

Private & Confidential



AHMED ZAKER & Co.
CHARTERED ACCOUNTANTS

**Independent Auditor's Report
and
Financial Statements
of**

Anwar Galvanizing Limited

Baitul Hossain Building (14th Floor), 27,
Dilkusha Commercial Area, Dhaka-1000

As at and for the year ended 30 June 2022



Auditor:

Ahmed Zaker & Co.

Chartered Accountants

An Independent Member Firm of Geneva Group International (GGi)

Green City Edge (Level - 10), 89, Kakrail, Dhaka-1000, Bangladesh.

Tel: 88-2-8300504-8, Fax : 88-2-8300509

E-mail: azcbangladesh@ahmed-zaker.com Web: www.ahmed-zaker.com

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Independent Auditors' 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 2022, and Statement of Profit or Loss & 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 of the company gives a true and fair view, in all material respects, of the financial position of the company as at 30 June 2022 and its financial profit or loss & other Comprehensive income and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

Basis for Opinion

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

Emphasis of matter

Without modifying our opinion, we draw attention to note-22 of the financial statements, wherein the company reported non-operating income Tk. 161,182,925 through trading of listed securities.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statement 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 opinion on these matters.



Revenue Recognition	
Risk	Our response to the risk
<p>The Company reported total revenue of Tk. 724,383,291 for the year ended June 30, 2022 which is 18.75% (Tk. 114,394,796) higher than prior year revenue.</p> <p>Revenue consists of sales of GI Fittings and Scrap sales.</p> <p>Revenue recognition has 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 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 is determined considering the effect of rebate of rebates, discounts & incentives.</p> <p>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.</p> <p>We focused on the proper cut-off of sales to the Company's customers. There is a risk of differences between the timing of invoicing of products and the dispatch of the products.</p>	<p>Our procedures included the following to assess this risk:</p> <ul style="list-style-type: none">- We understood, evaluated and validated the key controls related to the Company's sales process from end to end, from contracts 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 customers' receivable balances at the balance sheet date, selected on a sample basis by considering the amounts outstanding with those customers.- We assessed the appropriateness of revenue recognition accounting policy in line with IFRS 15 Revenue from contracts with customers.- Performed walkthroughs to understand the adequacy and the design of the revenue cycle.- Performed sample test of individual sales transactions and traced to sales invoices, sales orders and other related documents.
See note no-17.00 & 2.9(ix) to the financial statements	

Valuation of inventory	
Risk	Our response to the risk
<p>The inventory of Tk. 240,635,759 at June 30, 2022 held in Depots, warehouse and factory premise of the company.</p> <p>In order to carry inventory at the lower of 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.</p>	<p>Our procedures included the following to assess inventory Valuation:</p> <ul style="list-style-type: none">- 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



<p>Inventory value is calculated in company's accounting system using an automated process. Manual process requires interfaces and inputs, there is a risk of inappropriate management override and chances of error exist.</p>	<p>inventory listing to test the completeness of data.</p> <ul style="list-style-type: none">- 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.
<p>See note no-4.00 & 2.9(ii) to the financial statements</p>	

Trade Receivables	
Risk	Our response to the risk
<p>The company has Trade Receivables of Tk 10,891,159 as on June 30, 2022 which is 132 times higher than the balance of June 30, 2021 of Tk 81,694. The company has started credit sales during the year. Trade Receivables amount is net of bad debts provision of Tk 707,803.</p> <p>The recoverability of trade receivables is considered to be a key risk due to the significance of these balances to the financial statements and the judgements required in making appropriate provisions.</p>	<p>In order to test the recoverability of trade receivables, we performed the following procedures:</p> <ul style="list-style-type: none">- We evaluated the company's credit control procedures and assessed and validated ageing profile of trade receivables.- We assessed recoverability on a sample basis by reference to cash received subsequent to year-end, agreement to the terms of the contract in place and issue of credit notes, as necessary.- We performed balance confirmations from debtors on sample basis to confirm the accuracy, valuation and existence of balances. <p>Based upon the above, we satisfied ourselves that management had taken reasonable judgements that were materially supported by the available evidence in respect of the relevant receivable balances.</p>
<p>See note no-5.00 & 2.9(iv) to the financial statements</p>	



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 directors are responsible for the other information.

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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Other Matter

The financial statements of the company as at and for the year ended June 30, 2021 were audited by another auditor, who expressed an unmodified opinion on those statements.

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 in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations 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. The Companies Act, 1994 require the management to ensure effective internal audit, internal control and risk management functions of the company.

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 circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis 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 the 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 event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statement we are responsible for the direction, supervision and performance of the audit. We 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

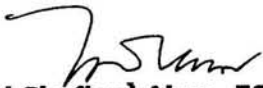


Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, and the Securities and Exchange Rules 2020 and relevant notifications issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts, records and other statutory books as required by law have been kept by the company so far as it appeared from our examinations of those books;
- c) The statement of Financial Position, statement of profit or loss & other comprehensive income and statement of changes in equity and statement of cash flows of the Company dealt with by the report are in agreement with the books of account and returns;
- d) The expenditure was incurred for the purpose of the Company's business.

Date: 28 OCT 2022
Place: Dhaka
DVC: 2210310603AS518574


Md Shafiqul Alam, FCS, FCA
Enrolment number: 603
Partner
Ahmed Zaker & Co.
Chartered Accountants

Anwar Galvanizing Limited
Statement of Financial Position
As at 30 June 2022

Particulars	Note	Amount in Taka	
		30 June 2022	30 June 2021
Assets			
Non-Current Assets			
Property, plant and equipment	3.00	166,433,168	135,451,777
		166,433,168	135,451,777
Current Assets			
Inventories	4.00	240,635,759	202,405,019
Trade receivables	5.00	10,891,159	81,694
Advances, deposits and pre-payments	6.00	44,186,312	67,412,081
Short term investment	7.00	234,879,719	5,400,000
Cash and cash equivalents	8.00	32,325,842	25,676,820
		562,918,791	300,975,614
Total Assets		729,351,959	436,427,391
Equity and Liabilities			
Shareholders' Equity			
Share capital	9.00	167,706,000	152,460,000
Retained earnings	10.00	198,085,219	50,413,298
		365,791,219	202,873,298
Non-Current Liabilities			
Deferred tax liabilities	11.00	7,686,012	8,639,338
Long term loan-long term portion	12.01	15,537,855	-
		23,223,867	8,639,338
Current Liabilities			
Long term loan-current portion	12.02	7,175,604	-
Trade and other payables	13.00	200,054,478	97,273,994
Income tax liabilities	14.00	29,018,849	14,893,440
Short term loan	15.00	96,970,206	99,641,836
Unclaimed dividend account	16.00	7,117,736	13,105,485
Total Current Liabilities		340,336,873	224,914,755
Total Equity and Liabilities		729,351,959	436,427,391
Net Asset Value Per Share	24.00	21.81	13.31

The annexed notes form an integral part of these financial statements



Company Secretary


Director


Managing Director

Signed as per our annexed report on even date

Date: 28 OCT 2022
Place: Dhaka
DVC: 2210310603AS518574


Md. Shafiqul Alam, FCS, FCA
Enrolment number: 603
Partner
Ahmed Zaker & Co.
Chartered Accountants

Anwar Galvanizing Limited
Statement of Profit or Loss & Other Comprehensive Income
For the year ended 30 June 2022

Particulars	Note	Amount in Taka	
		2021-2022	2020-2021
Revenue	17.00	724,383,291	609,988,495
Cost of goods sold	18.00	(589,792,567)	(510,807,033)
Gross profit		134,590,724	99,181,462
Operating expenses			
Administrative expenses	19.00	(15,884,847)	(14,379,731)
Selling and distribution expenses	20.00	(30,825,574)	(16,366,173)
		(46,710,421)	(30,745,903)
Operating profit		87,880,303	68,435,559
Financial expenses	21.00	(16,440,443)	(3,812,452)
Non-operating income	22.00	161,182,925	12,925,939
Profit before distribution of WPPF		232,622,785	77,549,046
Contribution to WPPF	13.01.01	(11,077,276)	(3,692,812)
Profit before tax		221,545,509	73,856,234
Income tax expense			
Current	14.00	(29,018,849)	(14,893,440)
Deferred	11.00	953,326	763,103
		(28,065,523)	(14,130,336)
Profit after tax		193,479,986	59,725,897
Other comprehensive income		-	-
Total comprehensive income for the year		193,479,986	59,725,897
Basic Earning Per Share	25.01	11.54	3.92
Restated Earning per share	25.02	11.54	3.56

The annexed notes form an integral part of these financial statements

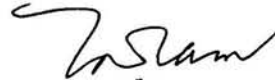

Company Secretary


Director


Managing Director

Signed as per our annexed report on even date

Date: 28 OCT 2022
Place: Dhaka
DVC: 2210310603AS518574


Md. Shafiqul Alam, FCS, FCA
Enrolment number: 603
Partner
Ahmed Zaker & Co.
Chartered Accountants

Anwar Galvanizing Limited
Statement of Changes in Equity
For the year ended 30 June 2022

Particulars	Share Capital	Retained Earnings	Other Components of Equity	Total Amount
Balance as on 30 June 2021	152,460,000	50,413,298	-	202,873,298
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)	-	-
Balance as on 30 June 2022	167,706,000	198,085,219	-	365,791,219

For the year ended 30 June 2021

Particulars	Share Capital	Retained Earnings	Other Components of Equity	Total Amount
Balance as on 30 June 2020	145,200,000	13,031,854	(645,275)	157,586,579
Prior period adjustment	-	(191,396)	-	(191,396)
Profit after tax	-	59,725,898	-	59,725,898
Gain/ (loss) from sales realisation	-	-	272,218	272,218
Transfer from OCI to retained earnings	-	(373,057)	373,057	-
Cash dividend	-	(14,520,000)	-	(14,520,000)
Stock dividend	7,260,000	(7,260,000)	-	-
Balance as on 30 June 2021	152,460,000	50,413,298	-	202,873,298

The annexed notes form an integral part of these financial statements


Company Secretary

Date: 28 OCT 2022
Place: Dhaka


Director


Managing Director





Anwar Galvanizing Limited
Statement of Cash Flows
For the year ended 30 June 2022

Particulars	Note	Amount in Taka	
		2021-2022	2020-2021
Cash flows from operating activities			
Collection from customers and others	23.00	711,671,781	616,005,898
Payment for suppliers, employees and others		(670,755,640)	(606,376,861)
Payment for WPPF		(3,697,812)	-
Income tax paid		(22,138,500)	(15,850,023)
Interest paid		(2,020,927)	(1,823,939)
Net cash inflow/(outflow) from operating activities		13,058,902	(8,044,925)
Cash flows from investing activities			
Payment for the acquisition of property, plant and equipment		(2,431,918)	(9,164,508)
Payment for the capital work-in-progress		(39,200,551)	(44,660,624)
Investment in securities		(54,278,772)	(4,480,949)
Dividend income		3,300,000	-
Net cash inflow/(outflow) from investing activities		(92,611,241)	(58,306,080)
Cash flows from financing activities			
Dividend paid		(36,479,749)	(17,334,672)
Receipt/(payment) of Loan against trust receipts (LTR)		(2,671,630)	80,893,185
Long term loan received		22,713,459	-
Loan from NBL securities ltd		102,639,282	-
Net cash inflow/(outflow) from financing activities		86,201,362	63,558,513
Net increase/(decrease) in cash and cash equivalents		6,649,023	(2,792,491)
Cash and cash equivalents at the beginning of the year		25,676,820	28,469,311
Cash and cash equivalents at the year End		32,325,842	25,676,820
Net Operating Cash Flow Per Share (NOCFPS)	26.00	0.78	(0.53)

The annexed notes form an integral part of these financial statements


Company Secretary


Director


Managing Director

Date: 28 OCT 2022
Place: Dhaka





Anwar Galvanizing Limited
Notes to the Financial Statements
As at and for the year ended 30 June 2022

1. Reporting Entity

a) Company Profile

Anwar Galvanizing Limited (the "Company") was incorporated in Bangladesh on 14th February 1995, under the Companies Act, 1994 as a public company limited by shares. The Company went for Initial Public Offering (IPO) of shares in November 1995 which was fully subscribed and issued. The shares have since been listed and are being traded in Dhaka and Chittagong Stock Exchanges.

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

b) Nature of Business:

The Company has been involved in the manufacturing of galvanized 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:

- The Income Tax Ordinance & Rules, 1984
- The Value Added Tax and Supplementary Duty Act & Rules, 2012
- The Security & Exchange Rules, 2020
- The Customs Act 1969
- The Bangladesh Labour Act 2006 (Amended in 2013)
- 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 2022 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	: Provision for expense
Note 14	: Current tax liabilities

2.7 Cash Flow Statement:

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

2.8 Statement of Changes in Equity:

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

2.9 Significant Accounting Policies:

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

i. Property, Plant and Equipment:

a) Recognition and measurement:

In pursuant to IAS 16: Property, Plant and Equipment, the cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be measured reliably.

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

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

b) Depreciation:

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

Depreciation on assets is calculated using the 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 2021-22	FY 2020-21
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%	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 2022.

ii. Inventories:

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

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

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

iii. Leases:

All leases other than those which meet the definition of finance lease are treated as operating lease and are recognized in the statement of profit and loss. Payments made under operating leases are recognized in profit or loss. For non-cancellable operating leases payments are recognized on a straight-line basis over the term of the lease.

iv. Financial instruments:

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

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

a) Financial Assets:

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

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

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

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

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

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

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

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

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

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

Amortized cost:

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

At fair value through profit or loss:

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

At fair value through other comprehensive income

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

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

Trade, Other and Intercompany Receivables:

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

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

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

Cash and Cash Equivalents:

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

b) Financial Liabilities:

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

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

Trade Payables

Trade payables are recognized at fair value.

Interest-bearing Borrowings

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

c) Offsetting a Financial Asset and a Financial Liability

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

d) Reclassification of financial instruments on adoption of IFRS 9

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

Accounts title	Measurement category		Carrying amount	
	IAS 39	IFRS 9	IAS 39	IFRS 9
Cash and cash equivalent	Loans and receivables	Amortized costs	32,325,842	32,325,842
Short term investments	Available for sale	Fair value through profit or loss	234,879,719	234,879,719
Trade and other receivables	Loans and receivables	Amortized costs	10,891,159	10,891,159

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

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

b) Paid-up Capital:

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

c) Retained Earnings:

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

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

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

b) Previous Years Assessment Status:

The company submitted Income Tax Returns for assessment years from 2007-08 to 2021-22 (Income Years 2006-07 to 2020-21) 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 2022. 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 2022.
- b) Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2022.
- c) Statement of Cash Flows for the year ended 30 June 2022.
- d) Statement of Changes in Equity for the year ended 30 June 2022.
- e) Accounting Policies and Explanatory Notes.

2.10 Reporting Period:

Financial Statements of the company cover one financial year from 01 July 2021 to 30 June 2022.

2.11 Comparative Information and Rearrangement thereof:

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

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

2.12 Reporting Currency and Level Precision:

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

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

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

2.13 Consistency:

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

Anwar Galvanizing Limited
Notes to the Financial Statements
 For the year ended 30 June 2022

Note No	Particulars	Note	Amount in Taka	
			30 June 2022	June 30, 2021
3.00	Property, plant and equipment: Tk. 166,433,168			
	Property, plant and equipments	3.01	99,671,376	101,380,714
	Capital work-in-progress	3.02	66,761,792	34,071,063
			166,433,168	135,451,777
3.01	Property, plant and equipment: Tk. 99,671,376			
	A. Cost			
	Opening balance		158,908,872	133,361,330
	Addition during the year		8,777,140	25,585,042
	Disposal during the year		(115,807)	(37,500)
			167,570,204	158,908,872
	B. Accumulated depreciation			
	Opening balance		57,528,158	47,399,034
	Depreciation for the year		10,483,648	10,163,748
	Depreciation on disposal of assets during the year		(112,977)	(34,625)
			67,898,828	57,528,158
	Written down value (A-B)		99,671,376	101,380,714
	Details have been shown in the schedule of property, plant and equipment.			
3.02	Capital work-in-progress: Tk. 66,761,792			
	Opening balance		34,071,063	5,830,973
	Addition during the year		39,200,551	44,660,624
	Transfer to property, plant and equipment during the year		(6,345,222)	(16,420,534)
	Transfer to WIP fitting box		(164,600)	-
			66,761,792	34,071,063
4.00	Inventories: Tk. 240,635,759			
	Raw materials	4.01	46,603,585	29,805,906
	Auxiliary materials	4.02	8,500,171	9,361,877
	Spare parts and other materials	4.03	46,214,270	48,667,610
	Finished goods	4.04	107,735,938	92,040,322
	Work-in-process	4.05	31,581,795	22,529,304
			240,635,759	202,405,019

Inventories except goods in transit are measured at lower of cost and estimated net realisable value (NRV). In view of innumerable items of inventory and diversified units of measurement, it is not feasible to disclose the comparison of NRV and cost.

Anwar Galvanizing Limited
Notes to the Financial Statements
 For the year ended 30 June 2022

Note No	Particulars	Note	Amount in Taka	
			30 June 2022	June 30, 2021
4.01	Raw materials: Tk. 46,603,585			
	Pig Iron		5,757,381	13,366,423
	Scrap		2,958,739	4,841,100
	Carburizer Low Sulfur		1,281,343	2,047,704
	Ferro Silicon Magnesium		5,147,253	1,649,804
	Inoucln		1,424,858	749,647
	Ferro silicon		860,555	592,368
	Zing ingot		29,173,456	6,558,859
			46,603,585	29,805,906
4.02	Auxiliary materials: Tk. 8,500,171			
	Auxiliary materials		8,500,171	9,361,877
			8,500,171	9,361,877
4.03	Spare parts and other materials: Tk. 46,214,270			
	Consumable materials		36,189,987	33,076,541
	Construction materials		2,897,802	4,111,365
	Spare parts and other materials		7,126,481	11,479,704
			46,214,270	48,667,610
4.04	Finished goods: Tk. 107,735,938			
	Finished goods		107,735,938	92,040,322
			107,735,938	92,040,322
4.05	Work-in-process: Tk. 31,581,795			
	Annealing		626,490	1,815,600
	Grinding		14,821,199	1,140,817
	Shots blasting		7,961,178	1,170,891
	Threading		8,172,928	11,423,539
	Electro-plating		-	6,978,458
			31,581,795	22,529,304
5.00	Trade receivables: Tk. 10,891,159			
	Receivable from dealers and others		11,598,962	894,250
	Provision for doubtful debt	5.01	(707,803)	(812,557)
			10,891,159	81,694
	Aging of trade receivables			
	Duration:			
	1 - 30 Days		10,374,211	53,410
	31 - 60 Days		393,263	212
	61 - 90 Days		241,387	1,830
	91 - 180 Days		2,841	3,723
	181 - 365 Days		-	2
	Over 365 Days		587,260	835,074
			11,598,962	894,250

As the company deals with large number of parties, party-wise trade receivables could not be given.

Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2022

Note No	Particulars	Note	Amount in Taka	
			30 June 2022	June 30, 2021
5.01 Provision for doubtful debt: Tk. 707,803				
	Opening balance		812,557	743,598
	Provision made during the year		-	68,959
	Adjustment made/ write-off		(104,754)	-
			707,803	812,557
6.00 Advances, deposits and prepayments: Tk. 44,186,312				
	Advances	6.01	38,196,725	62,452,494
	Security deposits	6.02	5,989,587	4,959,587
			44,186,312	67,412,081
6.01 Advances: Tk. 38,196,725				
	Advance against supplier		17,422,407	22,558,296
	Advance income tax	6.01.01	18,377,935	11,202,945
	Advance against employee		210,010	97,978
	Advance against others		2,186,373	1,527,932
	Advance to NBL securities ltd		-	26,341,163
	VAT current account		-	724,180
			38,196,725	62,452,494
6.01.01 Advance income tax: Tk. 18,377,935				
	Opening balance		11,202,945	5,583,448
	Payment made u/s 64 and 74		11,860,565	1,500,000
	Advance income tax (import)		9,518,370	8,589,569
	Withholding tax		759,565	13,376
	Tax adjustment		(14,963,510)	(4,483,448)
			18,377,935	11,202,945
6.02 Security deposit: Tk. 5,989,587				
	Security deposit -CDBL		300,000	300,000
	Security deposit-electricity		5,086,000	4,056,000
	Security deposit-gas		561,587	561,587
	Security deposit- meter		42,000	42,000
			5,989,587	4,959,587
7.00 Short term investment: Tk. 234,879,719				
Name of Company	Number of shares	Cost Price	Market Price	Market Price
Investment in different securities	4,783,701	238,259,609	234,879,719	-
Investment in different securities	100,000	5,310,600	-	5,400,000
		243,570,209	234,879,719	5,400,000

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.

Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2022

Note No	Particulars	Note	Amount in Taka	
			30 June 2022	June 30, 2021

8.00 Cash and cash equivalents: Tk. 32,325,842

Cash at banks	8.01	32,091,593	24,656,833
Cash in hand	8.02	234,249	1,019,986
		32,325,842	25,676,820

8.01 Cash at banks: Tk. 32,091,593

AB Bank Limited A/C No-4004-673501-000	829	1,519
Al-Arafah Islami Bank Limited A/C No-50792	330,513	9,153
Agrani Bank Limited A/C No-32437	136,555	26,752
Bangladesh Commerce Bank Limited A/C No-2185	14,935	15,855
Dutch Bangla Bank Limited A/C No- 28361	151,821	148,876
First Security Islami Bank Limited A/C No-11921	546,760	44,058
Islami Bank Limited A/C No- 77805	838,864	743,263
Modhumoti Bank Limited A/C No-00002	6,842,933	788,704
Mutual Trust Bank Limited A/C No-32130	235,005	124,987
National Bank Ltd A/C No-68297	572,017	187,788
NRB Commercial Bank Limited A/C No-00091	2,305	2,305
Pubali Bank Limited A/C No-44486	145,413	1,125,464
South Bangla Agriculture and Commercial Bank Ltd. A/C No-7210	437,628	1,331,770
Shahjalal Islami Bank Limited A/C No- 16683	117,477	296,750
Standard Bank Limited A/C No-100629	49,273	23,168
The City Bank Limited, F.Ex. Branch A/C No-25001	16,394,048	13,128,408
The City Bank Limited, Motijheel Branch A/C No-82001	58,187	3,132,549
The City Bank Limited, Principal Branch A/C No-500001	1,627,918	505,457
The City Bank Limited, Principal Branch A/C No-600001	230,673	2,892,784
United Commercial Bank Limited, Dilkisha Branch A/C No-2463	8,672	76,928
United Commercial Bank Limited, Tongi Branch A/C No-00177	17,750	-
Uttara Bank Limited A/C No-15030	3,332,018	50,298
	32,091,593	24,656,833

8.02 Cash in hand: Tk. 234,249

Cash in head office	56,596	220,808
Cash in factory office	163,843	799,178
Cash in depot	13,810	-
	234,249	1,019,986

Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2022

Note No	Particulars	Note	Amount in Taka	
			30 June 2022	June 30, 2021

9.00 Share capital: Tk. 167,706,000

Authorised capital

5,00,00,000 ordinary shares of Tk. 10 each

500,000,000	500,000,000
500,000,000	500,000,000

Issued, subscribed, and paid-up-capital

15,246,000 ordinary shares of Tk.10 each
1,524,600 bonus shares of Tk.10

152,460,000	145,200,000
15,246,000	7,260,000
167,706,000	152,460,000

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

Categories of Shareholders	% of Shareholding		Value of Shares	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Sponsor and Directors	35.32%	29.48%	59,239,890	44,940,860
Institutional Investors	22.54%	24.16%	37,807,180	36,839,690
Public	42.13%	46.36%	70,658,930	70,679,450
Total	100.00%	100.00%	167,706,000	152,460,000

Classifications of Shareholders by holding:

Holdings	% of Holdings		Number of Holders	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
01-20	0.018%	0.012%	484	340
21-49	0.039%	0.012%	215	59
50-50	0.018%	0.012%	59	35
51-200	0.294%	0.187%	420	229
201-500	1.222%	1.102%	489	382
501-1000	1.572%	1.490%	358	312
1001-5000	4.652%	4.081%	351	273
5001-10000	2.287%	2.828%	55	61
10001-25000	5.245%	4.816%	56	44
25001-50000	3.103%	2.321%	15	10
50001-999999999	81.549%	83.141%	39	34
Total	100.00%	100.00%	2,541	1,779

Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2022

Note No	Particulars	Note	Amount in Taka	
			30 June 2022	June 30, 2021
10.00	Retained earnings: Tk. 198,085,219			
	Profit brought forward		50,413,298	13,031,854
	Prior year adjustment		(70,065)	(191,396)
	Adjusted opening balance		50,343,233	12,840,457
	Net profit during the year		193,479,986	59,725,897
	Transfer from OCI		-	(373,057)
	Cash dividend		(30,492,000)	(14,520,000)
	Stock dividend		(15,246,000)	(7,260,000)
			147,741,986	37,572,841
	Total		198,085,219	50,413,298
11.00	Deferred tax liabilities: Tk. 7,686,012			
	Opening balance		8,639,338	9,402,441
	Deferred tax (income)/expense charged in Profit & Loss		(953,326)	(763,103)
			7,686,012	8,639,338
11.01	30 June 2022	Carrying Value	Tax Based Value	Temporary Difference
	Property, plant and equipment			
	Land	8,877,421	8,877,421	-
	Other than land	90,793,955	52,363,896	38,430,059
		99,671,376	61,241,317	38,430,059
	Applicable tax rate			
	On land			15.00%
	On other than land			20.00%
	Deferred tax liability			
	On land			-
	On other than land			7,686,012
	Deferred tax liabilities as on June 30, 2022			7,686,012
11.02	30 June 2021	Carrying Value	Tax Based Value	Temporary Difference
	Property, plant and equipment			
	Land	8,877,421	8,877,421	-
	Other than land	92,503,293	54,106,237	38,397,056
		101,380,714	62,983,658	38,397,056
	Applicable tax rate			
	On land			15.00%
	On other than land			22.50%
	Deferred tax liability			
	On land			-
	On other than land			8,639,338
	Deferred tax liabilities as on June 30, 2021			8,639,338

Anwar Galvanizing Limited
Notes to the Financial Statements
 For the year ended 30 June 2022

Note No	Particulars	Note	Amount in Taka	
			30 June 2022	June 30, 2021

12.00 Long term loan: Tk. 22,713,459

Loan received	25,893,696	-
Loan paid	(3,180,237)	-
Total	22,713,459	-

12.01 Long term loan-long term portion: Tk. 15,537,855

Long term loan-long term portion	15,537,855	-
Total	15,537,855	-

12.02 Long term loan-current portion: Tk. 7,175,604

Long term loan-current portion	7,175,604	-
Total	7,175,604	-

The loan was availed by the Company from South Bangla Agricultural and Commerce Bank limited (Principal Branch). This term loan is secured by Hypothecation of imported machineries, IGAP (duly notarized), 13 (Thirteen) no MICR crossed cheque and other common securities like creation of second charge on fixed assets (99,00 Decimal land) and personal guarantee of all directors. The loan is payable in equal 36 monthly instalments of Tk. 598,000 including interest, started from November 27, 2021. An amount of Tk. 7,175,604 shown under the head "Long term loan-current portion" Note-12.02 and remaining amount of Tk. 15,537,855 as non-current liability.

13.00 Trade and other payables: Tk. 200,054,478

Trade payable	20,807,497	37,336,950
Liabilities for expenses	54,940,491	35,936,811
Advance received from customers	21,667,208	24,000,233
Loan from NBL securities ltd	102,639,282	-
Total	200,054,478	97,273,994

13.01 Liabilities for expenses: Tk. 54,940,491

Liabilities for salary, wages and others	10,356,537	9,653,950
TDS & VDS payable	354,521	497,028
Provision for WPPF	18,460,106	11,080,642
Interest payable	-	293,672
Liabilities for other expense	25,769,327	14,411,519
Total	54,940,491	35,936,811

13.01.01 Provision for WPPF: Tk. 18,460,106

Opening balance	11,080,642	7,387,830
Provision made during the year	11,077,276	3,692,812
Disbursement made during the year	(3,697,812)	-
Total	18,460,106	11,080,642

Anwar Galvanizing Limited
Notes to the Financial Statements
 For the year ended 30 June 2022

Note No	Particulars	Note	Amount in Taka	
			30 June 2022	June 30, 2021
13.01.02	Interest payable: Tk. 0			
	Opening balance		293,672	143,571
	Provision made during the year		7,252,275	3,196,595
	Payment made during the year		(2,020,927)	(1,823,939)
	Interest payable		(5,525,020)	(1,222,556)
	Total		-	293,672
14.00	Income tax payable: Tk. 29,018,849			
	Opening balance		14,893,440	10,230,526
	Accrued tax liability against demand for earlier year		70,065	191,396
	Tax adjustment		(14,963,505)	(10,421,922)
	Tax provision made during the year	14.01	29,018,849	14,893,440
	Total		29,018,849	14,893,440
14.01	Tax computation for the year: Tk. 29,018,849			
	Net profit before tax		221,545,509	73,856,234
	Realise (gain)/loss from sales of marketable securities		(160,921,234)	(12,366,920)
	Divided income		(3,300,000)	(48,290)
	Interest income		(430,981)	-
	Un-realise (gain)/loss from marketable securities		3,469,290	-
			60,362,585	61,441,024
	Add: Expenditures for separate consideration:			
	Accounting depreciation		10,483,648	10,163,748
	Entertainment		1,616,497	860,255
			12,100,145	11,024,003
	Less: Admissible expense			
	Depreciation as per third schedule		(10,516,651)	(10,951,045)
	Entertainment expenses as per section 30(f)(i) of ITO & Rule-65		(1,258,922)	(860,255)
			(11,775,572)	(11,811,299)
	Net taxable business income		60,687,157	60,653,727
	Business income tax rate		20.00%	22.50%
	Business income tax expense charged		12,137,431	13,647,090
	Net taxable non business income		164,652,214	12,415,210
	Interest income		430,981	-
	Realise gain /(loss) from share sale		160,921,234	12,366,920
	Divided income		3,300,000	48,290
	Non business income tax rate-interest income		30%	30%
	Non business income tax rate-Realise/capital gain on sale of listed company share		10%	10%
	Non business income tax rate-Dividend income		20%	20%
	Non business income tax expense charged		16,881,418	1,246,350
	Total		29,018,849	14,893,440



Anwar Galvanizing Limited
Notes to the Financial Statements
For the year ended 30 June 2022

Note No	Particulars	Note	Amount in Taka	
			30 June 2022	June 30, 2021

14.02 Reconciliation of effective tax rate

Profit before income tax (A)	221,545,509	73,856,234
Less: Interest income	430,981	-
Less: Realise gain/(loss) from sales of marketable securities	160,921,234	12,366,920
Less: Un-realise gain/(loss) from marketable securities	(3,469,290)	-
Less: Dividend income	3,300,000	48,290
Net taxable business income	60,362,585	61,441,024
Applicable tax rate	20.00%	22.50%
Income tax (B)	12,072,517	13,824,230
Factors effecting the tax charge for the current period (Excess)/ short of fiscal depreciation over accounting depreciation	(33,003)	(787,297)
Inadmissible expense	357,575	-
Movement of temporary differences: (credit)/charge as above	324,572	(787,297)
Tax on temporary differences (C)	64,914	(177,142)
Total income tax expense (B+C)	12,137,431	13,647,089
Effective tax rate (B+C)/A	20.11%	22.21%

15.00 Short term loan: Tk. 96,970,206

Opening balance	99,641,836	18,748,650
LTR used during the year	206,921,765	207,662,171
LTR settled during the year	(209,593,395)	(126,768,986)
Total	96,970,206	99,641,836

The nature of the short term loan is 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.

16.00 Unclaimed dividend account: Tk. 7,117,736

Opening balance	13,105,485	15,920,157
Addition during the year	30,492,000	14,520,000
Paid during the year	(36,479,749)	(17,334,672)
Total	7,117,736	13,105,485

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2022

Note no	Particulars	Notes	Amount in Taka	
			2021-2022	2020-2021
17.00	Revenue: Tk. 724,383,291			
	Sales: GI Fittings		652,826,168	584,829,755
	Sales: Others		71,557,123	25,158,740
			724,383,291	609,988,495
	The sales amount is presented net of VAT.			
18.00	Cost of goods sold: Tk. 589,792,567			
	Raw materials consumption	18.01	328,610,462	324,919,484
	Auxiliary materials consumption	18.02	41,346,727	36,473,733
	Spare parts and other material consumption	18.03	62,425,691	40,158,845
	Total consumption of materials		432,382,880	401,552,062
	Factory overheads	18.04	182,157,794	155,064,070
	Opening stock of work -in-process		22,529,304	38,659,507
	Closing stock of work -in-process		(31,581,795)	(22,529,304)
	Cost of production		605,488,183	572,746,335
	Opening stock of finished goods		92,040,322	30,101,020
	Closing stock of finished goods		(107,735,938)	(92,040,322)
	Cost of goods sold		589,792,567	510,807,033
18.01	Raw materials consumption: Tk. 328,610,462			
	Opening stock		29,805,906	5,748,394
	Add: Purchase		345,408,141	348,976,996
			375,214,047	354,725,390
	Less: Closing stock		46,603,585	29,805,906
			328,610,462	324,919,484
18.02	Auxiliary materials consumption: Tk. 41,346,727			
	Opening stock		9,361,877	10,011,368
	Add: Purchase		40,485,021	35,824,242
			49,846,898	45,835,610
	Less: Closing stock		8,500,171	9,361,877
			41,346,727	36,473,733
18.03	Spare parts and other material consumption: Tk. 62,425,691			
	Opening Stock		48,667,610	32,173,795
	Add: Purchase		59,972,351	56,652,661
			108,639,961	88,826,456
	Less: Closing Stock		46,214,270	48,667,610
			62,425,691	40,158,845

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2022

Note no	Particulars	Notes	Amount in Taka	
			2021-2022	2020-2021
18.04	Factory overhead: Tk. 182,157,794			
	Salary, wages and allowances		107,235,813	86,143,673
	Power cost		52,033,844	48,393,156
	Entertainment expense		1,616,497	860,255
	Telephone, mobile & internet		227,437	127,668
	Workers quarter rent		680,033	561,535
	Worker welfare expenses		297,457	334,473
	Corporate development expense		373,250	639,694
	Cleaning expense		35,500	36,000
	Holding tax		175,544	175,544
	Factory running, maintenance and other expenses		8,334,950	7,083,684
	Travelling and conveyance		297,536	344,172
	Other factory expenses		995,304	810,294
	Depreciation		9,854,629	9,553,923
	Total:		182,157,794	155,064,070
19.00	Administrative expenses: Tk. 15,884,847			
	Salary and Allowances		7,718,083	6,536,276
	Corporate development expenses		993,084	858,249
	Licence, registration, consultancy and renewal fees		2,669,419	2,231,554
	Audit Fees		172,500	200,000
	Office rent		1,210,260	604,800
	Repair and maintenance		404,526	768,401
	Staff welfare expenses		306,167	1,144,873
	Utility expenses		1,044,237	599,395
	IT expenses		126,640	11,500
	Postage and courier expenses		20,000	126,303
	Entertainment expenses		27,070	47,081
	Telephone and mobile		46,221	39,214
	Printing, stationary and photocopy		426,374	398,558
	Travelling and conveyance		44,353	35,554
	Other expenses		44,064	96,314
	Loss on disposal of assets	19.01	2,830	2,875
	Bad debt expense	5.01	-	68,959
	Depreciation		629,019	609,825
	Total:		15,884,847	14,379,731
19.01	Loss/ (gain) on sales of fixed assets: Tk. 2,830			
	Cost		115,807	37,500
	Accumulated depreciation		(112,977)	(34,625)
	Written down value		2,830	2,875
	Sales proceed		-	-
			2,830	2,875



Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2022

Note no	Particulars	Notes	Amount in Taka	
			2021-2022	2020-2021
20.00	Selling and distribution expenses: Tk. 30,825,574			
	Sales incentive		10,999,794	9,297,097
	Salary and allowances		6,567,679	901,362
	Customer communication expenses		6,529,619	1,529,084
	Product delivery expenses		4,810,369	4,533,180
	Mobile bill		110,697	-
	Travelling and daily allowances		1,807,416	105,450
	Total:		30,825,574	16,366,173
21.00	Financial expenses: Tk. 16,440,443			
	Bank charges and commission		309,483	239,217
	Excise duty for LTR		203,250	104,000
	Service charges		48,875	27,600
	Credit rating report fees		34,400	34,400
	Interest expenses		15,844,435	3,407,235
	Total:		16,440,443	3,812,452
22.00	Non-operating income: Tk. 161,182,925			
	Realise gain/(loss) from sale of short term investments		160,921,234	12,366,920
	Un-realise gain/(loss) on short term investments		(3,469,290)	89,400
	Dividend income		3,300,000	48,290
	Interest income		430,981	45,420
	Other Income		-	342,730
	Rebate on insurance expenses		-	33,179
	Total:		161,182,925	12,925,939
<p>Realized gain of BDT 160,921,234 from sales of short-term investments was a substantial component of net profit before tax of BDT 221,545,509 for the reporting period, which is 72.64% of profit before tax.</p> <p>Short term investment in listed securities have been measured at fair value through profit or loss on portfolio basis as per IFRS 9. Here, major portion of the realized gain had experienced from trading of listed securities during the reporting period.</p>				
23.00	Collection from customers and others: Tk. 711,671,781			
	Opening balance of trade receivables		81,694	4,470,157
	Add: Sales during the year		724,383,291	609,988,495
			724,464,985	614,458,652
	Less: Closing balance of trade receivables		10,891,159	81,694
	Total collection from trade receivables		713,573,826	614,376,958
	Increase/(decrease) advance collection from customers		(2,333,026)	1,502,051
	Collection from other income		430,981	126,889
			711,671,781	616,005,898

Anwar Galvanizing Limited
Notes to the Financial Statement
 For the year ended 30 June 2022

Note no	Particulars	Notes	Amount in Taka	
			2021-2022	2020-2021

24.00 Net Asset Value (NAV) Per Share: Tk 21.81

The Computation of NAV per share is given below

Total assets	729,351,959	436,427,391
Less. Liabilities	363,560,740	233,554,093
Net assets value	365,791,219	202,873,298
Number of ordinary share outstanding during the year	16,770,600	15,246,000
Net assets value (NAV) per Share	21.81	13.31

The increased earnings during the period (as discussed in Note 25) with distribution of cash and stock dividend to shareholders has ensured the NAV growth of 64%

24.01 Weighted average number of Ordinary Shares as at 30 June 2022

Details	Number of days outstanding	No. of shares in issue	Weighted average no. of shares
Ordinary shares outstanding	365	16,770,600	16,770,600

25.00 Earnings Per Share (EPS)

25.01 Basic Earnings Per Share : Tk 11.54

a) Profit attributable to the ordinary shareholders	193,479,986	59,725,897
b) Weighted average number of ordinary shares	16,770,600	15,246,000
Basic Earning Per Share	11.54	3.92

25.02 Restated Earnings Per Share: Tk 11.54

a) Profit attributable to the ordinary shareholders	193,479,986	59,725,897
b) Weighted average number of ordinary shares	16,770,600	16,770,600
Restated Earnings Per Share	11.54	3.56

Basic Earnings per share of 2021-22 (BDT 11.54) has been increased by 194% as compared to 2020-21 (BDT 3.92) due to increase in non-operating income and controlling manufacturing expenditure. EPS from operational and non-operational activities were BDT 3.83 and BDT 7.71 respectively in 2021-22 as compared to BDT 3.19 and BDT 0.73 respectively in 2020-21.

Anwar Galvanizing Limited
Notes to the Financial Statement
For the year ended 30 June 2022

Note no	Particulars	Notes	Amount in Taka	
			2021-2022	2020-2021

25.03 Diluted Earnings Per Share

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

26.00 Net operating cash flow per share (NOCFPS): Tk 0.78

The composition of operating cash inflow/outflow value per share is given below:

a) Operating cash inflow/ (outflow) during the year		13,058,902	(8,044,925)
b) Weighted average number of ordinary shares	24.01	16,770,600	15,246,000
		0.78	(0.53)

Net operating cash flow per share (NOCFPS) has been increased to BDT 0.78 from BDT (0.53) due to growth in operational EPS and efficient management of working capital.

27.00 Reconciliation of net operating cash flows: Tk. 13,058,901

Net profit after tax	193,479,986	59,725,897
Add/(less): Item not involving movement of cash and other non-operating income or expenses		
Depreciation on property, plant & equipment	10,483,648	10,163,748
Loss on disposal of non-current asset	2,830	2,875
Unrealised (gain)/loss on short term investments	3,469,290	-
Interest expenses on margin loan	8,592,161	-
Realise (gain)/loss from sale of short term investments	(160,921,234)	-
Dividend income	(3,300,000)	-
	(141,673,306)	10,166,624
A. Cash generated from operations before changes in working capital	51,806,681	69,892,521
Changes in working capital		
(Increase) / decrease in inventory	(38,230,740)	(85,710,936)
(Increase) / decrease in trade receivables	(10,809,465)	4,388,463
(Increase)/ decrease in advance, deposit & prepayment	(2,950,794)	(26,589,111)
Increase / (decrease) in trade and other payable	13,243,220	27,159,467
Increase / (decrease) in dividend payable	-	2,814,672
B. Total changes in working capital	(38,747,779)	(77,937,446)
C. Net cash inflows from operating activities (A+B)	13,058,901	(8,044,925)

Anwar Galvanizing Limited
Notes to the Financial Statements
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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 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
Name of Party/Company	Relation	Nature of Transaction	Outstanding Receivable / (payable) as on 30 June 2021
Anwar Ispat Ltd. A One Polymer Ltd Anwar Integrated Steel Plant Ltd. Anwar Cement Sheet Ltd. Anwar Printex Ltd.	Common Director	Supply of Material /Business Transactions	(6,878,545) (1,405,569) (3,412,371) (6,278,258) 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.

Anwar Galvanizing Limited
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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 2022 BDT	30 June 2021 BDT
Trade receivables	10,891,159	81,694
Cash and cash equivalents	32,325,842	25,676,820
	43,217,001	25,758,513

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 2022 BDT	30 June 2021 BDT
Loans and borrowings	119,683,665	99,641,836
Trade and other payables	200,054,478	97,273,994
	319,738,143	196,915,830

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 10 Directors of the company during the year ended 30 June 2022.

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	Full Time
2. Mr Hossain Akhter	Managing Director	Nil	
3. Mr Hossain Mehmood	Director	Nil	
4. Mrs Bibi Amena	Director	Nil	
5. Mr Hossain Khaled	Director	Nil	
6. Mrs Hasina Begum	Nominated Director	Nil	
7. Mrs Shaheena Begum	Nominated Director	Nil	
8. Mr Tareq Hossain	Shareholder Director	Nil	
9. Mr Md. Abul Quasem	Independent Director	Nil	
10. Mr Naba Gopal Banik	Independent Director	Nil	



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Notes to the Financial Statements
As at and for the year ended 30 June 2022

32.00 General	Remarks
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 30.06.22	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 the executed and not provided for	NIL
e) Other sums for which the company is continently liable as on 30/06/2022 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
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 then the usual trade discount	NIL





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3. Para-3d (i) (ii)

i)	Value of raw materials consumed	328,610,462	TK
ii)	Opening Stock	449	MT
iii)	Production during the year	1,906	MT
iv)	Import during the year	253	MT
v)	Sold during the year	2,092	MT
vi)	Other consumption	NIL	MT
vii)	Closing Stock	517	MT

4. Para-3,(ii)

- i) Number of employees drawing salary above Tk. 3,000 per Month 648 Nos
ii) Number of employees drawing salary below Tk. 3,000 per month NIL

30 June 2022
BDT

30 June 2021
BDT

5. Para - 4 (f)

- i) Receivables considered good and in respect of which the company is fully secured. NIL NIL
- ii) Receivables considered good for which the company holds no security other than the debtors' personal security. 10,891,159 81,694
- iii) Receivables due by directors or other officers of the company or any other of them either separately or jointly with any other person or receivables due by firms or private companies respectively in which any director is a partner or a director or member. NIL NIL
- iv) Receivables due by companies under same management. 4,506,187 NIL
- v) The maximum amount due by directors or other officers of the company at any time during the year. NIL NIL

6. Para - 8 (b)

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

7. Para - 8 (c)

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

Local	Qty. MT	Value	%
C R Stamping/Bushing Scrap	1,498	96,012,279	22%
Ferro silicon	32	14,936,169	3%
Raw Materials	1,530	110,948,448	26%
Auxiliary materials		36,568,390	8%
Spare Parts and others		46,472,592	11%
Total Local		193,989,430	45%



Anwar Galvanizing Limited
Notes to the Financial Statements
 As at and for the year ended 30 June 2022

Local	Qty. MT	Value	%
Pig Iron	1,125	77,554,887	18%
Zinc Ingot	235	120,650,070	28%
Ferro Silicon Magnesium	25	9,885,658	2%
Inouclin	4	1,487,859	0%
Carburizer Low Sulfur-DI	40	7,383,906	2%
Unexp andedperlite ORG CG	10	699,635	0%
Raw Materials	1,440	217,662,014	50%
Auxiliary materials		4,778,337	1%
Spare Parts and others		15,953,099	4%
Total Import		238,393,450	
Total	2,970	432,382,880	100%

8. Para- 8(d)

- | | |
|------------------------------------------------------------|-----|
| i) Number of Non - Resident shareholder | NIL |
| ii) Number of shares held by the Non-Resident shareholders | NIL |

9. Para - 8 (e)

Earning in foreign exchange classified under the following head, namely :

- | | |
|------------------------------------------------------------|-----|
| i) export of goods calculated on F. O. B. basis; | NIL |
| ii) royalty, know-how, professional and consultation fees; | NIL |
| iii) interest and dividend; | NIL |
| iv) other income, indicating the nature thereof. | NIL |

35.00 Events after the Reporting Period:

a) Proposed Dividend:

The Board of Directors recommended 20% cash dividend and 80% stock dividend for the year ended 30 June 2022 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 2022.

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 27th October 2022.

c) Significant Events After Reporting Period:

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

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

In BDT	Land & land development	Building & construction	Plant, machinery & Equipment	Office equipment	Furniture & Fixtures	Vehicle	Total
Cost							
Balance at 1 July 2020	8,877,421	16,309,731	95,059,409	8,640,975	1,560,324	2,913,470	133,361,330
Additions	-	63,326	24,219,246	1,197,570	104,900	-	25,585,042
Transfers	-	-	-	-	-	-	-
Disposal	-	-	-	(37,500)	-	-	(37,500)
Balance at 30 June 2021	8,877,421	16,373,057	119,278,655	9,801,045	1,665,224	2,913,470	158,908,872
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)
Balance at 30 June 2022	8,877,421	17,587,502	125,974,381	10,322,249	1,895,182	2,913,470	167,570,205
Accumulated depreciation							
Balance at 1 July 2020	-	8,289,289	34,492,078	3,226,444	361,879	1,029,344	47,399,034
Depreciation	-	265,791	8,952,187	676,682	127,778	141,309	10,163,748
Disposal	-	-	-	(34,625)	-	-	(34,625)
Balance at 30 June 2021	-	8,555,080	43,444,264	3,868,501	489,658	1,170,653	57,528,157
Balance at 1 July 2021	-	8,555,080	43,444,264	3,868,501	489,658	1,170,653	57,528,157
Depreciation	-	305,312	9,115,283	740,863	191,479	130,711	10,483,648
Disposal	-	-	-	-	(112,977)	-	(112,977)
Balance at 30 June 2022	-	8,860,392	52,559,547	4,609,364	568,160	1,301,365	67,898,828
Carrying amounts							
At 30 June 2021	8,877,421	7,817,977	75,834,391	5,932,544	1,175,566	1,742,817	101,380,714
At 30 June 2022	8,877,421	8,727,109	73,414,834	5,712,885	1,327,022	1,612,105	99,671,376
Allocation of depreciation							
In BDT	2020-21	2021-22					
Cost of sales	9,553,923	9,854,629					
Administrative expenses	609,825	629,019					
	10,163,748	10,483,648					

