

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, 2021, 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 40 and Annexure- A & B.

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, 2021, 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. Purchases amount differs with VAT return which is disclosed in note no. 29.02 of the financial statements.
2. As per BSEC notification no. BSEC/CMRRCD/2009-193/217/Admin/90, dated May 21, 2019 "all sponsors and directors other than independent directors of a company listed with stock exchange minimum 30% shares of paid up capital of the company" but the sponsor and director of Aziz Pipes Limited holds only 23.93% of shares of the company.

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

1. We refer to the note no. 39(C) the equity of the company is negative consecutively and Debt service & Interest service ratio is low. Due to liquidity and raw materials crisis the company has achieved production capacity utilization up to 11.21% only.
2. We refer to the note no. 14 (Term Loan), 22.01 (Short Term Loan) and 19 (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. 28 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:</p> <p>Control test: Evaluation of internal control activities over revenue recognition and testing of key controls.</p> <p>Test of details: Testing timeliness of revenue recognition by comparing individual sales transactions to delivery documents.</p> <p>Assessing disclosure: considering the adequacy of the entity's disclosure regarding revenue.</p> <p>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. 33 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:</p> <p>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.</p> <p>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.</p> <p>Assessing disclosure: Considering the adequacy of the entity's disclosure regarding tax.</p> <p>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, 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 issues 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.

Name of Firm : **Rahman Mostafa Alam & Co.**, Chartered Accountants

Signature :

Name of Auditor : Md. Anwaruzzaman FCA, **Enroll No.:**1268

Date : October 28, 2021

Place : Dhaka



Aziz Pipes Limited
Statement of Financial Position
As at June 30, 2021

Particulars	Notes	Amount in Taka	
		June 30, 2021	June 30, 2020
ASSETS			
Non-current Assets		24,97,40,427	25,45,97,932
Property, Plant and Equipments	3.00	24,75,54,324	25,45,97,932
Right of Use Assets	4.00	21,86,103	-
Current Assets		10,08,21,622	18,22,65,034
Inventories	5.00	5,60,06,121	11,43,36,835
Accounts Receivable- Trade	6.00	2,62,63,362	4,12,70,839
Advances, Deposits & Prepayments	7.00	1,76,45,918	2,22,94,722
Cash and Cash Equivalents	8.00	9,06,221	43,62,639
Total Assets		35,05,62,050	43,68,62,966
EQUITY AND LIABILITIES			
Shareholders' Equity		(8,07,04,973)	(7,60,42,917)
Share Capital	9.00	5,34,71,250	5,34,71,250
Share Premium	10.00	10,67,00,000	10,67,00,000
Revenue Reserves & Surplus	11.00	2,38,71,918	2,38,71,918
Revaluation Reserve	12.00	19,21,40,522	19,34,80,908
Retained Earnings	13.00	(45,68,88,663)	(45,35,66,993)
Non-current Liabilities			
Loan Fund		12,65,88,717	6,50,75,000
Term Loan (UBL)	14.00	5,72,00,000	5,72,00,000
Term Loan (DBBL)	15.00	6,68,49,646	-
Loan Hajj Finance Company Limited	16.00	25,39,071	78,75,000
Deferred Tax	17.00	1,10,13,398	1,32,82,609
Lease Liabilities	18.00	22,82,518	-
Block loan account	19.00	17,17,33,794	27,09,88,422
Current Liabilities		11,96,48,596	16,35,59,853
Accounts Payable	20.00	6,99,78,620	15,14,20,381
Others Payable	21.00	57,00,000	-
Short Term Loan	22.00	3,69,47,219	10,19,842
Liabilities for Expenses	23.00	7,95,817	38,69,665
Workers Profit Participation Fund	24.00	71,883	7,18,824
Staff Gratuity	25.00	7,78,435	10,78,435
Provision for Income Tax	26.00	43,00,148	48,02,126
Unclaimed Dividend	27.00	10,76,474	6,50,581
Total Equity and Liabilities		35,05,62,050	43,68,62,966
Net Asset Value (NAV) per Share	34.00	(15.09)	(14.22)

The accompanying notes from 1 to 40 and Annexure-A & B form an integral part of the financial statements.

Chairperson
Hasina Akther

Director
Mohd. Abdul Halim

Managing Director
Md. Nurul Absar

Company Secretary
A. H. M Zakaria

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

Signed in terms of our separate report of even date.

Name of Firm : **Rahman Mostafa Alam & Co.**, Chartered Accountants

Signature :

Name of Auditor : Md. Anwaruzzaman FCA, **Enroll No.:** 1268

Date : October 28, 2021

Place : Dhaka

DVC :



Aziz Pipes Limited
Statement of Profit or Loss and Other Comprehensive Income
For the year ended on June 30, 2021

Particulars	Notes	Amount in Taka	
		July 01, 2020 to June 30, 2021	July 01, 2019 to June 30, 2020
Turnover	28.00	15,23,87,915	22,70,75,687
Less: Cost of Goods Sold	29.00	13,49,53,113	19,54,41,102
Gross Profit		1,74,34,802	3,16,34,585
Less: Operating Expenses		2,27,09,289	2,94,16,124
Administrative & General Expenses	30.00	1,91,75,067	2,55,02,683
Selling & Distribution Expenses	31.00	17,36,827	29,66,772
Financial Expenses	32.00	17,97,395	9,46,669
Operating Profit/(Loss)		(52,74,487)	22,18,461
Add: Interest received from STD Account		8,248	6,399
Less: Interest on lease liability		(2,45,363)	-
Net Profit/(Loss) before WPPF and Tax		(55,11,602)	22,24,860
Less: Workers Profit Participation Fund	24.00	-	1,05,946
Net Profit/(Loss) before Income Tax		(55,11,602)	21,18,914
Less: Income Tax expenses		(11,18,295)	7,27,596
Current Tax	33.01	9,14,377	13,62,493
Deferred Tax Income	17.00	(20,32,672)	(6,34,896)
Net Profit/(Loss) after Income Tax		(43,93,307)	13,91,318
Basic Earnings per Share (EPS)	35.00	(0.82)	0.26

The accompanying notes from 1 to 40 and Annexure-A & B form an integral part of the financial statements.

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Mohd. Abdul Halim

Managing Director
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Company Secretary
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Manager (F&A) & CFO (C.C)
Md. Rashidul Hassan

Signed in terms of our separate report of even date.

Name of Firm : **Rahman Mostafa Alam & Co.**, Chartered Accountants

Signature :

Name of Auditor : Md. Anwaruzzaman FCA, **Enroll No.:** 1268

Date : October 28, 2021

Place : Dhaka

DVC :



Aziz Pipes Limited
Statement of Changes in Equity
For the year ended on June 30, 2021

Particulars	Share Capital	Share Premium	Revenue Reserve	Revaluation Surplus	Retained Earnings	Total Equity
Balance as at July 01, 2020	5,34,71,250	10,67,00,000	2,38,71,918	19,34,80,908	(45,35,66,993)	(7,60,42,917)
Net Profit ((Loss) during the year	-	-	-	-	(43,93,307)	(43,93,307)
Adjustment of Revaluation reserve on depreciable Assets	-	-	-	(13,40,386)	15,76,924	2,36,539
Cash Dividend for the year 2019-2020	-	-	-	-	(5,05,288)	(5,05,288)
Balance as at June 30, 2021	5,34,71,250	10,67,00,000	2,38,71,918	19,21,40,522	(45,68,88,663)	(8,07,04,973)

Particulars	Share Capital	Share Premium	Revenue Reserve	Revaluation Surplus	Retained Earnings	Total Equity
Balance as at July 01, 2019	5,34,71,250	10,67,00,000	2,38,71,918	19,49,70,225	(45,29,67,461)	(7,39,54,068)
Net Profit ((Loss) during the year	-	-	-	-	13,91,318	13,91,318
Adjustment of Revaluation reserve on depreciable Assets	-	-	-	(14,89,318)	17,52,138	2,62,821
Cash Dividend for the year 2018-2019	-	-	-	-	(37,42,988)	(37,42,988)
Balance as at June 30, 2020	5,34,71,250	10,67,00,000	2,38,71,918	19,34,80,908	(45,35,66,993)	(7,60,42,917)

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Md. Rashidul Hassan



Aziz Pipes Limited
Statement of Cash Flows
For the year ended on June 30, 2021

Particulars	Notes	Amount (In Taka)	
		July 01, 2020 to June 30, 2021	July 01, 2019 to June 30, 2020
A. Cash Flow from Operating Activities			
Collection from Sales & Others		16,73,95,391	24,19,67,362
Payment to Suppliers & Expenses		(16,52,19,719)	(19,56,97,546)
Income tax paid/Adjustment		(14,16,354)	(33,88,152)
Net Cash Generated from Operating Activities		7,59,318	4,28,81,664
B. Cash Flow from Investing Activities			
Acquisition of Fixed Assets		(1,07,768)	(12,11,888)
Net Cash Used in Investing Activities		(1,07,768)	(12,11,888)
C. Cash Flow from Financing Activities			
Payment of Dutch Bangla Bank Block Account		-	(1,83,00,000)
Payment of Uttara Bank Block Account		-	(1,47,00,000)
Term Loan (DBBL)		6,68,49,646	-
Loan Hajj Finance Company Limited		(53,35,929)	-
Block loan account		(9,92,54,628)	-
Short Term Loan		3,59,27,377	-
Dividend paid to ordinary shareholders		(5,05,288)	(37,42,988)
Payment of Lease liabilities		-	(35,22,396)
Interest Received		8,248	6,399
Financial Expense		(17,97,395)	(1,24,273)
Net Cash Used in Financing Activities		(41,07,968)	(4,03,83,258)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(34,56,418)	12,86,518
Cash and cash equivalents at the beginning of the year		43,62,639	30,76,121
Cash and cash equivalents at the end of the year		9,06,221	43,62,639
Net Operating Cash Flows per Share	36.00	0.14	8.02

Chairperson
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Md. Rashidul Hassan



Aziz Pipes Limited
Notes to the financial statements and other explanatory information
As at and for the year ended on June 30, 2021

1.0 The Company and its activities:

1.1 Introduction:

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

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

1.2 Nature of business/ Principal activities of the Organization:

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

1.3 Presentation of financial statements:

As per 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, 2021
- ii. Statement of Profit or Loss & Other Comprehensive Income for the year ended June 30, 2021
- iii. Statement of Changes in Equity for the year ended June 30, 2021
- iv. Statement of Cash Flows for the year ended June 30, 2021 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 IASis. 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. (453,566,993) as on 30.06.2020 and at cutoff date of this financial year it stood Tk. (456,888,663). A Loss amounting to Tk. (4,393,307) 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 inspire 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, 2020 to June 30, 2021.

1.11 Authorization of the financial statements for issue:

The financial statements were authorized by the Board of Directors on October 28, 2021 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 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. Currently all raw materials are purchase from local market.

2.2.4 Measurement of property, plant & equipment after recognition:

Cost model

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

Revaluation model

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

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

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

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

2.2.5 Derecognition of property, plant and equipment

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

2.2.6 Depreciation



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

Depreciation is calculated 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 hunger of an assets or cash generating units 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 impairment. 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 inventories by the method most appropriate to the particular class of inventory. Net realizable value represents the estimated selling price for the inventories less all estimated cost of completion and cost necessary to make the sale. Item wise valuation is as follows:

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

2.4 Lease (IFRS-16)

Aziz Pipes Limited has applied IFRS 16 Leases for the first time with the date of initial application of 01 January 2019. As IFRS 16 supersedes IAS 17 Lease, the company has made recognition, measurement and disclosure in the financial statements-2019 both as as per IFRS- 16.

Right-of-use assets (ROU)

The company recognises the right-of-use assets (RoU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). RoU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight line basis over the lease term, or remaining period of the lease term. The company assessed all lease contracts live in 2019 and recognised as RoU of assets of all leases, except short term and low value of assets as per the Companies' own policy set as per IFRS 16. As leases under IFRS 16 has been first time adopted by the company.

Lease Liability

At the commencement of the lease, the company recognises lease liabilities measured at the present value of lease payments (initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the company and payment of penalties for terminating the lease to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for terminating the lease term).

2.5 Other provisions, accruals and contingencies:

2.5.1 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.

2.5.2 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.

2.6 Employee Benefits:



2.6.1 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.

2.6.2 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.

2.6.3 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.

2.7 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.

2.7.1 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, 2020 to June 30, 2021.

Type of income	2020-21	2019-20
Business income	22.50%	25%
Capital gain	15%	15%
Minimum Tax Section 16BBB+82C(4)	0.60%	0.60%

2.7.2 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.

2.8 Share capital and reserves:

2.8.1 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.

2.8.2 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.

2.9 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.

2.10 Expenses:

2.10.1 Management and other expenses:

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

2.11 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 no dividend for the year ended June 30, 2021.

2.12 Earnings per share (EPS):

Measurement:

Basic EPS:

The Company calculates Basis 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).

2.13 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

2.14 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 demanded 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

2.15 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 locale 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.

2.16 Industry Risks

Industry risk refers to the risk of increased competition from foreign and domestic sources leading to lower prices, revenues, profit margin, and marker 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 untapped international market.

2.17 Market risks

Marker risks refers 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 act accordingly. Moreover the company has a strong marketing and brand management to increase the customer base and customer loyalty.

2.18 Operational Risks

Non-availabilities of materials/ equipment's/ 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 great extent. The company hedges such risks in costs and prices and also takes preventive measures therefore.

2.19 Liquidity Risk

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

2.20 General

i) 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.

ii) 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.

iii) 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, 2021	June 30, 2020
3.00	Property, Plant and Equipments		
	A. Cost		
	Opening Balance as at July 01, 2020	50,27,76,005	50,15,64,117
	Add: Addition during the year	1,07,768	12,11,888
	Less: Adjustment/Disposal during the year	-	-
	Closing balance as at June 30, 2021	50,28,83,773	50,27,76,005
	B. Accumulated Depreciation		
	Opening Balance as at July 01, 2020	24,81,78,072	24,03,79,786
	Add: Depreciation during the year	71,51,377	77,98,286
	Less: Adjustment/Disposal during the year	-	-
	Closing balance as at June 30, 2021	25,53,29,449	24,81,78,072
	Written down value as at June 30, 2021	24,75,54,324	25,45,97,932

Details have been shown in **Annexure-A**.

4.00 Right of Use Assets

A. Valuation

Opening balance as at July 01, 2020 -
Add: Addition during the year 32,79,155
Closing balance as at June 30,2021 **32,79,155**

B. Accumulated Depreciation

Opening balance as at July 01, 2020 -
Add: Depreciation during the year 10,93,052
Closing balance as at June 30,2021 **10,93,052**

Written down value (A-B)

21,86,103

Details are given in **Annexure -B**

5.00 Inventories

This amount comprises as follows:

Raw Materials	5.01	2,98,89,938	4,10,32,407
Finished Goods	5.02	2,61,16,183	6,82,99,432
Work-in-Process	5.03	-	50,04,995
Total		5,60,06,121	11,43,36,835

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.

5.01 Raw Materials

Items	Quantity (in KGs)		
Resin	-	-	60,09,250
Powder (Dust)	-	-	16,49,000
Stabilizer SMS-318	1,514	3,02,800	27,49,000
Titanium	204	52,428	1,23,874
Calcium Carbonate	1,05,239	21,04,780	17,36,010
Parafin Wax	436	62,348	32,032
Static Acid	761	79,905	84,840
Black Carbon	2	360	-
Naftomix GWN 1050	2,548	8,91,800	43,19,600
Liastab 51	-	-	8,00,000
Pigment-Black	-	-	1,000
Hoechst Wax E Powder G-3	-	-	7,19,000
AC 316A (Oxyd.pe wax) G-7	-	-	70,650
Hoechst Wax PE-190 Powder G-8a	135	33,750	27,000
Naftolube OPE(Oxyd.pe wax)	471	61,230	-
Naftolube PEF(PE Wax)	176	22,880	-
Barolub PA -C (PE WAX) G-8b	-	-	52,500
Barolub L-OH (Cetyl Alcohol) G-19	14,750	44,25,000	9,50,000
Barolub LS-100 G-70s	-	-	6,94,750
Indofil KM 323B/Cell builder-Mod.2c	-	-	2,98,800



Notes	Particulars	Amount in Taka		
		June 30, 2021	June 30, 2020	
	Plastistrength P-530/Akdenizpro-45	400	2,00,000	65,500
	Paraloid KM-355/Acrylic Impact Modifire	5,356	10,71,200	-
	Paraloid K-435	11	3,300	-
	Paraloid KM-318F	10	3,000	-
	KANE ACE PA-60 Mod.3b	200	60,000	60,000
	Pigment-Yellow	400	3,20,000	3,20,000
	Pigment-Beige	1,044	14,30,280	-
	Pigment-Orance	100	50,000	-
	Pigment-Green	1,014	13,88,550	2,18,250
	Pigment-Blue	350	1,75,000	1,74,500
	Pigment-Brown	71	42,600	42,600
	Pigment-Peach	-	-	3,50,400
	Pigment-Grey	996	8,46,600	7,96,000
	Pigment-Red	200	1,60,000	1,60,000
	DOP	71	16,685	23,735
	Luvopor 865/50 DB Tr-1	1,059	5,93,040	41,16,000
	Other Materials (Mixture & re-cycle)	1,58,422	1,54,92,402	1,43,88,116
	Total	2,95,940	2,98,89,938	4,10,32,407

5.02 Finished Goods

Items	Quantity (in Kg)		
PVC Rigid Pipes	43,629	67,62,559	3,89,12,458
Thread Pipes	9,650	14,28,200	1,52,63,413
ASTD Pipes / Profile	10,447	15,04,374	1,41,23,561
OBS(PVC Rigid Pipes)	65,130	92,92,550	-
OBS(Profile & Sheet)	49,100	71,28,500	-
Total	1,77,956	2,61,16,183	6,82,99,432

5.03 Work-in-Process

Items	Quantity (in Kg)		
Rigid, Pipes	-	-	37,12,501
PVC Profile	-	-	12,92,494
Total	-	-	50,04,995

6.00 Accounts Receivable- Trade

Opening Balance as at July 01, 2020	4,12,70,839	5,61,62,514
Add: Addition during the year	15,23,87,915	22,70,75,687
Total Receivable	19,36,58,753	28,32,38,201
Less: Received during the year	16,73,95,391	24,19,67,362
Closing Balance as at June 30, 2021	2,62,63,362	4,12,70,839

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	2,18,64,990	3,91,74,644
Above 180 days	43,98,372	20,96,195
	2,62,63,362	4,12,70,839

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	2,62,63,362	4,12,70,839
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	2,62,63,362	4,12,70,839

(i) Accounts Receivable are considered good and Company maintain undated Cheque from debtors for receivable balance.



Notes	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020

(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.

The entity has receivable with Abir Enterprise Tk. 400,225 which is under litigation from 2010. So any decision to make bad debt or any other financial decision can not be made until lawsuit ends.

7.00 Advances, Deposits & Prepayments

Advances:

General Advance	28,36,925	19,95,865
Staff Advance	27,83,746	20,06,487
Advance Income Tax	1,15,50,457	1,15,50,457
Sub-Total	1,71,71,128	1,55,52,809

Deposits:

Security Deposits	4,52,070	4,52,070
Advance VAT Charges	22,720	62,89,843
Sub-Total	4,74,790	67,41,913
Total	1,76,45,918	2,22,94,722

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	56,43,391	1,02,92,195
Above 180 days	1,20,02,527	1,20,02,527
	1,76,45,918	2,22,94,722

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	1,76,45,918	2,22,94,722
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 management.	-	-
VI. The maximum amount of Advances, Deposits & Prepayments due by any director or other officer of the company.	-	-
Total	1,76,45,918	2,22,94,722

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.

8.00 Cash and Cash Equivalents

Cash in Hand	8.01	1,53,027	12,89,930
Cash at Bank	8.02	7,53,194	30,72,709
		9,06,221	43,62,639

8.01 Cash in Hand

Head Office	1,46,949	4,97,468
Factory	6,078	7,92,462
	1,53,027	12,89,930

8.02 Cash at Bank

Agrani Bank Ltd	5,282	17,256
Southeast Bank Ltd.	77,118	1,26,658
National Bank Ltd.	28,914	9,28,805
Islami Bank Bangladesh Ltd.	74,046	1,58,906
Exim Bank Ltd.	21,005	65,184



Notes	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020
	Janata Bank	59	864
	Mutual Trust Bank Ltd.	4,30,702	5,46,978
	Marcantile Bank Ltd	8,718	3,938
	Dutch Bangla Bank Ltd	47,717	87,685
	Al-Arafah Islami Bank Ltd	15,988	3,64,878
	Jamuna Bank Ltd.	11,912	3,00,272
	National Bank Ltd. (Factory)	31,733	4,71,285
		7,53,194	30,72,709

9.00 Share Capital

Authorized Capital	50,00,00,000	50,00,00,000
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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	5,34,71,250	5,34,71,250
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(a) Composition of Shareholding:

	2021		2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Directors/Sponsors	12,79,329	23.93	18,09,196	33.83
General Public	38,06,197	71.18	33,26,941	62.21
Financial Institutions	1,46,575	2.74	86,193	1.61
ICB & Other Investors	1,15,024	2.15	1,24,795	2.34
Total	53,47,125	100.00	53,47,125	100.00

(b) Details of the Shareholding is given below:

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

Range of holdings in number of Shares	No. of Shareholders		No. of Shares		% of Holding	
	2020-2021	2019-2020	2020-2021	2019-2020	2020-2021	2019-2020
Less than 500	4,069	3,618	6,05,229	5,03,066	11.32	9.41
500 to 5,000	1,268	1,050	19,33,981	15,37,216	36.17	28.75
5,001 to 10,000	77	57	5,59,063	4,06,644	10.46	7.60
10,001 to 20,000	36	30	5,05,996	4,13,689	9.46	7.74
20,001 to 30,000	7	6	1,77,327	1,49,657	3.32	2.80
30,001 to 40,000	1	4	33,172	1,35,088	0.62	2.53
40,001 to 50,000	1	-	47,743	-	0.89	-
50,001 to 100,000	2	5	1,60,084	3,47,368	2.99	6.50
Over 100,000	5	5	13,24,530	18,54,397	24.77	34.68
Total	5,466	4,775	53,47,125	53,47,125	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. 91.80 per share and Tk. 90.00 per share in the Dhaka and Chittagong Stock Exchange Limited respectively on June 30, 2021.

10.00 Share Premium

Share Premium	10,67,00,000	10,67,00,000
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Notes	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020
		10,67,00,000	10,67,00,000

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.

11.00 Revenue Reserves & Surplus

Tax Holiday Reserve	2,30,16,918	2,30,16,918
General Reserve	2,80,000	2,80,000
Dividend Equalization Fund	5,75,000	5,75,000
Total	2,38,71,918	2,38,71,918

12.00 Revaluation Reserve

Opening Balance	19,34,80,908	19,49,70,225
Less: Adjustment during the year On depreciable Assets	13,40,386	14,89,318
Total	19,21,40,522	19,34,80,908

First revaluation of the at factory office of the Company carried out on 1996 by the Independent valuer named "M/S Golum Mostofa & Associates" Islam Chamber, (14th floor) 125-A Motijheel C/A. Further in 2018, the Company in its 219th Board Meeting dated 25 January 2018 decided to revaluation of its project land to reflect true picture in the Financial Statements of the Company as on 30 June 2018. The Company engaged an Independent valuer named "Rahman Mostafa Alam & Co" Chartered Accountants to carry out the inspection and examination of the project land located at the factory premises. Subsequently the company appointed "Rahman Mostafa Alam & Co" Chartered Accountants for the purpose of valuation of the Company's land situated at the factory premises, Shibrampur, 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.)
Shibrampur, Faridpur	927.50	1,72,73,661	18,55,00,000	16,82,26,339

13.00 Retained Earnings

Opening balance as at July 01, 2020	(45,35,66,993)	(45,29,67,461)
Net Profit/(loss) during the year	(43,93,307)	13,91,318
Less: Cash Dividend for the year 2019-2020	(5,05,288)	(37,42,988)
Add: Adjustment of Revaluation of depreciable Assets	15,76,924	17,52,138
Closing balance as at June 30, 2021	(45,68,88,663)	(45,35,66,993)

14.00 Term Loan (UBL)

Long Term Loan (Uttara Bank Ltd.)	5,72,00,000	5,72,00,000
Total	5,72,00,000	5,72,00,000

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.

15.00 Term Loan (DBBL)

Long Term Loan(Dutch Bangla Bank Ltd.)	6,68,49,646	-
Total	6,68,49,646	-



Notes	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020
	The loan of DBBL has been regularised by the bank after considering the required down payment. Hence, the block loan has been transferred to regular loan.		
16.00	Loan Hajj Finance Company Limited		
	Opening balance	78,75,000	1,05,75,000
	Less: Payment during the year	(26,92,522)	(27,00,000)
	Add: Prior Year Adjustment	8,78,989	-
	Less: Short Term Portion	(35,22,396)	-
		25,39,071	78,75,000
	Inadvertently we (the entity) presented loan from Hajj Finance Company Limited as lease finance with a wrong amortization schedule. This year amortization schedule is updated and correction is made through prior year adjustment.		
17.00	Deferred Tax		
	Opening balance as at July 01, 2020	1,32,82,609	1,41,80,326
	Less: Adjustment during the year on depreciable Assets	(20,32,672)	(6,34,896)
	Less: Adjustment for deferred tax on depreciation of revalued assets	(2,36,539)	(2,62,821)
	Closing balance as at June 30, 2021	1,10,13,398	1,32,82,609
	A. Property, plant and equipment (PPE)		
	WDV of Accounting Base	5,14,65,993	5,69,32,678
	WDV of Tax Base	1,57,86,598	1,94,61,195
	Unabsorbed Depreciation	34,98,339	-
	Taxable temporary difference	3,21,81,056	3,74,71,483
	Tax rate	22.50%	25%
	Deferred tax liability on PPE	72,40,738	93,67,871
	B. Deferred Tax on Gratuity Provision		
	Opening balance of deferred tax liability for gratuity provision	(2,69,609)	(2,69,609)
	Deductible during the year	94,461	-
	Deferred tax liability/(asset)	(1,75,148)	(2,69,609)
	C. Calculation of deferred tax on revaluation of property, plant and equipment:		
	Revalued value of land	18,18,96,010	18,18,96,010
	Revalued value of other than land	1,41,92,320	1,57,69,245
	Tax Rate		
	On land	1%	1%
	On other than land	15%	15%
	Deferred tax liabilities		
	For land	18,18,960	18,18,960
	For other than land	21,28,848	23,65,387
		39,47,808	41,84,347
	Total (A+B+C)	1,10,13,398	1,32,82,609
	Calculation of deferred tax charged on Profit or Loss Account:		
	Deferred tax liability other than revalued asset as on June 30, 2020	90,98,262	97,33,158
	Deferred tax liability other than revalued asset as on June 30, 2021	70,65,590	90,98,262
	Deferred tax expense/(income) during the year	(20,32,672)	(6,34,896)



Notes	Particulars	Amount in Taka		
		June 30, 2021	June 30, 2020	
18.00	Lease Liabilities			
	A. Lease Liabilities			
	Opening balance as at July 01, 2020	-	-	
	Add: Addition during the year	32,79,155	-	
	Add: Interest on lease liabilities during the year	2,45,363	-	
	Closing balance as at June 30, 2021	35,24,518	-	
	B. Accumulated Lease Payment			
	Opening balance as at July 01, 2020	-	-	
	Add: Lease payment during the year	12,42,000	-	
	Closing balance as at June 30, 2021	12,42,000	-	
	Written down value as on June 30, 2021 (A-B)	22,82,518	-	
19.00	Block loan account			
	Block loan account	19.01	15,38,95,796	23,45,95,380
	Interest on Block Loan Account	19.02	1,78,37,998	3,63,93,042
	Total		17,17,33,794	27,09,88,422
19.01	Block Loan Account			
	Uttara Bank			
	a) Amount as per Company's Accounts	15,95,64,454	15,95,64,454	
	b) Amount as Per Bank Statement	66,88,500	66,88,500	
	Suspense Account	15,28,75,954	15,28,75,954	
	Add: Transferred from Short Term Loan	10,19,842	-	
	Closing Balance	15,38,95,796	15,28,75,954	
	Note: Uttara Bank Ltd Loan suspense's amount reduce due to repayment of 1.47 crore tk as down payment for Uttara Bank Ltd loan re-scheduling purpose.			
	Dutch Bangla Bank Ltd.			
	a) Amount as per Company's Accounts	9,71,50,768	9,71,50,768	
	b) Amount as Per Bank Statement	1,54,31,342	1,54,31,342	
	Suspense Account (a-b)	8,17,19,426	8,17,19,426	
	Less: Adjustment from DBBL Loan	(8,17,19,426)	-	
		-	8,17,19,426	
	Total	15,38,95,796	23,45,95,380	
	The loan of DBBL has been regularised by the bank after considering the required down payment. Hence, the block loan has been transferred to note no. 15 & 22.02 as a regular loan.			
19.02	Interest Suspense Account			
	Opening Balance	3,63,93,042	-	
	Less: Adjustment from Interest on Loan Provision	(1,85,55,044)	3,63,93,042	
	Total	1,78,37,998	3,63,93,042	
	Disclosure: Tk. 18,555,044 has been adjusted for the loan amounts of DBBL and settle to the regular loan on note no. 15 & 22.02			
20.00	Accounts Payable			
	Accounts Payable	6,99,78,620	15,14,20,381	
	Total	6,99,78,620	15,14,20,381	
21.00	Others Payable			
	Others Payable	57,00,000	-	
	Total	57,00,000	-	
	The entity took a loan from A.H. International Ltd. in this year Tk. 5,700,000 which is payable before December 31, 2021.			



Notes	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020
22.00	Short Term Loan		
	Short Term Loan	22.01 -	10,19,842
	Term Loan (Current Portion)	22.02 3,34,24,823	-
	Loan Hajj Finance Company Limited	22.03 35,22,396	-
		3,69,47,219	10,19,842
22.01	Short Term Loan		
	Uttara Bank Ltd.	10,19,842	15,99,64,454
	Dutch Bangla Bank Ltd	-	10,86,50,768
	Total	10,19,842	26,86,15,222
	Less: Transferred to Block Loan Account	-	(26,75,95,380)
	Balance as per Bank Statement	10,19,842	10,19,842
	Less: Transferred to Block Loan Account	10,19,842	-
	Closing Balance	-	10,19,842

N.B: After Payment of Down payment Rest of Amount Transferred to Block Account

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 Adulate 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 Adulate in 2007. After a prolong period hearing the Court had Verdict/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) Down payment amount Tk. 25,100,000
- (iii)Duration Period 3 years.



Notes	Particulars	Amount in Taka	
		June 30, 2021	June 30, 2020
	(iv) Interest free Block Account. Note: Now deed of compromise Guaranteed by Honorable court .But Company has some objection Which has been informed to the bank by letter.		
22.02	Term Loan (Current Portion)		
	Term Loan(Current Portion)	3,34,24,823	-
	Total	3,34,24,823	-
	The loan of DBBL has been regularised by the bank after considering the required down payment. Hence, the block loan has been transferred to regular loan.		
22.03	Loan Hajj Finance Company Limited		
	Loan Hajj Finance Company Limited	35,22,396	-
		35,22,396	-
	Inadvertently we (the entity) presented loan from Hajj Finance Company Limited as lease finance with a wrong amortization schedule. This year amortization schedule is updated and correction is made though prior year adjustment. Current portion of loan is presented under this note.		
23.00	Liabilities for Expenses		
	Salary & Allowances	-	5,40,500
	Electricity Charges (Head Office)	23,003	34,250
	Electricity Charges (Factory)	2,11,181	12,40,000
	Telephone Charges	18,652	24,500
	Water Supply & Sewerage	7,916	8,600
	Canteen Charges	24,500	96,250
	Audit Fees	1,78,000	1,43,000
	Provident Fund	3,32,565	3,32,565
	Wages & Allowances	-	14,50,000
	Total	7,95,817	38,69,665
24.00	Workers Profit Participation Fund		
	Opening balance as at July 01 , 2020	7,18,824	6,12,878
	Add: Addition during the year	-	1,05,946
	Less: Disbursement during the year	6,46,941	-
	Closing balance as at June 30, 2021	71,883	7,18,824
	Govt. Portion has been paid through Crossed Cheque No-NDC 3365630 Dated: 28.06.2021		
25.00	Staff Gratuity		
	Opening balance as at July 01 , 2020	10,78,435	10,78,435
	Less: Disbursement during the year	(3,00,000)	-
	Closing balance as at June 30, 2021	7,78,435	10,78,435
26.00	Provision for Income Tax		
	Opening balance as at July 01 , 2020	48,02,126	68,27,785
	Add: Addition during the year	9,14,377	13,62,493
	Less: Cash paid/Adjustment during the year	14,16,354	33,88,152
	Closing balance as at June 30, 2021	43,00,148	48,02,126
27.00	Unclaimed Dividend		
	Previous Year Outstanding Final Cash Dividend	6,50,581	6,50,581
	Unclaimed Dividend(2018-2019)	4,25,893	-
		10,76,474	6,50,581

As per BSEC notification no. BSEC/CMRRCD/2021-386/03, dated January 14, 2021 Company transferred to Fund more than 3 years unclaimed Cash Dividend Balance Tk. 6,50,581.00 through Account Pay Chq. No-3032838 Dated 20/09/21.



Notes	Particulars	Amount in Taka	
		July 01, 2020 to June 30, 2021	July 01, 2019 to June 30, 2020
28.00	Turnover		
		Qty (M.Ton)	
	Turnover	1,065.65	
			15,23,87,915
			22,70,75,687
			15,23,87,915
			22,70,75,687
	Product-wise Sales:		Amount (Tk.)
	PVC Rigid & ASTD Pipes	953.65	13,64,87,955
	Thread Pipes	67.00	93,50,210
	Profile	45.00	65,49,750
	Total	1,065.65	15,23,87,915
29.00	Cost of Goods Sold		
	Opening Stock of Finished Goods as at July 01, 2020		6,82,99,432
	Cost of Goods Manufactured	29.01	9,27,69,863
	Cost of Goods available for Sales		16,10,69,296
	Less: Closing Stock of Finished Goods as at June 30, 2021		2,61,16,183
	Cost of Goods Sold		13,49,53,113
			19,54,41,102
	Note: The Cost of Goods Sold Represents 88.56% of the total turnover, Which it was also 86.07% in the last year.		
29.01	Cost of Goods Manufactured		
	Cost of Materials Consumed	29.02	5,92,62,076
	Add: Electricity & Power		74,65,701
			6,67,27,777
	Add: Opening Work-In-Process as at July 01, 2020		50,04,995
			7,17,32,772
	Less: Closing Work-In-Process as at June 30, 2021		-
			7,17,32,772
	Add: Factory Overhead	29.03	2,10,37,091
	Cost of Goods Manufactured		9,27,69,863
			19,66,76,140
29.02	Cost of materials Consumed		
	Opening Stock of Raw Materials as at July 01, 2020		4,10,32,407
	Add: Materials Purchase		4,81,19,607
	Materials Available for Consumption		8,91,52,014
	Less: Closing Stock of Raw Materials as at June 30, 2021		2,98,89,938
	Cost of Materials Consumed		5,92,62,076
			15,98,53,638
	Raw Materials Consumption are given below:		
	Particulars	Quantity (Kg)	
	Opening Stock of Raw Materials	4,05,134	4,10,32,407
	Add: Purchase of Raw Materials	5,63,412	4,81,19,607
		9,68,546	8,91,52,014
	Less: Closing Stock of Raw Materials	2,95,940	2,98,89,938
	Consumption of Raw Materials	6,72,606	5,92,62,076
			15,98,53,638
	Note: Purchase during the year is Tk. 48,119,607 as per books of accounts. But the same is Tk.73,907,134 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.		
29.03	Factory Overhead		
	Wages & Salaries		1,21,46,843
	Repairs & Maintenance		15,40,533
	Factory Maintenance		3,50,154
	Depreciation		69,99,561
	Total		2,10,37,091
			2,66,74,807
30.00	Administrative & General Expenses		



Notes	Particulars	Amount in Taka	
		July 01, 2020 to June 30, 2021	July 01, 2019 to June 30, 2020
	Salary & Allowances	99,57,243	1,26,32,346
	Board Meeting Fees	1,30,000	2,95,000
	Stationery Expenses	2,86,981	4,58,079
	Telephone Charges	2,78,293	3,26,405
	Travelling & Conveyance	4,66,610	11,58,876
	Entertainment Expenses	69,230	2,14,839
	Canteen Charges	10,88,916	12,80,262
	Rent & Rates	1,29,000	17,16,000
	Renewal, Listing & Other Expenses	5,46,706	5,72,400
	Tax, Legal & Professional Fees	3,91,456	3,42,765
	Electricity Charges	2,03,951	2,28,884
	Fuel (Generator)	5,61,496	10,83,696
	Water Supply & Sewerage	89,558	73,256
	Donation (Mosque Maintenances)	71,000	1,78,975
	Uniform Expenses	45,112	28,800
	Postage & Telegram	42,401	67,780
	Gardening Expenses	3,075	1,406
	CSR (Plantation)	-	98,621
	Medical Expenses	1,08,584	89,640
	Office Maintenances	2,61,065	3,68,174
	Transport Maintenances	6,67,687	9,19,282
	Guest House Expenses	51,123	42,263
	Advertisement & Publicity	1,07,395	40,500
	A.G.M. Expenses	3,53,699	3,82,483
	Audit Fees	1,75,000	1,40,000
	Miscellaneous	1,12,333	67,217
	Carrying Charges	77,315	2,38,701
	Newspaper & Periodicals	28,371	38,276
	Insurance Premium	48,330	1,18,659
	Internet Bill Expenses	3,87,519	3,71,400
	Write off of Bank Guarantee Margin	-	4,59,754
	Write off of Earnest Money	-	3,95,600
	CDBL Expenses	1,04,000	79,000
	Vat/Tax deduction at Source	10,86,750	8,21,573
	Depreciation	1,51,816	1,71,771
	Depreciation on Right of Use Assets	10,93,052	-
	Total	1,91,75,067	2,55,02,683

Paid to the Managing Director of the Company Tk. 8,30,160/= as Salary and Bonus during the year that included above Salary and Allowance.

The break-up of above amount is given below:

Basic	4,24,800
House Rent	2,97,360
Others	1,08,000
Bonus	-
	8,30,160

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 chairman Tk. 10,000 as monthly honourarium

The Other's Director are not provided any remuneration expect board meeting fees with attending Company's Board Meeting.

31.00 Selling & Distribution Expenses

Selling & Distribution Expenses	17,36,827	29,66,772
Total	17,36,827	29,66,772

32.00 Financial Expenses

Bank Charges	88,532	1,24,273
Loan Profit-Hajj Finance Company Limited	8,29,874	8,22,396
Add: Prior Year Adjustment	8,78,989	-



Notes	Particulars	Amount in Taka	
		July 01, 2020 to June 30, 2021	July 01, 2019 to June 30, 2020
	Total	17,97,395	9,46,669

Inadvertently we (the entity) presented loan from Hajj Finance Company Limited as lease finance with a wrong amortization schedule. This year amortization schedule is updated and correction is made through prior year adjustment.

33.00 Income Tax :			
Current tax provision	33.01	9,14,377	13,62,493
Deferred tax provision	17.00	(20,32,672)	(6,34,896)
Tax Expenses		(11,18,295)	7,27,596

33.01 The details of current tax calculation are given below:

Profit before tax as per income statement		(55,11,602)	21,18,914
Add: Tax effect of expenses that are not deductible for tax purposes		55,74,453	60,46,148
Less: Tax effect of expenses that are deductible for tax purposes		(34,98,339)	(42,78,312)
		(34,35,488)	38,86,750
Tax Rate		22.5%	25%
A. Current tax expenses		-	9,71,687.52
B. 0.6% of Total Received during this period		9,14,377	13,62,493
C. Advance Tax paid during this period		677	639
Minimum Tax which ever is higher (A,B,C)		9,14,377	13,62,493
Tax expenses		9,14,377	13,62,493

34.00 Net Asset Value (NAV) per Share

Shareholders' Equity		(8,07,04,973)	(7,60,42,917)
Weighted average number of ordinary shares in issue		53,47,125	53,47,125
Net Asset Value (NAV) per Share		(15.09)	(14.22)

34 (a) The details of change in NAV from last year given below:

Particulars	Amount (Tk.)
Reduced in Revaluation Reserve	(13,40,385.78)
Reduced in Retained Earnings	(33,21,670.09)
Total	(46,62,055.87)
NAV reduced from last year	(0.87)

35.00 Basic Earning Per Share (EPS)

Net Profit		(43,93,307)	13,91,318
Weighted Average number of ordinary shares in issue		53,47,125	53,47,125
Basic Earning Per Share		(0.82)	0.26

35 (a) The details of change in EPS from last year given below:

Particulars	Amount (Tk.)
Income reduced from last year	(7,46,87,772)
Income increased from last year	13,99,625
Expense reduced from last year	6,77,48,886
Expense increased from last year	(2,45,363)
Total	(57,84,625)
EPS reduced from last year	(1.08)

EPS decreased due to decrease in Turnover as compared to the same period of last year and for temporary shutdown of production Activities

36.00 Net Operating Cash Flow Per Share (NOCFPS)

Net Cash Inflows from Operating Activities		7,59,318	4,28,81,664
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Notes	Particulars	Amount in Taka	
		July 01, 2020 to June 30, 2021	July 01, 2019 to June 30, 2020
	Weighted average number of ordinary shares in issue	53,47,125	53,47,125
	Net Operating Cash Flow per Share	0.14	8.02

36 (a) The details of change in NOCFPS from last year given below:

Particulars	Amount (Tk.)
Reduced in Collection from Sales & Others	(7,45,71,971.00)
Reduced in Payment to Suppliers & Expenses	3,04,77,827.02
Income tax paid/Adjustment	19,71,798.00
Total	(4,21,22,345.99)
NOCFPS reduced from last year	(7.88)

NOCFPS decreased due to increase in suppliers payment, and also decreased collection of sales proceeds as compared to the same period of last year.

37.00 Reconciliation of Net Profit with Cash Flows From Operating Activities

Net Profit After Tax	(43,93,307)	13,91,318
Adjustment for:		
Depreciation on Property, Plant & Equipment	71,51,377	77,98,286
Payment of lease liability	(12,42,000)	-
Depreciation on Right of use Assets	10,93,052	-
Interest on Lease Liability	2,45,363	-
Financial Expenses (Separate consideration in financing activities)	17,97,395	9,46,669
Interest Received (Separate consideration in financing activities)	(8,248)	(6,399)
Increase/ Decrease in Inventory	5,83,30,713	1,62,48,758
Increase/ Decrease in Accounts Receivable	1,50,07,476	1,48,91,675
Increase/ Decrease in Advance, Deposit & Prepayments	46,48,804	19,40,167
Increase/ Decrease in Accounts Payable	(8,14,41,761)	20,43,142
Increase/ Decrease in Others Payable	57,00,000	-
Increase/ Decrease in Creditors & Accruals	(30,73,848)	1,82,657
Increase/ Decrease in Provisions For Current Tax	(5,01,977)	(20,25,659)
Increase/ Decrease in Differed Tax Liability	(20,32,672)	(6,34,896)
Increase/ Decrease in Staff Gratuity	(3,00,000)	-
Increase/ Decrease in Unclaimed Dividend	4,25,893	-
Increase/ Decrease in Workers profit participation fund	(6,46,941)	1,05,946
	51,52,624	4,14,90,346
Cash Flows from Operating activities	7,59,318	4,28,81,663



38.00 Related Party Disclosures

38.01 Transactions with Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operational decision and include associate companies with or without common director and key management personnel. The entity has interred into transition with other entities in normal course of business that does not fall within the definition of related party as per IAS-24: "Related Party Disclosures" for this cut off period.

38.02 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	4,24,800
House Rent	2,97,360
Others	1,08,000
Bonus	-
Total	8,30,160

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.

39.00 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, 2021.

Salary (Monthly)	Officer & Staff		Worker	Total Employees
	Head Office	Factory		
Below Tk. 3,000	-	-	-	-
Above Tk. 3,000	12	31	-	43
Total	12	31	-	43

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

Name of Directors	Designation	Remuneration	Festival Bonus	Total Payment
Abu Taher Md. Ahmedur Rahman	Chairman	-	-	-
Md. Abdul Halim	Director	-	-	-
Md. Ahsan Ullah	Director	-	-	-
Md. Asad Ullah	Director	-	-	-
Hasina Akther	Director	-	-	-
Md. Nurul Hoque	Independent Director	-	-	-
Khondoker Nuruzzaman	Independent Director	-	-	-
Total		-	-	-

Period of payment to Directors is from 01 July 2020 to 30th June 2021.

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
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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	3,00,000
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 capacity	12,750	6,000	673	11.21%

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

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

Items	Opening Raw Materials	Purchase (BDT)			Consumption (BDT)	% of consumption of total purchase
		Import	Local	Total		
Raw materials	4,10,32,407	-	4,81,19,607	8,91,52,014	5,92,62,076	66.47%
Spare parts	-	-	15,40,533	15,40,533	13,55,669	88.00%
Packing materials	-	-	-	-	-	-
Total	4,10,32,407	-	4,96,60,140	9,06,92,547	6,06,17,745	-

i) The company has not incurred any expenditure in foreign currencies for the period from 01 July 2020 to 30th June 2021 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;

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

Requirements under Condition No.	Compliance status of disclosure of Schedule XI, Part II, Para 3
3(i)(a) The turnover	Complied
3 (i)(b) Commission paid to the selling agent	Not Applicable
3(i)(c) Brokerage and discount on sales, other than the usual trade discount	Not Applicable



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

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

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)	
	30.06.2021	30.06.2020
Advances, Deposits and Pre-payments exceeding 6 months	1,20,02,527	1,20,02,527
Advances, Deposits and Pre-payments not exceeding 6 months	28,59,645	82,85,708
Other Advances, Deposits & Pre-payments less provision	Nil	Nil
Advances, Deposits and Pre-payments considered good and secured	Nil	Nil
Advances, Deposits and Pre-payments considered goods without security	Nil	Nil
Advances, Deposits and Pre-payments considered doubtful or bad	Nil	Nil



Advances, Deposits and Pre-payments due by Directors	Nil	Nil
Advances, Deposits and Pre-payments due by other officers (against salary)	27,83,746	20,06,487
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 any time	Nil	Nil

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

1. There was no claim against the Company not acknowledged as debts as on June 30, 2021.
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, 2021.
5. There was no contingent liabilities as on close of the business as on June 30, 2021 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 be half of their Directors of the Company itself except bank loan.
12. There are no Non-resident shareholders as on June 30, 2021.
13. No expenses including Royalty, Technical Experts & Professional Advisory Fees and Interest etc. were incurred or paid in foreign currencies during the year ended on June 30, 2021.
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.

40.00 Financial risk management (IFRS 7)

40.01 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 financial statements.

40.02 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, 2021:

Maturity analysis

Particulars	Current	>30 days	>90 days	>1 year	Total
Loans and receivables:					
Cash and cash equivalents	9,06,221	-	-	-	9,06,221
Accounts Receivable	-	2,18,64,990	43,98,372	-	2,62,63,362
Balance at June 30, 2021	9,06,221	2,18,64,990	43,98,372	-	2,71,69,583

Financial liabilities measured at amortized cost:					
Loan from Bank and NBF1	-	-	-	12,65,88,717	12,65,88,717
Sundry Creditors	6,99,78,620	-	-	-	6,99,78,620
Balance at June 30, 2021	6,99,78,620	-	-	12,65,88,717	19,65,67,337

40.03 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 categorized 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.

40.04 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.

40.05 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.

40.06 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						
Loan from Bank and NBF1	-	-	-	-	-	12,65,88,717
Block loan account	-	-	-	-	-	17,17,33,794
Sundry Creditors	6,99,78,620	-	-	-	-	-
Balance at June 30, 2021	6,99,78,620	-	-	-	-	29,83,22,511

Aziz Pipes Ltd.
Schedule of Property, Plant & Equipment (PPE)
As at June 30, 2021



Rahman Mostafa Alam & Co.
Chartered Accountants

A. At Cost

Annexure-A

Particulars	Cost			Depreciation			Accumulated Dep. as at 30.06.2021	Written down value as at 30.06.2021
	Opening balance as at 01.07.2020	Addition during the year	Adjustment during the year	Balance as at 30.06.2021	Rate of Dep.	Opening balance as at 01.07.2020		
Land & Land Development	36,03,990	-	-	36,03,990	-	-	-	36,03,990
Building & Other Construction	2,15,49,361	-	-	2,15,49,361	10%	1,91,81,345	2,36,802	1,94,18,147
Roads & Sewerage	6,04,229	-	-	6,04,229	10%	5,45,543	5,869	5,51,411
Electrical Installation	43,13,755	-	-	43,13,755	15%	41,24,489	28,390	41,52,879
Plant & Machines	23,52,57,456	63,200	-	23,53,20,656	10%	18,94,58,483	45,81,473	19,40,39,956
Furniture & Fixtures	22,01,497	-	-	22,01,497	10%	17,70,211	43,129	18,13,339
Fittings	11,942	-	-	11,942	10%	10,961	98	11,059
Office Equipments	80,25,802	41,000	-	80,66,802	15%	73,99,654	97,579	74,97,232
Loose Tools	4,13,666	-	-	4,13,666	15%	3,99,449	2,132	4,01,582
Motor Vehicles	23,28,037	-	-	23,28,037	20%	23,04,076	4,792	23,08,868
Weight Bridge Equipments	1,29,558	-	-	1,29,558	15%	1,25,063	674	1,25,737
Pump House	1,91,18,940	-	-	1,91,18,940	15%	1,54,52,619	5,49,948	1,60,02,567
Crockeries & Cutleries	1,73,639	-	-	1,73,639	15%	1,67,756	882	1,68,639
Gas Line Installation	4,24,032	3,568	-	4,27,600	20%	3,70,616	11,109	3,81,725
Sundry Assets	3,02,398	-	-	3,02,398	10%	2,72,798	2,960	2,75,758
	7,90,361	-	-	7,90,361	15%	7,32,922	8,616	7,41,538
Sub Total	29,92,48,663	1,07,768	-	29,93,56,431		24,23,15,985	55,74,453	24,78,90,438

B. Revalued Assets:

Particulars	Cost			Depreciation			Accumulated Dep. as at 30.06.2021	Written down value as at 30.06.2021
	Opening balance as at 01.07.2020	Addition during the year	Adjustment during the year	Balance as at 30.06.2021	Rate of Dep.	Opening balance as at 01.07.2020		
Land & Land Development	18,18,96,010	-	-	18,18,96,010	0%	-	-	18,18,96,010
Building & Other Construction	59,24,471	-	-	59,24,471	10%	16,05,529	4,31,894	20,37,424
Plant & Machines	1,57,06,861	-	-	1,57,06,861	10%	42,56,558	11,45,030	54,01,588
Sub Total	20,35,27,342	-	-	20,35,27,342		58,62,087	15,76,924	74,39,012
Grand Total (A+B)	50,27,76,005	1,07,768	-	50,28,83,773		24,81,78,072	71,51,377	25,53,29,449

Depreciation Charged

Amount

Factory Overhead	69,99,561
Admin. Overhead	1,51,816
Total	71,51,377



Aziz Pipes Limited
Schedule of Right of Use Assets
As at June 30, 2021

Particulars	COST				Depreciation				Written down value as at June 30, 2021
	Balance as at July 01, 2020	Addition during the Period	Adjustment during the Period	Balance as at June 30, 2021	Balance as at July 01, 2020	Charged during the year	Adjustment during the year against Disposal	Balance as at June 30, 2021	
Right of use asset	-	32,79,155		32,79,155	-	10,93,052	-	10,93,052	21,86,103
Total	-	32,79,155		32,79,155	-	10,93,052	-	10,93,052	21,86,103