8,016,843
Salary, allowance and overtime payable	47,496,850	29,075,063
Total	108,722,711	112,063,712
22.1 Provision for leave encashment		
Opening balance	8,016,843	11,641,635
Add: Provision/Adjustment for the period	2,712,133	4,098,344
	10,728,976	15,739,979
Less: Payments to employees	1,394,790	7,723,136
Closing balance	9,334,186	8,016,843
23 Provision for current income tax		
Opening balance	20,457,330	27,731,671
Addition during the period	24,186,760	20,457,329
Adjustment during the period	(20,457,330)	(27,731,670)
Closing balance	24,186,761	20,457,330

This space is intentionally left blank.



		03 Months	12 Months	03 Months	07 Months
		01 Jan 2024	01 Apr 2023	01 Jan 2023	05 Sep 2022
		to	to	to	to
		31 Mar 2024	31 Mar 2024	31 Mar 2023	31 Mar 2023
		Taka	Taka	Taka	Taka
24 Cost of goods sold					
Raw material consumed	Note 24.1	359,916,291	1,309,787,201	295,738,614	707,363,969
Wages		114,301,423	332,537,146	61,938,290	135,940,406
Manufacturing expenses	Note 24.2	50,871,769	204,833,673	32,368,151	72,263,481
Cost of goods manufactured		525,089,483	1,847,158,020	390,045,055	915,567,856
Add: Opening work in process		176,983,563	57,355,056	70,876,292	33,051,458
Less: Closing work in process		155,010,578	155,010,578	57,355,056	57,355,056
Cost of production		547,062,468	1,749,502,497	403,566,291	891,264,258
Add: Opening finished goods		25,781,227	125,849,353	161,205,199	146,516,308
Less: Closing finished goods		24,145,317	24,145,317	125,849,353	125,849,353
Total cost of goods sold		548,698,379	1,851,206,533	438,922,136	911,931,212
24.1 Raw material consumed					
Opening inventory		202,980,897	110,992,964	110,597,979	53,578,692
Purchases during the period		288,366,037	1,330,224,880	296,133,599	764,778,241
Closing inventory		131,430,642	131,430,642	110,992,964	110,992,964
		359,916,291	1,309,787,201	295,738,614	707,363,969
24.2 Manufacturing expenses					
Testing charges		2,859,730	11,218,542	2,201,133	4,777,764
Clearing & Forwarding inward charges		6,212,587	25,476,043	5,613,745	11,699,479
Courier - Input		648,775	4,561,939	588,564	2,566,532
Power & fuel		6,438,302	23,220,089	4,274,354	9,798,831
Rental expenses		724,737	2,868,948	634,737	1,494,431
Processing charges		19,282,777	82,347,919	7,044,776	14,994,052
Machinery hire charges		645,369	2,385,054	516,786	1,596,913
Stores, Spares & Maintenance		5,922,820	19,463,976	3,207,011	7,111,790
Insurance expenses		1,881,238	7,317,420	1,682,631	3,413,079
Factory cleaning & upkeep		257,744	1,124,720	216,780	391,652
Depreciation (FO)		5,997,690	24,849,023	6,387,634	14,418,958
Total		50,871,769	204,833,673	32,368,151	72,263,481
25 Administrative, selling and distribution expenses					
Salary and allowance		46,540,198	166,202,772	32,870,062	71,379,336
Audit and professional fees		2,053,075	4,913,180	1,069,132	2,231,250
Office rent		67,104	268,416	199,104	453,224
Communication expenses		1,244,372	2,974,330	512,310	908,829
Courier & postage		2,032,644	8,164,870	2,363,749	4,353,949
Office stationery		865,930	8,305,482	2,093,107	5,058,483
Miscellaneous expenses		157,548	3,862,356	342,500	1,123,482
Travelling expenses		469,023	1,934,628	432,204	868,264
Staff welfare exp.		989,133	3,611,940	395,395	881,131
Car Hire Charges & Vehicle Fuel		3,708,951	13,919,345	2,899,149	5,888,282
Recruitment Expense		24,259	73,299	35,254	61,215
License, registration and renewal fees		245,363	607,728	97,862	246,484
Overseas travelling		873,777	3,073,183	451,277	2,186,059
Clearing & forwarding outward		4,755,051	15,290,896	4,378,348	6,985,692
Made sample expenses		8,242	267,731	-	-
Exchange loss		1,507,716	-	-	-

Air Freight Charges	2,685,289	2,685,289	-	-
Depreciation on right of use assets	332,587	1,330,348	332,587	684,316
Depreciation of tangible assets	1,229,390	4,276,070	753,210	1,592,018
Amortization of intangible assets	44,683	184,626	39,252	63,019
Total	69,834,336	241,946,489	49,264,502	104,965,033

	03 Months	12 Months	03 Months	07 Months
	01 Jan 2024	01 Apr 2023	01 Jan 2023	05 Sep 2022
	to	to	to	to
	31 Mar 2024	31 Mar 2024	31 Mar 2023	31 Mar 2023
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
26 Finance expense and bank charge				
Interest on Long Term Loan	(2,225,084)	4,346,530	1,544,149	1,280,923
Interest on Overdraft	984,515	3,181,860	747,180	1,386,834
Bank Charges	706,586	3,181,458	543,481	1,167,032
Interest on Short Term Loan	3,024,733	9,556,061	3,065,162	8,186,605
Bank Charges-LC	3,165,411	12,431,828	1,539,329	3,124,705
Total	5,656,161	32,697,737	7,439,301	15,146,099
27 Cash incentive income				
Government Incentive Income	86,383	8,984,368	6,358,860	15,367,745
Total	86,383	8,984,368	6,358,860	15,367,745
27.1 The amount of cash incentive income for the period arisen from claim to bank which is disclosed in Note-9. As per SRO 253-AIN/IT-09/2023 dated 23 August 2023 the tax liability will be arisen when the amount is realized. So, no tax applicable on unrealized amount of cash incentive during the year.				
28 Income tax expenses				
Current tax expenses	8,425,374	24,269,923	6,560,145	14,031,520
Deferred tax expenses/(income) (Note-17)	(622,825)	(2,787,828)	228,952	(1,376)
Total	7,802,549	21,482,095	6,789,097	14,030,144
29 Other comprehensive income				
Deferred tax for revaluation surplus (Note-17)	69,046	(3,072,583)	37,772	88,865
Depreciation of revalued assets	(1,726,150)	(7,194,949)	(1,888,596)	(4,443,254)
Total	(1,657,104)	(10,267,532)	(1,850,824)	(4,354,389)

This space is intentionally left blank.



30 Particulars of employee

	31-Mar-2024	31-Mar-2023
	<u>Taka</u>	<u>Taka</u>
Nationality:		
Bangladeshi	2,098	1,848
Non-Bangladeshi	9	8
Total	2,107	1,856
Salary range:		
Monthly Taka 3,000 or above	2,107	1,856
Monthly below Taka 3,000	-	-
Total	2,107	1,856

31 Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The company has exposure to the following risks from its use of financial instruments:

- Credit risks
- Liquidity risks
- Market risk
- **Credit risk:**

Credit risk is the risk of a financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

In monitoring credit risk, debtors are grouped according to their risk profile, i.e. their legal status, financial condition, ageing profile etc. Accounts and other receivables are mainly related to the Company's buyers. The company's exposure to credit risk on accounts receivables is mainly influenced by the individual payment characteristics of credit purchaser. Credit risk does not arise in respect of any other receivables.

a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31-Mar-2024	31-Mar-2023
	<u>Taka</u>	<u>Taka</u>
Trade receivables	114,319,195	76,343,335
Incentive receivables	4,092,311	13,530,944
Advances, deposits and pre-payments	90,055,039	23,611,618
Cash and cash equivalents except cash in hand	255,349,481	308,767,954
Total	463,816,026	422,253,851



• **Liquidity risk:**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's approach to managing liquidity (cash and bank balances) is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses.

Typically, the Company ensures that it has sufficient cash and bank balances to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, based on time line of payment of the financial obligation and accordingly arranging for sufficient liquidity/fund to make the expected payment within due date.

In extreme stressed conditions, the Company may get support from the shareholders in the form of shareholder's loan/capital contribution.

The following are the contractual maturities of financial liabilities :

	<u>31-Mar-2024</u>	<u>31-Mar-2023</u>
	<u>Taka</u>	<u>Taka</u>
Trade payable	332,526,709	286,664,189
Current account with associates	-	19,094,598
Short term loan from bank	234,360,255	285,247,917
Liability for expenses and other payable	24,186,761	20,457,330
Total	591,073,725	611,464,034

• **Market risk**

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

Currency risk

Transaction risk

Transaction risk arises from risk of adverse exchange rate movements occurring in the course of normal international transaction.

Interest rate risk

Interest rate risk arises from movement in interest rates. The company needs to manage interest rate risk so as to be able to repay debts as they fall due and to minimise the risks surrounding interest payments and receipts.



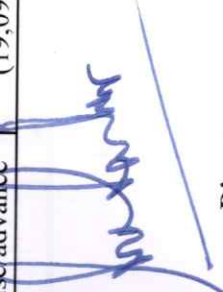
32 Related Party Transactions

During the period the company entered in to related party Transaction in normal course of business. Details are as follows:

SL	Name	Relation	Nature of transaction	Balance as at 01 April 2023		Transaction during the period		Balance as at 31 March 2024
				Receivable/ (Payable)		Debit	Credit	Receivable/ (Payable)
1	Pearl Global (HK) Limited	Related party	Export Sales/Advance	(3,773,129)		344,861,546	305,340,452	35,747,965
2	Pearl Grass Creations Ltd.	Related party	Export Sales	9,770,292		387,316,785	383,425,572	13,661,505
3	PEARL GLOBAL USA, INC.	Related party	Export Sales	-		459,333,567	436,736,269	22,597,298
			Expense/advance	-		287,373	287,373	-
4	Trinity Clothing Limited	Related party	Export Sales	70,346,171		918,104,471	965,072,628	23,378,014
5	PEARL GLOBAL INDUSTRIES LTD.	Related party	Expense	-		3,615,679	3,632,850	17,171
6	PEARL GLOBAL INDUSTRIES FZCO	Related party	Export Sales	-		18,934,413	-	18,934,413
7	Norp Knit Industries Limited	Related party	Expense/advance	(19,094,598)		42,103,006	23,008,409	-



Managing Director



Director



Finance Controller



ALPHA CLOTHING LIMITED

Schedule of property, plant and equipment (PPE)

as at 31 March 2024 and for the period from 01 January 2024 to 31 March 2024

Depreciation schedule on historical cost					Amount in Taka		
ASSETS	COST		Total as at 31.03.2024	Rate	DEPRECIATION		Carrying Value 31.03.2024
	As at 01.01.2024	Addition during the Period			As at 01.01.2024	Charged during the Period	
Land and land development	61,186,230	-	61,186,230	0%	-	-	61,186,230
Factory building	130,943,551	-	130,943,551	10%	55,724,708	1,875,318	73,343,525
Plant and machineries	158,303,448	-	158,303,448	15%	94,228,635	2,396,222	61,678,591
Motor vehicle	4,262,224	-	4,262,224	20%	2,123,083	106,664	2,032,477
Furniture and fixture	9,007,685	44,391	9,052,076	10%	3,078,694	147,915	5,825,467
Computer and computer equipment	10,141,233	656,907	10,798,140	20%	1,271,694	444,371	9,082,075
Office equipment	27,193,465	12,500	27,205,965	15%	13,012,881	530,440	13,662,644
Capital work in progress	1,540,381	59,003,889	60,544,270	0%	-	-	60,544,270
Total as on 31.03.2024 (A)	402,578,216	59,717,687	462,295,903		169,439,694	5,500,930	287,355,278
Total as on 31.03.2023 (C)	339,042,790	43,981,040	383,023,830		138,693,242	15,153,021	229,177,567

Depreciation schedule on Revaluation Surplus

Depreciation schedule on Revaluation Surplus							
ASSETS	COST			DEPRECIATION			Carrying Value 31.03.2024
	As at 01.01.2024	Addition during the Period	Total as at 31.03.2024	Rate	As at 01.01.2024	Charged during the Period	
Land and land development	93,314,610	-	93,314,610	0%	-	-	93,314,610
Factory building	86,965,965	-	86,965,965	10%	17,730,318	1,726,150	19,456,468
Total as on 31.03.2024 (B)	180,280,575	-	180,280,575		17,730,318	1,726,150	160,824,107
Grand Total as on 31.03.2024 (A+B)	582,858,791	59,717,687	642,576,478		187,170,013	7,227,080	448,179,385
Total as on 31.03.2023 (D)	180,280,575	-	180,280,575		6,360,745	5,900,773	168,019,057
Grand Total as on 31.03.2023 (C+D)	519,323,365	43,981,040	563,304,405	-	145,053,987	21,053,794	397,196,624

Depreciations are charged as follows:

01 Jan 2024 to 01 Apr 2023

to

31 Mar 2024 to 31 Dec 2023

Manufacturing expenses (A)	5,997,690	18,851,333
Administrative expenses (B)	1,229,390	3,046,680
Total depreciation	7,227,080	21,898,013

A. Manufacturing expenses

Factory building
Plant & Machineries

3,601,468
2,396,222
5,997,690

B. Administrative expenses

Motor Vehicle
Furniture & Fixture
Computer & Computer Equipment
Office Equipment

106,664
147,915
444,371
530,440
1,229,390

