

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



For the 3rd Quarter Ended March 31, 2023

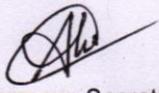
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Head Office:

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

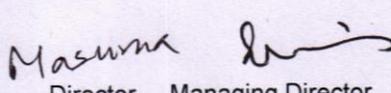
GLOBAL HEAVY CHEMICALS LTD.
Statement of Financial Position (Un-audited)
As at 31 March 2023

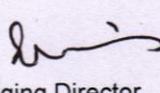
	Notes	31-Mar-23	(Amount in Taka) 30-Jun-22
ASSETS			
Non-Current Assets			
Property, Plant and Equipment -Carrying Value	3.00	4,513,440,995	4,459,817,177
Current Assets			
Advances, Deposits and Prepayments	4.00	130,544,692	141,703,129
Inventories	5.00	282,873,545	268,239,424
Trade Receivable		281,575,319	271,513,340
Cash and cash equivalents	6.00	34,196,711	39,307,271
TOTAL ASSETS		5,242,631,262	5,180,580,342
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		488,884,522	596,922,084
Non-Current Liabilities			
Long Term Loan		50,321,942	79,647,856
Deferred Tax (Assets)/Liabilities	7.00	517,605,287	505,226,503
Current Liabilities & Provisions			
Trade Payable		3,408,111	3,467,000
Provision & Liabilities for Expenses		39,572,488	32,741,520
Dividend Payable		2,913,666	3,003,780
Advance against Sales		6,253,331	6,016,736
Current Portion of Long term Loan		151,056,669	61,089,584
Short term Bank Loan		690,597,148	606,361,154
Provision for Income Tax		23,973,349	18,059,375
TOTAL EQUITY AND LIABILITIES		5,242,631,262	5,180,580,342
Net Asset Value per share		52.18	53.68

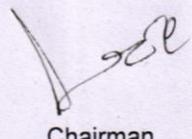
The annexed notes are integral part of these financial statements.


Company Secretary


Chief Financial Officer


Director


Managing Director


Chairman

Date: April 27, 2023
Dhaka



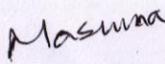
GLOBAL HEAVY CHEMICALS LTD.
Statement of Profit or Loss and Others Comprehensive Income (Un-Audited)
For the 3rd Quarter Ended March 31, 2023

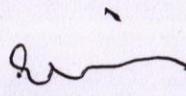
<u>Particulars</u>	<u>Notes</u>	(Amount in Taka)			
		<u>July 2022 to March 2023</u>	<u>July 2021 to March 2022</u>	<u>January 2023 to March 2023</u>	<u>January 2022 to March 2022</u>
Net Sales		331,617,943	325,539,878	107,048,701	114,447,445
Cost of Goods Sold	8.00	(331,114,448)	(294,996,839)	(115,194,185)	(98,081,536)
Gross Profit		503,495	30,543,039	(8,145,484)	16,365,909
Operating Expenses		(30,747,388)	(31,016,522)	(10,587,117)	(11,338,320)
Office & administrative Expenses	9.00	(25,715,467)	(25,932,067)	(8,726,897)	(9,559,454)
Selling & Distribution Expenses	10.00	(5,031,921)	(5,084,455)	(1,860,220)	(1,778,866)
Operating Income		(30,243,893)	(473,483)	(18,732,601)	5,027,589
Financial Expenses		(55,231,161)	(32,845,126)	(19,504,899)	(11,799,316)
Other Income		251,250	358,421	55,990	233,841
Profit before WPPF & Tax		(85,223,804)	(32,960,188)	(38,181,510)	(6,537,886)
Provision For WPPF		-	-	-	-
Profit before Tax		(85,223,804)	(32,960,188)	(38,181,510)	(6,537,886)
Income Tax Expenses		(18,292,758)	(16,047,853)	(209,524)	(8,176,605)
Provision for Current Tax	13.00	(5,913,974)	(5,242,124)	-	(3,317,602)
Provision for Deferred Tax		(12,378,784)	(10,805,729)	(209,524)	(4,859,003)
Profit after tax		(103,516,562)	(49,008,041)	(38,391,034)	(14,714,491)
Basic Earnings Per Share		(1.44)	(0.68)	(0.53)	(0.20)
Diluted Earnings Per Share		(1.44)	(0.68)	(0.53)	(0.20)

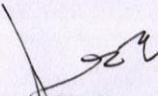
The annexed notes are integral part of these financial statements.


 Company Secretary


 Chief Financial Officer


 Director


 Managing Director


 Chairman

Date: April 27, 2023
 Dhaka



GLOBAL HEAVY CHEMICALS LTD.
Statement of Changes in Equity (Un-Audited)

For the 3rd Quarter Ended March 31, 2023

(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 Paid year 21-22	-	-	(4,521,000)	-	(4,521,000)
Net profit during the Period	-	-	(103,516,562)	-	(103,516,562)
Balance as at March 31, 2023	720,000,000	1,083,400,000	488,884,522	1,464,644,749	3,756,929,271

For the 3rd Quarter Ended March 31, 2022

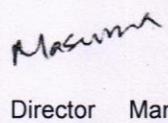
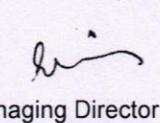
(Amount in Taka)

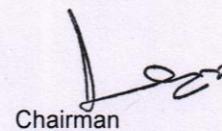
Particulars	Share Capital	Share premium	Retained Earnings	Revaluation Surplus (Restated)	Total Shareholders Equity
Balance as at July 01, 2021	720,000,000	1,083,400,000	666,882,784	1,464,644,749	3,934,927,533
Dividend Paid year 20-21	-	-	(11,147,500)	-	(11,147,500)
Net profit during the Period	-	-	(49,008,041)	-	(49,008,041)
Balance as at March 31, 2022	720,000,000	1,083,400,000	621,441,735	1,464,644,749	3,874,771,992

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Company Secretary


Chief Financial Officer

 
Director Managing Director


Chairman

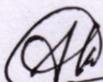
Date: April 27, 2023
Dhaka



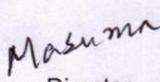
GLOBAL HEAVY CHEMICALS LTD.
Statement of Cash Flow (Un-Audited)
For the 3rd Quarter Ended March 31, 2023

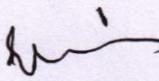
PARTICULARS	July 2022 to March 2023	July 2021 to March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Cash Receipts:	322,043,809	336,629,118
Cash Receipts from Customers	321,792,559	336,270,697
Cash Receipts from Others Income	251,250	358,421
Cash Payments:	350,116,606	308,642,114
Cash paid to suppliers, employees & others	288,971,471	270,554,864
Income Tax	5,913,974	5,242,124
Financial Expenses	55,231,161	32,845,126
Net Cash Provided by Operating Activities:	(28,072,797)	27,987,004
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Fixed Assets Addition	(117,303,813)	(87,395,682)
Net Cash Used in Investing Activities:	(117,303,813)	(87,395,682)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Bank loan	144,877,164	68,932,416
Dividend Paid	(4,611,114)	(10,747,335)
Net Cash provided by Financing Activities:	140,266,050	58,185,081
D. Net Cash Inflow (A+B+C):	(5,110,560)	(1,223,597)
E. Opening Cash & Cash Equivalent	39,307,271	31,520,317
F. Closing Cash & Cash Equivalent (D+E):	34,196,712	30,296,720
Net Operating Cash flow per share:	(0.39)	0.39

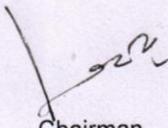
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 Company Secretary


 Chief Financial Officer


 Director


 Managing Director


 Chairman

Date: April 27, 2023
 Dhaka



GLOBAL HEAVY CHEMICALS LIMITED

37, SEGUN BAGICHA

DHAKA-1000

Notes to the Financial Statements (Un- Audited)

For the 3rd Quarter Ended March 31, 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 3rd Quarter Ended March 31, 2023 should be read in conjunction with the Financial Statements for the year ended 30 June 2022 (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 3rd Quarter Ended March 31, 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-Mar-23</u>	<u>30-Jun-22</u>
3.00 Property, Plant & Equipment -Carrying Value		
Opening balance	5,260,366,122	5,060,187,613
Add: Addition during the Period	<u>117,303,813</u>	<u>200,178,509</u>
	5,377,669,935	5,260,366,122
Less: Accumulated depreciation up to last account	<u>800,548,945</u>	<u>719,229,264</u>
	4,577,120,990	4,541,136,858
Less: Depreciation charged during the Period	<u>63,679,995</u>	<u>81,319,681</u>
Carrying Value	<u>4,513,440,995</u>	<u>4,459,817,177</u>
4.00 Advances, Deposits and Prepayments		
Security Deposits	14,556,803	14,556,803
Advance Tax	39,801,076	33,887,102
Advance VAT	21,471,276	11,680,666
Other Advance & Deposit (Note: 4.01)	<u>54,715,537</u>	<u>81,578,558</u>
Total:	<u>130,544,692</u>	<u>141,703,129</u>
4.01 Other Advance & Deposit		
Advance to C & F agent	5,294,071	6,134,527
Advance to Carrying agent	1,985,519	2,267,450
Advance for Capital Expenditure	22,567,509	43,742,980
Advance to supplier	11,980,627	14,572,856
Advance to employee	12,317,164	14,186,540
Other advance expenses and deposited	<u>570,647</u>	<u>674,205</u>
Total:	<u>54,715,537</u>	<u>81,578,558</u>
5.00 Inventories		
Raw Materials	137,442,950	124,014,995
Packing Materials	10,589,450	10,261,374
Finished Goods	130,589,455	130,486,075
Others	<u>4,251,690</u>	<u>3,476,980</u>
Total:	<u>282,873,545</u>	<u>268,239,424</u>
6.00 Cash and Cash Equivalents		
Cash in hand	2,798,521	5,737,764
Cash at bank	<u>31,398,190</u>	<u>33,569,507</u>
Total	<u>34,196,711</u>	<u>39,307,271</u>
7.00 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	505,226,503	488,426,382
Provision made for the current Period	<u>12,378,783</u>	<u>16,800,121</u>
Total	<u>517,605,287</u>	<u>505,226,503</u>
Calculation:		
Written Down Value excluding Land (Account Base)	2,706,708,969	2,653,085,151
Written Down Value excluding Land (Tax Base)	<u>677,471,540</u>	<u>678,864,536</u>
Temporary Difference	2,029,237,429	1,974,220,615
Tax Rate	22.5%	22.5%
Deferred Tax (Assets)/Liabilities	<u>456,578,422</u>	<u>444,199,638</u>
Deferred Tax on Land revaluation Surplus	<u>61,026,865</u>	<u>61,026,865</u>
	<u>517,605,287</u>	<u>505,226,503</u>



	July 2022 to March 2023	July 2021 to March 2022
8.00 Cost of Goods Sold		
Materials Consumed (Note-8.01)	94,699,803	86,544,955
Direct Labour	27,045,805	27,564,932
Manufacturing Overhead (Note-8.02)	209,472,220	185,972,446
Cost of Production	<u>331,217,828</u>	<u>300,082,333</u>
Add: Opening Stock of Finished Goods	130,486,075	114,584,780
	461,703,903	414,667,113
Less: Closing Stock of Finished Goods	(130,589,455)	(119,670,274)
Total:	<u><u>331,114,448</u></u>	<u><u>294,996,839</u></u>
8.01 Materials Consumed		
Opening Stock of Raw Materials	124,014,995	118,548,120
Opening Stock of Packing Materials	10,261,374	10,548,215
Add: Raw Materials Purchase	103,946,154	81,567,392
Add: Packing Materials Purchases	4,509,680	4,512,580
	<u>242,732,203</u>	<u>215,176,307</u>
Less: Closing Stock of Raw Materials	(137,442,950)	(117,951,688)
Less: Closing Stock of Packing Materials	(10,589,450)	(10,679,664)
Total :	<u><u>94,699,803</u></u>	<u><u>86,544,955</u></u>
8.02 Manufacturing Overhead		
Carriages	4,258,460	3,725,480
Gas Expenses	139,663,231	120,141,079
Fuel and Lubricants	2,895,624	2,789,451
Depreciation	60,495,996	57,270,585
Repair & Maintenance	2,158,910	2,045,851
Total :	<u><u>209,472,220</u></u>	<u><u>185,972,446</u></u>
9.00 Office & Administrative Expenses		
Salary & Allowances	185,291,93	18,070,210
Managing Director's Salary	1,080,000	1,080,000
Director remuneration	630,000	630,000
Office rent	450,000	450,000
Telephone	(82,885)	336,220
Printing & Stationery	(98,717)	242,556
Electricity	(22,799)	170,938
Audit fees	250,000	223,583
Postage	194,854	190,027
Entertainment	145,353	141,752
AGM Expenses	142,850	119,250
Computer Repairs and Accessories	108,601	105,911
Traveling and Conveyance	164,053	159,989
Annual Subscription and Professional fees	369,510	342,568
Books, Papers & Periodicals	62,347	60,803
Advertisement	197,883	192,981
Vehicles Maintenance	411,224	401,038
Depreciation	3,184,000	3,014,241
Total :	<u><u>25,715,467</u></u>	<u><u>25,932,067</u></u>
10.00 Selling & Distribution Expenses		
Salary & Allowances	1,602,167	1,548,626
Delivery Expenses	679,642	700,662
Carton Expenses	1,954,050	2,014,485
Vehicles Maintenance	796,062	820,682
Total:	<u><u>5,031,921</u></u>	<u><u>5,084,455</u></u>



	July 2022 to March 2023	July 2021 to March 2022
11.00 Reconciliation of Cash flows from operating activities (Indirect Method):		
Profit before Tax	(85,223,804)	(32,960,188)
Adjustments for Expenses Not Requiring Cash:		
Depreciation	63,679,995	60,284,826
Provision For WPPF	-	-
Working capital changes:		
(Increase) / Decrease In Trade Receivables	(10,061,979)	10,442,031
(Increase) / Decrease In Inventories	(14,634,121)	(4,623,932)
(Increase) / Decrease In Advances, Deposits and Prepayments	17,072,411	(5,596,014)
Increase / (Decrease) In Trade Payables	(58,889)	248,667
Increase / (Decrease) In Advance Receipt Against Sales	236,595	288,787
Increase / (Decrease) In Provision & Liabilities For Expenses	6,830,968	6,627,708
WPPF Paid	-	(1,482,757)
Income Tax Paid	(5,913,974)	(5,242,124)
Net Cash From Operating Activities	<u>(28,072,797)</u>	<u>27,987,004</u>

12.00 Significant Deviation:

During the reporting period from July 1 2022 to 31 March 2023 our sales have been increased compare to same period of the previous year but our net profit after tax has been decrease due to increase of the raw materials import cost. Hence Earnings per Share has been decreased compare to same period of the previous year.

Due to increase in financial expenses net cash payment for the operating activities has been Increase and Net Operating Cash Flow per Share (NOCFPS) has been decrease during the reporting period compare to same period of the previous year

13.00 Calculation of Provision for Current Tax

Minimum Tax Note: 13.01

Regular Tax

Provision for Current Tax is the Higher One

5,913,974	5,242,124
<u>5,913,974</u>	<u>5,242,124</u>

13.01 Minimum Tax

Turnover Base

0.60% on Sales

Tax on other income

Minimum Tax on Turnover and others Income

Deducted Tax at source

Minimum Tax is the Higher One

1,989,708	1,953,239
75,375	114,695
<u>2,065,083</u>	<u>2,067,934</u>
5,913,974	5,242,124
<u>5,913,974</u>	<u>5,242,124</u>

14.00 Earnings Per Share

Particulars

Surplus for the Period attributable to the shareholders

Number of outstanding share at the end of the year

Basic Earnings Per Share

(103,516,562)	(49,008,041)
72,000,000	72,000,000
<u>(1.44)</u>	<u>(0.68)</u>

15.00 Net Operating Cash Flows per share(NOCFPS)

Particulars

Net Cash Provided by Operating Activities

Number of outstanding share at the end of the year

Net Operating Cash Flows per share (NOCFPS)

(28,072,797)	27,987,004
72,000,000	72,000,000
<u>(0.39)</u>	<u>0.39</u>



16.00 Net Asset Value Per Share

Particulars

Net Asset Value at the end of the Year
 Number of outstanding share at the end of the year
 Net Asset Value (NAV) Per Share

	31-Mar-23	30-Jun-22
	3,756,929,271	3,864,966,833
	72,000,000	72,000,000
	52.18	53.68

17.00 Related Parties Transactions

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

SL No.	Name of Related Party Companies	Nature of Transaction	Outstanding as on		Head of A/C
			31-Mar-23	30-Jun-22	
1	Opsonin Pharma Ltd.	Sales	7,517,875	6,439,901	Accounts Receivables
2	Opso Saline Ltd.	Sales	21,188,275	18,150,127	Accounts Receivables
3	Global Capsules Ltd.	Sales	40,749,526	34,906,524	Accounts Receivables
4	Crescent Chemicals	Purchases	2,527,570	2,442,420	Accounts Payables
SL No.	Name of Related Party	Nature of Transaction	During the period		Head of A/C
			July 2022 to March 2023	July 2021 to March 2022	
1	Abdur Rouf Khan	Remuneration	630,000	630,000	Operating Expense
2	Abdur Rakib Khan	Remuneration	1,080,000	1,080,000	Operating Expense

