

Auditors' Report



Name of Client

ANWAR GALVANIZING LIMITED

for the year ended 30 June 2018

পিনাকী এণ্ড কোম্পানী
Pinaki & Company

AHSANDELL, 2/A, Mymensingh Road (2nd Floor), Shahbag, Dhaka-1000, Bangladesh

Tel # 966-0944, 966-5095, Fax # 88-02-9672726

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

We have audited the accompanying financial statements of **Anwar Galvanizing Limited** which comprises the Statement of Financial Position as at June 30, 2018 and the related Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987 and other applicable laws and regulations. This responsibility includes designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing (ISA) applicable in Bangladesh ensuring the provisions of the (কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনে ১৮নং আইন)) (Companies Act, 1994), the Financial Reporting Act, 2015, Securities laws and other relevant laws. Those standards require that we comply with the provisions or professionalisms or practices or ethical requirements of the International Standards on Auditing (ISA), system of quality control requirement under the International Standard on Quality Control (ISQC), the code of Ethics for Professional Accountants and other relevant standards and pronouncements as applicable in Bangladesh. We also plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the



reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

In our opinion, the financial statements prepared in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Bangladesh Securities and Exchange Rules 1987 and other applicable laws and regulations give a true and fair view of the state of the company's affairs as at 30 June 2018 and of the results of its operations and its cash flows for the year then ended and comply with the Bangladesh Securities and Exchange Rules 1987, the Companies Act 1994 and other applicable laws and regulations. However, compliance and documentation process needs be strengthened further.

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 and its statements of Cash Flows dealt with by the report are in agreement with the books of account and returns; and
- (iv) The expenditure incurred was for the purpose of the company's business;

Dhaka
Dated: 28.10.2018

Pinaki & Co
Pinaki & Company
Chartered Accountants

ANWAR GALVANIZING LIMITED

STATEMENT OF FINANCIAL POSITION

as on 30 June 2018

Particulars	Notes	30 June 2018	30 June 2017
		Taka	Taka
ASSETS			
NON CURRENT ASSETS		89,399,729	139,372,329
Property, Plant and Equipments	3.00	89,399,729	139,372,329
CURRENT ASSETS		249,572,656	162,839,306
Assets Reclassified as Held for Sale	4.00	52,280,217	-
Inventories	5.00	138,128,715	111,860,151
Trade Receivables	6.00	10,175,087	8,040,183
Advance, Deposits and Pre-Payments	7.00	13,315,562	31,268,562
Short Term Investment	8.00	1,323,293	1,476,678
Cash and Cash Equivalents	9.00	34,349,782	10,193,732
TOTAL ASSETS		338,972,385	302,211,635
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY		135,650,975	117,780,579
Share Capital	10.00	145,200,000	132,000,000
Retained Earnings	11.00	(43,606,728)	(48,277,124)
Tax Holiday Reserve	12.00	34,057,703	34,057,703
NON CURRENT LIABILITIES		10,409,064	7,321,711
Deferred Tax Liability		10,409,064	7,321,711
CURRENT LIABILITIES AND PROVISION		192,912,346	177,109,345
Creditors and Acruals	13.00	191,186,822	177,102,601
Liabilities for Other Finance	14.00	1,725,524	6,744
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		338,972,385	302,211,635
NET ASSETS VALUE PER SHARE	20.00	9.34	8.92

The Financial Statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on 28 October 2018 and were signed on its behalf by:



Company Secretary



Director



Managing Director

AUDITOR'S REPORT TO THE SHAREHOLDERS:

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

Dated : 28 October 2018


Pinaki & Company
Chartered Accountants

ANWAR GALVANIZING LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

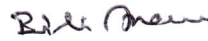
for the year ended 30 June 2018

Particulars	Notes	July'17 To June' 18	July'16 To June'17
		Taka	Taka
Revenue	15.00	368,290,713	249,107,204
Cost of Goods Sold	16.00	(317,361,710)	(213,453,709)
Gross Profit		50,929,003	35,653,495
Operating Expenses		(22,853,502)	(14,106,762)
Administrative Expenses	17.00	(11,792,217)	(8,263,478)
Selling and Distribution Expenses	18.00	(11,061,285)	(5,843,284)
Operating Profit		28,075,501	21,546,733
		(43,871)	(412,720)
Financial Expenses	19.00	(517,653)	(847,161)
Non-Operating Income		473,783	434,441
Profit Before Distribution of WPPF		28,031,630	21,134,013
Contribution to WPPF		(1,334,840)	(1,006,382)
Profit Before Tax		26,696,790	20,127,631
Income Tax expense		(8,673,011)	(5,077,510)
Current		(5,585,658)	(2,492,963)
Deferred		(3,087,353)	(2,584,547)
Net Profit After Tax		18,023,780	15,050,121
Other Comprehensive Income			
Unrealized Gain/(loss) on Marketable Securities		(153,385)	226,033
Total Comprehensive Income for the Year		17,870,395	15,276,154
Basic Earning Per Share	21.00	1.24	1.14
Restated Earning Per Share		1.24	1.04


The Financial Statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on 28 October 2018 and were signed on its behalf by:



Company Secretary



Director



Managing Director

AUDITOR'S REPORT TO THE SHAREHOLDERS:

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

Dated : 28 October 2018


Pinaki & Company
Chartered Accountants

Anwar Galvanizing Limited**STATEMENT OF CHANGES IN EQUITY**
for the year ended 30 June 2018

Amount in Taka

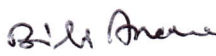
Particulars	Share Capital	Tax Holiday Reserve	Retained Earnings	Total
Balance as on 01 July 2017	132,000,000	34,057,703	(48,277,124)	117,780,579
Net Profit (After Tax and Reserve)	-	-	18,023,780	18,023,780
Unrealized Gain/ (Loss)	-	-	(153,385)	(153,385)
Dividend (Stock)	13,200,000	-	(13,200,000)	-
Balance as on 30 June 2018	145,200,000	34,057,703	(43,606,729)	135,650,974

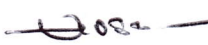
for the year ended 30 June 2017

Amount in Taka

Particulars	Share Capital	Tax Holiday	Retained Earnings	Total
Balance as on 01 July 2016	132,000,000	34,057,703	(54,922,647)	111,135,056
Less: Prior Year Adjustment	-	-	(30,629)	(30,629)
Adjusted Opening Balance	132,000,000	34,057,703	(54,953,276)	111,104,427
Net Profit (After Tax and Reserve)	-	-	15,050,119	15,050,119
Unrealized Gain/ (Loss)	-	-	226,033	226,033
Dividend (Cash)	-	-	(8,600,000)	(8,600,000)
Balance as on 30 June 2017	132,000,000	34,057,703	(48,277,124)	117,780,579



Company Secretary

Director

Managing Director

The Financial Statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on 28 October 2018 and were signed on its behalf by:

AUDITOR'S REPORT TO THE SHAREHOLDERS:

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

Dated : 28 October 2018



ANWAR GALVANIZING LIMITED

STATEMENT OF CASH FLOWS

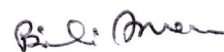
for the year ended 30 June 2018

Particular	Notes	July 2017 To June 2018	July 2016 To June 2017
		Taka	Taka
CASH FLOWS FROM OPERATING ACTIVITIES			
Collection from Customers and Others	22.00	382,749,631	255,251,528
Payment for Expenses	23.00	(340,509,966)	(215,700,611)
Income Tax Paid		(5,031,907)	(6,119,008)
Interest Paid		-	(847,161)
Net Cash Inflow/(Outflow) from Operating Activities		37,207,758	32,584,748
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for Purchase of Fixed Assets		(14,665,458)	(24,731,538)
Net Cash Inflow/(Outflow) from Investing Activities		(14,665,458)	(24,731,538)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend Paid		(111,775)	(7,051,735)
Loan Repaid to NBL securities		-	(921,667)
Loan Received from Inter Company		1,725,525	-
Net Cash Inflow/(Outflow) from Financing Activities		1,613,750	(7,973,402)
Net Increase in Cash and Cash Equivalents		24,156,050	(120,192)
Cash and Cash Equivalents at the Beginning of the Year		10,193,732	10,313,924
Cash and Cash Equivalents at the Year End		34,349,782	10,193,732
OPERATING CASH FLOW PER SHARE	24.00	2.56	2.47

The Financial Statements should be read in conjunction with the annexed notes and were approved by the Board of Directors on 28 October 2018 and were signed on its behalf by:



Company Secretary



Director



Managing Director

AUDITOR'S REPORT TO THE SHAREHOLDERS:

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

Dated : 28 October 2018



Anwar Galvanizing Limited

Notes to the Financial Statement

as on 30 June 2018

Note No.	Particulars	Notes	30 June 2018 Taka	30 June 2017 Taka
03.00	PROPERTY, PLANT AND EQUIPMENT			
	A. Cost			
	Opening balance as on 01 July 2017		243,758,057	213,962,771
	Addition during the year		14,665,458	29,795,286
	Disposal during the year		(530,000)	-
	Assets reclassified as held for sale		(136,307,706)	-
	Total cost as on 30 June 2018		121,585,809	243,758,057
	B. Accumulated Depreciation :			
	Opening balance as on 01 July 2017		104,385,728	97,381,256
	Depreciation during the year		7,452,000	7,004,472
	Depreciation on disposal of assets during the year		(212,016)	-
	Depreciation on assets reclassified as held for sale		(79,439,632)	-
	Total depreciation as on 30 June 2018		32,186,080	104,385,728
	Written down value as on 30 June 2018 (A-B)		89,399,729	139,372,329
04.00	ASSETS RECLASSIFIED AS HELD FOR SALES			
	Total cost as on 30 June 2018		136,307,706	-
	Less. Accumulated depreciation :		79,439,632	-
			56,868,074	-
	Less. Impairment loss		4,587,857	-
	Written down value as on 30 June 2018		52,280,217	-
	There are Plant and Machinery kept unused for long time and have become obsolete and unusable. As such management has decided to sell the obsolete item as scrap metals and use the fund for futherance of business. Assessment has been done to determine the fair value (NRV) of the items and necessary provisions have been made as per guidelines of IFRS 5.			
05.00	INVENTORIES			
	Raw materials	5.01	6,644,492	5,924,950
	Auxiliary materials	5.02	5,616,796	4,603,614
	Spare parts and other materials	5.03	31,444,070	43,386,944
	Finished goods	5.04	49,675,758	29,022,505
	Work -in-process	5.05	44,747,599	28,922,138
			138,128,715	111,860,151
05.01	Raw Materials			
	Pig iron		1,460,670	4,919,987
	CI scrap		2,703,062	415,712
	MS scrap		2,480,760	589,251
			6,644,492	5,924,950
05.02	Auxiliary Materials			
	Hydrochloric acid		7,560	2,431
	Molasses		402,187	400,046
	Telcom powder		28,920	17,982
	Quartz powder		91,001	29,676
	Grafiide powder		47,600	57,000
	Shots		232,762	500,654
	Aluminium ingot		54,208	6,705
	Silica powder		5,365	3,753
	Ball clay		45,230	3,400
	Bruss		9,914	49,017

Anwar Galvanizing Limited

Notes to the Financial Statement

as on 30 June 2018

Note No.	Particulars	Notes	30 June 2018	30 June 2017
			Taka	Taka
	Binder core		250	250
	Coal dust		18,720	47,880
	Fire clay		16,900	7,350
	Hard cook		75,480	43,860
	Resin sand for core		3,000	3,000
	Silicon manganese		611	610
	Boric acid		12,000	2,430
	Castable cement G-1850		3,125	15,125
	Sodium silicate gum		12,341	10,400
	Spondee iron		18,100	-
	CPC		773,608	397,974
	Ferro silicon		1,085,320	605,850
	Zinc ingot		2,672,595	2,398,221
			5,616,796	4,603,614
05.03	Spare parts and other materials			
	Spare parts and other materials		31,444,070	43,386,944
			31,444,070	43,386,944
05.04	Finished Goods			
	Finished goods		49,675,758	29,022,505
			49,675,758	29,022,505
05.05	Work -in-Process			
	Casting		9,195,233	6,422,607
	Annealing		17,856,891	12,652,553
	Galvanizing		3,075,726	1,530,062
	Threading		13,364,688	7,551,880
	Packing		1,255,060	765,036
			44,747,599	28,922,138
06.00	TRADE RECEIVABLES			
	Receivable from dealers		13,046,585	8,040,183
	Provision for bad debt		(2,871,498)	-
			10,175,087	8,040,183
07.00	ADVANCE, DEPOSITS AND PRE-PAYMENTS			
	Advances	7.01	9,078,010	27,031,010
	Security deposits	7.02	4,237,552	4,237,552
			13,315,562	31,268,562
07.01	Advances			
	Advance against suppliers		3,227,533	3,463,737
	Advance against employees		162,096	933,500
	Advance against others		546,637	1,361,469
	Advance to NBL Securities Ltd		35,648	-
	VAT Current Account		3,106,095	3,941,627
	Advance income tax		2,000,000	17,330,677
			9,078,010	27,031,010
07.02	Security Deposit			
	Security deposit -CDBL		300,000	300,000
	Security deposit-electricity		3,333,965	3,333,965
	Security deposit-gas		561,587	561,587
	Security deposit- metre		42,000	42,000
			4,237,552	4,237,552

Anwar Galvanizing Limited

Notes to the Financial Statement

as on 30 June 2018

Note No.	Particulars	Notes	30 June 2018	30 June 2017	
			Taka	Taka	
08.00	SHORT TERM INVESTMENT				
	SL. No.	Name of Company	No. of Share	Cost Price	Market Price
	01.	Jamuna Oil Limited	3,932	702,800	731,745
	02.	M.I. Cement Factory Limited	5,500	652,600	446,050
	03.	Sumit Power Limited	3,839	208,925	145,498
				1,564,325	1,323,293
09.00	CASH AND CASH EQUIVALENT				
	Cash at banks	9.01	31,609,204	9,468,322	
	Cash in hand	9.02	2,740,578	725,410	
			34,349,782	10,193,732	
09.01	Cash at Banks				
	AB Bank Limited		4,199	862,659	
	Al-Arafah Islami Bank Limited		150,823	-	
	Bangladesh Commerce Bank Limited		18,500	19,650	
	Brac Bank Limited		1,418,612	-	
	Dutch Bangla Bank Limited		1,245,198	116,041	
	First Security Islami Bank Limited		2,169,503	779,716	
	Islami Bank Limited		904,423	-	
	Mutual Trust Bank Limited		75,248	-	
	NRB Commercial Bank Limited		2,305	2,305	
	Pubali Bank Limited		151,556	-	
	South Bangla Agricultural and Commercial Bank Limited		213	274,903	
	Shahjalal Islami Bank Limited		357,974	-	
	Standard Bank Limited		93,398	-	
	The City Bank Limited, F.Ex. Branch		23,399,926	6,893,076	
	The City Bank Limited, Motijheel Branch		934,487	88,219	
	The City Bank Limited, Principal Branch		74,033	431,754	
	United Commercial Bank Limited		501,159	-	
	Uttara Bank Limited		107,648	-	
			31,609,204	9,468,322	
09.02	Cash in Hand				
	Cash in head office		124,372	33,400	
	Cash in factory office		2,616,206	692,010	
			2,740,578	725,410	
10.00	SHARE CAPITAL				
	Authorised Capital				
	2,00,00,000 Ordinary Shares of Tk. 10 Each		200,000,000	200,000,000	
			200,000,000	200,000,000	
	Issued, Subscribed, and Paid-up-Capital:				
	13,200,000 Ordinary Shares of Tk.10 each		132,000,000	132,000,000	
	1,320,000 Bonus Shares of Tk.10 each		13,200,000	-	
			145,200,000	132,000,000	

Anwar Galvanizing Limited

Notes to the Financial Statement

as on 30 June 2018

Note No.	Particulars	Notes	30 June 2018 Taka	30 June 2017 Taka
11.00	RETAINED EARNINGS			
	Profit brought forward		(48,277,124)	(54,922,647)
	Less: Prior year adjustment		-	(30,629)
	Adjusted opening balance		(48,277,124)	(54,953,276)
	Net profit during the year		18,023,780	15,050,119
	Add: Gain/(loss) on marketable securities (Unrealized)		(153,385)	226,033
	Less : Stock / cash dividend		(13,200,000)	(8,600,000)
	Balance carried forward		(43,606,728)	(48,277,124)
12.00	TAX HOLIDAY RESERVE			
	Year			
	1996-1997		8,489,546	8,489,546
	1997-1998		8,539,236	8,539,236
	1998-1999		5,687,240	5,687,240
	1999-2000		5,700,825	5,700,825
	2000-2001		5,640,856	5,640,856
			34,057,703	34,057,703
13.00	CREDITORS AND ACCRUALS			
	Income tax payable		6,860,416	6,918,263
	Advance received from customers		19,368,465	5,970,716
	Liabilities for expenses	13.01	21,182,530	15,687,815
	Liabilities for goods supply		143,775,411	148,525,807
			191,186,822	177,102,601
13.01	Liabilities for Expenses			
	Unpaid dividend		8,106,354	8,265,105
	Liabilities for salaries, wages and others		13,076,176	7,422,710
			21,182,530	15,687,815
14.00	Liabilities for Other Finance			
	Loan against trust receipts (LTR)		1,725,524	-
	Loan from NBL securities		-	6,744
			1,725,524	6,744

Anwar Galvanizing Limited

Notes to the Financial Statement for the year ended 30 June 2018

Note No.	Particulars	Notes	July 2017 To June 2018 Taka	July 2016 To June 2017 Taka
15.00	REVENUE			
	Sales: GI Fittings		325,638,545	216,831,016
	Sales: Brake Drum		33,563,553	23,520,611
	Sales: Others		9,088,614	8,755,577
			368,290,713	249,107,204
16.00	COST OF GOODS SOLD			
	Raw materials consumption	16.01	84,175,300	45,250,431
	Auxiliary materials consumption	16.02	78,598,200	46,886,100
	Spare parts and other material consumption	16.03	48,711,840	21,982,004
	Total materials consumption		211,485,340	114,118,534
	Factory overheads	16.04	142,355,084	98,543,872
	Opening stock of work -in-process		28,922,138	48,476,278
	Closing stock of work -in-process		(44,747,599)	(28,922,138)
	Cost of production		338,014,963	232,216,547
	Opening stock of finished goods		29,022,505	10,259,669
	Closing stock of finished goods		(49,675,758)	(29,022,505)
	Cost of goods sold		317,361,710	213,453,709
16.01	Raw materials consumption			
	Opening stock		5,924,950	13,387,474
	Add: Purchase		84,894,842	37,787,907
			90,819,792	51,175,381
	Less: Closing stock		6,644,492	5,924,950
			84,175,300	45,250,431
16.02	Auxiliary materials consumption			
	Opening stock		4,603,614	2,816,235
	Add: Purchase		79,611,382	48,673,479
			84,214,996	51,489,714
	Less: Closing stock		5,616,796	4,603,614
			78,598,200	46,886,100
16.03	Spare parts and other material consumption			
	Opening Stock		43,386,944	22,441,808
	Add: Purchase		36,768,966	42,927,140
			80,155,910	65,368,948
	Less: Closing stock		(31,444,070)	(43,386,944)
			48,711,840	21,982,004
16.04	Factory Overhead			
	Salary, wages and allowances		81,053,638	60,313,008
	Power cost		43,877,521	27,644,046
	Repair and maintenance		2,464,227	1,913,129
	Food expense		1,718,154	815,854
	Business development expense		588,357	667,382
	Cleaning expense		40,700	47,500
	Workers quarter rent		412,000	-
	Telephone and mobile		102,400	98,800
	Travelling and conveyance		30,393	104,720
	Depreciation		6,855,840	6,444,114
	Impairment loss of assets	4.00	4,587,857	-
	Carriage inward		623,997	495,319
			142,355,084	98,543,872

Anwar Galvanizing Limited

Notes to the Financial Statement

for the year ended 30 June 2018

Note No.	Particulars	Notes	July 2017 To June 2018 Taka	July 2016 To June 2017 Taka
17.00	ADMINISTRATIVE EXPENSE			
	Salary and allowance		4,604,640	5,430,451
	Licence, registration, consultancy and renewal fees		1,333,266	318,207
	Audit fees		123,500	123,500
	Utility expenses		537,306	512,046
	Telephone and mobile		37,517	33,110
	Business development expenses		710,870	491,109
	IT expenses		73,862	6,950
	Postage and courier expenses		22,313	90,528
	Printing, stationary and photocopy		193,126	380,297
	Car repair and maintenance		565,312	282,256
	Travelling and conveyance		122,846	34,666
	Provision for bad debt		2,871,498	-
	Depreciation		596,160	560,358
			11,792,217	8,263,478
18.00	SELLING AND DISTRIBUTION EXPENSES			
	Carriage outward		2,562,181	1,982,126
	Promotional expenses		1,464,626	865,493
	Sales incentive		2,612,691	1,683,639
	Mobile bill		77,191	40,000
	Mechanics seminar		657,800	-
	Salary and allowances		2,068,534	915,454
	Travelling and daily allowances		1,618,262	356,572
			11,061,285	5,843,284
19.00	FINANCIAL EXPENSES			
	Bank charges and commission		132,452	72,908
	Credit report fee		40,000	40,000
	Interest expenses		345,201	734,253
			517,653	847,161
20.00	NET ASSETS VALUE (NAV) PER SHARE			
	The Computation of NAV per share is given below :			
	Total assets		338,972,385	302,211,635
	Less. Liabilities		203,321,410	184,431,056
	Net assets value		135,650,974	117,780,579
	Number of ordinary share outstanding during the year		14,520,000	13,200,000
	Net assets value (NAV) per share		9.34	8.92
21.00	EARNING PER SHARE (EPS)			
	a) Profit Attributable to the ordinary shareholders		18,023,780	15,050,121
	b) Weighted average number of ordinary shares outstanding		14,520,000	13,200,000
	Basic earning per share (a/b)		1.24	1.14
	Restated basic earning per share		1.24	1.04

Anwar Galvanizing Limited

Notes to the Financial Statement
for the year ended 30 June 2018

Note No.	Particulars	Notes	July 2017 To June 2018 Taka	July 2016 To June 2017 Taka
22.00	COLLECTION FROM CUSTOMERS AND OTHERS			
	Opening balance of trade receivables		8,040,183	7,779,350
	Add: Sales		368,290,713	249,107,204
			376,330,896	256,886,554
	Less: Closing trade receivables		13,046,585	8,040,183
	Total collection from trade receivables		363,284,311	248,846,371
	Collection from other income		96,855	434,441
	Advance collection from customers		19,368,465	5,970,716
			382,749,631	255,251,528
23.00	PAYMENTS FOR EXPENSES			
	Payments to suppliers and others		257,222,380	149,957,152
	Paid to employee		83,287,586	65,743,459
	Total cash payment and expenses		340,509,966	215,700,611
24.00	OPERATING CASH FLOW PER SHARE			
	The composition of operating cash inflow/outflow value per share is given below			
	a) Operating cash inflow/ (outflow) during the year		37,207,758	32,584,748
	b) Number of ordinary shares outstanding at the year end		14,520,000	13,200,000
			2.56	2.47

25.00 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 Discloser.

Name of Party/Company	Relation	Nature of Transaction	Outstanding as on 30 June 2018
Anwar Ispat Ltd.	Common Director	Supply of Material	116,595,870
A One Polymer Ltd	Common Director	Supply of Material	26,550,798
Anwar Integretad Steel Plant Ltd.	Common Director	Supply of Material	3,412,371
Anwar Cement Sheet Ltd.	Common Director	Supply of Material	22,756

26.00 Director of the Company:**a) Number of Director:**

There are 09 Directors of the company during the year ended 30 June 2018

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
1	Mr. Manwar Hossain	Chairman	NIL	
2	Mr. Hossain Mehmood	Managing Director	NIL	Full Time
3	Mrs. Bibi Amena	Director	NIL	
4	Mr. Hossain Khaled	Director	NIL	
5	Mrs. Hasian Begum	Nominated Director	NIL	
6	Mrs. Shaheena Begum	Nominated Director	NIL	
7	Mr. Tareq Hossain	Shareholder Director	NIL	
8	Mr Mafizuddin Sarkar	Independent Director	NIL	
9	Mr. Naba Gopal Banik	Independent Director	NIL	

27.00 General

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



Anwar Galvanizing Limited**Notes to the Financial Statement**
for the year ended 30 June 2018**28.00 ADDITIONAL DISCLOSURE AS PER SEC :**

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

- a) Claim against the company not acknowledge as debt as on 30.06.2018 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 continently liable as on 30/06/2018 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 advances. NIL

29.00 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 then the usual trade discount NIL
3. Para-3d (i) (ii)

i)	Value of raw materials consumed	Tk.	84,175,300
ii)	Opening Stock	153.34	MT
iii)	Production during the year	2,445.00	MT
iv)	Sold during the year	2,415.88	MT
v)	Other consumption	NIL	MT
vi)	Closing Stock	182.46	MT

4. Para-3,(ii)
- i) Number of employees drawing salary above Tk. 3,000 per Month 510 Nos
- ii) Number of employees drawing salary below Tk. 3,000 per month NIL
5. Para - 8 (b)
- Expenses incurred in foreign currency on account of royalty, Technical expert & professional advisory fee, Interest etc. if any NIL
6. Para - 8 (c)
- 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:



Anwar Galvanizing Limited**Notes to the Financial Statement**
for the year ended 30 June 2018

Local		Qty. MT	Value	%	Remarks
CI Scrap		370,360	12,222,856	9.20	
MS Scrap/ Rod Cutting		1,901,820	66,644,862	50.15	
Pig Iron		143,301	5,307,582	3.99	
Sub Total		2,415,481	84,175,300	63.34	
Spare Parts			48,711,840	36.66	
Foreign		NiL	NiL	NiL	
Total		2,415,481	132,887,140	100	

7. Para- 8(d)

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

8. Para - 8 (e) 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

30.00 Events after the reporting period:**a) Proposed Dividend:**

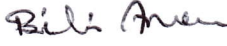
The Board of Directors of its 149th meeting held on 28 October 2018 recommended 10% cash dividend for the year ended 30 June 2018 which is subject to approval by the shareholders in the Annual General Meeting (AGM).

b) Approval of Financial Statements:

These financial statements were authorized for issue in accordance with a resolution of the company's Board of directors on 28 October 2018.

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



Company Secretary

Director

Managing Director

Anwar Galvanizing Limited
Schedule of Property, Plant and Equipment
for the year ended 30 June 2018

Sl No.	Assets Category	COST				Rate	Depreciation				Written down value as on 30 June 2018
		As on 01 July 2017	Addition during the year	Disposal	Reclassified	As on 30 June 2018	Charged during the year	Disposal	Reclassified	As on 30 June 2018	
		A	B	C	D	E=(A+B-C-D)	G	H	I	J=(F+G-H-I)	K=(E-J)
01	Land & Land Development	8,877,421	-	-	-	8,877,421	-	-	-	-	8,877,421
02	Building & Construction	20,061,370	1,122,832	-	6,293,357	14,890,845	297,856	-	1,705,500	7,762,969	7,127,876
03	Plant, Machinery & Equipment	203,968,400	13,223,639	530,000	129,262,203	87,399,835	6,151,082	212,016	77,063,615	21,642,334	65,757,501
04	Office Equipment:	6,622,240	305,383	-	80,000	6,847,623	739,058	-	68,513	1,908,131	4,939,492
05	Furniture (Office)	1,315,157	13,604	-	672,146	656,615	69,773	-	602,003	161,220	495,395
06	Vehicles / Motor Car	2,913,470	-	-	-	2,913,470	194,231	-	-	711,425	2,202,045
Total Taka as on 30 June 2018		243,758,057	14,665,458	530,000	136,307,706	121,585,809	7,452,000	212,016	79,439,632	32,186,080	89,399,728

Total Taka as on 30 June 2017	213,962,771	29,795,286	-	-	243,758,057	97,381,256	7,004,472	-	-	104,385,728	139,372,329
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