



ANWAR GALVANIZING LTD
(a concern of Anwar Group of Industries)

ANNUAL REPORT 2024



The Founder



আলহাজ্ব আনোয়ার হোসেন
১৯৩৮-২০২১



ANWAR GROUP

CELEBRATING
190 YEARS OF
LEADERSHIP
& INNOVATION



FOUNDATION DAY
Anwar Group of Industries

ANNUAL REPORT

year ended June 30, 2024

2023-2024

Anwar Galvanizing Ltd.
is the country's first
manufacturer of
GI Fittings.

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Letter of Transmittal

To
All Members of Anwar Galvanizing Limited
Bangladesh Securities and Exchange Commission,
Dhaka Stock Exchange PLC,
Chittagong Stock Exchange PLC,
Registrar of Joint Stock Companies & Firms,
Central Depository Bangladesh Limited,
Financial Reporting Council and
All other stakeholders of Anwar Galvanizing Limited

Annual Report for the year ended June 30, 2024

Dear Sir(s),

We take pleasure to present before you Anwar Galvanizing Limited's Annual Report 2024, containing Directors' Report and Auditors' Report along with Financial Statements as at June 30, 2024, Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Changes in Equity and Cash Flows for the year ended June 30, 2024 and annexed notes form an integral part of these Financial Statements and all other related reports for your kind record and necessary measures.

Yours sincerely,



Tauhidul Islam FCS
Company Secretary

Dated: Dhaka
January 5, 2025

Key Highlights During the Year

Non-Stop Dividend

The company paying continuous dividend over periods and the Board recommended a dividend of **10%** during the period as well.

Credit rating

Short Term: ST-2

Long-Term: AA-

Shows the company has a strong capacity to meet its financial commitments

Despite hurdles and challenges, our performance during the year was truly remarkable. We recorded revenue of BDT 642,755,732 with a slight degrowth of 13% as compared to the earlier year, the decline in sales of GI fittings is primarily attributed to the prolonged economic uncertainty and volatility, which has led to reduced construction activity and lower investment in infrastructure projects. Profit after tax arrived at BDT 82,117,555 which is 38% higher than previous year and finally growth in EPS of 38% than last year.

Deposits in Govt. Exchequer

The company reaffirmed its commitment to national development by depositing **BDT 62 million** to Govt. Exchequer.

Net Revenue

FY'23-24 Tk 642.76mn

FY'22-23 Tk 737.97mn



-13%

Net profit

FY'23-24 Tk 82.12mn

FY'22-23 Tk 59.52mn

38%



EPS

FY'23-24 Tk 2.72

FY'22-23 Tk 1.97

38%



NAV per share

FY'23-24 Tk 14.70

FY'22-23 Tk 12.98

13%



GP margin

FY'23-24 13%

FY'22-23 13%



Basic Information of the Company

Since 1995

Company Name	: Anwar Galvanizing Limited
Registration No.	: C-27860
Date of Incorporation	: February 14, 1995
Commencement of Business	: February 14, 1995
Legal Status	: Public Limited Company
Listed with Dhaka Stock Exchange PLC	: July 20, 1996
Listed with Chittagong Stock Exchange PLC	: July 24, 1996
Market Category	: A [From 2017]
Core Product	: Galvanized Iron (GI) Fittings
Nature of Business	: Manufacturing of Galvanized Iron Fittings of all specifications and grades.

Share Capital

Authorized Capital	: BDT 50,00,00,000.00
Subscribed Capital	: BDT 30,18,70,800.00
Paid-up Capital	: BDT 30,18,70,800.00

Group wise shareholding percentage as on June 30, 2024

Sponsors & Directors	: 35.32%
Institutes	: 23.01%
Government	: Nil
Foreigner (s)	: Nil
General Public	: 41.67%
No. of Shareholder	: 11,035

Contact Information

Baitul Hossain Building (14th Floor), 27, Dilkusha C/A, Dhaka-1000.

Phone: +88 02 223 384 033-7, **Fax:** +88 02 223384020

Website: www.anwargalvanizing.com

Factory: Morkun, Tongi, Gazipur, Bangladesh.

*Notice to the Members***30th Annual General Meeting
and
Special Business to be transacted**

Notice is hereby given that the 30th Annual General Meeting of the members of Anwar Galvanizing Limited will be held on Wednesday dated February 5, 2025 at 11:30 a.m. under virtual platform through the link <https://anwargalvanizing.bdvirtualagm.com> to transact the following business:

Ordinary Business:

- Agenda-1:** To receive, consider and adopt the Financial Statements of the Company for the year ended June 30, 2024, together with reports of the Auditors and the Directors thereon.
- Agenda-2:** To declare dividend for the year ended June 30, 2024.
- Agenda-3:** To retire and elect directors as per the provisions of the Articles of Association of the Company.
- Agenda-4:** To confirm the appointment of the Independent Director.
- Agenda-5:** To appoint auditor for the year ended June 30, 2025 and to fix their remuneration.
- Agenda-6:** To appoint corporate compliance auditor for the year 2024-2025 and to fix their remuneration.

Special Business:

- Agenda-1:** Pursuant to BSEC notification no. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22 March 2021, to consider and approve the related party transactions between the Company and its allied concern, Anwar Ispat Limited, Anwar Cement Limited, Anwar Cement Sheet Limited and A-One Polymer Limited, as set out in Note-30 of the Financial Statements for the Financial Year 2023-24; sale or purchase of assets in excess of 1%; and the sale or purchase of raw material, packaging material or finished goods in excess of 10% of the Company's revenue for the immediate preceding Financial Year and all other business transactions, in the normal course of business and on an arm's length basis.

By order of the Board,



Tauhidul Islam FCS
Company Secretary
Dhaka, January 5, 2025

**Notes:**

- i. The Shareholders whose names appeared in the Members Register of the Company or Depository Register on the Record Date i.e. December 5, 2024, will be eligible to attend the 30th AGM of the Company and to receive the Dividend.
- ii. A Member entitled to attend and vote at the General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for the meeting.
- iii. The Corporate Shareholders need to send their authorization letter to join the meeting of the Company at least 48 hours before the commencement of the AGM.
- iv. Annual Report for the year 2023-24 will be sent through e-mail address of the Shareholders and will be available in the Website of the Company at: www.anwargalvanizing.com.
- v. The Shareholders will be able to submit their questions/comments and vote electronically 1 (one) hour before commencement of the AGM and also during the AGM.
- vi. We encourage the Shareholders to login into the system prior to the meeting.

BAPLC Membership Certificate 2024



The Board of Directors

Mr. Manwar Hossain
Chairman

Mr. Md. Moniruzzaman
Managing Director & CEO

Mr. Hossain Mehmood
Director

Mr. Hossain Khaled
Director

Mr. Md. Ataur Rahman
Nominated Director

Mr. Md. Abul Quasem
Independent Director



Mr. Manwar Hossain
Chairman

Manwar Hossain, the eldest son of the late Anwar Hossain, founder of the Anwar Group of Industries, has been appointed as chairman of the conglomerate and its associated companies. He completed his MBA from University of New Hampshire, USA in 1992 and joined the family business in 1993.



Mr. Hossain Mehmood
Director

Mr. Hossain Mehmood is an industrial entrepreneur and Director of Anwar Galvanizing Limited. He is Director of a number of Companies of Anwar Group of Industries and Managing Director of textile division. He received his Associate degree in Textile Engineering and Management from the University of New Hampshire, USA.



Mr. Hossain Khaled
Director

Mr. Hossain Khaled is a Sponsor Director of Anwar Galvanizing Limited. He obtained his BBA in Accounting from the University of Toledo, Ohio, and MBA from International Banking from A&M University (TAMU), Texas, USA. Mr. Khaled joined the family conglomerate of Anwar Group of Industries in the year 2000.

The Board of Directors



Mr. Md. Ataur Rahman
Nominated Director

Mr. Md. Ataur Rahman, a Master's graduate in Accounting from the University of Dhaka, is a Diplomat Associate of the Institute of Bankers, Bangladesh (DAIBB). He began his banking career in 1981 at Bangladesh Bank, where he held various key positions, retiring in 2015 as an Executive Director. He also served on the Shariah Supervisory Committee of Sonali Bank PLC. After retirement, he worked as a Principal in training institute at First Security Islami Bank Limited from 2015 to 2020.



Mr. Md. Abul Quasem
Independent Director

Mr. Abul Quasem is an Independent Director at Anwar Galvanizing Limited. He began his career at Bangladesh Bank in 1976 as an Assistant Director and retired as Deputy Governor in 2016. During his about 40 years tenure with Bangladesh Bank, he held various key positions across departments such as Currency Management, Accounts & Budgeting, Debt Management, SME & Special Programs, Research, Monetary Policy, and more. Mr. Quasem holds a B.S.S. (Hons.) and M.S.S. in Economics from the University of Dhaka, completed in 1973 and 1974, respectively.



Mr. Md. Moniruzzaman
Managing Director & CEO

Md. Moniruzzaman was appointed as the Managing Director of Anwar Galvanizing Limited in 2023. With 25 years of dynamic work experience, he holds a B.Sc. in Electrical and Electronic Engineering (EEE). He has participated in professional and overseas training and workshops on different issues.

Mr. Manwar Hossain
Chairman

Mr. Md. Moniruzzaman
Managing Director & CEO

Mr. Hossain Mehmood
Director

Mr. Hossain Khaled
Director

Mr. Md. Ataur Rahman
Nominated Director

Mr. Md. Abul Quasem
Independent Director

*Dear Shareholders,
Assalamualaikum,*

As I attempt to emulate the legacy of Alhaji Anwar Hossain, the Founder of "Anwar Group" each year on the occasion of the Annual General Meeting of the honorable Shareholders, I feel it my obligation to inform you of the "true" position of the events of the year under review. I express our sincere gratitude to all shareholders once again for their confidence and trust on the management of the Company and continued support for the success of the Company.

It is often mentioned that the current situation in the socio-politico-economic lives of all classes of living beings have not felt so much strain. At a crossroads to upper middle income, Bangladesh faces intertwined challenges in the short and medium terms. Bangladesh's economic growth has faced significant challenges in the recent year. Real GDP growth is estimated to have moderated to 5.2 percent in FY24 down from 5.8 percent in FY23. Inflation has remained elevated, financial sector vulnerabilities worsened, and pressure on the external sector persisted. Growth is expected to rebound gradually over the medium-term. The significant foreign currency (Dollar) crisis has created a new shock for the world. Supply disruptions pose serious economic challenges.

Despite hurdles and challenges, our performance during the year was truly remarkable. We recorded revenue of BDT 642,755,732 with a degrowth of 13% as compared to the earlier financial year while profit after tax arrived at BDT 82,117,555 which is 38% higher than previous year and finally growth in EPS of 38% than last year. In the financial year 2023-2024, the Board of Directors has proposed 10% cash dividend to the eligible shareholders.

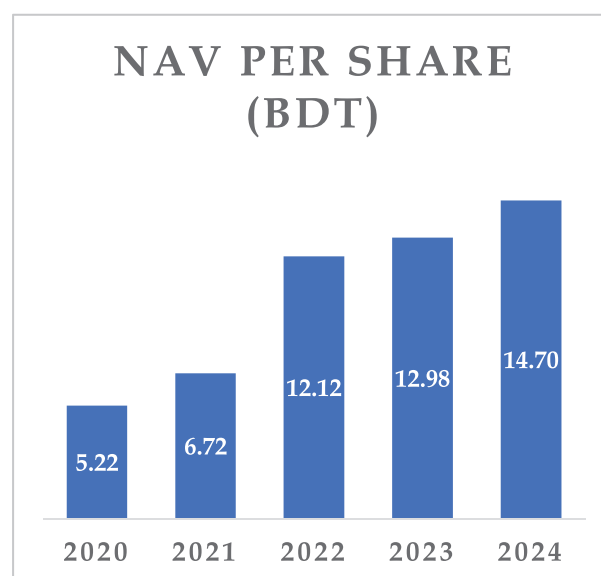
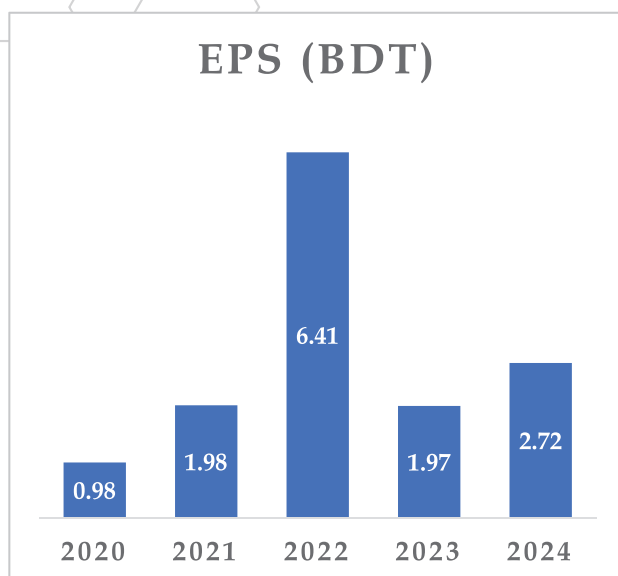
Before I conclude, I would like to thank all the Shareholders, clients, business partners, associates, banking partners, suppliers and contractors for their unwavering support throughout our journey of achieving excellence. With hopes for better days for all of us.

With the best wishes.



Manwar Hossain
Chairman

Operational Performance of Last 5 Years



in BDT millions, unless otherwise stated

Particulars	2024	2023	2022	2021	2020
Revenue	642.76	737.97	724.38	609.99	534.25
Operating Profit	32.99	44.11	87.88	68.44	41.79
Profit Before Tax	98.03	68.82	221.55	73.86	39.00
Net Profit After Tax	82.12	59.52	193.48	59.73	29.49
Current Assets	709.42	538.82	562.92	300.98	191.38
Non-Current Assets	349.74	260.90	166.43	135.45	91.79
Shareholders' Equity	443.70	391.77	365.79	202.87	157.59
Current Ratio (X)	1.37	1.43	1.65	1.34	1.65
EPS (BDT)	2.72	1.97	6.41	1.98	0.98
NAV per share (BDT)	14.70	12.98	12.12	6.72	5.22
Non Stop Dividend	10% Cash	10% Cash	20% Cash & 80% Stock	20% Cash	10% Cash

Together we are Stronger

Management Team

Mr. Md Moniruzzaman Managing Director & CEO	: Chairman
Mr. Tauhidul Islam, LL.M, FCS Company Secretary	: Member
Mr. Md. Sayem Tanzeer, FCCA Head of Internal Audit	: Member
Mr. Md. Ramim Rana, ACA Head of Finance & Accounts	: Member
Abdur Razzak GM, Business- AGL	: Member
Mr. Humaun Kabir Head of IT	: Member

Audit Committee

Mr. Md. Abul Quasem	Chairman
Mr. Hossain Mehmood	Member
Mr. Hossain Khaled	Member
Mr. Tauhidul Islam LL.M, FCS	Secretary of the Committee

Nomination and Remuneration Committee

Mr. Abul Quasem	Chairman
Mr. Manwar Hossain	Member
Mr. Hossain Mehmood	Member
Mr. Tauhidul Islam LL.M, FCS	Secretary of the Committee

CFO, Company Secretary and HIAC

Mr. Ramim Rana, ACA	Head of Finance & Accounts
Mr. Md. Sayem Tanzeer, FCCA	Head of Internal Audit
Mr. Tauhidul Islam LL.M, FCS	Company Secretary

Investors' Relation

Mr. Tauhidul Islam, LL.M, FCS	Company Secretary & In-charge of Share Department
Ms. Hakiba Akther Bhuiyan	Executive, Corporate Affairs

Together we are Stronger

Statutory Auditors

M/s. Mahfel Huq & Co.
Chartered Accountants
BGIC Tower (4th Floor)
34, Topkhana Road, Dhaka-1000, Bangladesh.

Compliance Auditors

Suraiya Parveen & Associates
Chartered Secretaries in Practice
Razzak Plaza, 9th Floor, 2, Shahid Tajuddin Ahmmed Sarani
Mogbazar, Dhaka-1217, Bangladesh.

Legal Advisor

Sheikh & Chowdhury
Banglar Bani Bhaban (2nd Floor)
81, Motijheel Commercial Area
Dhaka-1000, Bangladesh.

Bankers

Al-Arafah Islami Bank PLC
Agrani Bank PLC
Bangladesh Commerce Bank Limited
Dutch Bangla Bank PLC
First Security Islami Bank PLC
Islami Bank PLC
Modhumoti Bank PLC
Mutual Trust Bank PLC
National Bank Limited
Pubali Bank PLC
South Bangla Agricultural and Commercial Bank PLC
Shahjalal Islami Bank PLC
Standard Bank PLC
The City Bank PLC
United Commercial Bank PLC
Uttara Bank PLC

From the Desk of Managing Director

*Dear Shareholders,
Assalaamu-Alaikum,*

I warmly welcome you to the 30th Annual General Meeting of Anwar Galvanizing Limited (AGL) for the year ended on June 30, 2024. Your presence and trust in AGL and its management are greatly appreciated, and I thank you for taking the time to be with us.

I am truly delighted and filled with a deep sense of pride to announce that AGL is maintaining its sustainable leadership by making a significant impact in the GI Fittings sector of Bangladesh. The Company proudly marks a significant milestone almost 30 years, celebrating a successful journey filled with notable achievements.

While referring to the annexed annual report containing directors' report and other statutory statements, various information, including several ones with analyses, I feel happy to report to you that despite volatility in market situation due to prolonged Ukraine War, the outbreak of Gaza fighting, oil price crises, the Company had succeeded in retaining its same position in the country with growth in almost all parameters. This had been largely possible due to growth in investments, internally as well as externally, intensifying efforts by the dedicated army of skilled and well-trained officers/staff. I am sure they deserve more encouragement for further growth in investment and operations in the future too.

As a leading manufacturer of galvanized iron-pipe fittings, I would like to note that AGL has succeeded in improving financial performance and maintaining all profit centers including other income heads through skillful financial planning. As the operational results would be scanned, it would be clear that the AGL's position reflects positive growth in Profit after Tax & EPS of 38% and consistent Gross profit margin of 12.53%, while decline in Operating profit of 25% and revenue of 13% due to the above relevant factors; Though, we have maintained consistent growth in terms of market share.

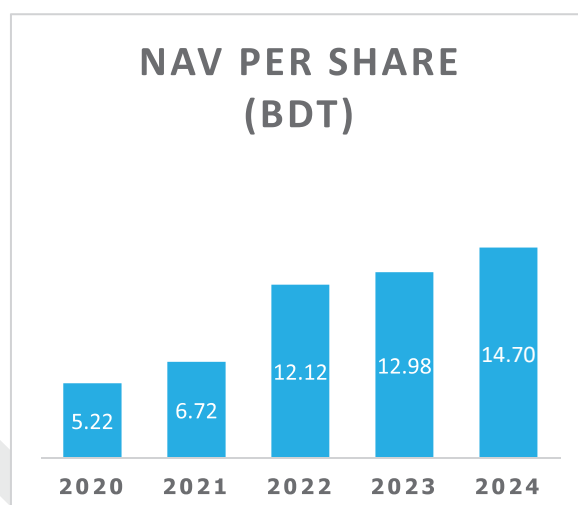
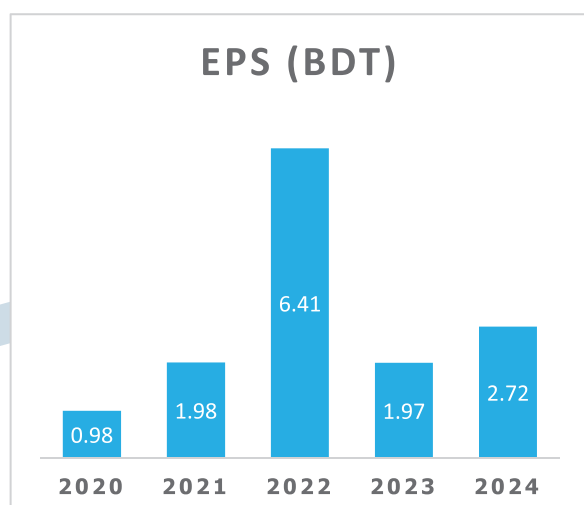
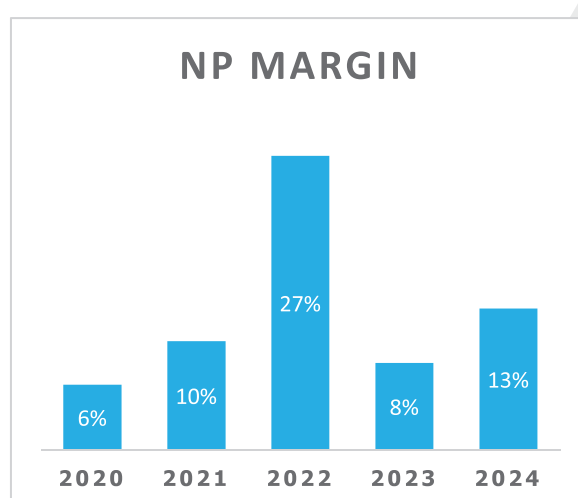
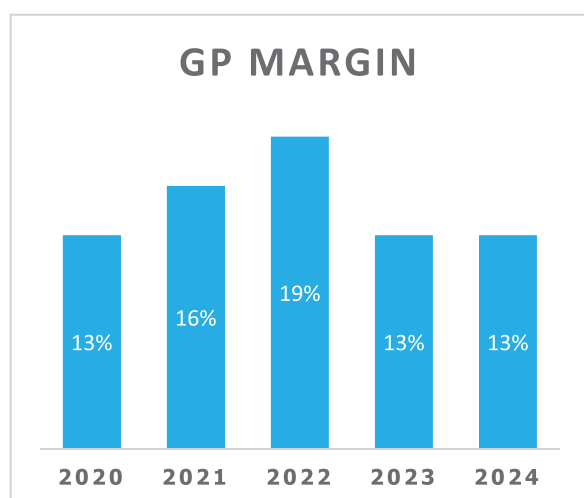
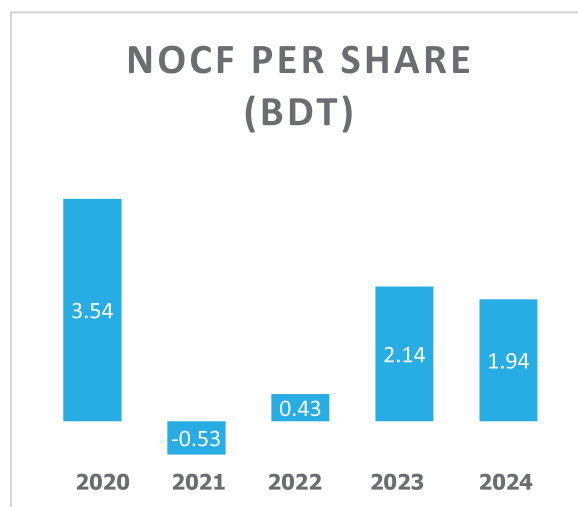
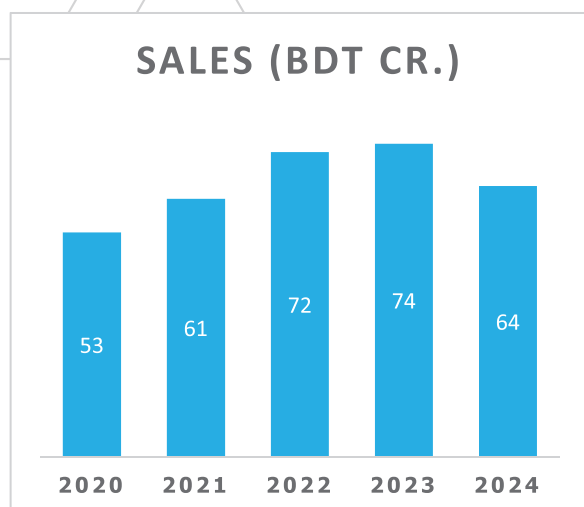
I wish a prosperous 2025 to each and every one of you.

Sincerely,



Md. Moniruzzaman
Managing Director & CEO

Performance at a Glance



Independent Auditors' Report to the shareholders

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Anwar Galvanizing Limited (the "Company"), which comprise the Statement of Financial Position as at 30 June 2024, and the 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.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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)*, together with the ethical requirements that are relevant to our audit of the financial statements, 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 opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue

The Company reported a total revenue of Tk. 642,755,732 for the year ended 30 June 2024 (i.e. BDT 737,973,899 for the year ended 30 June 2023).

Revenue recognition has a significant and wide influence on financial statements. Revenue is recognized when the amounts and the related costs are reliably measured and the performance obligation is complete through the passing of control to the customers. Revenue from the sale of goods is recognized at the time when the goods are transferred to the buyer. The significant risks and rewards of ownership of the goods & the sales price are determined considering the effect of rebate of rebates, discounts & incentives.

We identified revenue recognition as a key audit matter because revenue is one of the key performance indicators of the Company and therefore there is an inherent risk of manipulation of the timing of recognition of revenue by management to meet specific targets or expectations.

We focused on the proper cut-off of sales to the Company's customers. There is a risk of differences between the timing of the invoicing of products and the dispatch of the products.

How our audit addresses the key audit matters

Our procedures in relation to recognition of revenue from sales of GI Fittings and Scrap sales:

- We read the accounting policy for revenue recognition of the Company and assess compliance with the policy in terms of principles enunciated under IFRS 15;

- We understood, evaluated and validated the key control related to the company's sales process from end to end, from contract approval and sign-off, recording of sales, all the way through cash receipts and customers' outstanding balances.
- We conducted substantive testing of revenue recorded over the year using sampling techniques, by examining the relevant supporting documents including sales invoices. In addition, we confirmed certain customer receivables at the balance sheet, date, selected on a sample basis by considering the amount outstanding with those customers.
- Performed sample tests of individual sales transactions and traced to sales invoices, sales orders and other related documents.
- We assessed the disclosures made in accordance with IFRS 15.

The associated disclosure is included in Note 19:00 to the financial statements.

Inventory

The inventory of BDT 209,824,267 as on 30 June 2024, was held in Depots, warehouses and factory premises of the company (i.e. BDT 201,738,022 as on 30 June 2023).

In order to carry inventory at a lower cost and net realizable value, management has identified slow-moving, obsolete and damaged inventories and made adjustments to the carrying value of these items, the calculation of which requires certain estimates and assumptions.

Inventory value is calculated in the company's accounting system using an automated process. Annual process requires interfaces and inputs, there is a risk of inappropriate management override and chances of error existing.

How our audit addresses the key audit matters

Our procedures included the following to assess inventory Valuation:

- Evaluating the design and implementation of key Inventory controls operating across the factory and warehouse.
- Attending Inventory counts and reconciling the count results to the inventory listing to test the completeness of data.
- Testing, on a sample basis, the stock aging profile and the market price used in assessing the net realizable values of inventories to the related supporting documents.
- Comparing the net realizable value obtained through a detailed review of sales subsequent to the year-end, to the cost price of a sample of inventories.
- Recalculating the arithmetical accuracy of the computations.

The associated disclosure is included in Note 5:00 to the financial statements.

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 auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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.

When we read the annual report, if we conclude that there is a material misstatement therein of this other information, we are required to communicate the matter to those charged with governance.

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company 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.

Auditor's 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 auditor's 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 auditor's report to the related disclosures in 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 auditor's 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.

Report on other Legal and Regulatory Requirements

In accordance with the Securities & Exchange Rules 2020, the Companies Act, 1994, we also report that:

- (i) 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;
- (ii) 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;
- (iii) The company's statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (iv) The expenditure incurred for the purposes of the company's business.



Md. Abdus Satter Sarkar, FCA

Partner

ICAB enrollment No. 1522

Mahfel Huq & Co.

Chartered Accountants

Firm Registration No. P-46323

DVC: 2411021522AS495395

Dhaka, 28 October, 2024

Anwar Galvanizing Limited
Statement of Financial Position
As at 30 June 2024

Particular	Notes	Amount in BDT	
		30 June 2024	30 June 2023
Assets			
Non-current assets			
Property, plant and equipment	3.00	293,400,875	260,899,724
Right of use assets	4.00	56,342,595	-
		349,743,470	260,899,724
Current Assets			
Inventories	5.00	209,824,267	201,738,022
Trade receivables	6.00	6,210,946	24,509,026
Advances, deposits and pre- payments	7.00	45,240,285	28,430,688
Short term investment	8.00	433,467,853	281,457,588
Cash and cash equivalents	9.00	14,679,323	2,686,282
		709,422,674	538,821,606
Total Assets		1,059,166,144	799,721,330
Equity and Liabilities			
Shareholders' e equity			
Share capital	10.00	301,870,800	301,870,800
Retained earnings	11.00	141,827,712	89,897,237
		443,698,512	391,768,037
Non-current liabilities			
Deferred tax liabilities	12.00	8,349,750	6,953,807
Long term loan-long term portion	13.01	34,039,611	25,093,163
Lease liabilities-long term portion	14.01	56,821,890	-
		99,211,251	32,046,970
Current liabilities			
Long term loan-current portion	13.02	9,448,366	9,583,863
Lease liabilities -current portion	14.02	842,668	-
Trade and other liabilities	15.00	438,783,403	354,036,178
Income tax liabilities	16.00	23,994,192	10,032,716
Short term loan	17.00	41,220,509	-
Unclaimed dividend account	18.00	1,967,243	2,253,566
		516,256,381	375,906,323
Total Equity and Liabilities		1,059,166,144	799,721,330
Net Asset Value Per Share	26.00	14.70	12.98


The annexed notes form an integral part of these financial statements


Tauhidul Islam FCS
Company Secretary


Hossain Mehmood
Director

Signed as per our annexed report on even date


Md. Moniruzzaman
Managing Director & CEO


Md. Abdus Satter Sarkar, FCA
Partner
ICAB enrollment No. 1522
Mahfel Huq & Co.
Chartered Accountants
Firm Registration No. P-46323
DVC: 2411021522AS495395

Dhaka. 28 October, 2024

Anwar Galvanizing Limited
Statement of Profit or Loss & Other Comprehensive Income
As at 30 June 2024

Particular	Notes	Amount in BDT	
		2023-2024	2022-2023
Revenue	19.00	642,755,732	737,973,899
Cost of goods sold	20.00	(562,209,508)	(645,212,008)
Gross profit		80,546,224	92,761,891
Operating expenses			
Administrative expenses	21.00	(18,214,264)	(17,036,852)
Selling and distribution expenses	22.00	(29,338,626)	(31,613,518)
		(47,552,890)	(48,650,370)
Operating profit		32,993,334	44,111,521
Financial expenses	23.00	(22,497,183)	(10,503,183)
Non-operating income	24.00	92,437,678	38,651,118
Profit before distribution of WPPF		102,933,829	72,259,456
Contribution to WPPF	15.01.01	(4,901,611)	(3,440,927)
Profit before tax		98,032,218	68,818,529
Income tax expense			
Current	16.01	(14,518,720)	(10,032,716)
Deferred	12.00	(1,395,943)	732,205
		(15,914,663)	(9,300,511)
Profit after tax		82,117,555	59,518,018
Other comprehensive income		-	-
Total comprehensive income for the year		82,117,555	59,518,018
Earnings Per Share	27.01	2.72	1.97

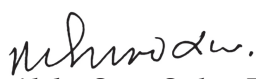
The annexed notes form an integral part of these financial statements


Tathidul Islam FCS
Company Secretary


Hossain Mehmood
Director

Signed as per our annexed report on even date


Md. Moniruzzaman
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Md. Abdus Satter Sarkar, FCA
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Dhaka. 28 October, 2024

Anwar Galvanizing Limited
Statement of Changes in Equity
For the year ended 30 June 2024

Amount in BDT

Particulars	Share Capital	Retained Earnings	Total
Balance as on 30 June 2023	301,870,800	89,897,237	391,768,037
Profit after tax	-	82,117,555	82,117,555
Cash dividend	-	(30,187,080)	(30,187,080)
Stock dividend		-	-
Balance as on 30 June 2024	301,870,800	141,827,712	443,698,512

Board of directors proposed 10% Cash dividend for the year ended 30 June 2024 subject to approval of shareholders of the company in its forthcoming 30th Annual General Meeting.

For the year ended 30 June 2023

Amount in BDT

Particulars	Share Capital	Retained Earnings	Total
Balance as on 30 June 2022	167,706,000	198,085,219	365,791,219
Profit after tax	-	59,518,018	59,518,018
Cash dividend	-	(33,541,200)	(33,541,200)
Stock dividend	134,164,800	(134,164,800)	-
Balance as on 30 June 2023	301,870,800	89,897,237	391,768,037

Board of directors proposed 10% Cash dividend for the year ended 30 June 2023, which was approved by the shareholders in 29th Annual General Meeting.


Tauhidul Islam FCS
Company Secretary


Hossain Mehmood
Director


Md. Moniruzzaman
Managing Director & CEO

Dhaka. 28 October, 2024

Anwar Galvanizing Limited
Statement of Cash Flows
For the year ended 30 June 2024

Particulars	Notes	Amount in BDT	
		2023-2024	2022-2023
Cash Flows from operating activities			
Collection from customers and others	25.00	715,306,828	747,671,191
Payment for suppliers, employees and others		(633,237,664)	(660,976,997)
Payment for WPPF		(11,077,276)	-
Income tax paid		(10,438,612)	(20,427,564)
Interest paid		(2,105,560)	(1,541,587)
Net cash inflow / (outflow) from operating activities		58,447,716	64,725,043
Cash flows from investing activities			
Payment for the acquisition of property, plant and equipment		(1,408,453)	(1,312,889)
Payment for the capital work-in-progress		(47,933,223)	(103,630,352)
Net Investment in securities		(75,580,316)	(17,934,824)
Dividend income		1,927,432	-
Net cash inflow / (outflow) from investing activities		(122,994,560)	(122,878,065)
Cash flows from financing activities			
Dividend paid		(30,473,403)	(38,405,370)
Net receipt/ (payment) of short term loan		41,220,509	(96,970,206)
Net receipt/ (payment) of long term loan		8,810,951	11,963,567
Receipt/ (payment) of lease liabilities- principal portion		(385,388)	-
Receipt/ (payment) of lease liabilities interest portion		(3,404,085)	-
Net loan received from different securities		74,039,772	27,357,842
Net loan received from intercompany		(13,268,471)	124,567,629
Net cash inflow / (outflow) from financing activities		76,539,885	28,513,462
Net increase/(decrease) in cash and cash equivalents		11,993,041	(29,639,560)
Cash and cash equivalents at the beginning of the year		2,686,282	32,325,842
Cash and cash equivalents at the year end		14,679,323	2,686,282
Net Operating Cash Flow Per Share (NOCFPS)	28.00	1.94	2.14

The annexed notes form an integral part of these financial statements


Tauhidul Islam FCS
Company Secretary


Hossain Mehmood
Director


Md. Moniruzzaman
Managing Director & CEO

Dhaka. 28 October, 2024

Anwar Galvanizing Limited
Notes to the Financial Statements
 As at and for the year ended 30 June 2024

1. Reporting Entity

a) Company Profile

Anwar Galvanizing Limited (the “Company”) was incorporated in Bangladesh on 14th February 1995, under the Companies Act, 1994 as a public company limited by shares, vide registration no. C-27860. The Company went for Initial Public Offering (IPO) of shares in November 1995 which was fully subscribed and issued. The shares have since been listed and are being traded in Dhaka and Chittagong Stock Exchanges.

The address of the registered office and the principal place of business is Baitul Hossain Building (14th Floor), 27, Dilkusha Commercial Area, Dhaka. The manufacturing plant is located at Morkun, Tongi Industrial Area, Gazipur.

b) Nature of Business:

The Company has been involved in the manufacturing of galvanized GI fittings of all specifications and grades under the Building Material Division (BMD) of Anwar Group of Industries (AGI). The company is the first manufacturer and local market leader of galvanized iron-pipe fittings and brake drums. The company has suspended its production and distribution of Brake Drum from May 2019 to utilize the full production capacity in galvanized iron-pipe fittings which has better profit margin.

2. Summary of Significant Accounting Policies and Basis of Preparation of the Financial Statements:

2.1 Statement of Compliance:

The preparation and presentation of the financial statements and the disclosure of information have been made in accordance and in conformity with International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws in Bangladesh.

2.2 Going Concern:

The company has adequate resources to continue in operation for foreseeable future and hence the financial statements have been prepared on going concern basis. As per management assessment there are no material uncertainties related to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

2.3 Compliance with Financial Reporting Standards as applicable in Bangladesh:

IAS/ IFRS	Title	Remarks
IAS 1	Presentation of Financial Statements	Complied
IAS 2	Inventories	Complied
IAS 7	Statement of Cash Flows	Complied
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Complied
IAS 10	Events after the Reporting Period	Complied
IAS 12	Income Taxes	Complied
IAS 16	Property, Plant and Equipment	Complied

IAS 19	Employee Benefits	Complied
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	N/A
IAS 21	The Effects of Changes in Foreign Exchange Rates	Complied
IAS 23	Borrowing Costs	Complied
IAS 24	Related Party Disclosures	Complied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	N/A
IAS 27	Consolidated and Separate Financial Statements	N/A
IAS 28	Investments in Associates and Joint Ventures	N/A
IAS 31	Interests in Joint Ventures	N/A
IAS 32	Financial Instruments: Presentation	Complied
IAS 33	Earnings per Share	Complied
IAS 34	Interim Financial Reporting	Complied
IAS 36	Impairment of Assets	Complied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Complied
IAS 38	Intangible Assets	Complied
IAS 40	Investment Property	N/A
IAS 41	Agriculture	N/A
IFRS -1	First-time Adoption of International Financial Reporting Standards	N/A
IFRS -2	Share Based Payment	N/A
IFRS -3	Business Combinations	N/A
IFRS -4	Insurance Contracts	N/A
IFRS -5	Non-Current Assets held for Sale and Discontinued Operations	Complied
IFRS -6	Exploration for and Evaluation of Mineral Resources	Complied
IFRS -7	Financial Instruments: Disclosures	N/A
IFRS -8	Operating Segments	N/A
IFRS -9	Financial Instruments	Complied
IFRS -10	Consolidated Financial Statements	N/A
IFRS -11	Joint Arrangements	N/A
IFRS -12	Disclosures of Interests in Other Entities	Complied
IFRS -13	Fair Value Measurement	Complied
IFRS -14	Regulatory Deferral Accounts	N/A
IFRS -15	Revenue from contracts with customers	Complied
IFRS -16	Leases	Complied

2.4 Other Regulatory Compliances:

The company is also required to comply with the following major legal provisions in addition to The Companies Act 1994 and other applicable laws and regulations but not limited to:

- a) The Income Tax Act, 2023
- b) The Value Added Tax and Supplementary Duty Act, 2012
- c) The Value Added Tax and Supplementary Duty Rules, 2016
- d) The Securities & Exchange Rules, 2020
- e) The Customs Act, 1969
- f) The Bangladesh Labour Act, 2006 (Amended in 2013)
- g) The Bangladesh Labour Rules, 2015

2.5 Basis of Measurement:

The financial statements have been prepared on the historical cost basis except for the 'Short Term Investment' measured at present value using 'mark to market' concept with unrealized gain/loss presented in non-operating income. No consideration was taken for the effect of inflation.

2.6 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 reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision of accounting estimates is recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Information about assumptions, estimation and judgments uncertainties that have a significant risk of in the year ending 30 June 2024 is included in the following notes:

Note 12	: Deferred tax liabilities
Note 06.01	: Provision for trade receivables
Note 03	: Useful life and residual value of property, plant and equipment
Note 15.01	: Liabilities for expenses
Note 16	: Income tax liabilities

2.7 Statement of Cash Flows:

IAS-1 requires that a complete set of financial statement requires preparation of statement of cash flows. The statement of cash flows is prepared according to IAS-7 as it provides information about cash flows of the enterprise which is useful in providing users of financial statements with the information about ability of the enterprise to generate cash and utilization of those cash.

2.8 Statement of Changes in Equity:

The Statement of Changes in Equity reflects information about the increase or decrease in net assets or wealth. The statement also shows item-wise movement along with the description of changes from the end of last year to the end of current period.

2.9 Significant Accounting Policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. Certain comparative amounts in the financial statements have been reclassified and rearranged to conform to the current year's presentation.

i. Property, Plant and Equipment:

a) Recognition and measurement:

In pursuant to IAS 16: Property, Plant and Equipment, 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 associated with the item will flow to the entity, and the cost of the item can be measured reliably.

Fixed assets have been accounted for at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs of enhancement of existing assets are recognized as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of such items can be measured reliably. All other expenditures are charged to the Profit or Loss account in the financial period which they are incurred.

b) Depreciation:

No depreciation is charged on land and capital work in progress (CWIP) as the land has unlimited useful life and CWIP has not yet been placed in service.

Depreciation on assets is calculated using the Reducing balance method to allocate the cost amount over their estimated useful lives. In respect of addition of fixed assets, Depreciation is charged from the date of acquisition i.e., when it is ready for use.

Depreciation is charged using the following rates on the fixed assets:

Asset Category	Depreciation Rate	
	FY 2023-24	FY 2022-23
Land & Land Development	0%	0%
Building & Construction	2.5%-10%	2.5%-10%
Plant, Machinery & Equipment	7.5%-20%	7.5%-20%
Office Equipment	10%-25%	10%-25%
Furniture & Fixtures	10%-20%	10%-20%
Vehicles	10%-20%	7.5%

c) Retirement and disposals:

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized as profit or loss.

d) Impairment of Assets:

The carrying amount of Company's assets is reviewed with sufficient regularity to determine whether there is any indication of impairment. Any impairment loss is recognized in the profit and loss account if the carrying amount of an asset exceeds its recoverable amount (IAS 36: Impairment of Assets). No such impairment loss has been arisen and recognized during the year ended.

ii. Inventories:

Inventories except materials in transit are measured at the lower of cost and net realizable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operation capacity.

Allowance for inventory is periodically recognized mainly on the basis of failure in quality control testing, net realizable value, non-compliance testing, near to expiry etc. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Material in transit represents the cost incurred up to the date of the statement of financial position for the items that were not received but the relative risk has been transferred till to the date of reporting. Inventory losses and abnormal losses are recognized as expenses.

iii. Leases:

At inception of a contract, AGL assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, AGL uses the definition of a lease in IFRS 16.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right of use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date less any lease incentives received.

For leased asset, useful life has been determined shorter of lease term or useful life.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments (if any) that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

AGL considers the lease term as the non-cancellable period of lease, together with considering other factors such as extension or termination options and the feasibility of exercising the same, the enforceable period of the lease considering the significant economic incentives or disincentives.

Lease payments included in the measurement of the lease liability generally comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that AGL is reasonably certain to exercise, lease payments in an optional renewal period if AGL is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless AGL is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in AGL's estimate of the amount expected to be payable under a residual value guarantee, if AGL changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

AGL presents right-of-use assets and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets

The Company is not applying the recognition and measurement requirements of IFRS 16 to short-term leases (leases of less than 12 months maximum duration). It is also not applying the recognition and measurement requirements of IFRS 16 to leases for which the underlying asset is of low value (i.e. less than BDT (100,000) equivalent when new). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

iv. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Non-derivative financial instruments comprise investments in shares and term deposit, trade receivables, other receivables, intercompany receivables, cash and cash equivalents, trade payables, other payables, intercompany payables, share capital and interest-bearing borrowings.

a Financial Assets:

The Company initially recognizes receivables and deposits issued on the date when they are originated. All other financial assets are initially recognized on the trade date.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

The classification and measurement of financial assets is based on the basis of both:

- a. the entity's business model for managing the financial assets; and
- b. the contractual cash flow characteristics of the financial assets.

Three measurement classifications for financial assets have been established: amortized cost, fair value through other comprehensive income and fair value through profit and loss. These measurement classifications align with three business models available under IFRS 9:

- Hold to Collect: Financial assets held with the objective to collect contractual cash flows
- Hold to Collect and Sell: Financial assets held with the objective to collect and sell contractual cash flows
- Other: Financial assets held for trading or assets that do not meet the criteria for either 'Hold to collect' or 'Hold to collect and sell'. Financial assets designated as trading are held with an objective to sell the assets in the short term.

For purposes of determining the measurement classification, financial assets under the 'Hold to Collect' and 'Hold to Collect and Sell' business model require an assessment to determine whether the cash flows are solely payments of principal and interest (SPPI). Basic lending arrangements with limited volatility in cash flows typically have contractual cash flows that are SPPI; however, other factors should be considered in making this determination, such as whether interest payments provide only a consideration for the passage of time associated with time value of money.

Financial assets under a Hold to collect business model, with contractual cash flows that are SPPI, are classified and measured at amortized cost. Financial assets under a Hold to Collect and Sell business model, with contractual cash flows that are SPPI, are classified and measured at fair value through other comprehensive income (FVOCI).

Financial assets that have contractual cash flows that are not SPPI, are designated as trading or do not fit the business model criteria for hold to collect and hold to collect and sell share measured at fair value through profit and loss (FVTPL). Equity instruments are always measured at FVTPL unless an irrevocable option is elected at initial recognition to present fair value changes in OCI. Fair value changes recorded in OCI for equity instruments are not recycled to profit and loss.

Based on the above the basis of recognition and measurement are as follows:

Amortized cost:

The asset is measured at the amount recognized at initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and any loss allowance. Interest income is calculated using the effective interest method and is recognized in profit and loss. Changes in fair value are recognized in profit and loss when the asset is derecognized or reclassified.

At fair value through profit or loss:

A financial asset is classified as at fair value through profit or loss if it is classified as held for trading or is designated as such on initial recognition. Financial assets are designated as at fair value through profit or loss if the Company manages such investment and makes purchase or sale decisions based on their fair value in accordance with the Company's documented risk management or investment strategy. Attributable transactions costs are recognized in profit and loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein which take into account and dividend income are recognized in profit or loss.

At fair value through other comprehensive income:

The asset is measured at fair value and changes in value are transferred through other comprehensive income.

The Company's financial assets comprise trade and other receivables, investment in shares and term deposit and cash and cash equivalents.

Trade, Other and Intercompany Receivables:

Trade, other and intercompany receivables are recognized at original invoiced amount. After initial **recognition** these are carried at amortized cost less impairment losses due to un-collectability of any amount so recognized. Receivables are stated at netted off provision for bad and doubtful debt and written off. Provision is made in the financial statements considering the uncertainty of recovery at the date of the statement of financial position and bad debts are written off when the debts became finally irrecoverable based on assessment and judgment made by senior management of the Company.

Investment in Shares-other than the Investment in Subsidiaries, Associates and Joint Ventures:

Investment in listed securities is measured at fair value through profit or loss on portfolio basis as per IFRS 9.

Cash and Cash Equivalents:

Cash and cash equivalents comprise cash balances and all call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows. There is no bank overdraft availing by the company.

b) Financial Liabilities:

The Company initially recognizes financial liabilities on the transaction date at which the Company becomes a party to the contractual provisions of the liability. The Company recognizes such financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired.

The Company's financial liabilities comprise trade and other payables and interest-bearing borrowings.

Trade Payables

Trade payables are recognized at fair value.

Interest-bearing Borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost using the effective interest method less any impairment losses.

c) Offsetting a Financial Asset and a Financial Liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

v. Share Capital:**a) Authorized Capital:**

Authorized capital is the maximum amount of share capital that the Company is authorized by its Memorandum and Articles of Association to issue to shareholders.

b) Paid-up Capital:

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effect.

c) Retained Earnings:

The surplus amount after appropriation of profit is kept in Retained Earnings.

vi. Taxation:**a) Current Year:**

During the year, provision for income tax has been calculated in compliance with the Income Tax Act 2023.

b) Previous Years Assessment Status:

The company submitted Income Tax Returns for assessment years from 2007-08 to 2022-23 (Income Years 2006-07 to 2021-22) to the Tax Authority availing facility u/s-82BB of the I.T. Ordinance 1984. The returns so submitted to the Tax Authority are deemed to have been accepted by the Tax Authority as per Section 82 BB. There is no further tax liability in respect of these assessment years except for assessment year 2005-2006 and 2007-2008 for which revised assessments have been completed and necessary provisions have been made.

The company has preferred an appeal to the High Court Division of the Honorable Supreme Court of Bangladesh in respect of assessment year 2002-2003 and 2008-2009 against which Court award is still pending. The management, in consultation with the tax consultant is expecting that no liability will be aroused.

c) Deferred Tax:

Deferred tax is recognized in compliance with IAS-12: Income Taxes, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and amount used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the date of statement of financial position. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each year-end and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

vii. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are liabilities of uncertain timings or amount. Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be repaid to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

All provisions are recognized by making the best estimate of the amounts in accordance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

viii. Employee Benefits:**Workers' Profit Participation Fund**

The company has made a provision for Workers' Profit Participation Fund (WPPF) for the year. The Company provides 5% of its net profit before tax after charging such expense as Workers' Profit Participation Fund in accordance with the Bangladesh Labour Act 2006 as amended 2013. The company has taken initiative to establish an Employees Gratuity Fund.

ix. Revenue Recognition, Measurement and Presentation:

The Company has adopted IFRS 15 (Revenue from Contracts with Customers) to provide a single, comprehensive revenue recognition model for all contracts with customers. Under the new guidance, an entity will recognize revenue to depict the transfer of promised goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services.

A five-step model has been introduced for an entity to apply when recognizing revenue.

IFRS 15 is effective from 01 January 2018, and was applied to contracts that were not completed at the date of initial application on a modified retrospective basis through a cumulative effect adjustment to retained earnings as of that date. The prior period comparative information has not been restated and continues to be reported under the accounting guidance in effect for those periods.

x. Finance income and expenses:

The Company's finance income and finance costs include:

- Interest income and
- Interest expense.

Interest income or expense is recognized using the effective interest method. Interest income is recognized on accrual basis. All finance expenses are recognized in profit or loss.

xi. Foreign Currency Transactions and Translations:**a) Foreign Currency Transactions:**

Transactions/Day End Balances in foreign currencies are converted into respective functional currencies at the rate of exchange ruling at the date of transactions as per IAS-21: The Effects of Changes in Foreign Exchange Rates. Effects of Exchange rate differences (rates at which transactions were initially recorded and the rate prevailing on the reporting date/date of settlements) applied on the monetary assets or liabilities of the Company are recorded in the Profit or Loss Account.

b) Foreign Currency Translations:

Assets and liabilities have been presented into BDT (which is functional currency of the Company) using yearend spot rate of exchange of the Company and incomes and expenses are translated using spot rate of exchange. The foreign currency translation difference is a net result of exchange difference of year end standard mid-rate and monthly average of standard mid-rate arising from translation of functional currency to presentation currency.

xii. Proposed Dividend:

Proposed Dividend has been shown separately under the shareholders' equity in accordance with International Accounting Standards IAS-10: Events after the Reporting Period.

IAS-1: Presentation of Financial Statements also requires the dividend proposed after the balance sheet date but before the date when 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.

xiii. Earnings Per Share (EPS)

The Company calculates earnings per share (EPS) in accordance with IAS-33: Earnings Per Share, which has been shown on the face of Profit and Loss Account. Earnings per share (EPS) has been calculated by dividing the net profit after tax by the total number of ordinary shares outstanding at the end of the period.

Basic Earnings per Share

Basic earnings per share shall be calculated by dividing profit or loss attributable to ordinary equity holders of the entity (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

Diluted Earnings per Share

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the total number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

xiv. Net Asset Value (NAV) and Net Operating Cash Flow Per share (NOCFPS):

The Net Asset Value (NAV) and Net Operating Cash Flow per share have been disclosed in the financial statements in line with BSEC (Bangladesh Securities & Exchange Commission) and have been computed in line with EPS.

xv. Related Party Disclosure:

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related party transaction is a transfer of resources, services, or obligations between related parties, regardless of whether a price is charged as per IAS-24: Related Party Disclosures & BSEC guidelines.

xvi. Components of Financial Statements:

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

- a) Statement of Financial Position as on 30 June 2024.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2024.
- c) Statement of Cash Flows for the year ended 30 June 2024.
- d) Statement of Changes in Equity for the year ended 30 June 2024.
- e) Notes to the Financial Statements.

2.10 Reporting Period:

Financial Statements of the company cover one financial year from 01 July 2023 to 30 June 2024.

2.11 Comparative Information and Rearrangement thereof:

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

Figures for prior year have been re-arranged wherever considered necessary to ensure better comparability with current year.

2.12 Reporting Currency and Level Precision:

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

Figures for prior year have been re-arranged wherever considered necessary to ensure better presentation.

The financial statements are presented in Bangladesh Taka (Taka/Tk/BDT), which is the company's functional and presentation currency. Except as indicated, financial information presented in Bangladesh Taka has been rounded off to the nearest taka.

2.13 Consistency:

In accordance with IFRS framework for the presentation of financial statements together with IAS-1 and IAS-8, Anwar Galvanizing Limited discloses its information consistently from one period to the next. Where selecting and applying a new accounting policy, changes in accounting policies, correction of errors, and the amount involved are accounted for and disclosed retrospectively in accordance with the requirement of IAS-8. However, for changes in the accounting estimates the related amount is recognized prospectively in the current period and in the next period or periods.



Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2024	30 June 2023
3.00	Property, plant and equipment			
	Property, plant and equipments	3.01	278,227,934	104,987,408
	Capital work -in-progress	3.02	15,172,941	155,912,316
			293,400,875	260,899,724
3.01	Property, plant and equipment			
	A. Cost			
	Opening balance		183,362,922	167,570,205
	Addition during the year		190,081,049	15,792,718
	Disposal during the year		-	-
			373,443,972	183,362,922
	B. Accumulated depreciation			
	Opening balance		78,375,514	67,898,828
	Depreciation for the year		16,840,524	10,476,686
	Depreciation on disposal of assets during the year		-	-
			95,216,038	78,375,514
	Written down value (A-B)		278,227,934	104,987,408
	Details have been shown in the schedule of property, plant and equipment (Annexure-A).			
3.02	Capital work-in-progress			
	Opening balance		155,912,316	66,761,792
	Addition during the year		47,933,222	103,630,352
	Transfer to property, plant and equipment		(188,672,596)	(14,479,828)
			15,172,941	155,912,316
4.00	Right of use assets			
	Land		56,342,595	-
	A. Cost			
	Opening balance		-	-
	Addition during the year		58,049,946	-
	Revaluation of right of use assets		-	-
			58,049,946	-
	B. Accumulated depreciation			
	Opening balance		-	-
	Depreciation for the year		1,707,351	-
	Termination/disposal/modification during the year		-	-
			1,707,351	-
	Written down value (A-B)		56,342,595	-
5.00	Inventories			
	Raw materials	5.01	61,777,435	58,617,354
	Auxiliary materials	5.02	10,619,277	5,081,033
	Spare parts and other materials	5.03	47,253,667	57,076,118
	Finished goods	5.04	43,655,107	55,816,397
	Work -in-process	5.05	46,518,781	25,147,120
			209,824,267	201,738,022
	Inventories, except goods in transit are measured at lower of cost and estimated net realisable value (NRV). In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose the comparison of NRV and cost.			
5.01	Raw materials			
	Pig iron		2,942,475	4,716,433
	Scrap		7,335,889	26,105,783
	Carburizer low sulfur		6,543,164	2,125,371
	Ferro silicon magnesium		6,165,824	5,535,603
	Cast inouclin		1,424,110	2,757,670
	Ferro silicon		419,164	878,526

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2024	30 June 2023
	Zinc ingot		33,801,662	14,277,300
	Unexpendable perlite org cg		690,559	527,830
	Steel shots		2,301,124	1,582,209
	Quartz powder		153,465	110,630
			61,777,435	58,617,354
5.02	Auxiliary materials			
	Auxiliary materials		10,619,277	5,081,033
			10,619,277	5,081,033
5.03	Spare parts and other materials			
	Consumable materials		34,452,696	35,936,211
	Construction materials		1,819,137	2,989,250
	Spare parts and other materials		10,981,834	18,150,657
			47,253,667	57,076,118
5.04	Finished goods			
	Finished goods		43,655,107	55,816,397
			43,655,107	55,816,397
5.05	Work -in-process			
	Grinding		3,210,872	7,772,290
	Galvanizing - Zinc Ingot		1,206,068	-
	Drilling		1,698,498	2,116,365
	Shots blasting		321,848	730,576
	Threading		40,081,495	14,527,888
			46,518,781	25,147,120
6.00	Trade receivables			
	Receivable from dealers		6,918,749	25,216,829
	Provision for doubtful debt	6.01	(707,803)	(707,803)
			6,210,946	24,509,026
	Aging of trade receivables:			
	Duration:			
	1 - 30 Days		4,755,715	22,623,898
	31 - 60 Days		1,378,568	1,746,498
	61 - 90 Days		58,320	42,470
	91 - 180 Days		18,342	96,160
	181 - 365 Days		75,021	75,021
	Over 365 Days		632,782	632,782
			6,918,749	25,216,829
	As the company deals with large number of parties, party-wise trade receivables could not be given.			
6.01	Provision for doubtful debt			
	Opening balance		707,803	707,803
	Provision made during the year		-	-
	Adjustment made/ write-off		-	-
			707,803	707,803
7.00	Advances, deposits and prepayments			
	Advances	7.01	29,250,698	22,441,101
	Security deposits	7.02	15,989,587	5,989,587
			45,240,285	28,430,688
7.01	Advances			
	Advance against supplier		2,390,705	4,757,122
	LC margin		2,591,833	2,190,169
	Goods in transit		387,096	172,580
	Advance income tax	7.01.01	19,668,019	9,786,651
	Advance against employee		555,351	774,603
	Prepaid insurance		339,257	393,080

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT		
			30 June 2024	30 June 2023	
	Advance against others		736,286	1,783,795	
	Advance to brokerage houses		2,582,151	2,583,101	
			29,250,698	22,441,101	
7.01.01	Advance income tax				
	Opening balance		9,786,651	18,377,935	
	Payment made u/s 154 (AY-2020-21 & 21-22)		557,245	11,740,913	
	Payment made u/s 173 (AY-2023-24)		1,346,065	-	
	Advance income tax (import) (AY 2024-25)		7,062,396	8,235,672	
	Advance income tax (others) (AY 2024-25)		1,472,907	450,979	
	Tax adjustment for (AY-2020-21 & 21-22)		(557,245)	(29,018,848)	
			19,668,019	9,786,651	
7.02	Security deposit				
	Security deposit -CDBL		300,000	300,000	
	Security deposit-electricity		5,086,000	5,086,000	
	Security deposit-gas		561,587	561,587	
	Security deposit- meter		42,000	42,000	
	Security deposit-Lease land		10,000,000	-	
			15,989,587	5,989,587	
8.00	Short term investment				
	Name of Company	Number of shares	Cost Price as on 30 June 2024 BDT	Market Price as on 30 June 2024 BDT	Market Price as on 30 June 2023 BDT
	Investment in different securities	5,029,709	433,402,235	433,467,853	-
	Investment in different securities	5,868,132	276,261,480	-	281,457,588
		5,029,709	433,402,235	433,467,853	281,457,588
	The investments comprise of equity investments in other entities and are held for trading. The unrealized gain/(loss) has been accounted and presented in non-operating income in accordance with IFRS 9.				
9.00	Cash and cash equivalents				
	Cash at banks	9.01	14,423,374	1,844,979	
	Cash in hand	9.02	255,949	841,303	
			14,679,323	2,686,282	
9.01	Cash at banks				
	Al-Arafah Islami Bank Limited		647,219	13,885	
	Agrani Bank Limited		624,980	8,998	
	Bangladesh Commerce Bank Limited		13,095	14,015	
	Dutch Bangla Bank Limited		474,670	16,353	
	First Security Islami Bank Limited		273,560	38,193	
	Islami Bank Limited		511,205	43,231	
	Modhumoti Bank Limited		1,280,204	4,167	
	Mutual Trust Bank Limited		26,968	20,232	
	National Bank Ltd		233,547	110,599	
	Pubali Bank Limited		389,090	5,879	
	South Bangla Agricultural and Commercial Bank Limited		491,222	329,575	
	Shahjalal Islami Bank Limited		81,235	59,915	
	Standard Bank Limited		39,233	41,503	
	The City Bank Limited, F.Ex. Branch		7,773,985	4,287	
	The City Bank Limited, Motijheel Branch		368,117	76,306	
	The City Bank Limited, Principal Branch A/C- 500001		328,016	340,722	
	The City Bank Limited, Principal Branch A/C- 60001		796,006	322,499	

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2024	30 June 2023
	United Commercial Bank Limited, Dilkusha Branch		16,272	359,145
	United Commercial Bank Limited, Tongi Branch		4,218	7,542
	Uttara Bank Limited		50,533	27,935
			14,423,374	1,844,979
9.02	Cash in hand			
	Cash in head office		55,022	39,745
	Cash in factory office		191,697	791,028
	Cash in depot		9,230	10,530
			255,949	841,303
10.00	Share capital			
	Authorised capital			
	50,000,000 ordinary shares of Tk. 10 each		500,000,000	500,000,000
			500,000,000	500,000,000
	Issued, subscribed, and paid-up-capital			
	30,187,800 ordinary shares of Tk.10 each		301,870,800	301,870,800
			301,870,800	301,870,800
	The composition of the shareholders at balance sheet date was as follows:			
Categories of Shareholders	% of Shareholding		Value of Shares	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Sponsor and Directors	35.32%	35.32%	106,631,770	106,631,770
Institutional Investors	23.01%	21.07%	69,447,560	63,617,600
Public	41.67%	43.60%	125,791,470	131,621,430
Total	100.00%	100.00%	301,870,800	301,870,800
Classifications of Shareholders by holding:				
Holdings	% of Holdings		Number of Holders	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
01-20	0.036%	0.053%	1,136	1,505
21-49	0.094%	0.140%	829	1,239
50-50	0.040%	0.059%	240	357
51-200	1.125%	1.521%	2,812	3,797
201-500	2.703%	3.435%	2,210	2,824
501-1000	3.824%	4.504%	1,461	1,682
1001-5000	13.723%	15.546%	1,879	2,146
5001-10000	6.282%	5.706%	264	240
10001-25000	6.489%	6.026%	123	117
25001-50000	4.409%	4.167%	40	37
50001-999999999	61.277%	58.842%	41	36
Total	100%	100%	11,035	13,980
11.00	Retained earnings			
	Profit brought forward		89,897,237	198,085,219
	Net profit during the year		82,117,555	59,518,018
	Cash dividend		(30,187,080)	(33,541,200)
	Stock dividend		-	(134,164,800)
			141,827,712	89,897,237
12.00	Deferred tax liabilities			
	Opening balance		6,953,807	7,686,012
	Deferred tax (income)/ expense		1,395,943	(732,205)
			8,349,750	6,953,807

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2024	30 June 2023
12.01	For 30 June 2024	Carrying Value	Tax Based Value	Temporary Difference
	Property, plant and equipment			
	Land	8,877,421	8,877,421	-
	Other than land	269,350,512	226,279,801	43,070,711
		278,227,933	235,157,222	43,070,711
	Right of use assets			
	Right of use assets	56,342,595	-	56,342,595
	Lease liabilities	(57,664,558)	-	(57,664,558)
		(1,321,963)	-	(1,321,963)
	Applicable tax rate			
	On land			0%
	On other than land			20%
	On right of use assets			20%
	Deferred tax liabilities/(assets)			
	On land			-
	On other than land			8,614,142
	On right of use assets			(264,393)
	Deferred tax liabilities as on June 30, 2024			8,349,750
12.02	For 30 June 2023	Carrying Value	Tax Based Value	Temporary Difference
	Property, plant and equipment			
	Land	8,877,421	8,877,421	-
	Other than land	96,109,987	61,340,952	34,769,035
		104,987,408	70,218,373	34,769,035
	Applicable tax rate			
	On land			15%
	On other than land			20%
	Deferred tax liabilities/(assets)			
	On land			-
	On other than land			6,953,807
	Deferred tax liabilities as on June 30, 2023			6,953,807
13.00	Long term loan			
	Opening balance		34,677,026	22,713,459
	Loan term loan received from bank during the period		18,825,544	18,201,378
	Loan term loan settled during the period		(10,014,593)	(6,237,811)
			43,487,977	34,677,026
13.01	Long term loan-long term portion		34,039,611	25,093,163
			34,039,611	25,093,163
13.02	Long term loan-current portion		9,448,366	9,583,863
			9,448,366	9,583,863
14.00	Lease liabilities		57,664,558	-
			57,664,558	-
	i) Lease liabilities recognized in statement of financial position			
14.01	Lease liabilities-long term portion		56,821,890	-
14.02	Lease liabilities: current portion		842,668	-
			57,664,558	-
	ii) Amounts recognized in profit or loss			
	Interest on lease liabilities		3,404,085	-
	Depreciation expense		1,707,351	-
			5,111,437	-

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2024	30 June 2023
	iii) Amounts recognized in statement of cash flows			
	Total cash-outflow for leases		3,789,474	-
			3,789,474	-
	iv) Movement in lease liabilities			
	Opening balance		-	-
	Additions during the year		58,049,946	-
	Interest accrued during the year		3,404,085	-
	Repayment during the year		(3,789,474)	-
	Lease payments made prior year		-	-
	Termination/disposal/modification during the year		-	-
	Closing balance		57,664,558	-
15.00	Trade and other liabilities			
	Trade payable		45,712,045	44,094,297
	Liabilities for expenses	15.01	41,817,202	44,199,912
	Advance received from customers		35,918,103	11,177,215
	Short term loan from intercompany		111,299,158	124,567,629
	Loan from Bank Asia Securities Limited (BASL)		204,036,895	129,997,124
			438,783,403	354,036,178
15.01	Liabilities for expenses			
	Liabilities for salaries, wages and others		13,956,329	7,006,493
	Liabilities for power cost		3,897,140	4,756,584
	Liabilities for sales people incentive		895,176	850,000
	Liabilities for audit and other professional fees		255,555	255,555
	TDS payable for salary and allowances		46,615	147,791
	Provision for WPPF	15.01.01	15,725,368	21,901,033
	Interest payable		7,041,019	9,282,456
			41,817,202	44,199,912
15.01.01	Provision for Workers Profit Participation Fund (WPPF)			
	Opening balance		21,901,033	18,460,106
	Provision made during the year		4,901,611	3,440,927
	Disbursement made during the year		(11,077,276)	-
			15,725,368	21,901,033
16.00	Income tax payable			
	Opening balance		10,032,716	29,018,849
	Tax adjustment for (AY 2020-21 & 2021-22)		(557,245)	(29,018,849)
	Tax provision made during the year	16.01	14,518,720	10,032,716
			23,994,192	10,032,716
16.01	Tax provision made during the year			
	Current year income tax	16.01.01	13,961,475	10,032,716
	Previous years income tax (AY 2020-21 & 2021-22)		557,245	-
			14,518,720	10,032,716
16.01.01	Current year income tax			
	Net profit before tax		98,032,218	68,818,529
	Less: Income for separate consideration:			
	Realise (gain)/loss from share sale		(94,863,830)	(29,010,881)
	Dividend income		(1,927,432)	-
	Interest income		(776,906)	(1,064,239)
	Un-realise (gain)/loss from marketable securities		5,130,490	(8,575,998)
	Add: Expenditures for separate consideration:			
	Accounting depreciation		16,840,524	10,476,686
	Entertainment		314,701	948,893

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2024	30 June 2023
	Less: Admissible expense			
	Depreciation as per third schedule		(25,142,200)	(6,815,661)
	Entertainment expenses as per section 30(f)(i) of ITO & Rule-65		-	(715,547)
	Net taxable business income		(2,392,435)	34,061,782
	Business income tax rate		20.00%	20.00%
	As business income is negative, so income tax expenses charges 0.60% of net sales BDT. 642,755,732		3,856,534	-
	Business income tax expense charged (A)		3,856,534	6,812,356
	Net taxable non business income		97,568,168	30,075,120
	Realise gain / (loss) from share sale		94,863,830	29,010,881
	Dividend income		1,927,432	-
	Interest income		776,906	1,064,239
	Non business income tax rate-Realise/capital gain on sale of listed company share		10%	10%
	Non business income tax rate-Dividend income		20%	20%
	Non business income tax rate-interest income		30%	30%
	Non business income tax expense charged (B)		10,104,941	3,220,360
	Current year income tax (A+B)		13,961,475	10,032,716
16.02	Reconciliation of effective tax rate of current year			
	Profit before tax		98,032,218	68,818,529
	Tax using the Company's tax rate on business income		3,856,534	6,812,357
	Tax effect of:			
	Provision for non-deductible expense		-	
	Income subject to different tax rate & other components of tax as per ITA 2023		11,500,883	2,488,156
			15,357,417	9,300,513
	Effective tax rate		15.67%	13.51%
17.00	Short term loan			
	Opening balance		-	96,970,206
	Addition during the year		174,063,630	133,458,010
	Settled/ payment during the year		(132,843,121)	(230,428,216)
			41,220,509	-
	The nature of the short term loan against Trust Receipt (LTR) and is availed by the Company from South Bangla Agricultural and Commerce Bank limited (Principal Branch). The purpose of this facility is to retire LC related shipping documents. The interest rate is 9% p.a. with quarterly rest subject to change may be made by the bank from time to time. The sanction limit amount is BDT 100 million and collateral security is 99.00 Decimal land with 40,000 sft. Factory shed. (Pubire Road), Mouza- Morkun, PS- Tongi, Dist.- Gazipur owned by the Company.			
18.00	Unclaimed dividend account			
	Opening balance		2,253,566	7,117,736
	Dividend accrued during the year		30,187,080	33,541,200
	Dividend paid during the year		(30,473,403)	(38,405,370)
			1,967,243	2,253,566

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2024	30 June 2023
19.00	Revenue			
	Gross sales: GI fittings and others		671,490,955	770,714,811
	Less: Value Added Tax		(28,735,222)	(32,740,912)
			642,755,732	737,973,899
	The sales amount is presented net of VAT.			
20.00	Cost of goods sold			
	Material consumption	20.01	350,057,661	378,822,904
	Total consumption of materials		350,057,661	378,822,904
	Factory overheads	20.02	221,362,218	208,034,888
	Opening stock of work-in-process		25,147,120	31,581,795
	Closing stock of work-in-process		(46,518,781)	(25,147,120)
	Cost of production		550,048,218	593,292,467
	Opening stock of finished goods		55,816,397	107,735,938
	Closing stock of finished goods		(43,655,107)	(55,816,397)
	Cost of goods sold		562,209,508	645,212,008
20.01	Materials consumption			
	Opening stock		120,774,505	101,318,026
	Add: Purchase		348,933,535	398,279,383
			469,708,040	499,597,409
	Less: Closing stock		119,650,379	120,774,505
			350,057,661	378,822,904
20.02	Factory overhead			
	Salary, wages and allowances		128,492,281	128,616,059
	Power cost		68,273,864	61,847,306
	Factory running, maintenance and other expenses		4,377,359	4,443,187
	Worker welfare expenses		1,555,341	734,962
	Travelling and conveyance		657,129	605,913
	Entertainment expense		245,456	868,233
	Holding tax		175,544	175,544
	Internet and telephone bill		47,800	16,000
	Depreciation-Property, plant and equipment		15,830,093	9,848,085
	Depreciation-Right of use assets		1,707,351	-
	Workers quarter rent		-	437,000
	Business promotional expenses- factory		-	442,600
			221,362,218	208,034,888
21.00	Administrative expenses			
	Salary, allowances and others		9,906,670	8,917,088
	Office rent		1,770,477	1,725,000
	Utility expenses		1,499,176	1,474,864
	Advertisement- newspaper and other printing media		646,335	446,271
	Audit and other professional fees		329,305	329,305
	IT and software maintenance expenses		308,801	391,980
	Staff welfare expenses		454,335	962,810
	Licence, registration and renewal fees		234,912	314,058
	Regulatory fees		517,870	1,373,084
	Legal expenses		576,150	17,250
	Insurance expenses		732,338	275,000
	Printing, stationary and stamp		19,079	43,345
	Postage and courier expenses		11,653	13,530
	Entertainment expenses		69,245	80,660
	Mobile SMS and telephone bill		101,615	8,916

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2024	30 June 2023
	Travelling and conveyance		25,872	35,090
	Depreciation		1,010,431	628,601
			18,214,264	17,036,852
22.00	Selling and distribution expenses			
	Sales people salary and allowances		6,411,935	4,688,554
	Delivery people wages and others		7,247,684	8,523,179
	Sales people incentive		4,030,835	3,867,905
	Dealer commission		4,958,027	11,685,344
	Customer communication expenses		3,982,289	1,012,118
	Travelling and daily allowances		1,945,476	1,836,418
	Business promotional expenses		762,380	-
			29,338,626	31,613,518
23.00	Financial expenses			
	Interest expenses- loans and borrowings		18,616,950	9,928,382
	Interest expenses- right of use assets		3,404,085	-
	Bank charges and commission		284,848	365,377
	Excise duty		110,300	175,450
	Credit rating report fees		75,250	32,250
	Service charges		5,750	1,725
			22,497,183	10,503,183
24.00	Non-operating income			
	Realise gain/(loss) from sale of short term investments		94,863,830	29,010,881
	Un-realise gain/(loss) on short term investments		(5,130,490)	8,575,998
	Dividend income		1,927,432	-
	Interest income		776,906	1,064,239
			92,437,678	38,651,118
25.00	Collection from customers and others			
	Opening balance of trade receivables		24,509,026	10,891,159
	Add: Sales during the year		671,490,955	770,714,811
			695,999,981	781,605,970
	Less: Closing balance of trade receivables		6,210,946	24,509,026
	Total collection from trade receivables		689,789,035	757,096,944
	Increase/(decrease) advance collection from customers		24,740,887	(10,489,992)
	Collection from income and other		776,906	1,064,239
			715,306,828	747,671,191
26.00	Net Asset Value (NAV) Per Share			
	The Computation of NAV per share is given below :			
	Total assets		1,059,166,144	799,721,330
	Less. Liabilities		615,467,632	407,953,293
	Net assets value		443,698,512	391,768,037
	Number of ordinary share outstanding during the year		30,187,080	30,187,080
	Net assets value (NAV) per Share		14.70	12.98
	Net earnings (as discussed in Note 27) during the period with distribution of cash dividend to shareholders has ensured the NAV growth of 13.26%.			
26.01	Weighted average number of Ordinary Shares			
	Details	Number of days outstanding	No. of shares in issue	Weighted average no. of shares
	Ordinary shares outstanding	365	30,187,080	30,187,080

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2024	30 June 2023
	The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the period multiplied by a time weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated by assuming that the shares have always been in issue. This means that they have been issued at the start of the year presented as the comparative figures.			
27.00	Earnings Per Share (EPS)			
27.01	Basic Earnings Per Share			
	a) Profit attributable to the ordinary shareholders		82,117,555	59,518,018
	b) Weighted average number of ordinary shares		30,187,080	30,187,080
	Basic Earning Per Share (a/b)		2.72	1.97
	Basic Earnings per share of 2023-24 (BDT 2.72) has been increased by 37.97% as compared to 2022-23 (BDT 1.97) due to increase in non-operating income by BDT 53,786,560.			
27.02	Diluted Earnings Per Share			
	No diluted EPS was required to be calculated for the year since there was no scope for dilution of shares during the year.			
28.00	Net operating cash flow per share (NOCFPS)			
	The composition of operating cash inflow/outflow value per share is given below:			
	a) Operating cash inflow/ (outflow) during the year		58,447,716	64,725,043
	b) Number of ordinary share outstanding during the year		30,187,080	30,187,080
			1.94	2.14
	Net operating cash flow per share (NOCFPS) has been decreased to BDT 1.94 from BDT 2.14 due to increase in non-operational income in the current period compared to the prior year.			
29.00	Reconciliation of net operating cash flows			
	Net profit after tax		82,117,555	59,518,016
	Add/(less): Item not involving movement of cash and other non-operating income or expenses			
	Depreciation on property, plant & equipment		16,840,524	10,476,686
	Depreciation on RoU asset		1,707,351	-
	Interest expenses on margin loan		13,304,341	6,360,733
	Interest expenses on lease liabilities		3,404,085	-
	Realise (gain)/loss from sale of short term investments		(94,863,830)	(29,010,881)
	Unrealised (gain)/loss on short term investments		5,130,490	(8,575,998)
	Dividend income on marketable shares		(1,927,432)	-
			(56,404,470)	(20,749,461)
	A. Cash generated from operations before changes in working capital		25,713,086	38,768,555
	(Increase) / decrease in inventory		(8,086,245)	38,897,737
	(Increase) / decrease in trade receivables		18,298,080	(13,617,867)
	(Increase)/ decrease in advance, deposit & prepayment		(16,810,547)	18,338,725
	Increase / (decrease) in trade and other liabilities		39,333,342	(17,662,107)
	B. Total changes in working capital		32,734,630	25,956,488
	C. Net cash inflows from operating activities (A+B)		58,447,716	64,725,043

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

30.00 Related Party Disclosure

- a) Key Management Personnel of the Company were not given any compensation benefits.
b) During the year the company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Name of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS -24: Related Party Disclosure.

Name of Party/Company	Relation	Nature of Transaction	Outstanding receivable / (payable) as on 30 June 2024
Anwar Ispat Ltd. A One Polymer Ltd. Anwar Cement Ltd. Anwar Cement Sheet Ltd.	Common Director	Supply of Material/Business Transactions	(422,921) (83,237,402) (1,333,248) (51,028,846)

Name of Party/Company	Relation	Nature of Transaction	Outstanding receivable / (payable) as on 30 June 2023
Anwar Ispat Ltd. A One Polymer Ltd. Anwar Cement Ltd. Anwar Cement Sheet Ltd. A One Trading Ltd. Anwar Printex Ltd.	Common Director	Supply of Material/Business Transactions	(66,160,434) (20,786,551) (50,813,748) (1,756,312) (100,040) 899

31.00 Financial Risk Management

31.01 Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse these risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adhere to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

31.02 Credit Risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

	30 June 2024	30 June 2023
	BDT	BDT
Trade receivables	6,210,946	24,509,026
Cash and cash equivalents	14,679,323	2,686,282
Short term investment	433,467,853	281,457,588
	454,358,122	308,652,896

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity (cash and cash equivalents) to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses for periods which the Company thinks appropriate; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted such as natural disasters. Moreover, the Company seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligation in the event that there is insufficient cash to make the required payment.

	30 June 2024	30 June 2023
	BDT	BDT
Loans and borrowings	84,708,486	34,677,027
Lease liabilities	57,664,558	-
Trade and other payables	438,783,403	354,036,178
	581,156,447	388,713,205

31.03 Market Risk

Market risk is the risk that any change in market conditions, such as foreign exchange rates, interest rates and commodity prices that will affect the Company's income 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 optimising the return.

32.00 Capital Management

Capital management refers to implementing policies and measures to maintain sufficient capital, assessing Company's internal capital adequacy to ensure Company's operation as a going concern. Capital consists of share capital, retained earnings, general reserve and revaluation reserve. All major investment and operational decisions with exposure to certain amount are evaluated and approved by the board. The Board of Directors monitors the level of dividends to ordinary shareholders.

33.00 Director of the Company

a) Number of Director:

There are 06 Directors of the company during the year ended 30 June 2024.

b) Salary & Remuneration of the management team:

Aggregate amount paid to the management team for their service rendered are given below:

Sl. Name	Designation	Amount (Yearly)	Remarks
01. Mr Manwar Hossain	Chairman	NIL	Full Time
02. Mr Md. Moniruzzaman	Managing Director & CEO	NIL	
03. Mr Hossain Mehmood	Director	NIL	
04. Mr Hossain Khaled	Director	NIL	
05. Mr. Md. Ataur Rahman	Nominated Director	NIL	
06. Mr Md. Abul Quasem	Independent Director	NIL	

Anwar Galvanizing Limited
Notes to the Financial Statement

For the year ended 30 June 2024

34.00 General

a. The Company has no aggregate amount of contract for capital expenditure to be executed and not provided for in the accounts.	NIL
b. There is no Guarantee issued by the management on behalf of Director of the company.	NIL
c. Auditors are paid only statutory audit fees approved by the share holders in the last AGM.	NIL
d. There was no foreign exchange remitted to relevant share holders during the year under audit.	NIL
e. No amount of money was expended by the company for compensating any member of the board for special service.	NIL

35.00 Additional disclosure as per BSEC

a) Claim against the company not acknowledge as debt as on 30 June 2024.	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 June 2024 except letter of credit open in the normal course of business, again we have the same amount of contingent asset.	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 Associated Undertaking Officers	NIL NIL NIL
h) The advances against goods, services and expenses considered good by the management and no collateral security is held against the advances.	NIL

36.00 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	350,057,661	TK
ii)	Opening Stock	266	MT
iii)	Production during the year	1,670	MT
iv)	Sold during the year	1,782	MT
v)	Other consumption	NIL	MT
vi)	Closing Stock	154	MT

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

4. Para-3 (ii)

- i) Number of employees drawing salary above Tk. 3,000 per Month 733 Nos
ii) Number of employees drawing salary below Tk. 3,000 per month NIL

5. Para-4 (f)

Particulars	30 June 2024	30 June 2023
	BDT	BDT
i) Receivables considered good and in respect of which the company is fully secured.	NIL	NIL
ii) Receivables considered good for which the company holds no security other than the debtors' personal security.	6,210,946	24,509,026
iii) Receivables due by directors or other officers of the company or any other of them either separately or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or member.	NIL	NIL
iv) Receivables due by companies under same management.	NIL	NIL
v) The maximum amount due by directors or other officers of the company at any time during the year.	NIL	NIL

6. Para-8 (b)

Expenses incurred in foreign currency on account of royalty, technical expert & professional advisory fee, Interest etc. if any NIL NIL

7. Para-8 (c)

Value of all imported raw materials, spare parts & components consumed during the financial year & the value of all indigenous raw materials, spare parts & components similarly consumed & the percentage of each to the total consumption are as under:

Local	Qty. MT	Value	%
C R stamping/bushing scrap	1,558	105,646,081	30%
Zinc ingot	21	10,080,000	3%
Ferro silicon	37	7,954,140	2%
Quartz powder	76	986,206	0%
Raw Materials	1,692	124,666,427	36%
Auxiliary materials	-	21,499,260	6%
Spare Parts and others	-	30,791,983	9%
Total Local	1,692	176,957,671	51%
C R stamping/bushing scrap	269	17,722,482	5%
Pig Iron	260	17,369,744	5%
Zinc ingot	166	73,798,187	21%
Ferro silicon magnesium	48	16,998,720	5%
Inouclin	10	3,605,390	1%
Carburizer low sulfur	80	10,722,907	3%
Unexp andedperlite org cg	17	1,072,414	0%
Steel shots	18	2,576,874	1%
Raw Materials	868	143,866,718	41%
Auxiliary materials	-	7,338,591	2%
Spare parts and others	-	21,894,682	6%
Total Import	868	173,099,990	49%
Total	2,560	350,057,661	100%

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2024

8. Para- 8(d)

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

9. Para- 8 (e)**Earning in foreign exchange classified under the following head, namely :**

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

37.00 Events after the Reporting Period:**a) Proposed Dividend:**

The Board of Directors recommended 10% cash dividend for the year ended 30 June 2024 which is subject to approval by the shareholders in the Annual General Meeting (AGM). As this dividend is subject to approval by shareholders at the AGM, it has not been included as a liability in these financial statements as on 30 June 2024.

b) Approval of Financial Statements:

These financial statements were authorized for issue in accordance with a resolution of the Company's 209th meeting of the Board of Directors on 28th October 2024.

c) Significant Events After Reporting Period:

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.


Tauhidul Islam FCS
Company Secretary


Hossain Mehmood
Director


Md. Moniruzzaman
Managing Director & CEO

Dhaka. 28 October, 2024

Anwar Galvanizing Limited
Schedule of Property, Plant and Equipment
For the year ended 30 June 2024

Annexure-A

Particulars	Land & land development	Building & construction	Plant, machinery & equipment	Office equipment	Furniture & fixtures	Vehicle	Amount in BDT	
								Total
A. Cost								
Balance at 1 July 2023	8,877,421	17,592,402	138,806,776	10,533,858	1,981,522	5,570,944	183,362,922	
Additions	-	79,639,132	110,084,300	281,113	76,504	-	190,081,049	
Transfers	-	-	-	-	-	-	-	
Disposal	-	-	-	-	-	-	-	
Balance at 30 June 2024	8,877,421	97,231,534	248,891,076	10,814,971	2,058,026	5,570,944	373,443,972	
B. Accumulated depreciation								
Balance at 1 July 2023	-	9,214,481	61,533,032	5,319,909	707,421	1,600,671	78,375,514	
Depreciation	-	2,988,045	12,344,637	641,986	132,467	733,389	16,840,524	
Disposal	-	-	-	-	-	-	-	
Balance at 30 June 2024	-	12,202,526	73,877,668	5,961,895	839,888	2,334,061	95,216,038	
Carrying Amounts								
At 30 June 2024 (A-B)	8,877,421	85,029,008	175,013,407	4,853,076	1,218,138	3,236,883	278,227,934	

Allocation of depreciation:

Particulars	Amount
Cost of sales	15,830,093
Administrative expenses	1,010,431
Total	16,840,524

Anwar Galvanizing Limited
Schedule of Property, Plant and Equipment
For the year ended on 30 June 2023

Particulars	Amount in BDT						Total
	Land & land development	Building & construction	Plant, machinery & Equipment	Office equipment	Furniture & Fixtures	Vehicle	
A. Cost							
Balance at 1 July 2022	8,877,421	17,587,502	125,974,381	10,322,249	1,895,182	2,913,470	167,570,205
Additions	-	4,900	12,832,395	211,609	86,340	2,657,474	15,792,718
Transfers	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
Balance at 30 June 2023	8,877,421	17,592,402	138,806,776	10,533,858	1,981,522	5,570,944	183,362,922
B. Accumulated depreciation							
Balance at 1 July 2022	-	8,860,392	52,559,547	4,609,364	568,160	1,301,365	67,898,828
Depreciation	-	354,089	8,973,484	710,545	139,261	299,307	10,476,686
Disposal	-	-	-	-	-	-	-
Balance at 30 June 2023	-	9,214,481	61,533,032	5,319,909	707,421	1,600,671	78,375,514
Carrying Amounts							
At 30 June 2023 (A-B)	8,877,421	8,377,921	77,273,744	5,213,949	1,274,101	3,970,273	104,987,408

Allocation of depreciation

Particulars	2022-23
Cost of sales	9,848,085
Administrative expenses	628,601
Total	10,476,686

Annexure-A
Under condition No. 1(5)(xxvi) of CGC

Declaration by the CEO and the CFO/Head of Accounts

The Board of Directors
Anwar Galvanizing Limited
27, Dilkusha Commercial Area,
Dhaka-1000.

Declaration on Financial Statements for the year ended on June 30, 2024

Dear Sirs,

According to condition No.1(5)(xxvi) imposed vide the Commission's Notification No. SEC/CMRRCD/2006-158/207/Admin/80 Dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

- (1) The Financial Statements of Anwar Galvanizing Limited has prepared for the year ended June 30, 2024 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure therefrom has been adequately disclosed;
- (2) AGL's internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed;
- (3) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
- (4) To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records; and
- (5) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- (i) We have reviewed the financial statements for the year ended on June 30, 2024 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- (ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Managing Director & CEO



CFO/Head of Accounts

Audit Committee's Report

Under Condition # 5(7) of CGC

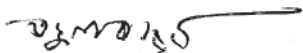
The Audit Committee of Anwar Galvanizing Limited (AGL) is dedicated to its responsibility of overseeing the Company's financial reporting, risk management and internal control systems, ensuring the implementation of high-quality governance practices. This report of the Audit Committee of AGL is being presented in pursuance with the Corporate Governance Guidelines of BSEC dated June 03, 2018. This report is a brief on the activities as performed by the Audit Committee in 2023-2024. During the year in review, the Committee also conducted the following activities:

- a) Reviewed the draft Auditor's Report and audited financial statements for the year ended on June 30, 2024 and after discussing with external auditors, recommended it to the Board for their consideration.
- b) Reviewed the interim unaudited quarterly financial statements of the Company for the first, second and third quarters of 2023-2024.
- c) Oversee and monitor the accounting policies and principles, internal control, auditing issues, the risk management process of the Company.
- d) Carry on a supervisory role to safeguard the systems of governance and independence of statutory auditors of the Company.
- e) Review and consider the report of internal auditors and statutory auditors' observations on internal control of the Company.
- f) Recommended the re-appointment of statutory auditor for the year ended on June 30, 2025 and fixed their remuneration.
- g) Recommended the appointment of auditor for certificate on compliance with the corporate governance code and fixed their remuneration.
- h) Reviewed the Management's Discussion & Analysis and statement of all Related-Party Transactions to confirm that they comply with all applicable statutory laws and regulations.
- i) To appraise whether laws and regulations framed by the regulatory authorities and internal regulations approved by the Board are being complied with and
- j) To examine whether the findings and recommendations made by the external auditors are duly considered by the management.

The Audit Committee held Four meetings during the year 2023-2024 and engaged in detailed discussions and reviews with the Head of Audit & Inspection, Head of Internal Control & Compliance, internal auditors and external auditors regarding their findings, observations and remedial suggestions on issues of the bank's affairs that necessitated improvement. The Audit Committee instructed the management to follow the remedial suggestions and monitored them accordingly.

The Audit Committee wishes to express its heartfelt gratitude to the directors of the Board, the management and internal and external auditors for their exceptional support and assistance in carrying out the committee's obligations and duties.

On behalf of the Audit Committee,



Md. Abul Quasem
Independent Director
Chairman, Audit Committee

December 10, 2024

Unclaimed/unpaid Dividend Compliance Report

Under the Directives # BSEC/SRMIC/2021-198/254

dated 19/10/2021 of BSEC

Pursuant to the Dividend Distribution Policy of AGL, the dividend shall be paid directly to the bank account of the Shareholders within 30 (thirty) days from the date of approval by the Shareholders in its AGM subject to comply of circulars/directives of the Bangladesh Securities and Exchange Commission (BSEC) or any other regulatory authority from time to time.

According to the Policy, the company shall pay off cash dividend directly to the bank account of the entitled shareholder as available in the BO account maintained with the depository participants (DPs) through Bangladesh Electronic Funds Transfer Network (BEFTN), Bank Transfer, Consolidated Customer's Bank Account (CCBA) and some cases company issued Dividend Warrant to the shareholders. We observed that some honorable shareholders yet to update their bank information, address and other particulars of their BO account. As a result, dividend of those shareholders remains unpaid.

These unclaimed/unpaid dividends of the said shareholders are also taken care of according to directives of the BSEC and other regulatory authorities from time to time. In this connection, the unclaimed/unpaid dividends up to the June 30, 2019 deposited to the Capital Market Stabilization (CMS) Fund as instructed by the Bangladesh Securities and Exchange Commission.

Dividends for the last 4 years from 2020 to 2023 lying in the Company:

Sl	Financial Year	Record Date	AGM Date	% of Dividend	Unpaid Amount
1	June 30, 2023	04-12-2023	04/02/2024	10% (10% Cash)	337,309
2	June 30, 2022	16-11-2022	17/01/2023	100% (20% Cash & 80% Stock)	895,819
3	June 30, 2021	18-11-2021	12/01/2022	30% (20% Cash & 10% Stock)	640,805
4	June 30, 2020	03-12-2020	31/01/2021	15% (10% Cash & 5% Stock)	93,310

* The status of unclaimed/unpaid dividends as on June 30, 2024

NRC's Report

Under Condition # 6(5)(c) of CGC

In compliance with the Corporate Governance Code 2018, the Board of Directors constituted the Nomination and Remuneration Committee [NRC] to assist the Board broadly in formulation of policy with regard to determining qualifications, positive attributes, experiences, remuneration mainly for directors and top-level executives.

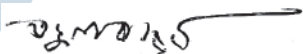
This report provides an overview of how the Committee operates, an insight into the Committee's activities and its role. The Committee is independent of the Company's executive management and is composed of three members including one independent director, nominated by the Board. The Chairman of the Committee is an Independent Director. The Board of Directors of the Company has specified the Terms of References (ToRs) of the Committee.

The NRC carried out the following activities in line with the Committee's Terms of Reference during the reporting period:

- 1) Reviewed and recommended the Code of Conduct for the Chairman, other Members of the Boards and the Managing Director.
- 2) Reviewed the Company's existing policy relating to the remuneration of Directors and Top-Level Executives.
- 3) Discussed and decided in regard to formulating the criteria of evaluation of performance of the Board and Independent Directors.
- 4) Reviewed the Company's existing Human Resource and Training policies.
- 5) Reviewed and assessed the independence of each Independent Director.
- 6) Determined the remuneration of the Company's Managing Director, the Manager, HRM, the Chief Financial Officer, the Company Secretary & also other Head of the Departments;

Three meetings were held during the year. All members of the Committee attended the meeting. The proceedings of the meeting were appropriately recorded. No member of the Committee received any meeting attendance fees.

On behalf of the Committee



Md. Abul Quasem

Independent Director &
Chairman, Nomination and Remuneration Committee

December 10, 2024

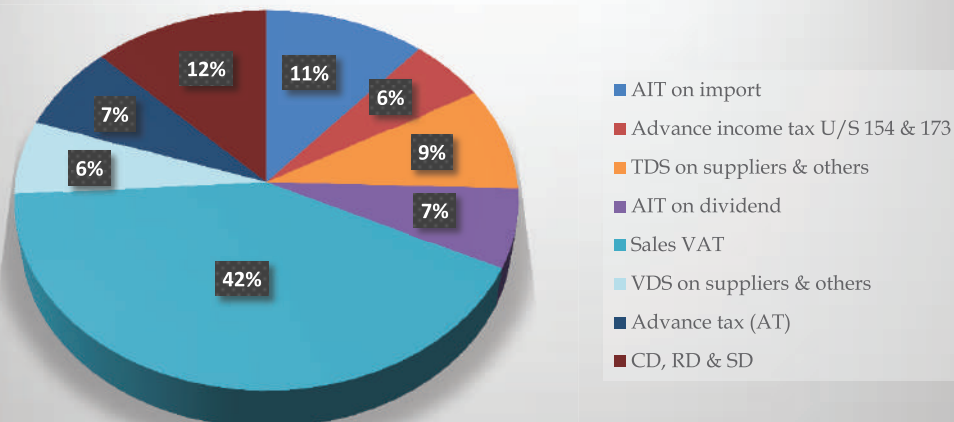
Contribution to the National Exchequer & the Economy

In the development of industrialization, GI fittings have no alternative. This addition has contributed notably in enhancing building construction and providing job opportunities all over the country. As a shareholder you can be proud of your Company's contribution to the National economy of Bangladesh.

The Company has contributed a significant amount to the national exchequer in the form of different duties, taxes and VAT at different operation level activities. The details of such contribution to the National Exchequer and the Economy are as follows:

Forms of Duties, VAT & Tax Contribution	Amount (in Taka)	
	2023-2024	2022-2023
AIT on Import	7,062,396	8,235,672
Advance Income Tax U/S 154 & 173	3,376,218	12,191,892
TDS on Suppliers & Others	5,484,671	7,265,009
AIT on Dividend	4,188,529	4,679,678
Sales VAT	26,112,974	27,688,183
VDS on Suppliers & Others	3,914,005	3,708,927
Advance Tax (AT)	4,562,603	5,183,222
CD, RD & SD	7,736,502	8,730,011
Total	62,437,898	77,682,595

**Duties, VAT and Tax contribution
Financial Year 2023-2024**



Responsibilities of the Directors to Prepare Financial Statements

The law requires that the Financial Statements of the Company would follow International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS). This has been completely followed to fairly present the financial position and performance of the Company. While preparing the financial statements, the following points were considered:

- ✓ Ensuring that the financial statements have been prepared in accordance with IFRS and IAS;
- ✓ Selection of suitable accounting policies and then applying them consistently;
- ✓ Making judgments and estimates that are reasonable and prudent; and
- ✓ Make an assessment of the Company's ability to continue as a going concern entity.

Proper accounting records have been kept so that at any given point the financial position of the Company is reflected with reasonable accuracy, which will enable them to ensure that its financial statements comply with Companies Act, 1994 and other required regulatory authorities.

As per requirements of BSEC's Notification No. BSEC/CMRRCD/2006/158/207/Admin/80 dated 3rd June, 2018, the Directors are also pleased to make the following declarations in this report:

- 1) The financial statements prepared by the management of the Company fairly and Proper books of accounts of the Company have been maintained. Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment. International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any discrepancies have been adequately disclosed;
- 2) The system of internal control is well structured and has been effectively implemented and monitored and there are no significant doubts upon your Company's ability to continue as an ongoing concern basis;
- 3) Significant deviations from last year in operating results of the Company are disclosed in this report as applicable;
- 4) Key operating and financial data have been summarized for the preceding five years;
- 5) Significant plans and decisions, such as corporate restructuring, business expansion and future prospects, risks and uncertainties surrounding the Company has been outlined under the related captions of this report;
- 6) The number of Board meetings held during the year and attendance of each director has been disclosed;
- 7) The pattern of shareholding has been reported in the Directors' Report.



Md. Moniruzzaman
Managing Director & CEO

Management's Discussion and Analysis

[As per condition No. 1(5)(xxv) of CGG]

Anwar Galvanizing Limited (AGL) is leading the country's engineering industry of GI fittings with due dominance for more than 29 years. Pursuant to the Corporate Governance Code 2018, Condition-1(5)(xxv), of the BSEC, the Management's Discussion & Analysis for the year ended June 30, 2024 has been depicted hereunder:

Accounting policies and estimation

AGL complies with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as applicable in Bangladesh, as well as any relevant local norms and regulations while preparing financial statements. In the absence of applicable IFRSs to any particular transactions, other events or conditions, we have used our best judgment in developing and applying an accounting policy that results in information that is relevant to the economic decision-making needs of users and is reliable.

Detail descriptions of accounting policies and estimations used for the preparation of the financial statements are disclosed in the Notes to the Financial Statements.

Changes in accounting policies and estimation

We usually change an accounting policy only when the change is required by a IFRS or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance or cash flows. Accounting policies used are provided in note-2 to the audited financial statements.

Comparative analysis of financial performance and financial position as well as cash flows for current year with immediately preceding five years explain the reasons thereof

During this year, net revenue of the Company registered at Tk. 642,755,732 with a slight degrowth of 13% compared to the past year's revenue of Tk. 737,973,899. Net Profit after Tax for the year was Tk. 82,117,555 increased by 38% over the previous year. The five years' comparative financial performance information are available in the directors' report.

Comparative analysis of financial performance with peer industry scenario

In the year 2023-24, few companies have started as well manufacturing and distributing in the local market. However, the financial performance and position information of the companies are not publicly available. During the year, the non-current assets base of the Company is of Tk. 349,743,470, the revenue is of Tk. 642,755,732, Net Operating Cash Flows is of Tk 58,447,716 and the net profit after tax is of Tk. 82,117,555.

Financial and economic scenario of the country and the world

2023-24 proved to be another challenging year for the global economy, with persistent economic headwinds continuing to impact the Bangladeshi economy. Inflation was also a major concern throughout the year, furthermore, amidst global volatility and crisis, the Bangladeshi Taka (BDT) continued to weaken against the US Dollar (USD), experiencing an additional depreciation in 2023-24 impacted adversely as a result of the significant foreign currency (Dollar) crisis. Due to a shortage of foreign currency, banks encountered challenges in financing imports, leading to supply disruptions and further negatively impacting business performance throughout the year.

Bangladesh's economic growth over the past decade has faced significant challenges in recent years Real GDP growth is estimated to have moderated to 5.2 percent in FY24 down from 5.8 percent in FY23. Inflation has remained elevated, financial sector vulnerabilities worsened, and pressure on the external sector persisted. Growth is expected to rebound gradually over the medium-term. The significant foreign currency (Dollar) crisis war has created a new shock for the world. Supply disruptions pose serious economic challenges. However, our GDP growth will mostly depend on private sectors' investment. The investment in this sector is still recovering.

Furthermore, Bangladesh has undergone major socio-economic development in last few years. Some of which include rapid expansion of information technology, construction sector and manufacturing sector. These transformations have boosted Bangladesh from a 'low-income-country' to a 'lower-middle-income-country' in the last few years.

Risks and concerns related to the financial statements

AGL has maintained effective system of internal control and well-designed financial reporting process. Financial Statements of the Company are reviewed by adequate experienced professionals. Appropriate policies and procedures, as well as adequate review and control mechanisms are in place in every step of the financial reporting value chain to avoid, eliminate or reduce the risk of errors, omissions or material misstatements in the financial reports. Moreover, quarterly and annual public reports are subject to rigorous review by the Board's audit committee in addition to the annual accounts being audited by independent external auditors. The risks and concerns issues related to Company's financial statements are identified and mentioned in the annual financial statements for the year ending 30 June 2024.

Future plan for Company's operation, performance and financial position

To fulfill the emerging demand of the market, AGL has setup extended factory facilities through executing a lease deed with Fresco Steel Mills Limited and others for the new expansion project to increase the production capacity and at the same time has taken steps to reduce wastage and to ensure quality of products.



Md. Moniruzzaman
Managing Director & CEO

Directors' Appointment & Re-appointment

Mr. Manwar Hossain, Director



As Chairman, Mr. Manwar Hossain leads Anwar Group of Industries, a conglomerate with a 180 years' legacy. Largely shaped by his father, the legendary business philanthropist, Al-Hajj Anwar Hossain. Anwar Group is now recognized and the 'Dun and Bradstreet awarded the most diversified business conglomerate in Bangladesh.

Mr. Manwar Hossain began his business career in the Group in 1994 after completing his BBA and MBA from the University of New Hampshire, USA. Apart from the Anwar Group of Industries, Mr. Manwar Hossain is also a Director of Modhumoti Bank Limited and Chairman of BD Finance Securities Limited. He was also a former Director of Bangladesh Commerce Bank Limited and Vice Chairman of City Bank Limited.

Mr. Manwar Hossain has played a vital role as a Director of the Dhaka Chamber of Commerce & Industry (DCCI). He leads the steel and cement sectors of Bangladesh as the President of the 'Steel Manufacturers of Association of Bangladesh' and Senior Vice President of 'Bangladesh Cement Manufacturers Association (BCMA)'. He is a member of Dhaka Club Limited, North Gulshan Club. Army Golf Club Limited, Kurmitola Golf Club Limited, and American Alumni Association (AAA).

Mr. Hossain Khaled, Director



Mr. Hossain Khaled is a Sponsor Director of Anwar Galvanizing Limited, a sister concern of Anwar Group of Industries, a conglomerate with a 180 years' legacy.

Hossain Khaled is a versatile new-age entrepreneur. He obtained his BBA in Accounting from the University of Toledo, Ohio, and MBA from International Banking from A&M University (TAMU), Texas, USA. Mr. Khaled joined the family conglomerate of Anwar Group of Industries in the year 2000. Since then, he has helmed many group company portfolios and also achieved several milestones, including becoming the youngest President of Dhaka Chamber of Commerce & Industry and also Co-Chairman of Bangladesh Better Business Forum. In fact, he was appointed as the President of Dhaka Chamber of Commerce & Industry two times. Mr. Khaled is also a Director in a number of companies of Anwar Group of Industries. He is a vice chairman of the City Bank Ltd. He is also the Chairman of City Brokerage Ltd. and President of Entrepreneurs' Organization Bangladesh Chapter.

Mr. Md. Majibur Rahman, Independent Director



Mr. Md. Majibur Rahman has been appointed as an Independent Director of Anwar Galvanizing Limited. He is a qualified Fellow Cost and Management Accountant (FCMA) from the Institute of Cost and Management Accountants of Bangladesh (ICMAB). Currently, he serves as the Chief Executive Officer of MM Rahman & Associates. In addition, Mr. Rahman holds the position of Finance Adviser at The Dacca Dyeing & Mfg. Co. Ltd. and Jamil Iqbal Ltd. He completed his Bachelor of Commerce (B. Com.) from Dhaka University in 1991 and his Master of Commerce (M. Com.) in Accounting from National University, Gazipur, in 1993.

Directors' Report to Shareholders for the year ended 30 June 2024

Under section 184 of the Companies Act 1994 and Corporate Governance Code as adopted on 3 June 2018 by Bangladesh Securities and Exchange Commission (BSEC).

It is a pleasure and privilege on the part of the Board of Directors to present herewith the Directors' and Auditors' Reports together with the audited Financial Statements of Anwar Galvanizing Limited (AGL) for the year ended 30 June 2024.

Despite hurdles and challenges, Anwar Galvanizing Limited (AGL) had another successful year in 2023-2024 with net profit after tax of Tk. 82,117,555 indexing a substantial growth of 38% than prior year. This achievement was possible due to synchronized efforts from different functions working as a team who were led by AGL management.

Performance of the Economy

The economy is estimated to have expanded at a slower-than-expected pace in 2023-24, said the Bangladesh Bureau of Statistics (BBS), a figure that analysts describe as good in view of elevated inflation, slowing exports and remittances and the ongoing pressure on the country's foreign exchange reserves. The country registered a 5.82 percent growth in Gross Domestic Product (GDP) in 2023-24, up from 5.78 percent in 2022-23, according to data released by the Bangladesh Bureau of Statistics (BBS). However, our GDP growth will mostly depend on private sectors' investment. The investment in this sector is still recovering.

The business environment became increasingly challenging as currency devaluation and foreign currency issues significantly impacted the cost of sales. Additionally, inflationary pressures reduced consumers' discretionary spending power. Despite these challenges, we demonstrated resilience and leveraged our strengths to ensure another committed year for our business.

In the development of industrialization, GI fittings have no alternative. This addition has contributed notably in enhancing building construction and providing job opportunities all over the country. As a shareholder you can be proud of your Company's contribution to the National economy of Bangladesh.

The Company has contributed a significant amount to the national exchequer in the form of different duties, taxes and VAT at different operation level activities. The details of such contribution to the National Exchequer and the Economy are shown in the Annual Report.

Industry Outlook and Possible Future Developments in the Industry

2023-24 proved to be another challenging year for the global economy, with persistent economic headwinds continuing to impact the Bangladeshi economy. Inflation was also a major concern throughout the year, furthermore, amidst global volatility and crisis, the Bangladeshi Taka (BDT) continued to weaken against the US Dollar (USD), experiencing an additional depreciation in 2023-24 impacted adversely as a result of the significant foreign currency (Dollar) crisis. Due to a shortage of foreign currency, banks encountered challenges in financing imports, leading to supply disruptions and further negatively impacting business performance throughout the year.

To maintain a competitive edge through technological advancements and ensure sustainable growth, the plants have been upgraded with state-of-the-art machinery. In 2023-24, we invested Taka 110,084,300 in new machineries, Taka 79,639,132 in Building and Construction and Taka 47,933,222 in net Capital Work-in-Progress (CWIP). As a result, AGL now possess a fully equipped workshop, complete with the essential plant and machinery required to produce its core product, GI Fittings.

The management of AGL is working hard continuously to diversify the product portfolio of the Company in order to boost turnover with profitability and to grab the opportunity of continuously growing market potential.

The Segment-wise or Product-wise Performance

During this year, the revenue of the Company registered at Tk. 642,755,732 which decreased by 13% compared to the past year's revenue of Tk. 737,973,899. Net Profit after Tax for the year was Tk. 82,117,555 increased by 38% over the previous year. AGL is now positioned to realize benefits from enhanced capacity, wide retail presence, strong brand image along with smooth sales services and we are confident to attain new heights in 2025.

Particulars	Amount in BDT	
	30 June 2024	30 June 2023
Sales: GI Fittings and others	642,755,732	737,973,899
Total Revenue	642,755,732	737,973,899

The sales amount is presented net of VAT.

Procurement Information

The Company considers lead time of 30 days for material purchase and maintains optimum stock level. There are some chemical items for which the Company keeps buffer stock of about 60 days to support uninterrupted production. The main raw materials are pig iron, CRCA scraps, Zinc ingot and MS scraps. The Company has separate procurement department for all types of purchases.

Product Information

The Management of Anwar Galvanizing Limited places considerable emphasis on maintaining and improving the quality of its products by following strictly arranged criteria at every level of production and handling. As a result, the Company produces GI fitting of competitive standards. The products are classified as plain elbow, plain tee, plain socket, union, reducer elbow, reducer tee, reducer socket, plain cross, way elbow, hex nipple, bend, plug and so on. It produces fittings of different sizes as required by our customers in conformity with the international quality standards. The Company is the major local manufacturer of GI fittings and have more than 1,720 wholesalers spread over almost all the districts across the country.

Risk and Concern

The Company has a defined business risk assessment process which has been illustrated under Corporate Governance Chapter and the notes to the Financial Statements. GI fittings is a labor-intensive industry cost of which is escalating gradually. Same is in the case of Gas and Electricity prices which is gradually in raising trends.

Risks have always been an important and inherent part of doing business and GI fittings industry is no exception to it. Anwar Galvanizing Limited like any other company, is exposed to different risks systematic and unsystematic, that might affect its operating and economic performance. Managing risk thus remains key to a sustainable advancement and expansion of our business.

Anwar Galvanizing Limited is always careful to identify the key business risk and ensures the mitigation plans are in place. Continuous reviewing and adopting of the best practices enable Anwar Galvanizing to achieve its objective efficiently and effectively. Depending on the nature of the risk, strategic decisions are taken to eliminate or mitigate the impact of the risks. The disclosures of some risks and management's perception on those risks are provided in the notes to the financial statements for the year ended June 30, 2024.

Discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin

As an outcome of the challenges faced by the entire industry, locally and globally, the Company resulted in slight de-growth in revenue compared to its prior year. However, despite the decrease in revenue, the company was able to make a substantial growth in its net profit.

Note-20 of the Financial Statements contain details of the Cost of Goods Sold (COGS). COGS for the year ended June 30, 2024 was Tk. 562,209,508 which is 87% of sales as compared to similar percentage of last year which resulted a stable gross profit margin of 13% in both years. The sales revenue has been decreased by 13% whereas profit before tax and profit after tax has been increased by 42% and 38% respectively during the fiscal year 2023-24 over the previous year.

Particulars	Amount in BDT.		
	30 June 2024	30 June 2023	Growth (%)
Sales Revenue	642,755,732	737,973,899	(13%)
Gross Profit	80,546,224	92,761,891	(13%)
Operating Profit	32,993,334	44,111,521	(25%)
Profit Before Tax	98,032,218	68,818,529	42%
Profit After Tax	82,117,555	59,518,018	38%
Earnings Per Share	2.72	1.97	38%

Extra-Ordinary Activities

The Company did not undertake or continue any extra-ordinary activities and did not suffer or gain any loss or gain from such activities.

Related Party Disclosures

Detail on related parties with whom Anwar Galvanizing Limited had transactions during the reporting period is disclosed in Note 30 of the financial statements. These transactions are carried out on an arm's length basis. The Audit Committee periodically reviews these transactions.

Utilization of Proceeds from Public Issue

Initial Public Offering of AGL was made in 1996 and the fund raised thereby has already been utilized as reported to the regulators. No further issue of any instrument was made thereafter.

Financial Result after IPO

No IPO or Right issue was made for the year ended June 30, 2024.

Significant Variance between Quarterly Financial Performance and Annual Financial Statements

During the year 2023-2024, Basic Earnings per share of 2023-24 (BDT 2.72) has been increased by 38% as compared to 2022-23 (BDT 1.97) due to increase in non-operating income by 139% (BDT 53,786,560) whereas revenue has been decreased by 13% (BDT 95,218,167) over the previous year.

The reasons for deviation between quarterly and annual financial performance are attributed to the prolonged economic uncertainty and volatility, which has led to reduced construction activity and lower investment in infrastructure projects. Additionally, supply chain disruptions, rising raw material costs, and foreign currency fluctuations have further escalated production costs, making it more difficult for businesses to maintain competitive pricing, ultimately affecting demand. Furthermore, the cost of production has increased significantly due to price hikes and shortages of electricity and gas supply which is also an important reason for the deviation between quarterly financial performances and annual financial statements.

Remuneration to Directors

All the Directors in the Board of the Company except the Managing Director & CEO are non-executive. During the year, no remuneration or benefits were paid to the members of the Board for their services to the Company except the Board meeting attendance fees. Details information is disclosed in Note-33 to the Financial Statements.

Directors' Statement on Financial Reports for the year ended June 30, 2024

As a part of corporate good governance, the Board is accountable for providing a true and fair view of the company's financial performance and status. To that end, the Directors affirm to the best of their knowledge that:

- ✓ The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 1994 and Securities and Exchange Rules, 2020. These statements present fairly the Company's state of affairs, the result of its operations, cash flows and changes in equity.
- ✓ Proper books of accounts of the Company have been duly maintained.
- ✓ Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- ✓ International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs) have been followed in the preparation of the financial statements.
- ✓ Internal Control System is properly designed and has been effectively implemented and monitored.
- ✓ The minority shareholders are protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and effective means of redress.
- ✓ There is no significant doubt about the ability of the Company to continue as a going concern.

Proper books of accounts maintained to prepare financial statements

The Proper books of accounts of the Company have been duly maintained. The Financial Statements for the period ended June 30, 2024 presented a true and fair view of the affairs of the Company and are in compliance with existing accounting standards and applicable laws. There is no statement which is materially untrue or misleading and there is no omission of facts in such statements. No transaction has been entered into by the Company which are fraudulent, illegal or in violation of the Company's Code of Conduct.

Credit Rating Information

Credit Rating Information and Services Limited (CRISL) has assigned the Company as "AA-" in the long term and "ST-2" in the short term along with Stable outlook in consideration of audited financials up to June 30, 2023 and unaudited financials up to March 31, 2024 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

Significant Variance over the Last Year's Operating Result

We are pleased to report to the shareholders regarding the variations from last year in terms of operating results of the Company as below:

Particulars	30-Jun-24	30-Jun-23	Variance
Net Revenue (Turnover)	642,755,732	737,973,899	(13%)
Gross Profit	80,546,224	92,761,891	(13%)
Operating Profit	32,993,334	44,111,521	(25%)
Profit Before Tax	98,032,218	68,818,529	42%
Profit After Tax	82,117,555	59,518,018	38%
Comprehensive Income	82,117,555	59,518,018	38%

The reason for deviation from last year's operating results prolonged economic uncertainty and volatility, which has led to reduced construction activity and lower investment in infrastructure projects with increase of dollar price due to the ongoing Russia-Ukraine war which caused a significant foreign currency (Dollar) crisis, volatility in rate and increase in dollar price significantly in case of LC settlement. Moreover, the cost of production has increased significantly due to price hikes and shortages of electricity and gas supply, which is also an important reason for the deviation in operation results.

Five Year's Financial Highlights

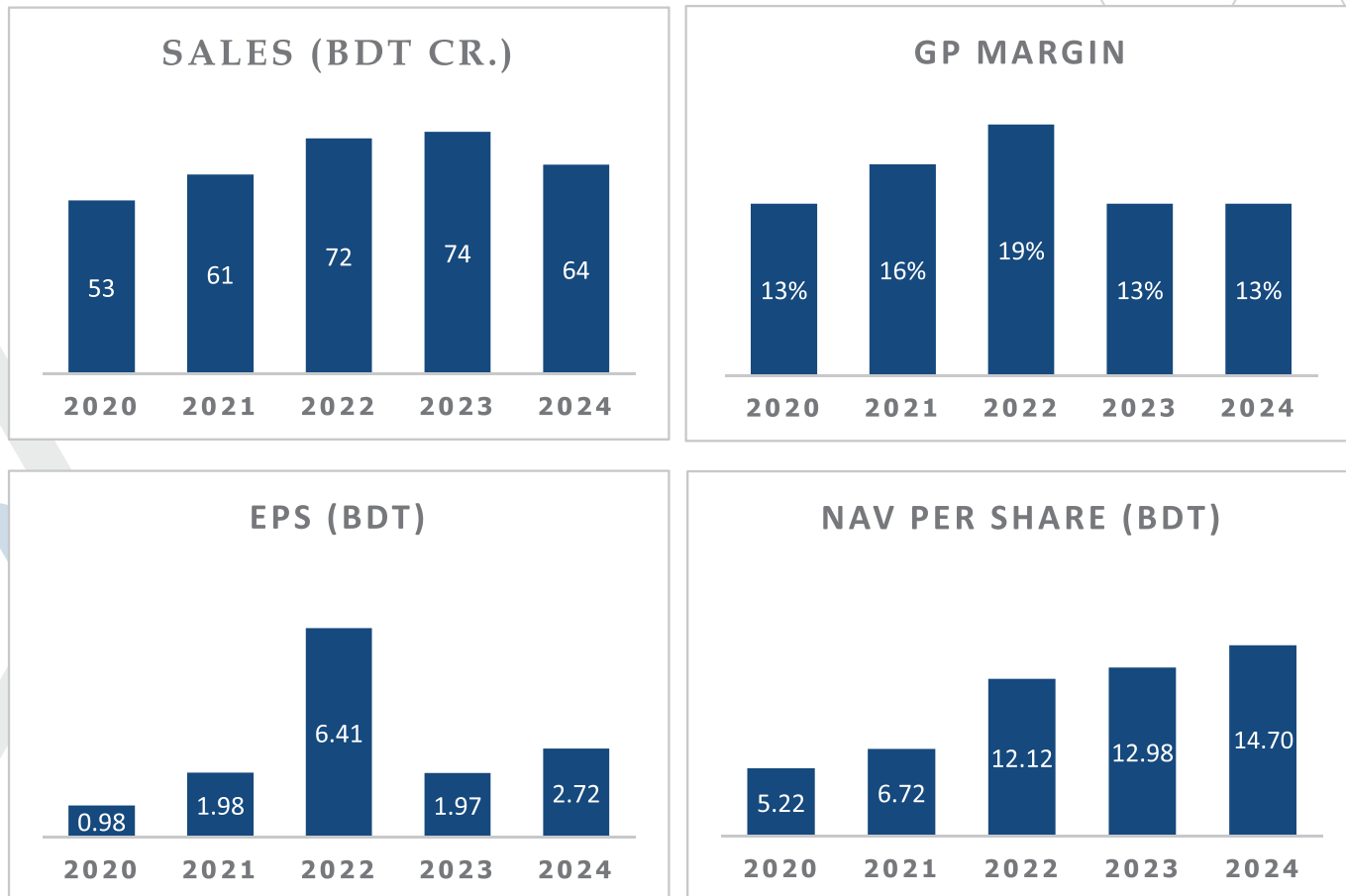
The financial performance of the Company for the preceding 5 (Five) years as under-

Particulars	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Revenue	642,755,732	737,973,899	724,383,291	609,988,495	534,251,648
Cost of Goods sold	562,209,508	645,212,008	589,792,567	510,807,033	464,269,433
Gross Profit	80,546,224	92,761,891	134,590,724	99,181,462	69,982,214
Profit before tax	98,032,218	68,818,529	221,545,509	73,856,234	38,995,189
Profit After Tax	82,117,555	59,518,018	193,479,986	59,725,897	29,490,879
Comprehensive Income	82,117,555	59,518,018	193,479,986	59,725,897	29,192,463
Total Assets	1,059,166,144	799,721,330	729,351,959	436,427,391	283,168,842
Net Assets	443,698,512	391,768,037	365,791,219	202,873,298	157,586,579
EPS	2.72	1.97	6.41	1.98	0.98
NAV	14.70	12.98	12.12	6.72	5.22
NOCFPS	1.94	2.14	0.43	(0.27)	1.70

Minority Shareholders interest

In accordance with Condition No. 1(5) (xvi) of the Corporate Governance Code 2018 of Bangladesh Securities and Exchange Commission, the Board of Directors hereby confirms that the interests of the minority shareholders have been duly protected by the Company.

In Graphical Presentation of Sales, Gross Profit Margin, Earning Per Share and NAV per Share



Declaration of Dividend

The Board of Directors of the Company at its 209th meeting held on October 28, 2024 proposed 10% Cash Dividend for all eligible shareholders for the year ended June 30, 2024 for onward approval in the 30th Annual General Meeting of the Company which is going to be held on February 05, 2025. During the year, no cash dividend or stock dividend was recommended or declared as interim dividend.

Unclaimed Dividends

The unclaimed dividends are taken care of according to directives of the Bangladesh Securities and Exchange Commission and other regulatory authorities from time to time. In this regard, Anwar Galvanizing Limited has transferred their unclaimed/unpaid dividend to the Capital Market Stabilization Fund (CMSF). As of 30 June 2024, BDT 1,967,243 remains undistributed and held in the designated unclaimed dividend account until claimed by the rightful shareholder, in accordance with regulatory guidelines.

Collateral Security to the Bank

Collateral Security given during the year under review are depicted in Note 17 to the financial statements of the Company.

Board Meetings Held During the Year and Attendance by Each Director

Twelve times the Board of Directors meeting of the Company was held during the year under review. The Board granted leave of absence to the members who are unable to attend the meetings. The attendance record of the Directors is shown as under :

Sl.	Name	Representation in the Board	Attendance Record
1	Mr. Manwar Hossain	Chairman	11
2	Mr. Hossain Mehmood	Director	12
3	Mr. Hossain Khaled	Director	12
4	Mr. Md. Abul Quasem	Independent Director	12
5	Mr. Ataur Rahman	Nominated Director	12
6	Mr. Md. Moniruzzaman	Managing Director/CEO	11

Pattern of Shareholding

According to the Clause No. 5 (xxiii) of the Corporate Governance Code, 2018 of Bangladesh Securities Exchange Commission, the pattern of shareholding as on June 30, 2024 is noted below:

- (a) Parent/ Subsidiary/ Associated Companies and their related parties: N/A
- (b) The Pattern of Shareholding of the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit & Compliance and their spouses and minor children:

Name of the Shareholder	No. of Shares held
Mr. Manwar Hossain, Chairman	1,764,896
Mr. Md. Moniruzzaman, Managing Director/CEO	Nil
Mr. Hossain Mehmood, Director	1,764,894
Mr. Hossain Khaled, Director	1,764,896
Anwar Steel mills Ltd.	2,286,900
Mr. Ataur Rahman, Nominated Director of Anwar Steel mills Ltd.	Nil
Mr. Md. Abul Quasem, Independent Director	Nil
Chief Financial Officer/Head of Accounts and Finance	Nil
Company Secretary	Nil
Head of Internal Audit	Nil
Spouses and minor children of above	Nil

- (c) Executives: Nil
- (d) Shareholder holding 10% or more voting interest in the Company: Nil

Distribution of Shareholdings

All shares have been fully called and paid-up. There was no preference share issued by the Company. The distribution schedule of each class of equity security and percentage as on June 30, 2024 is as under:

Share Holding Range	Number of Shareholders	No. of Shares	Ownership (%)
0000000001-0000000020	1,136	10,797	0.036%
0000000021-0000000049	829	28,278	0.094%
0000000050-0000000050	240	12,000	0.040%
0000000051-0000000200	2,812	339,714	1.125%
0000000201-0000000500	2,210	815,822	2.703%
0000000501-0000001000	1,461	1,154,189	3.824%
0000001001-0000005000	1,879	4,142,556	13.723%
0000005001-0000010000	264	1,896,376	6.282%
0000010001-0000025000	123	1,958,809	6.489%
0000025001-0000050000	40	1,330,942	4.409%
0000050001-9999999999	41	18,497,597	61.277%
Total:	11,035	30,187,080	100.00%

Directors' Rotation and their Re- appointment

Mr. Manwar Hossain and Mr. Hossain Khaled, as per Article 114 & 115 of the Articles of Association as well as Companies Act, 1994, have retired and, being eligible, have offered themselves for re-election. A brief resume and other information about the above-mentioned directors are shown in the Annual Report.

Appointment of Independent Director:

Pursuant to the condition of the CGG, the Board of Directors has appointed Md. Majibur Rahman an Independent Director of Anwar Galvanizing Limited, subject to the approval of BSEC and confirmation by the shareholders in the company's general meeting which scheduled to be February 5, 2025. A brief resume and other information of the independent director is depicted in the Annual Report.

Human Resources Training and Development

In order to improve the productivity of human input, Anwar Galvanizing continuously provides formal and informal training to its employees at every echelon of operation and management. During the year 2023-24, most of the officials received in-house/in-operation/on-the-job training at home and abroad which will ultimately make a great contribution to the company's profitability as well as their remuneration in due course.

Management's Discussion and Analysis of the Company's position and operations

Detailed discussion on the Operating and Financial performance of the Company along with other disclosures as required under Corporate Governance Code issued by Bangladesh Securities and Exchange Commission through Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 has been separately reported by the Managing Director in this Annual Report.

Declaration by CEO and CFO/Head of Accounts & Finance

The certification by the CEO and the CFO/ Head of Accounts & Finance has confirmed the Company's affairs as well as illustrated deliberation to the important events those occurred all over the fiscal year. These reports outlined an essential part of the Directors' Report. The declaration has been disclosed separately in this Annual Report.

Appointment of Compliance Auditors

In accordance with the requirements of the BSEC's notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 3 June 2018, a Report on Corporate Governance Compliance has been issued within the Annual report as well as certificate on Compliance of the Corporate Governance Code for the financial year of 2023-2024. The existing Compliance Auditor, Suraiya Parveen & Associates, Chartered Secretaries in Practice, retires at the end of 30th Annual General Meeting.

The Board, after due consideration of the proposal, recommended to re-appoint Suraiya Parveen & Associates, Chartered Secretaries in Practice, as a Compliance Auditor for the year 2024-2025, subject to the approval by the shareholders in its AGM which is scheduled to be held on February 05, 2025.

Appointment of Statutory Auditors

M/s Mahfel Haq & Co., Chartered Accountants, the first registered accounting firm in independent Bangladesh and an Independent Member Firm of AGN International, was the Statutory Auditor for the year 2023-2024 and submitted an Unqualified Report on Financial Statements of Anwar Galvanizing Limited for the year ended 30 June, 2024.

M/s Mahfel Haq & Co., Chartered Accountants, BGIC Tower, 4th Floor, 34 Topkhana, Dhaka, expressed their interest to be appointed as auditors of the Company for the year 2024-2025. The Board, after due consideration of the proposal made by the Audit Committee, recommended their appointment, subject to the approval by the shareholders in its 30th AGM which is scheduled to be held on February 05, 2025.

Compliance with Corporate Governance

Anwar Galvanizing, in accordance with the requirements of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission has complied with the conditions. An additional statement in pursuance of Clause 1 (5), resume of the directors who shall be reappointed, Management Discussion Analysis, Certificate from the CEO and CFO to the Board, Certificate on Compliance of the Conditions of the Corporate Governance Code 2018 by the Compliance Auditors and Status of Compliance are depicted in the Annual Report.

The Audit Committee Report, the NRC Policy, and the Dividend Distribution Policy are also presented in the Annual Report.

Management Appreciation

The AGL family expresses its sincere appreciation to all Officers, Staffs, Workers, Customers, Creditors for their contribution and at the same time, thanks to the Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange, Chittagong Stock Exchange, Central Depository Bangladesh Ltd. and the Government in particular and all the stakeholders for their continued support.

On behalf the Board,



Chairman

Dhaka: December 10, 2024

NRC Policy

Annexure-A

to agenda no-2 of the minutes of the BODs meeting dated July 29, 2018 for TOR of NRC

The Nomination and Remuneration Committee (NRC) shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of Directors and Top-Level Executives.

Purpose of the NRC:

NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of Directors and Top-Level Executives.

Constitution of the NRC:

The nomination and remuneration committee (the "Committee") is established as a Sub-Committee of the Board of Directors (the "Board") of Anwar Galvanizing Limited (the "Company"). The committee shall time to time review its Terms of Reference (TOR) in line with the regulatory Requirement and may recommend to the Board any amendments to its Terms of Reference. These terms of reference have been drawn up by the Board of Directors Anwar Galvanizing Limited pursuant to the Condition # 6(5)(c) of CGC are as under:

Structure of the NRC:

- a) The Committee shall comprise of at least three members including an independent director;
- b) All members of the Committee shall be non-executive directors;
- c) Members of the Committee shall be nominated and appointed by the Board;
- d) The Board shall have authority to remove and appoint any member of the Committee;
- e) In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;
- f) The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;
- g) The company secretary shall act as the secretary of the Committee;
- h) The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;
- i) No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.

Chairperson of the NRC:

- a) The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;
- b) In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;
- c) The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:

Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.

Meeting of the NRC:

- (a) The NRC shall conduct at least one meeting in a financial year;
- (b) The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;
- (c) The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h) of the CGG;
- (d) The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.

Role of the NRC:

- (a) NRC shall be independent and responsible or accountable to the Board and to the shareholders;
- (b) NRC shall oversee, among others, the following matters and make report with recommendation to the Board:
 - i. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
 - b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
 - ii. devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;
 - iii. identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;
 - iv. formulating the criteria for evaluation of performance of independent directors and the Board;
 - v. identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and
 - vi. developing, recommending and reviewing annually the company's human resources and training policies;
- (c) The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.

Duration of appointments of the Members of the NRC:

Unless otherwise determined by the Board, the duration of appointments of Non-executive members of the committee shall be for a period of up to three years which may be extended by the Board for an additional tenure of three years.

Conduct of Business of the Meetings of the NRC:

The Committee shall conduct its business as it thinks fit. Decisions of the committee shall be by majority decision. In the case of an equality of votes, the chairman of the committee shall have a second or casting vote. save as otherwise required by these terms of reference or agreed by the committee, all provisions relating to the conduct of business of the Board in the articles of association from time to time of the company shall equally apply to the conduct of business of the Committee.

Attendance of Meetings of the NRC:

Only members of the committee shall have the right to attend meetings of the committee. Other individuals such as the Managing Director & CEO, the Head of Human Resources and external advisers may be invited to attend for all or part of any meeting, as and when appropriate.

Reporting of the NRC:

- a) The Committee Chairman shall report formally to the Board on the Committee's proceedings after each meeting;
- b) The Committee shall, once a year, consider its own performance, membership and terms of reference to ensure it is operating at maximum effectiveness and shall recommend any necessary changes to the Board for its approval;
- c) The Committee shall make any recommendations to the Board it deems appropriate on any areas within its terms of reference where action or improvement is needed;
- d) The Chairman of the Committee shall work and liaise as necessary with other committees of the Board.
- e) The Chairman of the Committee shall attend the Company's Annual General Meeting (AGM) to answer shareholders' questions about the Committee's activities, if needed.

Meetings and Minutes of the Committee:

Meetings of the NRC Committee and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

Amendments to the Policy

The Board reserves the right to amend and review from time to time the provisions of the policy depending on the legal and other requirements or for a bona fide purpose.

AGL's Dividend Distribution Policy

[Pursuant to the clause (1) of BSEC Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021]

Preamble

This policy would help the Company to conserve capital and ensure the growth objective of the Company that generates future profitability. Anwar Galvanizing Limited (AGL) has a consistent track record of moderate dividend declarations over its history.

This Policy has been framed by Anwar Galvanizing Limited pursuant to Bangladesh Securities Exchange Commission, Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021. The objective of the Policy is to provide guidance to stakeholders on the dividend distribution framework adopted by the Company. The Policy has been adopted by the 175th meeting of the Board of Directors held on 9th October, 2021.

Dividend Recommendation and Approval process:

Dividend to be recommended and approved as per applicable Acts and regulatory directives issued from time to time.

Entitlement of Dividend:

Shareholders whose names shall appear in the Members Register of the Company or in the Depository Register of CDBL on the 'Record Date' of the respective year's AGM will receive entitled dividend.

Process of Distribution of Cash Dividend:

In case of Cash dividend, the dividend shall be paid directly to the bank account of the Shareholders within 30 (thirty) days from the date of approval by the Shareholders in the AGM subject to comply of circulars/directives of BSEC or any other regulatory authority from time to time.

- a) Through Bangladesh Electronic Funds Transfer Network (BEFTN); or
- b) Through bank transfer or any electronic payment system as recognized by the Bangladesh Bank (if not possible through BEFTN); or
- c) In case of margin loan and claim by loan provider, through the Consolidated Customer's Bank Account (CCBA);
- d) To the separate bank account of the merchant Banker or portfolio manager through BEFTN;
- e) Through the security custodian following Foreign Exchange Regulation for non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI);
- f) Through issuance of Cash Dividend warrant and send it through Courier/post to the shareholders or unit holders' address, if non-availability of bank account information or not possible to distribute through BEFTN or any other electronic payment system.
- g) Amount of declared cash dividend payable for the concerned year/period shall be kept in a separate bank account as per circular of BSEC or other regulatory authority from time to time.

Manner and procedure of stock dividend distribution:

The stock dividend shall be credited within 30 (thirty) days of approval subject to the clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL) or any other regulatory requirement, if needed:

- 1) To the BO account of the shareholders;
- 2) The undistributed or unclaimed stock dividend shall be credited to suspense BO Account.
- 3) The stock dividend shall be transferred to the suspense BO account if BO account is not available or BO account is inactive;
- 4) The sale proceeds of fractional stock/bonus dividend shall be paid off as per circular of BSEC or Bangladesh Bank or other regulatory authority from time to time.

Unpaid or unclaimed of unsettled cash dividend:

In case of cash dividend, unpaid or unclaimed of unsettled cash dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

Unpaid or unclaimed of unsettled stock dividend:

In case of stock dividend, unpaid or unclaimed of unsettled stock dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

Tax matters:

Tax shall be deducted at source as per applicable tax laws.

Submission of Dividend Distribution Compliance Report:

In-compliance with the Dhaka Stock Exchange (Listing) Regulation-2015 and Chittagong Stock Exchange (Listing) Regulation-2015 and other regulatory requirement, "Anwar Galvanizing Limited" has been submitted a Dividend Distribution Compliance Report to BSEC, DSE and CSE accordingly. This report shall be submitted to BSEC, DSE and CSE in a specified format issued by the regulator (s) within the stipulated time.

Disclosures:

In case it is proposed not to declare dividend during any financial year, the grounds thereof and the information on the manner in which the retained profits of the Company, if any, are being utilized shall be disclosed to the Shareholders in the Board's Report forming part of the Annual Report of the Company for the given financial year.

The Policy shall be disclosed in the Company's Annual Report and also be available on the Company's website: <https://www.anwargalvanizing.com>.

Policy Review:

The Board of Directors of the Company may review the policy, if the Board proposes to declare dividend on the basis of criteria in addition to those specified in the policy, or proposes to modify the criteria, it shall disclose such changes along with the rationale for the same on the Company's website and in the Annual Report. This policy will be reviewed in every three years' interval.

Information of Unpaid/Unclaimed Dividend:

Pursuant to the instruction of Bangladesh Securities and Exchange Commission (BSEC), the unclaimed/unpaid dividends up to the June 30, 2019 deposited to the Capital Market Stabilization (CMS) Fund.

The Unpaid or Unclaimed Dividend amount as on June 30, 2024 is BDT 1,967,243/- as mentioned in the face of the Statement of Financial Position as well as in the note number 18 of the Financial Statements. A details information of unclaimed or unpaid dividends are also available at Company's website.





Suraiya Parveen & Associates

(Chartered Secretaries, Financial & Management Consultants)

[Certificate as per condition No.1 (5) (XXVII)]

Report to the Shareholders of Anwar Galvanizing Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by Anwar Galvanizing Limited for the year ended on 30 June 2024. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June, 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission;
- The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- The Governance of the company is satisfactory.

Dhaka, Dated
December 02, 2024



For Suraiya Parveen & Associates
Chartered Secretaries

Suraiya Parveen, FCS
Chief Executive Officer

Office Address: Razzak Plaza (9th Floor) Suite-10G, 383 Tangi Diversion Road (old), 2 Shahid Tajuddin Ahmmed Sarani (New), Moghbazar, Dhaka-1217, Mobile: 01911-421998, 01713-110408, E-mail: suraiyaparveenfcs@gmail.com, musfiquefcs@gmail.com

AGL's Corporate Governance Compliance Report

[As per condition No. 9 of CGG]

COMPLIANCE REPORT ON BSEC'S NOTIFICATION

Status of Compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. BSEC/CMRRC/2006-158/207/Admin/80 dated June 3, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.00	Board of Directors			
1.1	Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty)	✓		
1.2	Independent Director			
1.2(a)	At least 2 (two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors.	✓		
1.2(b)(i)	"Independent Director" means a director who does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company	✓		
1.2(b)(ii)	Do not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company	✓		
1.2(b)(iii)	Who has not been an executive of the company in immediately preceding 2 (two) financial years	✓		
1.2(b)(iv)	Does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies	✓		
1.2(b)(v)	Independent directors are not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓		
1.2(b)(vi)	Independent director is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market	✓		
1.2(b)(vii)	Independent director is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code	✓		
1.2(b)(viii)	They are not the Independent directors in more than 5 (five) listed companies	✓		
1.2(b)(ix)	Who has not been reported as defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for non-payment of any loan or advance or obligation to a bank or a financial institution; and	✓		
1.2(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	✓		
1.2(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company	✓		
1.2(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days	✓		One Independent director appointed by the BOD's and it's placed before the BSEC for their approval.

1.2(e)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1 (one) tenure only. A former independent director may be considered for reappointment for another tenure after a time gap of one tenure. The independent director shall not be subject to retirement by rotation as the Companies Act, 1994.	√		
1.3	Qualification of Independent Director (ID)			
1.3(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business.	√		
1.3(b)	Independent director shall have following qualifications:			
1.3(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or	√		
1.3(b)(ii)	Corporate leader who is or was a top-level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company	√		
1.3(b)(iii)	Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or	√		
1.3(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law	√		
1.3(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification	√		
1.3(c)	The independent director have at least 10 (ten) years of experiences in any field mentioned in clause (b)	√		
1.3(d)	In special cases, above qualifications or experiences may be relaxed subject to prior approval of the Commission.	-		N/A
1.4	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1.4 (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals	√		
1.4 (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company	√		
1.4 (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company	√		
1.4 (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer	√		
1.4 (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from nonexecutive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1.5	Directors report to shareholders			
1.5(i)	Industry outlook and possible future developments in the industry	√		
1.5(ii)	Segment-wise or product-wise performance	√		
1.5(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any	√		
1.5(iv)	Discussion on cost of goods sold, gross profit margin and net profit margin	√		
1.5(v)	Discussion on continuity of any Extra-Ordinary gain or loss	√		
1.5(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions	√		
1.5(vii)	Utilization of proceeds from public issues, right issues and/ or through any others instruments	√		

1.5(viii)	An explanation if the financial results deteriorate after the company goes for IPO, RPO, Rights Offer, Direct Listing etc.	√		
1.5(ix)	Explanation on significant variance occurs between Quarterly Financial performance and Annual Financial Statements	√		
1.5(x)	Remuneration to directors including independent directors	√		
1.5(xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity	√		
1.5(xii)	Proper books of account of the issuer company have been maintained.	√		
1.5(xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment	√		
1.5(xiv)	International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed	√		
1.5(xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	√		
1.5(xvi)	Minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress	√		
1.5(xvii)	There is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed	√		
1.5(xviii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained	√		
1.5(xix)	Key operating and financial data of at least preceding 5 (five) years shall be summarized	√		
1.5(xx)	If the issuer company has not declared dividend (cash or stock) for the year	-		N/A
1.5(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend	-		N/A
1.5(xxii)	The total number of Board meetings held during the year and attendance by each director	√		
1.5 (xxiii)	Report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details were stated below) held by:			
1.5(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name-wise details)	√		
1.5(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details)	√		
1.5(xxiii)(c)	Executives	√		
1.5(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details)	√		
1.5(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:			
1.5(xxiv)(a)	A brief resume of the director	√		
1.5(xxiv)(b)	Nature of his or her expertise in specific functional areas	√		
1.5(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the Board	√		
1.5(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			
1.5(xxv)(a)	Accounting policies and estimation for preparation of financial statements	√		
1.5(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes	√		
1.5(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediately preceding five years explaining reasons thereof	√		
1.5(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario	√		
1.5(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√		
1.5(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company	√		
1.5(xxv)(g)	Future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM	√		

1.5(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A ;	√		
1.5(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C	√		
1.5(xxviii)	The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality.	√		
1.6	Meetings of the Board of Directors			
1.6	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1.7	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1.7 (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the chairperson of the Board, other board members and Chief Executive Officer of the company;	√		
1.7 (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency	√		
2.00	Governance of Board of Directors of Subsidiary Company			
2 (a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company	-		N/A
2 (b)	At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company	-		N/A
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company	-		N/A
2 (d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also	-		N/A
2 (e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	-		N/A
3.00	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3.1	Appointment			
3.1 (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3.1 (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals	√		
3.1 (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time: Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately;	√		
3.1 (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS	√		
3.1 (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s)	√		
3.2	Requirement to attend Board of Directors' Meetings			
3.2	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board:	√		
3.3	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3.3(a)	The MD or CEO and CFO shall certify to the board that they have reviewed financial statements for the year and that to the best of their knowledge and belief			
3.3(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	√		

3.3(a)(ii)	These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√		
3.3(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members	√		
3.3(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4	Board of Directors' Committee: For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee	√		
4 (ii)	Nomination and Remuneration Committee.	√		
5	Audit Committee			
5.1	Responsibility to the Board of Directors			
5.1 (a)	The company shall have an Audit Committee as a subcommittee of the Board	√		
5.1 (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business	√		
5.1 (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing	√		
5.2	Constitution of the Audit Committee			
5.2 (a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5.2 (b)	The Board shall appoint members of the Audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5.2 (c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		
5.2 (d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	-		No such situation arisen
5.2 (e)	The company secretary shall act as the secretary of the Committee	√		
5.2 (f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5.3	Chairperson of the Audit Committee			
5.3 (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5.3 (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b). And the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
5.3 (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	√		
5.4	Meeting of the Audit Committee			
5.4 (a)	The Audit Committee shall conduct at least its four meetings in a financial year.	√		
5.4 (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5.5	Role of Audit Committee			
5.5 (a)	Oversee the financial reporting process;	√		
5.5 (b)	Monitor choice of accounting policies and principles	√		
5.5 (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report	√		

5.5 (d)	Oversee hiring and performance of external auditors;	√		
5.5 (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption	√		
5.5 (f)	Review along with the management, the annual financial statements before submission to the Board for approval	√		
5.5 (g)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval	√		
5.5 (h)	Review the adequacy of internal audit function	√		
5.5 (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	√		
5.5 (j)	Review statement of all related party transactions submitted by the management	√		
5.5 (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors;	√		
5.5 (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors	√		
5.5 (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission	√		
5.6	Reporting of the Audit Committee			
5.6(a)	Reporting of the Board of Directors			
5.6 (a)(i)	The Audit Committee shall report on its activities to the Board.	√		
5.6 (a)(ii)(a)	The Audit Committee shall immediately report to the Board on the following findings report on conflicts of interests	N/A		No such situation arisen
5.6 (a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	N/A		No such situation arisen
5.6 (a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations	N/A		No such situation arisen
5.6 (a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately	√		
5.6 (b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier	N/A		No such situation arisen
5.7	Reporting to the shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company	√		
6	Nomination and Remuneration Committee (NRC)			
6.1 (a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board	√		
6.1 (b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√		
6.1 (c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No.6(5)(b).	√		
6.2	Constitution of the NRC			
6.2 (a)	The Committee shall comprise of at least three members including an independent director;	√		
6.2 (b)	At least 02 (two) members of the Committee shall be non-executive directors;	√		
6.2 (c)	Members of the Committee shall be nominated and appointed by the Board;	√		
6.2 (d)	The Board shall have authority to remove and appoint any member of the Committee;	√		
6.2 (e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√		

6.2 (f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	√		
6.2 (g)	The company secretary shall act as the secretary of the Committee;	√		
6.2 (h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√		
6.2 (i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company	√		
6.3	Chairperson of the NRC			
6.3 (a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director	√		
6.3 (b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√		
6.3 (c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders: in absence of chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholders queries and reason for absence of the chairperson of the NRC shall be recorded in the minutes of the AGM	√		
6.4	Meeting of the NRC			
6.4 (a)	The NRC shall conduct at least one meeting in a financial year;	√		
6.4 (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√		
6.4 (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√		
6.4 (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√		
6.5	Role of the NRC			
6.5(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√		
6.5 (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6.5(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6.5(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract retain and motivate suitable directors to run the company successfully	√		
6.5(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks	√		
6.5(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals	√		
6.5(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality	√		
6.5(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board	√		
6.5(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board	√		
6.5(b)(v)	Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria	√		
6.5(b)(vi)	Developing, recommending and reviewing annually the company's human resources and training policies;	√		
6.5(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√		
7.	External or Statutory Auditors			
7.1	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:			
7.1 (i)	Appraisal or valuation services or fairness opinions;	√		
7.1 (ii)	Financial information systems design and implementation;	√		
7.1 (iii)	Book-keeping or other services related to the accounting records or financial statements;	√		

7.1 (iv)	Broker-dealer services;	√		
7.1 (v)	Actuarial services;	√		
7.1 (vi)	Internal audit services or special audit services;	√		
7.1 (vii)	Any service that the Audit Committee determines;	√		
7.1 (viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1)	√		
7.1 (ix)	Any other service that creates conflict of interest.	√		
7.2	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company;	√		
7.3	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8	Maintaining a website by the Company.			
8.1	The company shall have an official website linked with the website of the stock exchange	√		
8.2	The company shall keep the website functional from the date of listing	√		
8.3	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9	Reporting and Compliance of Corporate Governance.			
9.1	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√		
9.2	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting	√		
9.3	The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not.	√		

Corporate Governance

of Anwar Galvanizing Limited

At Anwar Galvanizing, corporate governance is the system of principles, policies, procedures and clearly stated responsibilities and accountability developed by stakeholders to avoid inherent conflicts of interest and ensure responsible organizational stewardship. The purpose of corporate governance is to facilitate effective and prudent management of the business so as to enable long-term value creation for all stakeholders.

To exercise clarity about directors' responsibilities towards the shareholders, corporate governance must be dynamic and remain focused to the business objectives of the Company and create a culture of openness and accountability. Keeping this in mind, clear structure and accountabilities supported by well understood policies and procedures to guide the activities of Company's management, both in its day-today business and in the areas associated with internal control have been instituted.

Board of Directors

The Board meets periodically to oversee the Company's affairs, gives approval and take strategic direction. The Board of AGL has laid down a Code of Conduct of all board members and annual compliances of the code have recorded. The Board of Directors of the Company is the highest level of authority in the organization structure of the Company. The BODs comprise of six Directors including two Independent Directors and Managing Director with varied education and character in decision making process. The Board is re-constituted each year in the AGM. The Managing Director along with the Company Secretary finalizes the agenda for the Board meeting in consultation with the other person concerned, if needed. The minutes of the Board meeting are maintained in terms of statutory provisions.

Role & Responsibilities of the Board of Directors

The Board of Directors take special care in designing and articulating productivity and compensation plans of employees and workers and rewarding them appropriately on the basis of quality and quantity of performance as an incentive. Board also remains responsible for removal of operational hazards to life and health of workers, friendly environmental work condition and social relationship as demanded of good citizen in a country.

The core role of the Board of Directors, which is the highest level of authority, is to provide general superintendence, oversee the operations and control the affairs of the company through appropriate delegation and accountability processes via the lines of command. However, the Board of Directors hold the ultimate responsibility & accountability with due diligence for conducting the activities of the Company as per provisions of law in the interest of the shareholders, the stakeholders, the Government and the society.

Sub-committee of the Board of Directors

According to the code of CGG, the Board has set up two important Committees namely, Audit Committee and Remuneration & Nomination Committee, to assist the Board in certain matters specified in the respective terms of reference of the Committees as mentioned in the CGG.

As per the CGG, AGL has an Audit Committee as a sub-committee of the Board of Directors. The Audit Committee assists the Board of Directors in ensuring a good monitoring system within the business. The Audit Committee is accountable to the Board and the duties and responsibilities to internal control, financial reporting and compliance monitoring, among others, of the Audit Committee are clearly set forth in writing by the Board in the Audit Committee Charter.

AGL has a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board of Directors. The committee comprised three members including independent director.

Chairman of the Board and Chief Executive Officer

The Chairman of the Board and the MD/CEO are different individuals. The Chairman of the Company is elected from among the directors of the Board. The Board has clearly defined respective roles & responsibilities of the Chairman and the MD/CEO in addition to their roles and responsibilities as per Articles of Association of the Company.

CS, HIAC and CFO/Head of Accounts

The following three qualified professionals have been appointed as Company Secretary (CS), Head of Internal Audit and Compliance (HIAC) and CFO /Head of Accounts of the Company as per the requirement of the Corporate Governance Code of Bangladesh Securities and Exchange Commission:

- CS Mr. Tauhidul Islam, a Fellow Chartered Secretary (FCS) is responsible for the office of the Company Secretary.
- HIAC Mr. Mr. Sayem Tanzeer, a Fellow Chartered Certified Accountant (FCCA) is executing the responsibility of Head of Internal Audit and Compliance.
- CFO Mr. Ramim Rana, an Associate Chartered Accountant (ACA) is delegated to the responsibility of Chief Financial Officer.

The Board of Directors clearly defined respective roles, responsibilities and duties of the Chief Financial Officer, Company Secretary and Head of Internal Audit separately.

Statutory Auditor

During the year, M/s Mahfel Huq & Co., Chartered Accountants, is the statutory Auditor of the Company. Statutory Auditor was appointed by the shareholders in its Annual General Meeting. The Auditor has performed his duties accordingly and did systematic examination of books and records of the Company and reported upon the facts regarding the financial operation and the results. No partner or employees of the auditors are holding any shares of AGL during the tenure of their audit assignment.

Compliance Auditor

The compliance auditor is responsible for certification on compliance of conditions of the Corporate Governance Code 2018 of the Bangladesh Securities and Exchange Commission as well as the provisions of relevant Bangladesh Secretarial Standards of the Institute of Chartered Secretaries of Bangladesh (ICSB).

M/s Suraiya Parveen & Associates, Chartered Secretaries in Practice, is the compliance auditor of AGL appointed by shareholders in its general meeting. The Compliance Auditor carried out systematic scrutiny accordingly and issued a compliance certificate as incorporated in the Annual Report.

Internal Audit and Internal Control

The Company has an independent Internal Audit Department under control of the Audit Committee of the Board. Internal auditing of AGL assists the Company in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the Organization's risk management, control and governance processes.

Dividend Policy

Ethics is an important ingredient of the Good Governance and involves a determination of what is right and what is wrong and deals with things to be sought and things to be avoided with a way of life and the end of life. The corporate ethic must necessarily promote efficiency in coexisting with the environment to generate the quality of life for a current cohort and yet also provide equity that does not disadvantage a future cohort by the decisions of a current cohort.

Relations with shareholders

The annual general meeting is used as an important opportunity for communication with both institutional and general shareholders. In addition, the Company maintains relations with its shareholders through the corporate affairs secretarial department. The following information can be addressed through the secretarial department:

- ✓ Dividend payment enquires;
- ✓ Dividend mandate instruction;
- ✓ Loss of share certificate/dividend warrants;
- ✓ Notification of change of address; and
- ✓ Transfer of shares.

Secretarial Standard

Anwar Galvanizing Limited tries its best to maintain the Secretarial Standard on meetings of the Board of Directors, shareholders, Minutes, and Dividend issued by the Institute of Chartered Secretaries of Bangladesh (ICSB). A qualified Chartered Secretary is in charge maintaining of the Secretarial Standard prescribed by ICSB.

Going Concern

After making enquires, the directors, at the time of approving the financial statements, have determined that there is reasonable expectation that the Company have adequate resources to continue operation for the foreseeable future. For this reason, the directors have adopted the going concern basis in preparing the financial statements.

Compliances

AGL ensured highest standards in corporate good governance and strict adherence to the requirements of ethical code of conduct, through close monitoring. Through the code of ethics all levels of staff have been educated and encouraged to resort to whistle blowing, when they suspect wrong doings by other employees.

Anwar Galvanizing Limited is committed to delivering accurate, high-quality and timely information to all stakeholders with the utmost integrity and efficiency.

AGL's Dividend Distribution Compliance Report

Under Clause (6) of the Directive No. BSEC/CMRRCD/2021-386/03, Dated: 14/01/2021

1	Name of the Issuer/Securities/Mutual Fund	:	Anwar Galvanizing Limited			
2	Particulars of the Issuer DP	:	NA			
3	Type of Dividend (Annual/Interim) (Put tick mark (a) on the recommended option)	:	a) Annual	: <input checked="" type="checkbox"/>	b) Interim	: <input type="checkbox"/>
4	Whether audited or not for Interim Dividend (Put tick mark (a) on the recommended option)	:	a) Audited	: <input checked="" type="checkbox"/>	b) Unaudited	: <input type="checkbox"/>
5	Date of recommendation of Dividend by the Board of Directors (Enclose copy of PSI)	:	October 26, 2023			
6	Whether Dividend recommended other than directors or Sponsors or any other classes (Put tick mark (a) on the recommended option)	:	a) Yes	: <input type="checkbox"/>	b) No	: <input checked="" type="checkbox"/>
7	Record date for entitlement	:	December 4, 2023			
8	Rate of dividend recommended by the Board of Directors/Trustee	:	10% Cash			
9	Dividend recommended-Type (Put tick mark (a) on the recommended option)	:	a) Cash	: <input checked="" type="checkbox"/>	b) Stock	: <input type="checkbox"/>
10	Securities/mutual fund traded under which categories	:	a) A	<input checked="" type="checkbox"/>	b) B	<input type="checkbox"/>
			c) G	<input type="checkbox"/>	d) N	<input type="checkbox"/>
			e) Z	<input type="checkbox"/>		<input type="checkbox"/>
11	Date of transfer to a separate bank account (pls mention bank details) or provisional credit of transfer/units by CDBL	:	February 28, 2024			
12	Date of approval of Dividend at AGM	:	February 4, 2024			
13	Rate of dividend approved at AGM- details at Annexure, (if any change)	:	10% Cash			
14	Date of commencement of disbursement of Cash and stock Dividend	:	February 28, 2024			
15	Mode of Disbursement (Put tick mark (a) on the recommended option)	:	a) BEFTN	<input checked="" type="checkbox"/>	b) any Bank Transfer	<input checked="" type="checkbox"/>
			c) MFS	<input type="checkbox"/>	d) Dividend Warrant	<input checked="" type="checkbox"/>
			e) Any other mode	<input type="checkbox"/>		<input type="checkbox"/>
16	Date of completion of disbursement of Cash Dividend and Stock Dividend [Enclose bank statement and Corporate Action Processing Report (DP 70)]	:	March 3, 2024			
17	Paid-up Capital if the issuer- before corporate action/entitlement	:	Tk. 301,870,800/-			
18	Number of Securities/shares outstanding- before corporate action/ entitlement	:	30,187,080			
19	Total cash in taka or stock (Nos. shares) dividend as per corporate declaration	:	Tk. 30,187,080/- cash dividend			
20	Distribution/Disbursement details of Cash & Stock Dividend	:	Cash (TK)	Stock (Nos)	Annexure	
	A. Mode of Dividend Payment/credit for the concerned year	:				
	a) Through BEFTN or directly credited to respective BO	:	16,598,020.35			
	b) Through Bank transfer other than entitled BO-Margin loan	:				
	c) Through Bank transfer	:	658,172.65			
	d) Through Mobile Financial Service (MFS)	:	-			
	e) Through any other mode as approved by Bangladesh Bank	:	4,188,528.85			
	f) Through transfer to suspense account for dematerialized shares (BO wise detailed with reason should be maintained and submitted)	:	-			
	g) Through issuance of Dividend Warrant or issue of shares to suspense account for non- materialized securities	:	-			
	h) Through issuance of Dividend Warrant	:	8,742,358.15			
21	Total Dividend Paid/Credited for the concern Year	:	30,187,080			
22	Total unpaid/undistributed Dividend/accrued during the period (20-21)	:	0.00			
23	Total unpaid/undistributed Dividend/accrued on 1 st day of account year	:	Previous on 01.07.2022	:	7,117,736	
			Current accrued	:	33,541,200	
			Total unpaid	:	40,658,936	

24	Transfer to suspense account for Demate shares or any other reason during the concerned year.	:	
A.	Mode of Dividend Payment/credit for the Previous year	:	Cash (TK)
a)	Through BEFTN or directly credited to respective BO	:	9,274,004.60
b)	Through Bank transfer	:	8,763,932.30
c)	Through Mobile Financial Service (MFS)	:	-
d)	Through any other mode as approved by Bangladesh Bank	:	9,032,456.06
e)	Through transfer to/from suspense account for Demate shares or any other reason	:	-
f)	Through issuance of Dividend Warrant or issue of shares to suspense account for non- materialized securities/shares/units	:	-
g)	Transfer of cash or stock to the fund as prescribed or directed by commission after 3 years or forfeit of shares to Suspense Account for non- materialized securities	:	1,445,434.15
h)	Through issuance of Dividend Warrant	:	9,921,683.60
25	Total Dividend Paid/Credited for the previous Year	:	38,437,510.71
26	Total unpaid/undistributed Dividend for the previous Year (23+24-25)	:	2,221,425.29
27	Grand Total unpaid/undistributed Dividend (22+26)	:	2,221,425.29
28	Aging of grand total of unpaid/undistributed dividend for the previous Year	:	
	More than 3 years; Balance	:	2,221,425.29
	More than 4 years; Balance	:	0.00
	More than 5 years & above; Balance	:	0.00
	Total of unpaid/undistributed dividend for the previous Year (Supporting Bank Statements and Balance of Securities with the Depository)	:	2,221,425.29

Note: Issuer shall maintain BO wise detailed information for all transfer/credit to suspended Accounts with reasons and submit along with Bank Statements and other Supporting documents. The issuer shall fill up all the applied fields.

Reporting Date: March 7, 2024



Tauhidul Islam FCS
Company Secretary

AGL's Corporate Calendar

**November 1, 2023
1st Quarter**

Adoption of unaudited first quarter financial statements ended September 30, 2023

**January 30, 2024
2nd Quarter**

Adoption of unaudited second quarter financial statements ended December 31, 2023

**April 29, 2024
3rd Quarter**

Adoption of unaudited third quarter financial statements ended March 31, 2024

**October 28, 2024
ANNUAL FSs**

Adoption of audited financial statements ended June 30, 2024

**December 5, 2024
Record Date**

Record Date in lieu of Book Closure

**January 5, 2025
Annual Report**

Issuance of Annual Report 2024

**January 5, 2025
AGM Notice**

Notice of 30th Annual General Meeting to be circulated

**February 5, 2025
AGM**

30th Annual General Meeting at virtual platform

**March 5, 2025
Dividend Distribution**

Payment of dividend to the eligible Shareholders of the company



ANWAR GALVANIZING LIMITED

29th Annual General Meeting
4 February, 2024
at virtual platform





ANWAR GALVANIZING LTD.

Register Office: 27, Dilkusha C/A, Dhaka-1000

Revenue
Stamp of
Tk. 20.00

PROXY FORM

I/We of
..... being a Member of
Anwar Galvanizing Limited, hereby appoint Mr./Ms. of
..... as my proxy
in my/our absence to attend and vote for me/us and on my/our behalf at the **30th Annual General Meeting** of
the company to be held on February 5, 2025 at 11:30 a.m. under virtual platform, and or at any adjournment
thereof.

As witness my / our hand this day of 2025.

Signature of Proxy

Signature of Member

Register Folio no./BO ID of Member

NOTE:

1. A member entitles to attend and vote at the meeting may appoint his/her proxy to attend and vote on his/her behalf.
2. The proxy form should reach the Registered Office of the company not less than 48 hours before the time fixed for the meeting.



ANWAR GALVANIZING LTD.

Register Office: 27, Dilkusha C/A, Dhaka-1000

ATTENDANCE SLIP

Name of Member

Name of Proxy

Register Folio No. / BO ID of Member

I/we hereby record my/our presence at the **30th Annual General Meeting** of the Company to be held on
February 5, 2025 at 11:30 a.m. under virtual platform, and or at any adjournment thereof.

.....
Signature of Member

.....
Signature of Proxy

N.B: The Member attending the meeting is requested to mention the registered name and Folio no./BO ID on this slip and present the same at the registration counter on or before 10.00 a.m.





ANWAR GROUP

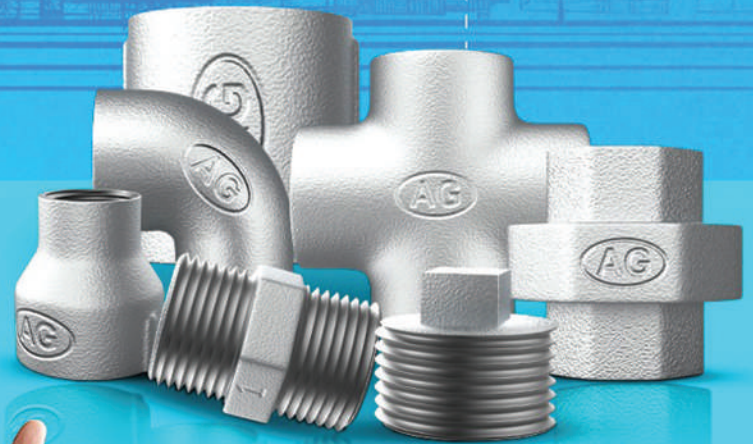


ANWAR GALVANIZING LTD.

এজি ফিটিংস

ইঞ্জিনিয়ারের ১ম পছন্দ!

AG
FITTINGS

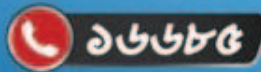


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AG FITTINGS

দেশের সেরা ফিটিংস



ANWAR GALVANIZING LTD.

ANWAR GALVANIZING LTD

(a concern of Anwar Group of Industries)

Baltul Hossain Building (14th Floor), 27 Dilkusha C/A, Dhaka-1000, Bangladesh.

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