

**AZIZ PIPES LIMITED**

Head Office : 93, Motijheel C/A (3rd floor), Dhaka-1000.

FIRST QUARTER(Q1) Un-Audited FINANCIAL STATEMENT 2019-2020

Statement of Financial Position (Un-audited)		
As at 30th September, 2019		
Property & Assets	30-Sep-19 Taka'000s	30-Jun-19 Taka'000s
Non-Current Assets	247,492	249,135
Fixed Assets	247,492	249,135
Current Assets	183,262	214,060
Inventories	118,913	130,586
Accounts Receivable-Trade	32,128	56,163
Advances, Deposits & Prepayments	24,397	24,235
Cash & Bank Balances	7,824	3,076
Total Assets	430,754	463,195
EQUITY & LIABILITIES		
Shareholders' Equity	(88,317)	(89,495)
Share Capital	53,471	53,471
Share Premium	106,700	106,700
Revenue Reserves & Surplus	23,872	23,872
Revaluation Reserves	193,884	194,371
Retained Earnings	(466,244)	(467,909)
Loan liabilities	58,220	58,220
Term Loan	57,200	57,200
Short Term Loan	1,020	1,020
Deferred Tax Liabilities	27,787	28,250
Suspenses Account	281,288	303,989
Current Liabilities	151,776	162,231
Creditors & Accruals	144,541	155,403
Provision for Income Tax	7,235	6,828
Total Equity & Liabilities	430,754	463,195
Net Asset Value (NAV) Per Share	(16.52)	(16.74)

Statement of Cash Flows(Un-audited)			
For the period from 1st July-2019 to 30th September-2019			
	1 July to 30-Sep-19	1 July to 30-Sep-18	
CASH FLOW FROM OPERATING ACTIVITIES:			Taka '000s Taka '000s
Collection from Sales & Others			91,966 59,484
Payment for Cost & Expenses			(63,616) (50,628)
Net Cash Generated from Operating Activities	28,350	8,856	
CASH FLOW FROM INVESTING ACTIVITIES:			
Acquisition of Fixed Assets			- (27)
Net Cash Used in Investing Activities	-	(27)	
CASH FLOW FROM FINANCING ACTIVITIES:			
Payment of SEBL Term Loan			- (3,360)
Payment of NBBL Term Loan			- (5,138)
Payment of Uttara Bank Ltd. Loan Account			(14,700) -
Payment of Dutch Bank Ltd. Loan Account			(8,000) -
Payment of Lease Rental & Bank Charges			(902) (887)
Net Cash Generated from Financing Activities	(23,602)	(9,385)	
Net Cash Inflow / (Outflow)	4,748	(556)	
Opening Cash & Bank Balances	3,076	2,773	
Closing Cash & Bank Balances	7,824	2,217	
Net Operating Cash Flow Per Share	5.30	1.74	

Statement of Changes in Shareholders' Equity (Un-audited)						
For the period from 1st July, 2019 to 30th September, 2019						
Particulars	Share Capital	Share Premium	Revenue Reserve & Surplus	Revaluation Surplus	Retained Loss	Total Taka'000s
Balance as at 1st July-2018	50,925	106,700	23,872	196,317	(471,563)	(93,749)
Net Profit for the period					627	627
Revaluation Reserve Adjusted				(487)	487	-
Balance as at 30th Sep-2018	50,925	106,700	23,872	195,830	(470,449)	(93,122)
Balance as at 1st July-2019	53,471	106,700	23,872	194,371	(467,909)	(89,495)
Net Profit for the period					1,178	1,178
Revaluation Reserve Adjusted				(487)	487	-
Balance as at 30th Sept-2019	53,471	106,700	23,872	193,884	(466,244)	(88,317)

Statement of Comprehensive Income (Un-audited)		
For the period from 1st July, 2019 to 30th September, 2019		
Particulars	July-19 to Sept'19 Taka'000s	July-18 to Sept'18 Taka'000s
Turnover	67,931	64,689
Cost of Goods Sold	60,690	57,883
Gross Profit	7,241	6,806
Operating Expenses	5,909	6,225
Operating Profit	1,332	581
Workers Profit Participation Fund	67	29
Net Profit before Tax	1,265	552
Income Tax Expenses	87	(75)
Current Tax	408	388
Deferred Tax	(321)	(463)
Net Profit After Tax	1,178	627
Earning Per Share (EPS) Restated	0.22	0.12

- Note:- i. The Company and Banks have gone to mitigate their respective grievances. As such no interest has been charged during the period against those loans. Previous year's figures have been re-arranged where necessary.
- ii. EPS Increased due to increase in Turnover & decrease in Operating Expenses as compared to last year.
- iii. NOCFPS increased due to increase in collection sales procedure as compared to last year.

Md. Refat Hasan
Chairman

Md. Abdul Halim
Director

A.H.M. Zakaria
Asst. Company Secretary

Md. Nurul Absar
CFO & Managing Director (C.C)

The details of the published 1st quarter financial statements is available in the website of the Company. The address of the website is www.azizpipes.com

Aziz Pipes Limited
Statement of Financial Position
As at 30 September 2019

Particulars	Notes	As on 30th, September 2019	As on 30th June 2019
Property & Assets			
Non-Current Assets		247,492,489	249,135,582
Fixed Assets	3	247,492,489	249,135,582
Current Assets		183,261,439	214,059,117
Inventories	4	118,913,260	130,585,593
Accounts Receivable-Trade	5	32,127,589	56,162,514
Advances, Deposits & Prepayments	6	24,396,966	24,234,889
Cash & Cash Equivalent	7	7,823,624	3,076,121
Total Property & Assets		430,753,928	463,194,699
Shareholders' Equity & Liabilities			
Shareholders' Equity		(88,317,126)	(89,495,199)
Share Capital	8	53,471,250	53,471,250
Share Premium	9	106,700,000	106,700,000
Reserves & Surplus	10	23,871,918	23,871,918
Revaluation Reserve	11	193,883,901	194,370,605
Retained Earnings	12	(466,244,195)	(467,908,972)
Loan Fund		58,219,842	58,219,842
Term Loan	13	57,200,000	57,200,000
Short Term Loan	14	1,019,842	1,019,842
Deferred Tax	15	27,786,947	28,250,406
Suspense Account	16	281,288,422	303,988,422
Current Liabilities		151,775,843	162,231,228
Accounts Payable	17	139,182,925	149,377,239
Creditors & Accruals	18	2,951,768	3,687,008
Workers profit participation fund	19	676,765	610,180
Staff Gratuity		1,078,435	1,078,435
Provision for Income Tax	20	7,235,369	6,827,785
Unclaimed Dividend		650,581	650,581
Total Shareholders' Equity & Liabilities		430,753,928	463,194,699
Net Asset Value (NAV) per Share		(16.52)	(16.74)

The accounting policies and other notes are the integral part of the financial statements.

Aziz Pipes Limited
Statement of Profit or Loss and other Comprehensive Income
For the period ended 30 September 2019

Particulars	Notes	Amount (In Taka)	
		2019-2020	2018-2019
		July to Sept	July to Sept
Turnover	21	67,930,619	64,688,681
Less: Cost of Goods Sold	22	60,690,185	57,883,162
Gross Profit		7,240,434	6,805,519
Less: Operating Expenses		5,908,735	6,224,990
Administrative & General Expenses	23	5,534,871	5,933,637
Selling & Distribution Expenses	24	352,343	284,459
Financial Expenses (Bank Charges)	25	21,521	6,894
Operating Profit		1,331,699	580,529
Net Profit before WPPF		1,331,699	580,529
Less: Workers Profit Participation Fund	19	66,585	28,943
Net Profit before Income Tax		1,265,114	551,586
Less: Income Tax expenses		87,042	(75,327)
Current Tax		407,584	388,132
Deferred Tax	15	(320,542)	(463,459)
Net Profit after Income Tax		<u>1,178,073</u>	<u>626,913</u>
Basic Earning per Share (EPS) Restated	26	0.22	0.12

The accounting policies and other notes are the integral part of the financial statements.

Aziz Pipes Limited
Statement of Changes in Equity
For the period ended 30th September 2019

Particulars	Share Capital	Share Premium	Revenue Reserves & Surplus	Revaluation Surplus	Retained Earnings	Total Taka
Balance as on 01.07.2018	50,925,000	106,700,000	23,871,918	196,317,421	(471,563,204)	(93,748,865)
Net Profit/(Loss) during the year	-	-	-	-	626,913	626,913
Revaluation reserve	-	-	-	(486,704)	486,704	-
Balance as on 30.09.2018	50,925,000	106,700,000	23,871,918	195,830,717	(470,449,587)	(93,121,952)
Particulars	Share Capital	Share Premium	Revenue Reserves & Surplus	Revaluation Surplus	Retained Earnings	Total Taka
Balance as on 01.07.2019	53,471,250	106,700,000	23,871,918	194,370,605	(467,908,972)	(89,495,199)
Net Profit /(Loss) during the year	-	-	-	-	1,178,073	1,178,073
Adjustment of Revaluation reserve on depreciable Assets	-	-	-	(486,704)	486,704	-
Balance as on 30.09.2019	53,471,250	106,700,000	23,871,918	193,883,901	(466,244,195)	(88,317,126)

The accounting policies and other notes are the integral part of the financial statements.

Aziz Pipes Limited
Statement of Cash Flows
For the period ended 30 th September 2019

Particulars	Notes	Amount (In Taka)	
		2019	2018
		(July to Sept.)	(July to Sept.)
Cash Flow from Operating Activities:			
Collection from Sales & Others		91,965,544	59,484,167
Payment to Suppliers & Expenses		(63,615,921)	(50,627,499)
Net Cash Generated from Operating Activities		28,349,623	8,856,668
Cash Flow from Investing activities:			
Acquisition of Fixed Assets		-	(27,000)
Net Cash used in Investing Activities		-	(27,000)
Cash Flow from Financing Activities:			
Payment of SEBL Block Account		-	(3,360,000)
Payment of NBL Block Account		-	(5,137,659)
Payment of Dutch Bangla Bank Block Account		(8,000,000)	-
Payment of Uttara Bank Block Account		(14,700,000)	-
Payment of Lease Rental & Bank charge		(902,120)	(887,493)
Net Cash Generated from Financing Activities		(23,602,120)	(9,385,152)
Net Cash Inflow/(Outflow)		4,747,503	(555,484)
Opening Cash & Bank Balances		3,076,121	2,772,840
Closing Cash & Bank Balances		7,823,624	2,217,356
Net Operating Cash Flow per Share	27	5.30	1.74

The accounting policies and other notes form an integral part of the financial statements.

Aziz Pipes Limited

Notes to the financial statements and other explanatory information For the year and then ended 30th September, 2019

1.0 The Company and its activities:

1.1 Introduction:

The organization was incorporated on 02 May, 1981 as a Private Limited Company under the Companies Act, 1913 and now 1994. It was converted into a Public Limited Company under the same statute. Its shares are listed in both the Dhaka and Chittagong Stock Exchange Limited.

The Registered Office of the Company is located at 93, Motijheel C/A, (3rd Floor), Dhaka-1000 and the Factory is located at Amirabad (Shibrampur), Faridpur.

1.2 Nature of business/ Principal activities of the Organization:

The Company is manufacturer of high quality PVC Rigid Pipes & PVC Profiles products. Currently due to working capital shortage, PVC plastic wood and PVC flexible corrugated conduit pipes production has been temporally closed.

1.3 Presentation of financial statements:

As per BAS-1 "Presentation of Financial Statements", financial statements shall comprise statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements comprising summary of accounting policies and other explanatory information. Furthermore, IAS-1 states that, an entity shall present its current and non-current assets and liabilities, as separate classifications in its statement of financial position.

i. Components of the Financial Statements:

According to the International Accounting Standards (IAS)-1 "Presentation of Financial Statements" the complete set of Financial Statements includes the following components":

- i. Statement of Financial Position as at 30th September, 2019
- ii. Statement of Profit or Loss & Other Comprehensive Income for the year ended 30th September 2019
- iii. Statement of Changes in Equity for the year ended 30th September, 2019
- iv. Statement of Cash Flows for the year ended 30th September, 2019 and
- v. Notes to the financial statements and other explanatory information.

ii. Revenue:

As per IAS 18 "Revenue", revenue should be recognized on accrual basis and recognized when significant risk and rewards of ownership are transferred, the entity has not ownership or control over the goods, revenue can be recognized reliably, economic benefits flow to the entity and the cost incurred to generate revenue can be measured reliably.

1.4 Measurement of elements in the financial statements:

Measurement is the process of determining the monetary amounts at which the elements of the financial statements are to be recognized and carried in the financial statements. The measurement basis adopted by the Company is historical cost except for land and building which are stated in accordance with the policies mentioned in the respective notes.

1.5 Use of estimates and judgments:

The preparation of 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, and disclosure requirements for contingent assets and liabilities 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. Revisions of accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include depreciation, amortization, impairment, post employment benefits liabilities, accruals, taxation and provision.

1.6 Comparative information and rearrangement thereof:

Comparative figures have been re-arranged wherever considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.

1.7 Going concern:

When preparing financial statements, management makes an assessment of the Company's ability to continue as a going concern. The Company prepares financial statements on a going concern basis. In spite of working capital constant, the Company has adequate resources to continue in operation for the foreseeable future. For this reasons the directors continue to adopt going concern basis in preparing the financial statements.

1.8 Accrual basis of accounting:

The Company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. Since the accrual basis of accounting is used, the Company recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework.

1.9 Materiality and aggregation:

The Company presents separately each material class of similar items. The Company presents separately items of a dissimilar nature or function unless they are immaterial. Financial statements result from processing large numbers of transactions or other events that are aggregated into classes according to their nature or function.

1.10 Reporting period:

These financial statements of the Company covers one financial year from 01 July 2019 to 30 Sep 2019.

1.11 Authorization of the financial statements for issue:

The financial statements were authorized by the Board of Directors on 28 October 2019 for issue after completion of review.

1.12 Cash flow statement

Cash Flow Statement is prepared in accordance with IAS 7-"Statement of Cash Flows". The Statement shows the structure of changes in cash and cash equivalents during the financial year. Statement of Cash Flows is prepared principally in accordance with IAS-7 "Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method, paragraph 19 of IAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow from Operating Activities Using the Direct Method".

1.13 Statement of changes in equity:

Statement of Changes in Equity has been prepared in accordance with IAS 1 -"Presentation of Financial Statements"

1.14 Changes in accounting policies:

The company changes its accounting policy only if the change is required by a IFRS or results in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the company financial position, financial performance or cash flows. Changes in accounting policies is to be made through retrospective application by adjusting opening balance of each affected components of equity i.e. as if new policy has always been applied.

1.15 Changes in accounting estimates:

Estimates arise because of uncertainties inherent within them, judgement is required but this does not undermine reliability. Effect of changes of accounting estimates is included in profit or loss account. The preparation of the financial statements are in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Previously Company Maintained Unitwise Accounts for Tax Holiday benefits Purpose but Tax Holiday period now Expired So, the Company's Board of Directors decided to Maintain only consolidated Financial Statement from this year.

1.16 Correction of error in prior period financial statements:

The company corrects material prior period errors retrospectively by restating the comparative amounts for the prior period(s) presented in which the error occurred; or if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for the earliest prior period presented.

1.17 Segment Reporting:

No segmental reporting is applicable for the company as required by IAS-14: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

1.18 General:

Wherever consideration is necessary, previous period's figures have been rearranged for the purpose of co

Figures appearing in the financial statements have been rounded off to the nearest Taka.

2.0 Summary of significant accounting policies:

Accounting policies are determined by applying the relevant IFRS. Where there is no available guidelines of IFRS, management uses its judgment in developing and applying an accounting policy that results in information that is relevant and reliable. The company selects and applies its accounting policies for a period consistently for similar transactions, other events and conditions, unless a IFRS or specifically requires or permits categorization of items for which different policies may be appropriate. The accounting policies set out below have been applied consistently in all material respects to all periods presented in these financial statements.

2.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins in hand and at bank, which are not ordinarily susceptible to change in value. For the purpose of Statement of Financial Position and Statement Cash Flows, Cash in Hand and Bank balances represent cash and cash equivalents considering the IAS-1 "Presentation of Financial Statements" and IAS-7 "Cash Flow Statement", which provide that Cash and Cash equivalents are readily convertible to known amounts of Cash and are subject to an insignificant risk of changes in value and are not restricted as to use.

2.2 Fixed assets [Property, plant & equipment and intangibles]

2.2.1 Recognition:

The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits will flow to the Company and the cost of the item can be measured reliably.

2.2.2 Measurement at recognition:

An item of property, plant and equipment that qualifies for recognition as an asset is measured at its cost. The cost of an item of property, plant and equipment is the cash price equivalent at the recognition date. The cost of a self-constructed asset is determined using the same principles as for an acquired asset.

2.2.3 Elements of costs and subsequent costs:

Cost includes purchase price (including import duties and non-refundable purchase taxes), directly attributable costs to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management and the initial estimate of the cost of dismantling and removing the item and restoring the site on which it is located. Costs of day to day servicing (repairs and maintenance) are recognized as expenditure as incurred. Replacement parts are capitalized, provided the original cost of the items they replace is derecognized.

2.2.4 Measurement of property, plant & equipment after recognition:

Cost model

After recognition as an asset, an item of property, plant and equipment shall be carried at its cost less any accumulated depreciation.

Revaluation model

The revaluation model requires an asset, after initial recognition, to be measured at a revalued amount, which is its fair value less subsequent accumulated depreciation.

Where an asset's carrying amount is increased as a result of a revaluation, the increase is recognized in equity under the heading of revaluation reserve. However, the increase is recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

Where an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in profit or loss. However, the decrease is recognized in equity to the extent of any credit balance existing in the revaluation reserve in respect of that asset. The decrease recognized in equity reduces the amount accumulated under the heading of revaluation reserve.

The revaluation reserve included in equity in respect of an item of property, plant and equipment is transferred directly to retained earnings when the asset is derecognized. However, some of the surplus is transferred as the asset is used by the Company. In such a case, the amount of the revaluation reserve transferred would be the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost.

2.2.5 Derecognition of property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included as other income in profit or loss when the item is derecognized.

2.2.6 Depreciation

The depreciation charge for each period is recognized in profit or loss unless it is included in the carrying amount of another asset. Depreciation of an asset begins when it is installed and available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. Depreciation has been charged using Diminishing Balance Method (DBM). Full years depreciation is charged on addition irrespective of date when the related assets are ready to use and no depreciation is charged on assets disposed off during the year. Expenditure for maintenance and repair are expensed, major replacements, renewals and betterment are capitalized. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate.

Depreciation is calculated based on the cost/revalued amount of items of fixed assets [property, plant & equipment] less their estimated residual values using reducing balance method (RBM) over their useful lives and recognized in profit and loss. Land is not depreciated. Rates of depreciation considering the useful life of respective assets are as follows:

Particulars	Rate of Dep.
Building & Other Constructions	10%
Road & Sewerage	10%
Electrical Installation	15%
Plant & Machinery	10%
Furniture & Fixture	10%
Fittings	10%
Office Equipment	15%
Loose & Tools	15%
Motor Vehicles	20%
Weight Bridge Equipment	15%
Factory Equipment	15%
Pump House	15%
Crockeries & Cutleries	20%
Sundry Assets	15%
Gas Line Installation	10%

Depreciation has been charged to Statement of Profit or Loss and other Comprehensive Income consistently.

2.2.7 Impairment of Assets

An entity shall at the end of each reporting period whether there is an indication that asset may be impaired (if any) such indication exists the entity shall estimate the recoverable amount of the assets and compute impairment and reports to the statements of profit or loss and other comprehensive income as impairment loss.

2.3 Valuation of Inventories

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost or net realizable value in compliance to the requirements of Para 21 and 25 of BAS-2. Costs including an appropriate portion of fixed and variable overhead expenses are assigned inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Item wise valuation is as follows:

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process. Inventories are stated at the lower of cost or net realizable value in compliance to the requirements of Para 10 of IAS-2. Costs including an appropriate portion of fixed and variable overhead expenses are assigned inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Item wise valuation is as follows:

Category of Inventories	Basis of Valuation
Raw & Packing Materials	At Weighted average cost
Work-in Progress	At Weighted average cost
Finished Goods	At Weighted average cost

2.4 Other provisions, accruals and contingencies:

2.4.1 Recognition of provisions, accruals and contingencies:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; a reliable estimate can be made of the amount of the obligation. Accruals are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced or formally agreed with the supplier, including amount due to employees.

2.4.2 Measurement of provision:

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

2.5 Employee Benefits:

2.5.1 Workers' Profit Participation Fund (WPPF):

As per Bangladesh Labour Act, 2006 as amended in 2013 all companies fall within the scope of WPPF (which includes Company) are required to provide 5% of its profit before charging such expense to their eligible employees within the stipulated time. As required by Law, the Company has maintained WPPF and kept sufficient provision against profit participation fund.

2.5.2 Staff Provident Fund:

The company provides sufficient fund for staff provident fund each period for all eligible permanent employees but the staff provident fund is yet to recognize. Now, staff provident fund benefits temporarily stop.

2.5.3 Staff Gratuity Fund:

The company provides sufficient fund for staff gratuity fund each period for all eligible permanent employees but the staff gratuity fund is yet to recognize. Now, staff gratuity fund benefits temporarily stop.

2.6 Taxation:

The tax expense for the period comprises current tax and deferred tax. Tax is recognized in the statement of profit or loss and other comprehensive income, except in the case it relates to items recognized directly in equity.

2.6.1 Current tax:

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to the tax payable in respect of previous years. Provision for current income tax has been made on taxable income of the company as per following rates: The Company is "Publicly Traded Company" as per the Finance Act, 2018 and the rate of Minimum tax applicable is 0.60% from 01 July 2019 to 30th September, 2019.

Type of income	2019-2020	2018-2019
Business income	25%	25%
Capital gain	10% to 15%	10% to 15%
Minimum Tax Section 16BBB+82C(4)	0.60%	0.60%

2.6.2 Deferred tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Statement of Financial Position as liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. APL recognized deferred tax liabilities for all taxable temporary differences.

Principle of recognition:

Deferred tax is recognized as income or an expense amount within the tax charge, and included in the net profit or loss for the period. Deferred tax relating to items dealt with directly in equity is recognized directly in equity.

2.7 Share capital and reserves:

2.7.1 Capital:

Authorized Capital:

Authorized Capital is the maximum amount of share capital that the Bank is authorized to raise as per its Memorandum and Articles of Association.

Paid-up Capital:

Paid-up Capital represents total amount of shareholders' capital that has been paid in full by the shareholders. Shareholders are entitled to receive dividend as approved from time to time in the Annual General Meeting.

2.7.2 Share Premium:

Premium received amounting of Tk. 106,700,000 as against 194,000 ordinary share of Tk. 550 each of the share in the year 1997.

The Share Premium shall be utilized in accordance with provisions of the Companies Act, 1994 and as directed by the Securities and Exchange Commission in this respect. The section 57 of the Companies Act, 1994 provides that the Company may apply the Share Premium Account as follows:

- i. in paying up un-issued shares of the Company to be issued to members of the Company as fully paid bonus shares;
- ii. in amortized off the preliminary expenses of the Company;
- iii. in amortized off the expenses or the commission paid or discount allowed on any issue of shares or debentures of the Company; and
- iv. in providing for the premium payable on the redemption of any redeemable preference shares or of any debenture of the Company.

2.8 Assets revaluation reserve:

This represents the difference between the book value and the re-valued amount of Building and other Construction and Plant & Machineries of the Company as assessed by professional valuers in the year 1996. Further in 2018, The Company engaged an Independent valuer named "Rahman Mostafa Alam & Co" Chartered Accountants has revalued the inspection and examination of the project land & land developments located at the factory premises. The reserve is not distributable.

2.9 Expenses:**2.9.1 Management and other expenses:**

Expenses incurred by the Company are recognized on an accrual basis.

2.10 Dividend

The amount of proposed dividend is not accounted for but disclosed in the notes to the account along with dividend per share in accordance with the requirements of the para 125 of International Accounting Standards (IAS) 1: Presentation of Financial Statements. Also, the proposed dividend has not been considered as 'Liability' in accordance with the requirements of the para 12 & 13 of International Accounting Standards (IAS) 10: Events after the Reporting Period, because no obligation existed at the time of approval of the accounts and recommendation of dividend by the Board of Directors.

2.11 Earnings per share (EPS):**Measurement:****Basic EPS:**

The Company calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders of the parent entity. Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

Diluted EPS:

The Bank calculates diluted earnings per share amounts for profit or loss attributable to ordinary equity holders of the entity. For the purpose of calculating diluted earnings per share, the Company adjusts profit or loss attributable to ordinary equity holders of the entity, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares. Dilution of EPS is not applicable for these financial statements as there was no dilutive potential ordinary shares during the relevant periods. Hence no Diluted EPS has been calculated. Basic EPS has been calculated and presented in the same manner.

Presentation:

The Company presents in the statement of profit or loss and other comprehensive income basic and diluted earnings per share. The Company presents basic and diluted earnings per share with equal prominence for all periods presented. The Company presents basic and diluted earnings per share, even if the amounts are negative (i.e. a loss per share).

2.12 Events after the reporting period

All material events after the reporting period that provide additional information about the Companies position at the balance sheet date are reflected in the financial statements as per BAS 10 "Events after the Reporting Period". Events after the reporting period that are not adjusting events are disclosed in the notes when material.

2.13 Compliance with Financial Reporting Standards as applicable in Bangladesh

The Companies complied, as per Para 12 of Securities & Exchange Rule 1987, with the following International Accounting Standards (IASs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements of the Company subject to departure where we have followed :

Sl. No.	IAS No.	BAS Title	Compliance Status
1	1	Presentation of Financial Statements	Complied
2	2	Inventories	Complied
3	7	Statement of Cash Flows	Complied
4	8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
5	10	Events after the Reporting Period	Complied
6	12	Income Taxes	Complied
7	16	Property, Plant & Equipment	Complied
8	17	Leases	Complied
9	18	Revenue	Complied
10	19	Employee Benefits	Complied
11	23	Borrowing Costs	Complied
12	24	Related Party Disclosures	Complied
13	33	Earnings per Share	Complied
14	36	Impairment of Assets	Complied
15	37	Provisions, Contingent Liabilities and Contingent Assets	Complied

03.00 Fixed Assets : 24,74,92,489.00

A. On Cost

Particulars	Cost				Rate of Dep.	Depreciation				Written down value as at 30-09-2019
	Opening balance as at 01.07.2019	Addition during the year	Adjustment during the year	Balance as at 30-09-2019		Opening balance as at 01.07.2019	Charged during the year	Adjustment during the year	Accumulated Dep. as at 30-09-2019	
Land & Land Development	3,603,990	-	-	3,603,990	-	-	-	-	-	3,603,990
Building & Other Construction	21,549,361	-	-	21,549,361	10%	18,918,233	65,778	-	18,984,011	2,565,350
Roads & Sewerage	604,229	-	-	604,229	10%	539,022	1,630	-	540,653	63,576
Electrical Installation	4,313,755	-	-	4,313,755	15%	4,091,089	8,350	-	4,099,439	214,316
Plant & Machineries	221,757,456	-	-	221,757,456	10%	182,918,459	970,975	-	183,889,434	37,868,022
Furniture & Fixtures	2,171,497	-	-	2,171,497	10%	1,722,290	11,230	-	1,733,520	437,977
Fittings	11,942	-	-	11,942	10%	10,852	27	-	10,879	1,063
Office Equipments	8,025,802	-	-	8,025,802	15%	7,289,158	27,624	-	7,316,782	709,020
Loose Tools	413,666	-	-	413,666	15%	396,940	627	-	397,567	16,099
Motor Vehicles	2,328,037	-	-	2,328,037	20%	2,298,086	1,498	-	2,299,583	28,454
Weight Bridge Equipments	129,558	-	-	129,558	15%	124,269	198	-	124,468	5,090
Factory Equipments	17,953,332	-	-	17,953,332	15%	14,993,915	110,978	-	15,104,893	2,848,439
Pump House	173,639	-	-	173,639	15%	166,718	260	-	166,978	6,661
Crockeries & Cutleries	407,752	-	-	407,752	20%	357,262	2,525	-	359,786	47,966
Gas Line Installation	302,398	-	-	302,398	10%	269,510	822	-	270,332	32,066
Sundry Assets	790,361	-	-	790,361	15%	722,786	2,534	-	725,320	65,041
Total	284,536,775	-	-	284,536,775		234,818,588	1,205,056	-	236,023,645	48,513,130

B. Revalued Assets:

Particulars	Cost				Rate of Dep.	Depreciation				Written down value as at 30-09-2019
	Opening balance as at 01.07.2019	Addition during the year	Adjustment during the year	Balance as at 30-09-2019		Opening balance as at 01.07.2019	Charged during the year	Adjustment during the year	Accumulated Dep. as at 30-09-2019	
Land & Land Development	181,896,010	-	-	181,896,010		-	-	-	-	181,896,010
Building & Other Construction	5,924,471	-	-	5,924,471	10%	1,125,647	119,971	-	1,245,618	4,678,853
Plant & Machineries	15,706,861	-	-	15,706,861	10%	2,984,302	318,064	-	3,302,366	12,404,495
Sub Total	203,527,342	-	-	203,527,342		4,109,949	438,035	-	4,547,984	198,979,358
Grand Total	488,064,117	-	-	488,064,117		238,928,537	1,643,091	-	240,571,628	247,492,489

Depreciation Charged

Amount

Factory Overhead	1,601,712
Admin. Overhead	41,379
Total	1,643,091

04.00 Inventories: Tk. 11,89,13,260.00

This amount comprises as follows:

Raw Materials
 Finished Goods
 Work-in-Process
Total

As on 30th, September 2019	As on 30th June 2019
59,586,504	58,447,892
56,149,351	67,064,394
3,177,405	5,073,307
118,913,260	130,585,593

05.00 Accounts receivable: Tk. 3,21,27,589.00

This amount comprises as follows:

Accounts Receivable
Total

As on 30th, September 2019	As on 30th June 2019
32,127,589	56,162,514
32,127,589	56,162,514

06.00 Advances, Deposits & Prepayments: Tk. 2,43,96,966.00

This amount comprises as follows:

Advances:

General Advance
 Staff Advance
 Advance Income Tax
Sub-Total

As on 30th, September 2019	As on 30th June 2019
4,686,611	3,649,236
2,700,712	2,745,324
14,821,487	14,821,487
22,208,810	21,216,047

Deposits:

Security Deposits
 Margin on Bank Guarantee
 Earnest Money
 Advance VAT Charges
Sub-Total
Total

452,070	452,070
459,754	459,754
395,600	395,600
880,732	1,711,418
2,188,156	3,018,842
24,396,966	24,234,889

07.00 Cash & Cash Equivalent: Tk. 78,23,624.00

This amount comprises as follows:

Cash:

Head Office

As on 30th, September 2019	As on 30th June 2019
2,615,242	239,106

Factory (Cash & Bank)	819,755	564,527
Sub-Total	3,434,997	803,633
Bank:		
Agrani Bank-	146,617	5,561
Southeast Bank Ltd.	449,820	160,840
National Bank Ltd.	2,324,836	948,476
Islami Bank Bangladesh Ltd.	597,380	181,082
Exim Bank Ltd.	75,039	98,145
Janata Bank	1,669	1,669
Mutual Trust Bank Ltd.	146,267	190,548
Marcantile Bank Ltd	13,631	57,659
Al-Arafa Islami Bank Ltd	91,698	139,858
Jamuna Bank Ltd.	541,670	488,650
Sub-Total	4,388,627	2,272,488
Total	7,823,624	3,076,121

08.00 Share Capital: Tk. 5,34,71,250.00

Authorized Capital

50,000,000 Ordinary Shares of Tk. 10/- each

Amount (In Taka)	
2019-20	2018-19
<u>500,000,000</u>	<u>500,000,000</u>

Issued, Subscribed & Paid-up Capital

53,47,125 Ordinary Shares of Tk. 10/- each paid-up in full

<u>53,471,250</u>	<u>53,471,250</u>
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(a) Composition of Shareholding:

	30th September-2019		30th June-2019	
	No.of Shares	% of Holding	No.of Shares	% of Holding
Directors/Sponsors	1,809,196	33.83	1,809,196	33.87
General Public	3,313,894	61.98	3,313,185	62.03
Financial Institutions	98,616	1.84	92,937	1.74
ICB Investors Account	125,419	2.35	125,807	2.36
Total	5,347,125	100.00	5,341,125	100.00

(b) Details of the Shareholding is given below:

The distribution schedule showing the number of Shareholders and their shareholding in percentage has been disclosed below as requirement of the "Listing Regulation" of Dhaka and Chittagong Stock Exchange Limited.

Range of holdings In number of Shares	No. of Shareholders		No. of Shares		% of Holding	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Less than 500	3,445	3,548	464,439	477,667	8.69	8.93
500 to 5,000	1,025	1,017	1,428,006	1,379,442	26.71	25.80
5,001 to 10,000	54	50	376,230	349,395	7.04	6.53
10,001 to 20,000	27	32	364,168	437,269	6.81	8.18
20,001 to 30,000	3	3	77,921	79,470	1.46	1.49
30,001 to 40,000	4	2	136,878	67,141	2.56	1.26
40,001 to 50,000	4	4	184,660	183,294	3.45	3.43
50,001 to 100,000	5	6	342,646	401,310	6.41	7.51
Over 100,000	6	6	1,972,177	1,972,137	36.88	36.88
Total	4,573	4,668	5,347,125	5,347,125	100.00	100.00

(c) Option on Un-Issued Shares:

There is no option regarding the authorized capital not yet issued but can be used to increase the paid-up capital through the issuance of new shares against cash contribution and bonus.

(d) Market Price:

The shares of the Company are listed with both the Dhaka and Chittagong Stock Exchange Limited and quoted at Tk. 137.00 per share and Tk. 140.00 per share in the Dhaka and Chittagong Stock Exchange Limited respectively on 30th September, 2019.

09.00 Share Premium: Tk. 106,700,000

Premium received amounting of Tk. 106,700,000 as against 194,000 ordinary share of Tk. 550 each of the share in the year 1997.

10.00 Others Reserve & Surplus: Tk. 2,38,71,918.00

This amount comprises as follows:

	As on 30th, September 2019	As on 30th June 2019
Tax Holiday Reserve 10.01	23,016,918	23,016,918
General Reserve	280,000	280,000
Dividend Equalization Fund	575,000	575,000
Total	23,871,918	23,871,918
	23,016,918	23,016,918

10.01 Tax Holyday Reserve: Tk. 2,30,16,918.00

11.00 Revaluation Reserve: Tk. 19,38,83,901.00

This amount comprises as follows:

	As on 30th, September 2019	As on 30th June 2019
Revaluation Reserve	194,370,605	196,317,421
Add: Addition of Revaluation of Land	-	-
Less: Adjustment during the year		
On depreciable Assets	486,704	1,946,816
On non depreciable Assets		-
Total	193,883,901	194,370,605

First revaluation of the at factory office of the Company carried out on 1996 by the Independent valuer named "M/S Golum Mostofa & Associates" Islam Chamber, (14th floor) 125-A Motijheel C/A. Further in 2018, the Company in its 219th Board Meeting dated 25 January 2018 decided to revaluation of its project land to reflect true picture in the Financial Statements of the Company as on 30 June 2018. The Company engaged an Independent valuer named "Rahman Mostafa Alam & Co" Chartered Accountants to carry out the inspection and examination of the project land located at the factory premises. Subsequently the company appointed "Rahman Mostafa Alam & Co" Chartered Accountants for the purpose of valuation of the Company's land situated at the factory premises, Shibrapur, Faridpur as on 30 June 2018. The management of the Company in its 221st Board meeting held on 31 May 2018 approved the valuation report.

Methodology Adopted for Revaluation of Factory Land in 2018:

The Methodology adopted for revaluation of the land has involved two steps. The first step was adopted for physical verification of the land and second step was for ascertainment of current realizable values, at which the assets should appear in the Statement of Financial Position as at 30 June 2018. For the purpose of revaluation of land the valuer consulted with local sub-register office and different level of local people in the above area where the land is located.

The revalued amount of the land stands at Tk.18,55,00,000 as on 30th June,2018

Location of the Land	Land Area (Decimals)	Book value as 30 June 2018 (Tk.)	Market value as 30 June 2018 as per revaluation (Tk.)	Revaluation Surplus (Tk.)
Shibrapur, Faridpur	927.50	17,273,661	185,500,000	168,226,339

12.00 Retained Earnings: Tk. (46,62,44,195.00)

This amount comprises as follows:

As on 30th, September 2019	As on 30th June 2019
----------------------------------	----------------------------

Opening balance	(467,908,972)	(471,563,204)
Add: Profit during the year	1,178,073	4,253,666
Add: Adjustment of Re-valuation	486,704	1,946,816
Less: Stock Dividend	-	(2,546,250)
Total	(466,244,195)	(467,908,972)

13.00 Term Loan: Tk. 5,72,00,000.00

This amount comprises as follows:

	As on 30th, September 2019	As on 30th June 2019
Long Term Loan	57,200,000	57,200,000
Total	57,200,000	57,200,000

Notes: The Company Tabled an objection against the statements of Uttara Bank Ltd. Term Loan and which is matter of consideration of Sub-Judice Court.

14.00 Short Term Loan: Tk. 10,19,842.00

This amount comprises as follows:

	As on 30th, September 2019	As on 30th June 2019
Uttara Bank Ltd.	174,264,454	159,964,454
Dutch Bangla Bank Ltd	115,450,768	108,650,768
Total	289,715,222	268,615,222
Less: Balance Transferred to Loan suspenses Account	267,595,380	267,595,380
Loan Suspense Account	1,019,842	1,019,842

Since filling of the cases against the company, the Banks neither charged any interest nor sent any demand from note/statement of interest from the period 01 July 2016 to 30 June 2017 to the company. In view of the above, interest has not been shown in the companys accounts for the said period. and the expression of the Company about the Loan Suspense Account are as follows:

Uttara Bank

The Management of the company decided on the basis of the verdict/pronouncement of the 4th Artha Rin Adalat that was suited by Uttara Bank Limited no. 219/05. At the time of hearing of the lower court the company had tabled a objection against the bank statement that were submitted by the Bank and then a petition was submitted by the company to the High Court no. 9724/2014. After the prolong time hearing on 14 March 2017, Uttara Bank Limited were required to submit the actual statement of the accounts of Aziz Pipes Limited. After that the Bank had submitted a revised statement where the Bank stated the companys CC (Hypo.) account no. 21 and Tk. 6,688,500. On the basis of the submitted the statement of the Bank the company has decided to state Tk. 6,688,500 as Short Term Loan from Uttara Bank Limited and the rest amount will be transferred to Loan Suspense Account Tk. 167,575,954. Now this suit is under litigation on the Judge Court and after the litigation of the court this liability would be adjusted from the suspense account.

Dutch Bangla Bank

Dutch Bangla Bank Limited had submitted a suit against Aziz Pipes Limited no. 16/2007 to the 3rd Artha Rin Adalat in 2007. After a prolong period hearing the Court had Verdicted/Pronounced on 29 November 2012 to repay the amount of Tk. 15,431,341 to the Bank and the company has decided to state Tk. 15,431,342 as the Short Term Loan from Dutch Bangla Bank Limited and the rest amount Tk. 100,019,426 will be transferred to Loan Suspense Account. Against the verdicted of the lower court the Bank had submitted a Appeal to the High Court. Now the appeal is under litigation in the High Court. After the litigation of High Court, the favour/disfavour of the company the amount would be adjusted from the Loan Suspense Account.

15.00 Deferred Tax: Tk. 2,77,86,947.00

This amount comprises as follows:

	As on 30th, September 2019	As on 30th June 2019
Opening balance	28,250,406	24,598,431
Add: Addition during the year non depreciable Assets	-	5,046,790
Less: Adjustment during the year on depreciable Assets	463,459	1,394,815

Closing balance

27,786,947 28,250,406

16.00 Suspense Account: Tk. 28,12,88,422.00

This amount comprises as follows:

Suspense Account 16.01
Interest Suspense Account 16.02

As on 30th, September 2019	As on 30th June 2019
244,895,380	267,595,380
36,393,042	36,393,042
<u>281,288,422</u>	<u>303,988,422</u>

16.01 Loan Suspense Account: Tk. 24,48,95,380.00

This amount comprises as follows:

Uttara Bank

a) Amount as per Company,s Accounts
b) Amount as Per Bank Statement

Suspense Account (a-b)

As on 30th, September 2019	As on 30th June 2019
159,564,454	174,264,454
6,688,500	6,688,500
<u>152,875,954</u>	<u>167,575,954</u>

Note: Uttara Bank Ltd Loan suspenses amount Reduce due to repayment of 1.47 crore tk as downpayment for Uttara Bank Ltd loan re-scheduling purpose.

Dutch Bangla Bank

a) Amount as per Company,s Accounts
b) Amount as Per Bank Statement

Loan Suspense Account (a-b)

Total

As on 30th, September 2019	As on 30th June 2019
107,450,768	115,450,768
15,431,342	15,431,342
<u>92,019,426</u>	<u>100,019,426</u>
<u>244,895,380</u>	<u>267,595,380</u>

Note: Dutch Bangla Bank suspenses loan reduce due to repayment of 80 Lac tk as downpayment for Dutch Bangla Bank Ltd loan srcheduling purpose.

16.02 Interest Suspense Account: Tk. 36,393,042.00

This amount comprises as follows:

Interest Suspense Account

Total

As on 30th, September 2019	As on 30th June 2019
36,393,042	36,393,042
<u>36,393,042</u>	<u>36,393,042</u>

Total interest amounting Tk. 36,393,042 has been transferred to interest block which was provision against short term loan before classify period.

17.00 Accounts Payable: Tk. 13,91,82,925.00

This amount comprises as follows:

Accounts Payable

Total

As on 30th, September 2019	As on 30th June 2019
139,182,925	149,377,239
<u>139,182,925</u>	<u>149,377,239</u>

18.00 Creditors & Accruals: Tk. 29,51,768.00

This amount comprises as follows:

Salary & Allowances
Electricity Charges (Head Office)

As on 30th, September 2019	As on 30th June 2019
-	572,117
31,778	27,579

Electricity Charges (Factory)	880,894	983,159
Telephone Charges	24,125	22,188
Water Supply & Sewerage	7,943	7,644
Canteen Charges	110,350	83,970
Audit Fees	125,000	125,000
Provident Fund	332,565	332,565
Wages & Allowances	1,439,113	1,532,786
Total	2,951,768	3,687,008

19.00 Workers profit Participation Fund: Tk. 6,76,765.00

This amount comprises as follows:

	As on 30th, September 2019	As on 30th June 2019
Opening balance	610,180	350,758
Add: Addition during the year	66,585	259,422
Less: Adjustment during the year	-	-
Closing balance	676,765	610,180

20.00 Provision for Income Tax: Tk. 72,35,369.00

This amount comprises as follows:

	As on 30th, September 2019	As on 30th June 2019
Opening balance	6,827,785	6,406,519
Add: Addition during the year	407,584	1,866,807
Less: Cash paid during the year		1,445,541
Closing balance	7,235,369	6,827,785

21.00 Turnover: Tk. 6,79,30,619.00

This amount comprises as follows:

Amount	
2019-2020 (July to Sept.)	2018-2019 (July to Sept.)
67,930,619	64,688,681
67,930,619	64,688,681

22.00 Cost of Goods Sold: Tk. 6,06,90,185.00

This amount comprises as follows:

	2019-2020 (July to Sept.)	2018-2019 (July to Sept.)
Opening Stock of Finished Goods	67,064,394	65,995,494
Cost of Goods Manufactured 22.01	48,894,543	68,471,020
Cost of Goods available for Sales	115,958,937	134,466,514
Add: Lease Rental Charges	880,599	880,599
	116,839,536	135,347,113
Less: Closing Stock of Finished Goods	56,149,351	77,463,951
Cost of Goods Sold	60,690,185	57,883,162

22.01 Cost of Goods Manufactured: Tk. 4,88,94,543.00

This amount comprises as follows:

	2019-2020 (July to Sept.)	2018-2019 (July to Sept.)
Cost of Materials Consumed 22.02	36,979,140	57,015,192
Add: Electricity & Power	2,064,433	3,538,506
	39,043,573	60,553,698
Add: Opening Work-In-Process	5,073,307	4,537,354
	44,116,880	65,091,052
Less: Closing Work-In-Process	3,177,405	4,591,725
	40,939,475	60,499,327
Add: Factory Overhead 22.03	7,955,068	7,971,693
Cost of Goods Manufactured	48,894,543	68,471,020

22.02 Cost of materials Consumed: Tk. 3,69,79,140.00

This amount comprises as follows:

	2019-2020	2018-2019
	(July to Sept.)	(July to Sept.)
Opening Stock of Raw Materials	58,447,892	50,711,019
Add: Materials Purchase	38,117,752	55,493,796
Materials Available for Consumption	96,565,644	106,204,815
Less: Closing Stock of Raw Materials	59,586,504	49,189,623
Cost of Materials Consumed	36,979,140	57,015,192

22.03 Factory Overhead: Tk. 79,55,068.00

This amount comprises as follows:

	2019-2020	2018-2019
	(July to Sept.)	(July to Sept.)
Wages & Salaries	5,564,132	5,400,974
Repairs & Maintenance	613,518	405,178
Factory Maintenance	175,706	54,906
Depreciation	1,601,712	2,110,635
Total	7,955,068	7,971,693

23.00 Administrative & General Expenses: Tk. 55,34,871.00

This amount comprises as follows:

	2019-2020	2018-2019
	(July to Sept.)	(July to Sept.)
Salary & Allowances	2,412,382	2,204,934
Board Meeting Fees	90,000	100,000
Stationery Expenses	104,591	145,966
Telephone Charges	56,402	130,665
Travelling & Conveyance	443,787	239,277
Entertainment Expenses	67,117	43,529
Canteen Charges	308,327	362,130
Rent & Rates	558,000	530,100
Legal, Renewal, Listing & Other Expenses	116,260	189,070
Electricity Charges	61,594	86,993
Fuel & Lubricants	528,308	767,428
Water Supply & Sewerage	15,453	15,189
Donation (Mosque Maintenances)	27,400	-
Uniform Expenses	-	1,400
Postage & Telegram	11,711	14,177
Gardening Expenses	-	8,628
CSR (Plantation)	98,621.00	-
Medical Expenses	7,907	894
Office Maintenances	94,700	174,406
Transport Maintenances	176,461	100,099
Guest House Expenses	2,873	3,555
Advertisement & Publicity	22,000	361,902
Miscellaneous	22,600	31,800
Carrying Charges	89,540	94,715
Newspaper & Periodicals	11,289	6,206
Insurance Premium	9,869	15,060
Internet Bill Expenses	99,300	96,183
CDBL Expenses	12,000	12,000
Vat/Tax deduction at Source	45,000	14,825
Depreciation	41,379	182,506
Total	5,534,871	5,933,637

Paid to the Managing Director (C.C) of the Company Tk. 2,34,400/= as Salary and Bonus during the year that included above Salary and Allowance.

The break-up of above amount is given below:-

Basic	106,200
House Rent	74,340
Others	27,000
Bonus	<u>35,400</u>
	<u>242,940</u>

In Addition to above Managing Director is provided Car maintenance expenses subject to limit.
Managing Director is also provided Telephone bill for business communication ,subject to limit.

The Chairman provided TK 10,000/=as monthly honourium
The Other,s Director are not provided any remuneration expect board meeting fees with attending Company,s Board Meeting.

24.00 Selling & Distribution Expenses: Tk. 352,343

This amount comprises as follows:

	2019-2020 (July to Sept.)	2018-2019 (July to Sept.)
Selling & Distribution Expenses	352,343	284,459
Total	<u>352,343</u>	<u>284,459</u>

25.00 Financial Expenses : Tk. 21,521

This amount comprises as follows:

	2019-2020 (July to Sept.)	2018-2019 (July to Sept.)
Bank Charges	21,521	6,894
Total	<u>21,521</u>	<u>6,894</u>

26.00 Basic Earning Per Share (EPS): Tk. 0.22

This ratio comprises as follows:

	Amount (In Taka)	
	2019-2020 (July to Sept.)	2018-2019 (July to Sept.)
Net Profit	1,178,073	626,913
Weighted average number of ordinary shares in issue	5,347,125	5,347,125
Basic Earning Per Share(Restated)	0.22	0.12

27.00 Net Operating Cash Flow Per Share: Tk. 5.30

This ratio comprises as follows:

	Amount (In Taka)	
	2019-2020 (July to Sept.)	2018-2019 (July to Sept.)
Net Cash Inflows from Operating Activities	28,349,623	8,856,668
Weighted average number of ordinary shares in issue	5,347,125	5,092,500
Net Operating Cash Flow per Share	5.30	1.74

28.00 Reconciliation of Net Profit with Cash Flows From Operating Activities:

	2019-2020
	(July to Sept.)
Net Profit After Tax (after considering prior period adjustment)	1,178,073
Adjustment for:	
Depreciation on Property, Plant & Equipment	1,643,091
Payment of Lease Rental (Separate consideration in financing activities)	880,599
Financial Expenses (Separate consideration in financing activities)	21,521
Interest Received (Separate consideration in financing activities)	-
Increase/ Decrease in Inventory	11,672,333
Increase/ Decrease in Accounts Receivable	24,034,925
Increase/ Decrease in Advance, Deposit & Prepayments	(162,077)
Increase/ Decrease in Accounts Payable	(10,194,314)
Increase/ Decrease in Creditors & Accruals	(735,240)
Increase/ Decrease in Provisions For Current Tax	66,585
Increase/ Decrease in Deffered Tax Liability	(463,459)
Increase/ Decrease in Workers profit participation fund	407,584
	<u>27,171,550</u>
Cash Flows from Operating activities	<u><u>28,349,623</u></u>

29.00 Related Party Disclosures:

29.01 Transactions with Related Parties

The Company has no transactions with other entities that fall within the definition of related party as contained in IAS-24 "R

Name of Related Party	Relationship	Nature of Transaction	Opening Balance as on 01.07.2019	Addition during the 1st Quarter 30 September 2019	Adjustment during the 1st Quarter 30 September 2019
-	-	-	-	-	-
-	-	-	-	-	-
Total			-	-	-

29.02 Payments/ Perquisites to Managing Director and above

Payments and perquisites given to the Managing Director during the year are disclosed below:

Particulars	Amount (In Taka)
Basic	106,200
House Rent	74,340
Others	27,000
Bonus	35,400
Total	242,940

In Addition to above Managing Director is provided Car maintenance expenses subject to limit.

Managing Director is also provided Telephone bill for business communication ,subject to limit.

- i) The Chairman provided TK 10,000/=as monthly honourium
- ii) The Other,s Director are not provided any remuneration expect board meeting fees with attending Company,s Board Meeting.

30.00 Disclosure as per requirement of Schedule XI, Part II of the Companies Act, 1994:

A. Disclosure as per requirement of Schedule XI, Part II, Note 5 of Para 3:

Employee position of the company as at 30 September 2019.

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office		
Below Tk. 3,000	-	-	-	-
Above Tk. 3,000	41	27	122	190
Total	41	27	122	190

B. Disclosure as per requirement of Schedule XI, Part II, Para 4:

Name of Directors	Designation	Remuneration	Festival Bonus	Total Payment
	Chairman	-	-	-
Md. Abdul Halim	Director	-	-	-
Md. Ahsan Ullah	Director	-	-	-
Md. Asad Ullah	Director	-	-	-
Abu Taher Md. Ahmedur Rahman	Director	-	-	-
Md. Sultan Jahangiri	Director	-	-	-
Khondoker Nuruzzaman	Director	-	-	-
Total		-	-	-

Period of payment to Directors is from 01 July 2019 to 30 September 2019.

The above Directors of the company did not take any benefit from the company except attendance fees for Board Meeting

a. Expenses reimbursed to the managing agent	Nil
b. Commission or other remuneration payable separately to a managing agent or his associate	Nil
c. Commission received or receivable by the managing agent or his associate as selling or buying agent	Nil
d. The money value of the contracts for the sale or purchase of goods and materials or supply of services, enter into by the company with the managing agent or his associate during the financial year	Nil
e. Any other perquisites or benefits in cash or in kind stating	Nil
f. Other allowances and commission including guarantee commission	Nil

Pensions, etc.

1) Pensions	Nil
2) Gratuities	Nil
3) Payment from Provided Fund	Nil
4) Compensation for loss of office	Nil
5) Consideration in connection with retirement from office	Nil

C. Disclosure as per requirement of Schedule XI, Part II, Para 7:

Details of production capacity utilization:

Particulars	License Capacity (In MT)	Attainable Capacity (In MT) three month	Actual Production (In MT) three month	Capacity Utilization
Annual Production capacity in MT	12,570	1,625	419	25.79%

D. Disclosure as per requirement of Schedule XI, Part II, Para 8:

Raw materials, spare parts, packing materials and capital machinery:

Items	Purchase (BDT)			Consumption (BDT)	% of consumption of total purchase
	Import	Local	Total		
Raw materials		38,117,752	38,117,752	36,979,140	97.00%
Spare parts	-	613,518	613,518	595,230	97.02%
Packing materials	-	-	-	-	
Total	-	55,898,974	55,898,974	57,400,316	

Value of export:

Particulars	In foreign currencies (US\$)	In BDT
Export	-	-
Total	-	-

i) The company has not incurred any expenditure in foreign currencies for the period from 01 July 2019 to 30 September 2019

ii) The company has not earned any foreign exchanges for loyalty, know-how, professional fees, consultancy fees and interest

iii) The value of export represents for the period 01 July 2019 to 30 September 2019.

E. Disclosure as per requirement of Schedule XI, Part II, Para 3:

Requirements under Condition No.	Compliance status of disclosure of Schedule XI, Part II, Para 3
3(i)(a) The turnover	Complied
3 (i)(b) Commission paid to the selling agent	Not Applicable
3(i)(c) Brokerage and discount on sales, other than the usual trade discount	Not Applicable
3(i)(d)(i) The value of the raw materials consumed, giving item wise as possible	Complied
3(i)(d)(ii) The opening and closing stocks of goods produced	Complied

3(i)(e) In the case of trading companies, the purchase made and the opening and closing stocks	Complied
3(i)(f) In the case of companies rendering or supplying services, the gross income derived from services rendered or supplied	Not Applicable
3(i)(g) Opening and closing stocks, purchases and sales and consumption of raw materials with value and quantity break-up for the company, which falls under one or more categories i.e. manufacturing and/or trading	Complied
3(i)(h) In the case of other companies, the gross income derived under different heads	Not Applicable
3(i)(i) Work-in-progress, which have been completed at the commencement and at the end of the accounting period	Complied
3(i)(j) Provision for depreciation, renewals or diminution in value of fixed assets	Complied
3(i)(k) Interest on the debenture paid or payable to the Managing Director, Managing Agent and Manager	Not Applicable
3(i)(l) Charge of income tax and other taxation on profits	Complied
3(i)(m) Revised for repayment of share capital and repayment of loans	Complied
3(i)(n)(i) Amount set aside or proposed to be set aside, to reserve, but not including provisions made to meet any specific liability, contingency or commitment, know to exist at the date as at which the balance sheet is made up	Not Applicable
3(i)(n)(ii) Amount withdrawn from above mentioned reserve	Not Applicable
3(i)(o)(i) Amount set aside to provisions made for meeting specific liabilities, contingencies of commitments	Not Applicable
3(i)(o)(ii) Amount withdrawn from above mentioned provisions, as no longer required	Not Applicable
3(i)(p) Expenditure incurred on each of the following items, separately for each item: (i) Consumption of stores and spare parts (ii) Power and Fuel (iii) Rent (iv) Repairs of Buildings (v) Repairs of Machinery (vi) (1) Salaries, wages and bonus (2) Contribution to provident and other funds (3) Workmen and staff welfare expenses to the extent not adjusted from any previous provision or reserve	Complied

F. Disclosure of Advances, Deposits and Pre-payments of Schedule XI of the Companies Act, 1994:

The details break-up of Advances, Deposits and Pre-payments as per requirement of Schedule XI of the Companies Act, 1994 as stated below:

Particulars	Amount In (Taka)	
	30.09.2018	30.06.2018
Advances, Deposits and Pre-payments exceeding 3 months	16,128,911	12,565,379
Advances, Deposits and Pre-payments not exceeding 3 months	5,567,343	9,076,653
Other Advances, Deposits & Pre-payments less provision	Nil	Nil
Advances, Deposits and Pre-payments considered good and secured	Nil	Nil
Advances, Deposits and Pre-payments considered goods without security	Nil	Nil
Advances, Deposits and Pre-payments considered doubtful or bad	Nil	Nil
Advances, Deposits and Pre-payments due by Directors	Nil	Nil
Advances, Deposits and Pre-payments due by other officers (against salary)	2,700,712	2,868,226
Advances, Deposits and Pre-payments due from companies under same managem	Nil	Nil
Maximum Advances, Deposits & Pre-payments due by Directors	Nil	Nil
Maximum Advances, Deposits & Pre-payments due by Officers at any time	Nil	Nil

Additional Disclosure as per SEC Rules 1987 [Rule-12(2)1] & Companies Act 1994, part 2 section XI:

1. There was no claim against the Company not acknowledged as debts as on 30.09.2019.
2. All shares have been fully allotted and paid-up.
3. There was no preference shares issued by the Company.
4. The Company has no aggregated amount of contract for the capital expenditure to be executed and not provided for the 1st quarter 30 September 2019.
5. There was no contingent liabilities as on close of the business as on 30.09.2019 except the sub-judice matters relating to bank loan.

6. Aggregate amount due by Directors and other Officers of the Company or associated undertaking:
- | | |
|------------------------|------|
| Director | None |
| Associated Undertaking | None |
| Officers | None |
7. The general advance is the amount disbursed/ advanced against expenses for goods & service and also the amount considered good by the management and no collateral security is held against such advances.
8. The Company did not pay Brokerage and discount on sales other than the usual trade discount. Further, there is no commission on sale paid by the Company.
9. Auditors are paid for only statutory audit fees approved by the shareholders in the last A.G.M.
10. No money was expended by the Company for compensating any member of the Board of Directors for special service rendered.
11. There was no Bank Guarantee issued by the company on behalf of their Directors of the Company itself except bank loan.
12. There are no Non-resident shareholders as on 30 September 2019.
13. No expenses including Royalty, Technical Experts & Professional Advisory Fees and Interest etc. were incurred or paid in foreign currencies during the 1st quarter 30 September 2019.
14. The Company has no related party transactions as per IAS-24 "Related Party Disclosures".
15. No Director received any remuneration from Company except Board Meeting attendance Fees.

Events after reporting period:

No material events occurring after Statement of Financial Position date came to our notice which could be considered after the valuation made in the financial statements.