

HAQUE SHAHALAM MANSUR & CO.
CHARTERED ACCOUNTANTS
27, Bijoy Nagar, Shaj Bhaban (6th floor), B-11,
Dhaka-1000
Phone: 9362649, 9358787, 8311197

Reference:

Date : 29-04-2015

Auditors' Report
To the Shareholders of
Aziz Pipes Limited

We have audited the accompanying Financial Statements of Aziz Pipes Limited, which comprise the Statement of Financial Position as at 31 December, 2014, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994, the Securities & Exchange Rules, 1987 and other applicable laws and regulations. The responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an independent opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit observations are as under:

1. Utilization of Production Capacity and ability of the Company to pay Debt:

The production capacity position of the Company is very poor which was decreased than the last year by 6.09%. Total utilization of attainable capacity of the Company is only 32.50% which was 38.59% at previous year. The management of the Company opined that the shortfall was made due to reduce demand emanated from general economic downturn, shortage of working capital and no-availability of banking support due to sub-judice matter. In our opinion, production capacity must be utilized at the optimum level to strengthen the financial position of the Company. Further, it is mentioned that as of 31 December, 2014 the cumulative balance of retained earning stands on negative balance amounting to Tk. 437,712,314 and indebted to the extent of Tk. 591,042,297 consisting of loan fund and current liabilities. All these facts indicate serious uncertainty to be a going concern.

2. Cost of Goods Sold (COGS):

The Cost of Goods Sold represents 94.61% of the total turnover, which is the higher side and it was also 90.32% in the last year. The management opined that due to un-availability of the banking facilities, all raw materials have been purchased from local market at higher price to avail local credit facilities. In our opinion for steady profit of the Company the cost of goods sold ratio to turnover should be reduced as much as possible and also sales price of the product should be re-fixed.

3. Pre-Production Expenses:

During the year the Company has been amortized Tk. 1,000,000 against Pre-Production Expenses. We feel that entire rest of the amount should be written off immediately.

4. Loan Fund:

The Company has continuously been defaulting in payment of installments against short-term loan and cash credit from Uttara Bank Ltd., Dutch Bangla Bank Ltd. and National Bank Ltd., which included in Note-13. The Company is under process of negotiation for restructuring with those Financial Institutions. Both, the Company and Uttara Bank Ltd., Dutch Bangla Bank Ltd. and National Bank Ltd. have gone into litigation to mitigate their respective grievances and such no interest has been charged during the year against those loans. However, the Company management should take pragmatic actions to negotiate the matter as early as possible.

5. Lease Rental Payable:

The management of the company adjusted the lease rental payable to Leasing Company according to the decision of Board Meeting held on 13 April, 2015. Total amount payable as per reschedule agreement has been paid and properly informed to the ILFSL for NOC since 2009. Due to lack of response from ILFSL, the Board of Directors decided to settle the matter during the year.

Subject to our above comments, the financial statements, prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the Company's affairs as at 31 December, 2014 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act, 1994, the Securities & Exchange Rules, 1987 and other applicable laws and regulations.

We also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, the Company has kept proper books of account as required by law so far as it appeared from our examination of those books;
- c) The Company's Statement of Financial Position and Statement of Comprehensive Income dealt with by the report are in agreement with the books of account; and
- d) The expenditure was incurred for the purposes of the Company's business.

HAQUE SHAHALAM MANSUR & CO.
Chartered Accountants.

Aziz Pipes Limited
Statement of Financial Position
as at 31 December, 2014

Property & Assets	Notes	2014 Taka	2013 Taka
Non-Current Assets		119,875,442	130,581,406
Fixed Assets	02	101,515,411	111,221,375
Deferred Revenue Expenditure	03	-	-
Pre-Production Expenses	04	18,360,031	19,360,031
Current Assets		254,307,043	273,727,484
Inventories	05	115,158,046	121,173,271
Accounts Receivable-Trade	06	108,287,068	114,976,099
Advances, Deposits & Prepayments	07	27,835,021	28,358,521
Cash & Bank Balances	08	3,026,908	9,219,593
Total Assets		374,182,485	404,308,890
Capital & Liabilities			
Shareholders' Equity		(246,717,048)	(242,456,845)
Share Capital	09	48,500,000	48,500,000
Share Premium	10	106,700,000	106,700,000
Revenue Reserves & Surplus	11	65,652,502	68,775,938
Retained Earnings	12	(467,569,550)	(466,432,783)
Loan Fund		189,024,694	204,344,057
Term Loan	13	159,167,458	172,596,308
Deferred Tax Liabilities	14	29,857,236	31,747,749
Current Liabilities		431,874,839	442,421,678
Cash Credit	15	359,535,025	359,535,025
Accounts Payable (Goods Supply)	16	61,357,259	70,668,216
Creditors & Accruals	17	3,090,561	5,509,972
Staff Gratuity		1,091,869	1,091,869
Workers' Profit Participation/Welfare Fund	18	-	117,655
Provision for Income Tax	19	6,149,544	4,848,000
Unclaimed Dividend		650,581	650,941
Total Shareholders' Equity & Liabilities		374,182,485	404,308,890
Net Asset Value (NAV) per Share	25	(50.87)	(49.99)

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

Md. Abul Hossain
Chairman

Mohd. Abdul Halim
Director

Md. Nurul Absar
Managing Director (C.C)

This is the Statement of Financial Position referred to in our report of even date.

Date: Dhaka
27 April, 2015

HAQUE SHAHALAM MANSUR & CO.
Chartered Accountants

Aziz Pipes Limited

**Statement of Comprehensive Income
for the year ended 31 December, 2014**

Particulars	Notes	2014 Taka	2013 Taka
Turnover	20	306,956,756	335,535,094
Cost of Goods Sold	21 20	(290,409,260)	(303,067,301)
Gross Profit		16,547,496	32,467,793
Operating Expenses		(23,439,564)	(29,861,039)
Administrative & General Expenses	22	(22,276,646)	(28,417,760)
Selling & Distribution Expenses		(1,162,918)	(1,443,279)
Operating Profit		(6,892,068)	2,606,754
Financial Expenses	23	(88,596)	(136,004)
Net Profit before WPPF		(6,980,664)	2,470,750
Contribution to WPPF		-	(117,655)
Net Profit before Income Tax		(6,980,664)	2,353,095
Income Tax Expenses		588,969	(890,287)
Current Tax		(1,301,544)	(1,677,675)
Deferred Tax		1,890,513	787,388
Net Profit after Income Tax		(6,391,695)	1,462,808
Basic Earning per Share (EPS)	24	(1.32)	0.30

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

Md. Abul Hossain
Chairman

Mohd. Abdul Halim
Director

Md. Nurul Absar
Managing Director (C.C)

This is the Statement of Comprehensive Income referred to in our report of even date.

Date: Dhaka
27 April, 2015

HAQUE SHAHALAM MANSUR & CO.
Chartered Accountants

Aziz Pipes Limited

**Unit Wise Statement of Financial Position
as at 31 December, 2014**

Property & Assets	Notes	Unit-1 Taka	Unit-2 Taka	Unit-3 Taka	Unit-4 Taka	Unit-5 Taka	Unit-6 Taka	2014 Taka	2013 Taka
Non-Current Assets		24,748,996	2,434,102	9,359,254	30,308,379	31,606,168	21,418,543	119,875,442	130,581,406
Fixed Assets	02	24,748,996	2,434,102	9,359,254	30,308,379	27,427,924	7,236,756	101,515,411	111,221,375
Deferred Revenue Expenditure	03	-	-	-	-	-	-	-	-
Pre-Production Expenses	04	-	-	-	-	4,178,244	14,181,787	18,360,031	19,360,031
Current Assets		110,346,173	74,183,194	75,997,288	111,234,082	46,219,199	24,351,160	442,331,096	455,081,009
Inventories	05	-	16,070,536	19,558,388	54,107,557	11,765,896	13,655,669	115,158,046	121,173,271
Inter-Unit Current Account		110,346,173	45,809,126	31,868,754	-	-	-	188,024,053	181,353,525
Accounts Receivable-Trade	06	-	9,826,151	16,077,004	45,213,033	29,529,790	7,641,090	108,287,068	114,976,099
Advances, Deposits & Prepayments	07	-	2,287,464	6,641,356	11,099,708	4,836,253	2,970,240	27,835,021	28,358,521
Cash & Bank Balances	08	-	189,917	1,851,786	813,784	87,260	84,161	3,026,908	9,219,593
Total Assets		135,095,169	76,617,296	85,356,542	141,542,461	77,825,367	45,769,703	562,206,538	585,662,415
Capital & Liabilities									
Shareholders' Equity		136,437,014	(42,116,416)	(41,116,905)	(74,664,990)	(143,417,344)	(81,838,407)	(246,717,048)	(242,456,845)
Share Capital	09	36,125,000	7,375,000	5,000,000	-	-	-	48,500,000	48,500,000
Share Premium	10	79,475,000	16,225,000	11,000,000	-	-	-	106,700,000	106,700,000
Revenue Reserves & Surplus	11	19,147,149	5,406,425	15,899,365	20,572,773	4,626,790	-	65,652,502	68,775,938
Retained Earnings	12	1,689,865	(71,122,841)	(73,016,270)	(95,237,763)	(148,044,134)	(81,838,407)	(467,569,550)	(466,432,783)
Loan Fund		(827,880)	34,897,713	36,280,497	45,812,778	10,310,691	62,550,895	189,024,694	204,344,057
Term Loan	13	-	30,077,840	31,503,087	39,496,091	886,602	57,203,838	159,167,458	172,596,308
Deferred Tax Liabilities	14	(827,880)	4,819,873	4,777,410	6,316,687	9,424,089	5,347,057	29,857,236	31,747,749

Notes	Unit-1 Taka	Unit-2 Taka	Unit-3 Taka	Unit-4 Taka	Unit-5 Taka	Unit-6 Taka	2014 Taka	2013 Taka	
Current Liabilities	(513,965)	83,835,999	90,192,950	170,394,673	210,932,020	65,057,215	619,898,892	623,775,203	
Cash Credit	15	-	69,819,803	72,545,326	101,719,128	115,450,768	-	359,535,025	359,535,025
Inter-Unit Current Account		-	-	-	32,797,253	92,644,880	62,581,920	188,024,053	181,353,525
Accounts Payable (Goods Supply)	16	-	10,234,030	15,488,850	30,737,691	2,933,925	1,962,763	61,357,259	70,668,216
Creditors & Accruals	17	-	345,806	705,464	1,701,016	5,029	333,246	3,090,561	5,509,972
Staff Gratuity		-	295,813	330,246	232,743	150,426	82,641	1,091,869	1,091,869
Workers' Profit Participation	18	-	-	-	-	-	-	-	117,655
Provision for Income Tax	19	(513,965)	2,806,597	846,558	3,166,717	(253,008)	96,645	6,149,544	4,848,000
Unclaimed Dividend		-	333,950	276,506	40,125	-	-	650,581	650,941
Total Shareholders' Equity & Liabilities		135,095,169	76,617,296	85,356,542	141,542,461	77,825,367	45,769,703	562,206,538	585,662,415

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

Md. Abul Hossain
Chairman

Mohd. Abdul Halim
Director

Md. Nurul Absar
Managing Director (C.C)

This is the Statement of Financial Position
referred to in our report of even date.

Date: Dhaka
27 April, 2015

HAQUE SHAHALAM MANSUR & CO.
Chartered Accountants

Aziz Pipes Limited

**Unit Wise Statement of Comprehensive Income
for the year ended 31 December, 2014**

Particulars	Notes	Unit-1 Taka	Unit-2 Taka	Unit-3 Taka	Unit-4 Taka	Unit-5 Taka	Unit-6 Taka	2014 Taka	2013 Taka
Turnover	20	-	70,645,980	937,199,76	135,177,757	231,245,0	5,100,593	306,956,756	335,535,094
Cost of Goods Sold	21	(1,964,798)	(65,728,941)	(87,921,976)	(124,489,140)	(5,601,947)	(4,702,458)	(290,409,260)	(303,067,301)
Gross Profit/(Loss)		(1,964,798)	4,917,039	5,798,000	10,688,617	(3,289,497)	398,135	16,547,496	32,467,793
Operating Expenses		(112,137)	(3,907,344)	(5,110,951)	(11,896,921)	(336,245)	(2,075,966)	(23,439,564)	(29,861,039)
Administrative & General Expenses	22	(112,137)	(3,717,188)	(4,754,061)	(11,327,471)	(336,245)	(2,029,544)	(22,276,646)	(28,417,760)
Selling & Distribution Expenses		-	(190,156)	(356,890)	(569,450)	-	(46,422)	(1,162,918)	(1,443,279)
Operating Profit		(2,076,935)	1,009,695	687,049	(1,208,304)	(3,625,742)	(1,677,831)	(6,892,068)	2,606,754
Financial Expenses	23	-	(12,450)	(25,480)	(45,124)	-	(5,542)	(88,596)	(136,004)
Net Profit/(Loss) before WPPF		(2,076,935)	997,245	661,569	(1,253,428)	(3,625,742)	(1,683,373)	(6,980,664)	2,470,750
Contribution to WPPF		-	-	-	-	-	-	-	(117,655)
Net Profit before Income Tax		(2,076,935)	997,245	661,569	(1,253,428)	(3,625,742)	(1,683,373)	(6,980,664)	2,353,095
Income Tax Expenses		708,976	(234,493)	248,896	(679,460)	461,272	83,778	588,969	(890,287)
Current Tax		-	(325,730)	(103,600)	(800,114)	(17,562)	(54,538)	(1,301,544)	(1,677,675)
Deferred Tax		708,976	91,237	352,496	120,654	478,834	138,316	1,890,513	787,388
Net Profit/(Loss) after Income Tax		(1,367,959)	762,752	910,465	(1,932,888)	(3,164,470)	(1,599,595)	(6,391,695)	1,462,808
Basic Earning per Share (EPS)	24							(1.32)	0.30

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

Md. Abul Hossain
Chairman

Mohd. Abdul Halim
Director

Md. Nurul Absar
Managing Director (C.C)

This is the Statement of Comprehensive Income referred to in our report of even date.

Date: Dhaka
27 April, 2015

HAQUE SHAHALAM MANSUR & CO.
Chartered Accountants

Aziz Pipes Limited

**Statement of Cash Flows
for the year ended 31 December, 2014**

Particulars	Note	2014 Taka	2013 Taka
CASH FLOW FROM OPERATING ACTIVITIES:			
Collection from Sales & Others		313,645,787	342,886,031
Payment for Cost & Expenses		(306,320,666)	(319,502,731)
Income Tax		-	(2,014,277)
Net Cash Generated from Operating Activities		7,325,121	21,369,023
CASH FLOW FROM INVESTING ACTIVITIES:			
Acquisition of Fixed Assets		-	(360,750)
Net Cash used in Investing Activities		-	(360,750)
CASH FLOW FROM FINANCING ACTIVITIES:			
Payment of Gratuity		-	(374,900)
Payment of SEBL Block Account		(13,428,850)	(13,420,062)
Payment of Dividend		(360)	(100)
Financial Expenses		(88,596)	(136,004)
Net Cash Generated from Financing Activities		(13,517,806)	(13,931,066)
Net Cash Inflow/(Outflow)		(6,192,685)	7,077,207
Opening Cash & Bank Balances		9,219,593	2,142,386
Closing Cash & Bank Balances		3,026,908	9,219,593
Net Operating Cash Flow per Share	27	1.51	4.41

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

Md. Abul Hossain
Chairman

Mohd. Abdul Halim
Director

Md. Nurul Absar
Managing Director (C.C)

This is the Statement of Cash Flows
referred to in our report of even date.

Date: Dhaka
27 April, 2015

HAQUE SHAHALAM MANSUR & CO.
Chartered Accountants

Aziz Pipes Limited

**Statement of Changes in Equity
for the year ended 31 December, 2014**

Particulars	Share Capital	Share Premium	Revenue Reserves & Surplus	Retained Earnings	Total Taka
Balance as on 01-01-2013	48,500,000	106,700,000	76,281,027	(435,360,454)	(203,879,427)
Net Profit/(Loss) during the year	-	-	-	1,462,808	1,462,808
Adjustment for Deferred Tax	-	-	-	(32,535,137)	(32,535,137)
Revaluation Reserve	-	-	(7,505,089)	-	(7,505,089)
Balance as on 31-12-2013	48,500,000	106,700,000	68,775,938	(466,432,783)	(242,456,845)

Particulars	Share Capital	Share Premium	Revenue Reserves & Surplus	Retained Earnings	Total Taka
Balance as on 01-01-2014	48,500,000	106,700,000	68,775,938	(466,432,783)	(242,456,845)
Net Profit/(Loss) during the year	-	-	-	(6,391,695)	(6,391,695)
Revaluation Reserve	-	-	(3,123,436)	3,123,436	-
Adjustment for Lease Rent	-	-	-	2,131,492	2,131,492
Balance as on 31-12-2014	48,500,000	106,700,000	65,652,502	(467,569,550)	(246,717,048)

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

Md. Abul Hossain
Chairman

Mohd. Abdul Halim
Director

Md. Nurul Absar
Managing Director (C.C)

This is the Statement of Changes in Equity referred to in our report of even date.

Date: Dhaka
27 April, 2015

HAQUE SHAHALAM MANSUR & CO.
Chartered Accountants

Aziz Pipes Limited

Notes, Comprising a Summary of Significant Accounting Policies and Other Explanatory Information for the year ended 31 December, 2014

01. Specific Accounting Policies Selected & Other Material Information:

Legal Form of the Enterprise:

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

Address of Registered Office and Principal Place of Business:

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.

Principles Activities and Nature of Operations:

The Company is manufacturer of high quality PVC Rigid Pipes, PVC Profile products. Currently due to shortage working capital PVC Plastic Wood and PVC flexible corrugated conduit pipes production has been temporary closed.

Accounting Policies:

Basis of Preparation and Presentation of the Financial Statements:

The financial statements have been prepared and the disclosures of information made in accordance with the requirements of the Companies Act, 1994 and IAS and IFRS adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), as Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standard (BFRS). The Statement of Financial Position and Statement of Comprehensive Income have been prepared according to BAS-1 "Presentation of Financial Statements" based on accrual basis of accounting following going concern assumption under generally accepted accounting principles and practices in Bangladesh and cash flow statement according to BAS-7 "Cash Flow Statement".

Accounting Convention and Assumption:

The financial statements are prepared under the historical cost convention.

Principal Accounting Policies:

The specific accounting policies have been selected and applied by the Company's management for significant transactions and events that have a material effect within the Framework for preparation and presentation of financial statements. Financial statements have been prepared and presented in compliance with BAS-1 "Presentation of Financial Statements". The previous year's figures were formulated according to the same accounting principles. Compared to the previous year, there were no significant changes in the accounting and valuation policies affecting the financial position and performance of the Company. However, changes made to the presentation are explained in the note for each respective item.

Accounting and valuation methods are disclosed for reasons of clarity. The Company classified the expenses using the function of expenses method as per BAS-1.

Responsibility for Preparation and Presentation of Financial Statements:

The Board of Directors is responsible for the preparation of financial statements under section 183 of the Companies Act, 1994 and as per the provision of "The Framework for the Preparation and Presentation of Financial Statements" issued by the Bangladesh Accounting Standard (BAS).

Legal Compliance:

The financial statements have been prepared and the disclosures of information were made in accordance with the requirements of the Companies Act, 1994, Securities and Exchange Rules 1987, Listing Regulations of Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) and IASs adopted by the ICAB. On the basis of these regulations, Bangladesh Accounting Standards (BAS) & Bangladesh Financial Reporting Standards (BFRS) were applied with the applicable standards at the Statement of Financial Position date.

Critical Accounting Estimates, Assumptions and Judgments:

The preparation of the financial statements are in conformity with BFRS 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.

Going Concern:

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. The current credit facilities and resources of the Company provides sufficient fund to meet the present requirements of existing business.

Off Setting:

"In compliance to BAS-1 and BAS-32, offsetting is done for a particular vendor or customer when the following conditions are met:

- Each of the two parties owes the other determinable amounts;
- The entity has the right to set off against the amount owed by other party;
- The entity intends to offset;
- The right of setoff is legally enforceable."

Application of Standards:

The following BASs and BFRSs are applicable for the financial statements for the year under review.

BAS-1 Presentation of Financial Statements;
BAS-2 Inventories;
BAS-7 Cash Flow Statements;
BAS-8 Accounting Policies, Changes in Accounting Estimates and Errors;
BAS-10 Events after the Balance Sheet Date;
BAS-16 Property, Plant & Equipment;
BAS-17 Leases;
BAS-18 Revenue;
BAS-19 Employee Benefits;
BAS-23 Borrowing Costs;
BAS-24 Related Parties Disclosure;
BAS-33 Earnings per Share;
BAS-37 Provisions, Contingent Liabilities and Contingent Assets;
BAS-38 Intangible Assets.

Recognition of Property, Plant & Equipment and Depreciation:

Property, Plant & Equipment is stated at cost less accumulated depreciation in accordance with BAS-16 "Property, Plant & Equipment". Cost represents cost of acquisition or construction and include purchase price and other directly attributable cost of bringing the assets to working conditions for its intended use, but do not include any capitalized borrowing cost.

Depreciation has been charged using Diminishing Balance Method (DBM). Full year's depreciation is charged on additions irrespective of date when the related assets are put into use and no depreciation is charged on assets disposed of during the year. Expenditure for maintenance and repairs are expensed, major replacements, renewals and betterment are capitalized.

The cost and accumulated depreciation of depreciable assets retired or otherwise disposed of are eliminated from the assets and accumulated depreciation, and any gain or loss on such disposal is reflected in operations for the year.

The annual depreciation rates have been charged as under:

Particulars	Rate
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 Comprehensive Income consistently.

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:

Category of Inventories	Basis of Valuation
Raw & Packing Materials	: At Weighted Average Cost
Work-in-Progress	: At Standard Cost
Finished Goods	: At Standard Cost

Standard cost comprises value of materials, standard activity cost and overheads.

Cash & Cash Equivalents:

For the purpose of Balance Sheet and Cash Flow Statement, Cash in Hand and Bank balances represent cash and cash equivalents considering the BAS-1 "Presentation of Financial Statements" and BAS-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.

Statement of Cash Flows:

Statement of Cash Flows is prepared principally in accordance with BAS-7 "Cash Flow Statement" and the cash flow from the operating activities have been presented under direct method as prescribed by the Securities and Exchange Rules, 1987 and considering the provision of paragraph 19 of BAS-7 which provides that "Enterprises are Encouraged to Report Cash Flow from Operating Activities Using the Direct Method".

Taxation:

Current Tax:

The Company is "Publicly Traded Company" as per the Finance Act, 2014 and the rate of Turnover tax applicable is .50% from January to 30 June, 2014 and .30% from July, 2014 to 31 December, 2014. The assessment of the Company has been completed up to the assessment year 2014-2015.

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. CPL recognized deferred tax liabilities for all taxable temporary differences.

Share Premium:

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.

Employee Benefits (Staff Provident Fund):

The Company provides sufficient fund for staff provident fund each year for all eligible permanent employees but the staff provident fund is yet to recognize.

Workers' Profit Participation Fund:

Contribution to Workers' Profit Participation Fund has been made at 5% of the net profit after charging such contribution.

Authorization date for issuing Financial Statements:

The financial statements were authorized by the Board of Directors on 29 April, 2014 for issue after completion of review.

Turnover:

Turnover comprises local sales of PVC Pipes, Non-Pressure Pipes, Thread Pipes, Plastic Wood and Profile and excluding VAT.

Revenue Recognition:

In compliance with the requirements of BAS-18 "Revenue", revenue is recognized only when:

- The products are invoiced and dispatched to the customers; and
- Interest income is recognized on accrual basis.

Accrued Expenses and Other Payables:

Liabilities for the goods and services received have been accounted for Payables are not interest bearing and are stated their nominal value.

Accounts Receivable-Trade:

Accounts are receivable in original invoice value. The Current Accounts are maintaining with every party. All Current Accounts are considered good and collectible, and therefore, no amount was written off as bad debt and no debt was considered doubtful to provide for.

Contingent Liabilities and Assets:

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the Company. In accordance with

BAS-37 Provision, Contingent Liabilities and Contingent Assets are disclosed in the notes to the financial statements.

Earnings per Share:

The Company calculates Earnings per Share (EPS) in accordance with BAS-33 “Earning per Share”, which has been shown on the face of Statement of Comprehensive Income, and the computation of EPS is stated in the note.

Basic Earnings:

This represents earnings for the year attributable to the ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit after tax for the year has been considered as fully attributable to ordinary shareholders.

Weighted Average Number of Ordinary Shares Outstanding during the year:

Computation of weighted average number of ordinary shares is not required during the current year, as number of shares outstanding has not been changed during the year under review.

Basic Earnings per Share:

This has been calculated by dividing the basic earnings by number of ordinary shares outstanding during the year.

Diluted Earnings per Share:

No diluted EPS is required to be calculated for the year, as there was no scope for dilution during the year under review.

Components of the Financial Statements:

According to the Bangladesh Accounting Standards (BAS)-1 “Presentation of Financial Statements” the complete set of Financial Statements includes the following components”:

- Statement of Financial Position as at 31 December, 2014;
- Statement of Comprehensive Income for the year ended 31 December, 2014;
- Statement of Changes in Equity for the year ended 31 December, 2014;
- Statement of Cash Flows for the year ended 31 December, 2014 &
- Accounting Policies and Explanatory Notes.

Comparative:

Financial statements are presented as BAS-1 “Presentation of Financial Statements” and previous year’s figures have been restated due to changes in some accounting policies as per BAS-8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

Reporting Period:

Financial Statements of the Company cover one financial year from 01 January to 31 December consistently.

Segment Reporting:

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

General:

Wherever considered necessary, previous year’s figures have been rearranged for the purpose of comparison;

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

02. Fixed Assets: Tk. 101,515,412

Particulars	Cost				Rate	Depreciation				Revaluation Surplus	Dep. on Revaluation Assets	Written down value as on 31-12-2014
	As on 01-01-2014	Addition during the year	Adjustment during the year	As on 31-12-2014		As on 01-01-2014	Charged during the year	Adjustment during the year	As on 31-12-2014			
Unit-1												
Land & Land Development	1,202,969	-	-	1,202,969	10%	-	-	-	-	5,278,476	-	6,481,445
Building & Other Construction	8,350,250	-	-	8,350,250	10%	6,871,170	147,908	-	7,019,078	6,696,537	669,654	7,358,055
Roads & Sewerage	107,603	-	-	107,603	10%	88,762	1,884	-	90,646	-	-	16,957
Electrical Installation	514,668	-	-	514,668	15%	470,007	6,699	-	476,706	-	-	37,962
Plant & Machineries	25,760,959	-	-	25,760,959	10%	21,186,387	457,457	-	21,643,844	6,412,573	641,257	9,888,430
Furniture & Fixtures	1,013,373	-	-	1,013,373	10%	683,064	33,031	-	716,095	-	-	297,278
Fittings	6,584	-	-	6,584	10%	5,445	114	-	5,559	-	-	1,025
Office Equipments	2,590,837	-	-	2,590,837	15%	2,073,205	77,845	-	2,150,850	-	-	439,987
Loose Tools	121,958	-	-	121,958	15%	106,549	2,311	-	108,860	-	-	13,098
Motor Vehicles	465,000	-	-	465,000	20%	453,438	2,312	-	455,750	-	-	9,250
Weight Bridge Equipments	20,293	-	-	20,293	15%	17,700	389	-	18,089	-	-	2,204
Factory Equipments	308,066	-	-	308,066	15%	256,728	7,701	-	264,429	-	-	43,637
Pump House	173,639	-	-	173,639	15%	156,776	2,529	-	159,305	-	-	14,334
Crockeries & Cutleries	68,999	-	-	68,999	20%	62,266	1,347	-	63,613	-	-	5,386
Sundry Assets	790,361	-	-	790,361	15%	625,716	24,697	-	650,413	-	-	139,948
Sub-Total	41,495,559	-	-	41,495,559		33,057,213	766,024	-	33,823,237	18,387,586	1,310,911	24,748,996
Unit-2												
Building & Other Construction	341,600	-	-	341,600	10%	317,079	2,452	-	319,531	353,812	35,381	340,500
Plant & Machineries	4,128,282	-	-	4,128,282	10%	3,702,777	42,551	-	3,745,328	1,900,720	190,072	2,093,602
Sub-Total	4,469,882	-	-	4,469,882		4,019,856	45,003	-	4,064,859	2,254,532	225,453	2,434,102
Unit-3												
Building & Other Construction	212,350	-	-	212,350	10%	193,530	1,882	-	195,412	271,535	27,154	261,319
Plant & Machineries	20,130,875	-	-	20,130,875	10%	18,318,543	181,233	-	18,499,776	8,296,485	829,649	9,097,935
Sub-Total	20,343,225	-	-	20,343,225		18,512,073	183,115	-	18,695,188	8,568,020	856,803	9,359,254
Unit-4												
Land & Land Development	1,912,360	-	-	1,912,360	-	-	-	-	-	8,391,195	-	10,303,555
Building & Other Construction	936,153	-	-	936,153	10%	681,350	25,480	-	706,830	1,232,716	123,272	1,338,767
Furniture & Fixtures	416,206	-	-	416,206	10%	219,091	19,712	-	238,803	-	-	177,403
Fittings	5,358	-	-	5,358	10%	4,554	80	-	4,634	-	-	724
Office Equipments	1,554,900	-	-	1,554,900	15%	1,176,087	56,376	-	1,232,462	-	-	319,458
Factory Equipments	4,458,510	-	-	4,458,510	15%	1,922,770	380,370	-	2,303,077	-	-	2,155,433
Electrical Installation	607,800	-	-	607,800	15%	578,169	4,445	-	582,614	-	-	25,186
Plant & Machineries	22,879,498	-	-	22,879,498	10%	11,226,683	1,165,282	-	12,391,965	6,069,971	606,997	15,950,507
Crockeries & Cutleries	111,405	-	-	111,405	20%	64,722	9,337	-	74,059	-	-	37,346
Sub-Total	32,882,190	-	-	32,882,190		15,876,343	1,661,081	-	17,537,424	15,693,882	730,269	30,308,379
Unit-5												
Land & Land Development	474,806	-	-	474,806	-	-	-	-	-	-	-	474,806
Building & Other Construction	11,301,139	-	-	11,301,139	10%	8,506,924	279,422	-	8,786,346	-	-	2,514,793
Furniture & Fixtures	555,146	-	-	555,146	10%	388,259	16,689	-	404,948	-	-	150,198
Office Equipments	2,622,758	-	-	2,622,758	15%	2,183,079	65,952	-	2,249,031	-	-	373,727
Factory Equipments	2,887,025	-	-	2,887,025	15%	2,416,712	70,547	-	2,487,259	-	-	399,766
Electrical Installation	2,964,061	-	-	2,964,061	15%	2,727,766	35,444	-	2,763,210	-	-	200,851
Plant & Machineries	106,553,807	-	-	106,553,807	10%	80,912,456	2,564,135	-	83,476,591	-	-	23,077,216
Crockeries & Cutleries	155,847	-	-	155,847	20%	137,826	3,804	-	141,630	-	-	14,417
Weight Bridge Equipments	109,265	-	-	109,265	15%	98,970	1,544	-	100,514	-	-	8,751
Loose Tools	279,301	-	-	279,301	15%	256,067	3,485	-	259,552	-	-	19,749
Motor Vehicles	1,350,000	-	-	1,350,000	20%	1,282,566	13,487	-	1,296,053	-	-	53,947
Gas Line Installation	302,398	-	-	302,398	10%	243,768	5,863	-	249,631	-	-	52,767
Roads & Sewerage	493,106	-	-	493,106	10%	396,510	9,660	-	406,170	-	-	86,936
Sub-Total	130,048,659	-	-	130,048,659		99,550,903	3,069,832	-	102,620,735	-	-	27,427,924
Unit-6												
Land & Land Development	13,855	-	-	13,855	-	-	-	-	-	-	-	13,855
Building & Other Construction	407,869	-	-	407,869	10%	288,957	11,891	-	300,848	-	-	107,021
Office Equipments	1,046,247	-	-	1,046,247	15%	910,069	20,427	-	930,496	-	-	115,751
Factory Equipments	8,306,486	-	-	8,306,486	15%	7,514,839	118,747	-	7,633,586	-	-	672,900
Furniture & Fixtures	149,972	-	-	149,972	10%	101,874	4,810	-	106,684	-	-	43,288
Electrical Installation	90,500	-	-	90,500	15%	81,200	1,395	-	82,595	-	-	7,905
Plant & Machineries	30,374,104	-	-	30,374,104	10%	23,425,485	694,862	-	24,120,347	-	-	6,253,757
Crockeries & Cutleries	29,107	-	-	29,107	20%	26,358	428	-	27,396	-	-	1,711
Loose Tools	12,407	-	-	12,407	15%	10,296	317	-	10,613	-	-	1,794
Motor Vehicles	513,037	-	-	513,037	20%	490,474	4,513	-	494,987	-	-	18,050
Roads & Sewerage	3,520	-	-	3,520	10%	2,715	81	-	2,796	-	-	724
Sub-Total	40,947,104	-	-	40,947,104		32,852,877	857,471	-	33,710,348	-	-	7,236,756
Total	270,186,619	-	-	270,186,619		203,869,265	6,582,526	-	210,451,791	44,904,020	3,123,436	101,515,412
2013	269,825,869	360,750	-	270,186,619		196,492,902	7,376,363	-	203,869,265	52,409,109	7,505,069	111,221,375

Depreciation allocation as under:-

Factory Overhead	9,391,898
Administrative Overhead	314,064
Total	9,705,962

03. Deferred Revenue Expenditure: Tk. Nil

The break-up of the amount is shown below :

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
As per last account	-	-	-	-	-	-	-	1,472,547
Less: Written off	-	-	-	-	-	-	-	1,472,547
Closing balance	-	-	-	-	-	-	-	-

04. Pre-Production Expenses: Tk. 18,360,031

The break-up of the amount is shown below :

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
As per last account	-	-	-	-	4,428,244	14,931,787	19,360,031	20,360,031
Less: Written off	-	-	-	-	250,000	750,000	1,000,000	1,000,000
Closing balance	-	-	-	-	4,178,244	14,181,787	18,360,031	19,360,031

This above expense were incurred before commencement of production of the related units, plastic wood (unit-5) and PVC profile (unit-6) in the year 1998 to 2001. Amortization of the above expenses has not been made upto 2008 due to continuous loss of the Company in the subsequent years. But from the year 2009, management of the Company amortized of the pre-production expenses.

05. Inventories: Tk. 115,158,046

The break-up of the amount is shown below :

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Raw Materials (Note-5.01)	-	6,245,120	7,512,690	19,546,321	10,842,136	5,824,012	49,970,279	42,415,664
Finished Goods (Note-5.02)	-	9,825,416	12,045,698	32,546,980	923,760	7,266,466	62,608,320	78,163,257
Work-in-Process (Note-5.03)	-	-	-	2,014,256	-	565,191	2,579,447	594,350
Total	-	16,070,536	19,558,388	54,107,557	11,765,896	13,655,669	115,158,046	121,173,271

At the end of the year physical verification of Inventories was carried out jointly by the Company Official and Auditors. The basis of valuation is stated in Note-2.

5.01 Raw Materials: Tk. 49,970,279

Item wise quantity and value of closing stock of Raw Materials are as follows:

Items	Quantity (Kg.)	Value (Tk.)
Resin	138,124	14,135,781
Stabilizer SMS-318	38,012	7,778,834
Titanium	256	65,215
Calcium Carbonate	72,715	1,425,360
Parafin Wax	496	85,125
Static Acid	338	32,145
Naftomix GWN 1050	5,107	1,623,450
U.V.Absorber "JF-77 "	500	1,050,000
Barostab V 20MC-ST-1	900	170,900
Barostab PB-51 S-ST-2	4,900	931,000
Hoechst Wax E Powder G-3	2,975	565,250
AC 316A (Oxyd.pe wax) G-7	473	90,250
Hoechst Wax PE-190 Powder G-8a	598	165,000
Barolub PA -C (PE WAX) G-8b	1,199	227,810
Barolub L-OH (Cetyl Alcohol) G-19	2,800	560,000
Barolub LS-100 G-70s	2,909	534,780
Indofil KM 323B/Cell builder-Mod.2c	5,715	1,542,368
Plastistrength P-530/Akdenizpro-45	400	80,000
KANE ACE PA-60 Mod.3b	200	60,000
Pigment-Yellow	200	350,000
Pigment-Green	18	36,000
Pigment-Blue	350	210,000
Pigment-Brown	70	42,000
Pigment-Peach	121	69,600
Pigment-Grey	994	597,600
Pigment-Red	200	150,250
DOP	70	21,450
Pigment-Black	6	3,035
Luvopor 865/50 DB Tr-1	6,725	4,012,450
Other Materials (Mixture)	120,212	13,354,626
Total		<u>49,970,279</u>

5.02 Finished Goods: Tk. 63,208,920

Item wise quantity and value of closing stock of Finished Goods are as follows:

Items	Quantity (Ton)	Value (Tk.)
PVC Rigid Pipes	386	47,492,954
Thread Pipes	49	6,012,690
Corrugated Pipes	6	792,450
PVC Plastic / Profile	71	8,910,826
Total		<u>63,208,920</u>

5.03 Work-in-Process: Tk. 2,579,447

Item wise quantity and value of closing stock of Work-in-progress are as follows:

Items	Quantity (Ton)	Value (Tk.)
Rigid, Pipes	18	2,014,256
PVC Profile	5	565,191
Total		<u>2,579,447</u>

06. Accounts Receivable-Trade: Tk. 108,287,068

The break-up of the amount is shown below:

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Debt due below 6 Months	-	5,501,015	9,451,024	28,617,403	-	3,472,266	47,041,708	49,518,223
Debt due over 6 Months	-	4,325,136	6,625,980	16,595,630	29,529,790	4,168,824	61,245,360	65,457,876
Total	-	9,826,151	16,077,004	45,213,033	29,529,790	7,641,090	108,287,068	114,976,099

The above amounts are unsecured but good. No provision was made for
No amount was due by the Directors (including Managing Director) or any other official of the Company.

07. Advances, Deposits & Prepayments: Tk. 27,835,021

The break-up of the amount is shown below

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Advances:								
General Advance	-	122,876	221,760	324,306	135,425	57,672	862,039	2,490,960
Staff Advance	-	165,436	384,256	345,820	328,425	192,986	1,416,923	454,239
Advance Income Tax	-	329,490	1,800,823	2,017,747	3,967,342	957,721	9,073,123	9,073,123
Sub-Total	-	617,802	2,406,839	2,687,873	4,431,192	1,208,379	11,352,085	12,018,322
Deposits:								
Security Deposits	-	45,315	51,785	229,751	100,216	25,003	452,070	452,070
Margin on Bank Guarantee	-	16,819	89,894	149,117	72,120	131,804	459,754	459,754
Earnest Money	-	51,426	65,281	145,482	81,352	52,059	395,600	395,600
Advance VAT Charges	-	1,556,102	4,027,557	7,887,485	151,373	1,552,995	15,175,512	15,032,775
Sub-Total	-	1,669,662	4,234,517	8,411,835	405,061	1,761,861	16,482,936	16,340,199
Total	-	2,287,464	6,641,356	11,099,708	4,836,253	2,970,240	27,835,021	28,358,521

All advances are un-secured but good.

In the opinion of the Directors, all current assets, investments, loans and advances are on realization in the ordinary course of business, a value at least equal to the amounts at which they are stated in the Statement of Financial Position.

There is no claim against the Company, which can be acknowledged as debt.

No amount was due by the Directors (including Managing Director) and

08. Cash & Bank Balances: Tk. 3,026,908

The break-up of the amount is shown below:

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Cash:								
Head Office	-	126,370	145,060	205,650	7,000	15,948	500,028	344,050
Factory (Cash & Bank)	-	10,120	25,360	80,124	80,260	68,213	264,077	1,384,067
Sub-Total	-	136,490	170,420	285,774	87,260	84,161	764,105	1,728,117
Bank Balances:								
Agrani Bank-Principal Br.	-	30,148	-	-	-	-	30,148	425,287
Southeast Bank Ltd.	-	-	405,992	-	-	-	405,992	329,186
Standard Bank Ltd.	-	-	2,775	-	-	-	2,775	5,075
Islami Bank Bangladesh Ltd.	-	-	1,265,525	-	-	-	1,265,525	929,498
Exim Bank Ltd.	-	-	-	221,169	-	-	221,169	315,763
Janata Bank	-	-	7,074	-	-	-	7,074	9,374
Mutual Trust Bank Ltd.	-	23,279	-	-	-	-	23,279	23,400
Jamuna Bank Ltd.	-	-	-	306,841	-	-	306,841	5,453,893
Sub-Total	-	53,427	1,681,366	528,010	-	-	2,262,803	7,491,476
Total	-	189,917	1,851,786	813,784	87,260	84,161	3,026,908	9,219,593

The bank balances have been confirmed and reconciled with respective bank statements.

Cash in hand has been verified by the Management at the close of the year and a cash custody certificate was furnished to the Auditors.

09. Share Capita: Tk. 48,500,000

	2014	2013
Authorized Capital		
50,000,000 Ordinary Shares of Tk. 10/- each	<u>500,000,000</u>	<u>500,000,000</u>
Issued, Subscribed & Paid-up Capital		
4,850,000 Ordinary Shares of Tk. 10/- each paid-up in full	<u>48,500,000</u>	<u>48,500,000</u>

(a) Composition of Shareholding:

	2014		2013	
	No. of Shares	%	No. of Shares	%
Directors/Sponsors	1,950,523	40.22	1,950,523	40.22
General Public	2,539,979	52.37	2,582,122	53.24
Financial Institutions	194,548	4.01	300,105	6.19
ICB Investors Account	164,950	3.40	17,250	0.36
Total	<u>4,850,000</u>	<u>100</u>	<u>4,850,000</u>	<u>100</u>

(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 a 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		Holding %	
	2014	2013	2014	2013	2014	2013
Less than 500	2,804	3,238	394,277	436,707	8.13	9
500 to 5,000	543	646	825,737	990,267	17.02	20.42
5,001 to 10,000	49	51	352,530	376,834	7.27	7.77
10,001 to 20,000	38	35	553,155	496,069	11.41	10.23
20,001 to 30,000	8	7	201,980	173,800	4.16	3.58
30,001 to 40,000	4	3	142,350	104,550	2.94	2.16
40,001 to 50,000	1	1	44,530	40,200	0.92	0.83
50,001 to 100,000	5	4	414,718	310,850	8.55	6.41
Over 100,000	6	6	1,920,723	1,920,723	39.6	39.6
Total	3,458	3,991	4,850,000	4,850,000	100	100

(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. 20.00 (in 2012 Tk. 20.80) per share and Tk. 22.00 (in 2012 Tk. 20.80) per share in the Dhaka and Chittagong Stock Exchange Limited respectively on 31 December, 2014.

10. Share Premium: Tk. 106,700,000

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

11. Revenue Reserves & Surplus: Tk. 65,652,502

The break-up of the amount is shown below:

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Revaluation Reserve (Note-11.01)	17,076,675	2,029,079	7,711,217	14,963,613	-	-	41,780,584	44,904,020
Tax Holiday Reserve (Note-11.02)	1,970,474	3,277,346	7,533,148	5,609,160	4,626,790	-	23,016,918	23,016,918
General Reserve	100,000	100,000	80,000	-	-	-	280,000	280,000
Dividend Equalization Fund	-	-	575,000	-	-	-	575,000	575,000
Total	19,147,149	5,406,425	15,899,365	20,572,773	4,626,790	-	65,652,502	68,775,938

11.01 Revaluation Reserve: Tk. 41,780,584

This represents revaluation surplus arose from revaluation of certain fixed assets by professional values in the year 1996 on the basis of Market value of the year.

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Revaluation Reserve	18,387,586	2,254,532	8,568,020	15,693,882	-	-	44,904,020	52,409,109
Less: Adjustment during the year	1,310,911	225,453	856,803	730,269	-	-	3,123,436	7,505,089
Total	17,076,675	2,029,079	7,711,217	14,963,613	-	-	41,780,584	44,904,020

11.02 Tax Holiday Reserve: Tk. 23,016,918

This has been provided as per provision of section 45 (2B) (C) of the income Tax Ordinance 1984.

12. Retained Earnings: Tk. (467,569,550)

The break-up of the amount is shown below:

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
As per last account	1,746,913	(72,153,216)	(75,367,753)	(94,576,375)	(145,492,144)	(80,590,208)	(466,432,783)	(435,360,454)
Add: Profit/(Loss) during the year	(1,367,959)	762,752	910,465	(1,932,888)	(3,164,470)	(1,599,595)	(6,391,695)	1,462,808
Add: Adjustment for Revaluation	1,310,911	225,453	856,803	730,269	-	-	3,123,436	-
Add: Adjustment for Lease Rent	-	42,170	584,215	541,231	612,480	351,396	2,131,492	-
Add: Adjustment for Deferred Tax	-	-	-	-	-	-	-	(32,535,137)
Total	1,689,865	(71,122,841)	(73,016,270)	(95,237,763)	(148,044,134)	(81,838,407)	(467,569,550)	(466,432,783)

The management of the company adjusted the lease rental payable to International Leasing & Financial Services Ltd. according to the decision of Board Meeting held on 13 April, 2015. Total amount payable as per reschedule agreement has been paid and properly informed to the ILFSL for NOC since 2009. Due to lack of response from ILFSL, the Board of Directors decided to settle the matter during the year.

13. Term Loan: Tk. 159,167,458

The break-up of the amount is shown below:

	2014	2013
Long Term Loan (SEBL)	57,203,838	70,632,688
Long Term Block A/C (UBL)	57,200,000	57,200,000
Interest Block Account	44,763,620	44,763,620
Total	159,167,458	172,596,308

This amount represents conversion of overdraft loan into Block Term Loan A/C by Southeast Bank Ltd., Principal Branch. As per re-scheduling given by Bank, this Term Loan amount will not attract any interest. As per re-scheduling arrangement vide their letter no. HO/CAD/822/2007/ dated: 30 December 2007, the terms and condition is given

- Aziz Pipes Ltd. will repay Tk. 13,20,00,000 (thirteen crore twenty lac) for final settlement of the liability by 10 (ten) years;
- Tk. 1.00 crore will be paid as down payment in two installment (80 lac & 20 lac);
- Freezing of further charging of interest till full adjustment of the liability which also to be treated as waived subject full adjustment of Tk. 13,20,00,000/-;
- Rest of Tk. 12.20 crore will pay in 120 installment within 10 years;
- During the year under Audit amount of Tk. 134.00 lac paid as yearly installment.

Uttara Bank Ltd., Corporate Branch converted of short term loan Tk. 57,200,000 segregated into (cash credit hypothecation/pledge) to blocked term loan A/C and as per understanding given by the Bank this segregated amount will not attract any interest and as such has been treated accordingly by the Company.

Total interest amounting to Tk. 44,763,620 has been transferred to interest block account according to the re-scheduling agreement with Southeast Bank Ltd. and treated as long term loan.

14. Deferred Tax Liabilities: Tk. 29,857,236

Balance as on 1 January	(118,904)	4,911,110	5,129,906	6,437,341	9,902,923	5,485,373	31,747,749	32,535,137
Add: (Reduction)/addition during the year	(708,976)	(91,237)	(352,496)	(120,654)	(478,834)	(138,316)	(1,890,513)	(787,388)
Balance as on 31 December	<u>(827,880)</u>	<u>4,819,873</u>	<u>4,777,410</u>	<u>6,316,687</u>	<u>9,424,089</u>	<u>5,347,057</u>	<u>29,857,236</u>	<u>31,747,749</u>

15. Cash Credit: Tk. 359,535,025

Cash credits are availed from the followings Banks and are secured against hypothecation of Fixed & Floating assets i.e. on Raw materials. Work-in-process stores & spares and also personal guarantee of all Directors of the Company.

	2014	2013
Uttara Bank Ltd.	174,264,454	174,264,454
National Bank Ltd.	69,819,803	69,819,803
Dutch Bangla Bank Ltd.	115,450,768	115,450,768
Total	<u>359,535,025</u>	<u>359,535,025</u>

All the above Banks have filled cases against the Company for realization of their outstanding loans which is still against the above banks for correction of accounts as well as compensation for the lapses of the Banks in providing funds timely unsettled. The Company also filed cases against the above banks for correction of accounts as well as compensation for lapses of the Banks in providing funds timely.

Since filling of the cases against the Company, the Banks neither charged any interest nor sent any demand from note/statement of interest for the period from 01-01-2013 to 31-12-2014 to the Company.

In view of the above, interest has not been shown in the Company's accounts for the said period.

16. Accounts Payable (Goods Supply): Tk. 61,357,259

The balance represents against the parties for goods supplies of the Company.

17. Creditors & Accruals: Tk. 3,090,561

The break-up of the amount is shown below:

Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
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Salary & Allowances	-	55,547	69,562	111,283	-	55,194	291,586	22,456
Electricity Charges (Head Office)	-	-	-	24,776	-	-	24,776	18,885
Electricity Charges (Factory)	-	105,480	284,450	437,100	-	174,783	1,001,813	1,069,838
Telephone Charges	-	12,240	15,420	23,450	-	4,813	55,923	68,420
Canteen Charge	-	20,420	65,460	95,420	-	11,782	193,082	290,793
Water Supply & Sewerage	-	-	-	15,568	-	-	15,568	12,635
Audit Fees	-	10,000	12,000	63,000	-	10,000	95,000	92,000
Provident Fund	-	22,254	63,128	240,154	5,029	2,000	332,565	332,565
Wages & Allowances	-	119,865	195,444	690,265	-	74,674	1,080,248	1,470,888
Lease Rental Payable	-	-	-	-	-	-	-	2,131,492
Total	-	345,806	705,464	1,701,016	5,029	333,246	3,090,561	5,509,972

Most of the outstanding liabilities have subsequently been paid;

No liabilities in the Statement of Financial Position are at a value less than the amount at which it is repayable at the date of the Statement of Financial Position.

18. Workers' Profit Participation/Welfare Fund: Tk. Nil

The break-up of the amount is shown below:

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
As per last account	(40,934)	90,673	114,049	204,730	(206,511)	(44,352)	117,655	206,826
Add: Addition during the year	-	-	-	-	-	-	-	117,655
	(40,934)	90,673	114,049	204,730	(206,511)	(44,352)	117,655	324,481
Less: Paid during the year	40,934	(90,673)	(114,049)	(204,730)	206,511	44,352	(117,655)	(206,826)
Total	-	-	-	-	-	-	-	117,655

19. Provision for Income Tax: Tk. 6,149,544

The break-up of the amount is shown below:

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
As per last account	(513,965)	2,480,867	742,958	2,366,603	(270,570)	42,107	4,848,000	5,184,602
Adjustment during the year	-	-	-	-	-	-	-	(2,014,277)
Provision during the year	-	325,730	103,600	800,114	17,562	54,538	1,301,544	1,677,675
Total	(513,965)	2,806,597	846,558	3,166,717	(253,008)	96,645	6,149,544	4,848,000

The Company recognized no deferred Tax liability in accordance with paragraph-47 of BAS-12

Tax provision on Turnover during the years made as following basis:-

	Turnover	Tax provision
Turnover January-2014 to June-2014	190,336,811	
Turnover Tax 2014 @ .50 %		951,685
Turnover July-2014 to December-2014	116,619,945	
Turnover Tax 2014 @ .30 %		349,859
Tk.	306,956,756	1,301,544

20. Turnover: Tk. 306,956,756

Name of Items	2014		2013	
	Qty-M.Ton	Amount	Qty-M.Ton	Amount
PVC Rigid Pipes	2105	271,062,042	2,106	276,133,250
Thread/ ASTD Pipes	213	26,705,123	385	44,505,123
Plastic Wood	14	1,905,230	35	4,512,360
PVC Profile	52	7,284,361	81	10,384,361
Total	2,384	306,956,756	2,607	335,535,094

Currently due to working capital shortage, PVC Plastic Wood and PVC Flexible Corrugated Conduit Pipes production has been temporarily closed.

21. Cost of Goods Sold: Tk. 290,409,260

This is made up as under:

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Opening Stock of Finished Goods	-	11,524,560	14,896,120	38,245,620	3,542,120	9,954,837	78,163,257	73,832,970
Less: Adjustment	-	-	-	-	-	-	-	-
	-	11,524,560	14,896,120	38,245,620	3,542,120	9,954,837	78,163,257	73,832,970
Cost of Goods Manufactured (Note-21.01)	1,964,798	64,014,551	85,026,338	118,726,893	2,983,587	2,014,087	274,730,254	307,153,339
Fittings Making Cost	-	15,246	45,216	63,607	-	-	124,069	244,249
	1,964,798	64,029,797	85,071,554	118,790,500	2,983,587	2,014,087	274,854,323	307,397,588
Cost of Goods available for Sales	1,964,798	75,554,357	99,967,674	157,036,120	6,525,707	11,968,924	353,017,580	381,230,558
Closing Stock of Finished Goods	-	9,825,416	12,045,698	32,546,980	923,760	7,266,466	62,608,320	78,163,257
Cost of Goods Sold	1,964,798	65,728,941	87,921,976	124,489,140	5,601,947	4,702,458	290,409,260	303,067,301

21.01 Cost of Goods Manufactured: Tk. 274,730,254

This is made up as under:

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Cost of Materials Consumed (Note-201.02)	-	59,312,455	77,267,769	105,899,407	-	545,300	243,024,931	275,253,541
Electricity & Power (Absorbed)	-	2,545,360	2,945,128	5,012,480	-	446,015	10,948,983	10,497,200
	-	61,857,815	80,212,897	110,911,887	-	991,315	253,973,914	285,750,741
Opening Work-In-Process	-	-	-	594,350	-	-	594,350	563,517
	-	61,857,815	80,212,897	111,506,237	-	991,315	254,568,264	286,314,258
Closing Work-In-Process	-	-	-	2,014,256	-	565,191	2,579,447	594,350
	-	61,857,815	80,212,897	109,491,981	-	426,124	251,988,817	285,719,908
Factory Overhead (Note-21.03)	1,964,798	2,156,736	4,813,441	9,234,912	2,983,587	1,587,963	22,741,437	21,433,431

Cost of Goods Manufactured	1,964,798	64,014,551	85,026,338	118,726,893	2,983,587	2,014,087	274,730,254	307,153,339
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21.02 Cost of Materials Consumed: Tk. 243,024,931

This is made up as follows:

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Opening Stock of Raw Materials	-	6,845,125	7,642,169	13,729,778	10,842,136	3,356,456	42,415,664	48,876,730
Add: Materials Purchase	-	58,712,450	77,138,290	111,715,950	-	3,012,856	250,579,546	268,792,475
	-	65,557,575	84,780,459	125,445,728	10,842,136	6,369,312	292,995,210	317,669,205
Less: Closing Stock of Raw Materials	-	6,245,120	7,512,690	19,546,321	10,842,136	5,824,012	49,970,279	42,415,664
Cost of Materials Consumed	-	59,312,455	77,267,769	105,899,407	-	545,300	243,024,931	275,253,541

Raw Materials Consumption are given below:

Particulars

	Quantity (Kg)	Amount (Tk.)
Opening Stock of Raw Material	370,156	42,415,664
Add. Purchase of Raw Materials	2,312,750	250,579,546
	2,682,906	292,995,210
Less. Closing stock of Raw Materials	407,156	49,369,679
Consumption of Raw Materials	2,275,750	243,625,531

21.03 Factory Overhead: Tk. 22,741,437

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Wages & Salaries	-	1,324,690	3,049,353	5,224,486	-	449,414	10,047,943	11,748,363
Repairs & Maintenance	-	546,350	675,810	1,542,130	-	292,968	3,057,258	2,395,759
Factory Maintenance	-	15,240	48,360	162,450	-	18,288	244,338	273,122
Depreciation	1,964,798	270,456	1,039,918	2,305,846	2,983,587	827,293	9,391,898	7,016,187
Total	1,964,798	2,156,736	4,813,441	9,234,912	2,983,587	1,587,963	22,741,437	21,433,431

22. Administrative & General Expenses: TK. 22,276,646

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Salary & Allowances	-	1,754,860	2,025,360	3,892,619	-	685,120	8,357,959	9,596,202
Board Meeting Fees	-	62,350	85,235	135,240	-	26,479	309,304	262,018
Stationery Expenses	-	85,360	78,260	185,236	-	14,285	363,141	387,702
Telephone Charges	-	85,236	74,236	165,241	-	6,438	331,151	493,913
Travelling & Conveyance	-	120,350	135,420	280,350	-	12,831	548,951	691,345
Entertainment Expenses	-	48,620	78,250	129,450	-	26,370	282,690	275,270
Canteen Charges	-	350,240	405,360	705,124	-	53,334	1,514,058	1,855,693
Rent & Rates	-	245,360	380,250	1,185,120	-	59,770	1,870,500	1,999,769
Fuel & Lubricants	-	250,360	425,320	1,245,630	-	62,690	1,984,000	3,144,152
Audit Fees	-	10,000	12,000	63,000	-	10,000	95,000	92,000
Renewal Listing & Other Expenses	-	75,240	102,450	380,124	-	58,782	616,596	573,230
Professional Fees	-	95,240	145,230	320,124	-	10,056	570,650	672,973
Electricity Charges	-	60,240	75,124	140,250	-	9,481	285,095	315,613
Water Supply & Sewerage	-	32,450	38,960	98,250	-	12,165	181,825	181,021
Donation (Mosque Maintenances)	-	25,360	60,240	81,395	-	-	166,995	262,700
Uniform Expenses	-	-	-	40,100	-	-	40,100	17,714
Postage & Telegram	-	8,250	14,260	25,821	-	2,410	50,741	52,913
Gardening Expenses	-	-	-	18,323	-	-	18,323	389
Medical Expenses	-	-	4,250	13,464	-	-	17,714	8,544
Office Maintenances	-	79,750	116,990	286,704	-	9,745	493,189	512,402
Transport Maintenances	-	150,960	185,240	605,240	-	43,144	984,584	1,011,949
Guest House Expenses	-	-	-	23,422	-	-	23,422	13,548
A.G.M. Expenses	-	80,240	125,610	503,625	-	24,125	733,600	1,236,054
Advertisement & Publicity	-	25,460	80,240	385,320	-	84,221	575,241	993,465
Miscellaneous	-	15,250	11,860	60,360	-	9,770	97,240	81,470
Carrying Charges	-	13,456	19,120	63,750	-	8,082	104,408	99,045
Newspaper & Periodicals	-	2,030	3,440	6,950	-	1,454	13,874	14,408
Insurance Premium	-	9,650	18,950	47,136	-	6,598	82,334	96,847
Internet Bill Expenses	-	20,426	30,156	107,820	-	6,495	164,897	238,267
CDBL Expenses	-	10,450	22,250	46,779	-	5,521	85,000	88,461
Software Support Service	-	-	-	-	-	-	-	315,960
Amortized off Deferred Revenue Expenditure	-	-	-	-	-	-	-	1,472,547
Amortized-off Preproduction Expenses	-	-	-	-	250,000	750,000	1,000,000	1,000,000

Depreciation	112,137	-	-	85,504	86,245	30,178	314,064	360,176
Total	112,137	3,717,188	4,754,061	11,327,471	336,245	2,029,544	22,276,646	28,417,760

23. Financial Expenses: Tk. 88,596

	Unit-1	Unit-2	Unit-3	Unit-4	Unit-5	Unit-6	2014	2013
Bank Charges	-	12,450	25,480	45,124	-	5,542	88,596	136,004
Total	-	12,450	25,480	45,124	-	5,542	88,596	136,004

24. Earnings Per Share (EPS): TK. (1.32)

The computation of EPS is given below:

	2014	2013
Net Profit after tax	(6,391,695)	1,462,808
Weighted average number of ordinary shares in issue	4,850,000	4,850,000
Earnings Per Share (EPS) (Per value Tk. 10)	(1.32)	0.30

25. Net Assets Value per Share (NAV): Tk. (50.87)

The Computation of NAV is given below

Net Assets	(246,717,048)	(242,456,845)
Number of Shares outstanding during the year	4,850,000	4,850,000
Net Assets Value per Share (NAV) (Per value Tk. 10)	(50.87)	(49.99)

26. Net Operating Cash Flows per Share (NOCFPS): Tk. 1.51

The computation is given below:

	2014	2013
Net Cash from Operating Activities	7,325,121	21,369,023
Weighted average number of ordinary shares in issue	4,850,000	4,850,000
Net Operating Cash Flow per Share	1.51	4.41

27.00 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 June, 2014:

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Factory	Head Office		
Below Tk. 3,000/-	-	-	-	-
Above Tk. 3,000/-	30	32	115	177
Total	30	32	115	177

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

Name of Directors	Designation	Remuneration	Festival Bonou	Total Payment
Md. Abul Hossain	Charmin	-	-	-
Mohd. Abdul Halim	Director	-	-	-
Mohd. Ahsan Ullah	Director	-	-	-
Mohd. Asad Ullah	Director	-	-	-
Mahmud Mizanur Rahman	Director	-	-	-
Md. Rafiqul Islam	Director	-	-	-
Engr. Shahjahan Sikder	Director	-	-	-
Md. Sultan Jahangiri	Director	-	-	-
Total		-	-	-

Period of payment to Directors is from 01 January, 2014 to 31 December, 2014.

The above Directors of the company did not take any benefit from the company except attendance fees for Board Meeting and others are as follows:

- Expenses reimbursed to the managing agent - Nil
- Commission or other remuneration payable separately to a managing agent or his associate -Nil
- Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into such concerns with the company-Nil
- 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-
- Any other perquisites or benefits in cash or in kind stating-Nil
- Other allowances and commission including guarantee commission-Nil

Pensions, etc.-

- Pensions-Nil
- Gratuities-Nil
- Payment from Provided Fund-Nil
- Compensation for loss of office-Nil
- 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)	Installed Capacity (In MT)	Actual Production (In MT)	Capacity Utilization
Annual production capacity in MT	Not mentioned in License	7,000	2,275	32.50%

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	-	250,579,546	250,579,546	243,625,531	97.22%
Spare parts	-	1,556,436	1,556,436	1,556,436	100.00%
Packing materials	-	-	-	-	0.00%
Total					

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 January, 2014 to 31 December, 2014 on account of royalty, know-how, professional fees, consultancy fees and interest;
- 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 from 01 January, 2014 to 31 December, 2014.

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	
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	30-06-2014	30-06-2013
Advances, Deposits and Pre-payments exceeding 6 months	10,380,547	10,380,547
Advances, Deposits and Pre-payments not exceeding 6 months	17,454,474	17,977,974
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)	1,416,923	454,239
Advances, Deposits and Pre-payments due from companies under same management	-	-
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 31-12-2014.
- 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 year.
- 5 There was no contingent liabilities as on close of the business as on 31-12-2014 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 31 December, 2014.
- 12 No expenses including Royalty, Technical Experts & Professional Advisory Fees and Interest etc. were incurred or paid in foreign currencies during the financial year.
- 13 The Company has no related party transactions as per BAS-24 "Related Party Disclosures".
- 14 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.