

FINANCIAL STATEMENTS (UN-AUDITED)
OF
GLOBAL HEAVY CHEMICALS LTD.



For the Half Year (2nd Quarter) Ended December 31, 2023

=====
Head Office:

37, Segun Bagicha, Dhaka -1000,
Tel : 880-2-48321590, 48310191, 58313418. Fax: 880-2-8312919
email:info.ghcl@opsonin.net, web: www.ghclbd.com

GLOBAL HEAVY CHEMICALS LTD.
Statement of Financial Position (Un-audited)
As at 31 December 2023

	Notes	31-Dec-23	(Amount in Taka) 30-Jun-23
ASSETS			
Non-Current Assets			
Property, Plant and Equipment -Carrying Value	3.00	4,597,759,224	4,611,421,761
Current Assets			
Advances, Deposits and Prepayments	4.00	122,487,167	99,054,374
Inventories	5.00	250,318,505	290,990,714
Trade Receivable		73,522,242	160,454,743
Cash and cash equivalents	6.00	24,179,449	24,305,640
TOTAL ASSETS		5,068,266,588	5,186,227,232
EQUITY AND LIABILITIES			
Shareholders equity			
Share Capital		720,000,000	720,000,000
Share Premium		1,083,400,000	1,083,400,000
Revaluation Reserve		1,464,644,749	1,464,644,749
Retained Earnings		(110,464,747)	177,228,146
Non-Current Liabilities		533,567,247	573,190,391
Long Term Loan		4,254,254	41,347,020
Deferred Tax (Assets)/Liabilities	8.00	529,312,993	531,843,372
Current Liabilities & Provisions		1,377,119,339	1,167,763,945
Trade Payable		217,519,366	12,300,748
Provision & Liabilities for Expenses		79,514,093	56,438,667
Unclaimed Dividend	9.00	3,269,700	3,269,700
Advance against Sales		68,875,463	5,339,000
Current portion of long term loan		47,157,331	53,355,586
Short term Bank Loan		933,676,224	1,015,791,853
Provision for Income Tax		27,107,163	21,268,390
TOTAL EQUITY AND LIABILITIES		5,068,266,588	5,186,227,232
Net Asset Value per share		43.86	47.85


 Company Secretary


 Chief Financial Officer

 
 Director Managing Director


 Chairman

Date: January 29, 2024
 Dhaka



GLOBAL HEAVY CHEMICALS LTD.

Statement of Profit or Loss and Others Comprehensive Income (Un-Audited) For the Half Year (2nd Quarter) ended 31 December 2023

Particulars	Notes	(Amount in Taka)		
		July 2023 to December 2023	July 2022 to December 2022	October 2023 to December 2023
Net Sales		286,232,322	224,569,242	151,221,950
Cost of Goods Sold	11.00	(482,767,310)	(215,920,263)	(242,879,462)
Gross Profit		(196,534,988)	8,648,979	(91,657,512)
Operating Expenses		(23,959,578)	(20,160,270)	(11,233,775)
Office & administrative Expenses	12.00	(16,446,432)	(16,988,569)	(8,730,069)
Selling & Distribution Expenses	13.00	(7,513,146)	(3,171,701)	(2,503,706)
Operating Income		(220,494,565)	(11,511,292)	(102,891,287)
Financial Expenses		(64,317,955)	(35,726,262)	(43,517,555)
Other Income		428,021	195,260	214,975
Profit before WPPF & Tax		(284,384,500)	(47,042,294)	(146,193,867)
Provision For WPPF		-	-	-
Profit before Tax		(284,384,500)	(47,042,294)	(146,193,867)
Income Tax Expenses		(3,308,393)	(18,083,234)	1,967,074
Provision for Current Tax		(5,838,773)	(5,913,974)	(2,670,744)
Provision for Deferred Tax	16.00	2,530,379	(12,169,260)	4,637,817
Profit after tax		(287,692,893)	(65,125,528)	(144,226,793)
Basic Earnings Per Share		(4.00)	(0.90)	(2.00)
Diluted Earnings Per Share		(4.00)	(0.90)	(2.00)
		(0.45)	(0.45)	(0.45)


Company Secretary


Chief Financial Officer


Director


Managing Director


Chairman



Date: January 29, 2024
Dhaka

GLOBAL HEAVY CHEMICALS LTD.
Statement of Changes in Equity (Un-Audited)
For the Half Year (2nd Quarter) ended 31 December 2023

(Amount in Taka)

Particulars	Share Capital	Share premium	Retained Earnings	Revaluation Surplus	Total Shareholders Equity
Balance as at July 01, 2023	720,000,000	1,083,400,000	177,228,146	1,464,644,749	3,445,272,895
Net profit during the Period	-	-	(287,692,893)	-	(287,692,893)
Balance as at December 31, 2023	720,000,000	1,083,400,000	(110,464,747)	1,464,644,749	3,157,580,002

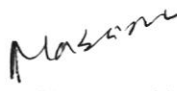
For the Half Year (2nd Quarter) ended 31 December 2022

(Amount in Taka)

Particulars	Share Capital	Share premium	Retained Earnings	Revaluation Surplus	Total Shareholders Equity
Balance as at July 01, 2022	720,000,000	1,083,400,000	596,922,083	1,464,644,749	3,864,966,833
Dividend Payable year 21-22	-	-	(4,521,000)	-	(4,521,000)
Net profit during the Period	-	-	(65,125,528)	-	(65,125,528)
Balance as at December 31, 2022	720,000,000	1,083,400,000	527,275,555	1,464,644,749	3,795,320,305


 Company Secretary


 Chief Financial Officer


 Director


 Managing Director


 Chairman

Date: January 29, 2024
 Dhaka



GLOBAL HEAVY CHEMICALS LTD.
Statement of Cash Flow (Un-Audited)
For the Half Year (2nd Quarter) ended 31 December 2023


PARTICULARS	July 2023 to December 2023	July 2022 to December 2022
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Cash Receipts:	437,129,307	222,205,957
Cash Receipts from Customers	436,701,286	222,010,697
Cash Receipts from Others Income	428,021	195,260
Cash Payments:	281,649,578	221,996,370
Cash paid to suppliers, employees & others	211,492,850	180,356,134
Income Tax	5,838,773	5,913,974
Financial Expenses	64,317,955	35,726,262
Net Cash Provided by Operating Activities:	155,479,729	209,587
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Fixed Assets Addition	(30,199,268)	(103,868,237)
Net Cash Used in Investing Activities:	(30,199,268)	(103,868,237)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Bank loan	(125,406,650)	92,104,688
Dividend Paid	-	(60,076)
Net Cash provided by Financing Activities:	(125,406,650)	92,044,613
D. Net Cash Inflow (A+B+C):	(126,190)	(11,614,038)
E. Opening Cash & Cash Equivalent	24,305,640	39,307,271
F. Closing Cash & Cash Equivalent (D+E):	24,179,449	27,693,233
Net Operating Cash flow per share:	2.16	0.00291


 Company Secretary


 Chief Financial Officer


 Director


 Managing Director


 Chairman

Date: January 29, 2024
 Dhaka



GLOBAL HEAVY CHEMICALS LIMITED

37, SEGUN BAGICHA

DHAKA-1000

Notes to the Financial Statements (Un- Audited)

For the Half Year (2nd Quarter) ended 31 December 2023

1. Reporting Entity

Global Heavy Chemicals Limited (GHCL) was incorporated as a Private Limited Company on the 19th day of September 2000 under the Companies Act, 1994 with the Registrar of Joint Stock Companies & Firms vide Incorporation No.C-41335(694)/2000. It was converted into a Public Limited Company on 16 September 2010. Its authorized Capital is BDT 1,000.00 million and present paid-up capital is BDT 720.00 million. The company went for Initial public offering of shares in December 2012 which was fully subscribed and issued. The company was listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) on 6 March 2013. The company has started its commercial operation on 15 October 2002. Plant of Global Heavy Chemicals Limited (GHCL) is located on the southern part of Dhaka district in Hasnabad union under Keraigonj Upazilla on the south side of the river Buriganga. The principal activities and nature of the business of the company is to manufacture and distribute Sodium Hydroxide (Caustic Soda), Chlorine and other chemical products.

2. Significant Accounting Policies:

2.1 Basis of Preparation of Financial Statements

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the requirements of International Accounting Standards IAS-34 "Interim Financial Reporting", International Financial Reporting Standards (BFRS), the Companies Act 1994, the Securities and Exchange Rules 1987 and other laws and rules applicable in Bangladesh.

These financial statements for the Half Year ended 31 December 2023 should be read in conjunction with the Financial Statements for the year ended 30 June 2023 (hereafter referred to as the "Annual Financial Statements"), as they provide an update to previously reported information. This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements.

No adjustments have been made for inflationary factors affecting the financial statements. No changes in the basis of accounting like valuation of stocks, method of charging depreciation, etc. were made during the Half Year ended 31 December 2023.

2.2 Revenue Recognition:

Revenue is recognized only when it is probable that the economic benefit of such transaction has been derived as per "IFRS-15".

Sales revenue is recognized when transactions related to sales are completed and the sales invoices are issued in favor of the buyers.



	<u>31-Dec-23</u>	<u>30-Jun-23</u>
3.00 Property, Plant & Equipment -Carrying Value		
Opening balance	5,502,168,284	5,260,366,122
Add: Addition during the Period	30,199,268	241,802,162
	<u>5,532,367,552</u>	<u>5,502,168,284</u>
Less: Accumulated depreciation up to last account	890,746,524	800,548,945
	<u>4,641,621,029</u>	<u>4,701,619,339</u>
Less: Depreciation charged during the Period	43,861,804	90,197,579
Written Down Value	<u>4,597,759,224</u>	<u>4,611,421,761</u>
4.00 Advances, Deposits and Prepayments		
Security Deposits	22,556,803	22,556,803
Advance Tax	42,934,891	37,096,118
Advance VAT	55,663,435	36,956,384
Other Advance & Deposit (Note: 4.01)	1,332,039	2,445,070
Total:	<u>122,487,167</u>	<u>99,054,374</u>
4.01 Other Advance & Deposit		
Advance to supplier	480,010	728,640
Advance to employee	562,412	1,379,327
Other advance expenses and deposited	289,617	337,103
Total:	<u>1,332,039</u>	<u>2,445,070</u>
5.00 Inventories		
Raw Materials	111,847,502	141,842,965
Packing Materials	15,361,575	16,364,063
Finished Goods	121,685,912	127,750,625
Others	1,423,516	5,033,062
Total:	<u>250,318,505</u>	<u>290,990,714</u>
6.00 Cash and Cash Equivalents		
Cash in hand	1,108,204	3,242,380
Cash at bank	23,071,246	21,063,260
Total	<u>24,179,449</u>	<u>24,305,640</u>
8.00 Deferred Tax (Assets)/Liabilities		
This represents provision is made for deferred tax to pay future income tax liability for temporary differences which is arrived at as follows:		
Opening Balance	531,843,372	505,226,503
Provision made for the current Period	(2,530,379)	26,616,868
Total	<u>529,312,993</u>	<u>531,843,372</u>
Calculation:		
Written Down Value excluding Land (Account Base)	2,791,027,198	2,804,689,734
Written Down Value excluding Land (Tax Base)	709,755,519	712,171,927
Temporary Difference	2,081,271,679	2,092,517,807
Tax Rate	22.5%	22.5%
Deferred Tax (Assets)/Liabilities	<u>468,286,128</u>	<u>470,816,507</u>
Deferred Tax on Land revaluation Surplus	<u>61,026,865</u>	<u>61,026,865</u>
	<u>529,312,993</u>	<u>531,843,372</u>
9.00 Unclaimed Dividend		
2018-2019	1,545,820	1,545,820
2019-2020	882,480	882,480
2020-2021	575,480	575,480
2021-2022	265,920	265,920
Total	<u>3,269,700</u>	<u>3,269,700</u>



	July 2023 to December 2023	July 2022 to December 2022
11.00 Cost of Goods Sold		
Materials Consumed (Note-11.01)	111,518,823	70,773,515
Direct Labour	33,924,335	12,894,581
Manufacturing Overhead (Note-11.02)	331,259,439	132,735,847
Cost of Production	476,702,597	216,403,943
Add: Opening Stock of Finished Goods	127,750,625	130,486,075
	604,453,222	346,890,018
Less: Closing Stock of Finished Goods	(121,685,912)	(130,969,755)
Cost of Goods Sold:	482,767,310	215,920,263
11.01 Materials Consumed		
Opening Stock of Raw Materials	141,842,965	124,014,995
Opening Stock of Packing Materials	16,364,063	10,261,374
Add: Raw Materials Purchase	72,537,985	82,174,781
Add: Packing Materials Purchases	7,982,886	2,254,840
	238,727,899	218,705,990
Less: Closing Stock of Raw Materials	(111,847,502)	(137,442,950)
Less: Closing Stock of Packing Materials	(15,361,575)	(10,489,525)
Materials Consumed:	111,518,823	70,773,515
11.02 Manufacturing Overhead		
Carriages	3,741,277	3,154,820
Gas Expenses	44,389,833	86,678,671
Electricity Expenses	247,234,872	-
Fuel and Lubricants	1,533,553	1,685,420
Depreciation	32,896,353	40,171,116
Repair & Maintenance	1,463,551	1,045,820
Manufacturing Overhead:	331,259,439	132,735,847
12.00 Office & Administrative Expenses		
Salary & Allowances	2,194,889	11,194,784
Managing Director's Salary	720,000	720,000
Director remuneration	420,000	420,000
Office rent	192,000	300,000
Telephone & Internet	50,190	261,875
Printing & Stationery	71,075	150,000
Electricity	124,368	152,481
Audit fees	-	250,000
Postage	185,569	126,905
Entertainment	267,884	92,480
AGM Expenses	180,000	142,850
Computer Repairs and Accessories	115,000	95,680
Traveling and Conveyance	55,368	146,890
Annual Subscription and Professional fees	485,885	369,510
Books, Papers & Periodicals	10,782	48,752
Advertisement	143,957	115,842
Vehicles Maintenance	264,015	286,251
Depreciation	10,965,451	2,114,269
Total	16,446,432	16,988,569
13.00 Selling & Distribution Expenses		
Salary & Allowances	7,039,531	974,052
Delivery Expenses	38,150	315,231
Carton Expenses	171,450	1,174,838
Vehicles Maintenance	264,015	707,580
Total	7,513,146	3,171,701



	July 2023 to December 2023	July 2022 to December 2022
14.00 Reconciliation of Cash flows from operating activities (Indirect Method):		
Profit before Tax	(284,384,500)	(47,042,294)
Adjustments for Expenses Not Requiring Cash:		
Depreciation	43,861,804	42,285,386
Provision For WPPF	-	-
Working capital changes:		
(Increase) / Decrease In Trade Receivables	86,932,501	(3,194,289)
(Increase) / Decrease In Inventories	40,672,210	(14,560,326)
(Increase) / Decrease In Advances, Deposits and Prepayments	(17,594,021)	17,475,789
Increase / (Decrease) In Trade Payables	205,218,618	(221,180)
Increase / (Decrease) In Advance Receipt Against Sales	63,536,463	635,744
Increase / (Decrease) In Provision & Liabilities For Expenses	23,075,426	10,744,731
WPPF Paid	-	-
Income Tax Paid	(5,838,773)	(5,913,974)
Net Cash From Operating Activities	155,479,729	209,587
15.00 Significant Deviation:		
<p>The Company has experienced a significant increase of Cost of Goods Sold due to the concentrated effect of price escalation of raw materials, spares, freights charges in international market and frequent increase of dollar conversion rate in addition to the unusual increase of Gas & Electricity cost for increasing rate of those. We also like to inform you that during the reporting period from July 1, 2023 to December 31, 2023 our sales have been increased during the period but we could not recover our operating fixed cost like Depreciation, labour cost, Finance cost etc. As a result, Net profit after tax and Earnings per share (EPS) has been reduced and NAV has been reduced. Net Operating Cash Flow per Share (NOCFPS) has been increased during the reporting period compared to same period of the previous year due to increase in sales, decrease in Accounts receivable, Increase in advance received against sales and Trade Payable.</p>		
16.00 Calculation of Provision for Current Tax		
Minimum Tax Note: 16.01	5,838,773	5,913,974
Regular Tax	-	-
Provision for Current Tax is the Higher One	5,838,773	5,913,974
16.01 Minimum Tax		
Turnover Base		
0.60% on Sales	1,717,394	1,347,415
Tax on other income	96,305	58,578
Minimum Tax on Turnover and others Income	1,813,699	1,405,993
Deducted Tax at source	5,838,773	5,913,974
Minimum Tax is the Higher One	5,838,773	5,913,974
17.00 Earnings Per Share		
Particulars		
Surplus for the Period attributable to the shareholders	(287,692,893)	(65,125,528)
Number of outstanding share at the end of the year	72,000,000	72,000,000
Basic Earnings Per Share	(4.00)	(0.90)
18.00 Net Operating Cash Flows per share(NOCFPS)		
Particulars		
Net Cash Provided by Operating Activities	155,479,729	209,587
Number of outstanding share at the end of the year	72,000,000	72,000,000
Net Operating Cash Flows per share (NOCFPS)	2.16	0.0029



19.00	Net Asset Value Per Share	31-Dec-23	30-Jun-23
	Particulars		
	Net Asset Value at the end of the Year	3,157,580,002	3,795,320,305
	Number of outstanding share at the end of the year	72,000,000	72,000,000
	Net Asset Value (NAV) Per Share	43.86	52.71

20.00 Related Parties Transactions

During the year, the Company carried out following related party transactions:

SL No.	Name of Related Party Companies	Nature of Transaction	Amount		Head of A/C
			Outstanding as on		
			31-Dec-23	30-Jun-23	
1	Opsonin Pharma Ltd.	Sales	6,626,658	985,139	Accounts Receivables
2	Opso Saline Ltd.	Sales	18,676,480	9,084,510	Accounts Receivables
3	Global Capsules Ltd.	Sales	35,918,813	18,512,500	Accounts Receivables
4	Crescent Chemicals Ltd.	Purchases	2,407,752	10,142,298	Accounts Payables

SL No.	Name of Related Party	Nature of Transaction	Amount		Head of A/C
			July 2023 to December 2023	July 2022 to December 2023	
1	Abdur Rouf Khan	Remuneration	420,000	420,000	Operating Expense
2	Abdur Rakib Khan	Remuneration	720,000	720,000	Operating Expense

