

**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 2023

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**Mahfel Huq & Co.**

Chartered Accountants

The first registered accounting firm in independent Bangladesh



An independent member firm of AGN International

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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 2023, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

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

#### **Revenue**

The Company reported a total revenue of Tk. 737,973,899.02 for the year ended June 30, 2023 (i.e. BDT 724,383,291.23 for 30<sup>th</sup> June 2022).

Revenue recognition has a significant and wide influence on financial statements. Revenue is recognized when the amounts and the related costs are reliably measured and the performance obligation is complete through the passing of control to the customers. Revenue from the sale of goods is recognized at the time when the goods are transferred to the buyer. The significant risks and



rewards of ownership of the goods & the sales price are determined considering the effect of rebate of rebates, discounts & incentives.

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

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

### **How our audit addresses the key audit matters**

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

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

The associated disclosure is included in Note 17:00 to the financial statements.

### **Inventory**

The inventory of BDT 201,738,022 on June 30, 2023, was held in Depots, warehouses and factory premises of the company (i.e. BDT 240,635,759 for 30<sup>th</sup> June 2022).

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

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

### **How our audit addresses the key audit matters**

Our procedures included the following to assess inventory Valuation:



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

The associated disclosure is included in Note 4:00 to the financial statements.

### **Other Information**

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.





## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on other Legal and Regulatory Requirements**

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

- (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- (iii) The company's statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- (iv) The expenditure incurred for the purposes of the company's business.

**Howlader Mahfel Huq, FCA**

Partner

ICAB enrollment No. 0105

**Mahfel Huq & Co.**

Chartered Accountants

DVC: **2310360105AS245089**

Dhaka, 26 October 2023



**Anwar Galvanizing Limited**  
**Statement of Financial Position**

As at 30 June 2023

Particular	Notes	Amount in BDT	
		30 June 2023	30 June 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.00	260,899,724	166,433,168
		<b>260,899,724</b>	<b>166,433,168</b>
<b>Current Assets</b>			
Inventories	4.00	201,738,022	240,635,759
Trade receivables	5.00	24,509,026	10,891,159
Advances, deposits and pre- payments	6.00	28,430,688	44,186,312
Short term investment	7.00	281,457,588	234,879,719
Cash and cash equivalents	8.00	2,686,282	32,325,842
		<b>538,821,606</b>	<b>562,918,791</b>
<b>Total Assets</b>		<b>799,721,330</b>	<b>729,351,959</b>
<b>Equity and Liabilities</b>			
<b>Shareholders' equity</b>			
Share capital	9.00	301,870,800	167,706,000
Retained earnings	10.00	89,897,237	198,085,219
		<b>391,768,037</b>	<b>365,791,219</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	11.00	6,953,807	7,686,012
Long term loan-long term portion	12.01	25,093,163	15,537,855
		<b>32,046,970</b>	<b>23,223,867</b>
<b>Current liabilities</b>			
Long term loan-current portion	12.02	9,583,863	7,175,604
Trade and other liabilities	13.00	354,036,178	200,054,478
Income tax liabilities	14.00	10,032,716	29,018,849
Short term loan	15.00	-	96,970,206
Unclaimed dividend account	16.00	2,253,566	7,117,736
<b>Total current liabilities</b>		<b>375,906,323</b>	<b>340,336,873</b>
<b>Total Equity and Liabilities</b>		<b>799,721,330</b>	<b>729,351,959</b>
<b>Net Asset Value Per Share (restated 2022)</b>	24.00	<b>12.98</b>	<b>12.12</b>

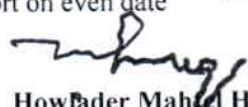
The annexed notes form an integral part of these financial statements

  
**Taulmudul Islam FCS**  
Company Secretary

  
**Hossain Mehmood**  
Director

  
**Md. Moniruzzaman**  
Managing Director & CEO

Signed as per our annexed report on even date

  
**Howader Mahfel Huq, FCA**  
Partner.  
ICAB Enrollment No. 105  
Mahfel Huq & Co.  
Chartered Accountants  
DVC:

Dhaka, 26 October 2023

**2310300105AS245089**



**Anwar Galvanizing Limited**  
**Statement of Profit or Loss & Other Comprehensive Income**  
For the year ended 30 June 2023

Particular	Notes	Amount in BDT	
		2022-2023	2021-2022
Revenue	17.00	737,973,899	724,383,291
Cost of goods sold	18.00	(645,212,008)	(589,792,567)
<b>Gross profit</b>		<b>92,761,891</b>	<b>134,590,724</b>
<b>Operating expenses</b>			
Administrative expenses	19.00	(17,463,818)	(15,884,847)
Selling and distribution expenses	20.00	(31,186,552)	(30,825,574)
		<b>(48,650,370)</b>	<b>(46,710,421)</b>
<b>Operating profit</b>		<b>44,111,521</b>	<b>87,880,303</b>
Financial expenses	21.00	(10,503,183)	(16,440,443)
Non-operating income	22.00	38,651,118	161,182,925
<b>Profit before distribution of WPPF</b>		<b>72,259,456</b>	<b>232,622,785</b>
Contribution to WPPF	13.01.01	(3,440,927)	(11,077,276)
<b>Profit before tax</b>		<b>68,818,529</b>	<b>221,545,509</b>
<b>Income tax expense</b>			
Current	14.00	(10,032,716)	(29,018,849)
Deferred	11.00	732,205	953,326
		<b>(9,300,511)</b>	<b>(28,065,523)</b>
<b>Profit after tax</b>		<b>59,518,018</b>	<b>193,479,986</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>59,518,018</b>	<b>193,479,986</b>
<b>Earnings Per Share (restated 2021-2022)</b>	25.01	<b>1.97</b>	<b>6.41</b>

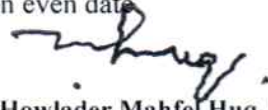
The annexed notes form an integral part of these financial statements

  
**Tauhidul Islam FCS**  
Company Secretary

  
**Hossain Mehmood**  
Director

  
**Md. Moniruzzaman**  
Managing Director & CEO

Signed as per our annexed report on even date

  
**Howlader Mahfel Huq, FCA**  
Partner  
ICAB Enrollment No. 105  
**Mahfel Huq & Co.**  
Chartered Accountants

Dhaka, 26 October 2023

DVC: **2310300105AS245089**

**Anwar Galvanizing Limited**  
**Statement of Changes in Equity**  
For the year ended 30 June 2023

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

Board of directors proposed 10% Cash dividend for the year ended 30 June 2023, subject to approval of shareholders of the company in its forthcoming 29th Annual general meeting.

For the year ended 30 June 2022

			Amount in BDT
Particulars	Share Capital	Retained Earnings	Total
<b>Balance as on 30 June 2021</b>	<b>152,460,000</b>	<b>50,413,298</b>	<b>202,873,298</b>
Prior period adjustment		(70,065)	(70,065)
Profit after tax	-	193,479,986	193,479,986
Cash dividend	-	(30,492,000)	(30,492,000)
Stock dividend	15,246,000	(15,246,000)	-
<b>Balance as on 30 June 2022</b>	<b>167,706,000</b>	<b>198,085,219</b>	<b>365,791,219</b>

Board of directors proposed 20% Cash dividend and 80% Stock dividend for the year ended 30 June 2022, which was approved by the shareholders in 28th Annual General Meeting.

  
**Tauhidul Islam FCS**  
Company Secretary

  
**Hossain Mehmood**  
Director

  
**Md. Moniruzzaman**  
Managing Director & CEO

Dhaka, 26 October 2023



**Anwar Galvanizing Limited**  
**Statement of Cash Flows**  
For the year ended 30 June 2023

			Amount in BDT
Particulars	Notes	2022-2023	2021-2022
<b>Cash Flows from operating activities</b>			
Collection from customers and others	23.00	714,930,279	711,671,781
Payment for suppliers, employees and others		(628,236,085)	(670,755,640)
Payment for WPPF		-	(3,697,812)
Income tax paid		(20,427,564)	(22,138,499)
Interest paid		(1,541,587)	(2,020,927)
<b>Net cash inflow from operating activities</b>		<b>64,725,043</b>	<b>13,058,902</b>
<b>Cash flows from investing activities</b>			
Payment for the acquisition of property, plant and equipment		(1,312,889)	(2,431,918)
Payment for the capital work-in-progress		(103,630,352)	(39,200,551)
Net Investment in securities		(17,934,823)	(54,278,772)
Dividend income		-	3,300,000
<b>Net cash outflow from investing activities</b>		<b>(122,878,065)</b>	<b>(92,611,241)</b>
<b>Cash flows from financing activities</b>			
Dividend paid		(38,405,370)	(36,479,749)
Net receipt/(payment) of loan against trust receipts (LTR)		(96,970,206)	(2,671,630)
Net long term loan received		11,963,567	22,713,459
Net loan received from different securities		27,357,842	102,639,282
Net loan received from intercompany		124,567,629	-
<b>Net cash inflow from financing activities</b>		<b>28,513,462</b>	<b>86,201,362</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(29,639,560)</b>	<b>6,649,023</b>
Cash and cash equivalents at the beginning of the year		32,325,842	25,676,820
<b>Cash and cash equivalents at the year end</b>		<b>2,686,282</b>	<b>32,325,842</b>
<b>Net Operating Cash Flow Per Share (restated 2021-2022)</b>	26.00	<b>2.14</b>	<b>0.43</b>

The annexed notes form an integral part of these financial statements

  
**Tauhidul Islam FCS**  
Company Secretary

  
**Hossain Mehmood**  
Director

  
**Md. Moniruzzaman**  
Managing Director & CEO

Dhaka, 26 October 2023



**Anwar Galvanizing Limited**  
**Notes to the Financial Statements**  
As at and for the year ended 30 June 2023

**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 (14<sup>th</sup> Floor), 27, Dilkusha Commercial Area, Dhaka. The manufacturing plant is located at Morkun, Tongi Industrial Area, Gazipur.

**b) Nature of Business:**

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

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

**2.1 Statement of Compliance:**

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

**2.2 Going Concern:**

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

**2.3 Compliance with Financial Reporting Standards as applicable in Bangladesh:**

IAS/ IFRS	Title	Remarks
IAS 1	Presentation of Financial Statements	Complied
IAS 2	Inventories	Complied



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

## **2.4 Other Regulatory Compliances:**

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

- a) The Income Tax 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 2023 is included in the following notes:

- Note 11 : 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 : Liabilities for expenses
- Note 14 : Income 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 or Loss account in the financial period which they are incurred.

#### b) Depreciation:

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

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

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

Asset Category	Depreciation Rate	
	FY 2022-23	FY 2021-22
Land & Land Development	0%	0%
Building & Construction	2.5%-10%	2.5%-10%
Plant, Machinery & Equipment	7.5%-20%	7.5%-20%
Office Equipment	10%-25%	10%-25%
Furniture & Fixtures	10%-20%	10%-20%
Vehicles	7.5%-20%	7.5%



**c) Retirement and disposals:**

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

**d) Impairment of Assets:**

The carrying amount of Company's assets is reviewed with sufficient regularity to determine whether there is any indication of impairment. Any impairment loss is recognized in the profit and loss account if the carrying amount of an asset exceeds its recoverable amount (IAS 36: Impairment of Assets). No such impairment loss has been arisen and recognized during the year ended 30 June 2023.

**e) Capital work in progress:**

Capital work in progress represents the cost incurred for acquisition and/or construction of items of property, plant and equipment that are not ready for use. Capital work in progress is recorded at cost to the extent of expenditure incurred at the date of statement of financial position. The amount of capital work in progress is transferred to appropriate asset category and depreciated when the asset is completed and commissioned.

**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 or 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: amortized cost, fair value through other comprehensive income and fair value through profit and loss. These measurement classifications align with three business models available under IFRS 9:

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

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



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

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

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

**Amortized cost:**

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

**At fair value through profit or loss:**

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

**At fair value through other comprehensive income**

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

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

**Trade, Other and Intercompany Receivables:**

Trade, other and intercompany receivables are recognized at original invoiced amount. After initial recognition these are carried at amortized cost less impairment losses due to 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	2,686,282	2,686,282
Short term investments	Available for sale	Fair value through profit or loss	281,457,588	281,457,588
Trade and other receivables	Loans and receivables	Amortized costs	24,509,026	24,509,026

**v. Share Capital:**

**a) Authorized Capital:**

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

**b) Paid-up Capital:**

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

**c) Retained Earnings:**

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

**vi. Taxation:**

**a) Current Year:**

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

**b) Previous Years Assessment Status:**

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



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

**c) Deferred Tax:**

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

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

**vii. Provisions, Contingent Liabilities and Contingent Assets:**

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

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

**viii. Employee Benefits:**

**Workers' Profit Participation Fund**

The company has made a provision for Workers' Profit Participation Fund (WPPF) for the year ended 30 June 2023. The Company provides 5% of its net profit before tax after charging such expense as Workers' Profit Participation Fund in accordance with the Bangladesh Labour Act 2006 as amended 2013. The company has taken initiative to establish an Employees Gratuity Fund.

**ix. Revenue Recognition, Measurement and Presentation:**

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



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

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

**x. Finance income and expenses:**

The Company's finance income and finance costs include:

- Interest income and
- Interest expense.

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

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

**a) Foreign Currency Transactions:**

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

**b) Foreign Currency Translations:**

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

**xii. Proposed Dividend:**

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

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



**xiii. Earnings Per Share (EPS)**

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

**Basic Earnings per Share**

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

**Diluted Earnings per Share**

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

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

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

**xv. Related Party Disclosure:**

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

**xvi. Components of Financial Statements:**

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

- a) Statement of Financial Position as on 30 June 2023.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2023.
- c) Statement of Cash Flows for the year ended 30 June 2023.
- d) Statement of Changes in Equity for the year ended 30 June 2023.
- e) Accounting Policies and Explanatory Notes.

**2.10 Reporting Period:**

Financial Statements of the company cover one financial year from 01 July 2022 to 30 June 2023.

### **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.



Note No.	Particulars	Notes	Amount in BDT	
			30 June 2023	30 June 2022
<b>3.00</b>	<b>Property, plant and equipment</b>			
	Property, plant and equipments	3.01	104,987,408	99,671,376
	Capital work -in-progress	3.02	155,912,316	66,761,792
			<b>260,899,724</b>	<b>166,433,168</b>
<b>3.01</b>	<b>Property, plant and equipment</b>			
	<b>A. Cost</b>			
	Opening balance		167,570,205	158,908,872
	Addition during the year		15,792,718	8,777,140
	Disposal during the year		-	(115,807)
			<b>183,362,922</b>	<b>167,570,205</b>
	<b>B. Accumulated depreciation</b>			
	Opening balance		67,898,828	57,528,158
	Depreciation for the year		10,476,686	10,483,648
	Depreciation on disposal of assets during the year		-	(112,977)
			<b>78,375,514</b>	<b>67,898,829</b>
	<b>Written down value (A-B)</b>		<b>104,987,408</b>	<b>99,671,376</b>

Details have been shown in the schedule of property, plant and equipment.

<b>3.02</b>	<b>Capital work-in-progress</b>			
	Opening balance		66,761,792	34,071,063
	Addition during the year		103,630,352	39,200,551
	Transfer to property, plant and equipment during the year		(14,479,828)	(6,345,222)
	Transfer to WIP fitting box		-	(164,600)
			<b>155,912,316</b>	<b>66,761,792</b>
<b>4.00</b>	<b>Inventories</b>			
	Raw materials	4.01	56,396,686	46,603,585
	Auxiliary materials	4.02	7,301,701	8,500,171
	Spare parts and other materials	4.03	57,076,118	46,214,270
	Finished goods	4.04	55,816,397	107,735,938
	Work -in-process	4.05	25,147,120	31,581,795
			<b>201,738,022</b>	<b>240,635,759</b>

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.

<b>4.01</b>	<b>Raw materials</b>			
	Pig Iron		4,716,433	5,757,381
	Scrap		26,105,783	2,958,739
	Carburizer Low Sulfur		2,125,371	1,281,343
	Ferro Silicon Magnesium		5,535,603	5,147,253
	Inouclin		2,757,670	1,424,858
	Ferro silicon		878,526	860,555
	Zinc ingot		14,277,300	29,173,456
			<b>56,396,686</b>	<b>46,603,585</b>

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2023	30 June 2022
<b>4.02</b>	<b>Auxiliary materials</b>			
	Auxiliary materials		7,301,701	8,500,171
			<b>7,301,701</b>	<b>8,500,171</b>
<b>4.03</b>	<b>Spare parts and other materials</b>			
	Consumable materials		35,936,211	36,189,987
	Construction materials		2,989,250	2,897,802
	Spare parts and other materials		18,150,657	7,126,481
			<b>57,076,118</b>	<b>46,214,270</b>
<b>4.04</b>	<b>Finished goods</b>			
	Finished goods		55,816,397	107,735,938
			<b>55,816,397</b>	<b>107,735,938</b>
<b>4.05</b>	<b>Work -in-process</b>			
	Annealing		-	626,490
	Grinding		7,772,290	14,821,199
	Drilling		2,116,365	-
	Shots blasting		730,576	7,961,178
	Threading		14,527,888	8,172,928
			<b>25,147,120</b>	<b>31,581,795</b>
<b>5.00</b>	<b>Trade receivables</b>			
	Receivable from dealers		25,216,829	11,598,962
	Provision for doubtful debt	5.01	(707,803)	(707,803)
			<b>24,509,026</b>	<b>10,891,159</b>
	<b>Aging of trade receivables</b>			
	Duration:			
	1 - 30 Days		22,623,898	10,374,211
	31 - 60 Days		1,746,498	393,263
	61 - 90 Days		42,470	241,387
	91 - 180 Days		96,160	2,841
	181 - 365 Days		75,021	112,917
	Over 365 Days		632,782	474,343
			<b>25,216,829</b>	<b>11,598,962</b>
As the company deals with large number of parties, party-wise trade receivables could not be given				
<b>5.01</b>	<b>Provision for doubtful debt</b>			
	Opening balance		707,803	812,557
	Provision made during the year		-	-
	Adjustment made/ write-off		-	(104,754)
			<b>707,803</b>	<b>707,803</b>
<b>6.00</b>	<b>Advances, deposits and prepayments</b>			
	Advances	6.01	22,441,101	38,196,725
	Security deposits	6.02	5,989,587	5,989,587
			<b>28,430,688</b>	<b>44,186,312</b>



Note No.	Particulars	Notes	Amount in BDT	
			30 June 2023	30 June 2022
<b>6.01</b>	<b>Advances</b>			
	Advance against supplier		4,757,122	8,036,631
	LC margin		2,190,169	3,152,832
	Goods in Transit		172,580	6,232,944
	Advance income tax	6.01.01	9,786,651	18,377,935
	Advance against employee		774,603	210,010
	Advance against others		2,176,875	2,186,373
	Advance to NBL and other securities		2,583,101	-
			<b>22,441,101</b>	<b>38,196,725</b>

**6.01.01 Advance income tax**

Opening balance	18,377,935	11,202,945
Payment made u/s 64 and 74	11,740,913	11,860,565
Advance income tax (import)	8,235,672	9,518,370
Withholding tax	450,979	759,565
Tax adjustment for AY: 2022-2023	(29,018,848)	(14,963,510)
	<b>9,786,651</b>	<b>18,377,935</b>

**6.02 Security deposit**

Security deposit -CDBL	300,000	300,000
Security deposit-electricity	5,086,000	5,086,000
Security deposit-gas	561,587	561,587
Security deposit- metre	42,000	42,000
	<b>5,989,587</b>	<b>5,989,587</b>

**7.00 Short term investment**

Name of Company	Number of shares	Cost Price as on 30 June 2023 BDT	Market Price as on 30 June 2023 BDT	Market Price as on 30 June 2022 BDT
Investment in different securities	5,868,132	276,261,480	281,457,588	-
Investment in different securities	4,783,701	238,259,609	-	234,879,719
			<b>281,457,588</b>	<b>234,879,719</b>

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	1,844,979	32,091,593
Cash in hand	8.02	841,303	234,249
		<b>2,686,282</b>	<b>32,325,842</b>

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2023	30 June 2022
<b>8.01</b>	<b>Cash at banks</b>			
	AB Bank Limited		-	829
	Al-Arafah Islami Bank Limited		13,885	330,513
	Agrani Bank Limited		8,998	136,555
	Bangladesh Commerce Bank Limited		14,015	14,935
	Dutch Bangla Bank Limited		16,353	151,821
	First Security Islami Bank Limited		38,193	546,760
	Islami Bank Limited		43,231	838,864
	Modhumoti Bank Limited		4,167	6,842,933
	Mutual Trust Bank Limited		20,232	235,005
	National Bank Ltd		110,599	572,017
	NRB Commercial Bank Limited		-	2,305
	Pubali Bank Limited		5,879	145,413
	South Bangla Agricultural and Commercial Bank Limited		329,575	437,628
	Shahjalal Islami Bank Limited		59,915	117,477
	Standard Bank Limited		41,503	49,273
	The City Bank Limited, F.Ex. Branch		4,287	16,394,048
	The City Bank Limited, Motijheel Branch		76,306	58,187
	The City Bank Limited, Principal Branch A/C- 500001		340,722	1,627,918
	The City Bank Limited, Principal Branch A/C- 60001		322,499	230,673
	United Commercial Bank Limited, Dilkusha Branch		359,145	8,672
	United Commercial Bank Limited, Tongi Branch		7,542	17,750
	Uttara Bank Limited		27,935	3,332,018
			<b>1,844,979</b>	<b>32,091,593</b>

**8.02 Cash in hand**

Cash in head office	39,745	56,596
Cash in factory office	791,028	163,843
Cash in depot	10,530	13,810
	<b>841,303</b>	<b>234,249</b>

**9.00 Share capital**

**Authorised capital**

50,000,000 ordinary shares of Tk. 10 each	500,000,000	500,000,000
	<b>500,000,000</b>	<b>500,000,000</b>

**Issued, subscribed, and paid-up-capital**

16,770,600 ordinary shares of Tk.10 each	167,706,000	167,706,000
13,416,480 bonus shares of Tk.10 each	134,164,800	-
	<b>301,870,800</b>	<b>167,706,000</b>

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

Categories of Shareholders	% of Shareholding		Value of Shares	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Sponsor and Directors	35.32%	35.32%	106,631,770	59,239,890
Institutional Investors	21.07%	22.54%	63,617,600	37,807,180
Public	43.60%	42.13%	131,621,430	70,658,930
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>301,870,800</b>	<b>167,706,000</b>





Note No.	Particulars	Notes	Amount in BDT	
			30 June 2023	30 June 2022
Classifications of Shareholders by holding:				
Holdings	% of Holdings		Number of Holders	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
01-20	0.053%	0.018%	1,505	484
21-49	0.140%	0.039%	1,239	215
50-50	0.059%	0.018%	357	59
51-200	1.521%	0.294%	3,797	420
201-500	3.435%	1.222%	2,824	489
501-1000	4.504%	1.572%	1,682	358
1001-5000	15.546%	4.652%	2,146	351
5001-10000	5.706%	2.287%	240	55
10001-25000	6.026%	5.245%	117	56
25001-50000	4.167%	3.103%	37	15
50001-999999999	58.842%	81.549%	36	39
Total	100%	100%	13,980	2,541

**10.00 Retained earnings**

Profit brought forward	198,085,219	50,413,298
Prior year adjustment	-	(70,065)
<b>Adjusted opening balance</b>	<b>198,085,219</b>	<b>50,343,233</b>
Net profit during the year	59,518,018	193,479,986
Cash dividend	(33,541,200)	(30,492,000)
Stock dividend	(134,164,800)	(15,246,000)
	<b>89,897,237</b>	<b>198,085,219</b>

**11.00 Deferred tax liabilities**

Opening balance	7,686,012	8,639,338
Deferred tax (income)/ expense	(732,205)	(953,326)
	<b>6,953,807</b>	<b>7,686,012</b>

**11.01 For 30 June 2023**

	Carrying Value	Tax Based Value	Temporary Difference
<b>Property, plant and equipment</b>			
Land	8,877,421	8,877,421	-
Other than land	96,109,987	61,340,952	34,769,035
	<b>104,987,408</b>	<b>70,218,373</b>	<b>34,769,035</b>
<b>Applicable tax rate</b>			
On land			15.00%
On other than land			20.00%
Deferred tax liability			
On land			-
On other than land			6,953,807
<b>Deferred tax liabilities as on June 30, 2023</b>			<b>6,953,807</b>

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2023	30 June 2022
11.02	For 30 June 2022	Carrying Value	Tax Based Value	Temporary Difference
	<b>Property, plant and equipment</b>			
	Land	8,877,421	8,877,421	-
	Other than land	90,793,955	52,363,896	38,430,059
	Applicable tax rate	99,671,376	61,241,317	38,430,059
	On land			15.00%
	On other than land			20.00%
	Deferred tax liability			
	On land			-
	On other than land			7,686,012
	<b>Deferred tax liabilities as on June 30, 2022</b>			<b>7,686,012</b>
12.00	<b>Long term loan</b>			
	Opening balance		22,713,459	-
	Loan term loan received from bank during the period		18,201,378	25,893,696
	Loan term loan settled during the period		(6,237,811)	(3,180,237)
			<b>34,677,026</b>	<b>22,713,459</b>
12.01	<b>Long term loan-long term portion</b>		25,093,163	15,537,855
			<b>25,093,163</b>	<b>15,537,855</b>
12.02	<b>Long term loan-current portion</b>		9,583,863	7,175,604
			<b>9,583,863</b>	<b>7,175,604</b>
13.00	<b>Trade and other liabilities</b>			
	Trade payable		44,094,297	20,807,497
	Liabilities for expenses	13.01	44,199,912	54,940,491
	Advance received from customers		11,177,215	21,667,208
	Short term loan from intercompany		124,567,629	-
	Loan from Bank Asia Securities Limited (BASL)		129,997,124	102,639,282
			<b>354,036,178</b>	<b>200,054,478</b>
13.01	<b>Liabilities for expenses</b>			
	Liabilities for salaries, wages and others		3,761,874	10,356,537
	TDS & VDS payable		147,791	354,521
	Provision for WPPF	13.01.01	21,901,033	18,460,106
	Interest payable	13.01.02	-	-
	Liabilities for other expense		18,389,213	25,769,328
			<b>44,199,912</b>	<b>54,940,491</b>
13.01.01	<b>Provision for Workers Profit Participation Fund (WPPF)</b>			
	Opening balance		18,460,106	11,080,642
	Provision made during the year		3,440,927	11,077,276
	Disbursement made during the year		-	(3,697,812)
			<b>21,901,033</b>	<b>18,460,106</b>

The company is planning to disburse the due amount of WPPF within the shortest possible time to comply with the labour laws 2006 and WPPF for the financial years 2021-22 BDT 11,077,276 has paid on 27 September 2023.





Note No.	Particulars	Notes	Amount in BDT	
			30 June 2023	30 June 2022
<b>13.01.02</b>	<b>Interest payable</b>			
	Opening balance		-	293,672
	Provision made during the year		2,893,573	7,252,275
	Payment made during the year		(1,541,587)	(2,020,927)
	Interest payable transferred to LTR during the year		(1,351,986)	(5,525,020)
			<u>-</u>	<u>-</u>
<b>14.00</b>	<b>Income tax liabilities</b>			
	Opening balance		29,018,849	14,893,440
	Accrued tax liability against demand for earlier year		-	70,065
	Tax adjustment for AY: 2022-23		(29,018,849)	(14,963,505)
	Tax provision made during the year	14.01	10,032,716	29,018,849
			<u>10,032,716</u>	<u>29,018,849</u>
<b>14.01</b>	<b>Tax computation for the year</b>			
	Net profit before tax		68,818,529	221,545,509
	Realise (gain)/loss from share sale		(29,010,881)	(160,921,234)
	Dividend income		-	(3,300,000)
	Interest income		(1,064,239)	(430,981)
	Un-realise (gain)/loss from marketable securities		(8,575,998)	3,469,290
	<b>Add: Expenditures for separate consideration:</b>			
	Accounting depreciation		10,476,686	10,483,648
	Entertainment		948,893	1,616,497
	<b>Less: Admissible expense</b>			
	Depreciation as per third schedule		(6,815,661)	(10,516,651)
	Entertainment expenses as per section 55(h)		(715,547)	(1,258,922)
	<b>Net taxable business income</b>		<u>34,061,782</u>	<u>60,687,157</u>
	Business income tax rate		20.00%	20.00%
	<b>Business income tax expense charged</b>		<u>6,812,356</u>	<u>12,137,431</u>
	<b>Net taxable non business income</b>		<u>30,075,120</u>	<u>164,652,214</u>
	Realise gain /(loss) from share sale		29,010,881	160,921,234
	Dividend income		-	3,300,000
	Interest income		1,064,239	430,981
	Non business income tax rate-Realised/capital gain on sale of listed company share		10%	10%
	Non business income tax rate-Dividend income		20%	20%
	Non business income tax rate-interest income		30%	30%
	<b>Non business income tax expense charged</b>		<u>3,220,360</u>	<u>16,881,418</u>
	<b>Current year income tax</b>		<u>10,032,716</u>	<u>29,018,849</u>

Note No.	Particulars	Notes	Amount in BDT	
			30 June 2023	30 June 2022
<b>14.02</b>	<b>Reconciliation of effective tax rate</b>			
	Profit before income tax		68,818,529	221,545,509
	Realise gain (loss) from sales of marketable securities		(29,010,881)	(160,921,234)
	Dividend income		-	(3,300,000)
	Interest income		(1,064,239)	(430,981)
	Un-realise (gain)/loss from marketable securities		(8,575,998)	3,469,290
	<b>Net taxable business income (A)</b>		<b>30,167,411</b>	<b>60,362,584</b>
	Applicable tax rate		20.00%	20.00%
	Income tax (B)		<b>6,033,482</b>	<b>12,072,517</b>
	Factors effecting the tax charge for the current period (Excess)/ short of fiscal depreciation over accounting		3,661,024	(33,003)
	Inadmissible expense		233,346	357,575
	Movement of temporary differences: (credit)/charge as above		<b>3,894,371</b>	<b>324,572</b>
	Tax on temporary differences ( C )		778,874	64,914
	Total income tax expense (B+C)		<b>6,812,356</b>	<b>12,137,431</b>
	<b>Effective tax rate (B+C)/A</b>		<b>22.58%</b>	<b>20.11%</b>
<b>15.00</b>	<b>Short term loan</b>			
	Opening balance		96,970,206	99,641,836
	Addition during the year		133,458,010	206,921,765
	Settled/payment during the year		(230,428,216)	(209,593,395)
			<b>-</b>	<b>96,970,206</b>

The nature of the short term loan against Trust Receipt (LTR) and is availed by the Company from South Bangla Agricultural and Commerce Bank limited (Principal Branch). The purpose of this facility is to retire LC related shipping documents. The interest rate is 9% p.a. with quarterly rest subject to change may be made by the bank from time to time. The sanction limit amount is BDT 100 million and collateral security is 99.00 Decimal land with 40,000 sft. Factory shed.(Pubire Road), Mouza- Morkun, PS- Tongi, Dist.- Gazipur owned by the Company.

<b>16.00</b>	<b>Unclaimed dividend account</b>			
	Opening balance		7,117,736	13,105,485
	Dividend declared during the year		33,541,200	30,492,000
	Dividend paid during the year		(38,405,370)	(36,479,749)
			<b>2,253,566</b>	<b>7,117,736</b>



Note No.	Particulars	Notes	Amount in BDT	
			2022-2023	2021-2022
<b>17.00</b>	<b>Revenue</b>			
	Sales: GI Fittings		654,818,247	652,826,168
	Sales: Others		83,155,652	71,557,123
			<b>737,973,899</b>	<b>724,383,291</b>
	The sales amount is presented net of VAT.			
<b>18.00</b>	<b>Cost of goods sold</b>			
	Raw materials consumption	18.01	289,034,964	331,647,945
	Auxiliary materials consumption	18.02	37,400,136	41,346,727
	Spare parts and other material consumption	18.03	52,387,804	62,425,691
	<b>Total consumption of materials</b>		<b>378,822,904</b>	<b>435,420,363</b>
	Factory overheads	18.04	208,034,888	179,120,311
	Opening stock of work -in-process		31,581,795	22,529,304
	Closing stock of work -in-process		(25,147,120)	(31,581,795)
	<b>Cost of production</b>		<b>593,292,467</b>	<b>605,488,183</b>
	Opening stock of finished goods		107,735,938	92,040,322
	Closing stock of finished goods		(55,816,397)	(107,735,938)
	<b>Cost of goods sold</b>		<b>645,212,008</b>	<b>589,792,567</b>
<b>18.01</b>	<b>Raw materials consumption</b>			
	Opening stock		46,603,585	29,805,906
	Add: Purchase		298,828,065	348,445,624
			<b>345,431,650</b>	<b>378,251,530</b>
	Less: Closing stock		56,396,686	46,603,585
			<b>289,034,964</b>	<b>331,647,945</b>
<b>18.02</b>	<b>Auxiliary materials consumption</b>			
	Opening stock		8,500,171	9,361,877
	Add: Purchase		36,201,666	40,485,021
			<b>44,701,837</b>	<b>49,846,898</b>
	Less: Closing stock		7,301,701	8,500,171
			<b>37,400,136</b>	<b>41,346,727</b>
<b>18.03</b>	<b>Spare parts and other material consumption</b>			
	Opening Stock		46,214,270	48,667,610
	Add: Purchase		63,249,652	59,972,351
			<b>109,463,922</b>	<b>108,639,961</b>
	Less: Closing Stock		57,076,118	46,214,270
			<b>52,387,804</b>	<b>62,425,691</b>

Note No.	Particulars	Notes	Amount in BDT	
			2022-2023	2021-2022
<b>18.04</b>	<b>Factory overhead</b>			
	Salary, wages and allowances		128,467,059	109,041,713
	Power cost		61,847,306	52,033,844
	Entertainment expense		868,233	1,147,497
	Telephone, mobile & internet		165,000	227,437
	Workers quarter rent		437,000	680,033
	Worker welfare expenses		672,282	297,457
	Corporate development expense		442,600	373,250
	Cleaning expense		17,000	35,500
	Holding tax		175,544	175,544
	Factory running, maintenance and other expenses		4,756,607	4,600,578
	Travelling and conveyance		292,493	297,536
	Other factory expenses		45,680	355,293
	Depreciation		9,848,085	9,854,629
			<b>208,034,888</b>	<b>179,120,311</b>
<b>19.00</b>	<b>Administrative expenses</b>			
	Salary and Allowances		8,521,488	7,718,083
	Corporate development expenses		812,402	993,084
	Licence, registration, consultancy and renewal fees		2,403,142	2,669,419
	Audit Fees		255,555	172,500
	Office rent		1,725,000	1,210,260
	Repair and maintenance		609,364	404,526
	Staff welfare expenses		156,720	306,167
	Utility expenses		1,474,864	1,044,237
	IT expenses		199,480	126,640
	Postage and courier expenses		13,530	20,000
	Entertainment expenses		80,660	27,070
	Telephone and mobile		47,676	46,221
	Printing, stationary and photocopy		489,616	426,374
	Travelling and conveyance		35,090	44,353
	Other expenses		10,630	44,064
	Loss on disposal of assets	19.01	-	2,830
	Bad debt expense	5.01	-	-
	Depreciation		628,601	629,019
			<b>17,463,818</b>	<b>15,884,847</b>
<b>19.01</b>	<b>Loss/ (gain) on sales of fixed assets</b>			
	Cost of fixed assets		-	115,807
	Accumulated depreciation		-	(112,977)
	Carrying value of assets classified as held for sale		-	-
	Written down value of fixed assets		-	2,830
	Sales proceed		-	-
			<b>-</b>	<b>2,830</b>





Note No.	Particulars	Notes	Amount in BDT	
			2022-2023	2021-2022
<b>20.00</b>	<b>Selling and distribution expenses</b>			
	Sales people incentive		3,867,905	4,099,608
	Dealer commission		11,685,344	6,900,186
	Salary and allowances		8,471,668	6,567,679
	Customer communication expenses		1,012,118	6,529,619
	Product delivery expenses		4,182,472	4,810,369
	Mobile bill		130,627	110,697
	Travelling and daily allowances		1,836,418	1,807,416
			<b>31,186,552</b>	<b>30,825,574</b>
<b>21.00</b>	<b>Financial expenses</b>			
	Bank charges and commission		365,377	309,483
	Excise duty		175,450	203,250
	Service charges		1,725	48,875
	Credit rating report fees		32,250	34,400
	Interest expenses		9,928,382	15,844,435
			<b>10,503,183</b>	<b>16,440,443</b>
<b>22.00</b>	<b>Non-operating income</b>			
	Realise gain/(loss) from sale of short term investments		29,010,881	160,921,234
	Un-realise gain/(loss) on short term investments		8,575,998	(3,469,290)
	Dividend income		-	3,300,000
	Interest income		1,064,239	430,981
			<b>38,651,118</b>	<b>161,182,925</b>
<b>23.00</b>	<b>Collection from customers and others</b>			
	Opening balance of trade receivables		10,891,159	81,694
	Add: Sales during the year		737,973,899	724,383,291
			<b>748,865,058</b>	<b>724,464,985</b>
	Less: Closing balance of trade receivables		24,509,026	10,891,159
	<b>Total collection from trade receivables</b>		<b>724,356,032</b>	<b>713,573,826</b>
	Increase/(decrease) advance collection from customers		(10,489,992)	(2,333,026)
	Collection from other income		1,064,239	430,981
			<b>714,930,279</b>	<b>711,671,781</b>
<b>24.00</b>	<b>Net Asset Value (NAV) Per Share</b>			
	The Computation of NAV per share is given below :			
	Total assets		799,721,330	729,351,959
	Less: Liabilities		407,953,293	363,560,740
	<b>Net assets value</b>		<b>391,768,037</b>	<b>365,791,219</b>
	Number of ordinary share outstanding during the year		30,187,080	30,187,080
	<b>Net assets value (NAV) per Share (restated 2022)</b>		<b>12.98</b>	<b>12.12</b>

Net earnings (as discussed in Note 25) during the period with distribution of cash and stock dividend to shareholders has ensured the NAV growth of 7.10%. NAV for the year ended on 30 June 2022 has been restated taking into account the increase of number of Ordinary Shares due to issuance of Bonus Shares for the year ended on 30 June 2022 as approved by the shareholders in the 28th AGM held on January 17, 2023.

Note No.	Particulars	Notes	Amount in BDT	
			2022-2023	2021-2022

#### 24.01 Weighted average number of Ordinary Shares

Details	Number of days	No. of shares in issue	Weighted average no. of shares
Ordinary shares outstanding	365	30,187,080	30,187,080

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the period multiplied by a time weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated by assuming that the shares have always been in issue. This means that they have been issued at the start of the year presented as the comparative figures.

#### 25.00 Earnings Per Share (EPS)

##### 25.01 Basic Earnings Per Share

a) Profit attributable to the ordinary shareholders	59,518,018	193,479,986
b) Weighted average number of ordinary shares	30,187,080	30,187,080
<b>Basic Earnings Per Share (restated 2021-2022)</b>	<b>1.97</b>	<b>6.41</b>

Basic Earnings per share of 2022-23 (BDT 1.97) has been decreased by 69.27% as compared to 2021-22 (BDT 6.41) due to decrease in non-operating income by 76.02% (BDT 122,531,807) whereas revenue has been increased by 2% (BDT 13,590,608) over the previous year. EPS for the year ended on 30 June 2022 has been restated taking into account the increase of number of Ordinary Shares due to issuance of Bonus Shares for the year ended on 30 June 2022 as approved by the shareholders in the 28th AGM held on January 17, 2023.

##### 25.02 Diluted Earnings Per Share

No diluted EPS was required to be calculated for the year since there was no scope for dilution of shares during the year.

#### 26.00 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	64,725,043	13,058,902
b) Number of ordinary share outstanding during the year	30,187,080	30,187,080
	<b>2.14</b>	<b>0.43</b>



Note No.	Particulars	Notes	Amount in BDT	
			2022-2023	2021-2022
	Net operating cash flow per share (NOCFPS) has been increased to BDT 2.14 from BDT 0.43 due to efficient management of working capital. NOCFPS for the year ended on 30 June 2022 has been restated taking into account the increase of number of Ordinary Shares due to issuance of Bonus Shares for the year ended on 30 June 2022 as approved by the shareholders in the 28th AGM held on January 17, 2023.			
27.00	<b>Reconciliation of net operating cash flows</b>			
	<b>Net profit after tax</b>		<b>59,518,016</b>	<b>193,479,986</b>
	Add/(less): Item not involving movement of cash			
	Depreciation on property, plant & equipment		10,476,686	10,483,648
	Loss on disposal of non-current asset		-	2,830
	Unrealised (gain)/loss on short term investments		(8,575,998)	3,469,290
	Interest expenses on margin loan		6,360,733	8,592,161
	Realise (gain)/loss from sale of short term		(29,010,881)	(160,921,234)
	Dividend income		-	(3,300,000)
			<b>(20,749,461)</b>	<b>(141,673,306)</b>
	<b>A. Cash generated from operations before changes in working capital</b>		<b>38,768,555</b>	<b>51,806,681</b>
	(Increase) / decrease in inventory		38,897,737	(38,230,740)
	(Increase) / decrease in trade receivables		(13,617,867)	(10,809,465)
	(Increase)/ decrease in advance, deposit & prepayment		18,338,725	(2,950,795)
	Increase / (decrease) in trade and other liabilities		(17,662,107)	13,243,220
	<b>B. Total changes in working capital</b>		<b>25,956,488</b>	<b>(38,747,779)</b>
	<b>C. Net cash inflows from operating activities (A+B)</b>		<b>64,725,043</b>	<b>13,058,901</b>

## 28.00 Related Party Disclosure

a) Key Management Personnel of the Company were not given any compensation benefits.

b) During the year the company carried out a number of transactions with related parties in the normal course of business on an arms' length basis. Name of those related parties, nature of those transactions and their total value have been set out in accordance with the provisions of IAS -24: Related Party Disclosure.

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

Name of Party/Company	Relation	Nature of Transaction	Outstanding Receivable /(payable) as on 30 June 2022
Anwar Ispat Ltd. A One Polymer Ltd. Anwar Cement Sheet Ltd. Anwar Printex Ltd.	Common Director	Supply of Material/Business Transactions	4,505,248 (4,715,944) (320,729) 503

## 29.00 Financial Risk Management

### 29.01 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.

### 29.02 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 2023	30 June 2022
	BDT	BDT
Trade receivables	24,509,026	10,891,159
Cash and cash equivalents	2,686,282	32,325,842
	<b>27,195,308</b>	<b>43,217,001</b>

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 2023	30 June 2022
	BDT	BDT
Loans and borrowings	34,677,026	119,683,666
Trade and other liabilities	354,036,178	200,054,478
	<b>388,713,204</b>	<b>319,738,144</b>

**29.03 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.

**30.00 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.

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

There are 07 Directors of the company during the year ended 30 June 2023.

**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	Full Time
02. Mr AKM Javed	Managing Director & CEC	NIL	
03. Mr Hossain Mehmood	Director	NIL	
04. Mr Hossain Khaled	Director	NIL	
05. Mr. Md. Ataur Rahman	Nominated Director	NIL	
06. Mr Md. Abu Quasem	Independent Director	NIL	
07. Mr Naba Gopal Banik	Independent Director	NIL	

### 32.00 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

### 33.00 Additional disclosure as per BSEC

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

- a) Claim against the company not acknowledge as debt as on 30.06.23 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 30/06/2023 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  
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

### 34.00 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	289,034,964	TK
ii)	Opening Stock	517	MT
iii)	Production during the year	2,011	MT
iv)	Sold during the year	2,262	MT
v)	Other consumption	NIL	MT
vi)	Closing Stock	266	MT

#### 4. Para-3,(ii)

i) Number of employees drawing salary above Tk. 3,000 per Month	756 Nos
ii) Number of employees drawing salary below Tk. 3,000 per month	NIL

#### 5. Para - 4 (f)

	30 June 2023 BDT	30 June 2022 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	24,509,026	10,891,159
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	NIL	NIL
v) The maximum amount due by directors or other officers of the company at any time during the year.	NIL	NIL

#### 6. Para - 8 (b)

Expenses incurred in foreign currency on account of royalty, technical expert & professional advisory fee, Interest etc. if any	NIL	NIL
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#### 7. Para - 8 (c)

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

Local	Qty. MT	Value	%
C R Stamping/Bushing Scrap	1,311	108,660,665	29%
Ferro silicon	31	8,514,097	2%
<b>Raw Materials</b>	<b>1,342</b>	<b>117,174,762</b>	<b>31%</b>
Auxiliary materials		32,788,778	9%
Spare Parts and others		31,235,753	8%
<b>Total Local</b>		<b>181,199,293</b>	<b>48%</b>
Pig Iron	403	41,280,891	11%
Zinc Ingot	154	94,705,442	25%
Ferro Silicon Magnesium	36	18,045,162	5%
Inouclin	7	3,327,574	1%
Carburizer Low Sulfur -DI	60	13,658,206	4%

Unexp andedperlite ORG CG	10	842,927	0%
<b>Raw Materials</b>	<b>669</b>	<b>171,860,202</b>	<b>45%</b>
Auxiliary materials		4,611,358	1%
Spare Parts and others		21,152,051	6%
<b>Total Import</b>		<b>197,623,611</b>	
<b>Total</b>	<b>2,011</b>	<b>378,822,904</b>	<b>100%</b>

**8. Para- 8(d)**

i) Number of Non - Resident shareholder	NIL
ii) Number of shares held by the Non-Resident shareholders including foreign investors	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 fe	NIL
iii) interest and dividend;	NIL
iv) other income, indicating the nature thereof.	NIL

**35.00 Events after the Reporting Period:**

**a) Proposed Dividend:**

The Board of Directors recommended 10% cash dividend for the year ended 30 June 2023 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 2023.

**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 26 October 2023.

**c) Significant Events After Reporting Period:**

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

  
**Tauhidul Islam FCS**  
 Company Secretary

  
**Hossain Mehmood**  
 Director

  
**Md. Moniruzzaman**  
 Managing Director & CEO





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

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

**Allocation of depreciation**

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



**Anwar Galvanizing Limited**  
**Schedule of Property, Plant and Equipment**  
For the year ended on 30 June 2022

Particulars	Land & land development	Building & construction	Plant, machinery & Equipment	Office equipment	Furniture & Fixtures	Vehicle	Amount in BDT
<b>A. Cost</b>							<b>Total</b>
Balance at 1 July 2021	8,877,421	16,373,057	119,278,655	9,801,045	1,665,224	2,913,470	158,908,872
Additions	-	1,214,445	6,695,726	521,204	345,765	-	8,777,140
Transfers	-	-	-	-	-	-	-
Disposal	-	-	-	-	(115,807)	-	(115,807)
<b>Balance at 30 June 2022</b>	<b>8,877,421</b>	<b>17,587,502</b>	<b>125,974,381</b>	<b>10,322,249</b>	<b>1,895,182</b>	<b>2,913,470</b>	<b>167,570,205</b>
<b>B. Accumulated depreciation</b>							
Balance at 1 July 2021	-	8,555,080	43,444,265	3,868,501	489,658	1,170,653	57,528,158
Depreciation	-	305,312	9,115,283	740,863	191,479	130,711	10,483,648
Disposal	-	-	-	-	(112,977)	-	(112,977)
<b>Balance at 30 June 2022</b>	<b>-</b>	<b>8,860,392</b>	<b>52,559,548</b>	<b>4,609,364</b>	<b>568,160</b>	<b>1,301,365</b>	<b>67,898,829</b>
<b>Carrying amounts</b>							
<b>At 30 June 2022 (A-B)</b>	<b>8,877,421</b>	<b>8,727,109</b>	<b>73,414,833</b>	<b>5,712,885</b>	<b>1,327,022</b>	<b>1,612,105</b>	<b>99,671,376</b>

**Allocation of depreciation**

Particulars	2021-22
Cost of sales	9,854,629
Administrative expenses	629,019
<b>Total</b>	<b>10,483,648</b>

