NORP KNIT INDUSTRIES LIMITED

Vill:North Khailkur, P.O: National University, Gazipur.

Report and Financial Statements
For the year ended on 31 March, 2016

জি, বিশ্বাস এন্ড কোং
G. BISWAS & CO.
CHARTERED ACCOUNTANTS
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AUDITORS' REPORT
TO THE SHAREHOLDERS OF

NORP KNIT INDUSTRIES LTD.

We have audited the accompanying Balance Sheet of **Norp Knit Industries Limited.** as of 31 March, 2016 and the related Profit & Loss Account for the year ended on 31 March, 2016 and Cash Flow Statement and Statement of Changes in Equity for the year then ended. The preparation of these statements is the responsibility of the Company's Management. Our responsibility is to express an independent opinion on these financial statements based on our audit.

We conducted our audit in accordance with Bangladesh Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements, prepared in accordance with Bangladesh Accounting Standards, give a true and fair view of the state of the Company's affairs as of 31 March, 2016 and its Cash Flow for the year ended on 31 March, 2016 and comply with the Companies Act 1994 and other applicable laws and regulations.

We also report that:

(a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof ;

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

(c) The company's Balance Sheet and Profit & Loss Account dealt with by the report are in agreement with the books of account and returns.

G. Biswas & Co.
Chartered Accountants

Dated: Dhaka;
The 22 May 2016

G. BISWAS & CO. * CHARTERED ACCOUNTANTS *

G. BISWAS & CO.
CHARTERED ACCOUNTANTS

NORP KNIT INDUSTRIES LIMITED

Vill:North Khailkur, P.O: National University, Gazipur.

BALANCE SHEET AS AT 31ST MARCH, 2016

	NOTES	AMOUNT IN TAKA As on 31st March' 2016	AMOUNT IN TAKA As on 31st March' 2015
Sources of Funds			
Shareholders' Equity			
Share Capital	4	338,123,100	338,123,100
Retained Earnings		455,993,436	317,638,421
		794,116,536	**655,761,521**
Long Term Liabilities			
Term Loan HSBC	5	82,021,135	71,357,553
		876,137,671	**727,119,074**
Application of Funds			
Property, Plant and Equipment:			
At Cost Less Accumulated Depreciation	6	**406,960,040**	**418,408,883**
Current Assets:			
Goods in Transit		880,418	5,831,235
Inventories	7	739,287,163	706,605,167
Trade Receivables	8	375,627,522	398,817,523
Inter-Company Receivables	9	461,149,948	268,531,508
Advances, Deposits and Prepayments	10	271,512,403	261,408,276
Cash And Bank Balances	11	480,461,442	517,799,927
		2,328,918,896	**2,158,993,636**
Current Liabilities:			
Secured Loans From Bank		382,226,176	384,996,331
Trade And Other Payables	12	1,397,448,307	1,328,580,079
Inter-Company Payables	13	80,066,782	136,707,035
		1,859,741,265	**1,850,283,445**
Net Current Assets		469,177,631	308,710,191
Deferred Tax		-	-
		876,137,671	**727,119,074**

The annexed notes 1 to 21 form an integral part of these financial statements.

Managing Director | **Director**

Subject to our separate report of even date annexed.

Dated, Dhaka
The 22 May 2016

G. BISWAS & CO. CHARTERED ACCOUNTANTS

G. Biswas & Co.
Chartered Accountants

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CHARTERED ACCOUNTANTS

NORP KNIT INDUSTRIES LIMITED

Vill:North Khailkur, P.O: National University, Gazipur.

PROFIT AND LOSS ACCOUNT
For the Year Ended on 31st March 2016

	NOTES	AMOUNT IN TAKA Year Ended 31st March'2016	AMOUNT IN TAKA Year Ended 31st March'2015
Turnover		6,021,775,755	4,768,359,819
Cost of Goods Sold	14	(5,110,267,000)	(4,017,552,688)
Gross Profit		**911,508,755**	**750,807,131**
Administrative, Selling and Distribution Expenses	15	(741,810,151)	(629,124,849)
		169,698,604	**121,682,282**
Other Operating Income:			
Cash Incentive		-	33,110,000
Other Income	16	316,305	475,619
Net Profit Before Tax		**170,014,909**	**155,267,901**
Tax Expenses :			
Current Tax		(31,659,894)	(14,305,079)
Deferred Tax			
		(31,659,894)	(14,305,079)
Net Profit For The Year		**138,355,015**	**140,962,822**

The annexed notes 1 to 21 form an integral part of these financial statements.

Managing Director **Director**

Subject to our separate report of even date annexed

Dated, Dhaka
The 22 May 2016

G. BISWAS & CO. CHARTERED ACCOUNTANTS

G. Biswas & Co.
Chartered Accountants

NORP KNIT INDUSTRIES LIMITED

Vill:North Khailkur, P.O: National University, Gazipur.

CASH FLOW STATEMENT

For the Year Ended on 31st March 2016	Year Ended 31st March 2016	Year Ended 31st March 2015
Cash flow from operating activities		
Net Profit for the Period	138,355,015	140,962,822
Add: Adjustment of items not involving movement of cash		
Pre-opearting expenses		
Depreciation	66,290,261	61,022,512
Interest	50,412,009	52,914,590
	116,702,270	113,937,102
Operating Profit before changes in working capital	255,057,285	254,899,924
Adjustment for changes in working capital		
Decrease / (Increase) in Inventories	(32,681,996)	(80,540,741)
Decrease / (Increase) in Goods in Transit	4,950,817	(1,009,781)
Decrease / (Increase) in Trade receivables	23,190,001	(226,701,830)
Decrease / (Increase) in Inter-company receivables	(192,618,440)	38,710,077
Decrease/(Increase) in advances, deposits and prepayments	(10,104,127)	(38,207,234)
Increase / (Decrease) in Trade and Other Payables	68,868,228	271,375,804
Increase / (Decrease) in Inter-company payables	(56,640,253)	(60,662,345)
	(195,035,770)	**(97,036,050)**
Net cash flow from Operating Activities	60,021,515	157,863,874
Cash flow from investing activities:		
Purchase of fixed Assets	(54,841,419)	(56,249,125)
Sale of Assets	-	
Net cash used in investing activities	(54,841,418.60)	(56,249,125)
Cash flow from financing activities:		
Proceeds from issue of shares	-	96,562,400
Share Money Deposit Received	-	(96,562,400)
Long Term Loan	10,663,581	10,912,155
Short Term Loan	(2,770,155)	62,081,854
Interest	(50,412,009)	(52,914,590)
Net cash flow from financing activities	(42,518,583)	20,079,419
Increase / (Decrease) in cash and cash equivalents	(37,338,486)	121,694,168
Cash and Cash Equivalent at Opening	517,799,927	396,105,760
Cash and Cash Equivalent at Closing (Note 11)	480,461,442	517,799,927

Dated, Dhaka
The 22 May 2016

G. BISWAS & CO. CHARTERED ACCOUNTANTS

G. Biswas & Co.
Chartered Accountants

NORP KNIT INDUSTRIES LIMITED

Vill.North Khailkur, P.O.National University, Gazipur

STATEMENT FOR CHANGES IN EQUITY

For the Year Ended on 31st March 2016

AMOUNT IN TAKA

Particulars	Share Capital	Share Money Deposit	Retained Earnings	Total
Balance as on 31 March 2014	**241,560,700**	**96,562,400**	**176,675,599**	**514,798,699**
Issue of Share Capital	96,562,400	(96,562,400)	-	-
Net Profit for the Year Ended on 31.03.2015	-	-	140,962,822	140,962,822
Balance as on 31 March 2015	**338,123,100**	**-**	**317,638,421**	**655,761,521**
Net Profit for the Year Ended on 31.03.2016			138,355,015	138,355,015
Balance as on 31 March 2016	**338,123,100**	**-**	**455,993,436**	**794,116,536**

G. BISWAS & CO. * CHARTERED ACCOUNTANTS *

NORP KNIT INDUSTRIES LIMITED

Vill.North Khailkur, P.O.National University, Gazipur

Notes to the Accounts for the Year Ended 31 March, 2016

1. Legal status and nature of the Company:

Norp Knit Industries Limited is a Private Company limited by Shares incorporated on 05th day of May 2004 under the Companies Act, 1994 as adopted in Bangladesh. The shares of the Company are held by Pearl Global Industries Ltd Ltd., India (99.9994%), Mr. Deepak Kumar Seth (0.0003%) and Mr. Pulkit Seth (0.0003%). The Company is mainly engaged in producing ready made Garments for the purpose of exporting the same. The factory of the Company is located in Gazipur. The Company commenced commercial operation from 18th December, 2004.

2. Statement of Compliance :

2.01 Basis of Preparation :

The Financial Statements of Norp Knit Industries Limited have been prepared in accordance with the Bangladesh Accounting Standards as adopted by the Institute of Chartered Accountants of Bangladesh, Companies Act, 1994 and other applicable laws.

2.02 Basis of Measurement :

The Financial Statements have been prepared on going concern basis under historical cost convention, using the accrual basis of accounting.

2.03 Functional and presentational currency :

These Financial Statements are prepared in Bangladesh Taka (Taka/TK), which is the Company's functional currency. All financial information presented in taka has been rounded off to the nearest integer.

2.04 Going Concern :

The Company has adequate resources to continue its operation for the foreseeable future. For this reason the Directors continue to adopt going concern basis in preparing the accounts. The current resources of the Company provide sufficient fund to meet the present requirements of its existing business.

3. Significant Accounting Policies :

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

3.01 Foreign currency translation

Foreign currencies are translated into Taka on a notional rate on the transaction dates. All monetary assets and liabilities are coverted into taka at the exchange rate prevailing on the balance sheet date. Exchange gains or losses arising out of translation of assets and liabilities at the closing date are recognised in the income statement.

3.02 Property, Plant and Equipment :

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure directly attributable to the acquisition and installation of the Property, Plant and Equipment.

3.03 Depreciation :

Depreciation on fixed assets is charged on straight line method using different rates varying from 10% to 20% on cost of the assets. Depreciation is charged from the month following the month of acquisition/installation of the Property,Plant and Equipment.

G. BISWAS & CO. * CHARTERED ACCOUNTANTS *

3.04 Inventories

Inventories include raw material, work-in-progress and finished goods. These are measured at the lower of cost and net realisable value in accordance with IAS 2. Cost is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

3.05 Trade Receivable :

Trade Receivables at the Balance Sheet date are stated at amounts which are considered realisable.

3.06 Trade Payable :
Liabilities are recognised for amounts to be paid in future for goods and services received.

3.07 Provisions :

Provisions are made where an obligation exists for future liability in respect of past event and where the amount of the obligation can be reliably estimated.

3.08 Impairment :

The carrying amounts of the 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 recoverable amount of the asset is estimated. Impairment losses, if any, are recognised in profit and loss account.

3.09 Revenue recognition

Revenue from the sale of goods is recognised when:

* Significant risk and rewards of ownership is transferred to the buyer.
* The Company has no managerial involvement of the ownership of goods.
* The revenue and cost of the transaction can be measured reliably.
* It is probable that the economic benefits of the transaction will flow to the Company.

3.10 Events after balance sheet date

No material events have occurred between the balance sheet date to the date of issue of these financial statements, that could affect the values stated in the financial statements.

3.11 Deferred tax

The Company has adopted Deferred Tax Accounting Policy as per Bangladesh Accounting Standard. Accordingly, Deferred Tax Liability/ Asset is accounted for all temporary timing differences arising between the Tax base of the assets and liabilities and their carrying values for financial Reporting process. In view of prevelant tax law Deferred Tax accounting is not considered necessary in view of the fact that for assessment under the provision of Section 53BB no temporary difference will arise between tax base of assets and liabilities and their carrying amounts in the financial statements.

3.12 Employee benefits

The Company has not yet introduced any provident fund and pension scheme for the employees.

G. BISWAS & CO. * CHARTERED ACCOUNTANTS *

	As on 31st March 2016	As on 31st March 2015

4. Share Capital

Authorized capital:		
36,00,000 ordinary shares of Tk. 100 each	360,000,000	360,000,000
Issued, subscribed and paid up capital:		
2,415,607 (2010: 493,781) ordinary shares of Tk. 100 each	241,560,700	241,560,700
33,81,231 (2014: 965,624) ordinary shares of Tk. 100 each	96,562,400	96,562,400
	338,123,100	338,123,100

The aforesaid capital was subscribed as under:

Subscribers:	No. of shares	No. of shares
Pearl Global Industries Ltd.	3,381,211	3,381,211
Mr. Deepak Kumar Seth	10	10
Mr. Pulkit Seth	10	10
	3,381,231	3,381,231

5. Loan from HSBC

This represents the amount received from the Hongkong and Shanghai Banking Corporation Limited for operations.

G. BISWAS & CO. CHARTERED ACCOUNTANTS

G. BISWAS & CO. CHARTERED ACCOUNTANTS

NORP KNIT INDUSTRIES LIMITED
Vill.North Khailkur, P.O.National University, Gazipur

06 Property, Plant and Equipment As on 31 March 2016.

Particulars	COST				DEPRECIATION				W.D. Value as on 31.03.2016	W.D. Value as on 31.03.2015
	Cost as on 01.04.2015	Addition for the period	Deletion for the period	Cost as on 31.03.2016	Total Depreciation as on 01.04.2015	Addition for the period	Depreciation on Disposal of Assets	Total Depreciation as on 31.03.2016		
Unit 1										
Building & Civil Works	20,585,434			20,585,434	20,274,637	86,947		20,361,583	223,851	310,797
Plant & Machinery	103,684,294	202,000		103,886,294	93,906,125	2,314,264		96,220,389	7,665,906	9,778,170
Vehicles	5,673,607			5,673,607	4,175,240	723,077		4,898,317	775,290	1,498,367
Furniture & Fixtures	11,575,136	62,726		11,637,862	9,280,438	950,465		10,230,903	1,406,959	2,294,698
Office Equipments & Computers	13,288,527	533,700		13,822,227	7,534,303	1,397,045		8,931,348	4,890,879	5,754,224
Factory Equipments	-	668,830		668,830	-	19,608		19,608	649,222	-
Telephone Installation & Connection	641,052			641,052	624,454	11,176		635,630	5,422	16,598
Air Conditioners	1,587,100			1,587,100	1,587,100	-		1,587,100	-	-
Fire extinguisher	1,847,684			1,847,684	728,645	286,993		1,015,638	832,046	1,119,039
Unit 2										
Building & Civil Works	31,397,457	727,639		32,125,096	11,303,830	3,199,639		14,503,469	17,621,627	20,093,627
Plant & Machinery, utility & Electrical Installations	484,779,286	23,332,299		508,111,585	157,699,122	49,790,690		207,489,812	300,621,773	327,080,164
Vehicles	5,828,155			5,828,155	335,097	581,665		916,762	4,911,393	5,493,058
Furniture & Fixtures	31,896,531	530,507		32,427,038	11,841,186	3,245,539		15,086,725	17,340,313	20,055,345
Office Equipments & Computers	21,443,488	3,607,536		25,051,024	5,202,256	2,582,975		7,785,231	17,265,793	16,241,232
Factory Equipments	5,058,120			5,058,120	948,569	506,575		1,455,144	3,602,976	4,109,551
Telephone Installation & Connection	1,362,018			1,362,018	560,575	136,082		696,657	665,361	801,443
Fire extinguisher	4,569,370	64,055		4,633,425	1,300,767	457,521		1,758,288	2,875,137	3,268,603
						-				
Total	745,217,259	29,729,292	-	774,946,551	327,302,344	66,290,261	-	393,592,605	381,353,946	417,914,916
Capital Work In Progress- Unit 1										
Civil Work	-	281,983		281,983	-	-		-	281,983	-
Plant & Machinery	-	779,437		779,437	-	-		-	779,437	
Capital Work In Progress- Unit 2										
Plant & Machinery	493,967	13,436,783	493,967	13,436,783					13,436,783	493,967
Fire Equipment , Office Equipment & Other		11,107,891		11,107,891					11,107,891	-
	-			-					-	-
	-			-					-	-
Total	493,967	25,606,094	493,967	25,606,094	-	-	-	-	25,606,094	493,967
Total Fixed Assets	745,711,226	55,335,386	493,967	800,552,645	327,302,344	66,290,261	-	393,592,605	406,960,040	418,408,883

6.01 Allocation of Depreciation

	01 Apr 2015 to 31 Mar 2016	01 Apr 2014 to 31 March 2015
	Taka	Taka
Cost of Gods Sold	58,760,239	54,283,933
Administrative, Selling and Distribution Expenses	7,530,022	6,738,579
	66,290,261	61,022,512

G. BISWAS & CO.
CHARTERED ACCOUNTANTS

G. BISWAS & CO. * CHARTERED ACCOUNTANTS *

	As on 31 March' 2016	As on 31 March' 2015
7. Inventories		
Raw Materials	447,558,834	381,901,597
Work-in-progress	213,578,667	238,231,468
Finished goods	78,149,661	86,472,102
	739,287,163	**706,605,167**
8. Trade Receivables		
Al Libas International Fashions LLC	-	41,752,938
Briara Trading Company	-	859,197
Kappahl Sverige AB	31,021,706	502,425
Celio International	21,606,159	80,319,468
Friends International	-	519,575
LI & FUNG (India) Pvt Ltd	10,810,689	9,504,004
K-Mart	-	619,851
Target Australia PTY	33,614,212	80,899,933
Redcats Asia Ltd	18,563,908	7,508,035
Decathlon(OXYLANE)	53,388,176	-
Carter's Global Sourcing	4,218,454	-
Afjal & brothres	969,228	-
Sabuz Enterprise	128,495	-
ITX Trading	201,306,495	176,314,247
Masum Enterprises	-	17,850
	375,627,522	**398,817,523**
9. Inter-Company Receivables		
Pearl Global Industries Limited-(Sales)	260,429,076	159,027,283
Pearl Global Fareast Ltd	1,001,563	2,196,386
Norwest Industries Ltd(Sales)	-	27,845
Norwest Industries Ltd(Expenses)	-	672,652
DSSP Global Ltd	527,401	-
Pearl Global (HK) Ltd(Sales)	191,977,464	92,837,821
Pearl Global (HK) Ltd(ExP)	7,214,444	13,769,521
	461,149,948	**268,531,508**
10. Advances, Deposits and Prepayments		
Advances (considered good) to:		
- Landlord Against Rent	3,865,348	88,871,827
- Suppliers	12,626,308	4,493,302
- Employees	2,430,210	2,652,205
- Incentive Receivable	30,652,162	40,554,630
- Others	127,022,890	5,192,091
	176,596,918	**141,764,055**
Deposits		
- Margin against L/C and B/G	130,600	130,600
- Security deposits	89,226,799	115,038,821
	89,357,399	**115,169,421**
Prepayments		
- Prepaid insurance	5,558,086	4,474,800
	5,558,086	4,474,800
	271,512,403	**261,408,276**

G. BISWAS & CO. * CHARTERED ACCOUNTANTS *

	As on 31 March' 2016	As on 31 March' 2015
11. Cash and Bank Balances		
Cash in hand	3,673,792	2,523,200
Balances with Bank		
Fixed deposit with United Commercial Bank	3,807,585	3,496,505
Current Account with United Commercial Bank	785,687	1,291,420
Exchange Retention Quota with United Commercial Bank	80,634	80,634
HSBC-001-112432-012	718,122	1,422,770
HSBC-001-112432-067	15,734,240	34,621
HSBC-001-112432-047	4,458,239	3,170,078
HSBC-001-112432-092	-	7,771,063
HSBC-001-112432-091	348,941,836	399,941,696
Bank Guarantee	1,734,300	-
Funds In Transit	50,306,164	16,078,584
DB-219-200-31537	7,961	8,000
DB-219-200-31549	1,766	2,000
DB-219-200-3161	248,866	241,058
SCB A/c01-1183252-01	-	
SCB A/c 46-1183252-01	48,206,716	76,581,435
SCB A/c 42-1183252-01	1,755,534	5,156,866
	476,787,650	515,276,727
	480,461,442	**517,799,927**

12. Trade and Other Payables		
Trade Payables:		
Basic Thread Industries Ltd.	9,334,733	5,276,714
Coats Bangladesh	1,379,815	-
Victory City Company Ltd.	5,091,424	23,758,119
Others	962,303,559	995,933,769
	978,109,531	**1,024,968,602**
Other Payables		
Liability for Tax	125,169,378	2,978,298
Withholding Tax Payable	5,998,183	4,162,141
Export Bills Discounted	132,286,423	71,998,968
Others	155,884,792	224,472,070
	419,338,776	**303,611,477**
	1,397,448,307	**1,328,580,079**

13. Inter-Company Payables		
Pearl Global (HK) Ltd (Advance)	48,161,445	54,367,294
Pearl Global (HK) Ltd (Expenses)	-	-
Pearl Global Fareast Ltd	-	-
Pearl Global Industries Limited-Chennai(Expenses)	1,798,404	1,798,404
Pearl Global Industries Limited(Creditor-Goods)	14,268,439	41,791,260
Pearl Global Industries Limited(Creditors- Expenses)	15,838,494	38,750,077
	80,066,782	**136,707,035**

G. BISWAS & CO. * CHARTERED ACCOUNTANTS *

		01 April 2015 to 31 March' 2016	01 April 2014 to 31 March' 2015
14.	**Cost of Goods Sold**		
	Raw Material Consumed (Note 14.01)	3,997,179,914	3,100,788,651
	Wages	689,097,608	592,844,367
	Manufacturing Overheads (Note 14.02)	391,014,236	330,087,854
		5,077,291,758	**4,023,720,872**
	Add: Opening Work-in-Progress	238,231,468	258,930,828
		5,315,523,226	4,282,651,700
	Less: Closing Work-in-Progress	213,578,667	238,231,468
	Cost of Goods Manufactured	**5,101,944,559**	**4,044,420,232**
	Add: Opening Stock of Finished Goods	86,472,102	59,604,558
	Cost of Goods Available For Sale	5,188,416,661	4,104,024,790
	Less: Closing Stock of Finished Goods	78,149,661	86,472,102
	Cost of Goods Sold	**5,110,267,000**	**4,017,552,688**
14.01.	**Raw Material Consumed**		
	Opening Inventory	381,901,597	307,529,040
	Add: Purchases During The Period	4,062,837,152	3,175,161,208
	Less: Closing Inventory	447,558,834	381,901,597
		3,997,179,914	**3,100,788,651**
14.02.	**Manufacturing Overheads**		
	Stores, Spares & Maintenance	41,264,816	31,430,719
	Factory Cleaning & Upkeep	10,318,700	9,236,930
	Factory Rent	59,410,526	49,389,280
	Security Services	11,287,290	11,514,386
	Power & Fuel	54,674,039	41,655,808
	Consumables	15,715,310	13,248,072
	Compliance Expenses	8,582,655	4,346,152
	Testing Charges	38,415,234	42,245,879
	Machinery Hire Charges	11,941,206	9,731,035
	Clearing and Forwarding Inward Charges	34,957,621	25,029,953
	L/C Charges For Inputs	24,772,584	21,277,969
	Depreciation (Note 6.01)	58,760,239	54,283,933
	Insurance	20,914,015	16,697,739
		391,014,236	**330,087,854**
15.	**Administrative, Selling and Distribution Expenses**		
	Salaries	305,245,731	252,102,701
	Marketing Expenses	130,256,687	118,043,821
	Interest	50,412,009	52,914,590
	Communication	7,603,198	7,525,317
	Conveyance	5,069,728	4,021,550
	Entertainment	3,442,792	2,620,477
	Office Stationery	682,548	479,349
	Stationery Printing	6,770,660	6,726,532
	Clearing & Forwarding Outward	69,264,179	53,553,319
	Bank Charges	24,721,470	26,991,979
	Travelling Expenses	14,062,122	9,148,588
	Vehicle Fuel & Maintenance	34,016,057	29,378,940
	Courier & Postage	47,002,419	25,759,829
	Audit fee / Internal Audit	368,000	930,823
	Depreciation (Note 6.01)	7,530,022	6,738,579
	Others	35,362,528	32,188,456
		741,810,151	**629,124,849**
15.01.	**Salaries**		
	This includes the following emoluments to one of the Directors of the Company:		
	Remuneration	1,200,000	1,200,000
	Housing	756,000	702,000
		1,956,000	**1,902,000**
16.	**Other income**		
	Interest Earned	316,305	475,619
	Others	-	-
		316,305	**475,619**

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17 Norp Knit Industries Ltd
Related Parties

Name of the Parties	Nature	Transactions	Quarter Ended 31st Mar 2016	Twelve Month Ended 31st Mar 2016	Twelve Month Ended 31st Mar 2015	Balance outstanding (Taka) At 31st Mar 2016	Balance outstanding (Taka) At 31st Mar 2015
Norwest Industries Ltd.	Group Company	Sales of goods	-	-	163,066,775	-	27,845
		Expenses payable	-	150,850	232,155	-	-
		Expenses recoverable	-	12,915,594	1,452,425	-	672,652
Pearl Global Industries ltd	Group Company	Sale of goods	535,703,724	1,626,970,411	1,455,041,541	260,429,076	159,027,283
		Purchases	10,256,999	67,785,112	86,089,685	14,268,439	41,791,260
		Expenses Payable	3,006,820	3,929,473	10,933,085	15,838,494	38,750,077
		Expenses recoverable	25,063,520	26,840,756	47,915,214	-	-
Pearl Global Ltd -Chennai	Group Company	Expenses Payable	-	-		1,798,404	1,798,404
Pearl Global (HK) Ltd	Group Company	Sale of goods	606,556,851	1,692,623,434	1,248,705,208	191,977,464	92,837,821
		Adv from Affiliatie	-	-	-	48,161,445	54,367,294
		Expenses Payable	4,328,025	6,970,674	46,580,376	-	-
		Expenses recoverable	4,032,148	107,479,947	52,644,457	7,214,444	13,769,521
DSSP Global Ltd	Group Company	Expenses Payable	7,674,513	21,492,072	-	527,401	-
		Expenses recoverable		-			
Pearl Global Fareast Ltd	Group Company	Expenses Payable	1,412,262	4,120,822	3,380,439	1,001,563	2,196,386
		Expenses recoverable		-			
Simple Approach Ltd	Group Company	Sale of goods		-			
		Expenses payable		-			
		Expenses recoverable		-	11,585,992		

Outstanding balances in respect of sale of goods and expenses with these related parties are priced on an arm's length basis.

The Company purchased raw materials from the group Company. The purchases are on the same terms and conditions as those entered into with other suppliers and payable under normal payment terms.

In addition, the Company disbursed loan, received advance against sale, received equity money to/from group companies as per normal business norm.

18. Contingent liability

Contingent liability of the Company was Tk. 491.328 million as on 31.03.2016 (Tk 322.317 millions as on 31st March 2015) in respect of letters of credit outstanding and Tk 3.619 millions in respect of bank guarantee.

19. Number of employees

The number of employees engaged as on 31.03.2016 , who received a total remuneration of Tk. 3,000 per month or above was 5549 Persons (5127 persons as on 31.03.2015).

20. Exchange gain/(loss)

This represents gain/(loss) arising from translation of foreign currency into local currency.

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Additional Information disclosed as requirement of Schedule VI

S.N.	Particluars	Financial Year 31st March'2016	Financial Year 31st March'2015
1	**Long Term Borrowings:**		
	Payable Within One Year	24,621,819	30,292,846
	Payable After One Year	57,399,316	41,064,707
		82,021,135	71,357,553
2	**Trade Payable:**		
	Payable Within One Year	1,058,176,313	1,161,675,637
	Payable After One Year	-	-
		1,058,176,313	1,161,675,637
3	**Other Liabilities:**		
	Payable Within One Year	419,338,776	303,611,477
	Payable After One Year	-	-
		419,338,776	303,611,477
4	**Long Term Provisions:**		
	Payable After One Year - Employee Benefits-Gratuity	67,400,060	31,532,539
	Payable After One Year - Others	-	-
		67,400,060	31,532,539
5	**Fixed Assets:**		
	Capital Advances Given for following heads	-	-
6	**Loans & Advances:**		
	Receivable Within One Year		
	Suppliers	12,626,308	4,493,302
	Employees	2,430,210	2,652,205
	Incentives	30,652,162	40,554,630
	Insurance	5,558,086	4,474,800
		51,266,766	52,174,937
	Receivable After One Year		
	Advance Rent	3,865,348	88,871,827
	Margin Against LC and Bank Gaurantee	130,600	130,600
	Security Deposits	89,226,799	115,038,821
	Other Misc Deposits	127,022,890	5,192,091
		220,245,637	209,233,339
	Total	271,512,403	261,408,276

S.N.	Particluars	31st March'2016 Receivable Within One Year	31st March'2016 Receivable After One Year	31st March'2015 Receivable Within One Year	31st March'2015 Receivable After One Year
7	**Debtors:**				
	Due Over Six Months	-	-	42,612,135	-
	Less: Provisions for Bad Debts	-	-	-	-
	Net Debtors Due Over 6 Months	-	-	42,612,135	-
	Others	836,777,470	-	624,736,896	-
	Less: Provisions for Bad Debts	-	-	-	-
	Net Debtors Others	836,777,470	-	624,736,896	-

S.N.	Particluars	31st March'2016	31st March'2015
8	**Bank Deposit and Margin Money**		
	Receivable Within one Year		
	HSBC Margin L/C	-	-
	HSBC Short term Deposit	-	-
		-	-
	Receivable After One Year		
	Fixed Deposit with United Commercial Bank	3,807,585	3,496,505
	Total	3,807,585	3,496,505

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