

Independent Auditors' Report

We have audited the accompanying Financial Statements of **NORP KNIT INDUSTRIES LIMITED** which comprise of Statement of Financial Position (BALANCE SHEET) as at 31 March, 2021 and statement of Profit and Loss account, Statement of Changes in Equity and Notes to the financial statements for the year/period ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibilities for the Financial Statements:

Management is responsible for the preparation of these financial statements in accordance with Bangladesh Accounting Standards (BAS)/ Bangladesh Financial Reporting Standards (BFRS) 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.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standard on Auditing. Those standards require that we comply with 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 auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation 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 presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as at 31 March, 2021 and of its financial performance and its cash flows for the year then ended in accordance with Bangladesh Accounting Standards (BAS)/ Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994 and other applicable laws and regulations.

We also report that;

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- the company's statement of financial position (BALANCE SHEET) and statement of Profit and Loss account dealt with by the report are in agreement with the books of account.
- the expenditure incurred was for the purpose of the Company's business.

Dated, Dhaka.
The 6th June, 2021



G. Biswas & Co.
Chartered Accountants.

NORP KNIT INDUSTRIES LIMITED
Vill: North Khaikur, P.O: National University, Gazipur.
BALANCE SHEET AS AT 31ST MARCH, 2021

	NOTES	AMOUNT IN USD As on 31st March' 2021	AMOUNT IN USD As on 31st March' 2020
Assets			
Non-Current Assets			
Property, Plant and Equipment:			
At Cost Less Accumulated Depreciation	4	8,062,942	8,153,649
Non Current Assets:			
Deposits		212,264	211,889
Prepaid Rent		795,206	956,458
		<u>1,007,470</u>	<u>1,168,347</u>
Current Assets:			
Goods in Transit		-	-
Investment		1,298,869	1,339,343
Inventories	5	14,051,643	9,328,856
Trade Receivables	6	496,944	678,478
Inter-Company Receivables	7	17,240,958	13,811,262
Advances, deposits and prepayments	8	3,810,574	3,806,161
Cash And Bank Balances	9	2,519,635	3,568,078
		<u>39,418,624</u>	<u>32,532,179</u>
Total Assets		<u>48,489,036</u>	<u>41,854,175</u>
Liabilities & Shareholders' Equity			
Shareholders' Equity			
Share Capital	10	4,816,526	4,816,526
Retained Earnings		13,951,383	13,932,265
		<u>18,767,908</u>	<u>18,748,791</u>
Long Term Liabilities			
Term Loan HSBC	11	2,022,132	1,843,791
Current Liabilities:			
Secured Loans From Bank		4,545,595	5,065,499
Trade And Other Payables	12	19,136,577	13,355,339
Inter-Company Payables	13	4,016,822	2,840,755
		<u>27,698,995</u>	<u>21,261,593</u>
Deferred Tax			
Total Liabilities & Shareholders' Equity		<u>48,489,036</u>	<u>41,854,175</u>

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

Managing Director

Director

Dated, Dhaka
The 6th June, 2021



G. Biswas & Co.
Chartered Accountants

NORP KNI INDUSTRIES LIMITED
 Vill: North Khalikur, P.O: National University, Gazipur.
PROFIT AND LOSS ACCOUNT
 For the Period Year Ended on 31st March' 2021

	AMOUNT IN USD Quarter 31st March' 2021	AMOUNT IN USD Year Ended 31st March' 2021	AMOUNT IN USD Year Ended 31st March' 2020
Turnover	24,759,772	75,019,202	77,119,576
Cost of Goods Sold	(21,365,908)	(65,366,595)	(65,493,096)
Gross Profit/(Loss)	3,393,863	9,652,607	11,626,480
Administrative, Selling and Distribution Expenses	(3,266,441)	(10,400,992)	(10,467,947)
	127,422	(748,385)	1,158,533
Other Operating Income:			
Export incentive	499,552	1,172,234	853,288
Other income	9,673	45,140	38,076
Net Profit/(Loss) Before Tax	636,047	468,989	2,050,497
Tax Expenses :			
Current Tax	(148,559)	(449,872)	(399,689)
Deferred Tax	(148,559)	(449,872)	(399,689)
Net Profit/(Loss) For The Period	487,488	19,117	1,650,808

Managing Director

Dated, Dhaka
The 6th June, 2021

Director



G. Biswas & Co.
 Chartered Accountants

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

STATEMENT FOR CHANGES IN EQUITY
For the Period Year Ended on 31st March' 2021

Particulars	Share Capital	Share Money Deposit	Retained Earnings	AMOUNT IN USD
				Total
Balance as on June 30' 2019	4,816,526	-	12,587,697	17,404,223
Net Profit for the Period Ended 30.09.2019			441,152	441,152
Balance as on Sep 30' 2019	4,816,526	-	13,028,849	17,845,375
Net Profit for the Period Ended 31.12.2019			467,393	467,393
Balance as on Dec 31' 2019	4,816,526	-	13,496,242	18,312,767
Net Profit for the Period Ended 31.03.2020			436,024	436,024
Balance as on Mar 31' 2020	4,816,526	-	13,932,265	18,748,791
Net Profit for the Period Ended 30.06.2020			(1,866,432)	(1,866,432)
Balance as on June 30' 2020	4,816,526	-	12,065,834	16,882,359
Net Profit for the Period Ended 30.09.2020			978,491	978,491
Balance as on September 30' 2020	4,816,526	-	13,044,325	17,860,850
Net Profit for the Period Ended 31.12.2020			419,570	419,570
Balance as on December 31' 2020	4,816,526	-	13,463,895	18,280,420
Net Profit for the Period Ended 31.03.2021			487,488	487,488
Balance as on March 31' 2021	4,816,526	-	13,951,383	18,767,908



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

Notes to the financial statements for the period ended 31st March 2021

1. Legal status and nature of the Company:

1.1 Legal status

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, India (99.9994%), Mr. Deepak Kumar Seth (0.0003%) and Mr. Pulkit Seth (0.0003%).

1.2 Nature of business

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.

1.3 Registered office

The address of the company's registered office at vill: North Khaikur, P.O. National University, Gazipur.

2. Statement of Compliance of the financial statements

2.01 Basis of preparation :

The Financial Statement of Norp Knit Industries Limited have been prepared in accordance with the Bangladesh Financial Reporting Standards (BSRS), BFRS comprise of:

- i) Bangladesh Financial Reporting Standards (BFRS)
- ii) Bangladesh Accounting Standards (BAS) and
- iii) Interpretations.

The title and format of the financial statements follow the requirements of BFRS which are to some extent different from the requirement of the Companies Act 1994; however, such differences are not material and in the view of management, BFRS format gives a better presentation to the shareholders.

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 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.

2.04 Functional and presentational currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT) which is also the functional currency of the company. The amounts in these financial statements have been rounded off to the nearest Taka.

2.05 Use of estimates and judgment

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The amount recognized in the Provision for taxation as disclosed in the financial statements is based on the best estimate available to the Management.

2.06 Reporting period

The company follows a reporting period from 1st April 2020 to 31st March 2021. This reporting period of this financial statements is from 1st April 2020 to 31st March 2021.

2.07 Statement of cash flows

The statement of cash flows have been prepared in accordance with the Bangladesh Accounting Standard (BAS) 7: "Statement of cash flows" under Indirect method.

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 converted 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 recognized 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 33.33% on cost of the assets. Depreciation is charged from the date when Property, Plant and Equipment is put to use.

3.04 Related party transactions

As per Bangladesh Accounting Standard (BAS) 24 Related party transaction parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company carried out transactions in the ordinary course of business at an arm's length basis at commercial rates with related parties.

3.05 Inventories

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

3.06 Trade Receivable :

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

3.07 Trade Payable :

Liabilities are recognized for amounts to be paid in future for goods and services received.

3.08 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.

3.09 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 recognized in profit and loss account.

3.10 Revenue recognition

Revenue from the sale of goods is recognized 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.

3.11 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.

3.12 Deferred tax

The Company has adopted Deferred Tax Accounting Policy as per Bangladesh Accounting Standard (BAS) 12. 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 prevalent tax law Deferred Tax accounting is not considered necessary that for assessment under the provision of Section 53BB as no temporary difference will arise between tax base of assets and liabilities and their carrying amounts in the financial statements.

3.13 Employee benefits

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



53 Property, Plant and equipment As on 31.03.21 (Details shown at annexure - A)

Particulars	COST			DEPRECIATION			W.D. Value as at 31.03.2020
	Cost as on 01.04.2019	Addition for the period	Deletion for the period	Cost as on 31.03.2021	Total Depreciation as on 31.03.2021	W.D. Value as at 31.03.2021	
Unit 1							
Buildings & Civil Works	322,126	-	-	322,126	192,277	10,735	311,349
Plant & Machinery	1,951,041	45,182	-	1,996,223	1,466,872	1,20,365	829,351
Vehicles	92,632	-	-	92,632	77,590	1,947	15,042
Furniture & Fixtures	307,956	35,334	-	343,291	317,097	35,975	8,294
Office Equipments & Computers	252,696	12,243	-	264,939	184,101	17,696	86,838
Leasehold Equipments	62,987	12,466	-	75,453	21,475	9,959	53,474
Telephone Installation & Connection	11,615	-	-	11,615	10,802	634	77
Air Conditioners	14,695	-	-	14,695	14,696	-	14,696
Fire extinguisher	45,795	-	-	45,795	32,611	1,302	13,184
Unit 2							
Building & Civil Works	818,293	494,442	-	1,312,735	477,770	87,657	825,065
Plant & Machinery, utility & Electrical Installations	10,157,292	398,345,29	-	11,555,638	5,701,829	911,478	4,222,329
Vehicles	114,867	20,984	-	135,851	52,031	10,942	73,799
Furniture & Fixtures	636,453	176,467	-	812,920	410,000	32,578	350,256
Office Equipments & Computers	634,540	79,335	-	713,875	376,450	69,580	267,846
Leasehold Equipments	484,171	18,251	-	502,422	130,026	47,122	355,271
Telephone Installation & Connection	24,473	-	-	24,473	16,765	1,815	27,210
Fire extinguisher	74,815	4,881	-	79,696	45,684	6,802	5,891
Air Conditioners	-	155,535	-	155,535	-	4,493	151,042
Electrical Installation	-	115,020	-	115,020	-	3,813	111,207
Total	16,305,428	1,548,406	-	17,853,831	9,495,357	1,397,876	6,962,603
Capital Work in Progress- Unit 1							
Civil Work	(4)	-	-	(4)	-	-	(4)
Plant & Machinery	36,606	583	-	37,189	637	637	36,606
CWIP- Others	27,770	-	-	27,770	-	-	27,770
Capital Work in Progress- Unit 2							
Plant & Machinery	96,962	10,370	-	1,07,332	68,439	68,439	96,962
Fire Equipment, Office Equipment, & Other	1,180,242	106,092	-	1,286,334	1,003,498	1,003,498	1,180,242
Total	1,341,376	117,048	358,285	1,816,709	1,100,339	1,100,339	1,341,376
Total Fixed Assets	17,667,091	1,665,453	358,285	19,690,229	10,891,228	8,062,942	8,153,649

	01 Apr 2020	to	01 Apr 2019
	31-Mar-21		31-Mar-20
	USD		USD
	1,242,678		1,284,953
	155,198		151,576
	1,397,876		1,436,529



06 Allocation of depreciation
0.01 Cost of goods sold
0.02 Administrative, selling and distribution expenses

As on
31st March' 2021

As on
31st March' 2020
G. BISWAS & CO.
CHARTERED ACCOUNTANTS

Property, plant and equipments

(Details shown as at annexure - A)

At Cost

Opening balance	17,647,001	15,141,512
Add: Addition during the year	1,665,453	2,688,269
Less: Deletion	(358,285)	(102,780)
	18,954,170	17,647,001

Less: Accumulated Depreciation

Opening balance	9,493,352	8,106,010
Add: Charged during the year	1,397,876	1,439,529
Less: Disposal	-	(52,187)
	10,891,228	9,493,352

Property, plant and equipments at cost less accumulated dep:

	8,062,942	8,153,649
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Inventories

Raw Materials	8,973,621	6,071,219
Work-in-progress	4,106,912	2,846,199
Finished goods	971,111	411,438
	14,051,643	9,328,856

Trade Receivables

Kappahl Sverige AB	45,354	69,903
Sabur Enterprise	-	1,148
LC WAIKIKI	-	-
MALLZEE LTD.	-	-
H.S Enterprise	3,338	-
Target Australia PTY	269,592	342,758
SS Enterprise	-	-
Transform SR LLC	178,659	264,609
Defacto Retail B.V	-	-
	496,944	678,478

Inter-Company Receivables

Pearl Global Industries Limited-(Sales)	8,543,748	1,345,795
Prudent Fashion Limited (Advance)	324,405	-
Pearl Global (HK) Ltd (Sales)	8,372,806	12,196,822
DSSO Global Ltd (Sales)	-	268,645
	17,240,958	13,811,262

Advances, Deposits and Prepayments

Deposits	212,264	211,889
Prepaid Rent	795,206	956,458

Advances (considered good) to:

- Advance Income Tax	2,535,226	2,142,987
- Suppliers	122,974	653,845
- Employees	67,052	46,795
- Incentive Receivable	633,072	465,208
- Others	25,096	36,866
	3,383,420	3,345,701

Deposits:

- Margin against L/C and B/G	1,540	1,337
- Security deposits	196,105	199,019
	197,645	200,356

Prepayments

- Prepaid insurance	62,991	70,543
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Prepaid Rent

	166,518	189,361
	3,810,574	3,806,161

Cash and Bank Balances

Cash in hand	51,787	37,457
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Balances with Bank

Fixed deposit with United Commercial Bank	152,162	139,780
Current Account with United Commercial Bank	13,987	2,669
Exchange Retention Quota with United Commercial Bank	1,037	1,011
U.C.BI -0951101000012589	64,441	-



HSBC-001-112432-012
 HSBC-001-112432-005
 HSBC-001-112432-047
 HSBC-001-112432-091
 HSBC FDR-01-112432101
 Bank Guarantee
 Funds In Transit
 DR-219-200-31537
 DB-219-200-31549
 DB-219-200-3161
 SCB A/c 11-1183252-01
 SCB A/c 46-1183252-01
 SCB A/c 42-1183252-01
 SCB FDR A/C
 DBBL-2111100017401

As on	As on	
31st March' 2021	31st March' 2020	
6,523		
28,517	8,407	
12,098	59,658	
794,286	828,150	
573,180	571,105	
236	235	
514,550	562,647	
77	80	
13	17	
3,196	3,157	
-	-	
229,528	1,259,706	
15,040	16,275	
45,876	45,795	
13,101	31,928	
2,467,848	3,530,621	
2,519,635	3,568,078	

As on
 31st March' 2020
G. BISWAS & CO.
 CHARTERED ACCOUNTANTS

Share capital

Authorized capital:

36,00,000 (2014: 11,00,000) ordinary shares of Tk. 100 each

5,128,159	5,128,159
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Issued, subscribed and paid up capital:

2,415,607 (2010: 493,781) ordinary shares of Tk. 100 each

3,441,005	3,441,005
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33,81,231 (2014: 965,624) ordinary shares of Tk. 100 each

1,375,521	1,375,521
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4,816,526	4,816,526
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The aforesaid capital was subscribed as under:

Subscribers:

Pearl Global Industries Ltd.
 Mr. Deepak Seth
 Mr. Pulkit Seth

No. of shares	No. of shares
3,381,211	3,381,211
10	10
10	10
3,381,231	3,381,231

Loan from HSBC

2,022,132	1,843,791
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Trade and Other Payables

Trade Payables:

Basic Thread Industries Ltd.
 Coats Bangladesh
 Others

24,876	65,771
94,370	11,808
12,432,902	6,397,221
12,552,148	6,474,800

Other Payables

Provision for Tax
 Withholding Tax Payable
 Export bills discounted
 Others
 Prov for gratuity
 Prov for leave

2,634,879	2,180,981
24,720	55,942
1,062,778	2,288,257
1,551,105	1,336,953
946,004	714,523
364,943	303,884
6,584,429	6,880,539
19,136,577	13,355,339

Inter-Company Payables

Pearl Global (HK) Ltd (Expenses)
 DSSP Global Ltd (Creditor-Expenses)
 DSSP Global Ltd (Creditor-Goods)
 Pearl Global Industries Limited (Creditor-Goods)
 Pearl Global Industries Limited (Creditors- Expenses)

3,111,065	2,440,118
594,479	201,631
1,386	1,386
115,156	26,015
194,736	171,607
4,016,822	2,840,755



	01 January 2021 to 31st March' 2021	01 April 2020 to 31st March' 2021	01 April 2019 31st Mar' 2020 G. BISWAS & CO. CHARTERED ACCOUNTANTS
14. Cost of Goods Sold			
Raw Material Consumed (Note 14.01)	15,821,347	49,500,267	46,901,887
Wages	3,001,449	10,947,279	10,648,211
Manufacturing Overheads (Note 14.02)	1,820,041	6,739,434	7,451,909
	20,642,838	67,186,980	65,002,006
Add: Opening Work-in-Progress	5,054,159	2,846,199	3,084,593
	25,696,997	70,033,180	68,086,599
Less: Closing Work-in-Progress	4,106,912	4,106,912	2,846,199
Cost of Goods Manufactured	21,590,086	65,926,268	65,240,399
Add: Opening Stock of Finished Goods	746,933	411,438	664,134
Cost of Goods Available For Sale	22,337,019	66,337,706	65,904,533
Less: Closing Stock of Finished Goods	971,111	971,111	411,438
Cost of Goods Sold	21,365,908	65,366,595	65,493,096
14.01. Raw Material Consumed			
Opening Inventory	8,840,100	6,071,219	6,785,220
Purchases During The Period	15,954,869	52,402,670	46,187,886
Closing Inventory	8,973,621	8,973,621	6,071,219
	15,821,347	49,500,267	46,901,887
14.02. Manufacturing Overheads			
Stores, Spares & Maintenance	187,080	624,790	1,040,995
Factory Cleaning & Upkeep	52,593	195,276	202,607
Factory Rent	285,515	1,127,455	1,118,466
Security Services	61,566	221,555	229,478
Power & Fuel	254,762	964,685	1,165,321
Consumables	95,781	299,248	312,387
Compliance Expenses	49,903	154,196	274,175
Testing Charges	85,794	270,851	269,135
Machinery Hire Charges	29,113	79,683	91,520
Clearing and Forwarding Inward Charges	307,455	1,077,203	994,365
I/C Charges For Inputs	54,162	182,579	187,654
Depreciation (Annexure - A)	269,127	1,242,678	1,284,953
Insurance	87,190	299,234	280,851
	1,820,041	6,739,434	7,451,909
15. Administrative, Selling and Distribution Expenses			
Salaries	1,640,553	6,079,603	6,006,846
Interest	92,970	512,724	459,291
Communication	19,022	82,012	79,907
Conveyance	20,794	64,491	64,038
Entertainment	6,774	17,503	33,848
Office Stationery	-	8,491	15,593
Stationery Printing	19,535	84,896	76,426
Clearing & Forwarding Outward	321,418	1,018,079	1,039,513
Bank Charges	76,532	338,419	559,778
Travelling Expenses	(2,213)	2,085	211,218
Vehicle Fuel & maintenance	125,965	399,579	581,334
Foreign exchange Fluctuation	320,774	38,877	(144,541)
Courier & postage	120,684	302,313	399,465
Audit fee / Internal Audit	9,403	28,576	33,386
Depreciation (annexure - A)	41,165	155,198	154,576
Others	453,066	1,268,146	897,270
	3,266,441	10,400,992	10,467,947
15.01. Salaries			
This includes the following emoluments to one of the directors of the company:			
Remuneration	6,191	18,566	14,170
Housing	2,568	7,702	8,927
	8,759	26,268	23,097
16. Other income			
Interest Earned	9,073	45,140	38,676
Others	-	-	-
	9,073	45,140	38,676



17. **Nonp Knit Industries Ltd**
Related Parties

Name of the Parties	Nature	Transactions	Year Ended	Year Ended	Year Ended	Year Ended
			31st Mar' 2021	31st Mar' 2020	31st Mar' 2021	31st Mar' 2020
Pearl Global Industries Ltd	Group Company	Sale of goods	25,847,643	10,183,694	8,543,748	1,067,010
		Purchases	106,686	613,273	115,150	26,328
		Expenses Payable	260,484	20,964	180,736	173,671
		Expenses recoverable	3,192	25,168	-	-
Pearl Global (HK) Ltd	Group company	Sale of goods	39,787,838	49,051,647	8,372,806	12,343,772
		Expenses Payable	93,692	72,451	3,111,003	2,460,517
		Expenses recoverable	3,793	1,372	-	-
DSSP Global Ltd	Group company	Sale of goods	397,178	1,048,112	-	271,883
		Purchases	-	184,583	1,386	1,463
		Expenses Payable	878	18,273	591,475	201,982
		Expenses recoverable	-	-	-	-
Pradip Fisheries Ltd	Group company	Advance	324,405	-	324,405	-
Pearl Global Fashion Ltd	Group company	Expenses Payable	-	-	-	-
		Expenses recoverable	-	-	-	12,857

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.

18. **Contingent liability**

Contingent liability of the company was USD 11.793 million as on 31.03.2021 (USD 6.523 million as on 31st March 2020) in respect of letters of credit outstanding and USD 0.227 million, in respect of bank guarantee.

19. **Number of employees**

The number of employees engaged as on 31.03.2021, who received a total remuneration of USD 35,364 per month or approximately 6722 Persons (6551 persons as on 31.03.2020).

20. **Exchange gain/(loss)**

The insignificant gain/(loss) arising from translation of foreign currency into local currency.

21. **General**

Figures are rounded off to nearest USD.

Financial data figures have been rearranged, wherever necessary, to conform to current period's presentation.

