

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



For the 3rd Quarter Ended March 31, 2024

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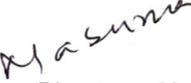
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GLOBAL HEAVY CHEMICALS LTD.
Statement of Financial Position (Un-audited)
As at 31 March 2024

	Notes	31-Mar-24	(Amount in Taka) 30-Jun-23
ASSETS			
Non-Current Assets			
Property, Plant and Equipment -Carrying Value	3.00	4,583,775,107	4,611,421,761
Current Assets			
Advances, Deposits and Prepayments	4.00	108,169,548	99,054,374
Inventories	5.00	256,987,222	290,990,714
Trade Receivable		46,996,932	160,454,743
Cash and cash equivalents	6.00	17,152,058	24,305,640
TOTAL ASSETS		5,013,080,868	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		(123,267,153)	177,228,146
Non-Current Liabilities			
Long Term Loan		1,382,920	41,347,020
Deferred Tax (Assets)/Liabilities	8.00	529,670,011	531,843,372
Current Liabilities & Provisions			
Trade Payable		216,084,566	12,300,748
Provision & Liabilities for Expenses		45,342,731	56,438,667
Unclaimed Dividend	9.00	3,269,700	3,269,700
Advance against Sales		111,131,763	5,339,000
Current portion of long term loan		39,320,175	53,355,586
Short term Bank Loan		894,296,746	1,015,791,853
Provision for Income Tax		27,804,660	21,268,390
TOTAL EQUITY AND LIABILITIES		5,013,080,868	5,186,227,232
Net Asset Value per share		43.68	47.85


Company Secretary


Chief Financial Officer


Director


Managing Director


Chairman

Date: April 28, 2024
Dhaka



GLOBAL HEAVY CHEMICALS LTD.
Statement of Profit or Loss and Others Comprehensive Income (Un-Audited)
For the 3rd Quarter ended 31 March 2024

<u>Particulars</u>	<u>Notes</u>	<u>July 2023 to</u>	<u>July 2022 to</u>	<u>January 2024 to</u>	<u>(Amount in Taka)</u>
		<u>March 2024</u>	<u>March 2023</u>	<u>March 2024</u>	<u>January 2023 to</u> <u>March 2023</u>
Net Sales		495,938,605	331,617,943	209,706,283	107,048,701
Cost of Goods Sold	11.00	(662,253,178)	(331,114,448)	(179,485,869)	(115,194,185)
Gross Profit		(166,314,574)	503,495	30,220,414	(8,145,484)
Operating Expenses		(37,431,816)	(30,747,388)	(13,472,238)	(10,587,117)
Office & administrative Expenses	12.00	(24,865,892)	(25,715,467)	(8,419,461)	(8,726,897)
Selling & Distribution Expenses	13.00	(12,565,923)	(5,031,921)	(5,052,777)	(1,860,220)
Operating Income		(203,746,390)	(30,243,893)	16,748,176	(18,732,601)
Financial Expenses		(93,110,171)	(55,231,161)	(28,792,216)	(19,504,899)
Other Income		724,171	251,250	296,150	55,990
Profit before WPPF & Tax		(296,132,391)	(85,223,804)	(11,747,891)	(38,181,510)
Provision For WPPF		-	-	-	-
Profit before Tax		(296,132,391)	(85,223,804)	(11,747,891)	(38,181,510)
Income Tax Expenses		(4,362,909)	(18,292,758)	(1,054,515)	(209,524)
Provision for Current Tax		(6,536,270)	(5,913,974)	(697,497)	-
Provision for Deferred Tax	16.00	2,173,361	(12,378,784)	(357,018)	(209,524)
Profit after tax		(300,495,299)	(103,516,562)	(12,802,406)	(38,391,034)
Basic Earnings Per Share		(4.17)	(1.44)	(0.18)	(0.53)
Diluted Earnings Per Share		(4.17)	(1.44)	(0.18)	(0.53)


 Company Secretary


 Chief Financial Officer


 Director


 Managing Director


 Chairman



Date: April 28, 2024
 Dhaka

GLOBAL HEAVY CHEMICALS LTD.
Statement of Changes in Equity (Un-Audited)
For the 3rd Quarter ended 31 March 2024

(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	-	-	(300,495,299)	-	(300,495,299)
Balance as at March 31, 2024	720,000,000	1,083,400,000	(123,267,153)	1,464,644,749	3,144,777,596

For the 3rd Quarter ended 31 March 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 Payable 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	488,884,521	1,464,644,749	3,756,929,271


 Company Secretary


 Chief Financial Officer


 Director


 Managing Director


 Chairman

Date: April 28, 2024
 Dhaka

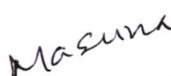


GLOBAL HEAVY CHEMICALS LTD.
Statement of Cash Flow (Un-Audited)
For the 3rd Quarter ended 31 March 2024

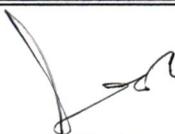
PARTICULARS	July 2023 to March 2024	July 2022 to March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Cash Receipts:	715,913,349	322,043,809
Cash Receipts from Customers	715,189,179	321,792,559
Cash Receipts from Others Income	724,171	251,250
Cash Payments:	509,274,344	350,116,606
Cash paid to suppliers, employees & others	409,627,903	288,971,471
Income Tax	6,536,270	5,913,974
Financial Expenses	93,110,171	55,231,161
Net Cash Provided by Operating Activities:	206,639,005	(28,072,797)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Fixed Assets Addition	(38,297,970)	(117,303,813)
Net Cash Used in Investing Activities:	(38,297,970)	(117,303,813)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Bank loan	(175,494,617)	144,877,164
Dividend Paid	-	(4,611,114)
Net Cash provided by Financing Activities:	(175,494,617)	140,266,050
D. Net Cash Inflow (A+B+C):	(7,153,582)	(5,110,560)
E. Opening Cash & Cash Equivalent	24,305,640	39,307,271
F. Closing Cash & Cash Equivalent (D+E):	17,152,057	34,196,710
Net Operating Cash flow per share:	2.87	(0.39)


Company Secretary


Chief Financial Officer


Director


Managing Director


Chairman

Date: April 28, 2024
Dhaka



GLOBAL HEAVY CHEMICALS LIMITED

37, SEGUN BAGICHA

DHAKA-1000

Notes to the Financial Statements (Un- Audited)

For the 3rd Quarter Ended March 31, 2024

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, 2024 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 3rd Quarter Ended March 31, 2024.

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-24</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	38,297,970	241,802,162
	<u>5,540,466,254</u>	<u>5,502,168,284</u>
Less: Accumulated depreciation up to last account	890,746,524	800,548,945
	<u>4,649,719,730</u>	<u>4,701,619,339</u>
Less: Depreciation charged during the Period	65,944,623	90,197,579
Written Down Value	<u>4,583,775,107</u>	<u>4,611,421,761</u>
4.00 Advances, Deposits and Prepayments		
Security Deposits	22,556,803	22,556,803
Advance Tax	43,632,387	37,096,118
Advance VAT	41,069,279	36,956,384
Other Advance & Deposit (Note: 4.01)	911,079	2,445,070
Total:	<u>108,169,548</u>	<u>99,054,374</u>
4.01 Other Advance & Deposit		
Advance to supplier	329,650	728,640
Advance to employee	342,062	1,379,327
Other advance expenses and deposited	239,367	337,103
Total:	<u>911,079</u>	<u>2,445,070</u>
5.00 Inventories		
Raw Materials	110,908,511	141,842,965
Packing Materials	18,519,603	16,364,063
Finished Goods	126,685,912	127,750,625
Others	873,196	5,033,062
Total:	<u>256,987,222</u>	<u>290,990,714</u>
6.00 Cash and Cash Equivalents		
Cash in hand	757,944	3,242,380
Cash at bank	16,394,114	21,063,260
Total	<u>17,152,058</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	(2,173,360)	26,616,868
Total	<u>529,670,011</u>	<u>531,843,372</u>
Calculation:		
Written Down Value excluding Land (Account Base)	2,777,043,081	2,804,689,734
Written Down Value excluding Land (Tax Base)	694,184,654	712,171,927
Temporary Difference	2,082,858,427	2,092,517,807
Tax Rate	22.5%	22.5%
Deferred Tax (Assets)/Liabilities	<u>468,643,146</u>	<u>470,816,507</u>
Deffered Tax on Land revaluation Surplus	<u>61,026,865</u>	<u>61,026,865</u>
	<u>529,670,011</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 March 2024	July 2022 to March 2023
11.00 Cost of Goods Sold		
Materials Consumed (Note-11.01)	127,090,836	94,699,803
Direct Labour	52,422,838	27,045,805
Manufacturing Overhead (Note-11.02)	481,674,791	209,472,220
Cost of Production	661,188,465	331,217,828
Add: Opening Stock of Finished Goods	127,750,625	130,486,075
	788,939,090	461,703,903
Less: Closing Stock of Finished Goods	(126,685,912)	(130,589,455)
Cost of Goods Sold:	662,253,178	331,114,448
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	87,701,951	103,946,154
Add: Packing Materials Purchases	10,609,972	4,509,680
	256,518,951	242,732,203
Less: Closing Stock of Raw Materials	(110,908,511)	(137,442,950)
Less: Closing Stock of Packing Materials	(18,519,603)	(10,589,450)
Materials Consumed:	127,090,836	94,699,803
11.02 Manufacturing Overhead		
Carriages	5,611,916	4,258,460
Gas Expenses	66,633,777	139,663,231
Electricity Expenses	354,967,024	-
Fuel and Lubricants	3,050,329	2,895,624
Depreciation	49,458,467	60,495,996
Rrepair & Maintenance	1,953,279	2,158,910
Manufacturing Overhead:	481,674,791	209,472,220
12.00 Office & Administrative Expenses		
Salary & Allowances	3,169,503	18,529,193
Managing Director's Salary	1,080,000	1,080,000
Director remuneration	630,000	630,000
Office rent	288,000	450,000
Telephone & Internet	82,324	82,885
Printing & Stationery	478,808	98,717
Electricity	145,981	22,799
Audit fees	-	250,000
Postage	278,353	194,854
Entertainment	401,825	145,353
AGM Expenses	180,000	142,850
Computer Repairs and Accessories	151,500	108,601
Traveling and Conveyance	83,052	164,053
Annual Subscription and Professional fees	784,210	369,510
Books, Papers & Periodicals	14,224	62,347
Advertisement	215,936	197,883
Vehicles Maintenance	396,022	411,224
Depreciation	16,486,156	3,184,000
Total	24,865,892	25,715,467
13.00 Selling & Distribution Expenses		
Salary & Allowances	11,798,276	1,602,167
Delivery Expenses	114,451	679,642
Carton Expenses	257,175	1,954,050
Vehicles Maintenance	396,022	796,062
Total	12,565,923	5,031,921



	July 2023 to March 2024	July 2022 to March 2023
14.00 Reconciliation of Cash flows from operating activities (Indirect Method):		
Profit before Tax	(296,132,391)	(85,223,804)
Adjustments for Expenses Not Requiring Cash:		
Depreciation	65,944,623	63,679,995
Provision For WPPF	-	-
Working capital changes:		
(Increase) / Decrease In Trade Receivables	113,457,811	(10,061,979)
(Increase) / Decrease In Inventories	34,003,492	(14,634,121)
(Increase) / Decrease In Advances, Deposits and Prepayments	(2,578,905)	17,072,411
Increase / (Decrease) In Trade Payables	203,783,818	(58,889)
Increase / (Decrease) In Advance Receipt Against Sales	105,792,763	236,595
Increase / (Decrease) In Provision & Liabilities For Expenses	(11,095,936)	6,830,968
WPPF Paid	-	-
Income Tax Paid	(6,536,270)	(5,913,974)
Net Cash From Operating Activities	206,639,005	(28,072,797)
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 March 31, 2024 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.</p> <p>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	6,536,270	5,913,974
Regular Tax	-	-
Provision for Current Tax is the Higher One	6,536,270	5,913,974
16.01 Minimum Tax		
Turnover Base		
0.60% on Sales	2,975,632	1,989,708
Tax on other income	162,938	75,375
Minimum Tax on Turnover and others Income	3,138,570	2,065,083
Deducted Tax at source	6,536,270	5,913,974
Minimum Tax is the Higher One	6,536,270	5,913,974
17.00 Earnings Per Share		
Particulars		
Surplus for the Period attributable to the shareholders	(300,495,299)	(103,516,562)
Number of outstanding share at the end of the year	72,000,000	72,000,000
Basic Earnings Per Share	(4.17)	(1.44)
18.00 Net Operating Cash Flows per share(NOCFPS)		
Particulars		
Net Cash Provided by Operating Activities	206,639,005	(28,072,797)
Number of outstanding share at the end of the year	72,000,000	72,000,000
Net Operating Cash Flows per share (NOCFPS)	2.87	(0.39)



19.00 Net Asset Value Per Share	31-Mar-24	30-Jun-23
Particulars		
Net Asset Value at the end of the Year	3,144,777,596	3,756,929,271
Number of outstanding share at the end of the year	72,000,000	72,000,000
Net Asset Value (NAV) Per Share	43.68	52.18

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-Mar-24	30-Jun-23	
1	Opsonin Pharma Ltd.	Sales	608,654	985,139	Accounts Receivables
2	Opso Saline Ltd.	Sales	708,089	9,084,510	Accounts Receivables
3	Global Capsules Ltd.	Sales	12,082,179	18,512,500	Accounts Receivables
4	Crescent Chemicals Ltd.	Purchases	815,504	10,142,298	Accounts Payables

SL No.	Name of Related Party	Nature of Transaction	Amount		Head of A/C
			July 2023 to March 2024	July 2022 to March 2023	
			1	Abdur Rouf Khan	
2	Abdur Rakib Khan	Remuneration	1,080,000	1,080,000	Operating Expense

