

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Financial Position (Un-Audited)
As at December 31, 2020

Particulars	Notes	Amount in Taka	
		31-12-2020	30-06-2020
ASSETS			
Non-Current Assets		1,959,305,747	1,935,940,443
Property, Plant & Equipment	4.00	1,957,757,276	1,934,391,972
Security Deposits	5.00	1,548,471	1,548,471
Current Assets:		1,124,243,239	1,156,145,135
Inventories	6.00	353,897,409	535,592,517
Trade Receivables	7.00	662,460,160	581,905,470
Advances, Deposits and Prepayments	8.00	75,351,072	23,608,225
STD Account (IPO)	9.00	2,945,000	2,945,000
STD Account (Dividend)	10.00	718,079	718,079
Cash and Cash Equivalents	11.00	28,871,519	11,375,844
TOTAL ASSETS		3,083,548,986	3,092,085,578
EQUITY AND LIABILITES			
Shareholder's Equity		3,040,006,706	3,045,645,723
Share Capital	12.00	2,180,934,230	2,180,934,230
Retained Earnings	13.00	859,072,476	864,711,493
Non-Current Liabilities		5,533,484	5,603,529
Lease Liabililty	14.00	5,533,484	5,603,529
Current Liabilites		38,008,795	40,836,326
Trade Payables	15.00	28,802,004	32,426,095
Short Term borrowings	16.00	137,041	131,076
Provision for Income tax	17.00	1,882,525	-
Refundable Deposit (IPO)	18.00	2,945,000	2,945,000
Dividend Payables	19.00	718,079	718,079
Creditors and Accruals	20.00	3,524,147	4,616,076
TOTAL EQUITY AND LIABILITES		3,083,548,986	3,092,085,578
Net Asset Value Per Share	31.00	13.94	13.96



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Place: Dhaka

Dated: January 30, 2021



FAR CHEMICAL INDUSTRIES LIMITED
Statement of Profit or Loss and other Comprehensive Income (Un-Audited)
For the period ended December 31,2020

Particulars	Notes	Amount in Taka		Amount in Taka	
		July 01, 2020 to December 31, 2020	July 01, 2019 to December 31, 2019	October 01, 2020 to December 31, 2020	October 01, 2019 to December 31, 2019
Sales Revenue	21.00	313,385,188	472,948,383	131,127,367	221,925,127
Less: Cost of Goods Sold	22.00	308,247,968	384,619,626	129,802,981	177,517,909
Gross Profit		5,137,220	88,328,757	1,324,386	44,407,218
Operating Expenses					
Selling & Distribution	23.00	4,657,945	5,277,521	2,042,041	2,592,659
Administrative Expenses	24.00	3,702,312	4,062,647	1,636,367	1,985,961
Employee Welfare Expenses	25.00	276,504	319,217	127,327	155,000
		8,636,760	9,659,385	3,805,734	4,733,620
Profit from Operation		(3,499,540)	78,669,372	(2,481,348)	39,673,598
Less: Financial Expenses	26.00	265,690	260,099	131,061	128,991
Add: Foreign Exchange Gain/(Loss)	27.00	1,927	17,339	843	9,357
		(3,763,303)	78,426,612	(2,611,566)	39,544,607
Add: Other Income	28.00	6,811	31,235	2,854	11,693
Net profit before tax		(3,756,492)	78,457,847	(2,608,712)	39,556,300
Income Tax Expenses	29.00	1,882,525	-	787,692	-
Profit after tax		(5,639,017)	78,457,847	(3,396,403)	39,556,300
Basic Earnings Per Share (EPS)- Adjusted	30.00	(0.03)	0.36	(0.02)	0.18

* EPS calculated based on weighted average number of shares




Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer



Place: Dhaka

Dated: January 30, 2021

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended December 31,2020

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2020	2,180,934,230	864,711,493	3,045,645,723
Add/(Less): Bonus Share	-	-	-
Add: Current Period Net Profit	-	(5,639,017)	(5,639,017)
Total	2,180,934,230	859,072,476	3,040,006,706

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended December 31,2019

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2019	1,982,667,480	990,834,606	2,973,502,086
Add/(Less): Bonus Share	198,266,750	(198,266,750)	-
Add: Current period net profit	-	78,457,847	78,457,847
Total	2,180,934,230	871,025,703	3,051,959,933

 Chairman
  Managing Director
  Director
  Company Secretary
  Chief Financial Officer

Place: Dhaka
 Dated: January 30, 2021



FAR Chemical Industries Limited
Notes, comprising significant accounting policies and other explanatory information
For the period ended December 31, 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. 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. The company has been converted into 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 per Bangladesh Securities and Exchange Commission (BSEC) consent letter 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 6 months period from 01 July 2020 to 31 December 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".



3.01 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 31 December 2020;
- ii. Statement of profit or loss and other comprehensive income for the period ended on 31 December 2020;
- iii. Statement of changes in equity for the period ended on 31 December 2020
- iv. Statement of cash flows for the period ended on 31 December 2020;and
- v. Notes, comprising significant accounting policies and other explanatory information for the period ended on 31 December 2020.

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

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

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 as per "IAS 12: Income Tax.

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 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 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

3.05.1 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.

3.05.2 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.

3.05.3 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'.



FAR CHEMICAL INDUSTRIES LIMITED
Notes to the accounts
For the period from July 31, 2020 to December 31, 2020

Particulars	31-12-2020	30-06-2020
4.00 Property, Plant & Equipment	1,957,757,276	1,934,391,972
5.00 Security Deposits	1,548,471	1,548,471
6.00 Inventories	353,897,409	535,592,517
7.00 Trade Receivables	662,460,160	581,905,470
8.00 Advances, Deposits and Prepayments	75,351,072	23,608,225
9.00 STD Account (IPO)	2,945,000	2,945,000
10.00 STD Account (Dividend)	718,079	718,079
11.00 Cash and Cash Equivalents	28,871,519	11,375,844
12.00 Share Capital	2,180,934,230	2,180,934,230
13.00 Retained Earnings		
Opening balance	864,711,493	990,834,606
Less: Dividend	-	(198,266,750)
	864,711,493	792,567,856
Add: Profit/(Loss) during the period	(5,639,017)	72,143,637
	859,072,476	864,711,493
14.00 Lease Liability		5,603,529
Opening balance	5,670,525	
Less Short Term Lease Liability	137,041	
Closing balance	5,533,484	
15.00 Trade Payables	28,802,004	32,426,095
16.00 Short Term borrowings	137,041	131,076
17.00 Provision for Income tax	1,882,525	-
Opening balance	-	
Add- Current Tax:		
Minimum Tax @ 0.60% on Turnover	1,880,311	
On other income @ 32.50%	2,214	
	1,882,525	
18.00 Refundable Deposit (IPO)	2,945,000	2,945,000
19.00 Dividend Payables	718,079	718,079
20.00 Creditors and Accruals	3,524,147	4,616,076

Particulars	01-07-2020 to 31-12-2020	01-07-2019 to 31-12-2019	01-10-2020 to 31-12-2020	01-10-2019 to 31-12-2019
21.00 Sales Revenue	313,385,188	472,948,383	131,127,367	221,925,127
Sales Revenue	<u>313,385,188</u>	<u>472,948,383</u>	<u>131,127,367</u>	<u>221,925,127</u>



FAR CHEMICAL INDUSTRIES LIMITED

Notes to the accounts

For the period from July 31, 2020 to December 31, 2020

22.00 Cost of Goods Sold

Cost of Goods Sold	308,247,968	384,619,626	129,802,981	177,517,909
	308,247,968	384,619,626	129,802,981	177,517,909

Operating Expenses

23.00 Selling & Distribution	4,657,945	5,277,521	2,042,041	2,592,659
24.00 Administrative Expenses	3,702,312	4,062,647	1,636,367	1,985,961
25.00 Employee Welfare Expenses	276,504	319,217	127,327	155,000
	8,636,760	9,659,385	3,805,734	4,733,620
26.00 Financial Expenses	265,690	260,099	131,061	128,991
27.00 Foreign Exchange Gain/(Loss)	1,927	17,339	843	9,357
28.00 Other Income	6,811	31,235	2,854	11,693
29.00 Income Tax Expenses	1,882,525	-	787,692	-

30.00 Basic earnings per share for the year:

i) Earnings from Core Business

a) Net Profit after Tax excluding other Income	(5,632,206)	78,426,612	(3,393,549)	39,544,607
b) Weighted average number of shares outstanding	218,093,423	218,093,423	218,093,423	198,266,748
Basic Earnings per share (EPS) from core business(a/b)	(0.03)	0.36	(0.02)	0.20

ii) Earnings from Other Income

a) Other Income	6,811	31,235	2,854	11,693
b) Weighted average number of shares outstanding	218,093,423	198,266,748	218,093,423	198,266,748
Basic Earnings per share from other Income (a/b)	0.0000	0.0002	0.0000	0.0001

Basic earnings per share (i+ii)

	(0.03)	0.36	(0.02)	0.20
Basic earnings per share (Adjusted)	(0.03)	0.36	-0.02	0.18

Weighted average number of shares outstanding

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

Particulars	Amount in Taka	
	31-12-2020	30-06-2020
31.00 Net Assets Value (NAV) per share		
Total Assets	3,083,548,986	3,092,085,578
Less: Total outside liability	43,542,280	46,439,855
a. Net Asset Value	3,040,006,706	3,045,645,723
b. Total number of shares outstanding	218,093,423	218,093,423
Net Assets Value (NAV) per share (a/b)	13.94	13.96



FAR CHEMICAL INDUSTRIES LIMITED
Notes to the accounts
For the period from July 31, 2020 to December 31, 2020

	Amount in Taka	
	31-12-2020	31-12-2019
32.00 Net operating cash flow per share (NOCFPS)		
a) Net Operating Cash Flow (Numerator)	66,766,733	17,268,045
b) No of Shares outstanding	218,093,423	218,093,423
Net operating cash flow per share (NOCFPS) (a/b)	<u>0.31</u>	<u>0.08</u>

33.00 Reconciliation of cash generated by operations

	Amount in Taka	
	31-12-2020	30-06-2020
Net Profit/(Loss) Before Tax	(3,756,492)	72,143,637
Add: Depreciation	25,775,632	56,207,921
Increase/Decrease in inventory	181,695,108	(67,294,844)
Increase/Decrease in bills receivables	(80,554,690)	35,636,702
Increase/Decrease in advance, deposits & prepayments	(51,742,847)	15,200,000
Increase/Decrease in bills payables	(3,624,091)	(815,212)
Increase/Decrease in creditors & accrues	(1,024,933)	957,013
Foreign Exchange Gain	(954)	(3,941)
	<u>66,766,733</u>	<u>112,031,276</u>

