

Anwar Galvanizing Limited

Baitul Hossain Building,
27 Dilkusha, Dhaka-1000, Bangladesh.

**AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
As at and for the year ended 30 June 2021**

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Independent Auditor's Report To the Shareholders' of Anwar Galvanizing Limited

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 2021 and along with 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 is present fairly, in all material respects, the financial position of the Company as at 30 June 2021, 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 in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements. 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.

1. Revenue Recognition	
See note 16.00 to the financial statements	
Risk	Our Response to the Risks
<p>The company reported total revenue of BDT 609,988,495 as 30 June 2021. Revenue increased by BDT. 75,736,847 which shows 14% higher revenue compared to last year. We focus on the risk of material misstatement in the recognition of revenue, as a result of both fraud and error, because revenue is material and is an important determinant of the company's profitability, which has a consequent impact on its share price performance.</p> <p>Revenue is derived from sales of GI Fittings and Others (scrap and wastage) as disclosed in note</p>	<p>We have tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • calculation of each GI Fittings sales and Others sales; • specific reason behind no sales of brake drum. • segregation of duties in invoice creation and modification; and • Timing of revenue recognition. <p>Our substantive procedures in relation to the revenue recognition comprises the following:</p> <ul style="list-style-type: none"> • Obtaining supporting documentation for sales transactions recorded at the yearend date to determine whether revenue was recognized in the



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16 to the financial statements.	<p>current period;</p> <ul style="list-style-type: none"> Critically assessing manual journals posted to revenue to identify unusual or irregular items; and <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards.</p>
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2. Valuation of Inventories	
See note 4.00 to the financial statements	
Risk	Our Response to the Risks
<p>The company had inventories of BDT 202,405,019 at 30th June 2021, held in factory premises and warehouse.</p> <p>Inventory value is measured at the lower of cost and net realizable value. As a result, the Directors apply judgment in determining the appropriate values for value in use and working progress.</p> <p>The Work in Progress is calculated within the company's accounting systems using an automated process. Where local systems require manual interfaces and inputs, there is a risk that inappropriate management override and/or error may occur.</p>	<p>We challenged the appropriateness of management's assumptions applied in calculating the value of the inventory provisions by:</p> <ul style="list-style-type: none"> evaluating the design and implementation of key inventory controls operating across the company, including those at a sample of warehouses. 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 and comparison to the associated provision to assess whether inventory provisions are complete; and challenging the completeness of inventory provisions through assessing actual and forecast sales of inventory to assess whether provisions for slow-moving/obsolete stock are valid and complete, if any

3. Trade Receivables	
See note 5.00 to the financial statements	
Risk	Our Response to the Risks
<p>The company has BDT. 81,694 of trade receivables as at 30 June 2021, which is net of Provision of bad debt amount to BDT. 812,557.</p> <p>The company has a large number of dealers, therefore the size of the trade receivable balance and the high level of management judgment used in determining the impairment provision is a significant issue.</p>	<p>For trade receivables and the management's policy for bad debt provision, our key audit procedures included the following:</p> <ul style="list-style-type: none"> We performed trade receivables balance confirmations from the dealers on a sample basis; We analyzed the aging of trade receivables; and We obtained a list of long outstanding receivables and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.



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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.

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.
- 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



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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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations, 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 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;

Dhaka, 09 October, 2021

Md. Abdus Satter Sarkar, FCA

ICAB enrollment no. : 1522

Mahfel Huq & Co., Chartered Accountants

Firm Registration no. P-46323

DVC: 2110121522AS256800

Anwar Galvanizing Limited
Statement of Financial Position
As at 30 June 2021

	Notes	30 June 2021 BDT	30 June 2020 BDT
Assets			
Non-current assets			
Property, plant and equipment	3.00	135,451,777	91,793,269
		135,451,777	91,793,269
Current Assets			
Inventories	4.00	202,405,019	116,694,083
Trade receivables	5.00	81,694	4,470,157
Advances, deposits and pre- payments	6.00	67,412,081	40,822,970
Short term investment	7.00	5,400,000	919,051
Cash and cash equivalents	8.00	25,676,820	28,469,311
		300,975,614	191,375,573
Total Assets		436,427,391	283,168,842
Equity and liabilities			
Shareholders' equity			
Share capital	9.00	152,460,000	145,200,000
Retained earnings	10.00	50,413,298	13,031,854
Other components of equity	11.00	-	(645,275)
		202,873,298	157,586,579
Non-current liabilities			
Deferred tax liabilities	12.00	8,639,338	9,402,441
		8,639,338	9,402,441
Current liabilities			
Trade and other payables	13.00	110,379,479	87,200,645
Income tax liabilities	14.00	14,893,440	10,230,526
Short term loan	15.00	99,641,836	18,748,650
Total current liabilities		224,914,755	116,179,822
Total Equity and Liabilities		436,427,391	283,168,842
Net Asset Value Per Share	23.00	13.31	10.85

The annexed notes form an integral part of these financial statements



Company Secretary



Director



Managing Director

Signed as per our annexed report on even date



Md. Abdus Sattar Sarker, FCA

ICAB enrollment no: 1522

Mahfel Huq & Co., Chartered Accountants

Firm Registration no. P-46323

DVC: 2110121522AS256800

Place: Dhaka
Dated : 09 October, 2021



Anwar Galvanizing Limited
Statement of Profit or Loss & Other Comprehensive Income
For the year ended 30 June 2021

	Notes	01 July 2020 to 30 June 2021 BDT	01 July 2019 to 30 June 2020 BDT
Revenue	16.00	609,988,495	534,251,648
Cost of goods sold	17.00	(510,807,033)	(464,269,433)
Gross profit		99,181,462	69,982,214
Operating expenses			
Administrative expenses	18.00	(14,379,731)	(15,059,989)
Selling and distribution expenses	19.00	(16,366,173)	(13,128,587)
		(30,745,903)	(28,188,575)
Operating profit		68,435,559	41,793,639
Financial expenses	20.00	(3,812,452)	(1,025,231)
Non-operating income	21.00	12,925,939	176,541
Profit before distribution of WPPF		77,549,046	40,944,949
Contribution to WPPF	13.01.01	(3,692,812)	(1,949,760)
Profit before tax		73,856,234	38,995,189
Income tax expense			
Current	14.00	(14,893,440)	(10,421,922)
Deferred	12.00	763,103	917,612
		(14,130,337)	(9,504,310)
Profit after tax		59,725,897	29,490,879
Other comprehensive income			
Unrealized gain/(loss) on marketable securities	7.00	-	(298,417)
Total comprehensive income for the year		59,725,897	29,192,463
Basic Earning Per Share	24.01	3.92	2.03
Restated Earning per share	24.02	3.92	1.93

The annexed notes form an integral part of these financial statements


Company Secretary


Director


Managing Director

Signed as per our annexed report on even date



Md. Abdus Sattar Sarker, FCA

ICAB enrollment no: 1522

Mahfel Huq & Co., Chartered Accountants

Firm Registration no. P-46323

DVC: 2110121522AS256800

Place: Dhaka
Dated : 09 October, 2021



Anwar Galvanizing Limited
Statement of Changes in Equity
For the year ended 30 June 2021

Amount in BDT

Particulars	Share Capital	Retained Earnings	Other Components of Equity	Total
Balance as on 30 June 2019	145,200,000	(1,939,025)	(346,858)	142,914,117
Profit after tax	-	29,490,879	(298,417)	29,192,463
Cash dividend	-	(14,520,000)	-	(14,520,000)
Balance as on 30 June 2020	145,200,000	13,031,854	(645,275)	157,586,579
Prior period adjustment	-	(191,396)	-	(191,396)
Profit after tax	-	59,725,897	-	59,725,897
Gain/ (loss) from sales realisation	-	-	272,218	272,218
Transfer from OCI to retained earnings	-	(373,057)	373,057	-
Cash dividend	-	(14,520,000)	-	(14,520,000)
Stock dividend	7,260,000	(7,260,000)	-	-
Balance as on 30 June 2021	152,460,000	50,413,298	-	202,873,298

The annexed notes form an integral part of these financial statements



Company Secretary



Director



Managing Director

Place: Dhaka
Dated : 09 October, 2021



Anwar Galvanizing Limited
Statement of Cash Flows
For the year ended 30 June 2021

Particulars	Notes	Amount in BDT	
		01 July 2020 to 30 June 2021	01 July 2019 to 30 June 2020
Cash Flows from operating activities			
Collection from customers and others	22.00	616,005,898	548,126,273
Payment for suppliers, employees and others		(606,376,861)	(484,308,625)
Income tax paid		(15,850,023)	(11,753,781)
Interest paid		(1,823,939)	(708,849)
Net cash inflow/(outflow) from operating activities		(8,044,925)	51,355,018
Cash flows from investing activities			
Payment for the acquisition of property, plant and equipment		(9,164,508)	(9,049,256)
Payment for the capital work-in-progress		(44,660,624)	(5,830,973)
Investment in securities		(4,480,949)	-
Net cash inflow/(outflow) from investing activities		(58,306,080)	(14,880,229)
Cash flows from financing activities			
Dividend paid		(17,334,672)	(10,680,144)
Loan against trust receipts (LTR)		80,893,185	(30,682,165)
Net cash inflow/(outflow) from financing activities		63,558,513	(41,362,309)
Net increase/(decrease) in cash and cash equivalents		(2,792,491)	(4,887,521)
Cash and cash equivalents at the beginning of the year		28,469,311	33,356,832
Cash and cash equivalents at the year End		25,676,820	28,469,311
Net Operating Cash Flow Per Share (NOCFPS)	25.00	(0.53)	3.54

The annexed notes form an integral part of these financial statements



Company Secretary



Director



Managing Director

Place: Dhaka
Dated : 09 October, 2021



Anwar Galvanizing Limited
Notes to the Financial Statements
As at and for the year ended 30 June 2021

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. 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 corrugated sheets and 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	Disclosure 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 Ordinance & Rules, 1984
- b) The Value Added Tax and Supplementary Duty Act & Rules, 2012
- c) The Security & Exchange Rules, 2020
- d) The Customs Act 1969
- e) The Bangladesh Labour Act 2006 (Amended in 2013)
- f) 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 require 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 2021 is included in the following notes:

Note 12: Deferred tax liabilities

Note 05.01: Provision for trade receivables

Note 03: Useful life and residual value of property, plant and equipment

Note 13.1: Provision for expense

Note 14: Current tax liabilities



2.7 Cash Flow Statement:

IAS 1 requires that a complete set of financial statement requires preparation of statement of cash flows. The statement of cash flows is prepared 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 and 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 Straight Line 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 2020-21	FY 2019-20
Land & Land Development	0%	0%
Building & Construction	2.5%-10%	2.5%-10%
Plant, Machinery & Equipment	7.5%-33.33%	7.5%-33.33%
Office Equipment	10%-25%	10%-25%
Furniture & Fixtures	10%-20%	10%-20%
Vehicles	7.5%	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 30 June 2021.

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:

All leases other than those which meet the definition of finance lease are treated as operating lease and are recognized in the statement of profit and loss. Payments made under operating

leases are recognized in profit or loss. For non-cancellable operating leases payments are recognized on a straight line basis over the term of the lease.

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: amortised 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 amortised 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 uncollectability 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.



d) Reclassification of financial instruments on adoption of IFRS 9

On the date of initial application, the financial assets of the Company with any reclassifications noted are as follows:

Accounts title	Measurement category		Carrying amount	
	IAS 39	IFRS 9	IAS 39	IFRS 9
Cash and cash equivalent	Loans and receivables	Amortized costs	25,676,820	25,676,820
Short term investments	Available for sale	Fair value through profit or loss	5,400,000	5,400,000
Trade and other receivables	Loans and receivables	Amortized costs	81,694	81,694

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 Ordinance 1984.

b) Previous Years Assessment Status:

The company submitted Income Tax Returns for assessment years from 2007-08 to 2020-21 (Income Years 2006-07 to 2019-20) to the Tax Authority availing facility u/s 82 BB of the I.T. Ordinance, 1984. The returns so submitted to the Tax Authority are deemed to have been accepted by the Tax 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 ended 30 June 2021. 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.

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 30th June 2021.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30th June 2021.
- c) Statement of Cash Flows for the year ended 30th June 2021.
- d) Statement of Changes in Equity for the year ended 30th June 2021.
- e) Accounting Policies and Explanatory Notes.

2.10 Reporting Period:

Financial Statements of the company cover one financial year from 01 July 2020 to 30 June 2021.

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 Statements
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	30 June 2021 BDT	30 June 2020 BDT
3.00	Property, plant and equipment			
	Property, plant and equipments	3.01	101,380,714	85,962,296
	Capital work -in-progress	3.02	34,071,063	5,830,973
			<u>135,451,777</u>	<u>91,793,269</u>
3.01	Property, plant and equipment			
	A. Cost			
	Opening balance		133,361,330	128,082,944
	Addition during the year		25,585,042	9,049,256
	Disposal during the year		(37,500)	(3,770,870)
			<u>158,908,872</u>	<u>133,361,330</u>
	B. Accumulated depreciation			
	Opening balance		47,399,034	40,051,421
	Depreciation for the year		10,163,748	9,350,108
	Depreciation on disposal of assets during the year		(34,625)	(2,002,495)
			<u>57,528,158</u>	<u>47,399,034</u>
	Written down value (A-B)		<u>101,380,714</u>	<u>85,962,296</u>
	Details have been shown in the schedule of property, plant and equipment.			
3.02	Capital work-in-progress			
	Opening balance		5,830,973	-
	Addition during the year		44,660,624	11,595,510
	Transfer to property, plant and equipment during the year		(16,420,534)	(5,764,537)
			<u>34,071,063</u>	<u>5,830,973</u>
4.00	Inventories			
	Raw materials	4.01	29,805,906	5,748,394
	Auxiliary materials	4.02	9,361,877	10,011,368
	Spare parts and other materials	4.03	48,667,610	32,173,795
	Finished goods	4.04	92,040,322	30,101,020
	Work -in-process	4.05	22,529,304	38,659,507
			<u>202,405,019</u>	<u>116,694,083</u>

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.



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	30 June 2021 BDT	30 June 2020 BDT
4.01	Raw materials			
	Pig Iron		13,366,423	3,326,659
	CI Scrap		1,968,506	2,176,066
	MS Scrap		275,083	245,669
	C R Stamping/Bushing Scrap		2,597,512	-
	Carburizer Low Sulfur -DI		2,047,704	-
	Ferro Silicon Magnesium		1,649,804	-
	Inouclin		749,647	-
	Ferro silicon		592,368	-
	Zing ingot		6,558,859	-
			29,805,906	5,748,394
4.02	Auxiliary materials			
	Auxiliary materials		9,361,877	10,011,368
			9,361,877	10,011,368
4.03	Spare parts and other materials			
	Consumable materials		33,076,541	21,096,254
	Construction materials		4,111,365	2,600,257
	Spare parts and other materials		11,479,704	8,477,284
			48,667,610	32,173,795
4.04	Finished goods			
	Finished goods		92,040,322	30,101,020
			92,040,322	30,101,020
4.05	Work -in-process			
	Annealing		1,815,600	17,200,813
	Grinding		1,140,817	5,739,102
	Drilling		-	401,643
	Shots blasting		1,170,891	64,192
	Galvanizing		-	779,207
	Threading		11,423,539	14,454,790
	Electro-plating		6,978,458	-
	Packing		-	19,760
			22,529,304	38,659,507
5.00	Trade receivables			
	Receivable from dealers		894,250	5,213,755
	Provision for doubtful debt	5.01	(812,557)	(743,598)
			81,694	4,470,157



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	30 June 2021 BDT	30 June 2020 BDT
	Aging of trade receivables			
	Duration:			
	1 - 30 Days		53,410	4,020,001
	31 - 60 Days		212	87
	61 - 90 Days		1,830	13,576
	91 - 180 Days		3,723	-
	181 - 365 Days		2	5,171
	Over 365 Days		835,074	1,174,920
			894,250	5,213,755
	As the company deals with large number of parties, party-wise trade receivables could not be given			
5.01	Provision for doubtful debt			
	Opening balance		743,598	-
	Provision made during the year		68,959	743,598
	Adjustment made/ write-off		-	-
			812,557	743,598
6.00	Advances, deposits and prepayments			
	Advances	6.01	62,452,494	35,898,418
	Security deposits	6.02	4,959,587	4,924,552
			67,412,081	40,822,970
6.01	Advances			
	Advance against supplier		22,558,296	29,043,383
	Advance income tax	6.01.01	11,202,945	5,583,448
	Advance against employee		97,978	29,957
	Advance against others		1,527,932	472,218
	Advance To NBL securities ltd		26,341,163	34,748
	Advance sales VAT		-	10,484
	VAT current account		724,180	724,180
			62,452,494	35,898,418
6.01.01	Advance income tax			
	Opening balance		5,583,448	2,005,307
	Payment made u/s 64 and 74		1,500,000	3,100,000
	Advance income tax (import)		8,589,569	2,471,809
	Withholding tax		13,376	6,333
	Tax adjustment for AY: 2019-20		(4,483,448)	(2,000,000)
			11,202,945	5,583,448



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	30 June 2021 BDT	30 June 2020 BDT
6.02	Security deposit			
	Security deposit -CDBL		300,000	300,000
	Security deposit-electricity		4,056,000	4,020,965
	Security deposit-gas		561,587	561,587
	Security deposit- metre		42,000	42,000
			4,959,587	4,924,552
7.00	Short term investment			
	Name of Company	Number of shares	Cost Price	Market Price
	Jamuna Oil Limited	3,932	702,800	-
	M.I. Cement	5,500	652,600	-
	Sumit Power Limited	3,839	208,926	-
	Eastern Housing Limited	100,000	5,310,600	5,400,000
			6,874,926	5,400,000
				919,051
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.				
8.00	Cash and cash equivalents			
	Cash at banks	8.01	24,656,833	25,265,764
	Cash in hand	8.02	1,019,986	3,203,548
			25,676,820	28,469,311
8.01	Cash at banks			
	AB Bank Limited		1,519	2,209
	Al-Arafah Islami Bank Limited		9,153	1,770,303
	Agrani Bank Limited		26,752	-
	Bangladesh Commerce Bank Limited		15,855	16,660
	Brac Bank Limited		-	111,627
	Dutch Bangla Bank Limited		148,876	3,012,788
	First Security Islami Bank Limited		44,058	763,581
	Islami Bank Limited		743,263	1,609,918
	Modhumoti Bank Limited		788,704	2,657,184
	Mutual Trust Bank Limited		124,987	744,422



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	30 June 2021 BDT	30 June 2020 BDT
	National Bank Ltd		187,788	-
	NRB Commercial Bank Limited		2,305	2,305
	Pubali Bank Limited		1,125,464	1,095,154
	South Bangla Agricultural and Commercial Bank Limited		1,331,770	624,983
	Shahjalal Islami Bank Limited		296,750	786,561
	Standard Bank Limited		23,168	169,383
	The City Bank Limited, F.Ex. Branch		13,128,408	1,265,943
	The City Bank Limited, Motijheel Branch		3,132,549	3,942,807
	The City Bank Limited, Principal Branch		505,457	9,310
	The City Bank Limited, Principal Branch		2,892,784	4,006,506
	United Commercial Bank Limited		76,928	1,779,750
	Uttara Bank Limited		50,298	894,371
			24,656,833	25,265,764
8.02	Cash in hand			
	Cash in head office		220,808	3,072
	Cash in factory office		799,178	3,200,476
			1,019,986	3,203,548
9.00	Share capital			
	Authorised capital			
	5,00,00,000 ordinary shares of Tk. 10 each		500,000,000	500,000,000
			500,000,000	500,000,000
	Issued, subscribed, and paid-up-capital			
	1,45,20,000 ordinary shares of Tk.10 each		145,200,000	145,200,000
	7,26,000 bonus shares of Tk.10 each		7,260,000	-
			152,460,000	145,200,000

The composition of the shareholders at balance sheet date was as follows:

Categories of Shareholders	% of Shareholding		Value of Shares	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Sponsor and Directors	29.48%	35.32%	44,940,860	51,290,000
Institutional Investors	24.16%	18.91%	36,839,690	27,457,280
Public	46.36%	45.77%	70,679,450	66,452,720
	100.00%	100.00%	152,460,000	145,200,000



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	30 June 2021 BDT	30 June 2020 BDT
Classifications of Shareholders by holding:				
	Holdings	% of Holdings	Number of Holders	
		30 June 202130 June 2020	30 June 2021	30 June 2020
	01-20	0.012%0.017%	340	350
	21-49	0.012%0.029%	59	78
	50-50	0.012%0.022%	35	43
	51-200	0.187%0.552%	229	427
	201-500	1.102%2.479%	382	664
	501-1000	1.490%3.966%	312	572
	1001-5000	4.081%14.318%	273	649
	5001-10000	2.828%8.099%	61	134
	10001-25000	4.816%8.479%	44	72
	25001-50000	2.321%4.860%	10	20
	50001-9999999999	83.141%57.177%	34	30
	Total	100%100%	1,779	3,020
10.00	Retained earnings			
	Profit brought forward		13,031,854	(1,939,025)
	Prior year adjustment		(191,396)	-
	Adjusted opening balance		12,840,457	(1,939,025)
	Net profit during the year		59,725,897	29,490,879
	Transfer from OCI		(373,057)	-
	Cash dividend		(14,520,000)	(14,520,000)
	Stock dividend		(7,260,000)	-
			50,413,298	13,031,854
11.00	Other components of equity			
	Opening balance		(645,275)	(346,858)
	Gain/ (loss) from sales realisation		272,218	-
			(373,057)	(346,858)
	Transfer to retained earnings		373,057	
	Gain/(loss) on marketable securities (unrealized)		-	(298,417)
			-	(645,275)

The company has disclosed retained earnings and other components of equity separately as per the requirement of IAS-1.



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	30 June 2021 BDT	30 June 2020 BDT
12.00	Deferred tax liabilities			
	Opening balance		9,402,441	10,320,053
	Deferred tax (income)/ expense charged in Profit & Loss		(763,103)	(917,612)
	Deferred tax (income)/ expense charged in OCI		-	-
	Closing balance	12.01	<u>8,639,338</u>	<u>9,402,441</u>
12.01	For 30 June- 2021	Carrying Value	Tax Based Value	Temporary Difference
	Property, plant and equipment			
	Land	8,877,421	8,877,421	-
	Other than land	92,503,293	54,106,237	38,397,056
		<u>101,380,714</u>	<u>62,983,658</u>	<u>38,397,056</u>
	Applicable tax rate			
	On land			15.00%
	On other than land			22.50%
	Deferred tax liability			
	On land			-
	On other than land			8,639,338
	Deferred tax liabilities as on June 30, 2021			<u>8,639,338</u>
12.02	For 30 June 2020	Carrying Value	Tax Based Value	Temporary Difference
	Property, plant and equipment			
	Land	8,877,421	8,877,421	-
	Other than land	77,084,877	39,475,115	37,609,761
	Applicable tax rate	<u>85,962,298</u>	<u>48,352,536</u>	<u>37,609,761</u>
	On land			15.00%
	On other than land			25.00%
	Deferred tax liability			
	On land			-
	On other than land			9,402,441
	Deferred tax liabilities as on June 30, 2020			<u>9,402,441</u>
13.00	Trade and other payables			
	Trade payable		37,336,950	18,486,612
	Liabilities for expenses	13.01	49,042,296	46,215,851
	Advance received from customers		24,000,233	22,498,183
			<u>110,379,479</u>	<u>87,200,645</u>



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	30 June 2021 BDT	30 June 2020 BDT
13.01	Liabilities for expensess			
	Unpaid dividend		13,105,485	15,920,157
	Liabilities for other expense		14,411,519	15,114,558
	Provision for WPPF	13.01.01	11,080,642	7,387,830
	Interest payable	13.01.02	293,672	143,571
	Liabilities for salaries, wages and others		9,653,950	7,304,917
	TDS & VDS payable		497,028	344,818
			49,042,296	46,215,851
13.01.01	Provision for WPPF			
	Opening balance		7,387,830	5,438,070
	Provision made during the year		3,692,812	1,949,760
	Disbursement made during the year		-	-
			11,080,642	7,387,830
13.01.02	Interest payable			
	Opening balance		143,571	-
	Provision made during the year		3,196,595	852,419
	Payment made during the year		(1,823,939)	(708,849)
	Interest payable transferred to LTR during the year		(1,222,556)	-
			293,672	143,571
14.00	Income tax payable			
	Opening balance		10,230,526	7,984,244
	Tax provision made during the year	14.01	14,893,440	10,421,922
	for AY 2021-22			
	Accrued tax liability against demand for AY 2007-08		191,396	
	Adjustment of tax liability with advance tax paid		-	(2,000,000)
	Tax adjustment for AY: 2019-20		(4,483,448)	-
	Tax payment against demand for the Tax Return		(5,938,474)	(6,175,640)
			14,893,440	10,230,526
14.01	Tax computation for the year			
	Net profit before tax		73,856,234	38,995,189
	Realise gain (loss) from share sale		(12,366,920)	-
	Divided income		(48,290)	-
	Add: Expenditures for separate consideration:			
	Accounting depreciation		10,163,748	9,350,108
	Entertainment		860,255	1,590,727
	Less: Admissible expense			
	Depreciation as per third schedule		(10,951,045)	(7,377,162)
	Entertainment expenses as per section 30(f)(i) of ITO & Rule-65		(860,255)	(871,177)
	Net taxable business income		60,653,727	41,687,685
	Business income tax rate		22.50%	25.00%
	Business income tax expense charged		13,647,089	10,421,922
	Net taxable non business income		12,415,210	-



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	30 June 2021 BDT	30 June 2020 BDT
	Realise gain /(loss) from share sale		12,366,920	
	Divided income		48,290	
	Non business income tax rate-Realise gain (loss) from share sale		10%	-
	Non business income tax rate-Dividend income		20%	
	Non business income tax expense charged		1,246,350	-
	Current year income tax		14,893,439	10,421,922
14.02	Reconciliation of effective tax rate			
	Profit before income tax (A)		73,856,234	38,995,189
	Less: ' Realise gain (loss) from share sale		12,366,920	-
	Less: ' Divided income		48,290	-
	Net taxable business income		61,441,024	38,995,189
	Applicable tax rate		22.50%	25.00%
	Income tax (B)		13,824,230	9,748,797
	Factors effecting the tax charge for the current period (Excess)/ short of fiscal depreciation over accounting depreciation		(787,297)	1,972,946
	Inadmissible expense		-	719,550
	Movement of temporary differences: (credit)/charge as above		(787,297)	2,692,496
	Tax on temporary differences (C)		(177,142)	673,124
	Total income tax expense (B+C)		13,647,089	10,421,921
	Effective tax rate (B+C)/A		22.21%	26.73%
15.00	Short term loan			
	Opening balance		18,748,650	-
	LTR used during the year		207,662,171	49,430,816
	LTR settled during the year		(126,768,986)	(30,682,165)
			99,641,836	18,748,650

The nature of the short term loan 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.



Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	01 July 2020 to 30 June 2021 BDT	01 July 2019 to 30 June 2020 BDT
16.00	Revenue			
	Sales: GI Fittings		584,829,755	515,716,669
	Sales: Others		25,158,740	18,534,979
			609,988,495	534,251,648
	The sales amount is presented net of VAT.			
17.00	Cost of goods sold			
	Raw materials consumption	17.01	225,466,907	138,615,013
	Auxiliary materials consumption	17.02	95,979,957	89,101,652
	Spare parts and other material consumption	17.03	80,105,199	68,624,150
	Total consumption of materials		401,552,062	296,340,815
	Factory overheads	17.04	155,064,071	154,415,677
	Opening stock of work -in-process		38,659,507	38,502,547
	Closing stock of work -in-process		(22,529,304)	(38,659,507)
	Cost of production		572,746,335	450,599,533
	Opening stock of finished goods		30,101,020	43,770,920
	Closing stock of finished goods		(92,040,322)	(30,101,020)
	Cost of goods sold		510,807,033	464,269,433
17.01	Raw materials consumption			
	Opening stock		5,748,394	4,207,551
	Add: Purchase		249,524,419	140,155,856
			255,272,813	144,363,407
	Less: Closing stock		29,805,906	5,748,394
			225,466,907	138,615,013
17.02	Auxiliary materials consumption			
	Opening stock		10,011,368	6,993,465
	Add: Purchase		95,330,465	92,119,555
			105,341,833	99,113,020
	Less: Closing stock		9,361,877	10,011,368
			95,979,957	89,101,652
17.03	Spare parts and other material consumption			
	Opening Stock		32,173,795	31,913,240
	Add: Purchase		96,599,014	68,884,705
			128,772,809	100,797,945
	Less: Closing Stock		48,667,610	32,173,795
			80,105,199	68,624,150



Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	01 July 2020 to 30 June 2021 BDT	01 July 2019 to 30 June 2020 BDT
17.04	Factory overhead			
	Salary, wages and allowances		86,143,673	84,644,953
	Power cost		48,393,156	48,273,108
	Entertainment expense		860,255	1,590,727
	Telephone, mobile & internet		127,668	118,023
	Workers quarter rent		561,535	604,520
	Worker welfare expenses		334,473	780,463
	Business development expense		639,694	223,500
	Consumables		427,865	120,542
	Cleaning expense		36,000	53,000
	Holding tax		175,544	-
	Repair and maintenance		7,083,684	7,685,165
	Travelling and conveyance		344,172	550,345
	Carriage inward		382,429	982,228
	Depreciation		9,553,923	8,789,102
			<u><u>155,064,071</u></u>	<u><u>154,415,677</u></u>
18.00	Administrative expenses			
	Salary and Allowances		6,536,276	6,417,581
	Business development expenses		858,249	493,873
	Licence, registration, consultancy and renewal fees		2,231,554	1,117,455
	Audit Fees		200,000	150,000
	Office rent		604,800	803,725
	Repair and maintenance		768,401	365,910
	Staff welfare expenses		1,144,873	1,144,179
	Utility expenses		599,395	1,027,172
	IT expenses		11,500	20,400
	Postage and courier expenses		126,303	24,752
	Entertainment expenses		47,081	26,834
	Telephone and mobile		39,214	43,389
	Printing, stationary and photocopy		398,558	411,168
	Travelling and conveyance		35,554	186,599
	Other expenses		96,314	29,577
	Loss on disposal of assets	18.01	2,875	1,492,771
	Bad debt expense	5.01	68,959	743,598
	Depreciation		609,825	561,006
			<u><u>14,379,731</u></u>	<u><u>15,059,989</u></u>



Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	01 July 2020 to 30 June 2021 BDT	01 July 2019 to 30 June 2020 BDT
18.01	Loss/ (gain) on sales of fixed assets			
	Cost of fixed assets		37,500	3,770,870
	Accumulated depreciation		(34,625)	(2,002,495)
	Carrying value of assets classified as held for sale		-	-
	Written down value of fixed assets		2,875	1,768,375
	Sales proceed		-	(275,604)
			2,875	1,492,771
19.00	Selling and distribution expenses			
	Promotional expenses		224,409	264,103
	Carriage outward		4,533,180	3,509,066
	Sales incentive		9,297,097	7,392,942
	Salary and allowances		901,362	25,162
	Dealer discount/ mechanics seminar		1,304,675	1,798,759
	Travelling and daily allowances		105,450	138,555
			16,366,173	13,128,587
20.00	Financial expenses			
	Bank charges and commission		239,217	172,812
	Excise duty for LTR		104,000	-
	Service charges		27,600	-
	Credit rating report fees		34,400	-
	Interest expenses		3,407,235	852,419
			3,812,452	1,025,231
21.00	Non-operating income			
	Discount and commission		-	28,620
	Other Income		342,730	21,058
	Rebate on insurance exp.		33,179	29,290
	Realise gain/(loss) from sale of short term investments		12,366,920	-
	Un-realise gain/(loss) on short term investments		89,400	-
	Dividend income		48,290	19,756
	Rent income		-	35,600
	Interest income		45,420	42,217
			12,925,939	176,541



Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	01 July 2020 to 30 June 2021 BDT	01 July 2019 to 30 June 2020 BDT
22.00	Collection from customers and others			
	Opening balance of trade receivables		4,470,157	5,224,134
	Add: Sales during the year		609,988,495	534,251,648
			614,458,652	539,475,782
	Less: Closing balance of trade receivables		81,694	4,470,157
	Total collection from trade receivables		614,376,958	535,005,625
	Increase/(decrease) advance collection from customers		1,502,051	12,944,108
	Collection from income and other		126,889	176,541
			616,005,898	548,126,273
23.00	Net Asset Value (NAV) Per Share			
	The Computation of NAV per share is given below :			
	Total assets		436,427,391	283,168,842
	Less. Liabilities		233,554,093	125,582,263
	Net assets value		202,873,298	157,586,579
	Number of ordinary share outstanding during the year		15,246,000	14,520,000
	Net assets value (NAV) per Share		13.31	10.85
23.01	Weighted average number of Ordinary Shares as at 30 June 2021			
	Details	Number of days outstandi ng	No. of shares in issue	Weighted average no. of shares
	Ordinary shares outstanding	365	15,246,000	15,246,000
24.00	Earnings Per Share (EPS)			
24.01	Basic Earnings Per Share			
	a) Profit attributable to the ordinary shareholders		59,725,897	29,490,879
	b) Weighted average number of ordinary shares		15,246,000	14,520,000
	Basic Earning Per Share (a/b)		3.92	2.03
24.02	Restated Earnings Per Share			
	a) Profit attributable to the ordinary shareholders		59,725,897	29,490,879
	b) Weighted average number of ordinary shares		15,246,000	15,246,000
	Restated Earnings Per Share (a/b)		3.92	1.93

The company has achieved Net Profit Margin at 9.79% during the current year compared to 5.52% in the previous period. This is achieved by growth in revenue by 14% over the previous year and controlling manufacturing expenditures. Overall, this has led to substantial growth of 93% in Basic EPS.



Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2021

Sl. No.	Particulars	Notes	01 July 2020 to 30 June 2021 BDT	01 July 2019 to 30 June 2020 BDT
24.03	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.			
25.00	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		(8,044,925)	51,355,018
	b) Weighted average number of ordinary shares	23.01	15,246,000	14,520,000
			<u>(0.53)</u>	<u>3.54</u>
	The increased inventory balance during the year indicates that the working capital fund has been tied up in finished goods inventory which generated negative NOCFPS. We expect the inventory to be sold out during Q2 and Q3 of 2021-22.			
26.00	Reconciliation of net operating cash flows			
	Net profit after tax		59,725,897	29,490,879
	Add: Item not involving movement of cash			
	Depreciation on property, plant & equipment		10,163,748	9,350,108
	(Gain)/loss on disposal of non-current asset		2,875	1,492,771
			<u>10,166,623</u>	<u>10,842,879</u>
	A. Cash generated from operations before changes in working capital		69,892,521	40,333,758
	Changes in working capital			
	(Increase) / decrease in inventory		(85,710,936)	8,693,642
	(Increase) / decrease in trade receivables		4,388,463	753,977
	(Increase)/ decrease in advance, deposit & prepayment		(26,589,111)	(29,027,130)
	(Increase)/ decrease in short term investment		-	298,417
	Increase / (decrease) in trade and other payable		27,159,467	34,142,210
	Increase / (decrease) in dividend payable		2,814,672	(3,839,856)
			<u>(77,937,446)</u>	<u>11,021,259</u>
	B. Total changes in working capital		(77,937,446)	11,021,259
	C. Net cash inflows from operating activities (A+B)		(8,044,925)	51,355,018



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2021

27.00 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 as on 30 June 2021
Anwar Ispat Ltd.			(6,878,545)
A One Polymer Ltd			(1,405,569)
Anwar Integrated Steel Plant	Common	Supply of Material/Business	(3,412,371)
Anwar Cement Sheet Ltd.	Director	Transactions	(6,278,258)
Anwar Printex Ltd.			503
Name of Party/Company	Relation	Nature of Transaction	Outstanding as on 30 June 2020
Anwar Ispat Ltd.		Supply of Material	8,378,008
A One Polymer Ltd	Common	Supply of Material	(3,837,682)
Anwar Integrated Steel Plant	Director	Supply of Material	(3,412,371)
Anwar Cement Sheet Ltd.		Supply of Material	(11,237)

28.00 Financial Risk Management

28.01 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.

28.02 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:

	30 June 2021	30 June 2020
	BDT	BDT
Trade receivables	81,694	4,470,157
Cash and cash equivalents	25,676,820	28,469,311
	<u>25,758,513</u>	<u>32,939,468</u>

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 2021	30 June 2020
	BDT	BDT
Trade and other payables	110,379,479	87,200,645

28.03 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.

29.00 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, 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.

30.00 Director of the Company

a) Number of Director:

There are 10 Directors of the company during the year ended 30 June 2021.



b) Salary & Remuneration of the management team:

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

SL. Name	Designation	Amount (Yearly)	Remarks
01. Mr Manwar Hossain	Chairman	NIL	
02. Mr Hossain Akhter	Managing Director	NIL	Full Time
03. Mr Hossain Mehmood	Director	NIL	
04. Mrs Bibi Amena	Director	NIL	
05. Mr Hossain Khaled	Director	NIL	
06. Mrs Hasian Begum	Nominated Director	NIL	
07. Mrs Shaheena Begum	Nominated Director	NIL	
08. Mr Tareq Hossain	Shareholder Director	NIL	
09. Mr Md. Abu Quasem	Independent Director	NIL	
10. Mr Naba Gopal Banik	Independent Director	NIL	

31.00 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 |

32.00 Additional disclosure as per BSEC

- Security and Exchange rules, 1987 [Rule 12(2)]
- | | |
|---|-----|
| a) Claim against the company not acknowledge as debt as on 30.06.21 | NIL |
| b) Uncalled liability on partly paid up shares | NIL |
| c) Arrears of first cumulative dividends on preference shares together with the period for which the dividend are in arrears. | NIL |
| d) The aggregate amount of contracts for capital expenditure remaining to be executed and not provided for | NIL |
| e) Other sums for which the company is contingently liable as on 30/06/2021 except letter of credit open in the normal course of have the same amount of contingent asset. 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	NIL
Associated Undertaking	NIL
Officers	NIL
h) Securities and Exchange Rules, 1987[Para5(a), (iii) of part-1] The advances against goods, services and expenses considered good by the management and no collateral security is held against the	NIL

33.00 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	225,466,907	TK	
ii) Opening Stock	162.77	MT	
iii) Production during the year	2,414.86	MT	
iv) Sold during the year	2,128.23	MT	
v) Other consumption	NIL	MT	
vi) Closing Stock	449.40	MT	

4. Para-3,(ii)

i) Number of employees drawing salary above Tk. 3,0	633 Nos
ii) Number of employees drawing salary below Tk. 3,0	NIL

5. Para - 4 (f)

	30 June 2021 BDT	30 June 2020 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.	81,694	4,470,157
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	4,004,958
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.	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	%
Pig Iron	431	19,529,583	6%
CI Scrap	557	49,647,841	16%
MS Scrap	181	6,991,513	2%
C R Stamping/Bushing Scrap	779	38,229,416	13%
Carburizer Low Sulfur -DI	1	33,356	0%
Ferro Silicon Magnesium	28	6,359,905	2%
Inouclin	6	1,215,046	0%
Ferro silicon	31	4,195,661	1%
Zing ingot	115	34,796,229	11%
Raw Materials	2,128	160,998,550	53%
Spare Parts		40,719,942	13%
Total Local		201,718,492	66%
Finished Goods	-	64,468,357	21%
Spare Parts		39,385,257	13%
Total Import		103,853,614	
Total	2,128	305,572,106	100%

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	NIL
iii) interest and dividend;	NIL
iv) other income, indicating the nature th	NIL

34.00 Events after the Reporting Period:

a) Proposed Dividend:

The Board of Directors recommended 20% cash dividend and 10% stock dividend for the year ended 30 June 2021 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 2021.



b) Approval of Financial Statements:

These financial statements were authorized for issue in accordance with a resolution of the Company's Board of Directors on 09 October, 2021.

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.



Company Secretary



Director



Managing Director

Anwar Galvanizing Limited
Schedule of Property, Plant and Equipment
For the year ended on 30 June 2021

In BDT	Land & land development	Building & construction	Plant, machinery & Equipment	Office equipment	Furniture & Fixtures	Vehicle	Total
Cost							
Balance at 1 July 2019	8,877,421	16,118,532	90,871,451	7,851,488	1,450,582	2,913,470	128,082,944
Additions	-	191,199	7,958,828	789,487	109,742	-	9,049,256
Transfers	-	-	-	-	-	-	-
Disposal	-	-	(3,770,870)	-	-	-	(3,770,870)
Balance at 30 June 2020	8,877,421	16,309,731	95,059,409	8,640,975	1,560,324	2,913,470	133,361,330
Balance at 1 July 2020	8,877,421	16,309,731	95,059,409	8,640,975	1,560,324	2,913,470	133,361,330
Additions	-	63,326	24,219,246	1,197,570	104,900	-	25,585,042
Transfers	-	-	-	-	-	-	-
Disposal	-	-	-	(37,500)	-	-	(37,500)
Balance at 30 June 2021	8,877,421	16,373,057	119,278,655	9,801,045	1,665,224	2,913,470	158,908,872
Accumulated depreciation							
Balance at 1 July 2019	-	8,017,429	28,383,398	2,534,902	239,113	876,578	40,051,421
Depreciation	-	271,860	8,111,175	691,541	122,766	152,766	9,350,108
Disposal	-	-	(2,002,495)	-	-	-	(2,002,495)
Balance at 30 June 2020	-	8,289,289	34,492,078	3,226,444	361,879	1,029,344	47,399,034
Balance at 1 July 2020	-	8,289,289	34,492,078	3,226,444	361,879	1,029,344	47,399,034
Depreciation	-	265,791	8,952,187	676,682	127,778	141,309	10,163,748
Disposal	-	-	-	(34,625)	-	-	(34,625)
Balance at 30 June 2021	-	8,555,080	43,444,264	3,868,501	489,658	1,170,653	57,528,157

Carrying amounts

At 30 June 2020	8,877,421	8,020,442	60,567,332	5,414,531	1,198,444	1,884,126	85,962,296
At 30 June 2021	8,877,421	7,817,977	75,834,391	5,932,544	1,175,566	1,742,817	101,380,714

Allocation of depreciation

In BDT	2019-20	2020-21
Cost of sales	8,789,102	9,553,923
Administrative expenses	561,006	609,825
	9,350,108	10,163,748

