


**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Financial Position (Un-Audited)**  
**As at September 30, 2021**

Particulars	Notes	Amount in Taka	
		30-09-2021	30-06-2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>		<b>2,396,051,469</b>	<b>2,324,807,921</b>
Property, Plant & Equipment	4.00	2,394,502,998	2,323,259,450
Security Deposits	5.00	1,548,471	1,548,471
<b>Current Assets:</b>		<b>821,281,632</b>	<b>882,427,099</b>
Inventories	6.00	56,547	24,788,277
Trade Receivables	7.00	496,883,001	545,775,446
Advances, Deposits and Prepayments	8.00	53,967,528	59,399,046
STD Account (IPO)	9.00	2,945,000	2,945,000
STD Account (Dividend)	10.00	617,827	617,827
Cash and Cash Equivalents	11.00	266,811,729	248,901,502
<b>TOTAL ASSETS</b>		<b>3,217,333,101</b>	<b>3,207,235,020</b>
<b>EQUITY AND LIABILITES</b>			
<b>Shareholder's Equity</b>		<b>2,983,588,928</b>	<b>2,989,710,483</b>
Share Capital	12.00	2,180,934,230	2,180,934,230
Retained Earnings	13.00	802,654,698	808,776,253
<b>Non-Current Liabilities</b>		<b>5,422,396</b>	<b>5,460,252</b>
Lease Liablity	14.00	5,422,396	5,460,252
Deferred Tax Liability	15.00	-	-
<b>Current Liabilites</b>		<b>228,321,778</b>	<b>212,064,285</b>
Trade and Other Payables	16.00	-	-
Short Term borrowings	17.00	217,237,501	195,734,277
Provision for Income tax	18.00	3,596,475	3,176,822
Refundable Deposit (IPO)	19.00	2,945,000	2,945,000
Unclaimed Dividend Account	20.00	617,827	617,827
Creditors and Accruals	21.00	3,924,975	9,590,359
<b>TOTAL EQUITY AND LIABILITES</b>		<b>3,217,333,101</b>	<b>3,207,235,020</b>
Net Asset Value per Share (NAV)		<b>13.68</b>	<b>13.71</b>

  
Chairman

  
Managing Director

  
Director

  
Chief Financial Officer

  
Company Secretary

Place: Dhaka  
Dated: November 14, 2021



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Profit or Loss and other Comprehensive Income (Un-Audited)**  
**For the period ended September 30, 2021**

Particulars	Notes	Amount in Taka	
		July 2021 to September, 2021	July 2020 to September, 2020
Revenue	22.00	34,872,966	182,257,821
Cost of Sales	23.00	35,602,931	178,444,987
<b>Gross Profit</b>		<b>(729,965)</b>	<b>3,812,834</b>
<b>Operating Expenses</b>		<b>4,847,034</b>	<b>4,831,026</b>
Selling & Distribution	24.00	2,555,701	2,615,904
Administrative Expenses	25.00	2,126,460	2,065,945
Employee Welfare Expenses	26.00	164,873	149,177
<b>Profit from Operation</b>		<b>(5,576,999)</b>	<b>(1,018,192)</b>
Financial Expenses	27.00	132,679	134,629
Add: Foreign Exchange Gain/(Loss)	28.00	5,089	1,084
		<b>(5,704,589)</b>	<b>(1,151,737)</b>
Add: Other Income	29.00	2,687	3,957
<b>Net profit before tax</b>		<b>(5,701,902)</b>	<b>(1,147,780)</b>
Income Tax Expenses	30.00	419,653	-
<b>Profit after tax</b>		<b>(6,121,555)</b>	<b>(1,147,780)</b>
<b>Basic Earnings Per Share (EPS)</b>	31.00	<b>(0.03)</b>	<b>(0.01)</b>

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

 Chairman	 Managing Director	 Director	 Chief Financial Officer	 Company Secretary
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Place: Dhaka  
Dated: November 14, 2021



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Cash Flows (Un-Audited)**  
**For the period ended September 30, 2021**

Particulars	Amount in Taka	
	July 2021 to September, 2021	July 2020 to September, 2020
<b>A. Cash Flows From Operating Activities:</b>		
Receipt from customers	83,769,383	66,294,944
Receipt from other income	2,687	3,957
Payment for Cost of Expenses	(1,442,600)	(22,389,793)
Payment for operating Expenses	(10,206,285)	(6,386,517)
Payment for employee welfare expenses	(164,873)	(149,177)
<b>Net cash flows from Operating activities</b>	<b>71,958,312</b>	<b>37,373,413</b>
<b>B. Cash Flows From Investing Activities:</b>		
Acquisition of Property, Plant & Equipment	(75,416,522)	(8,985,457)
<b>Net cash flows from investing activities</b>	<b>(75,416,522)</b>	<b>(8,985,457)</b>
<b>C. Cash Flows From Financing Activities:</b>		
Receipt/(Payment) against short term loan	21,500,000	2,949
Payment of financial expenses	(132,679)	(134,629)
<b>Net Cash flows from financing activities</b>	<b>21,367,321</b>	<b>(131,680)</b>
<b>D. Increase/(Decrease) cash and cash equivalents (A+B+C)</b>	<b>17,909,111</b>	<b>28,256,276</b>
E. Add: Foreign Exchange Gain/(Loss)-FC A/C	1,117	938
<b>F. Opening cash and cash equivalents</b>	<b>248,901,502</b>	<b>11,375,844</b>
<b>G. Closing cash and cash equivalents (D+E+F)</b>	<b>266,811,730</b>	<b>39,633,058</b>
<b>Net Operating Cash Flows per Share (NOCFPS)</b>	<b>0.33</b>	<b>0.17</b>

 Chairman	 Managing Director	 Director	 Chief Financial Officer	 Company Secretary
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Place: Dhaka  
Dated: November 14, 2021



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Changes in Equity (Un-Audited)**  
**For the period ended September 30, 2021**

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2021	2,180,934,230	808,776,253	<b>2,989,710,483</b>
Add: Current Period Net Profit	-	(6,121,555)	<b>(6,121,555)</b>
<b>Total</b>	<b>2,180,934,230</b>	<b>802,654,698</b>	<b>2,983,588,928</b>

**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>

 Chairman	 Managing Director	 Director	 Chief Financial Officer	 Company Secretary
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Place: Dhaka  
Dated: November 14, 2021



**FAR Chemical Industries Limited**  
**Notes, comprising significant accounting policies and other explanatory information**  
**For the period ended September 30, 2021**

**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 2021 to 30 September 2021 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 Significant Accounting Policies**

#### **3.01 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 2021;
- ii. Statement of profit or loss and other comprehensive income for the period ended on 30 September 2021;
- iii. Statement of changes in equity for the period ended on 30 September 2021
- iv. Statement of cash flows for the period ended on 30 September 2021;and
- v. Notes, comprising significant accounting policies and other explanatory information for the period ended on 30 September 2021.

#### **3.02 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.

#### **3.03 Taxation**

##### **i) Current Tax**

Provision for income tax has been made as per Income Tax Ordinance 1984 as applicable for the publicly listed company.

##### **ii) Deferred Tax**

Deferred tax arises due to temporary difference deductible or taxable for the transaction. 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. Deferred tax calculation has been shown in note no. 000

#### **3.04 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 share has been calculated by dividing the net profit or loss by the number of weighted average ordinary share outstanding during the year.



### 3.05 Employee Benefits

#### i) 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.

#### ii) 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.

#### iii) 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'.

### 3.06 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 due to shifting process of the company's operational plant from EPZ Cumilla to its own premises Ruponj, Narayangonj and cease of operation, so it suffers losses, as a result its EPS is negative.



FAR Chemical Industries Ltd  
Notes to the Financial Statements  
For the period ended September 30, 2021

Notes	Particulars	Amount in Taka	Amount in Taka
		30-09-2021	30-06-2021
4.00	Property, Plant & Equipment	2,394,502,998	2,323,259,450
5.00	Security Deposits	1,548,471	1,548,471
6.00	Inventories	56,547	24,788,277
7.00	Trade Receivables	496,883,001	545,775,446
8.00	Advances, Deposits and Prepayments	53,967,528	59,399,046
9.00	STD Account (IPO)	2,945,000	2,945,000
10.00	STD Account (Dividend)	617,827	617,827
11.00	Cash and Cash Equivalents		
	Cash in hand - Head Office	210,546	155,612
	Cash in hand - Factory	2,999,373	921,725
	Cash at bank	46,101,810	51,824,165
	Cash at bank: FDR (Notes - 11.01)	217,500,000	196,000,000
		<b>266,811,729</b>	<b>248,901,502</b>
11.01	Cash at bank: FDR		
	Al-Arafah Islami Bank Ltd # 9398	40,000,000	40,000,000
	Al-Arafah Islami Bank Ltd # 9409	40,000,000	40,000,000
	Al-Arafah Islami Bank Ltd # 9411	40,000,000	40,000,000
	Al-Arafah Islami Bank Ltd # 9422	20,000,000	20,000,000
	Al-Arafah Islami Bank Ltd # 9455	40,000,000	40,000,000
	Al-Arafah Islami Bank Ltd # 9477	16,000,000	16,000,000
	Al-Arafah Islami Bank Ltd # 9578	9,000,000	-
	Al-Arafah Islami Bank Ltd # 1053264	12,500,000	-
		<b>217,500,000</b>	<b>196,000,000</b>
12.00	Share Capital		
	<b>Authorized share capital :</b>		
	300,000,000 ordinary shares of Taka 10/= each.	<b>3,000,000,000</b>	<b>3,000,000,000</b>
	<b>Issued, subscribed and paid-up capital:</b>		
	218,093,423 Ordinary Shares of Tk. 10/- each fully paid-up	<b>2,180,934,230</b>	<b>2,180,934,230</b>
	<b>The shareholding position of the company are as under:</b>		
	<b>Name</b>	<b>No of shares</b>	<b>Percentages (%)</b>
	Sponsors & Directors	65,957,620	30.24%
	Local Institutions	32,272,933	14.80%
	General Shareholder	119,862,870	54.96%
	<b>Total</b>	<b>218,093,423</b>	<b>100.00%</b>
13.00	Retained Earnings		
	Opening balance	808,776,253	864,711,493
	Less: Dividend	-	(21,809,343)
		<b>808,776,253</b>	<b>842,902,150</b>
	Add: Profit/(Loss) during the period	(6,121,555)	(34,125,897)
		<b>802,654,698</b>	<b>808,776,253</b>





<b>14.00 Lease Liability</b>			
Opening balance		5,603,529	5,734,605
Less: Payment		34,633	131,076
Less: Short term lease liability		146,501	143,277
		<u>5,422,396</u>	<u>5,460,252</u>
<b>15.00 Deferred Tax Liability</b>		-	-
<b>16.00 Trade and Other Payables</b>		-	-
<b>17.00 Short Term borrowings</b>			
Lease Liability		146,501	143,277
Short term borrowings - Unsecured		217,091,000	195,591,000
		<u>217,237,501</u>	<u>195,734,277</u>
<b>17.01 Short term borrowings</b>			
Lease Liability		146,501	143,277
		<u>146,501</u>	<u>143,277</u>
<b>17.02 Short term borrowings - Unsecured</b>			
Samin Food and Beverage & Textile Mills Ltd		43,591,000	22,091,000
MN Industries Ltd		84,900,000	84,900,000
Rezwana Rahman Rini		88,600,000	88,600,000
		<u>217,091,000</u>	<u>195,591,000</u>
<b>18.00 Provision for Income tax</b>			
Opening balance		3,176,822	-
Add: Current Period Charged		419,653	3,176,822
		<u>3,596,475</u>	<u>3,176,822</u>
<b>19.00 Refundable Deposit (IPO)</b>		2,945,000	2,945,000
<b>20.00 Unclaimed Dividend Account</b>		617,827	617,827
<b>21.00 Creditors and Accruals</b>		3,924,975	9,590,359
<b>Notes</b>	<b>Particulars</b>	<b>01-07-2021 to 30-09-2021</b>	<b>01-07-2020 to 30-09-2020</b>
<b>22.00 Revenue</b>		34,872,966	182,257,821
		<u>14,872,966</u>	<u>182,257,821</u>
<b>23.00 Cost of Goods Sold</b>			
Cost of Goods Sold		35,602,931	178,444,987
		<u>35,602,931</u>	<u>178,444,987</u>
<b>24.00 Selling &amp; Distribution</b>		2,555,701	2,615,904
<b>25.00 Administrative Expenses</b>		2,126,460	2,065,945
<b>26.00 Employee Welfare Expenses</b>		164,873	149,177
		<u>4,847,034</u>	<u>4,831,026</u>
<b>27.00 Financial Expenses</b>			
		132,679	134,629
		<u>132,679</u>	<u>134,629</u>
<b>28.00 Foreign Exchange Gain/(Loss)</b>		5,089	1,084
		<u>5,089</u>	<u>1,084</u>
<b>29.00 Other Income</b>		2,687	3,957
		<u>2,687</u>	<u>3,957</u>



32.00 **Net Assets Value (NAV) per share**  
 Total Assets  
 Less: Total outside liability  
**a. Net Asset Value**  
 b. Total number of shares outstanding  
**Net Assets Value (NAV) per share (a/b)**

Amount in Taka	
30-09-2021	30-06-2021
3,217,333,101	3,207,235,020
233,744,173	217,524,537
<b>2,983,588,928</b>	<b>2,989,710,483</b>
218,093,423	218,093,423
<b>13.68</b>	<b>13.71</b>

33.00 **Net operating cash flow per share (NOCFPS)**  
 a) Net Operating Cash Flow (Numerator)  
 b) No of Shares outstanding  
**Net operating cash flow per share (NOCFPS) (a/b)**

Amount in Taka	Amount in Taka
30-09-2021	30-09-2020
71,958,312	37,373,413
218,093,423	218,093,423
<b>0.33</b>	<b>0.17</b>

34.00 **Reconciliation of cash generated by operations**

	Amount in Taka	Amount in Taka
	30-09-2021	30-09-2020
Net Profit/(Loss) Before Tax	(5,701,902)	(2,242,712)
Add: Depreciation	11,771,643	12,887,816
Increase/Decrease in inventory	24,731,730	161,124,503
Increase/Decrease in bills receivables	48,892,445	(115,962,877)
Increase/Decrease in advance, deposits & prepayments	(2,488,757)	(16,500,000)
Increase/Decrease in bills payables	-	(1,167,842)
Increase/Decrease in Provision for Income tax	419,653	1,094,932
Increase/Decrease in creditors & accrues	(5,665,384)	(1,859,322)
Foreign Exchange Gain/Loss	(1,117)	(1,084)
	<b>71,958,312</b>	<b>37,373,413</b>

