

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Financial Position (Un-Audited)
As at December 31, 2021

Particulars	Notes	Amount in Taka	
		31-12-2021	30-06-2021
ASSETS			
Non-Current Assets		2,849,438,563.00	2,324,807,921
Property, Plant & Equipment	4.00	2,847,890,092.00	2,323,259,450
Security Deposits	5.00	1,548,471.00	1,548,471
Current Assets:		333,958,435.00	882,427,099
Inventories	6.00	56,547.00	24,788,277
Trade Receivables	7.00	-	545,775,446
Advances, Deposits and Prepayments	8.00	53,451,287.00	59,399,046
STD Account (IPO)	9.00	-	2,945,000
STD Account (Dividend)	10.00	426,982.00	617,827
Cash and Cash Equivalents	11.00	280,023,619.00	248,901,502
TOTAL ASSETS		3,183,396,998.00	3,207,235,020
EQUITY AND LIABILITES			
Shareholder's Equity		2,954,433,182.00	2,989,710,483
Share Capital	12.00	2,180,934,230.00	2,180,934,230
Retained Earnings	13.00	773,498,952.00	808,776,253
Non-Current Liabilities		5,383,687.00	5,460,252
Lease Liablility	14.00	5,383,687.00	5,460,252
Defrrred Tax Liability	15.00	-	-
Current Liabilites		223,580,129.00	212,064,285
Trade Payables	16.00	-	-
Short Term borrowings	17.00	217,240,797.00	195,734,277
Provision for Income tax	18.00	2,904,443.00	3,176,822
Refundable Deposit (IPO)	19.00	-	2,945,000
Dividend Payables	20.00	426,982.00	617,827
Creditors and Accruals	21.00	3,007,907.00	9,590,359
TOTAL EQUITY AND LIABILITES		3,183,396,998.00	3,207,235,020
Net Asset Value Per Share	32.00	13.55	13.71



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Place: Dhaka

Dated: January 24, 2022

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Profit or Loss and other Comprehensive Income (Un-Audited)
For the period ended December 31, 2021

Particulars	Notes	Amount in Taka		Amount in Taka	
		July 01, 2021 to December 31, 2021	July 01, 2020 to December 31, 2020	October 01, 2021 to December 31, 2021	October 01, 2020 to December 31, 2020
Sales Revenue	22.00	34,872,966.00	313,385,188	-	131,127,367
Less: Cost of Goods Sold	23.00	59,146,218.00	308,247,968	23,543,287	129,802,981
Gross Profit		(24,273,252.00)	5,137,220	(23,543,287)	1,324,386
Operating Expenses					
Selling & Distribution	24.00	3,810,291.00	4,657,945	1,254,590	2,042,041
Administrative Expenses	25.00	3,765,403.00	3,702,312	1,638,943	1,636,367
Employee Welfare Expenses	26.00	270,957.00	276,504	106,084	127,327
		7,846,651.00	8,636,761	2,999,617	3,805,735
Profit from Operation		(32,119,903.00)	(3,499,541)	(26,542,904)	(2,481,349)
Less: Financial Expenses	27.00	261,985.00	265,690	129,306	131,061
Add: Foreign Exchange Gain/(Loss)	28.00	5,089.00	1,927	-	843
		(32,376,799.00)	(3,763,304)	(26,672,210)	(2,611,567)
Add: Other Income	29.00	3,941.00	6,811	1,254	2,854
Net profit before tax		(32,372,858.00)	(3,756,493)	(26,670,956)	(2,608,712)
Income Tax Expenses	30.00	2,904,443.00	1,882,524	2,484,810	787,692
Profit after tax		(35,277,301.00)	(5,639,017)	(29,155,766)	(3,396,403)
Basic Earnings Per Share (EPS)- Adjusted	31.00	(0.16)	(0.03)	(0.13)	(0.02)

* EPS calculated based on weighted average number of shares



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Place: Dhaka

Dated: January 24, 2022

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Cash Flows
For the period ended December 31,2021

Particulars	Amount in Taka	
	July 01, 2021 to December 31, 2021	July 01, 2020 to December 31, 2020
A. Cash Flows From Operating Activities:		
Receipt from customers	580,652,216	232,945,210
Receipt from other income	3,941	6,811
Payment for Cost of Expenses	(8,107,589)	(156,569,213)
Payment for Operating Expenses	(14,348,545)	(9,350,385)
Payment for financial Expenses	(261,985)	(265,690)
Net cash flows from Operating activities	557,938,039	66,766,734
B. Cash Flows From Investing Activities:		
Purchase of Fixed Assets	(548,173,930)	(49,140,936)
Net cash flows from investing activities	(548,173,930)	(49,140,936)
C. Cash Flows From Financing Activities:		
Increase / (Decrease) in Short term Borrowings	21,356,723	(131,076)
Net Cash flows from financing activities	21,356,723	(131,076)
D. Increase/(Decrease) cash and cash equivalents (A+B+C)	31,120,832	17,494,721
E. Foreign Exchange Gain/(Loss)	1,285	954
F. Opening cash and cash equivalents	248,901,502	11,375,844
G. Closing cash and cash equivalents (D+E+F)	280,023,619	28,871,519
Net Operating Cash Flows Per Share	2.56	0.31



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Place: Dhaka

Dated: January 24, 2022

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Changes in Equity (Un-Audited)
For the period ended December 31,2021

Particulars	Ordinary Share Capital		Retained Earnings	Total
As at July 01, 2021	2,180,934,230		808,776,253	2,989,710,483
Add: Current Period Net Profit	-		(35,277,301)	(35,277,301)
Total	2,180,934,230		773,498,952	2,954,433,182

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: Current period net profit	-		(5,639,017)	(5,639,017)
Total	2,180,934,230		859,072,476	3,040,006,706



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Place: Dhaka

Dated: January 24, 2022

FAR Chemical Industries Limited
Notes, comprising significant accounting policies and other explanatory information
For the period ended December 31, 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. 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 2021 to 31 December 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".



3.01 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 2021;
- ii. Statement of profit or loss and other comprehensive income for the period ended on 31 December 2021;
- iii. Statement of changes in equity for the period ended on 31 December 2021
- iv. Statement of cash flows for the period ended on 31 December 2021;and
- v. Notes, comprising significant accounting policies and other explanatory information for the period ended on 31 December 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. 30.02

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 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 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'.

3.06 Impact of Covid-19 and significant deviation of Revenue

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 (Q2) its sales revenue is nil due to shifting process of the company's operational plant from EPZ Cumilla to its own premises Rupgonj, Narayangonj and cease of operation, so it suffers losses, as a result its EPS is negative.



FAR CHEMICAL INDUSTRIES LIMITED

Notes to the accounts

For the period from July 31, 2021 to December 31, 2021

Notes	Particulars	Amount in Taka	
		31-12-2021	30-06-2021
4.00	Property, Plant & Equipment	2,847,890,092	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	-	545,775,446
8.00	Advances, Deposits and Prepayments	53,451,287	59,399,046
9.00	STD Account (IPO)	-	2,945,000
	Transferred total amount to the Capital Market Stabilisation Fund, on 11 October 2021 as per Directive No. BSEC/CMRRCD/2021-386/03, dated 14 January 2021 of Bangladesh Securities Exchange Commission and the Bangladesh Securities Exchange Commission (Capital		
10.00	STD Account (Dividend)		
	The above amount is for the financial year 2019-2020.	426,982	617,827
11.00	Cash and Cash Equivalents		
	Cash in hand - Head Office	474,657	155,612
	Cash in hand - Factory	2,074,373	921,725
	Cash at bank	36,474,589	51,824,165
	Cash at bank: FDR (Notes - 11.01)	241,000,000	196,000,000
		280,023,619	248,901,502
11.01	Cash at bank: FDR		
	Al-Arafah Islami Bank Ltd # 1073180	40,000,000	40,000,000
	Al-Arafah Islami Bank Ltd # 1073181	40,000,000	40,000,000
	Al-Arafah Islami Bank Ltd # 1073182	40,000,000	40,000,000
	Al-Arafah Islami Bank Ltd # 1073183	20,000,000	20,000,000
	Al-Arafah Islami Bank Ltd # 1073192	40,000,000	40,000,000
	Al-Arafah Islami Bank Ltd # 1073197	16,000,000	16,000,000
	Al-Arafah Islami Bank Ltd # 1073214	9,000,000	-
	Al-Arafah Islami Bank Ltd # 1073264	12,500,000	-
	Al-Arafah Islami Bank Ltd # 1073394	12,500,000	-
	Al-Arafah Islami Bank Ltd # 1073415	11,000,000	-
		241,000,000	196,000,000
12.00	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.	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	32,272,933	14.80%	322,729,330
General Shareholder	119,862,870	54.96%	1,198,628,700
Total	218,093,423	100.00%	2,180,934,230



FAR CHEMICAL INDUSTRIES LIMITED

Notes to the accounts

For the period from July 31, 2021 to December 31, 2021

Notes	Particulars	Amount in Taka	
		31-12-2021	30-06-2021
13.00	Retained Earnings		
	Opening balance	808,776,253	864,711,493
	Less: Dividend	-	(21,809,343)
		808,776,253	842,902,150
	Add: Profit/(Loss) during the period	(35,277,301)	(34,125,897)
		773,498,952	808,776,253
14.00	Lease Liability		
	Opening balance	5,603,529	5,734,605
	Less: Payment	70,045	131,076
	Less: Short term lease liability	149,797	143,277
		5,383,687	5,460,252
15.00	Deferred Tax Liability	-	-
16.00	Trade Payables	-	-
17.00	Short Term borrowings		
	Lease Liability	149,797	143,277
	Short term borrowings - Unsecured	217,091,000	195,591,000
		217,240,797	195,734,277
17.01	Short term borrowings		
	Lease Liability	149,797	143,277
		149,797	143,277
17.02	Short term borrowings - Unsecured		
	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
		217,091,000	195,591,000
18.00	Provision for Income tax		
	Opening balance	-	-
	Add: Current Period Charged	2,904,443	3,176,822
		2,904,443	3,176,822
19.00	Refundable Deposit (IPO)	-	2,945,000
	Transferred total amount to the Capital Market Stabilisation Fund (CMSF), on 11 October 2021 as stated in note : 09.		
20.00	Dividend Payables		
	The above amount is payable for the financial year 2019-2020.	426,982	617,827
21.00	Creditors and Accruals	3,007,907	9,590,359



FAR CHEMICAL INDUSTRIES LIMITED
Notes to the accounts
For the period from July 01, 2021 to December 31, 2021

Notes	Particulars	Amount in Taka			
		31-12-2021		30-06-2021	
	Particulars	01-07-2021 to 31-12-2021	01-07-2020 to 31-12-2020	01-10-2021 to 31-12-2021	01-10-2020 to 31-12-2020
22.00	Sales Revenue	34,872,966	313,385,188	-	131,127,367
	Sales Revenue	<u>34,872,966</u>	<u>313,385,188</u>	<u>-</u>	<u>131,127,367</u>
23.00	Cost of Goods Sold				
	Cost of Goods Sold	59,146,218	308,247,968	23,543,287	129,802,981
		<u>59,146,218</u>	<u>308,247,968</u>	<u>23,543,287</u>	<u>129,802,981</u>
	Operating Expenses				
24.00	Selling & Distribution	3,810,291	4,657,945	1,254,590	2,042,041
25.00	Administrative Expenses	3,765,403	3,702,312	1,638,943	1,636,367
26.00	Employee Welfare Expenses	270,957	276,504	106,084	127,327
		<u>7,846,651</u>	<u>8,636,761</u>	<u>2,999,617</u>	<u>3,805,735</u>
27.00	Financial Expenses	261,985	265,690	129,306	131,061
28.00	Foreign Exchange Gain/(Loss)	5,089	1,927	-	843
29.00	Other Income	3,941	6,811	1,254	2,854
30.00	Income Tax Expenses				
	Current Tax on operating income (Net)	2,903,261		2,484,434	
	Current Tax on other income @30%	1,182		376	
	Deferred Tax	-		-	
		<u>2,904,443</u>		<u>2,484,810</u>	
30.01	Current Tax				
	Profit before Tax	(32,372,858)		(29,155,766)	
	Add: Depreciation as Accounting base	23,543,287		11,771,643	
	Less: Depreciation as Tax base	29,533,892		11,648,370	
	Taxable Income or Loss	<u>(38,363,463)</u>		<u>(29,032,493)</u>	
	Tax Rate	25%		25%	
	Current Tax	(9,590,866)		(7,258,123)	
	Minimum Tax	2,903,261		2,484,434	
	So, Current Tax during the year, high	<u>2,903,261</u>		<u>2,484,434</u>	
30.02	Deferred Tax				
	Property, Plant & Equipment				
	Carrying amount as Accounting base	2,847,890,092		2,847,890,092	
	Carrying amount as Tax base	2,491,011,402		2,491,011,402	
	Difference	<u>356,878,689</u>		<u>356,878,689</u>	
	Tax Rate	25%		25%	
	Total maximum deferred tax liability at the end of the period	89,219,672		89,219,672	
	Total maximum deferred tax liability at the beginning of the period	-		-	
	Total maximum deferred tax for the period	<u>89,219,672</u>		<u>89,219,672</u>	
	Total tax on operating income for the period	2,903,261		2,484,434	
	Less: Current tax (Minimum tax on realization)	2,903,261		2,484,434	
	Deferred tax as per total tax liability	<u>-</u>		<u>-</u>	
	Deferred tax for the period	<u>-</u>		<u>-</u>	



FAR CHEMICAL INDUSTRIES LIMITED
Notes to the accounts
For the period from July 01, 2021 to December 31, 2021

Notes	Particulars	Amount in Taka	
		31-12-2021	30-06-2021
31.00	Basic earnings per share for the year:		
	i) Earnings from Core Business		
	a) Net Profit after Tax excluding other Inc	(35,273,360)	(5,645,828)
	b) Weighted average number of shares o	218,093,423	218,093,423
	Basic Earnings per share (EPS) from core busi	(0.16)	(0.03)
	ii) Earnings from Other Income		
	a) Other Income	3,941	6,811
	b) Weighted average number of shares o	218,093,423	218,093,423
	Basic Earnings per share from other Inco	0.0000	0.0000
	Basic earnings per share (i+ii)	(0.16)	(0.03)
	Basic earnings per share (Adjusted)	(0.16)	-0.03

Weighted average number of shares outstanding

For the year 2021-2022	Number of Share	Weight	Weighted average no. of Shares
Particulars			
Opening Shares	218,093,423	365/365	218,093,423
Total	218,093,423		218,093,423

Particulars	Amount in Taka	
	31-12-2021	30-06-2021
32.00 Net Assets Value (NAV) per share		
Total Assets	3,183,396,998	3,207,235,020
Less: Total outside liability	228,963,816	217,524,537
a. Net Asset Value	2,954,433,182	2,989,710,483
b. Total number of shares outstanding	218,093,423	218,093,423
Net Assets Value (NAV) per share (a/b)	13.55	13.71

Particulars	Amount in Taka	
	31-12-2021	31-12-2020
33.00 Net operating cash flow per share (NOCFPS)		
a) Net Operating Cash Flow (Numerator)	557,938,039	66,766,734
b) No of Shares outstanding	218,093,423	218,093,423
Net operating cash flow per share (NOCFPS) (a/b)	2.56	0.31

Particulars	Amount in Taka	
	31-12-2021	30-06-2021
34.00 Reconciliation of cash generated by operations		
Net Profit/(Loss) Before Tax	(32,372,858)	(30,949,075)
Add: Depreciation	23,543,287	51,229,434
Increase/Decrease in inventory	24,731,730	510,804,240
Increase/Decrease in bills receivables	545,775,446	36,130,023
Increase/Decrease in advance, deposits & prepayments	5,871,281	(38,530,921)
Increase/Decrease in bills payables	-	(32,426,095)
Income tax paid	(2,903,261)	(3,149,901)
Increase/Decrease in creditors &	(6,515,456)	4,974,283
Foreign Exchange Gain	(1,285)	(2,476)
	557,938,039	503,969,512

