

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Financial Position (Un-Audited)
As at September 30, 2019

Particulars	Amount in Taka	
	30-09-2019	30-06-2019
ASSETS		
Non-Current Assets	1,834,813,788	1,848,690,252
Property, Plant & Equipment	1,833,265,317	1,847,141,781
Security Deposits	1,548,471	1,548,471
Current Assets:	1,225,959,501	1,173,100,869
Inventories	501,737,086	468,297,673
Trade Receivables	619,866,983	617,542,172
Advances, Deposits and Prepayments	51,798,174	38,808,225
STD Account (IPO)	2,945,000	2,945,000
STD Account (Dividend)	718,079	718,079
Cash and Cash Equivalents	48,894,179	44,789,720
TOTAL ASSETS	3,060,773,289	3,021,791,121
EQUITY AND LIABILITIES		
Shareholder's Equity	3,012,361,450	2,973,502,086
Share Capital	1,982,667,480	1,982,667,480
Retained Earnings	1,029,693,970	990,834,606
Current Liabilities	48,411,839	48,289,035
Trade and Other Payables	38,817,197	38,964,750
Short Term borrowings	1,997,984	2,002,142
Share Money Deposit (IPO)	2,945,000	2,945,000
Dividend Payables	718,079	718,079
Creditors and Accruals	3,933,579	3,659,064
TOTAL EQUITY AND LIABILITIES	3,060,773,289	3,021,791,121
Net Asset Value per Share (NAV)	15.19	15.00


 Chairman


 Managing Director


 Director


 Chief Financial Officer


 Company Secretary


Place: Dhaka
 Dated: November 14, 2019



FAR CHEMICAL INDUSTRIES LIMITED
Statement of Profit or Loss and other Comprehensive Income (Un-Audited)
For the period ended September 30, 2019

Particulars	Amount in Taka	
	July 2019 to September, 2019	July 2018 to September, 2018
Revenue	251,023,256	297,460,394
Cost of Sales	207,101,717	221,908,429
Gross Profit	43,921,539	75,551,965
Operating Expenses	4,958,591	5,472,091
Selling & Distribution	2,717,688	3,072,688
Administrative Expenses	2,076,686	2,197,686
Employee Welfare Expenses	164,217	201,717
Profit from Operation	38,962,948	70,079,874
Financial Expenses	131,108	137,689
Add: Foreign Exchange Gain/(Loss)	7,982	8,873
	38,839,822	69,951,058
Add: Other Income	19,542	18,896
Net profit before tax	38,859,364	69,969,954
Income Tax Expenses	-	-
Profit after tax	38,859,364	69,969,954
Basic Earnings Per Share (EPS)	0.20	0.35

* EPS calculated based on weighted average number of shares.

				
Chairman	Managing Director	Director	Chief Financial Officer	Company Secretary

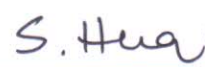
Place: Dhaka
Dated: November 14, 2019




FAR CHEMICAL INDUSTRIES LIMITED
Statement of Cash Flows (Un-Audited)
For the period ended 30th September, 2019

Particulars	Amount in Taka	
	July 2019 to September, 2019	July 2018 to September, 2018
A. Cash Flows From Operating Activities:		
Receipt from customers	248,698,445	299,997,020
Payment for Cost of Expenses	(239,965,056)	(194,741,175)
Payment for operating Expenses	(4,353,297)	(3,474,023)
Payment for employee welfare expenses	(164,217)	(201,717)
Net cash flows from Operating activities	4,235,417	101,580,105
B. Cash Flows From Investing Activities:		
Acquisition of Property, Plant & Equipment	-	(98,736,587)
Net cash flows from investing activities	-	(98,736,587)
C. Cash Flows From Financing Activities:		
Receipt/(Payment) against short term loan	(4,158)	(277,076)
Payment of financial expenses	(131,108)	(137,689)
Net Cash flows from financing activities	(135,266)	(414,765)
D. Increase/(Decrease) cash and cash equivalents (A+B+C)	4,100,151	2,428,753
E. Add: Foreign Exchange Gain/(Loss)-FC A/C	4,309	3,607
F. Opening cash and cash equivalents	44,789,720	22,210,099
G. Closing cash and cash equivalents (D+E+F)	48,894,179	24,642,459
Net Operating Cash Flows per Share (NOCFPS)	0.02	0.56


 Chairman


 Managing Director


 Director


 Chief Financial Officer


 Company Secretary

Place: Dhaka
 Dated: November 14, 2019



FAR CHEMICAL INDUSTRIES LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended September 30, 2019

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2019	1,982,667,480	990,834,606	2,973,502,086
Add: Current Period Net Profit	-	38,859,364	38,859,364
Total	1,982,667,480	1,029,693,970	3,012,361,450

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended September 30, 2018.

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2018	1,802,424,980	961,917,818	2,764,342,798
Add: Current period net profit	-	69,969,955	69,969,955
Total	1,802,424,980	1,031,887,773	2,834,312,753



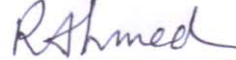
Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka

Dated: November 14, 2019



FAR Chemical Industries Limited
Notes, comprising significant accounting policies and other explanatory information
For the year ended September 30, 2019

1.00 Reporting Entity

Background of the Company

FAR Chemical Industries Limited (the Company') was incorporated in Bangladesh on 22 March 2007 as a Private Limited Company under the Companies Act 1994 with its Corporate office at House No: 11 (Floor: 5-A), Road No: 12, Niketon, Gulshan-1, Dhaka-1212 and Registered office & factory is situated at Plot # 135-136 in CEPZ, Comilla Export Processing Zone, Comilla, Bangladesh. Subsequently the company has been converted to Public Limited Company under the Companies Act 1994 on 19 June 2012 and issue of Public offer of 12,000,000 ordinary shares of Tk. 10.00 each at par totaling to Tk.120,000,000 as Bangladesh Securities and Exchange Commission (BSEC) ref no. BSEC/CI/IPO-220/2013/98 dated February 05, 2014.

2.00 Basis of Preparation of Financial Statements

2.01 Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IAS) as adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations in Bangladesh.

2.02 Reporting Currency and Level of Precision

The financial statements are presented in Bangladeshi Taka (Taka/Tk), which is the Company's functional currency. All financial information presented in Taka have been rounded off to the nearest Taka.

2.03 Preparation and Presentation of Financial Statements of the Company

The Board of Directors of FAR Chemical Industries Ltd is responsible for the preparation and presentation of financial statements.

2.04 Reporting Period

The financial period of the companies covers 3 months period from 01 July 2019 to 30 September 2019 and is followed consistently.

2.05 Statement of Cash Flows

Statement of cash flows is prepared in accordance with "IAS 7: Statement of Cash Flows" and the cash flow from operating activities have been presented under Direct Method as required by the Securities and Exchange Rules 1987 and considering the provisions that "Enterprises are Encouraged to Report Cash Flows from Operating Activities using the Direct Method".



3.00 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 as adopted by ICAB "Presentation of Financial Statements" the complete set of financial statements includes the following components.

- i. Statement of financial position as at 30 September 2019;
- ii. Statement of profit or loss and other comprehensive income for the period ended on 30 September 2019;
- iii. Statement of changes in equity for the period ended on 30 September 2019
- iv. Statement of cash flows for the period ended on 30 September 2019;and
- v. Notes, comprising significant accounting policies and other explanatory information for the period ended on 30 September 2019.

4.0 Foreign Currency Transaction/Translation

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to IAS 21: "The effect of changes in Foreign Exchange Rates". Monetary assets and liabilities denominated in the foreign currencies are translated at prevailing rates on the balance sheet (financial position) date. Non monetary assets and liabilities denominated in foreign currencies, which are related at historical cost, are translated into Bangladesh Taka at the exchange date ruling at the date of transactions. Foreign exchange fluctuation gain/losses are charged to Statement of Comprehensive Income for the respective period.

5.00 Taxation

No provision is made for income tax since the Company is situated in Export Processing Zone, Comilla and as per Income Tax Ordinance 1984 vide IRD SRO No. 289-Law/89, dated 19 August 1989, all industries operated in the Bangladesh Export Processing Zone (BEPZ) have been exempted from payment of income tax for a period of 10 years from the date of commercial operation.

6.00 Earnings per Share (EPS)

This has been calculated in compliance with the requirements of "IAS 33: Earnings per Share" by dividing the basic earnings by the weighted average number of ordinary Shares outstanding during the year.

Basic Earnings

This represents earnings for the period attributable to the ordinary shareholders. As there are no preference dividend, minority interest or extra ordinary items, the net profit for the year has been considered as fully attributable to ordinary shareholders. Basic earnings per has been calculated by dividing the net profit or loss by the number of weighted average ordinary share outstanding during the year.

7.00 Employee Benefits

7.1 Worker's Profit Participation

Accordance with the requirement of section 234 of Labor Act, 2006, the company should contribute 5% of net profit before charging the amount to the aforementioned fund. But the company established in Comilla Export Processing Zone and have to comply only BEPZA rules relating to services matter concerning workers and officers employed in the company operating in the Export Processing Zone Bangladesh, which imposed by BEPZA. So there is



no provision for Worker's Profit Participation Fund in company's profits as per BEPZA rules.

7.2 Provident Fund

The Company has established and maintaining Contributory Provident Fund in compliance to the requirement of "The EPZ employees (Contributory) Provident Fund Policy -2012". The fund is administrated by the 6 members Board of Trustees of which 3 members are nominated from employer's side and remaining 3 members fulfilled from the representative from Workers Welfare Association. All members of trustee shall hold their position for three years. The member of the trustee board within the limit of the policy shall together hold absolute measure to take any decision for implementation of the provident fund.

7.3 Workers Welfare Fund

The company has been paying against "Workers Welfare Fund" to BEPZA since 1st February 2013 in compliance to the requirement of BEPZA rules. The management of the fund is maintained by BEPZA according to the rules & guidelines imposed under the style of 'Constitution and Operation Procedure of EPZ Worker's Welfare Fund 2012'.



Particulars	01-07-2019 to 30-09-2019	01-07-2018 to 30-09-2018
8.00 Cost of Goods Sold		
Cost of Goods Sold	207,101,717	221,908,429
	<u>207,101,717</u>	<u>221,908,429</u>
9.00 Operating Expenses		
Selling & Distribution	2,717,688	3,072,688
Administrative Expenses	2,076,686	2,197,686
Employee Welfare Expenses	164,217	201,717
	<u>4,958,591</u>	<u>5,472,091</u>
10.00 Basic earnings per share for the year:		
Earnings from Core Business		
a) Net Profit after Tax excluding Extraordinary Income	38,839,822	69,951,058
b) Weighted average number of shares outstanding	198,266,748	180,242,498
Basic Earnings per share (EPS) from core business(a/b)	<u>0.20</u>	<u>0.39</u>
Earnings from Extraordinary Income		
a) Extraordinary Income	19,542	18,896
b) Weighted average number of shares outstanding	198,266,748	180,242,498
Basic Earnings per share from Extraordinary Income (a/b)	<u>0.0001</u>	<u>0.0001</u>
Basic earnings per share	<u>0.20</u>	<u>0.39</u>
Basic earnings per share (Adjusted)	<u>0.20</u>	<u>0.35</u>

Weighted average number of shares outstanding

For the year 2018-2019	Number of Share	Weight	Weighted average no.of shares
Particulars			
Opening Shares	198,266,748	365/365	198,266,748
Bonus Shares	-	-	-
Total	198,266,748		198,266,748

Amount in Taka	
30-09-2019	30-06-2019

11.00 Share Capital:

Authorized share capital :

300,000,000 ordinary shares of Taka 10/= each.

3,000,000,000	3,000,000,000
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Issued, subscribed and paid-up capital:

198,266,748 Ordinary Shares of Tk. 10/- each fully paid-up.

1,982,667,480	1,982,667,480
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The shareholding position of the company are as under:

Name	No of shares	Percentages (%)	Amount in Taka
Sponsors & Directors	59,961,474	30.24%	599,614,740
Local Institutions	57,457,704	28.98%	574,577,040
General Shareholder	80,847,570	40.78%	808,475,700
Total	198,266,748	100.00%	1,982,667,480



Particulars	Amount in Taka	Amount in Taka
	30-09-2019	30-06-2019
12.00 Retained earnings:		
Opening balance	990,834,606	961,917,818
Less: Dividend	-	180,242,500
	990,834,606	781,675,318
Add: Profit during the year	38,859,364	209,159,288
	1,029,693,970	990,834,606
13.00 Net Assets Value (NAV) per share		
Total Assets	3,060,773,289	3,021,791,121
Less: Total outside liability	48,411,839	48,289,035
a. Net Asset Value	3,012,361,450	2,973,502,086
b. Total number of shares outstanding	198,266,748	198,266,748
Net Assets Value (NAV) per share (a/b)	15.19	15.00
14.00 Net operating cash flow per share (NOCFPS)		
a) Net Operating Cash Flow (Numerator)	4,235,417	254,521,241
b) No of Shares outstanding	198,266,748	198,266,748
Net operating cash flow per share (NOCFPS) (a/b)	0.02	1.28
15.00 Reconciliation of cash generated by operations		
Net Profit/(Loss) Before Tax	38,859,364	209,159,288
Add: Depreciation	14,007,422	60,729,630
Increase/Decrease in inventory	(33,439,413)	(41,337,790)
Increase/Decrease in bills receivables	(2,324,811)	9,100,527
Increase/Decrease in advance, deposits & prepayments	(12,989,949)	18,096,072
Increase/Decrease in bills payables	(147,553)	(1,070,500)
Increase/Decrease in Dividend payables	-	(6,375)
Increase/Decrease in STD Account (Dividend)	-	6,375
Increase/Decrease in Share Money Deposits (IPO)	-	-
Increase/Decrease in STD Account (IPO)	-	-
Increase/Decrease in short term borrowings	(4,158)	(145,715)
Increase/Decrease in creditors & accrues	274,516	(10,272)
	4,235,417	254,521,241

