

**PRIVATE & CONFIDENTIAL**

**Audit Report And Financial Statements**

**AUDITORS REPORT AND FINANCIAL STATEMENTS**

**OF**

**ANWAR GALVANIZIING LIMITED**

**for the year ended 30 June 2015**

**MABS & J Partners**  
Chartered Accountants



**AUDITORS' REPORT TO THE SHAREHOLDERS  
OF  
ANWAR GALVANIZING LIMITED**

We have audited the accompanying financial statements of **ANWAR GALVANIZING LIMITED (AGL)** which comprise the Statement of Financial Position as at 30 June 2015, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the period ended 30 June 2015 and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Financial Reporting Standards (BFRS), the Companies Act 1994 and other applicable laws and regulation. The responsibility includes designing, implementing and maintaining 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.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

**Basis for Qualified Opinion**

Sufficient amounts were not found in the dividend account to settle the dividend payable amount of Taka 6,039,312.





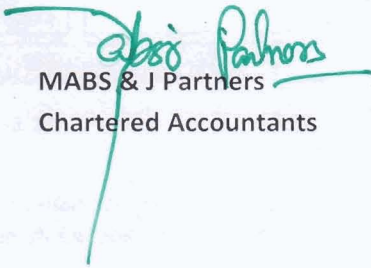
### Opinion

In our opinion, **except for the possible effects of the matter described in the preceding paragraph**, the financial statements prepared in accordance with Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the company affairs as at 30 June 2015 and the result of its operations and cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

### We also report that:

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

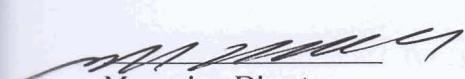
Dated: Dhaka, 28 October 2015.

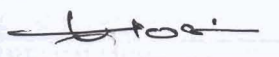
  
MABS & J Partners  
Chartered Accountants

**Anwar Galvanizing Limited**  
**Statement of Financial Position**  
**As at 30 June 2015**

Particulars	Notes	30 June 2015	30 June 2014
<b>ASSETS</b>			
<b>Non-Current Assets:</b>		93,611,082	82,154,117
Property, Plant & Equipment	3.00	93,611,082	82,154,117
<b>Current Asset, Loan &amp; Advance:</b>		134,500,351	97,065,759
Non-current Assets Held for Sale	4.00	5,591,266	-
Inventories	5.00	89,334,122	64,719,949
Accounts Receivable	6.00	2,946,064	2,567,270
Advances, Deposits & Pre- Payments	7.00	27,777,108	22,564,807
Short Term Investment	8.00	3,315,470	2,919,726
Cash & Cash Equivalents	9.00	5,536,321	4,294,006
<b>Total Assets</b>		<b>228,111,433</b>	<b>179,219,876</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Equity:</b>		109,332,816	106,991,465
Share Capital	10.00	132,000,000	132,000,000
Retained Earnings	11.00	(56,724,887)	(59,066,238)
Tax Holiday Reserve	12.00	34,057,703	34,057,703
<b>Long Term Liabilities</b>		3,632,670	-
Deferred Tax Liability		3,632,670	-
<b>Current Liabilities &amp; Provisions</b>		115,145,947	72,228,411
Liabilities for Expenses and Others	13.00	112,533,074	53,139,776
Liabilities for other Finance	14.00	2,612,873	19,088,635
<b>Total Equity and Liabilities</b>		<b>228,111,433</b>	<b>179,219,876</b>
<b>NAV Per Share</b>		<b>8.28</b>	<b>8.11</b>

The accounting policies and other notes from 01 to 27 form an integral part of the Financial Statements.  
The Financial Statements were authorized for issue by the Board of Directors on 28 October 2015 and signed on its behalf by :

  
Managing Director

  
Director

  
Company Secretary

**AUDITORS' REPORT TO THE SHAREHOLDERS:**

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

Dated: Dhaka, 28 October 2015.

  
**MABS & J Partners**  
Chartered Accountants




**Anwar Galvanizing Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended 30 June 2015**

Particulars	Notes	30 June 2015	30 June 2014
Revenue(Turnover)	15.00	144,870,700	133,703,746
Less: Cost of Goods Sold	16.00	122,645,354	118,433,754
<b>Gross Profit</b>		<b>22,225,346</b>	<b>15,269,993</b>
Less: Administrative, Selling & Distribution Expenses	17.00	8,507,201	6,056,155
Less: Financial Expenses	18.00	467,089	52,328
<b>Operating Profit</b>		<b>13,251,057</b>	<b>9,161,511</b>
Add: Other Income		294,119	235,472
Less: Workers Profit Participation Fund		(645,009)	447,476
<b>Profit Before Tax</b>		<b>12,900,167</b>	<b>8,949,507</b>
Less: Provision for Income Tax		4,515,059	2,411,771
Current Tax		882,389	3,132,328
Deferred Tax		3,632,670	(720,557)
<b>Net Profit After Tax</b>		<b>8,385,108</b>	<b>6,537,736</b>
 Earning Per Share (EPS)	 19.00	 0.64	 0.50


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Managing Director



Director

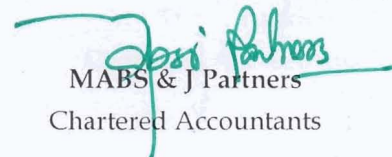


Company Secretary

**AUDITORS' REPORT TO THE SHAREHOLDERS:**

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our report.

Dated: Dhaka, 28 October 2015.




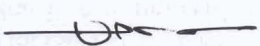
MABS & J Partners  
Chartered Accountants


**Anwar Galvanizing Limited**  
**Statement of Cash Flows**  
**For the year ended 30 June 2015**

Particulars	Notes	30 June 2015	30 June 2014
<b>(a) Cash Flows from operating activities:</b>			
Collection from Turnover & other income	20.00	148,638,838	138,716,780
Payment for Cost & Expenses	21.00	(115,709,115)	(130,688,145)
Net Cash Flows from operating activities		<u>32,929,723</u>	<u>8,028,635</u>
<b>(b) Cash Flows from Investing Activities:</b>			
Acquisition of Fixed Assets		(7,458,560)	(1,393,593)
Net Cash Flows from Investing Activities		<u>(7,458,560)</u>	<u>(1,393,593)</u>
<b>(c) Cash Flows from Financing Activities:</b>			
Dividend Paid		(7,753,086)	(4,828,981)
Loan Received (Paid) NBL Securities Ltd		406,277	369,282
Directors Loan		(16,882,039)	-
Net Cash Flows from Financing Activities		<u>(24,228,848)</u>	<u>(4,459,699)</u>
<b>(d) Net Cash Flows (a+b+c)</b>		<u>1,242,315</u>	<u>2,175,342</u>
Add: Opening Cash & Cash Equivalents		4,294,006	2,118,664
Closing Cash & Cash Equivalents		<u>5,536,321</u>	<u>4,294,006</u>
<b>Net Operating Cash-flow Per Share</b>		<b>2.49</b>	<b>0.61</b>

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Managing Director

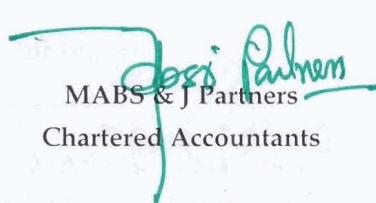
  
Director

  
Company Secretary

**AUDITORS' REPORT TO THE SHAREHOLDERS:**

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

Dated: Dhaka, 28 October 2015.

  
MABS & J Partners  
Chartered Accountants



**Anwar Galvanizing Limited**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2015**

*Amount (in Taka)*

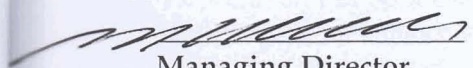
Particulars	Share Capital	Tax Holiday	Proposed Dividend	Retained Earnings	Total
Balance as on 01 July 2014	132,000,000	34,057,703	-	(59,066,238)	106,991,465
Less: Prior year adjustment	-	-	-	-	-
<b>Adjusted opening balance</b>	<b>132,000,000</b>	<b>34,057,703</b>	<b>-</b>	<b>(59,066,238)</b>	<b>106,991,465</b>
Net Profit for the year	-	-	-	8,385,108	8,385,108
Gain (Loss) on Investment				395,744	395,744
Cash Dividend 2013-2014	-	-	-	(6,439,500)	(6,439,500)
<b>As on 30 June 2015</b>	<b>132,000,000</b>	<b>34,057,703</b>	<b>-</b>	<b>(56,724,887)</b>	<b>109,332,816</b>
<b>As on 30 June 2014</b>	<b>132,000,000</b>	<b>34,057,703</b>	<b>-</b>	<b>(59,066,238)</b>	<b>106,991,465</b>

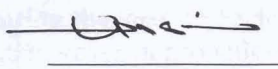
**Anwar Galvanizing Limited**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2014**


*Amount (in Taka)*

Particulars	Share Capital	Tax Holiday	Proposed Dividend	Retained Earnings	Total
Balance as on 01 July 2013	132,000,000	34,057,703	-	(59,188,862)	106,868,841
Less: Prior year adjustment	-	-	-	(404,912)	(404,912)
<b>Adjusted opening balance</b>	<b>132,000,000</b>	<b>34,057,703</b>	<b>-</b>	<b>(59,593,774)</b>	<b>106,463,929</b>
Net Profit for the year	-	-	-	6,537,736	6,537,736
Cash Dividend 2012-2013	-	-	-	(6,010,200)	(6,010,200)
<b>As on 30 June 2014</b>	<b>132,000,000</b>	<b>34,057,703</b>	<b>-</b>	<b>(59,066,238)</b>	<b>106,991,465</b>
<b>As on 30 June 2013</b>	<b>132,000,000</b>	<b>34,057,703</b>	<b>-</b>	<b>(59,188,862)</b>	<b>106,868,841</b>

The accounting policies and other notes from 01 to 27 form an integral part of the Financial Statements. The Financial Statements were authorized for issue by the Board of Directors on 28 October 2015 and signed on its behalf by :

  
Managing Director

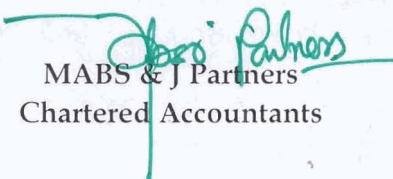
  
Director

  
Company Secretary

**AUDITORS' REPORT TO THE SHAREHOLDERS:**

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

Dated: Dhaka, 28 October 2015.

  
**MABS & J Partners**  
Chartered Accountants

**Anwar Galvanizing Limited**

**Notes to the Financial Statements  
For the year ended 30 June 2015**

**1 Legal Status and Nature of the Company - Disclosure under IAS 1 "Presentation of Financial Statements":**

**(a) Domicile, Legal Forms and Country of Incorporation:**

Anwar Galvanizing Limited (a "Company") was incorporated in Bangladesh on 14th February 1995, Registration No. 27860(1706)/95 under the Companies Act, 1994 as a public company limited by shares and its shares are listed in the Dhaka Stock Exchange, Bangladesh.

**(b) Address of the Registered Office and Principal Place of the Business:**

The address of the Registered Office and the Principal place of business is located at 27, Dilkusha Commercial Area, Dhaka and the manufacturing plant is located at Tongi Industrial Area, Gazipur.

**(c) Principal Activities and Nature of Operation:**

The company carries on the business of manufacturing of Galvanized GI Fittings and Brake Drum of all specifications and grades.

**(d) Going Concern:**

The financial statements have been prepared on the basis of Anwar Galvanizing Limited being a going concern.

**2 Significant Accounting Policies**

**2.1 Basis of Accounting:**

The Financial statements have been prepared in accordance with Bangladesh Accounting Standards (BAS) under the historical cost convention subject to the revaluation of tangible assets made in 1995.

**2.2 Tangible Assets:**

Tangible assets are stated at original / revalued cost less accumulated depreciation while other tangible assets are stated at cost less accumulated depreciation.

**2.3 Depreciation:**

Depreciation has been charged during the year on Factory's Fixed Assets and on Head office Assets under reducing balance method. However depreciation on addition during the year charged when these were ready to use.

**2.4 Specific Accounting Policies Selected and Applied for Significant Transactions and Events:**

**(a) Recognition of Property, Plant and Equipment:**

Property, Plant and Equipment are stated at their cost less accumulated depreciation in accordance BAS-16 "Property, Plant and Equipment". Cost represents cost of acquisition or construction.



(b) **Inventories:**

Inventories comprise Raw Materials, Finished Goods and Stock of Stationery and Spares & Accessories. They are stated at the lower of cost and net realizable value in accordance with BAS-2 "Inventories". The costs of inventories are assigned by using weighted average cost formula. Costs of finished goods include 100% materials plus proportionate conversion cost.

(c) **Cash and Cash Equivalents:**

According to BAS-7 "Statement of Cash Flows", cash comprises in hand and demand deposit and, cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. BAS 1 "Presentation of Financial Statements" provides that Cash and Cash Equivalents are not restricted in use. Considering the provisions of BAS-7 and BAS-1 cash in hand and bank balances have been considered as cash and cash equivalents.

(d) **Creditors and Accrued Expenses:**

Liabilities are recognized for amounts to be paid in the future for goods and services received, whether or not billed by the supplier.

(e) **Taxation:**

i. **Current Year:**

During the year provision for income tax has been calculated @ 35% in compliance with the Income Tax Ordinance 1984.

ii. **Previous Years Assessment Status:**

The company submitted Income Tax Returns for assessment years from 2007-08 to 2014-15 (Income Years 2006-07 to 2013-14) to the Tax Authority availing of facility u/s 82 BB of the I.T. Ordinance, 1984. The returns so submitted to the Tax Authority are deemed to have been accepted by the Tax Department as per Section 82 BB with no further tax liability in respect of these assessment years.

The company has however preferred an appeal to the High Court Division of the Honorable Supreme Court of Bangladesh in respect of assessment year 2002-2003 for allowing intangible additions of Tax holiday period, after expiry of Tax holiday period against which Court's award is still waiting.

There was no tax demand pending with company till 30 June 2014 in respect of any of the previous assessment years.

(f) **Turnover:**

Turnover comprises sales of the company excluding VAT.

(g) **Revenue Recognition:**

The revenue during the year represents revenue arising from the sale of GI fittings and Zinc sheet items which are recognized when deliveries are made against the sales order received from the respective customer and after satisfying all the conditions for revenue recognition as provided in IAS 18 as adopted by ICAB as BAS 18 "Revenue Recognition".

(h) **Statement of Cash Flows:**

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



**(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 30<sup>th</sup> June 2015.
- ii) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30<sup>th</sup> June 2015.
- iii) Statement of Cash Flows for the year ended 30<sup>th</sup> June 2015.
- iv) Statement of Changes in Equity for the year ended 30<sup>th</sup> June 2015.
- v) Accounting Policies and Explanatory Notes to Financial Statements.

**(j) Compliance with Local Laws:**

The financial statements have been prepared in compliance with requirements of the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other relevant local laws and rules.

**(k) Compliance with the International Accounting Standards (IAS):**

The financial statements have been prepared in compliance with requirements of the IAS adopted by the Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh.

**(l) Reporting Period:**

Financial Statements of the company cover one financial year from 1st July 2014 to 30<sup>th</sup> June 2015.

**(m) Reporting Currency and Level Precision:**

All of company's assets, liabilities, fund, income and expenditure are denominated in terms of the Taka, the local currency that has been rounded off to the nearest Taka.

**(n) The Net Asset Value (NAV)**

	<u>2015</u>	<u>2014</u>
Net Asset Value (NAV)	8.28	8.11

**(o) Comparative Information:**

Comparative information have been disclosed in respect of the year 2014-15 for all numerical information in the financial statements and also the narrative and descriptive information where it is relevant for understanding of the current period's financial statements.

Figures of the year 2014-15 have been rearranged whenever considered necessary to ensure comparability with the current period. The disclosures in the financial statements, in all materials aspects, are in accordance with Bangladesh Accounting Standards, as adopted in Bangladesh.





(p) *Proposed Dividend*

Proposed Dividend has been shown separately under the shareholders' equity in accordance with Bangladesh Accounting Standards (BAS)-10 "Events after Balance Sheet Date"

BAS 1: Presentation of Financial Statements also requires the dividend proposed after the balance sheet date but before the financial statements are authorized for issue, be disclosed in the notes to the financial statement. Accordingly, the Company has disclosed the amount of proposed dividend in notes.

(q) *Related Party Transaction*

As per BAS-24 parties are considered to be related if one of the parties has ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The company has carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties. Related parties are stated their actual value in the note number 26.



Note No.	Particulars	Notes	30 June 2015	30 June 2014
3.00	<b>Non-Current Assets:</b>			
	Property, Plant & Equipments	3.01	89,276,475	82,154,117
	Capital Work -in-progress	3.02	4,334,607	-
			<u>93,611,082</u>	<u>82,154,117</u>
3.01	<b>Property, Plant &amp; Equipments:</b>			
	Opening Balance(at cost)		176,453,387	175,059,794
	Add: Addition During the year		18,648,298	1,393,593
	Less Sales / Adjustment		(13,508,320)	-
			<u>181,593,365</u>	<u>176,453,387</u>
	Less: Accumulated Depreciation		(92,316,890)	(94,299,270)
	Written down value as on 30.06.2015		<u>89,276,475</u>	<u>82,154,117</u>
	Details have been shown in Annexure-I			
3.02	<b>Capital Work -in-progress:</b>			
	Annealing Furnace 03		224,400	-
	Annealing Furnace 04		442,427	-
	Excavation Exp for IF		95,000	-
	Induction Furnace		2,979,046	-
	Pilling Expense for IF		70,000	-
	Raw Material Godown		323,356	-
	Water Tank		200,379	-
			<u>4,334,607</u>	<u>-</u>
4.00	<b>Non-Current Assets Held for Sale</b>			
	Non-Current Assets Held for Sale		5,591,266	-
			<u>5,591,266</u>	<u>-</u>
	This represents book value of Gas Generator which had become unuseable for the industrial purpose of Anwar Galvanizing Limited. Anwar Silk Mills Limited has agreed to take over the assets at its book value of Taka 5,591,266 which has been estimated as above market price considering the current state of the Generator.			
5.00	<b>Inventories:</b>			
	Raw Materials	5.01	12,601,581	5,790,391
	Auxiliary Materials	5.02	2,340,907	776,242
	General Stores & Spare	5.03	20,481,773	18,427,677
	Finished Goods	5.04	11,861,966	14,289,430
	Work -in-process	5.05	42,047,896	25,436,209
			<u>89,334,122</u>	<u>64,719,949</u>





Note No.	Particulars	Notes	30 June 2015	30 June 2014
5.01	<b>Raw Materials:</b>			
	Pig Iron		11,873,181	4,757,503
	CI Scrap		701,280	1,032,889
	MS Scrap		27,120	-
			<b>12,601,581</b>	<b>5,790,391</b>
5.02	<b>Auxiliary Materials:</b>			
	Hydrochloric acid		1,385	2,240
	Molases		285,519	161,141
	Telcom Powder		14,250	2,250
	Zinc Ingot		1,615,880	216,972
	China clay/Ball clay		31,200	4,950
	Quartz Powder		14,025	31,025
	Departure & Dextine Powder		389	1,753
	Grafide Powder		2,800	12,300
	Shots		140,027	41,160
	Aluminium Ingot		27,000	41,550
	Sulphur		408	-
	Silica Powder		3,753	3,563
	Fero Silicon		39,546	108,870
	Bentonite		-	7,800
	Bruss		52,065	58,500
	Binder Core		250	460
	Coal Dust		4,725	11,700
	Fire Clay		10,800	13,200
	Hard Cook		90,000	48,480
	Resin Sand for Core		3,000	3,000
	Silicon Manganise		3,885	5,328
			<b>2,340,907</b>	<b>776,242</b>
5.03	<b>General Stores &amp; Spare:</b>			
	General Stores & Spares		20,481,773	18,427,677
			<b>20,481,773</b>	<b>18,427,677</b>
5.04	<b>Finished Goods:</b>			
	Finished Goods		11,861,966	14,289,430
			<b>11,861,966</b>	<b>14,289,430</b>



Note No.	Particulars	Notes	30 June 2015	30 June 2014
5.05	<b>Work -in-Process:</b>			
	Break up is given below:			
	Casting		11,260,335	13,003,702
	Annealing		13,041,455	10,060,278
	Drill		64,405	-
	Flance		558,606	-
	Grinding		2,620,634	165,911
	Shots Blasting		704,534	355,740
	Galvanizing		6,560,162	1,425,229
	Threading Process		7,237,764	425,349
			<b>42,047,896</b>	<b>25,436,209</b>
6.00	<b>Accounts Receivable:</b>			
	Accounts Receivable		2,946,064	2,567,270
			<b>2,946,064</b>	<b>2,567,270</b>
7.00	<b>Advance,Deposits &amp; Pre-payments:</b>			
	Break up is given below:			
	Advances	7.01	26,654,021	21,441,720
	Security Deposits	7.02	1,123,087	1,123,087
			<b>27,777,108</b>	<b>22,564,807</b>
7.01	<b>Advances:</b>			
	Break up is given below:			
	Advance against Purchase		50,000	100,000
	Advance against Supplier		7,559,234	1,381,936
	Advance to employee		705,892	625,760
	VAT Current Account		4,539,017	4,569,008
	AIT ( Advance Income Tax)		13,799,878	14,765,016
			<b>26,654,021</b>	<b>21,441,720</b>
7.02	<b>Security Deposit:</b>			
	Break up is given below:			
	Security deposit -CDBL		300,000	300,000
	Security deposit-Electricity		219,500	219,500
	Security deposit-Gas		561,587	561,587
	Security deposit- metre		42,000	42,000
			<b>1,123,087</b>	<b>1,123,087</b>





Note No.	Particulars	Notes	30 June 2015	30 June 2014
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8.00 Short Term Investment:

Break up is given below:

SL. No.	Name of Company	No of Share	Cost Price	Market Price
01.	Grammen Phone Limited	3000	662,640	989,100
02.	Jamuna Oil Limited	3575	702,800	773,031
03.	M.I. Cement Factory Limited	5500	652,600	418,000
04.	Meghna Petroleum Limited	4680	692,760	1,003,860
05.	Sumit Power Limited	3450	208,926	148,140
			<b>2,919,726</b>	<b>3,332,131</b>
			Estimated Sales Commission	16,661
			<b>Net Realizable Value</b>	<b>3,315,470</b>

9.00 Cash and Cash Equivalents:

Break up is given below:

Cash at Banks	9.01	4,546,960	3,859,155
Cash in Hand	9.02	989,361	434,851
		<b>5,536,321</b>	<b>4,294,006</b>

9.01 Cash at Banks:

Break up is given below:

The City Bank Ltd. Principle Branch	4,151,511	2,096,816
The City Bank Ltd. F.Exchange Branch	(2,650,788)	773,779
The City Bank Ltd. Chamber Branch	221,407	782
Dutch Bangla Bank	1,583,272	623,228
First Security Islami Bank	429,689	-
AB Bank Limited	626,791	320,848
BD. Commerce Bank	22,250	23,520
NRB Commercial Bank	4,030	4,030
AL-Arafah Bank	-	4,733
Bank Asia	-	8,328
Bank Asia	-	181
South Bangla Agriculture & Commerce Bank	158,798	2,913
	4,546,960	3,859,155

9.02 Cash in Hand:

Break up is given below:

Cash in Head office	670,946	260,807
Cash in Factory office	318,415	174,044
	989,361	434,851



Note No.	Particulars	Notes	30 June 2015	30 June 2014
10.00	<b>Share Capital:</b>			
	Break up is given below:			
	<b>Authorised Capital:</b>			
	2,00,00,000 Ordinary Shares of Tk. 10 Each		200,000,000	200,000,000
			<u>200,000,000</u>	<u>200,000,000</u>
	<b>Issued, Subscribed, and Paid-up-Capital:</b>			
	1,32,00,000 Ordinary Shares of Tk.10 as fully paid in cash		132,000,000	132,000,000
			<u>132,000,000</u>	<u>132,000,000</u>
11.00	<b>Retained Earnings:</b>			
	Break up is given below:			
	Profit Brought Forward		(59,066,238)	(59,188,862)
	Less: Prior year adjustment		-	(404,912)
	<b>Adjusted opening balance</b>		<b>(59,066,238)</b>	<b>(59,593,774)</b>
	Net profit during the year		8,385,108	6,537,736
	Add: Gain (Loss) on Investment		395,744	
	Less : Cash Dividend		(6,439,500)	(6,010,200)
	<b>Balance carried forward</b>		<b><u>(56,724,887)</u></b>	<b><u>(59,066,238)</u></b>
12.00	<b>Tax Holiday Reserve:</b>			
	Break up is given below:			
	<b>Year</b>			
	1996-1997		8,489,546	8,489,546
	1997-1998		8,539,236	8,539,236
	1998-1999		5,687,240	5,687,240
	1999-2000		5,700,825	5,700,825
	2000-2001		5,640,856	5,640,856
	<b>Closing balance as per 30 June 2015</b>		<b><u>34,057,703</u></b>	<b><u>34,057,703</u></b>
13.00	<b>Liability for Expenses and Others:</b>			
	Break up is given below:			
	Payable for Electric Bill		325,472	318,303
	Liability for Audit Fee		90,000	100,000
	Payable for WPPF		1,092,485	447,476
	Advance Received from Customers		3,852,812	1,150,457
	Payable for Current Income Tax		882,389	4,183,169
	Liabilities for Others	13.01	18,121,284	22,615,006
	Liabilities for Goods Supplies		88,168,632	24,325,365
			<u>112,533,074</u>	<u>53,139,776</u>





Note No.	Particulars	Notes	30 June 2015	30 June 2014
13.01	<b>Liabilities for Others:</b>			
	Break up is given below:			
	Dividend Payable		6,039,312	8,032,154
	Others Liabilities		12,081,972	14,582,852
			<b>18,121,284</b>	<b>22,615,006</b>
14.00	<b>Liabilities for Other Finance:</b>			
	Break up is given below:			
	Loan From Directors		-	16,882,039
	Loan from NBL Securities Ltd		2,612,873	2,206,596
			<b>2,612,873</b>	<b>19,088,635</b>
15.00	<b>Revenue (Turnover):</b>			
	Break up is given below:			
	Sales: GI Fittings		123,645,777	105,292,011
	Sales: Brake Drum		13,173,105	9,747,814
	Sales: Others		8,051,819	18,663,921
			<b>144,870,700</b>	<b>133,703,746</b>
16.00	<b>Cost of Goods Sold:</b>			
	Break up is given below:			
	Raw Materials Consumed	16.01	59,803,536	55,994,930
	Auxiliary Materials Consumed	16.02	19,163,063	16,971,352
	<b>Total Materials Consumed</b>		<b>78,966,599</b>	<b>72,966,282</b>
	Add: Factory Overheads	16.03	57,862,979	45,592,361
	Opening Stock of Work -In-Process		25,436,209	19,556,003
	Closing Stock of Work -In-Process		(42,047,896)	(25,436,209)
	<b>Cost of Production</b>		<b>120,217,890</b>	<b>112,678,437</b>
	Opening Stock of Finished Goods		14,289,430	20,044,747
	Closing Stock of Finished Goods		(11,861,966)	(14,289,430)
	<b>Cost of Goods Sold</b>		<b>122,645,354</b>	<b>118,433,754</b>
16.01	<b>Raw Material Consumed(GI Fittings):</b>			
	Break up is given below:			
	Opening Stock		5,790,391	8,355,338
	Add: Purchase		66,614,726	53,429,983
			<b>72,405,117</b>	<b>61,785,321</b>
	Less: Closing Stock		12,601,581	5,790,391
			<b>59,803,536</b>	<b>55,994,930</b>
16.02	<b>Auxiliary Materials Consumed:</b>			
	Break up is given below:			
	Opening Stock		776,242	3,053,062
	Add: Purchase		20,727,727	14,694,533
			<b>21,503,969</b>	<b>17,747,595</b>
	Less: Closing Stock		2,340,907	776,242
			<b>19,163,063</b>	<b>16,971,352</b>



Note No.	Particulars	Notes	30 June 2015	30 June 2014
16.03	<b>Factory Overheads:</b>			
	Break up is given below:			
	Salary & Wages		28,295,467	23,124,821
	Festival Bonus		757,492	301,549
	Carriage Inward, Loading & Unloading Exp		6,110	45,393
	Electricity Charges		4,666,446	4,333,506
	Gas Expenses		7,431,759	3,811,844
	Entertainment Expenses		245,069	89,160
	Phone Bill		40,462	12,770
	Medical Expenses		95,925	51,357
	Land Development Tax		31,570	-
	Miscellaneous. Expenses		33,660	17,872
	Business Promotion Expenses		177,680	193,720
	Internet Expenses		1,725	2,415
	Food and Loading		17,389	20,038
	Photocopy & Stamp expenses		9,059	10,061
	Repairs & Maintenance		1,182,585	293,621
	General Stores		9,756,342	8,035,081
	Conveyance & CNG Expenses		123,972	83,166
	Quality Test Fees		-	7,000
	Picnic Expenses		100,463	110,000
	ifter Expenses		56,370	46,830
	Depreciation		4,833,433	5,002,157
			<b>57,862,979</b>	<b>45,592,361</b>
17.00	<b>Administrative, Selling &amp; Distribution Expenses:</b>			
	Break up is given below:			
	Administrative Expenses	17.01	6,181,726	4,304,301
	Selling & Distribution Expenses	17.02	2,325,475	1,751,854
			<b>8,507,201</b>	<b>6,056,155</b>
17.01	<b>Administrative Expenses:</b>			
	Break up is given below:			
	Salary and Allowances		3,358,802	2,194,183
	Festival Bonus		211,480	38,166
	Business Promotion Expenses		360,500	184,613
	AGM Expenses		109,330	128,150
	Board Meeting Fee		-	25,000
	Audit Fees		130,000	107,500
	Annual Fee		80,000	50,000
	Conveyance		43,072	58,082
	Consultancy fees		224,500	57,500
	CDBL Charged		56,000	112,000
	Municipal Tax		74,708	55,000
	Miscellaneous. Expenses		99,250	79,325
	Legal Fees		44,730	75,160



Note No.	Particulars	Notes	30 June 2015	30 June 2014
	License & Renewals		451,105	89,955
	Office Rent		370,326	261,600
	Office Maintenance		139,498	-
	Registration Expenses		1,000	463,250
	Printing & Stationery		150,081	109,061
	Postage, Courier & Stamp		80,219	37,580
	Telephone Bill Expenses		8,993	21,746
	Loss on Sale of Assets		37,588	-
	Depreciation		150,544	156,430
			<b>6,181,726</b>	<b>4,304,301</b>
17.02	<b><u>Selling &amp; Distribution Expenses:</u></b>			
	Break up is given below:			
	Advertisement		149,564	117,622
	Carriage Outward		1,120,039	1,184,475
	Discount on Sales		204,505	163,179
	Sales Incentive		699,923	195,898
	Travelling & Conveyance		151,444	90,680
			<b>2,325,475</b>	<b>1,751,854</b>
18.00	<b><u>Financial Expenses:</u></b>			
	Break up is given below:			
	Bank Charges & Commission		61,380	52,328
	Interest Expenses		405,709	-
			<b>467,089</b>	<b>52,328</b>
19.00	<b><u>Earning Per Share(EPS):</u></b>			
	Profit Attributable to the ordinary shareholders		8,385,108	6,537,736
	Weighted average number of ordinary shares		13,200,000	13,200,000
	Basic Earning Per Share		<b>0.64</b>	<b>0.50</b>
20.00	<b><u>Collection from Turnover and Others:</u></b>			
	Break up is given below:			
	Opening Balance of Trade Receivables		2,567,270	6,194,375
	Add: Sales		144,870,700	133,703,746
			147,437,971	139,898,121
	Less: Closing Debtors		2,946,064	2,567,270
	Total Collection from Trade Receivables		144,491,906	137,330,851
	Collection from Other Income		294,119	235,472
	Advance Collection from Customers		3,852,812	1,150,457
			<b>148,638,838</b>	<b>138,716,780</b>
21.00	<b><u>Payment for Cost &amp; Expenses :</u></b>			
	Break up is given below:			
	Payments to Suppliers & Others		80,451,596	105,219,017
	Tax Paid		2,167,189	5,121,499
	Paid to Employee		32,623,241	20,295,302
	Payment of Interest		467,089	52,328
	Total Cash payment & Expenses		<b>115,709,115</b>	<b>130,688,145</b>

**22. Director of the Company:**

a) Number of Director:

There are 10 Directors of the company during the year ended 30 June 2015

b) Salary & Remuneration of the management team:

Aggregate amount paid to the management team for their service rendered as defined in the schedule 12(2) para 4 part-II of Securities & Exchange rules 1987 are given below:

SL	Name	Designation	Per Year	Remarks
1	Mr. Anwar Hossain	Chairman	NIL	
2	Mrs. Bibi Amana	Director	NIL	
3	Mr. Manwar Hossain	Managing Director	NIL	Full Time
4	Mr. Hossain Mehmood	Director	NIL	
5	Mr. Hossain Khaled	Director	NIL	
6	Mrs. Hasian Begum	Director	NIL	
7	Mrs. Shaheena Begum	Director	NIL	
8	Mr. Tareq Hossain	Shareholder Director	NIL	
9	Dr. Tuhin Malik	Independent Director	NIL	
10	Mohammad Faiz	Independent Director	NIL	

**23. General**

a. The Company has no aggregate amount of contract for capital expenditure to be executed and not provided for in the accounts.

b. There is no Guarantee issued by the management on behalf of Director of the company.

c. Auditors are paid only statutory audit fees approved by the share holders in the last AGM.

d. There was no foreign exchange remitted to relevant share holders during the year under audit.

e. No amount of money was expended by the company for compensating any member of the board for special service.

**24. ADDITIONAL DISCLOSURE AS PER SEC :**

Security and Exchange rules, 1987 [ Rule 12(2)]

a) Claim against the company not acknowledge as debt as on 30.06.2015

NIL

b) Uncalled liability on partly paid up shares

NIL

c) Arrears of first cumulative dividends on preference shares together with the period for which the dividend are in arrears.

NIL





- d) The aggregate amount of contracts for capital expenditure remaining to be executed and not provided for NIL
- e) Other sums for which the company is contingently liable as on 30/06/2015 except letter of credit open in the normal course of business, again we have the same amount of contingent asset. business, NIL
- f) The general nature of any credit facilities available to the company under any contract and not taken up at date of Statement of Financial Position. NIL
- g) Aggregate amount due by directors and officers of the company or associated undertakings:  
Director NIL  
Associated Undertaking NIL  
Officers NIL
- h) Securities and Exchange Rules, 1987[Para5(a), (iii) of part-1]  
The advances against goods, services and expenses considered good by the management and no collateral security is held against the advances. NIL  
Mode of disposal of machinery and equipment. NIL

**25. Particulars of requirements as per schedule XI Part ii of the companies Act, 1994**

1. Para-3 (i) (b) Commission paid to selling agents. NIL
2. Para-3 (i) (c) Brokerage and discount on sales other than the usual trade discount NIL
3. Para-3d (i) (ii)

i)	Value of raw materials consumed	Tk.	59,803,536
ii)	Opening Stock	89.98	MT
iii)	Production during the year	817.37	MT
iv)	Sold during the year	818.14	MT
v)	Other consumption	NIL	MT
vi)	Closing Stock	89.21	MT

4. Para-3,(ii)  
i) Number of employees drawing salary above Tk. 3,000 per Month 245 Nos  
ii) Number of employees drawing salary below Tk. 3,000 per month NIL
5. Para - 8 (b)  
Expenses incurred in foreign currency on account of royalty, Technical expert & professional advisory fee, Interest etc. if any NIL



## 6. Para - 8 (c)

Local	Qty. MT	Value	%	Remarks
Description				
Pig Iron	285.96	11,873,181		
Cust Iron	19.48	701,280		
Foreign	NiL	NiL	NiL	
Total	305.44	12,574,461		

## 7. Para- 8(d)

(i) Number of Non - Resident shareholder NIL

(ii) Number of shares held by the Non-Resident shareholders including foreign investor NIL

## 8. Para - 8 (e)

(i) export of goods calculated on F. O. B. basis; NIL

(ii) royalty, know-how, professional and consultation fees; NIL

(iii) interest and dividend; NIL

(iv) other income, indicating the nature thereof. NIL

26. Related Party Transactions:

During the financial year under review, the company carried out a number of transactions with related parties in the normal course of business. Details are shown below;

Name of party/Company	Relation	Nature of Transaction	Balance Dr/(Cr)
Hossain Dyeing & Print	Common Director	Product Supply	18,037
J.R Furniture	Common Director		150,757
AGI Automobiles Ltd	Common Director		1,200,000
Anwar Integrate Steel Mills	Common Director	Purchase	(3,784,573)
Anwar Ispat Ltd	Common Director		(76,854,514)

27. Events after the reporting period:

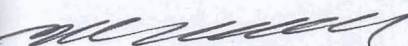
## a) Proposed Dividend:

The Board of Directors of ANWAR GALVANIZING LTD. at it's 129 the Board Meeting held on 28 October 2015 proposed 9% cash dividend for general shareholders on share value worth Tk. 85,860,000 (Excluding Sponsor Directors and Shareholder portion) for the year 2014-2015. This dividend is subject to approval by the shareholders in the Annual General Meeting (AGM).

## b) Approval of Financial Statements:

These financial statements were authorized for issue in accordance with a resolution of the company's Board of directors on 28 October 2015.


## c) There is no other significant event that has occurred between the end of the reporting period and the date when the Financial Statements were authorised for issue.



Managing Director



Director



Company Secretary



**ANWAR GALVANIZING LIMITED**  
Schedule of Property, plant and equipment as on 30th June 2015

Annexure-I

SI No.	Assets Category	COST				Rate	Depreciation				Written down value as on 30 June 2015	Written down value as on 30 June 2014
		As on 01 July 2014	Addition during the year	Sales/ Adjustment	As on 30 June 2015	%	As on 01 July 2014	Charged during the year	Sales/ Adjustment	As on 30 June 2015		
1	Land & Land Development	6,476,562	3,024,196	-	9,500,758		-	-	-	-	9,500,758	6,476,562
2	Building & Construction	56,955,398	3,175,783	-	60,131,181		29,569,784	1,576,399	-	31,146,183	28,984,998	27,385,615
3	Plant, Machinery & Equipment	106,751,991	11,072,759	11,684,220	106,140,530		59,714,059	3,257,034	5,179,845	57,791,248	48,349,282	47,037,930
4	Head Office Equipment:	1,106,713	56,500	-	1,163,213		735,709	55,653	-	791,362	371,851	371,005
5	Furniture (Office)	1,917,403	63,060	-	1,980,463		1,404,046	53,226	-	1,457,272	523,191	513,357
6	Vehicles / Motor Car	1,824,100	1,256,000	1,824,100	1,256,000		1,777,114	9,398	1,786,512	-	1,256,000	46,986
7	Sundry Assets	1,421,220	-	-	1,421,220		1,098,558	32,267	-	1,130,825	290,395	322,662
	<b>Total Taka</b>	<b>176,453,387</b>	<b>18,648,298</b>	<b>13,508,320</b>	<b>181,593,365</b>		<b>94,299,270</b>	<b>4,983,977</b>	<b>6,966,357</b>	<b>92,316,890</b>	<b>89,276,475</b>	<b>82,154,117</b>

**Allocation of Depreciation :**

Charge to Production

4,833,433

Charge to Administration

150,544

4,983,977

Out of total non-current assets amounts of Taka 13,508,320 as shown above in the sale/adjustment column, non-current assets for Taka 10,771,111 are in the process of sale to one of its sister concerns of AGL at not less than book value. As on 30 June 2015, the book value of such assets is Taka 5,591,266. It is expected that the transaction will be executed within next one year. Accordingly, the amount has been shown in the current year financial statements at its book value as non-current asset held for sale as per IFRS 5.

