

Anwar Galvanizing Limited

Baitul Hossain Building
27 Dilkusha, Dhaka-1000, Bangladesh

Financial Statements

As at and for the period ended 31 December 2021




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

Statement of Financial Position
As on 31 December 2021


Particulars	Notes	As at 31 Dec-2021	As at 30 June 2021
Property, Plant and Equipments	3	135,306,976	135,451,777
Non-Current Asstes		135,306,976	135,451,777
Inventories	4	254,047,721	202,405,019
Trade Receivables	5	9,978,244	81,694
Advances, Deposits and Pre- Payments	6	67,643,119	67,412,081
Short Term Investment	7	114,240,000	5,400,000
Cash and Cash Equivalents	8	35,726,057	25,676,820
Current Assets		481,635,141	300,975,614
Total Assets		616,942,117	436,427,391
Share Capital	9	152,460,000	152,460,000
Retained Earnings	10	166,761,271	50,413,298
Total Equity		319,221,271	202,873,298
Deferred Tax Liability	12	8,636,460	8,639,338
Long term loan	13.01	66,765,298	-
Non Current Liabilities		75,401,758	8,639,338
Long term loan-current portion	13.02	7,012,800	-
Trade and Other Payables	14	115,113,548	110,379,479
Income Tax Liabilities	15	29,533,907	14,893,440
Short Term Loan	16	70,658,833	99,641,836
Current Liabilities		222,319,088	224,914,755
Total Equity and Liabilities		616,942,117	436,427,391
Net Assets Value Per Share (NAV)	20	20.94	13.31

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


Chief Financial Officer


Director


Managing Director


Company Secretary


Chairman

Dated : Dhaka, 27 January, 2022



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

Statement of Profit and Loss and Other Comprehensive Income
For the Period ended 31 December 2021

Particulars	Notes	July '21 to Dec '21	July '20 to Dec '20	Oct '21 to Dec '21	Oct '20 to Dec '20
Revenue	17	335,037,784	293,856,809	194,011,712	128,664,595
Cost of Goods Sold	18	(282,882,306)	(246,811,551)	(168,769,059)	(107,771,834)
Gross Profit		52,155,478	47,045,258	25,242,652	20,892,761
Administrative Expenses		(7,044,208)	(6,473,208)	(3,841,727)	(3,440,934)
Selling and Distribution Expenses		(13,576,862)	(6,477,982)	(7,759,813)	(3,070,441)
Operating Expenses		(20,621,070)	(12,951,190)	(11,601,540)	(6,511,375)
Operating Profit		31,534,408	34,094,068	13,641,112	14,381,386
Financial Expenses		(6,186,878)	(1,458,926)	(4,306,884)	(619,468)
Non-Operating Income		112,187,312	123,807	35,032,566	65,075
		106,000,434	(1,335,119)	30,725,682	(554,393)
Profit Before Distribution of WPPF		137,534,842	32,758,949	44,366,794	13,826,993
Contribution to WPPF		(6,549,279)	(1,559,950)	(2,112,705)	(658,429)
Profit Before Tax		130,985,563	31,198,999	42,254,089	13,168,564
Current Tax		(14,640,467)	(7,392,233)	(4,131,230)	(2,781,517)
Deferred Tax		2,877	398,713	174	236,214
Income Tax expense		(14,637,590)	(6,993,520)	(4,131,056)	(2,545,303)
Net Profit After Tax		116,347,973	24,205,479	38,123,033	10,623,261
Unrealized Gain/(loss) on Marketable Securities		-	136,232	-	(10,228)
Total Comprehensive Income for the period		116,347,973	24,341,711	38,123,033	10,613,033
Basic Earning Per Share (EPS)	21	7.63	1.67	2.50	0.73
Restated Earning Per Share (EPS)	21	7.63	1.59	2.50	0.70

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

Chief Financial Officer

Director

Managing Director

Company Secretary

Chairman

Dated : Dhaka, 27 January, 2022

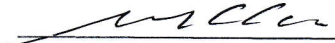



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Cash Flows
For the Period ended 31 December 2021

Particulars	Notes	July '21 to Dec '21	July '20 to Dec '20
Cash Flows from Operating Activities:			
Collection from customers and others		324,094,844	318,889,576
Payment for suppliers, employees and others		(320,246,441)	(282,433,948)
Income tax paid		(5,380,239)	(4,794,510)
Interest paid		(1,424,409)	(1,328,885)
Net Cash Inflow/(Outflow) from Operating Activities		(2,956,244)	30,332,233
Cash Flows from Investing Activities			
Payment for the acquisition of property, plant and equipment		(1,293,368)	(7,549,127)
Payment for the capital work-in-progress		(3,653,959)	(4,102,264)
Investment in shares		(26,840,000)	-
Net Cash Inflow/(Outflow) from Investing Activities		(31,787,327)	(11,651,392)
Cash Flows from Financing Activities			
Dividend paid		(2,286)	(35,105)
Repaid loan against trust receipts (LTR)		(28,983,003)	(13,046,806)
Long term loan		73,778,098	-
Net Cash Inflow/(Outflow) from Financing Activities		44,792,809	(13,081,911)
Net Increase/(Decrease) in Cash and Cash Equivalents		10,049,237	5,598,930
Cash and Cash Equivalents at the Beginning of the Period		25,676,820	28,469,311
Cash and Cash Equivalents at the Period End		35,726,057	34,068,242
Net Operating Cash Flow Per Share (NOCFPS)	22	(0.19)	2.09

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


Chief Financial Officer


Director


Managing Director


Company Secretary


Chairman

Dated : Dhaka, 27 January, 2022

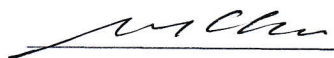



Anwar Galvanizing Limited
Registered Office: 27, Dilkusha C/A, Dhaka-1000.

Statement of Changes in Equity
For the Period ended 31 December 2021

Particulars	Share Capital	Retained Earnings	Other Components of Equity	Total
Balance as on 01 July 2021	152,460,000	50,413,298	-	202,873,298
Net Profit After Tax	-	116,347,973	-	116,347,973
Cash dividend	-	-	-	-
Stock dividend	-	-	-	-
Balance as on 31 December 2021	152,460,000	166,761,271	-	319,221,271
Balance as on 1 July 2020	145,200,000	13,031,854	(645,275)	157,586,579
Net Profit After Tax	-	24,205,479	-	24,205,479
Unrealized gain/(loss)	-	-	136,232	136,232
Cash dividend	-	-	-	-
Stock dividend	-	-	-	-
Balance as on 31 December 2020	145,200,000	37,237,333	(509,043)	181,928,290

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


Chief Financial Officer


Director


Managing Director


Company Secretary


Chairman

Dated : Dhaka, 27 January, 2022



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

Notes to the Accounts
As on and for the period ending 31 December 2021

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 GI 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 1987 and other applicable laws in Bangladesh.

2.2 Basis of Preparation

The half yearly 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 half yearly Financial Statements of the company has been prepared for the period from 01 July 2021 to 31 December 2021. Comparative information has been disclosed as per the requirement of Securities Exchange Commission.

Sl.No.	Particulars	Notes	31 December 2021 BDT	30 June 2021 BDT
3.00	Property, plant and equipments			
	Property, plant and equipment	3.01	102,673,289	101,380,714
	Capital work -in-progress	3.02	32,633,686	34,071,063
			135,306,976	135,451,777
3.01	Property, plant and equipments			
	A. Cost			
	Opening balance		158,908,872	133,361,330
	Addition during the period		6,384,703	25,585,042
	Disposal during the period		-	(37,500)
			165,293,575	158,908,872
	B. Accumulated Depreciation			
	Opening Balance		57,528,158	47,399,034
	Depreciation for the period		5,092,128	10,163,748
	Depreciation on disposal of assets during the period		-	(34,625)
			62,620,286	57,528,158
	Written down value as on 31 December 2021 (A-B)		102,673,289	101,380,714

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3.02 Capital Work -In-Progress

Opening balance	34,071,063	5,830,973
Add: Addition during the period	3,653,959	44,660,624
Transfer to non-current assets during the period	(5,091,335)	(16,420,534)
	32,633,686	34,071,063

4.00 Inventories

Raw materials	49,639,290	29,805,906
Auxiliary materials	7,816,242	9,361,877
Spare parts and other materials	51,364,629	48,667,610
Finished goods	126,728,815	92,040,322
Work -in-process	18,498,745	22,529,304
	254,047,721	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.

5.00 Trade Receivables

Receivable From dealers	10,686,046	894,250
	10,686,046	894,250
Provision for doubtful debt	5.01 (707,803)	(812,557)
	9,978,244	81,694

5.01 Provision for Doubtful Debt

Opening Balance	812,557	743,598
Provision made during the period	-	68,959
Adjustment made/ write-off	(104,754)	-
	707,803	812,557

6.00 Advances, Deposits and Prepayments

Advances	6.01	62,653,532	62,452,494
Security deposits	6.02	4,989,587	4,959,587
		67,643,119	67,412,081

Above amounts are unsecured, but considered good.

6.01 Advances

Advance against supplier	12,585,063	22,558,296
Advance income tax	16,623,201	11,202,945
Advance against employee	64,694	97,978
Advance against others	1,519,630	1,527,932
Advance To NBL securities ltd	31,860,944	26,341,163
VAT current account	-	724,180
	62,653,532	62,452,494

6.02 Security Deposits

Security deposit -CDBL	300,000	300,000
Security deposit-electricity	4,086,000	4,056,000
Security deposit-gas	561,587	561,587
Security deposit- metre	42,000	42,000
	4,989,587	4,959,587

7.00 Short Term Investment

Name of Company	No of Share	Cost Price	Market Price	Market Price
Investment in different securities	730,535	105,210,000	114,240,000	-
Investment in different securities	100,000	5,310,600	-	5,400,000
		110,520,600	114,240,000	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

8.00 Cash and Cash Equivalents			
Cash at banks	35,609,068	24,656,833	
Cash in hand	116,989	1,019,986	
	35,726,057	25,676,820	
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			
14,520,000 ordinary shares of BDT 10 each issued for cash	145,200,000	145,200,000	
7,26,000 bonus shares of Tk.10 each	7,260,000	7,260,000	
	152,460,000	152,460,000	
10.00 Retained Earnings			
Profit brought forward	50,413,298	13,031,854	
Prior year adjustment	-	(191,396)	
Adjusted opening balance	50,413,298	12,840,457	
Net profit during the period/year	116,347,973	59,725,897	
Transfer from OCI	-	(373,057)	
Cash dividend	-	(14,520,000)	
Stock dividend	-	(7,260,000)	
	166,761,271	50,413,298	
11.00 Other Components of Equity			
Opening balance	-	(645,275)	
Gain/(loss) from sales realisation	-	272,218	
	-	(373,057)	
Transferred to retained earnings	-	373,057	
	-	-	
12.00 Deferred Tax Liabilities			
Opening Balance	8,639,338	9,402,441	
Deferred tax (income)/ expense charged in Profit & Loss	(2,878)	(763,104)	
12.01	8,636,460	8,639,338	
12.01 For 31 December 2021			
	Carrying Value	Tax Based Value	Temporary
Property, Plant and Equipment			
Land	8,877,421	8,877,421	-
Other than land	93,795,868	55,411,599	38,384,269
	102,673,289	64,289,020	38,384,269
Applicable Tax Rate			
On land			15%
On other than land			22.50%
Deferred Tax Liability			
On land			-
On other than land			8,636,460
Deferred tax liabilities as on December 31, 2021			8,636,460
For 30 June 2021			
	Carrying Value	Tax Based Value	Temporary
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%
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

13.00 Long term loan		
Opening balance	-	-
Loan term loan received during the period	74,408,846	-
Loan term loan settled during the period	(630,748)	-
	73,778,098	-
13.01 Long term loan-long term portion	66,765,298	-
	66,765,298	-
13.02 Long term loan-current portion	7,012,800	-
	7,012,800	-
14.00 Trade and Other Payables		
Trade payable	38,575,360	37,336,950
Liabilities for expenses	14.01 53,641,368	49,042,296
Advance received from customers	22,896,818	24,000,233
	115,113,546	110,379,479
14.01 Liabilities for expenses		
Unpaid dividend	13,103,199	13,105,485
Liabilities for other expense	15,350,807	14,411,519
Provision for WPPF	13,932,109	11,080,642
Interest payable	-	293,672
Liabilities for salaries, wages and others	10,714,191	9,653,950
TDS & VDS payable	541,061	497,028
	53,641,368	49,042,296
15.00 Income tax payable		
Opening balance	14,893,440	10,230,526
Tax provision made during the year/period	14,640,467	14,893,440
Tax payment against previous tax demand	-	191,296
Adjustment of tax liability with advance tax paid	-	(4,483,448)
Tax payment against demand for the Tax Return	-	(5,938,474)
	29,533,907	14,893,440
15.01 Reconciliation of Effective Tax Rate		
Profit before income tax (A)	130,985,564	73,856,234
Less: Realised gain/(loss) from sale of shares	103,100,287	12,366,920
Less: 'Un-realise gain/(loss) from short term investments	9,030,000	-
Less: Dividend income	-	48,290
Net taxable business income	18,855,277	61,441,024
Applicable tax rate	22.50%	22.50%
Income tax (B)	4,242,437	13,824,230
Factors effecting the tax charge for the current year/period:		
(Excess)/ short of fiscal depreciation over accounting dep.	12,787	(787,297)
Inadmissible expense	378,326	-
Movement of temporary differences: (credit)/charge	391,114	(787,297)
Tax on temporary differences (C)	88,001	(177,142)
Total business income tax expense (B+C)	4,330,438	13,647,089
Effective tax rate (B+C)/A	22.97%	22.21%
16.00 Short term loan		
Opening balance	99,641,836	18,748,650
LTR and ABP used during the period/year	108,558,172	207,662,171
Short term loan transfer to long term loan	(18,408,846)	-
LTR and ABP settled during the period/year	(119,132,329)	(126,768,986)
	70,658,833	99,641,836



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

Notes to the Accounts
As on and for the period ending 31 December 2021

Sl.No.	Particulars	Notes	July'21 to December '21 BDT	July'20 to December '20 BDT	October '21 to December '21 BDT	October '20 to December '20 BDT
17.00	Revenue					
	Sales: GI Fittings		307,751,896	284,760,100	175,049,494	125,019,396
	Sales: Others		27,285,888	9,096,709	18,962,218	3,645,199
			335,037,784	293,856,809	194,011,712	128,664,595
	The sales amount is presented net of VAT.					
18.00	Cost of Goods Sold					
	Raw materials consumption		136,933,382	99,579,549	82,735,317	24,378,492
	Auxiliary materials consumption		36,425,737	35,367,841	25,000,327	14,553,036
	Spare parts and other material consumption		48,045,860	38,002,939	27,507,843	16,617,371
	Direct wages		54,275,029	39,806,362	29,678,800	20,451,411
	Power cost		26,354,661	27,171,510	14,107,924	15,099,347
	Carriage inward		208,050	219,125	118,350	103,720
	Prime cost		302,242,720	240,147,326	179,148,562	91,203,376
	Factory overheads		11,297,519	9,398,523	5,503,444	5,368,784
	Opening stock of work -in-process		22,529,304	38,659,507	35,564,574	38,200,375
	Closing stock of work -in-process		(18,498,745)	(41,760,574)	(18,498,745)	(41,760,574)
	Cost of Production		317,570,799	246,444,780	201,717,834	93,011,961
	Opening stock of finished goods		92,040,322	30,101,020	93,780,040	44,494,121
	Closing stock of finished goods		(126,728,815)	(29,734,249)	(126,728,815)	(29,734,249)
	Cost of Goods Sold		282,882,306	246,811,551	168,769,059	107,771,834
19.00	Non-operating income					
	Other Income		-	77,890	-	52,337
	Rebate on insurance exp.		-	33,179	-	-
	Interest income		57,025	12,738	57,025	12,738
	Realise gain/(loss) from sale of short term investments		103,100,287	-	27,378,421	-
	Un-realise gain/(loss) from short term investments		9,030,000	-	7,597,120	-
			112,187,312	123,807	35,032,566	65,075

The Realised and unrealized gain/(loss) has been accounted and presented in non-operating income in accordance with IFRS 9.

20.00	Net Asset Value (NAV) Per Share		As at 31 Dec 2021	As at 30 June 2021
	The Computation of NAV per share is given below :			
	Assets		616,942,116	436,427,391
	Less: Liabilities		297,720,845	233,554,092
	Net Assets Value		319,221,271	202,873,298
	Weighted average number of ordinary shares	20.01	15,246,000	15,246,000
	Net Assets Value (NAV) Per Share		20.94	13.31

The increased earnings during the period (as discussed in Note-21) with no distribution to shareholders has ensured the NAV growth of 57%.

20.01	Weighted average number of Ordinary Shares as at 31 Decemeber 2021		As at 31 Dec 2021	As at 31 Dec 2020
	Details	Number of days outstanding	No. of shares in issue	Weighted average no. of shares
	Ordinary shares outstanding	365	15,246,000	14,520,000

21.00 Earnings Per Share (EPS)

21.01 Basic Earnings Per Share

a) Profit Attributable to the ordinary shareholders		116,347,973	24,205,479	38,123,033	10,623,261
b) Weighted average number of ordinary shares	20.01	15,246,000	14,520,000	15,246,000	14,520,000
Basic Earnings Per Share (a/b)		7.63	1.67	2.50	0.73

Restated Earnings Per Share

a) Profit Attributable to the ordinary shareholders		116,347,973	24,205,479	38,123,033	10,623,261
b) Weighted average number of ordinary shares	20.01	15,246,000	15,246,000	15,246,000	15,246,000
Restated Earnings Per Share (a/b)		7.63	1.59	2.50	0.70

Half Yearly Basic Earnings per share of 2021-22 (BDT 7.63) has been increased by 357% compared to Half Yearly 2020-21 (BDT 1.67) due to increase in non-operating income. EPS from operational and non-operational activities were BDT 1.22 and BDT 6.41 respectively in Half Yearly 2021-22 as compared to BDT 1.66 and BDT .01 respectively in the same period of previous year 2020-21.

Basic Earnings per share of Q2 2021-22 (BDT 2.50) has been increased by 242% compared to Q2 2020-21 (BDT 0.73) due to increase in non-operating income. EPS from operational and non-operational activities were BDT .45 and BDT 2.05 respectively in Q2 2021-22 as compared to BDT 0.723 and BDT .007 respectively in the same period of previous year 2020-21.

21.02 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

22.00 Net Operating Cash Flow Per share (NOCFPS)

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

		July'21 to December '21	July'20 to December '20
a) Operating cash inflow/ (outflow) during the period		(2,956,244)	30,332,233
b) Weighted average number of ordinary shares	20.01	15,246,000	14,520,000
Net Operating Cash Flow Per share (NOCFPS) (a/b)		(0.19)	2.09

The increased inventory balance during the period indicates that the working capital fund has been tied up in finished goods inventory which generated negative NOCFPS. We expect the inventory to be sold out during Q3 and Q4 of 2021-22.

23.00 Reconciliation of Net Operating Cash Flows

	July'21 to December '21	July'20 to December '20
Net profit after tax	116,347,973	24,205,479
Add: Item not involving movement of cash		
Depreciation on property, plant & equipment	5,092,128	4,540,728
A. Cash generated from operations before changes in working capital	121,440,102	28,746,207
Changes in working capital		
(Increase)/Decrease in inventories	(51,642,702)	(8,758,077)
(Increase)/Decrease Accounts receivables	(9,896,550)	2,926,804
(Increase)/Decrease in Adv. Dep. & Pre.	(82,231,037)	(7,292,745)
Increase/(Decrease) in Trade and other Payable	19,371,657	14,674,939
Increase / (Decrease) in dividend Payable	2,286	35,105
B. Total changes in working capital	(124,396,346)	1,586,026
C. Cash generated from operating activities (A+B)	(2,956,244)	30,332,233

24.00 Director of the Company:

Number of Director:

There are 10 Directors in the Company during the period ended 31 Decemeber 2021.

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.

25.00 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 Discloser.

Name of Party/Company	31 December 2021	30 Jun 2021
Anwar Ispat Ltd.	3,076,055	(6,878,545)
A One Polymer Ltd	(1,020,721)	(1,405,569)
Anwar Integretad Steel Plant Ltd.	-	(3,412,371)
Anwar Cement Sheet Ltd.	(6,547)	(6,278,258)
Anwar Printex Ltd.	503	503

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

26.00 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 27 January 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.

