

Anwar Galvanizing Limited

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

Quarterly Financial Statements

As at and for the period ended 30 September 2022



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Financial Position
As on 30 September 2022

Particulars	Notes	As on September 30, 2022 BDT	As on June 30, 2022 BDT
Property, plant and equipment	3.00	190,793,296	166,433,168
Investment in marketable securities	4.00	210,961,214	234,879,719
Non Current Assets		401,754,510	401,312,887
Inventories	5.00	243,064,636	240,635,759
Trade receivables	6.00	27,424,491	10,891,159
Advances, deposits and prepayments	7.00	48,260,472	44,186,312
Cash and cash equivalents	8.00	13,841,473	32,325,842
Current Assets		332,591,072	328,039,072
Total Assets		734,345,582	729,351,959
Share capital	9.00	167,706,000	167,706,000
Retained earnings	10.00	215,006,786	198,085,219
Other components of equity	11.00	(23,918,505)	-
Total Equity		358,794,281	365,791,219
Deferred tax liabilities	12.00	7,744,502	7,686,012
Long term loan-long term portion	13.01	15,537,855	15,537,855
Non Current Liabilities		23,282,357	23,223,867
Long term loan-current portion	13.02	5,888,677	7,175,604
Trade and other payables	14.00	215,346,075	200,054,478
Income tax liabilities	15.00	33,189,301	29,018,849
Short term loan	16.00	90,728,396	96,970,206
Unclaimed dividend account	17.00	7,116,495	7,117,736
Current Liabilities		352,268,944	340,336,873
Total Equity and Liabilities		734,345,582	729,351,959
Net Asset Value Per Share (NAV)	21.00	21.39	21.81

The annexed notes form an integral part of these financial statements.

Chief Financial Officer

Director

Managing Director

Company Secretary

Chairman



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Profit and Loss and Other Comprehensive Income
For the period ended 30 September 2022

Particulars	Notes	Jul to Sep 2022 BDT	Jul to Sep 2021 BDT
Revenue	18.00	176,147,249	141,026,073
Cost of goods sold	19.00	(140,294,786)	(114,175,751)
Gross profit		35,852,463	26,850,322
Administrative expenses		(3,597,514)	(3,202,481)
Selling and distribution expenses		(7,753,615)	(5,817,049)
Operating expenses		(11,351,129)	(9,019,529)
Operating profit		24,501,334	17,830,793
Financial expenses		(2,293,299)	(1,879,994)
Non-operating income	20.00	-	77,217,250
Profit before distribution of WPPF		22,208,035	93,168,049
Contribution to WPPF		(1,057,526)	(4,436,574)
Profit before tax		21,150,509	88,731,475
Current		(4,170,452)	(10,509,237)
Deferred		(58,490)	2,703
Income tax expense		(4,228,942)	(10,506,534)
Net profit after tax		16,921,567	78,224,940

Other comprehensive income/(loss)

Unrealized gain/(loss) on marketable securities	(23,918,505)	-
Other comprehensive income/(loss) for the period	(23,918,505)	-
Total comprehensive income/(loss) for the period	(6,996,938)	78,224,940

Basic operating Earning Per Share	1.01	0.77
Basic non-operating Earning Per Share	0.00	4.36
Basic Earning Per Share	22.01	5.13
Restated operating Earning Per Share	1.01	0.70
Restated non-operating Earning Per Share	0.00	3.96
Restated Earning Per Share (EPS)	22.01	4.66

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Chief Financial Officer

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Company Secretary

Chairman

**Anwar Galvanizing Limited**

Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Cash Flow
For the period ended 30 September 2022

Particulars	Notes	July 2022 to Septemeber 2022 BDT	July 2021 to Septemeber 2021 BDT
Cash flow from operating activities			
Collection from customers and others		153,509,841	133,355,630
Payment for expenses		(134,781,475)	(141,989,313)
Income tax paid		(2,128,555)	(2,558,554)
Interest paid		(810,104)	(608,876)
Net cash inflow/(outflow) from operating activities		15,789,707	(11,801,113)
Cash flow from investing activities			
Acquisition of property, plant & equipment		(304,248)	(155,459)
Capital work-in-progress		(26,439,851)	(1,100,520)
Investment in shares		(450)	24,939,258
Net cash inflow/(outflow) from investing activities		(26,744,549)	23,683,279
Cash flows from financing activities			
Dividend Paid		(1,241)	(2,244)
Receipt/(payment) of short term loan		(6,241,809)	(10,417,288)
Receipt/(payment) of long term loan		(1,286,927)	-
Loan from NBL securities ltd		450	-
Net cash inflow/(outflow) from financing activities		(7,529,527)	(10,419,531)
Net increase/(decrease) in cash and cash equivalents		(18,484,369)	1,462,635
Cash and cash equivalents at the beginning of the period		32,325,842	25,676,820
Cash and cash equivalents at the end of the period		13,841,473	27,139,454
Net operating cash flow per share (NOCFPS)	23.00	0.94	(0.77)

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Chief Financial Officer

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Company Secretary

Chairman

**Anwar Galvanizing Limited**

Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Changes In Equity
For the period ended 30 September 2022

Particulars	Share capital	Retained earnings	Other components of equity	Total
Balance as on 01 July 2022	167,706,000	198,085,219	-	365,791,219
Comprehensive income/(loss)	-	16,921,567	-	16,921,567
Unrealized gain/ (loss)	-	-	(23,918,505)	(23,918,505)
Balance as on 30 September 2022	167,706,000	215,006,786	(23,918,505)	358,794,281
Balance as on 01 July 2021	152,460,000	50,413,298	-	202,873,298
Comprehensive income/(loss)	-	78,224,940	-	78,224,940
Balance as on 30 September 2021	152,460,000	128,638,238	-	281,098,238

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Company Secretary

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Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Notes to the Accounts
As on and for the period ending 30 September 2022

1 Legal status and nature of the Company

Anwar Galvanizing Limited (a "Company") was incorporated in Bangladesh on 14th February 1995, Registration No. 27860(1706)/95 under the Companies Act, 1994 as a public company limited by shares and its shares are listed in the Dhaka Stock Exchange, Bangladesh.

The address of the Registered Office and the Principal place of business is located at 27, Dilkusha Commercial Area, Dhaka and the manufacturing plant is located at Tongi Industrial Area, Gazipur.

The company carries on the business of manufacturing and distributing of Galvanized Iron Fittings of all specifications at competitive standards.

2 Selected explanatory notes

2.1 Statement of compliance

These financial statements have been prepared on going concern basis in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws in Bangladesh.

2.2 Basis of preparation

The first quarter financial statements for the period have been prepared in condensed form in accordance with IAS-34 'Interim Financial Reporting'. Selective narrative and descriptive information has been provided where it is relevant for understanding of the current period's financial statements.

2.3 Reporting period

Un-audited first quarter Financial Statements of the company has been prepared for the period from 01 July 2022 to 30 September 2022. Comparative information has been disclosed as per the requirement of Securities Exchange Commission.

Sl.No.	Particulars	Notes	30 September 2022 BDT	30 June 2022 BDT
3.00	Property, plant and equipment			
	Property, plant and equipment	3.01	107,753,130	99,671,376
	Capital work-in-progress	3.02	83,040,167	66,761,792
			190,793,296	166,433,168
3.01	Property, plant and equipment			
	A. Cost			
	Opening Balance		167,570,204	158,908,872
	Addition during the period		10,465,724	8,777,140
	Disposal during the period		-	(115,807)
			178,035,929	167,570,204

Sl.No.	Particulars	Notes	30 September 2022 BDT	30 June 2022 BDT
B. Accumulated Depreciation				
	Opening Balance		67,898,828	57,528,158
	Depreciation for the period		2,383,971	10,483,648
	Depreciation on disposal of assets during the period		-	(112,977)
			70,282,799	67,898,828
	Written down value as on 30 September 2022 (A-B)		107,753,130	99,671,376
3.02	Capital work -in-progress			
	Opening balance		66,761,792	34,071,063
	Addition during the period		26,439,851	39,200,551
	Transfer to non-current assets during the period		(10,161,476)	(6,345,222)
	Transfer to WIP Fitting Box		-	(164,600)
			83,040,167	66,761,792
4.00	Investment in marketable securities			
	Name of Company	No of Share	Cost Price	Market Price
	Investment in different securities	4,783,701	238,259,609	210,961,214
			238,259,609	234,879,719
			210,961,214	234,879,719
	The investments comprise of equity investments in other entities and are not held for sale. The unrealized gain/(loss) has been accounted and presented in other comprehensive income in accordance with IFRS 9.			
5.00	Inventories			
	Raw materials		46,763,958	46,603,585
	Auxiliary materials		8,326,675	8,500,171
	Spare parts and other materials		48,728,566	46,214,270
	Finished goods		97,649,133	107,735,938
	Work -in-process		41,596,306	31,581,795
			243,064,636	240,635,759
	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.			
6.00	Trade receivables			
	Receivable from dealers		28,132,294	11,598,962
			28,132,294	11,598,962
	Provision for doubtful debt	6.01	(707,803)	(707,803)
			27,424,491	10,891,159
6.01	Provision for doubtful debt			
	Opening Balance		707,803	812,557
	Provision made during the period		-	-
	Adjustment made/ write-off		-	(104,754)
			707,803	707,803
7.00	Advances, deposits and prepayments			
	Advances	7.01	42,270,885	38,196,725
	Security deposits	7.02	5,989,587	5,989,587
			48,260,472	44,186,312
	Above amounts are unsecured, but considered good.			

Sl.No.	Particulars	Notes	30 September 2022 BDT	30 June 2022 BDT
7.01	Advances			
	Advance against supplier		18,017,099	17,422,407
	Advance income tax		20,529,045	18,377,935
	Advance against employee		185,304	210,010
	Advance against others		3,539,437	2,186,373
			42,270,885	38,196,725
7.02	Security deposits			
	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
			5,989,587	5,989,587
8.00	Cash and cash equivalents			
	Cash at banks		13,502,515	32,091,593
	Cash in hand		338,958	234,249
			13,841,473	32,325,842
9.00	Share capital			
	Authorised capital			
	5,00,00,000 Ordinary Shares of BDT 10 Each		500,000,000	500,000,000
			500,000,000	500,000,000
	Issued, Subscribed, and Paid-up-capital			
	16,770,600 ordinary shares of Tk.10 each issued for cash		167,706,000	167,706,000
			167,706,000	167,706,000
10.00	Retained earnings			
	Profit brought forward		198,085,219	50,413,298
	Prior year adjustment		-	(70,065)
	Adjusted opening balance		198,085,219	50,343,233
	Net profit during the period/year		16,921,567	193,479,986
	Cash dividend		-	(30,492,000)
	Stock dividend		-	(15,246,000)
			215,006,786	198,085,219
11.00	Other components of equity			
	Opening balance		-	-
	Unrealized gain/(loss) on marketable securities		(23,918,505)	-
			(23,918,505)	-
12.00	Deferred tax liabilities			
	Opening Balance		7,686,012	8,639,338
	Deferred tax (income)/ expense charged in profit & loss		58,490	(953,326)
		12.01	7,744,502	7,686,012

Sl.No.	Particulars	Notes	30 September 2022 BDT	30 June 2022 BDT
12.01	For 30 September 2022			
	Carrying Value		Tax Based Value	Temporary Difference
	Property, plant and equipment			
	Land	8,877,421	8,877,421	-
	Other than land	98,875,708	60,153,202	38,722,506
		107,753,129	69,030,623	38,722,506
	Applicable tax rate			
	On land			15%
	On other than land			20%
	Deferred tax liability			
	On land			-
	On other than land			7,744,502
	Deferred tax liabilities as on September 30, 2022			7,744,502
	For 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%
	On other than land			20%
	Deferred tax liability			
	On land			-
	On other than land			7,686,012
	Deferred tax liabilities as on June 30, 2022			7,686,012
13.00	Long term loan		21,426,532	22,713,459
			21,426,532	22,713,459
13.01	Long term loan-long term portion		15,537,855	15,537,855
			15,537,855	15,537,855
13.02	Long term loan-current portion		5,888,677	7,175,604
			5,888,677	7,175,604
14.00	Trade and other payables			
	Trade payable		41,108,884	20,807,497
	Liabilities for expenses	14.01	56,034,327	54,940,492
	Advance received from customers		15,563,132	21,667,208
	Loan from NBL securities ltd		102,639,732	102,639,282
			215,346,075	200,054,478
14.01	Liabilities for expenses			
	Liabilities for salaries, wages and others		11,632,582	10,356,537
	TDS & VDS payable		927,251	354,521
	Provision for WPPF		19,517,632	18,460,106
	Liabilities for other expenses		23,956,862	25,769,328
			56,034,327	54,940,492

Sl.No.	Particulars	Notes	30 September 2022 BDT	30 June 2022 BDT
15.00	Income tax payable			
	Opening balance		29,018,849	14,893,440
	Tax provision made during the year/period		4,170,452	29,018,849
	Tax payment against previous tax demand		-	70,065
	Adjustment of tax liability with advance tax paid		-	(14,963,505)
			33,189,301	29,018,849
15.01	Reconciliation of effective tax rate			
	Profit before income tax (A)		21,150,509	221,545,509
	Less: Interest income		-	430,981
	Less: realise gain/(loss) from sales of marketable securities		-	160,921,234
	Less: un-realise gain/(loss) from marketable securities		-	(3,469,290)
	Less: divided income		-	3,300,000
	Net taxable business income		21,150,509	60,362,585
	Applicable tax rate		20.00%	20.00%
	Income tax (B)		4,230,102	12,072,517
	Factors effecting the tax charge for the current year/period:			
	(Excess)/ short of fiscal depreciation over accounting dep.		(292,447)	(33,003)
	Inadmissible expense		(5,806)	357,575
	Movement of temporary differences: (credit)/charge		(298,253)	324,572
	Tax on temporary differences (C)		(59,651)	64,914
	Total income tax expense (B+C)		4,170,451	12,137,431
	Effective tax rate (B+C)/A		19.72%	20.11%
16.00	Short term loan			
	Opening balance		96,970,206	99,641,836
	LTR created during the period/year		59,743,970	206,921,765
	LTR settled during the period/year		(65,985,779)	(209,593,395)
			90,728,396	96,970,206
17.00	Unclaimed dividend account			
	Opening balance		7,117,736	13,105,485
	Addition during the period		-	30,492,000
	Paid during the period		(1,241)	(36,479,749)
			7,116,495	7,117,736



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Notes to the Accounts
As on and for the period ending 30 September 2022

Sl.No.	Particulars	Notes	Jul - Sep 2022 BDT	Jul - Sep 2021 BDT
18.00	Revenue			
	Sales: GI fittings		167,499,622	132,702,403
	Sales: Others		8,647,627	8,323,670
			176,147,249	141,026,073
	The sales amount is presented net of VAT.			
19.00	Cost of goods sold			
	Raw materials consumption		71,160,837	70,765,563
	Auxiliary materials consumption		8,970,953	6,042,044
	Spare parts and other material consumption		11,616,370	9,353,885
	Total consumption of material		91,748,160	86,161,493
	Factory overheads		48,474,331	42,789,245
	Opening stock of work -in-process		31,581,795	22,529,304
	Closing stock of work -in-process		(41,596,306)	(35,564,574)
	Cost of production		130,207,980	115,915,468
	Opening stock of finished goods		107,735,938	92,040,322
	Closing stock of finished goods		(97,649,133)	(93,780,040)
	Cost of goods sold		140,294,786	114,175,751
20.00	Non-operating income			
	Gain from sale of short term investments		-	77,154,746
	Other Income		-	62,504
			-	77,217,250
	The Realised gain has been accounted and presented in non-operating income in accordance with IFRS 9.			
21.00	Net Asset Value (NAV) Per Share			
	The Computation of NAV per share is given below :			
	Assets		734,345,583	729,351,959
	Less: Liabilities		375,551,301	363,560,740
	Net Assets Value		358,794,282	365,791,219
	Weighted average number of ordinary shares	21.01	16,770,600	16,770,600
	Net Assets Value (NAV) Per Share		21.39	21.81

21.01 Weighted average number of Ordinary Shares as at 30 September 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

22.00 Earnings Per Share (EPS)

22.01 Basic Earnings Per Share

a) Profit attributable to the ordinary shareholders		16,921,567	78,224,940
b) Weighted average number of ordinary shares	21.01	16,770,600	15,246,000
Basic Earnings Per Share (a/b)		1.01	5.13

Restated Earnings Per Share

a) Profit attributable to the ordinary shareholders		16,921,567	78,224,940
b) Weighted average number of ordinary shares	21.01	16,770,600	16,770,600
Restated Earnings Per Share (a/b)		1.01	4.66

Q1 EPS from Operational activities has been increased to BDT 1.01 from BDT 0.77 compared to same period of last year due to revenue growth of 25% and improved gross margin of 20.35% from 19.04% as a result of reduction in manufacturing cost through ensuring efficiency. On the other hand, Q1 EPS from non-operating activities was BDT 0.00 compared to BDT 4.36 of the same period of last year. As a result, Basic Earnings Per Share has been decreased from BDT 5.13 to BDT 1.01.

22.02 Diluted Earnings Per Share

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

23.00 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 period		15,789,707	(11,801,113)
b) Weighted average number of ordinary shares	21.01	16,770,600	15,246,000
Net operating cash flow per share (NOCFPS) (a/b)		0.94	(0.77)

Net operating cash flow per share (NOCFPS) has been increased to BDT 0.94 from BDT (0.77) due to growth in operational EPS and efficient management of working capital.

24.00 Reconciliation of net operating cash flows

Net profit after tax	16,921,567	78,224,940
Add: Item not involving movement of cash		
Depreciation on property, plant & equipment	2,383,971	2,490,326
A. Cash generated from operations before changes in working capital	19,305,538	80,715,266
Changes in working capital		
(Increase) / decrease in inventory	(2,428,877)	(30,526,254)
(Increase) / decrease in trade receivables	(16,533,332)	(35,600)
(Increase)/ decrease in advance, deposit & prepayment	(4,074,160)	(64,885,269)
Increase / (decrease) in trade and other payable	19,520,539	2,928,499
Increase / (decrease) in dividend payable	-	2,244
B. Total changes in working capital	(3,515,830)	(92,516,379)
C. Cash generated from operating activities (A+B)	15,789,707	(11,801,113)

25.00 Director of the company**Number of director**

There are 10 directors in the Company during the period ended on 30 September 2022.

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. During the period, The Board of Directors of the company were not given any compensation benefits except board meeting fees.

26.00 Related party transactions

During the year/period 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	Nature of transactions	Relation	30 Sep 2022	30 Jun 2022
Anwar Ispat Ltd.			75,454	4,505,248
A One Polymer Ltd	Supply of	Common	(7,309,458)	(4,715,944)
Anwar Printex Ltd.	materials	Director	503	503
Anwar Cement Sheet Ltd.			(494,589)	(320,729)

All the above receivable/(Payable) amount is derived from supply/purchase of materials. The relationship between the companies are Common Director.

27.00 Events after the reporting period**Approval of financial statements**

These financial statements were authorized for issue in accordance with a resolution of the Company's Board of Directors on 14 November 2022.

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.

