



Solution Begins

Rahman Mostafa Alam & Co.
Chartered Accountants



**Independent Auditors' Report
To the Shareholders of Aziz Pipes Limited
Report on the Audit of the Financial Statements**

Qualified Opinion

We have audited the financial statements of Aziz Pipes Limited (the Company), which comprise the Statement of Financial Position as at June 30, 2020, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information disclosed in notes 1 to 32 & Annexure- A.

In our opinion, except for the effect of the matter described in the basis for Qualified Opinion section of our report, the accompanying financial statements presents fairly in all material respects the financial position of the company as at June 30, 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange rules 1987 and other applicable laws and regulations.

Basis for Qualified Opinion

1. Payment of worker's profit participation fund (WPPF) has not made as per sec 240 (3), of Bangladesh labor act, 2006 (Amended 2013) and moreover interest was not charged against such unpaid amount Tk. 612,878.
2. Inventories Tk. 114,336,835 of the company could not be verified as the stock register is not available (Details are disclosed in note no. 04).
3. The Equity of the company is negative consecutively and Debt service & Interest service ratio is low. Hence the company has doubt about its ability to continue as going concern.
4. Purchases amount differs with VAT return which is disclosed in note no. 23.02 of the financial statements.

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

Emphasis of Matter

We refer to the note no. 13 (Term Loan), 14 (Short Term Loan) and 16 (Block Loan Account) of the financial statements regarding court cases of those loans.

Our opinion is not modified in respect of above matters.

Our key audit matters

Risk	Our response to the risk
Revenue recognition	
Refer note no 22 to the Financial Statements	
<p>The company sales comprise revenue from the sale of products. Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.</p>	<p>Our procedure includes: Control test: Evaluation of internal control activities over revenue recognition and testing of key controls. Test of details: Testing timeliness of revenue recognition by comparing individual sales transactions to delivery documents. Assessing disclosure: considering the adequacy of the entity's disclosure regarding revenue. Our result: the result of our testing is satisfactory and we considered the carrying amount of revenue recognized to be acceptable and recorded in correctly.</p>
Income tax expenses	
Refer note no 20 to the Financial Statements	
<p>The company has different items of income, assets, and provisions which requires significant judgment for both in current tax and deferred tax calculation.</p>	<p>Our procedure includes: Control test: Testing the effectiveness of the entity's control around the recording and reassessment of the amount of tax expenses and related assets and liabilities. Test of details: Obtaining supporting documents, checked calculation and challenged the amount as per our knowledge of corporate taxation both for current and deferred portion. Assessing disclosure: Considering the adequacy of the entity's disclosure regarding tax. Our result: The results of our testing were satisfactory and we found the level of tax provisioning is acceptable.</p>

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994 other applicable laws and regulation and the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, as records and other statutory books as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) The statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) The expenditure incurred was for the purposes of the Company's business.

The engagement partner on the audit resulting in this independent auditors' report is Md. Anwaruzzaman FCA.

Dated: Dhaka
October 28, 2020



Rahman Mostafa Alam & Co.
Chartered Accountants

Aziz Pipes Limited
Statement of Financial Position
As at June 30, 2020

Particulars	Notes	Amount in Taka	
		June 30, 2020	June 30, 2019
ASSETS			*Restated
Non-current Assets		254,597,932	261,184,330
Property, Plant and Equipment (Restated)	3	254,597,932	261,184,330
Current Assets		182,265,034	214,059,117
Inventories	4	114,336,835	130,585,593
Trade Receivables	5	41,270,839	56,162,514
Advances, Deposits and Prepayments	6	22,294,722	24,234,889
Cash and Cash Equivalents	7	4,362,639	3,076,121
Total Assets		436,862,966	475,243,447
EQUITY AND LIABILITIES			
Shareholders' Equity		(76,042,917)	(73,954,068)
Share Capital	8	53,471,250	53,471,250
Share Premium	9	106,700,000	106,700,000
Revenue Reserves and Surplus	10	23,871,918	23,871,918
Revaluation Reserve (Restated)	11	193,480,908	194,970,225
Retained Earnings	12	(453,566,993)	(452,967,461)
Non-current Liabilities			
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	13,282,609	14,180,326
Block loan account	16	270,988,422	303,988,422
Lease liabilities (Restated)		7,875,000	10,575,000
Current Liabilities		162,540,011	162,233,926
Trade Payables	17	151,420,381	149,377,239
Liabilities for Expenses	18	3,869,665	3,687,008
Workers profit participation fund	19	718,824	612,878
Staff Gratuity		1,078,435	1,078,435
Provision for Income Tax	20	4,802,126	6,827,785
Unclaimed Dividend	21	650,581	650,581
Total Equity and Liabilities		436,862,966	475,243,447
Net Asset Value (NAV) per Share	27	(14.22)	(13.83)

* Last year's figures have been restated. Details disclosed in note no. 2.19 of the Financial Statements. The accompanying notes from 1 to 32 & Annexure-A form an integral part of the financial statements.

Sd/-
Chairman
ATM Ahmedur Rahman

Sd/-
Director
Mohd. Abdul Halim

Sd/-
Managing Director
Md. Nurul Absar

Sd/-
Company Secretary
A. H. M Zakaria

Sd/-
Manager(F&A) & CFO(C.C)
Md. Rashidul Hassan

Signed in terms of our separate report of even date.

Date: Dhaka
October 28, 2020

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

Aziz Pipes Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended June 30, 2020

Particulars	Notes	Amount in Taka	
		July 01, 2019 to June 30, 2020	July 01, 2018 to June 30, 2019
			* Restated
Turnover	22	227,075,687	311,130,942
Less: Cost of Goods Sold (Restated)	23	195,441,102	274,733,937
Gross Profit		31,634,585	36,397,005
Less: Operating Expenses		29,416,124	29,796,653
Administrative & General Expenses	24	25,502,683	25,215,393
Selling & Distribution Expenses	25	2,966,772	3,549,494
Financial Expenses (Bank Charges)- Restated	26	946,669	1,031,766
Operating Profit		2,218,461	6,600,352
Add: Interest received from STD Account		6,399	3,543
Net Profit before WPPF and Tax		2,224,860	6,603,895
Less: Workers Profit Participation Fund	19	105,946	262,120
Net Profit before Income Tax		2,118,914	6,341,775
Less: Income Tax expenses		727,596	1,222,581
Current Tax		1,362,493	1,866,807
Deferred Tax Income (Restated)	15	(634,896)	(644,226)
Net Profit after Income Tax		1,391,318	5,119,193
Less: Previous Year Adjustment		-	257,564
Net Profit after Previous Year Adjustment		1,391,318	4,861,629
Basic Earnings per Share (EPS) Restated	27.01	0.26	0.91

* Last year's figures have been restated. Details disclosed in note no. 2.19 of the Financial Statements. The accompanying notes from 1 to 32 & Annexure-A form an integral part of the financial statements.

Sd/-
Chairman
ATM Ahmedur Rahman

Sd/-
Director
Mohd. Abdul Halim

Sd/-
Managing Director
Md. Nurul Absar

Sd/-
Company Secretary
A. H. M Zakaria

Sd/-
Manager(F&A) & CFO(C.C)
Md. Rashidul Hassan

Signed in terms of our separate report of even date.

Date: Dhaka
October 28, 2020

Sd/-
Rahman Mostafa Alam & Co.
Chartered Accountants

Aziz Pipes Limited
Statement of Changes in Equity
For the year ended June 30, 2020

Particulars	Share Capital	Share Premium	Revenue Reserve	Revaluation Surplus	Retained Earnings	Total Equity
Balance as at July 01, 2019	53,471,250	106,700,000	23,871,918	194,970,225	(452,967,461)	(73,954,068)
Net Profit/(Loss) during the year	-	-	-	-	1,391,318	1,391,318
Adjustment of Revaluation reserve on depreciable Assets	-	-	-	(1,489,318)	1,752,138	262,821
Cash Dividend for the year 2018-2019	-	-	-	-	(3,742,988)	(3,742,988)
Balance as at June 30, 2020	53,471,250	106,700,000	23,871,918	193,480,908	(453,566,993)	(76,042,917)
Particulars	Share Capital	Share Premium	Revenue Reserves	Revaluation Surplus	Retained Earnings	Total Equity
Balance as at July 01, 2018	50,925,000	106,700,000	23,871,918	196,317,421	(471,563,206)	(93,748,865)
Adjustment in deferred tax for wrong claculation of WDV of tax base	-	-	-	-	14,528,647	14,528,647
Adjustment for depreciation of lease assets	-	-	-	-	112,500	112,500
Adjustment in Revaluation Reserve for excess transfer of depreciation	-	-	-	307,598	(307,598)	-
Restated opening balance	50,925,000	106,700,000	23,871,918	196,625,019	(457,229,656)	(79,107,718)
Net Profit/(Loss) during the year	-	-	-	-	4,861,629	4,861,629
Adjustment of Revaluation reserve on depreciable Assets	-	-	-	(1,654,794)	1,946,816	292,022
Transferred for Stock Dividend @ 5%	2,546,250	-	-	-	(2,546,250)	-
Balance as at June 30, 2019	53,471,250	106,700,000	23,871,918	194,970,225	(452,967,461)	(73,954,068)

* Last year's figures have been restated. Details disclosed in note no. 2.19 of the Financial Statements.

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

Chairman
ATM Ahmedur Rahman

Director
Mohd. Abdul Halim

Managing Director
Md. Nurul Absar

Company Secretary
A. H. M Zakaria

Manager(F&A) & CFO(C.C)
Md. Rashidul Hassan

Aziz Pipes Limited
Statement of Cash Flows
For the year ended June 30, 2020

Particulars	Notes	Amount (In Taka)	
		July 01, 2019 to June 30, 2020	July 01, 2018 to June 30, 2019
A. Cash Flow from Operating Activities			
Collection from Sales & Others		241,967,362	317,644,392
Payment to Suppliers & Expenses		(195,697,546)	(260,025,962)
Income tax paid/Aadjustment		(3,388,152)	(1,445,541)
Net Cash Generated from Operating Activities		42,881,664	56,172,889
B. Cash Flow from Investing Activities			
Acquisition of Fixed Assets		(1,211,888)	(292,007)
Net Cash Used in Investing Activities		(1,211,888)	(292,007)
C. Cash Flow from Financing Activities			
Payment of SEBL Block Account		-	(10,198,741)
Payment of NBL Block Account		-	(20,550,636)
Payment of Dutch Bangla Bank Block Account		(18,300,000)	(6,800,000)
Payment of Uttara Bank Block Account		(14,700,000)	(14,300,000)
Dividend paid to ordinary shareholders		(3,742,988)	-
Payment of Lease liabilities		(3,522,396)	(3,522,396)
Interest Received		6,399	3,543
Financial Expense (Bank charges)		(124,273)	(209,370)
Net Cash Used in Financing Activities		(40,383,258)	(55,577,600)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		1,286,518	303,282
Cash and cash equivalents at the beginning of the year		3,076,121	2,772,840
Cash and cash equivalents at the end of the year		4,362,639	3,076,121
Net Operating Cash Flows per Share	28	8.02	10.51

Sd/-
Chairman
ATM Ahmedur Rahman

Sd/-
Director
Mohd. Abdul Halim

Sd/-
Managing Director
Md. Nurul Absar

Sd/-
Company Secretary
A. H. M Zakaria

Sd/-
Manager(F&A) & CFO(C.C)
Md. Rashidul Hassan

Aziz Pipes Limited
Notes to the financial statements and other explanatory information
As at and for the year ended June 30, 2020

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, MotijheelC/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 IAS-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 June 30, 2020
- ii. Statement of Profit or Loss & Other Comprehensive Income for the year ended June 30, 2020
- iii. Statement of Changes in Equity for the year ended June 30, 2020
- iv. Statement of Cash Flows for the year ended June 30, 2020 and
- v. Notes to the financial statements and other explanatory information.

ii. Revenue:

An entity shall account for a contract with a customer that is within the scope of IFRS - 15 only when all of the following criteria are met:

- i) Identify the contract (s) with a customer.
- ii) Identify the performance obligations in the contract.
- iii) Determine the transaction price.
- iv) Allocate the transaction price to the performance obligations in the contracts.
- v) Recognize revenue when (or as) the entity satisfies a performance obligation.

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 IASs 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 IASs. 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.

Aggregated Loss of the company was reached by Tk. (452,967,461) as on 30.06.2019 and at cutoff date of this financial year it stood Tk. (453,566,993). A profit amounting to Tk. 1,391,318 has earned during the year as well as recent years. For this reasons, the directors continue to adopt going concern basis in preparing the financial statements inspite of aggregated loss shown in 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 July 01, 2019 to June 30, 2020.

1.11 Authorization of the financial statements for issue:

The financial statements were authorized by the Board of Directors on October 28, 2020 for issue after completion of review.

1.12 Statement of Cash Flows

Statement of Cash Flows 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, judgment 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 Unit wise 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 IFRS 8: "Segment Reporting" as the company operates in a single industry segment and within a single geographical territory.

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 IASed on the revalued carrying amount of the asset and depreciation IASed 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 IAS 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.

Entity applies periodic review to ensure that its assets are carried at no more than their recoverable amount, which is the lower of an asset's or cash-generating unit's fair value less costs of disposal and its value in use as prescribed in IAS-36. "Impairment of Assets". There is no indication that assets may be impaired. Moreover, the company has no intangible assets for which impairment test is required.

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 10 of IAS-2. Costs including an appropriate portion of fixed and variable overhead expenses are assigned to 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	IASs 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. Staff gratuity fund benefits temporarily stopped since 2010. But in the financial statements shown provision balance only for some long time serviced employee.

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, 2020 and the rate of Minimum tax applicable is 0.60% from July 01, 2019 to June 30, 2020.

Type of income	2019-20	2018-19
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 IAS 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 IASis.

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.

The Board of Directors proposed cash dividend @1% (Excluding Sponsors) for the year ended June 30, 2020.

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 Company 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 basic and diluted earnings per share with in statement of profit or loss and other comprehensive income 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 IAS 10 "Events after the Reporting Period". Events after the reporting period that are not adjusting events are disclosed in the notes when material.

Risk Exposure

2.13 Interest Rate Risk

Interest rate risk is the risk that company faces due to unfavorable movements in the interest rates. Changes in the government's monetary policy, along with increased demande for loans/ investments tend to increase the interest rates. Such rises in interest rates mostly affect companies having floating rate loans or companies investing in debt securities.

Management Perception

The company maintains low debt / equity ratio; and accordingly, adverse, impact of interest rate fluctuation is insignificant

2.14 Exchange Rate Risk

Exchange rate risk occurs due to changes in exchange rates. As the company imports materials and equipment from abroad and also earns revenue in foreign currency, unfavorable volatility or currency fluctuation may affect the profitability of the company. If exchange rate increases against local currency, opportunity arises for generating more profit.

Management Perception

The products of the company are sold mostly in local currency. Therefore, volatility of exchange rate has negligible impact on profitability of the company.

2.15 Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and market share which could have an adverse impact on the business, financial condition and results of operation.

Management Perception

Management is optimistic about growth opportunity in infusion sector in Bangladesh. Furthermore, there is an untapped international market.

2.16 Market risks

Market risks refer to the risks of adverse market conditions affecting the sales and profitability of the company. Mostly, the risk arises from falling demand for the product or service which would harm the performance of the company. On the other hand, strong marketing and brand management would help the company increase their customer base.

Management Perception

Management is fully aware of the market risk and acts accordingly. Moreover, the company has a strong marketing and brand management to increase the customer base and customer loyalty.

2.17 Operational Risks

Non-availabilities of materials/equipments/services may affect the smooth operational activities of the company. On the other hand, the equipment may face operational and mechanical failures due to natural disasters, terrorist attacks, unforeseen events, lack of supervision and negligence, leading to severe accidents and losses.

Management Perception

The company perceives that allocation of its resources properly can reduce this risk factor to a great extent. The company hedges such risks in costs and prices and also takes preventive measures therefore.

2.18 Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle its obligations on time or at a reasonable price.

Management Perception

The company's approach to managing liquidity is to ensure, as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation. Typically, management ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

2.19 Restatement

i. The company inadvertently recognised finance lease as operating lease in June 2018, which have been rectified in this year. Hence prior years figure of Property, Plant and Equipment, Lease liabilities, Finance cost, Depreciation charged in Cost of goods sold have been restated accordingly to conform with current year presentation.

ii. The Company calculated tax base WDV wrongly in prior years. As a result deferred tax calculation also need to rectify. In this year tax base WDV have been rectified. Hence prior years figure of deferred tax liability have been restated accordingly.

2.20 The Companies complied, as per Para 12 of Securities & Exchange Rule 1987, with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) in preparing the financial statements of the Company.

2.21 General

i) The financial statement are presented in Bangladesh Taka which in the company's functional currency. Figures appearing in these financial statements rounded off to the nearest Taka.

ii) The expenses, irrespective of capital or revenue nature, accrued/due but not paid have been provided for in the financial statements of the company.

Notes	Particulars	Amount in Taka	
		June 30, 2020	June 30, 2019
3.00	Property, Plant and Equipments		
	A. Cost		
	Opening Balance as at July 01, 2019	501,564,117	494,209,030
	Add: Addition during the year	1,211,888	7,355,087
	Less: Adjustment/Disposal during the year	-	-
	Closing balance as at June 30, 2020	502,776,005	501,564,117
	B. Accumulated Depreciation		
	Opening Balance as at July 01, 2019	240,379,787	231,758,765
	Add: Depreciation during the year	7,798,286	8,621,022
	Less: Adjustment/Disposal during the year	-	-
	Closing balance as at June 30, 2020	248,178,073	240,379,787
	Written down value as at June 30, 2020	254,597,932	261,184,330

Details have been shown in Annexure-A.

4.00 Inventories

This amount comprises as follows:

Raw Materials	4.01	41,032,407	58,447,892
Finished Goods	4.02	68,299,432	67,064,394
Work-in-Process	4.03	5,004,995	5,073,307
Total		114,336,835	130,585,593

Note:

- Inventories are valued at lower of cost or net realizable value. Net realizable value is based on estimated selling price less any other cost anticipated to be incurred to make the sale.

-Audit team of Customs, Excise and VAT Commissionerate, Jessore- 03 have been taken i. Purchase book (Mushak 16 & 6.1), ii. Sales book (Mushak 17 & 6.2), iii. Current account book (Mushak 18 & 6.2), iv. Purchase challan (Mushak 6.3)/Cash memo/Voucher, v. Sales Challan (Mushak 11 & 6.3) for VAT audit purposes. Inventories are physically verified by the Management team.

4.01 Raw Materials

Items	Quantity (in KGs)		
Resin	69,875	6,009,250	4,248,875
Powder (Dust)	17,000	1,649,000	7,194,627
Stabilizer SMS-318	13,745	2,749,000	844,800
Titanium	482	123,874	105,325
Calcium Carbonate	96,445	1,736,010	1,974,000
Parafin Wax	224	32,032	74,560
Static Acid	808	84,840	71,820
Naftomix GWN 1050	10,799	4,319,600	435,600
Liastab 51	1,000	800,000	800,000
Pigment-Black	2	1,000	10,500
Hoechst Wax E Powder G-3	2,876	719,000	719,000
AC 316A (Oxyd.pe wax) G-7	471	70,650	70,650
Hoechst Wax PE-190 Powder G-8a	135	27,000	27,000
Barolub PA -C (PE WAX) G-8b	175	52,500	52,500
Barolub L-OH (Cetyl Alcohol) G-19	2,375	950,000	950,000
Barolub LS-100 G-70s	2,779	694,750	694,750

Notes	Particulars	Amount in Taka		
		June 30, 2020	June 30, 2019	
	Indofil KM 323B/Cell builder-Mod.2c	996	298,800	2,056,880
	Plastistrength P-530/Akdenizpro-45	131	65,500	65,500
	KANE ACE PA-60 Mod.3b	200	60,000	60,000
	Pigment-Yellow	400	320,000	320,000
	Pigment-Green	97	218,250	225,600
	Pigment-Blue	349	174,500	174,500
	Pigment-Brown	71	42,600	42,600
	Pigment-Peach	438	350,400	120,000
	Pigment-Grey	995	796,000	796,000
	Pigment-Red	200	160,000	160,000
	DOP	101	23,735	17,685
	Luvopor 865/50 DB Tr-1	7,350	4,116,000	4,116,000
	Other Materials (Mixture & re-cycle)	174,615	14,388,116	32,019,120
	Total	405,134	41,032,407	58,447,892

4.02 Finished Goods

Items	Quantity (in M.Ton)		
PVC Rigid Pipes	338	38,912,458	36,013,685
Thread Pipes	135	15,263,413	13,034,880
ASTD Pipes / Profile	98	14,123,561	18,015,829
Total	571	68,299,432	67,064,394

4.03 Work-in-Process

Items	Quantity (in M.Ton)		
Rigid, Pipes	38	3,712,501	3,712,350
PVC Profile	12	1,292,494	1,360,957
Total	50	5,004,995	5,073,307

5.00 Accounts Receivable- Trade

Opening Balance as at July 01, 2019	56,162,514	62,675,964
Add: Addition during the year	227,075,687	311,130,942
Total Receivable	283,238,201	373,806,906
Less: Received during the year	241,967,362	317,644,392
Closing Balance as at June 30, 2020	41,270,839	56,162,514

Classification schedule as required by schedule XI of companies Act 1994 is as follows:

Ageing of the above debtor's balances is as follows:

Below 180 days	39,174,644	50,495,891
Above 180 days	2,096,195	5,666,623
	41,270,839	56,162,514

I. Accounts Receivable considered good in respect of which the company is fully secured	-	-
II. Accounts Receivable considered good in respect of which the company holds no security other than the debtors personal security	41,270,839	56,162,514
III. Accounts Receivable Considered doubtful or bad.	-	-
IV. Accounts Receivable due by any director or other officer of the company.	-	-
V. Accounts Receivable due by common management.	-	-
VI. The maximum amount of receivable due by any director or other officer of the company.	-	-
Total	41,270,839	56,162,514

Notes	Particulars	Amount in Taka	
		June 30, 2020	June 30, 2019

(i) The Company did not make a provision against Accounts Receivable as Accounts Receivable are good and the amount is not a materials item.

(ii) There was no amount due by the directors(including Managing), Managing Agent of the company and any of them severally or jointly with any other person.

(iii) There was also no other amount due by associate undertaking.

6.00 Advances, Deposits & Prepayments

Advances:

General Advance	1,995,865	3,649,236
Staff Advance	2,006,487	2,745,324
Advance Income Tax	11,550,457	14,821,487
Sub-Total	15,552,809	21,216,047

Deposits:

Security Deposits	452,070	452,070
Margin on Bank Guarantee	-	459,754
Earnest Money	-	395,600
Advance VAT Charges	6,289,843	1,711,418
Sub-Total	6,741,913	3,018,842
Total	22,294,722	24,234,889

Classification schedule as required by schedule XI of companies Act 1994 is as follows:

Ageing of the above Advance, Deposits & Prepayments balances is as follows:

Below 180 days	10,292,195	22,927,465
Above 180 days	12,002,527	1,307,424
	22,294,722	24,234,889

I. Advances, Deposits & Prepayments considered good in respect of which the company is fully secured	-	-
II. Advances, Deposits & Prepayments considered good in respect of which the company holds no security other than the debtors personal security	22,294,722	24,234,889
III. Advances, Deposits & Prepayments Considered doubtful or bad.	-	-
IV. Advances, Deposits & Prepayments due by any director or other officer of the company.	-	-
V. Advances, Deposits & Prepayments due by common	-	-
VI. The maximum amount of Advances, Deposits & Prepayments due by any director or other officer of the company.	-	-
Total	22,294,722	24,234,889

All advances are un-secured but considered good. In the opinion of the Management of the company, all current assets, investments, loans and advances are realizable 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 managing agents of the Company and any of them severally or jointly with any other person.

Notes	Particulars	Amount in Taka		
		June 30, 2020	June 30, 2019	
7.00	Cash and Cash Equivalents			
	Cash in Hand	7.01	1,289,930	755,910
	Cash at Bank	7.02	3,072,709	2,320,211
			4,362,639	3,076,121
7.01	Cash in Hand			
	Head Office		497,468	239,106
	Factory		792,462	516,804
			1,289,930	755,910
7.02	Cash at Bank			
	Agrani Bank Ltd		17,256	5,561
	Southeast Bank Ltd.		126,658	160,840
	National Bank Ltd.		928,805	948,476
	Islami Bank Bangladesh Ltd.		158,906	181,082
	Exim Bank Ltd.		65,184	98,145
	Janata Bank		864	1,669
	Mutual Trust Bank Ltd.		546,978	190,548
	Marcantile Bank Ltd		3,938	57,659
	Dutch Bangla Bank Ltd		87,685	-
	Al-Arafah Islami Bank Ltd		364,878	139,858
	Jamuna Bank Ltd.		300,272	488,650
	National Bank Ltd. (Factory)		471,285	47,723
			3,072,709	2,320,211

8.00 Share Capital

Authorized Capital	500,000,000	500,000,000
50,000,000 Ordinary Shares of Tk. 10 each		
Issued, Subscribed & Paid-up Capital		
5,347,125 Ordinary Shares of Tk. 10 each paid-up in full	53,471,250	53,471,250

(a) Composition of Shareholding:

	2020		2019	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Directors/Sponsors	1,809,196	33.83	1,809,196	33.83
General Public	3,326,941	62.22	3,319,185	62.07
Financial Institutions	86,193	1.61	92,937	1.74
ICB & Other Investors	124,795	2.34	125,807	2.35
Total	5,347,125	100.00	5,347,125	100.00

Notes	Particulars	Amount in Taka	
		June 30, 2020	June 30, 2019

(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	
	2019-2020	2018-2019	2019-2020	2018-2019	2019-2020	2018-2019
Less than 500	3,618	3,548	503,066	477,667	9.41	8.93
500 to 5,000	1,050	1,017	1,537,216	1,379,442	28.75	25.80
5,001 to 10,000	57	50	406,644	349,395	7.60	6.53
10,001 to 20,000	30	32	413,689	437,269	7.74	8.18
20,001 to 30,000	6	3	149,657	79,470	2.80	1.49
30,001 to 40,000	4	2	135,088	67,141	2.53	1.26
40,001 to 50,000	-	4	-	183,294	-	3.43
50,001 to 100,000	5	6	347,368	401,310	6.50	7.51
Over 100,000	5	6	1,854,397	1,972,137	34.68	36.88
Total	4,775	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. 97.50 per share and Tk. 97.50 per share in the Dhaka and Chittagong Stock Exchange Limited respectively on June 30, 2020.

09.00 Share Premium

Share Premium	106,700,000	106,700,000
	106,700,000	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 Revenue Reserves & Surplus

Tax Holiday Reserve	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

11.00 Revaluation Reserve

Revaluation Reserve	194,970,225	196,317,421
Adjustment in opening balance	-	307,598
Restated opening balance	194,970,225	196,625,019
Less: Adjustment during the year On depreciable Assets	1,489,318	1,654,794
Total	193,480,908	194,970,225

Notes	Particulars	Amount in Taka	
		June 30, 2020	June 30, 2019

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 MotijheelC/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 June 30, 2018

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

12.00 Retained Earnings:

Opening balance as at July 01, 2019	(452,772,362)	(471,563,204)
Adjustment in deferred tax for wrong calculation of WDV of tax base	-	14,528,647
Restated opening balance	(452,772,362)	(457,034,557)
Net Profit/(loss) during the year	1,391,318	4,861,629
Less: Cash Dividend for the year 2018-2019	(3,742,988)	-
Less Transferred for Stock Dividend @ 5%	-	(2,546,250)
Add: Adjustment of Revaluation of depreciable Assets	1,752,138	1,946,816
Closing balance as at June 30, 2020	(453,371,894)	(452,772,362)

13.00 Term Loan

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

Uttara Bank Ltd.	159,964,454	159,964,454
Dutch Bangla Bank Ltd	108,650,768	108,650,768
Total	268,615,222	268,615,222
Less: Transferred to Block Loan Account	267,595,380	267,595,380
Balance as per Bank Statement	1,019,842	1,019,842

Notes	Particulars	Amount in Taka	
		June 30, 2020	June 30, 2019

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 company's accounts for the said period. and the expression of the Company about the Block Loan 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 company's 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 Block Loan 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 Block Loan Account.

Uttara bank Limited Case no.-219/2005 and 145/2018 against both of case companies file contempt through writ no.-84/2019 and other hand companies apply to Bangladesh Bank for instruction to Uttara Bank Limited for adjustment Bank Liability. Companies also file a suit writ no-186/2020 where honorable court issue rule for consideration of our application which submitted to Bangladesh Bank and Uttara Bank Limited. The above both of writ is now waiting for Hearing.

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 Block Loan 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 Block Loan Account.

Vide company application no. APL/DBBL/08:19/186 Dated 27.08.2019 for amicable settlement of Bank loan. Bank approved the matter to be settled vide a compromise deed vide sanction advice no DBBL /105/05/2019/CR 0459 dated October 23.2019. The following terms & condition .

(i) Fixed Up amount in TK. 12,53,74,469.59.

(ii) Duration Period 3 years.

(iii) Interest free Block Account.

Now deed of compromise is at court for execution.

15.00 Deferred Tax

Opening balance as at July 01, 2019	14,180,326	29,645,221
Adjustment in opening balance	-	14,528,647
Restated opening balance	14,180,326	15,116,574
Less: Adjustment during the year on depreciable Assets	634,896	644,226
Less: Adjustment for deferred tax on depreciation of revalued assets	262,821	292,022
Closing balance as at June 30, 2020	13,282,609	14,180,326
A. Property, plant and equipment (PPE)		
WDV of Accounting Base	56,932,678	61,766,939
WDV of Tax Base	19,461,195	21,755,871
Taxable temporary difference	37,471,483	40,011,068
Tax rate	25%	25%
Deferred tax liability on PPE	9,367,871	10,002,767

Notes	Particulars	Amount in Taka		
		June 30, 2020	June 30, 2019	
	B. Deferred Tax on Gratuity Provision			
	Opening balance of deferred tax liability for gratuity provision	(269,609)	(269,609)	
	Addition during the year	-	-	
	Deferred tax liability/(asset)	(269,609)	(269,609)	
	C. Calculation of deferred tax on revaluation of property, plant and equipment:			
	Revalued value of land	181,896,010	181,896,010	
	Revalued value of other than land	15,769,245	17,521,383	
	<u>Tax Rate</u>			
	On land	1%	1%	
	On other than land	15%	15%	
	<u>Deferred tax liabilities</u>			
	For land	1,818,960	1,818,960	
	For other than land	2,365,387	2,628,207	
		4,184,347	4,447,168	
	Total (A+B+C)	13,282,609	14,180,326	
	<u>Calculation of deferred tax charged on Profit or Loss Account:</u>			
	Deferred tax liability other than revalued asset as on June 30, 2019	9,733,158	10,377,384	
	Deferred tax liability other than revalued asset as on June 30, 2020	9,098,262	9,733,158	
	Deferred tax expense/(income) during the year	(634,896)	(644,226)	
16.00	Block loan account			
	Block loan account	16.01	234,595,380	267,595,380
	Interest on Block Loan Account	16.02	36,393,042	36,393,042
	Total		270,988,422	303,988,422
16.01	Block Loan Account			
	Uttara Bank			
	a) Amount as per Company,s Accounts		159,564,454	174,264,454
	b) Amount as Per Bank Statement		6,688,500	6,688,500
	Suspense Account (a-b)		152,875,954	167,575,954
	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		97,150,768	115,450,768
	b) Amount as Per Bank Statement		15,431,342	15,431,342
	Suspense Account (a-b)		81,719,426	100,019,426
	Total		234,595,380	267,595,380
	Note: Dutch Bangla Bank suspenses loan reduce due to repayment of 1.83 Crore tk as downpayment for Dutch Bangla Bank Ltd loan re-scheduling purpose.			

Notes	Particulars	Amount in Taka	
		June 30, 2020	June 30, 2019
16.02	Interest Suspense Account		
	Interest Suspense Account	36,393,042	36,393,042
	Total	36,393,042	36,393,042
	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		
	Accounts Payable	151,420,381	149,377,239
	Total	151,420,381	149,377,239
18.00	Liabilities for Expenses		
	Salary & Allowances	540,500	572,117
	Electricity Charges (Head Office)	34,250	27,579
	Electricity Charges (Factory)	1,240,000	983,159
	Telephone Charges	24,500	22,188
	Water Supply & Sewerage	8,600	7,644
	Canteen Charges	96,250	83,970
	Audit Fees	143,000	125,000
	Provident Fund	332,565	332,565
	Wages & Allowances	1,450,000	1,532,786
	Total	3,869,665	3,687,008
19.00	Workers Profit Participation Fund		
	Opening balance as at July 01 , 2019	612,878	350,758
	Add: Addition during the period	105,946	262,120
	Less: Adjustment during the period	-	-
	Closing balance as at June 30, 2020	718,824	612,878
20.00	Provision for Income Tax		
	Opening balance as at July 01 , 2019	6,827,785	6,406,519
	Add: Addition during the year	1,362,493	1,866,807
	Less: Cash paid/adjustment during the year	3,388,152	1,445,541
	Closing balance as at June 30, 2020	4,802,126	6,827,785
21.00	Unclaimed Dividend		
	Previous Year Outstanding Final Cash Dividend	650,581	650,581
	Note: Warrant issued but not placed by the shareholders Which is deposited in dedicated bank accounts.	650,581	650,581
22.00	Turnover		
	Turnover	1985	227,075,687
	Product-wise Sales		Amount
	PVC Rigid & ASTD Pipes	1753	197,903,341
	Thread Pipes	178	21,602,085
	Profile	54	7,570,261
	Total	1985	227,075,687
23.00	Cost of Goods Sold		
	Opening Stock of Finished Goods as at July 01, 2019		67,064,394
	Cost of Goods Manufactured	23.01	196,676,140
	Cost of Goods available for Sales		263,740,534
	Less: Closing Stock of Finished Goods as at June 30, 2020		68,299,432
	Cost of Goods Sold		195,441,102
	Note: The Cost of Goods Sold Represents 86.07% of the total turnover, Which it was also 88.30% in the last year.		274,733,937

Notes	Particulars	Amount in Taka	
		June 30, 2020	June 30, 2019
23.01	Cost of Goods Manufactured		
	Cost of Materials Consumed	23.02 159,853,638	230,892,502
	Add: Electricity & Power	10,079,384	14,765,798
		169,933,022	245,658,300
	Add: Opening Work-In-Process as at July 01, 2019	5,073,307	4,537,354
		175,006,329	250,195,654
	Less: Closing Work-In-Process as at June 30, 2020	5,004,995	5,073,307
		170,001,334	245,122,347
	Add: Factory Overhead	23.03 26,674,807	30,680,490
	Cost of Goods Manufactured	196,676,140	275,802,837
23.02	Cost of materials Consumed		
	Opening Stock of Raw Materials as at July 01, 2019	58,447,892	50,711,019
	Add: Materials Purchase	142,438,153	238,629,375
	Materials Available for Consumption	200,886,045	289,340,394
	Less: Closing Stock of Raw Materials as at June 30, 2020	41,032,407	58,447,892
	Cost of Materials Consumed	159,853,638	230,892,502
	Raw Materials Consumption are given below:		
	Particulars	Quantity	
		(Kg)	
	Opening Stock of Raw Materials	529,914	58,447,892
	Add: Purchase of Raw Materials	<u>2,094,166</u>	<u>142,438,153</u>
		2,624,080	200,886,045
	Less: Closing Stock of Raw Materials	<u>780,134</u>	<u>41,032,407</u>
	Consumption of Raw Materials	1,843,946	159,853,638
			230,892,502
	Note: Purchase during the year is Tk. 142,438,153 as per books of accounts. But the same is Tk.254,651,423 as per VAT Return (Mushak- 9.1). The difference comes due to keep consistency with the Form: Mushak- 4.3 (Input-output coefficient declaration) of the suppliers. The payments were made as per books of accounts purchases.		
23.03	Factory Overhead		
	Wages & Salaries	16,339,028	19,173,453
	Repairs & Maintenance	2,360,585	2,734,586
	Factory Maintenance	348,679	339,382
	Depreciation	7,626,515	8,433,069
	Total	26,674,807	30,680,490
24.00	Administrative & General Expenses		
	Salary & Allowances	12,632,346	10,937,345
	Board Meeting Fees	295,000	315,000
	Stationery Expenses	458,079	546,698
	Telephone Charges	326,405	349,039
	Travelling & Conveyance	1,158,876	971,711
	Entertainment Expenses	214,839	225,311
	Canteen Charges	1,280,262	1,354,080
	Rent & Rates	1,716,000	2,153,600
	Renewal, Listing & Other Expenses	572,400	668,870
	Tax, Legal & Professional Fees	342,765	385,428
	Electricity Charges	228,884	288,281
	Fuel & Lubricants	1,083,696	2,263,749
	Water Supply & Sewerage	73,256	68,078

Notes	Particulars	Amount in Taka	
		June 30, 2020	June 30, 2019
	Donation (Mosque Maintenances)	178,975	128,200
	Uniform Expenses	28,800	58,830
	Postage & Telegram	67,780	68,092
	Gardening Expenses	1,406	17,690
	CSR (Plantation)	98,621	-
	Medical Expenses	89,640	19,941
	Office Maintenances	368,174	364,617
	Transport Maintenances	919,282	826,031
	Guest House Expenses	42,263	48,828
	Advertisement & Publicity	40,500	512,882
	A.G.M. Expenses	382,483	483,693
	Audit Fees	140,000	125,000
	Miscellaneous	67,217	120,409
	Carrying Charges	238,701	454,737
	Newspaper & Periodicals	38,276	21,757
	Insurance Premium	118,659	108,256
	Reasearch & Training	-	5,000
	Internet Bill Expenses	371,400	402,093
	Write off of Bank Guarantee Margin	459,754	-
	Write off of Earnest Money	395,600	-
	CDBL Expenses	79,000	79,000
	Vat/Tax deduction at Source	821,573	655,194
	Depreciation	171,771	187,953
	Total	25,502,683	25,215,393

Paid to the Managing Director (C.C) of the Company Tk. 9,00,960/= as Salary and Bonus during the year that included above Salary and Allowance.

The break-up of above amount is given below:

Basic	424,800
House Rent	297,360
Others	108,000
Bonus	70,800
	<u>900,960</u>

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

The Company provided to chaiman 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.

25.00 Selling & Distribution Expenses

Selling & Distribution Expenses	2,966,772	3,549,494
Total	2,966,772	3,549,494

26.00 Financial Expenses

Bank Charges	124,273	209,370
On leases	822,396	822,396
Total	946,669	1,031,766

Notes	Particulars	Amount in Taka	
		June 30, 2020	June 30, 2019
27.00	Net Asset Value (NAV) per Share		
	Shareholders' Equity	(76,042,917)	(73,954,068)
	Weighted average number of ordinary shares in issue	5,347,125	5,347,125
	Net Asset Value (NAV) per Share(Restated)	(14.22)	(13.83)
27.01	Basic Earning Per Share (EPS)		
	Net Profit	1,391,318	4,861,629
	Weighted average number of ordinary shares in issue	5,347,125	5,347,125
	Basic Earning Per Share(Restated)	0.26	0.91
28.00	Net Operating Cash Flow Per Share		
	Net Cash Inflows from Operating Activities	42,881,664	56,172,889
	Weighted average number of ordinary shares in issue	5,347,125	5,347,125
	Net Operating Cash Flow per Share	8.02	10.51
29.00	Reconciliation of Net Profit with Cash Flows From Operating Activities		
	Net Profit After Tax (after considering prior period adjustment)	1,391,318	4,861,629
	Adjustment for:		
	Depreciation on Property, Plant & Equipment	7,798,286	8,621,022
	Financial Expenses (Separate consideration in financing activities)	946,669	1,031,766
	Interest Received (Separate consideration in financing activities)	(6,399)	(3,543)
	Increase/ Decrease in Inventory	16,248,758	(9,341,726)
	Increase/ Decrease in Accounts Receivable	14,891,675	6,513,450
	Increase/ Decrease in Advance, Deposit & Prepayments	1,940,167	275,369
	Increase/ Decrease in Accounts Payable	2,043,142	42,844,971
	Increase/ Decrease in Creditors & Accruals	182,657	1,330,791
	Increase/ Decrease in Provisions For Current Tax	(2,025,659)	421,266
	Increase/ Decrease in Deffered Tax Liability	(634,896)	(644,226)
	Increase/ Decrease in Workers profit participation fund	105,946	262,120
		41,490,346	51,311,260
	Cash Flows from Operating activities	42,881,664	56,172,889

30.00 Related Party Disclosures
30.01 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 "Related Party Disclosures".

Name of Related Party	Relationship	Nature of Transaction	Opening Balance as on 01.07.2019	Addition during the year	Adjustment during the year	Closing Balance as on 30.06.2020
-	-	-	-	-	-	-
-	-	-	-	-	-	-
Total			-	-	-	-

30.02 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	424,800
House Rent	297,360
Others	108,000
Bonus	70,800
Total	900,960

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.

31.00 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 June 30, 2020.

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Head Office	Factory		
Below Tk. 3,000	-	-	-	-
Above Tk. 3,000	27	31	105	163
Total	27	31	105	163

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

Name of Directors	Designation	Remuneration	Festival Bonus	Total Payment
Md. Refat Hasan	Ex Chairman	-	-	-
Md. Abdul Halim	Director	-	-	-
Md. Ahsan Ullah	Director	-	-	-
Md. Asad Ullah	Director	-	-	-
Md. Aminul Quader Khan	Director	-	-	-
Abu Taher Md. Ahmedur Rahman	Director	-	-	-
Md. Nurul Hoque	Independent Director	-	-	-
Khondoker Nuruzzaman	Independent Director	-	-	-
Total		-	-	-

Period of payment to Directors is from 01 July 2019 to 30th June 2020.

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:

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 of other concerns in respect of contracts entered into such concerns with the company	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 Provident 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)	Actual Production (In MT)	Capacity Utilization
Annual Production	12,750	6,000	1,998	33.30%

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	-	142,438,153	142,438,153	159,853,638	112.23%
Spare parts	-	2,360,585	2,360,585	2,218,950	94.00%
Packing materials	-	-	-	-	-
Total	-	144,798,738	144,798,738	162,072,588	

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 30th June 2020 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 01 July 2019 to 30th June, 2020.

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 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

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)	
	30.06.2020	30.06.2019
Advances, Deposits and Pre-payments exceeding 6 months	12,002,527	16,128,911
Advances, Deposits and Pre-payments not exceeding 6 months	8,285,708	5,360,654
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	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)	2,006,487	2,745,324
Advances, Deposits and Pre-payments due from companies under same management	Nil	Nil
Maximum Advances, Deposits & Pre-payments due by Directors	Nil	Nil
Maximum Advances, Deposits & Pre-payments due by Officers at	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 June 30, 2020.
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 ended on June 30, 2020.
5. There was no contingent liabilities as on close of the business as on June 30, 2020 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 June 30, 2020.
13. were incurred or paid in foreign currencies during the year ended on June 30, 2020.
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.

32.00 Financial risk management (IFRS 7)

32.01 Introduction

The Company's activities expose it to a variety of financial risks: credit risk, market risk (including interest rate risk and foreign currency risk), and liquidity risk. The Company's risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to economically hedge certain risk exposures.

Financial risk management is carried out by a central treasury department (Company Treasury) under policies approved by the Board of Directors (Treasury Policy). Company Treasury identifies, evaluates, and hedges financial risks in close co-operation with the Company's operating units. The 'Treasury Policy' provides principles for specific areas, such as credit risk, interest rate risk, foreign currency risk, use of derivative financial instruments, and investment of excess liquidity.

This note presents information about the Company's exposure to each of the risks arising from financial instruments and the Company's objectives, policies, and processes for measuring and managing risk. Further quantitative disclosures are included throughout these consolidated financial statements.

32.02 Carrying amounts of financial instruments by category

The following table shows the carrying amounts of financial instruments by category at the end of June 30, 2020:

Maturity analysis

Particulars	Current	>30 days	>90 days	>1 year	Total
Loans and receivables:					
Cash and cash equivalents	4,362,639	-	-	-	4,362,639
Accounts Receivable	-	39,174,644	2,096,195	-	41,270,839
Balance at June 30, 2020	4,362,639	39,174,644	2,096,195	-	45,633,478

Financial liabilities measured at amortized cost:					
Bank Loan	-	-	-	58,219,842	58,219,842
Sundry Creditors	151,420,381	-	-	-	151,420,381
Balance at June 30, 2020	151,420,381	-	-	58,219,842	209,640,223

32.03 Credit risks:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to financial instruments fails to meet its contractual obligations, and arises principally from cash and cash equivalents, time deposits, and trade accounts receivable.

The credit risk with Accounts Receivable (see note 05) is limited, as the Company has numerous clients located in various geographical regions. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. For risk control, the customers are companied as follows (risk companies): governmental organizations, listed public limited companies, and other customers. Credit limits are established for each customer, whereby the credit limit represents the maximum open amount without requiring payments in advance or letters of credit; these limits are reviewed regularly (credit check).

The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the Statement of Financial Position. There are no commitments that could increase this exposure to more than the carrying amounts.

32.04 Market risks

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and other prices will affect the Company's result or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return on risk.

32.05 Interest rate risk

"At the reporting date, the Company had the following interest-bearing financial instruments: cash and cash equivalents, time deposits, rent deposits, and bank liabilities. All cash and cash equivalents mature or reprise in the short-term, no longer than three months.

Borrowings mainly bear interest at fixed rates. Cash and cash equivalents and borrowings issued at variable rates expose the Company to cash flow interest rate risk.

The Company does not account for any fixed-rate borrowings at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

The Company Treasury manages the interest rate risk to reduce the volatility of the financial result as a consequence of interest rate movements. For the decision whether new borrowings shall be arranged at a variable or fixed interest rate, the Company Treasury focuses on an internal long-term benchmark interest rate and considers the amount of cash and cash equivalents held at a variable interest rate. Currently, the interest rate exposure is not hedged.

32.06 Liquidity risk

"Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Company Treasury manages the Company's liquidity to ensure sufficient liquidity to meet all liabilities when due, under both normal and stressed conditions, without facing unacceptable losses or risking damage to the Company's reputation.

Excess liquidity can be invested in instruments such as time deposits, government, and corporate bonds, shares of publicly listed companies, and capital protected instruments.

The following are the contractual maturities of financial liabilities, including interest payments:"

BDT	Carrying amount	Contractual cash flows	Between 1 and 90 days	Between 91 and 360 days	Between 1 and 2 years	Over 2 years
Non-derivative financial liabilities						
Bank Loan	-	-	-	-	-	58,219,842
Block loan account						270,988,422
Sundry Creditors	151,420,381	-	-	-	-	-
Balance at June 30, 2020	151,420,381	-	-	-	-	329,208,264

Aziz Pipes Ltd.
Schedule of Property, Plant & Equipment
As at June 30, 2020

A. On Cost

Annexure-A

Particulars	Cost			Rate of Dep.	Balance as at 30.06.2020	Depreciation			Written down value as at 30-06-2020
	Opening balance as at 01.07.2019	Addition during the year	Adjustment during the year			Charged during the year	Adjustment during the year	Accumulated Dep. as at 30.06.2020	
Land & Land Development	3,603,990	-	-	-	3,603,990	-	-	-	3,603,990
Building & Other Construction	21,549,361	-	-	10%	21,549,361	-	-	19,181,345	2,368,016
Roads & Sewerage	604,229	-	-	10%	604,229	-	-	545,543	58,686
Electrical Installation	4,313,755	-	-	15%	4,313,755	-	-	4,124,489	189,266
Plant & Machineries	235,257,456	-	-	10%	235,257,456	-	-	189,458,483	45,798,973
Furniture & Fixtures	2,171,497	30,000	-	10%	2,201,497	-	-	1,770,211	431,286
Fittings	11,942	-	-	10%	11,942	-	-	10,961	981
Office Equipments	8,025,802	-	-	15%	8,025,802	-	-	7,399,654	626,148
Loose Tools	413,666	-	-	15%	413,666	-	-	399,449	14,217
Motor Vehicles	2,328,037	-	-	20%	2,328,037	-	-	2,304,076	23,961
Weight Bridge Equipments	129,558	-	-	15%	129,558	-	-	125,063	4,495
Factory Equipments	17,953,332	1,165,608	-	15%	19,118,940	-	-	15,452,619	3,666,321
Pump House	173,639	-	-	15%	173,639	-	-	167,756	5,883
Crockerries & Cutleries	407,752	16,280	-	20%	424,032	-	-	370,616	53,416
Gas Line Installation	302,398	-	-	10%	302,398	-	-	272,798	29,600
Sundry Assets	790,361	-	-	15%	790,361	-	-	732,922	57,439
Sub Total	298,036,775	1,211,888	-		299,248,663	6,046,148	-	242,315,985	56,932,678

B. Revalued Assets:

Particulars	Cost			Rate of Dep.	Balance as at 30.06.2020	Depreciation			Written down value as at 30-06-2020
	Opening balance as at 01.07.2019	Addition during the year	Adjustment during the year			Charged during the year	Adjustment during the year	Accumulated Dep. as at 30.06.2020	
Land & Land Development	181,896,010	-	-	-	181,896,010	-	-	-	181,896,010
Building & Other Construction	5,924,471	-	-	10%	5,924,471	-	-	1,605,529	4,318,942
Plant & Machineries	15,706,861	-	-	10%	15,706,861	-	-	4,256,558	11,450,303
Sub Total	203,527,342	-	-		203,527,342	1,752,138	-	5,862,087	197,665,255
Grand Total (A+B)	501,564,117	1,211,888	-		502,776,005	7,798,286	-	248,178,072	254,597,933

Particulars	Amount
Depreciation Charged	7,798,286
Factory Overhead	171,771
Admin. Overhead	171,771
Total	7,991,832