

MIRA INFORM REPORT

Report No. :	538946
Report Date :	13.11.2018

IDENTIFICATION DETAILS

Name :	GLOBAL HEAVY CHEMICALS LTD
Registered Office :	Opsonin Bhaban, 37, Segun Bagicha, Dhaka-1000
Country :	Bangladesh
Financials (as on) :	31.03.2018
Date of Incorporation :	19.09.2000
Com. Reg. No.:	C-41335
Legal Form :	Public Listed Co
Line of Business :	Manufacturer, Importer, Distributor of Industrial Chemicals
No. of Employees :	401

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :	A+
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Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

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ECGC Country Risk Classification List

Country Name	Previous Rating (30.06.2018)	Current Rating (30.09.2018)
Bangladesh	A2	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

BANGLADESH - ECONOMIC OVERVIEW

Bangladesh's economy has grown roughly 6% per year since 2005 despite prolonged periods of political instability, poor infrastructure, endemic corruption, insufficient power supplies, and slow implementation of economic reforms. Although more than half of GDP is generated through the services sector, almost half of Bangladeshis are employed in the agriculture sector, with rice as the single-most-important product.

Garments, the backbone of Bangladesh's industrial sector, accounted for more than 80% of total exports in FY 2016-17. The industrial sector continues to grow, despite the need for improvements in factory safety conditions. Steady export growth in the garment sector, combined with \$13 billion in remittances from overseas Bangladeshis, contributed to Bangladesh's rising foreign exchange reserves in FY 2016-17.

The recent influx of over 700,000 additional refugees from Burma will place pressure on the Bangladeshi government's budget and the country's rice supplies, which declined in 2017 in part because of record flooding. Recent improvements to energy infrastructure, including the start of liquefied natural gas imports in 2018, represent a major step forward in resolving a key growth bottleneck.

Source : CIA

EXECUTIVE SUMMARY

IDENTIFICATION DETAILS

Correct company Name : **Global Heavy Chemicals Ltd**
Head Office : Opsonin Bhaban, 37, Segun Bagicha, Dhaka-1000, Bangladesh.
Tel No : 88-02- 9330191, 9357244, ,9337111
Fax No : 88-02- 8312919
E-mail : info.ghcl@opsonin.net, kzaman@opsoglobal.com,
info@opsoglobal.com, azam@opsoglobal.com
Website : www.ghclbd.com
Date/ Year of : 19.09.2000
Incorporation
Incorporation No. : C-41335
Date of Listing at DSE & CSE : 06.03.2013
Legal Form (General) : Public Listed Co Public (but not listed) Private Co State-owned Co
 Sole Proprietorships Partnership Not Registered
 others (please specify) _____
Legal form (Specific) : LTD CORP INC CO
 others (please specify) _____
Issuing Authority : Registrar of Joint Stock Companies & Firms City Corporation
 Municipal Administration Union Council

OTHER REGISTRY & CERTIFICATION DETAILS

Organization Name : Dhaka Chamber of Commerce & Industry
Membership No : N/A

FINANCIALS- SUMMARY

Year	Turnover/ Sales	Assets	Income/ (Loss)
30 th June, 2017	BDT 398754411 (July'2016 ~March'2017)	BDT 4445946831	BDT 57879900 (July'2016 ~March'2017)
31 st March'2018	BDT 435225066 (July'2017 ~March'2018)	BDT 4506822266	BDT 62978948 (July'2017 ~March'2018)

FULLCHECK REPORT DETAILS

Information Parted By

Name : Mr. Khondoker Ahaduzzaman
Designation : Company Secretary
Contract No : N/A

Locations Details

Operating Address : Opsonin Bhaban, 37, Segun Bagicha, Dhaka-1000, Bangladesh.
Tel No : 88-02- 9330191, 9357244, ,9337111
Fax No : 88-02- 8312919
E-mail : info.ghcl@opsonin.net, kzaman@opsoglobal.com,
info@opsoglobal.com, azam@opsoglobal.com
Website : www.ghclbd.com

Location : Owned Rented Leased Area 4800 Sq. ft.

Type of Office : Commercial Office Bldg. Semi-commercial office Bldg.

Retail shop Industrial Park
Business Center Home Office
Residential Bldg.

Factory Address:

Address : Hasnabad, Keranigonj, Dhaka-1312, Bangladesh.
Tel No : 88-02-8321590, 9353977
Fax No : Nil

Branch Address:

Address : Opsonin Complex (5th Floor), 31, New Eskaton Road, Dhaka-1000, Bangladesh.
Tel No : Nil
Fax No : Nil

Employee:

No. of Employees In Office : 35 In Factory : 334
Sales : 32 **Total** : 401

Details:

OWNERSHIP/SHAREHOLDERS

Names of Shareholders	No. of Share	Country
Director & Sponsor	49705000	Bangladesh.
General Shareholders	22295000	Bangladesh.

DIRECTORS

1.

Name : Capt. Abdus Sabur Khan (Retd)
Designation : Chairman
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

2.

Name : Mr. Abdur Rouf Khan
Designation : Vice Chairman
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

3.

Name : Mr. Abdur Rakib Khan
Designation : Managing Director
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

4.

Name : Ms. Masuma Begum
Designation : Director
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

5.

Name : Mr. Zakia Sultana Khan
Designation : Director

Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

6.

Name : Suraya Jebeen Naz
Designation : Director
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

7.

Name : Abdur Rakib Khan
(Nominee Of Opsonin Pharma Ltd.)
Designation : Director
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

8.

Name : Dr. Khondokar Rahat Hossain
Designation : Independent Director
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

9.

Name : NAG Mohiuddin
Designation : Independent Director
Nationality : Bangladeshi.
Email address : N/A
Other details : N/A

MANAGEMENT

Name : Mr. Abdur Rakib Khan
Job Description : Managing Director
Nationality : Bangladeshi
Email address : N/A
Other details : N/A

Name : Md. Jakaria Khan
Job Description : Assistant Manager

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Production Capacity : N/A
Last Year Production : N/A
Import Products : N/A
Export Products : N/A

Trading Terms:

Purchasing Terms: L/C Cash Others
Credit : 30 days 60 days 90 days days

Selling Terms : L/C Cash Others
Credit : 30 days 60 days 90 days days

DETAILED DATA

Trade : Overseas Clients : N/A
Reference & Local Clients : Local wholesalers
Related Overseas Suppliers : N/A
Parties Local Suppliers : N/A
Trade Markets : Exports(Country) : N/A
Imports(Country) : China, India, Europe

Brand Name : N/A
Certified : ISO 9001-2008
Name of Auditors : Atik Khaled & Co.
Chartered Accountants
Hasan Court (1st Floor), 23/1, Motijheel C/A, Dhaka-1000, Bangladesh.

Operation Status : Active

CAPITAL STRUCTURE

Authorized Capital : BDT 1,000 Million
Paid-up Capital : BDT 720000000
No. of Shares : 72000000
Share Value : BDT 10.00Each
Main Assets : BDT 4506822266

FINANCIAL STATEMENT- DETAILED

Balance Sheet :

Currency : BDT
Denomination : 1
Financial Year Ending : 31st March'2018

Financial Highlights	31st March'2018	30th June'2017
ASSETS		
Non-Current Assets		
Property, Plant & Equipment -Carrying Value	3,888,762,665	3,832,436,786
Current Assets	618,059,600	613,510,044
Advances, Deposits and Prepayments	149,515,195	137,532,027
inventories	178,001,047	181,196,398
Trade Receivable	258,293,674	261,143,531
Cash and cash equivalents	32,249,684	33,638,088
TOTAL ASSETS	4,506,822,266	4,445,946,831
EQUITY AND LIABILITIES		
Shareholders' equity	3,915,567,277	3,874,883,329
Share Capital	720,000,000	720,000,000
Share Premium	1,083,400,000	1,083,400,000
Revaluation Reserve	1,525,671,614	1,525,671,614
Retained Earnings	586,495,663	545,811,715
Non-Current Liabilities	387,986,887	374,583,691
Deferred Tax (Assets)/Liabilities	387,986,887	374,583,691
Current Liabilities & Provisions	203,268,101	196,479,810
Trade Payable	2,470,552	2,129,345
Provision & Liabilities for Expenses	37,655,529	39,759,933
Share money (Refundable)	11,545,000	11,545,000
Advance against Sales	5,153,043	5,319,509
Short term Bank Loan	33,482,931	31,348,691
Provision for WPPF	4,198,597	5,204,669
Provision for Tax	108,762,450	101,172,664
Total equity and liabilities	4,506,822,266	4,445,946,831
Net asset Value per share	54.38	53.82

Income Statement :

Currency : BDT
Denomination : 1

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Financial Year Ending : 31st March'2018

Financial Highlights	July'2017 ~March'2018	July'2016 ~March'2017
Head Of Accounts		
Net Sales	435,225,066	398,754,411
Cost of Goods Sold	(306,912,357)	(280,370,685)
Gross Profit	128,312,709	118,383,726
Operating Expenses	(30,293,475)	(29,545,753)
Office & administrative Expenses	(25,597,691)	(24,990,114)
Selling & Distribution Expenses	(4,695,784)	(4,555,639)
Operating income	98,019,234	88,837,973
Financial Expenses	(10,274,580)	(8,099,875)
Other income	425,874	293,762
Net Profit before WPPF & Tax	88,170,528	81,031,859
Provision For WPPF	(4,198,597)	(3,858,660)
	83,971,931	77,173,199
Income Tax Expenses	(20,992,983)	(19,293,300)
Provision for Current Tax	(7,589,786)	(8,735,801)
Provision for Deferred Tax	(13,403,197)	(10,557,499)
Profit after tax	62,978,948	57,879,900
Earnings Per Share	0.87	0.80

Cash Flow :

Currency : BDT
Denomination : 1
Financial Year Ending : 31st March'2018

Financial Highlights	July'2017 ~March'2018	July'2016 ~March'2017
A. Cash flows from operating activities		
Cash Receipts:	439,173,583	425,041,729
Cash Receipts from Customers	438,747,709	424,747,967
Cash Receipts from Others income	425,874	293,762
Cash Payments:	313,388,500	299,878,064
Cash paid to suppliers, employees & others	289,132,139	272,473,571
Income Tax	13,981,781	19,304,618
Bank interest & Charges Paid	10,274,580	8,099,875
Net Cash Provided by Operating Activities	125,785,084	125,163,665
B. CASH FLOW FROM INVESTING ACTIVITIES		
Fixed Assets Addition	(106,960,260)	(65,523,052)
Capital Work in Progress	-	(30,982,318)
Net Cash Used in investing Activities	(106,960,260)	(96,505,370)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Bank loan (Short term loan)	2,134,240	1,158,139

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Dividend Paid	(22,347,468)	(33,490,775)
Net Cash provided by Financing Activities:	(20,213,228)	(32,332,636)
D. Net Cash inflow (A+B+C)	(1,388,404)	(3,674,341)
E. Opening Cash & Cash Equivalent	33,638,088	28,983,101
F. Closing Cash & cash Equivalent (D+E):	32,249,684	25,308,759
Net Operating Cash flow per share:	1.75	1.74

ASSOCIATES/SUBSIDIARIES/ RELATED PARTIES

Name of The Group	: Opsonin Group
Name of Mother Company	: Nil
Subsidiary	: Nil
Sister Concerns	: Jokky Garments Ltd. Opsonin Pharma Ltd. Crescent Chemicals Ltd. Opsonin Saline Limited Global Capsules Limited Opsonin Chemical Ind. Ltd. Opsonin Bulk Drugs Limited.

BANKING

Bank Name	: Uttara Bank Ltd AB Bank Limited Pubali Bank Limited Dutch Bangla Bank Ltd.
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ADVERSE DATA MONITORING

Dishonored Checks	: No Record Found
Debt	: No Record Found
Litigation	: Clear
Performance Defaults	: No Record Found
Adverse Coverage/ Local Adverse Media Filling	: No Record Found

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History

SITE VISIT COMMENTARY

Our representative visited the subject company Head Office which is situated at Opsonin Bhaban, 37, Segun Bagicha, Dhaka-1000, Bangladesh. It is situated at Residential Area.

GENERAL COMMENTS

The subject company is engaged in Industrial Chemicals (Caustic Soda & others). It is reputed company in this line of business.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 72.91
UK Pound	1	INR 93.99
Euro	1	INR 82.43
BDT	1	INR 0.86

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	DIV
Report Prepared by :	KET

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)