

**Independent Auditor's Report on the Financial Statements of
VIP Industries BD Manufacturing Private Limited
For the year ended 31 March 2019**

**Submitted By-
Howladar Yunus & Co.
Chartered Accountants**

20 April 2019

Contents

- 1 Independent Auditor's Report
- 2 Statement of Financial Position
- 3 Statement of Profit or Loss and Other Comprehensive Income
- 4 Statement of Cash Flow
- 5 Statement for Changes in Share Capital
- 6 Notes to the Financial Statements
- 7 Related Party Disclosure
- 8 Schedule of Property, plant and Equipment



Grant Thornton
An instinct for growth™

Independent Auditor's Report

To the Shareholders VIP Industries BD Manufacturing Private Limited

Report on the Audit of the Financial Statements

Howladar Yunus & Co.

House-14(Level 4 & 5)

Road-16A, Gulshan-1

Dhaka-1212

Bangladesh

T :+880 2 9883863

Opinion

We have audited the financial statements of VIP Industries BD Manufacturing Private Limited (the "Company"), which comprise the financial position as at 31 March 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 31 March 2019, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note 2.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as explained in note 2, 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. The Companies Act, 1994 require the Management to ensure effective internal audit, internal control and risk management functions of the Company.

Chartered Accountants

Member firm of Grant Thornton International Ltd

Grant Thornton International Ltd (GTIL) and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered independently by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

grantthornton.com.bd

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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgement 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.
- 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.



Grant Thornton

An instinct for growth™

- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements.

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

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

Report on other Legal and Regulatory Requirements

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

- 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 do verification thereof;
- b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the statements of financial position and statement of comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.


Chartered Accountants

Dated: Dhaka
20 April 2019

VIP Industries BD Manufacturing Private Limited
Statement of Financial Position
As at 31 March 2019

	Note	Amount in Taka	
		March 31, 2019	March 31, 2018
ASSETS			
Non current assets			
Property, plant and equipment:	4	18,96,97,261	6,03,69,941
Capital Work in Progress		98,55,425	2,83,50,512
Advances and deposits	5	1,11,28,102	1,05,65,660
		21,06,80,788	9,92,86,113
Current assets			
Inventories	6	28,18,45,622	4,94,46,256
Trade receivables	7	7,64,02,135	3,70,13,097
Short term - advances and Prepayments	8	24,77,408	12,45,081
Cash and Bank Balances	9	2,07,89,776	2,99,75,221
Current assets		38,15,14,941	11,76,79,655
Total assets		59,21,95,729	21,69,65,768
EQUITY AND LIABILITIES			
Shareholders' equity			
Share Capital	10	1,13,050	1,13,050
Reserves & Surplus (Retained Earnings)	11	13,48,21,602	1,12,53,732
Total Shareholders' Equity		13,49,34,652	1,13,66,782
Non Current Liabilities			
Share Application Money	12		8,29,00,000
Preference Shares	12	16,51,90,000	4,04,15,000
		16,51,90,000	12,33,15,000
Current Liabilities			
Trade Payables	13	26,04,62,503	7,15,70,874
Other Payable	14	3,16,08,574	1,07,13,112
Total Liabilities		45,72,61,077	20,55,98,986
Total Equity and Liabilities		59,21,95,729	21,69,65,768

The Annexed notes form an integral part of these financial statements

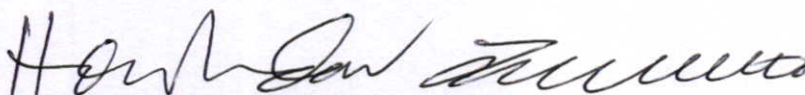


Director



Director

Signed in terms of our separate report of even date



Chartered Accountants

Dated: Dhaka
20 April 2019

VIP Industries BD Manufacturing Private Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 March 2019

	<u>Note</u>	<u>Amount in Taka</u>	
		<u>March 31, 2019</u>	<u>March 31, 2018</u>
Revenue		71,16,93,830	6,36,96,147
Cost of revenue	16	(55,08,10,091)	(4,78,06,386)
Gross Profit/(Loss)		16,08,83,739	1,58,89,761
Administrative, Expenses	17	74,47,751	17,00,178
Selling and Distribution Expenses	18	2,45,45,026	18,61,340
Finance Cost	19	74,65,083	-
		3,94,57,859	35,61,518
Profit from operations		12,14,25,880	1,23,28,243
Other Income		21,41,989	(10,74,510)
Net Profit/(Loss) Before Tax		12,35,67,869	1,12,53,732
Tax Expenses :			
Current Tax		-	-
Net Profit/(Loss)		12,35,67,869	1,12,53,732
Other Comprehensive Income		-	-
Net Profit/(Loss) and Total Comprehensive Income		12,35,67,869	1,12,53,732

The Annexed notes form an integral part of these financial statements

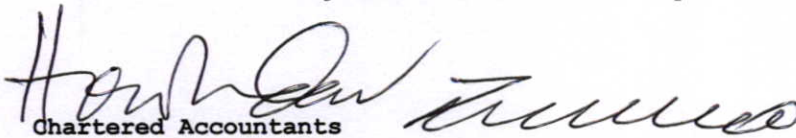


Director



Director

Signed in terms of our separate report of even date


Chartered Accountants

Dated: Dhaka
20 April 2019

VIP Industries BD Manufacturing Private Limited
Statement of Cash Flow
For the year ended March 31, 2019

	Amount in Tk	
	March 31, 2019	March 31, 2018
A. Cash Flows from Operating Activities		
Cash received from customer	67,23,04,792	2,66,83,050
Cash paid to suppliers & Operating Expenses	(57,85,29,841)	(2,94,99,553)
Finance Cost	(74,65,083)	-
Other Income	21,41,989	(10,74,510)
Net Cash Flows from Operating Activities	8,84,51,857	(38,91,013)
 B. Cash Flows from Investing Activities		
Acquisition of Property, Plant and Equipment	(13,20,47,219)	(8,95,61,816)
Net Cash Flows from Investing Activities	(13,20,47,219)	(8,95,61,816)
 C. Financing Activities		
Increase/(Decrease) in equity Share Capital	-	1,13,050.00
Increase/(Decrease) in share application money	-	8,29,00,000.00
Increase/(Decrease) in (Convertible Preference Shares)	41875000	4,04,15,000.00
Payment of Convertible Preference Dividend	(74,65,083)	-
Net Cash Flows from Financing Activities	3,44,09,917	12,34,28,050
 D. Net Cash Flows from Total Activities	(91,85,445)	2,99,75,221
 E. Opening Cash and Cash Equivalents	2,99,75,221	-
F. Closing Cash and Cash Equivalents	2,07,89,776	2,99,75,221
 Cash and Cash Equivalents :		
Cash at Bank	2,07,77,517	2,99,65,547
Cash in Hand	12,259	9,674
	2,07,89,776	2,99,75,221

The Annexed notes form an integral part of these financial statements



Director



Director

VIP Industries BD Manufacturing Private Limited
Statement of Changes in Share Capital
For the year ended March 31, 2019

Particulars	Share Capital	Share Application Money	Retained Earnings	Total Taka
Balance as at March 31, 2018	1,13,050	-	1,12,53,732	1,13,66,782
Net profit for the year	-	-	12,35,67,869	12,35,67,869
Balance as on March 31, 2019	1,13,050	-	13,48,21,602	13,49,34,652

Statement of Changes in Share Capital
For the year ended March 31, 2018

Particulars	Share Capital	Share Application Money	Retained Earnings	Total Taka
Balance as on April 1, 2017	-	-	-	-
Allotment of 11305 Equity Shares	1,13,050	-	-	1,13,050
Net profit for the year	-	-	1,12,53,732	1,12,53,732
Balance as on 31st March, 2018	1,13,050	-	1,12,53,732	1,13,66,782



Director



Director

VIP Industries BD Manufacturing Private Limited
Notes to the Financial Statements
as at and for the year ended 31 March 2019

1.00 Reporting entity

VIP Industries BD Manufacturing Pvt Limited is a Private Company limited by Shares incorporated on 28 th day of September, 2017 under the Companies Act, 1994 as adopted in Bangladesh.

The factory of the company is located in MS# SFB01 (Ground and 1 St and 3 Rd Floor), Mongla Export Processing Zone, Mongla, Bagerhat - 9351 and also Plot No 99-102 Mongla Export Processing Zone, Mongla, Bagerhat - 9351. The company commenced its commercial production on 6 th March, 2018.

1.01 Registered Office

The address of the Company's registered office is Plot No 99-102 , Mongla export processing zone, Mongla,Bagerhat-9351, Bangladesh

2.00 Basis of Preparation

2.01 Statement of Compliance :

The Financial Statements of VIP Industries BD Manufacturing Pvt Limited have been prepared in accordance with the International Financial Reporting Standards (IFRS).

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 company 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.

2.05 Reporting Period:

These financial statements have been prepared for the period from April 01, 2018 to March 31, 2019.

2.06 Date of Authorization

The Board of Directors has Authorized these Financial Statements on 20 April 2019.

3.00 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 rate prevailing on the transaction dates. All monetary assets and liabilities are translated 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 expenses statement as other expenses.

3.02 Property, Plant and Equipment :

i) Recognition and measurement

Items of fixed assets excluding land and building are measured at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS) 16 "Property, Plant and Equipments".

ii). Subsequent Cost

Subsequent costs are capitalized only when it is probable that the future economic benefits associated with the costs will flow to the entity. Ongoing repairs and maintenance is expensed as incurred.

iii) Depreciation

During the current Financial year, the Company has provided depreciation under Straight Line method.

Accordingly, Depreciation on all property plant & equipment except land is provided on Straight Line method so as to write off the assets over their expected useful life. Depreciation on Property, Plant & Equipment has been charged on acquisition of Property, Plant & Equipment when it is available for use. Asset category wise annual depreciation rates are as follows:

Items	Rates
Building	5.00%
Furniture	10.00%
Plant and Machinery	20.00%
Air Conditioning equipments	20.00%
Computer and Software	30.00%
Vehicle	20.00%

3.03 Employee Benefits

i) Provident Fund

The Company has introduced a Contributory Provident Fund for its eligible employees with effect from January 2018, obtaining necessary approval from the National Board of Revenue, Government of Bangladesh. Provident Fund is administered by a Board of Trustees. All confirmed employees are contributing 8.33% of their Basic salary as subscription of the fund and the Company also contributed at the same rate to the fund. The contributions are invested in compliance with the PF Trust Deed. Members are eligible to withdraw fund as per the BEPZA provident Fund policy 2012.

3.04 Convertible Preference Share

As per Para-18 (a) of International Accounting Standard (IAS) 32, "A preference share that provides for redemption by the subscriber for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability".

3.05 Borrowing Cost

As per Para-36 of International Accounting Standard (IAS), "Dividend payments on shares wholly recognized as liabilities are recognized as expenses in the same way as interest on a bond". The dividend on Convertible preference shares are recognized in income statement as interest expense.

3.06 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.

3.07 Inventories

Inventories include raw material, work-in-progress and finished goods. Inventories are measured at the lower of cost and net realizable value. Raw Material, Component, Spares and Packing Material inventory cost is determined at Weighted average. Finished Goods includes purchase cost, cost of conversion and other costs in bringing the inventory to the present condition. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

3.08 Trade Receivable :

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

3.09 Trade Payable :

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

3.10 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.

3.11 Revenue recognition

The Company has initially applied IFRS 15: Revenue from Contracts with Customers from 1 January 2018. Due to the transition methods chosen by the Company in applying this standard, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standard. Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. There has been no impact on the financials due to the adoption. The Company generates revenue primarily from the sale of luggage and backpack to the customer.

3.12 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.

3.13 Taxation

The Manufacturing factory is based in Mongla Export Processing Zone (MEPZ) under BEPZA. As per the provisions of S.R.O. No. 219/2012 dated June 27, 2012, the income of the Factory is exempted from tax 100% for the first three years, 50% for next three years and 25% in the seventh year from the date of commencement of commercial production i.e. from 06 Th March, 2018. As per SRO and relevant provisions of Income Tax Ordinance 1984, adequate tax provision has to be made on the profit after expiry of 100% exemption period of three years.

3.14 Cash Flow

The cash flow forming a part of Financial Statement has been prepared under Direct method as per IAS 7.

	Amount in Taka	
	31 March 2019	31 March 2018
4.00 Property, plant and equipment:		
Building-Factory	7,55,22,846	-
Plant and Machinery	10,46,22,514	5,31,20,395
Vehicle	46,948	-
Data Process. Machine	10,51,237	4,52,840
Furniture & Fixtures	69,56,048	55,52,102
Office Equipments	14,97,668	12,44,603
	18,96,97,261	6,03,69,941
For Details Refer Annexure-A		
5.00 Advances and Deposits		
Deposits		
Non-current portion		
Security Deposit for Water Meter	1,42,392	1,41,126
Security Deposit at BEPZA for Plot/Building	59,25,015	42,44,552
Deposit for Digital Electronic Meter, BEPZA	50,60,695	24,38,232
Advance to Modern Structure for construction project	-	37,41,750
	1,11,28,102.32	1,05,65,660
6.00 Inventories		
Raw Materials	20,40,63,457	3,82,76,645
Work-in-progress	2,71,83,316	1,04,07,985
Finished goods	5,05,98,848	7,61,626
	28,18,45,622	4,94,46,256
7.00 Trade Receivables		
VIP Industries Limited	7,64,02,135	3,70,13,097
	7,64,02,135	3,70,13,097
8.00 Advances and Prepayments		
8.01 Advances (considered good) to:		
Suppliers	2,64,548	4,86,825
	2,64,548	4,86,825
8.02 Prepayments		
Prepaid insurance and expenses	22,12,860	7,58,256
	24,77,408	12,45,081
9.00 Cash and Bank Balances		
Cash in hand	12,259	9,674
Balances with Bank		
Current Account		
State Bank of India, USD	16,07,587	7,42,993
State Bank of India, BDT	10,216	-
Eastern Bank USD	1,42,04,330	2,83,34,861
Eastern Bank BDT	46,69,309	1,44,784
Standard Chartered Bank	1,13,849	-
Trust Bank	1,58,172	7,42,909
Al-Alarafa Bank	14,056	-
	2,07,77,517	2,99,65,547
	2,07,89,776	2,99,75,221

10.00 Share Capital**Authorized Capital:**

1000000 Equity Shares of Taka 10/- each	1,00,00,000	1,00,00,000
19000000 8% Convertible Preference Shares of Taka 10/- each	19,00,00,000	19,00,00,000
	<u>20,00,00,000</u>	<u>20,00,00,000</u>

Issued, subscribed and paid up capital:

11305 Equity Shares of Taka 10/- each	1,13,050	1,13,050
	-	-
	<u>1,13,050</u>	<u>1,13,050</u>

The aforesaid capital was subscribed as under:

Subscribers:

	<u>No. of shares</u>	<u>No. of shares</u>
Equity Share		
VIP Industries Limited, India	11,304	11,304
Mr. Dilip G. Piramal	1	1
	<u>11,305</u>	<u>11,305</u>

The Company was incorporated with an Authorized Capital of BDT 20,00,00,000 divided into 10,00,000 Ordinary Shares of BDT10/- each. And 1,90,00000 8% Convertible Preference Shares of BDT 10/- each.

According to IAS-32 the above Convertible Preference Shares which having redemption right has been shown under Borrowings.

11.00 Reserves and Surplus (Retained earnings)

Opening Balance	1,12,53,732	-
Add: Net Profit/(loss) after tax transferred from	12,35,67,869	1,12,53,732
Closing Balance	<u>13,48,21,602</u>	<u>1,12,53,732</u>

12.00 Convertible Preference Shares

16519000 8% Convertible Preference Shares of Taka 10 only	16,51,90,000	4,04,15,000
Share Application Mooney	-	8,29,00,000
	<u>16,51,90,000</u>	<u>12,33,15,000</u>

The company has issued Convertible Preference Share amounting to Taka 165190000 which will be redeemed within 10 years from the date of allotment that meet the criteria of financial liability. For that reason Convertible Preference Shares are considered as borrowing.

13.00 Trade Payables:

Sundry Creditors For Goods	26,04,62,503	7,15,70,874
	<u>26,04,62,503</u>	<u>7,15,70,874</u>

14.00 Other Payables

Sundry Creditors For Expenses	2,35,50,344	1,04,38,977
Dividend on Convertible Preference Shares	74,65,083	-
Provision For Tax	-	-
Statutory Liabilities	5,93,147	2,74,134
	<u>3,16,08,574</u>	<u>1,07,13,112</u>

		Amount in Taka	
		31 March 2019	31 March 2018
15.00	Cost of Revenue		
	Raw Material Consumed (Note 15.01)	47,94,25,361	4,73,49,188
	Salary & Wages	8,42,07,411	49,08,310
	Manufacturing Overheads (Note 15.02)	5,37,89,872	67,18,499
		<u>61,74,22,645</u>	<u>5,89,75,997</u>
	Add: Opening Work-in-Progress	1,04,07,985	
		<u>62,78,30,630</u>	<u>5,89,75,997</u>
	Less: Closing Work-in-Progress	2,71,83,316	1,04,07,985
	Cost of Goods Manufactured	<u>60,06,47,314</u>	<u>4,85,68,012</u>
	Add: Opening Stock of Finished Goods	7,61,626	
	Cost of Goods Available For Sale	<u>60,14,08,939</u>	<u>4,85,68,012</u>
	Less: Closing Stock of Finished Goods	5,05,98,848	7,61,626
	Cost of Revenue	<u><u>55,08,10,091</u></u>	<u><u>4,78,06,386</u></u>
	Salary & Wages (includes Provident Fund BDT 1307483 previous year BDT 208621)		
15.01.	Raw Material Consumed		
	Opening Inventory - Raw Materials & Packing Materials	3,82,76,645	-
	Purchases During the Period	64,52,12,174	8,56,25,833
	Closing Inventory - Raw Materials & Packing Materials	20,40,63,457	3,82,76,645
		<u><u>47,94,25,361</u></u>	<u><u>4,73,49,188</u></u>
15.02.	Manufacturing Overheads		
	Rates & Taxes	-	-
	Power & Water	56,95,153	3,55,229
	Repairs To Plant & Machinery	7,560	7,400
	Other Repair & Maintenance	1,04,199	-
	Consumption of Stores and spare parts	1,08,51,639	13,83,216
	Insurance	17,77,483	69,382
	Leased Rent	1,41,37,450	40,61,908
	Depreciation	2,12,16,389	8,41,363
		<u><u>5,37,89,872</u></u>	<u><u>67,18,499</u></u>
16.00	Administrative Expenses		
	Travelling Expenses	92,019	9,725
	Legal & Professional Charges	7,23,209	2,53,000
	Administrative Cost	17,602	8,794
	Administrative salaries	371983	138550
	Other administrative Cost	62,42,938	12,90,109
		<u><u>74,47,751</u></u>	<u><u>17,00,178</u></u>
	Administrative salaries (includes Provident Fund BDT 1,610 previous year BDT nil)		
17.00	Selling and Distribution Expenses		
	Selling Expenses	2,45,45,026	18,61,340
		<u><u>2,45,45,026</u></u>	<u><u>18,61,340</u></u>
18.00	Finance Cost		
	Dividend on Convertible Preference shares	74,65,082.74	-
		<u><u>74,65,082.74</u></u>	<u><u>-</u></u>

19.00 Related parties

Name of the related	Relationship	Nature of transactions	Transaction Amount	Balance (Taka)	
				as at 31 March 2019	as at 31 March 2018
VIP Industries Ltd	Holding company				
		Sale of goods	71,16,93,830	7,64,02,135	3,70,13,097
		Equity Share Capital	-	1,13,050	1,13,050
		Preference Share Application Money	8,29,00,000	-	8,29,00,000
		Convertible Preference Share	12,47,75,000	16,51,90,000	4,04,15,000
		Dividend On Convertible Preference Share	74,65,083	74,65,083	-
		Guarantee Commission	13,11,178	15,79,238	2,68,061

VIP Industries BD Manufacturing Private Limited is a Subsidiary of VIP Industries Ltd. Major products of VIP Industries BD Manufacturing Private Limited are exported to VIP Industries Ltd. Product pricing is market driven due to highly competitive luggage industry. As VIP BD Manufacturing Private Limited is in the initial years of its operations and has yet to establish its niche, product pricing is being done keeping in mind pricing of available products with similar features/looks.

20.00 Contingent liability

There was no contingent liability at the end of the year.

21.00 Number of Employees

The number of employees engaged as on 31 March ,2019, who received a total remuneration of Tk. 3,000 per month or above was 888 Persons.

22.00 Exchange Gain/(Loss)

This represents gain/(loss) arising from translation of foreign currency into local currency as other income in statement of comprehensive income.

23.00 General

Figures are rounded off to nearest Taka.

Previous year figures have been rearranged, wherever necessary, to confirm to current period's presentation.



Director



Director

VIP Industries BD Manufacturing Private Limited
Schedule of Property, plant and Equipment
as at 31 March, 2019

Amount in Taka

Particulars	COST			DEPRECIATION/ AMORTISATION			NET BOOK VALUE		
	As at 1st April, 2018	Additions	Deductions / Adjustments	As at 31st March, 2019	As at 1st April, 2018	For the year	Deductions/ Adjustments	As at 31st March, 2019	As at 31st March, 2017
Tangible Assets:									
Land - Leasehold	-	-	-	-	-	-	-	-	-
Building-Factory	-	7,74,40,952	-	7,74,40,952	-	19,18,106	-	7,55,22,846	-
Plant and Machinery	5,38,89,787	6,97,70,915	-	12,36,60,702	7,69,392	1,82,68,796	-	10,46,22,514	5,31,20,395
Vehicle	-	52,500	-	52,500	-	5,552	-	46,948	-
Data Process. Machine	4,73,550	8,42,415	-	13,15,965	20,710	2,44,018	-	10,51,237	4,52,840
Furniture & Fixtures	55,96,425	20,74,442	-	76,70,867	44,322	6,70,497	-	69,56,048	55,52,102
Office Equipments	12,51,542	3,61,082	-	16,12,624	6,939	1,08,017	-	14,97,668	12,44,603
Total Tangible Assets	6,12,11,304	15,05,42,306	-	21,17,53,610	8,41,363	2,12,14,986	-	18,96,97,261	6,03,69,941

Schedule of Property, plant and Equipment
As at March 31, 2018

Amount in Taka

Particulars	COST			DEPRECIATION/ AMORTISATION			NET BOOK VALUE		
	As at 1st April, 2017	Additions	Deductions / Adjustments	As at 31st March, 2018	As at 1st April, 2017	For the year	Deductions/ Adjustments	As at 31st March, 2018	As at 31st March, 2016
Tangible Assets:									
Land - Leasehold	-	-	-	-	-	-	-	-	-
Building-Factory	-	-	-	-	-	-	-	-	-
Plant and Machinery	-	5,38,89,787	-	5,38,89,787	-	7,69,392	-	5,31,20,395	-
Data Process. Machine	-	4,73,550	-	4,73,550	-	20,710	-	4,52,840	-
Furniture & Fixtures	-	55,96,425	-	55,96,425	-	44,322	-	55,52,102	-
Office Equipments	-	12,51,542	-	12,51,542	-	6,939	-	12,44,603	-
Total Tangible Assets	-	6,12,11,304	-	6,12,11,304	-	8,41,363	-	6,03,69,941	-