

**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Financial Position (Un-Audited)**  
**As at September 30, 2020**

Particulars	Amount in Taka	
	30-09-2020	30-06-2020
<b>ASSETS</b>		
<b>Non-Current Assets</b>	<b>1,932,138,227</b>	<b>1,935,940,443</b>
Property, Plant & Equipment	1,930,589,756	1,934,391,972
Security Deposits	1,548,471	1,548,471
<b>Current Assets:</b>	<b>1,155,740,723</b>	<b>1,156,145,135</b>
Inventories	374,468,014	535,592,517
Trade Receivables	697,868,347	581,905,470
Advances, Deposits and Prepayments	40,108,225	23,608,225
STD Account (IPO)	2,945,000	2,945,000
STD Account (Dividend)	718,079	718,079
Cash and Cash Equivalents	39,633,058	11,375,844
<b>TOTAL ASSETS</b>	<b>3,087,878,950</b>	<b>3,092,085,578</b>
<b>EQUITY AND LIABILITES</b>		
<b>Shareholder's Equity</b>	<b>3,043,403,011</b>	<b>3,045,645,723</b>
Share Capital	2,180,934,230	2,180,934,230
Retained Earnings	862,468,781	864,711,493
<b>Non-Current Liabilities</b>	<b>5,568,896</b>	<b>5,603,529</b>
Lease Liablility	5,568,896	5,603,529
<b>Current Liabilites</b>	<b>38,907,043</b>	<b>40,836,326</b>
Trade and Other Payables	31,258,253	32,426,095
Short Term borrowings	134,025	131,076
Provision for Income tax	1,094,932	-
Refundable Deposit (IPO)	2,945,000	2,945,000
Dividend Payables	718,079	718,079
Creditors and Accruals	2,756,754	4,616,076
<b>TOTAL EQUITY AND LIABILITES</b>	<b>3,087,878,950</b>	<b>3,092,085,578</b>
Net Asset Value per Share (NAV)	<b>13.95</b>	<b>13.96</b>



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka

Dated: November 14, 2020



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Profit or Loss and other Comprehensive Income (Un-Audited)**  
**For the period ended September 30, 2020**

Particulars	Amount in Taka	
	July 2020 to September, 2020	July 2019 to September, 2019
Revenue	182,257,821	251,023,256
Cost of Sales	178,444,987	207,101,717
<b>Gross Profit</b>	<b>3,812,834</b>	<b>43,921,539</b>
<b>Operating Expenses</b>	<b>4,831,026</b>	<b>4,958,591</b>
Selling & Distribution	2,615,904	2,717,688
Administrative Expenses	2,065,945	2,076,686
Employee Welfare Expenses	149,177	164,217
<b>Profit from Operation</b>	<b>(1,018,192)</b>	<b>38,962,948</b>
Financial Expenses	134,629	131,108
Add: Foreign Exchange Gain/(Loss)	1,084	7,982
	<b>(1,151,737)</b>	<b>38,839,822</b>
Add: Other Income	3,957	19,542
<b>Net profit before tax</b>	<b>(1,147,780)</b>	<b>38,859,364</b>
Income Tax Expenses	1,094,932	-
<b>Profit after tax</b>	<b>(2,242,712)</b>	<b>38,859,364</b>
<b>Basic Earnings Per Share (EPS)</b>	<b>(0.01)</b>	<b>0.18</b>

\* EPS calculated based on weighted average number of shares.

  
Chairman

  
Managing Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Place: Dhaka  
Dated: November 14, 2020



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Cash Flows (Un-Audited)**  
**For the period ended 30th September, 2020**

Particulars	Amount in Taka	
	July 2020 to September, 2020	July 2019 to September, 2019
<b>A. Cash Flows From Operating Activities:</b>		
Receipt from customers	66,294,944	248,698,445
Payment for Cost of Expenses	(22,389,793)	(239,965,056)
Payment for operating Expenses	(6,386,517)	(4,353,297)
Payment for employee welfare expenses	(149,177)	(164,217)
<b>Net cash flows from Operating activities</b>	<b>37,373,413</b>	<b>4,235,417</b>
<b>B. Cash Flows From Investing Activities:</b>		
Acquisition of Property, Plant & Equipment	(8,985,457)	-
<b>Net cash flows from investing activities</b>	<b>(8,985,457)</b>	-
<b>C. Cash Flows From Financing Activities:</b>		
Receipt/(Payment) against short term loan	2,949	(4,158)
Payment of financial expenses	(134,629)	(131,108)
<b>Net Cash flows from financing activities</b>	<b>(131,680)</b>	<b>(135,266)</b>
<b>D. Increase/(Decrease) cash and cash equivalents (A+B+C)</b>	<b>28,256,276</b>	<b>4,100,151</b>
<b>E. Add: Foreign Exchange Gain/(Loss)-FC A/C</b>	<b>938</b>	<b>4,309</b>
<b>F. Opening cash and cash equivalents</b>	<b>11,375,844</b>	<b>44,789,720</b>
<b>G. Closing cash and cash equivalents (D+E+F)</b>	<b>39,633,058</b>	<b>48,894,179</b>
<b>Net Operating Cash Flows per Share (NOCFPS)</b>	<b>0.17</b>	<b>0.02</b>

  
 \_\_\_\_\_  
 Chairman

  
 \_\_\_\_\_  
 Managing Director

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Chief Financial Officer

  
 \_\_\_\_\_  
 Company Secretary

Place: Dhaka  
 Dated: November 14, 2020





**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Changes in Equity (Un-Audited)**  
**For the period ended September 30, 2020**

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2020	2,180,934,230	864,711,493	<b>3,045,645,723</b>
Add: Current Period Net Profit	-	(2,242,712)	<b>(2,242,712)</b>
<b>Total</b>	<b>2,180,934,230</b>	<b>862,468,781</b>	<b>3,043,403,011</b>

**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	<b>2,973,502,086</b>
Add: Current period net profit	-	38,859,364	<b>38,859,364</b>
<b>Total</b>	<b>1,982,667,480</b>	<b>1,029,693,970</b>	<b>3,012,361,450</b>

				
Chairman	Managing Director	Director	Chief Financial Officer	Company Secretary

Place: Dhaka  
Dated: November 14, 2020



**FAR Chemical Industries Limited**  
**Notes, comprising significant accounting policies and other explanatory information**  
**For the period ended September 30, 2020**

**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 2020 to 30 September 2020 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 2020;
- ii. Statement of profit or loss and other comprehensive income for the period ended on 30 September 2020;
- iii. Statement of changes in equity for the period ended on 30 September 2020
- iv. Statement of cash flows for the period ended on 30 September 2020;and
- v. Notes, comprising significant accounting policies and other explanatory information for the period ended on 30 September 2020.

### **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 rate 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**

#### **5.01 Current Tax**

Provision for income tax has been made as per Income Tax Ordinance 1984.

#### **5.02 Deferred Tax**

Deferred tax arises due to temporary difference deductible or taxable for the transaction which is not recognized during the period because of loss of the company. A temporary difference between the tax base of an asset or liability and its carrying amount/or amount in the Statement of Financial Position. Deferred tax assets or liability is the year income tax recoverable or payable in future periods recognized in the current period "IAS 12: Income Tax.

### **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 is 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 Cumilla 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 1<sup>st</sup> 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'.

### **7.4 Impact of Covid-19 and significant deviation**

There are no going concern threats due to Covid-19 as the company has adequate resources to continue the company. However, being a deemed export oriented company it has been facing global impact of Covid-19. During the period its sales revenue has declined significantly and suffers loss as a result its EPS is negative.





FAR Chemical Industries Ltd

Notes to the Accounts

Particulars	01-07-2020	01-07-2019
	to	to
	30-09-2020	30-09-2019
<b>8.00 Cost of Goods Sold</b>		
Cost of Goods Sold	178,444,987	207,101,717
	<u>178,444,987</u>	<u>207,101,717</u>
<b>9.00 Operating Expenses</b>		
Selling & Distribution	2,615,904	2,717,688
Administrative Expenses	2,065,945	2,076,686
Employee Welfare Expenses	149,177	164,217
	<u>4,831,026</u>	<u>4,958,591</u>
<b>10.00 Basic earnings per share for the year:</b>		
<b>Earnings from Core Business</b>		
a) Net Profit after Tax excluding Other Income	(2,246,669)	38,839,822
b) Weighted average number of shares outstanding	218,093,423	218,093,423
<b>Basic Earnings per share (EPS) from core business(a/b)</b>	<u>(0.01)</u>	<u>0.18</u>
<b>Earnings from Other Income</b>		
a) Other Income	3,957	19,542
b) Weighted average number of shares outstanding	218,093,423	218,093,423
Basic Earnings per share from Other Income (a/b)	0.0000	0.0001
	<u>(0.01)</u>	<u>0.18</u>
<b>Basic earnings per share (Adjusted)</b>	<u>(0.01)</u>	<u>0.18</u>

Weighted average number of shares outstanding

For the year 2020-2021	Number of Share	Weight	Weighted average no.of shares
<b>Particulars</b>			
Opening Shares	218,093,423	365/365	218,093,423
Bonus Shares	-	-	-
<b>Total</b>	<b>218,093,423</b>		<b>218,093,423</b>

Amount in Taka

30-09-2020      30-06-2020

**11.00 Share Capital:**

**Authorized share capital :**

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

3,000,000,000      3,000,000,000

**Issued, subscribed and paid-up capital:**

218,093,423 Ordinary Shares of Tk. 10/- each fully paid-up

2,180,934,230      2,180,934,230

**The shareholding position of the company are as under:**

Name	No of shares	Percentages (%)	Amount in Taka
Sponsors & Directors	65,957,620	30.24%	659,576,200
Local Institutions	28,572,075	13.10%	285,720,750
General Shareholder	123,563,728	56.66%	1,235,637,280
<b>Total</b>	<b>218,093,423</b>	<b>100.00%</b>	<b>2,180,934,230</b>





Particulars	Amount in Taka	Amount in Taka
	30-09-2020	30-06-2020
<b>12.00 Lease Liability</b>		
Opening balance	5,734,605	-
Add: Charged during the period	-	5,854,519
Less: Payment	31,684	119,914
Less: Short term lease liability	134,025	131,076
	<u>5,568,896</u>	<u>5,603,529</u>
<b>13.00 Retained earnings:</b>		
Opening balance	864,711,493	990,834,606
Less: Dividend	-	198,266,750
	<u>864,711,493</u>	<u>792,567,856</u>
Add: Profit during the year	(2,242,712)	72,143,637
	<u><b>862,468,781</b></u>	<u>864,711,493</u>
<b>14.00 Net Assets Value (NAV) per share</b>		
Total Assets	3,087,878,950	3,092,085,578
Less: Total outside liability	44,475,939	46,439,855
<b>a. Net Asset Value</b>	<u><b>3,043,403,011</b></u>	<u><b>3,045,645,723</b></u>
b. Total number of shares outstanding	218,093,423	218,093,423
<b>Net Assets Value (NAV) per share (a/b)</b>	<u><b>13.95</b></u>	<u>13.96</u>
<b>15.00 Net operating cash flow per share (NOCFPS)</b>		
a) Net Operating Cash Flow (Numerator)	37,373,413	4,235,417
b) No of Shares outstanding	218,093,423	218,093,423
<b>Net operating cash flow per share (NOCFPS) (a/b)</b>	<u><b>0.17</b></u>	<u>0.02</u>
<b>16.00 Reconciliation of cash generated by operations</b>		
Net Profit/(Loss) Before Tax	(2,242,712)	38,859,364
Add: Depreciation	12,887,816	14,015,403
Increase/Decrease in inventory	161,124,503	(33,439,413)
Increase/Decrease in bills receivables	(115,962,877)	(2,324,811)
Increase/Decrease in advance, deposits & prepayments	(16,500,000)	(12,989,949)
Increase/Decrease in bills payables	(1,167,842)	(147,553)
Increase/Decrease in Dividend payables	-	-
Increase/Decrease in STD Account (Dividend)	-	-
Increase/Decrease in Share Money Deposits (IPO)	-	-
Increase/Decrease in STD Account (IPO)	-	-
Increase/Decrease in Provision for Income tax	1,094,932	-
Increase/Decrease in expense in borrowings	-	(4,158)
Increase/Decrease in creditors & accrues	(1,859,322)	274,516
Foreign Exchange Gain/Loss	(1,084)	(7,982)
	<u><b>37,373,413</b></u>	<u><b>4,235,417</b></u>

