

**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Financial Position (Un-Audited)**  
**As at December 31,2022**

| Particulars                        | Notes | Amount in Taka       |                      |
|------------------------------------|-------|----------------------|----------------------|
|                                    |       | 31-12-2022           | 30-06-2022           |
| <b>ASSETS</b>                      |       |                      |                      |
| <b>Non-Current Assets</b>          |       |                      |                      |
|                                    |       | <b>3,191,694,184</b> | <b>3,169,560,395</b> |
| Property, Plant & Equipment        | 4.00  | 3,188,694,184        | 3,169,560,395        |
| Security Deposits                  | 5.00  | 3,000,000            | -                    |
| <b>Current Assets:</b>             |       |                      |                      |
|                                    |       | <b>744,436,181</b>   | <b>278,417,059</b>   |
| Inventories                        | 6.00  | 409,649,293          | 56,547               |
| Trade Receivables                  | 7.00  | 60,242,487           | -                    |
| Advances, Deposits and Prepayments | 8.00  | 7,463,589            | 12,276,505           |
| STD Account (Dividend)             | 9.00  | 675,784              | 675,784              |
| Cash and Cash Equivalents          | 10.00 | 266,405,028          | 265,408,223          |
| <b>TOTAL ASSETS</b>                |       | <b>3,936,130,365</b> | <b>3,447,977,454</b> |
| <b>EQUITY AND LIABILITES</b>       |       |                      |                      |
| <b>Shareholder's Equity</b>        |       |                      |                      |
|                                    |       | <b>2,586,539,968</b> | <b>2,639,639,525</b> |
| Share Capital                      | 11.00 | 2,180,934,230        | 2,180,934,230        |
| Retained Earnings                  | 12.00 | 405,605,738          | 458,705,295          |
| <b>Non-Current Liabilities</b>     |       |                      |                      |
| Defrred Tax Liability              | 13.00 | -                    | -                    |
| <b>Current Liabilites</b>          |       |                      |                      |
|                                    |       | <b>1,349,590,397</b> | <b>808,337,929</b>   |
| Term Loan                          | 14.00 | 542,857,000          | 494,733,000          |
| Short term borrowings              | 15.00 | 789,858,594          | 303,804,964          |
| Provision for Income Tax           | 16.00 | 1,874,932            | 5,180,976            |
| Unpaid or Unclaimed Dividend       | 17.00 | 675,784              | 675,784              |
| Creditors and accruals             | 18.00 | 14,324,087           | 3,943,206            |
| <b>TOTAL EQUITY AND LIABILITES</b> |       | <b>3,936,130,365</b> | <b>3,447,977,454</b> |
| <b>Net Asset Value Per Share</b>   | 29.00 | 11.86                | 12.10                |

  
Chairman

  
Managing Director

  
Director

  
Company Secretary

  
Chief Financial Officer

Place: Dhaka  
Dated: January 30, 2023



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Profit or Loss and other Comprehensive Income (Un-Audited)**  
**For the period ended December 31, 2022**

| Particulars                              | Notes | Amount in Taka                     |                                    | Amount in Taka                        |                                       |
|--|-------|------------------------------------|------------------------------------|---------------------------------------|---------------------------------------|
|  |       | July 01, 2022 to December 31, 2022 | July 01, 2021 to December 31, 2021 | October 01, 2022 to December 31, 2022 | October 01, 2021 to December 31, 2021 |
| Sales Revenue                            | 19.00 | 60,242,487                         | 34,872,966                         | 60,242,487                            | -                                     |
| Less: Cost of Goods Sold                 | 20.00 | 86,419,314                         | 59,146,218                         | 86,419,314                            | 23,543,287                            |
| <b>Gross Profit</b>                      |       | <b>(26,176,827)</b>                | <b>(24,273,252)</b>                | <b>(26,176,827)</b>                   | <b>(23,543,287)</b>                   |
| <b>Operating Expenses</b>                |       |                                    |                                    |                                       |                                       |
| Selling & Distribution                   | 21.00 | 7,839,547                          | 3,810,291                          | 3,982,507                             | 1,254,590                             |
| Administrative Expenses                  | 22.00 | 19,577,975                         | 3,765,403                          | 9,794,148                             | 1,638,943                             |
| Employee Welfare Expenses                | 23.00 | 151,841                            | 270,957                            | 96,026                                | 106,084                               |
|  |       | <b>27,569,363</b>                  | <b>7,846,651</b>                   | <b>13,872,681</b>                     | <b>2,999,617</b>                      |
| <b>Profit from Operation</b>             |       | <b>(53,746,190)</b>                | <b>(32,119,903)</b>                | <b>(40,049,508)</b>                   | <b>(26,542,904)</b>                   |
| Less: Financial Expenses                 | 24.00 | 3,267,362                          | 261,985                            | 2,835,159                             | 129,306                               |
| Add: Foreign Exchange Gain/(Loss)        | 25.00 | 285,371                            | 5,089                              | 285,371                               | -                                     |
|  |       | <b>(56,728,181)</b>                | <b>(32,376,799)</b>                | <b>(42,599,296)</b>                   | <b>(26,672,210)</b>                   |
| Add: Other Income                        | 26.00 | 5,503,557                          | 3,941                              | 4,644,592                             | 1,254                                 |
| <b>Net profit before tax</b>             |       | <b>(51,224,624)</b>                | <b>(32,372,858)</b>                | <b>(37,954,704)</b>                   | <b>(26,670,955)</b>                   |
| Income Tax Expenses                      | 27.00 | 1,874,933                          | 2,904,443                          | 1,638,718                             | 2,484,810                             |
| <b>Profit after tax</b>                  |       | <b>(53,099,557)</b>                | <b>(35,277,301)</b>                | <b>(39,593,422)</b>                   | <b>(29,155,766)</b>                   |
| Basic Earnings Per Share (EPS)- Adjusted | 28.00 | (0.24)                             | (0.16)                             | (0.18)                                | (0.13)                                |

\* EPS calculated based on weighted average number of shares



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Place: Dhaka  
Dated: January 30, 2023



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Cash Flows**  
**For the period ended December 31,2022**

| Particulars  | Amount in Taka                           |  |
|--|--|--|
|  | July 01, 2022<br>to<br>December 31, 2022 | July 01, 2021<br>to<br>December 31, 2021 |
| <b>A. Cash Flows From Operating Activities:</b>          |  |  |
| Receipt from customers                                   | -  | 580,652,216                              |
| Receipt from other income                                | 5,503,557                                | 3,941                                    |
| Payment for Cost of Expenses                             | (451,501,060)                            | (8,107,589)                              |
| Payment for Operating Expenses                           | (16,706,370)                             | (14,348,545)                             |
| Payment for financial Expenses                           | (3,267,362)                              | (261,985)                                |
| Payment for Income Tax Expenses                          | (5,180,976)                              |  |
| <b>Net cash flows from Operating activities</b>          | <b>(471,152,211)</b>                     | <b>557,938,039</b>                       |
| <b>B. Cash Flows From Investing Activities:</b>          |  |  |
| Purchase of Fixed Assets                                 | (59,309,794)                             | (548,173,930)                            |
| Increase / (Decrease) in Security Deposit                | (3,000,000)                              | -  |
| <b>Net cash flows from investing activities</b>          | <b>(62,309,794)</b>                      | <b>(548,173,930)</b>                     |
| <b>C. Cash Flows From Financing Activities:</b>          |  |  |
| Increase / (Decrease) in Term Loan                       | 48,124,000                               | -  |
| Increase / (Decrease) in Short term loan from bank       | 486,053,631                              | 21,356,723                               |
| <b>Net Cash flows from financing activities</b>          | <b>534,177,631</b>                       | <b>21,356,723</b>                        |
| D. Increase/(Decrease) cash and cash equivalents (A+B+C) | 715,626                                  | 31,120,832                               |
| E. Foreign Exchange Gain/(Loss)                          | 281,180                                  | 1,285                                    |
| F. Opening cash and cash equivalents                     | 265,408,223                              | 248,901,502                              |
| G. Closing cash and cash equivalents (D+E+F)             | <b>266,405,028</b>                       | <b>280,023,619</b>                       |
| <b>Net Operating Cash Flows Per Share</b>                | <b>(2.16)</b>                            | <b>2.56</b>                              |



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Place: Dhaka





**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Changes in Equity (Un-Audited)**  
**For the period ended December 31,2022**

| Particulars                    | Ordinary Share Capital | Retained Earnings  | Total                |
|--------------------------------|------------------------|--------------------|----------------------|
| As at July 01, 2022            | 2,180,934,230          | 458,705,295        | <b>2,639,639,525</b> |
| Add: Current Period Net Profit | -                      | (53,099,557)       | <b>(53,099,557)</b>  |
| <b>Total</b>                   | <b>2,180,934,230</b>   | <b>405,605,738</b> | <b>2,586,539,968</b> |

**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        | <b>2,989,710,483</b> |
| Add: Current period net profit | -                      | (35,277,301)       | <b>(35,277,301)</b>  |
| <b>Total</b>                   | <b>2,180,934,230</b>   | <b>773,498,952</b> | <b>2,954,433,182</b> |



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Place: Dhaka

Dated: January 30, 2023



**FAR Chemical Industries Limited**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2022**

**1.00 Reporting Entity**

**1.01 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 vide incorporation no. C-66261(3753)/07 with its Corporate office at House No: 11 (Floor: 5-A), Road No: 12, Niketon, Gulshan-1, Dhaka-1212 and Registered office is situated at Plot # 135-136 in CEPZ, Cumilla Export Processing Zone, Comilla, Bangladesh. The production unit has been shifted from EPZ, Cumilla to Village: Mir Kutir Chao, Post Office: Mura Para, PS: Rupgonj, District: Narayangonj. 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.

**1.02 Nature of Business**

The Company has undertaken business expansion for Spinning Unit besides its chemical business at Rupganj, Narayangonj. Hence, in addition to the chemical business, the business activities of the company are also to carry on textile spinning for 100% export-oriented dyeing/textile industries.

**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 Regulatory Compliances**

As required FAR Chemical Industries Limited comply with the following major legal provisions in addition to the Companies Act 1994 and other applicable laws and regulations:

The Income Tax Ordinance 1984;  
The Income Tax Rules 1984;  
The Value Added Tax Act 2012;  
The Value Added Tax Rules 2016  
The Customs Act 1969  
Bangladesh labour law 2006 (Amended)  
The Securities and Exchange Rules, 1987 and  
Bangladesh EPZ related rules and regulations.

**2.03 Measurement Bases used in preparing the Financial Statements**

The financial statements have been prepared on the historical cost basis, and therefore, do not take into consideration the effect of inflation. The accounting policies, unless otherwise stated, have been consistently applied by the company and are consistent with those of the previous year.

**2.04 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.

**2.05 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.





## **2.06 Reporting Period**

The financial period of the companies covers one year from 1 July 2022 to 31 December 2022 and is followed consistently.

## **2.07 Cash Flow Statement**

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 Flow 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 "Presentation of Financial Statements" the complete set of financial statements includes the following components.

- i. Statement of financial position as at 31 December 2022
- ii. Statement of Profit or Loss and other comprehensive income for the financial period ended on 31 December 2022
- iii. Statement of Cash Flows for the financial period ended on 31 December 2022
- iv. Statement of changes in equity for the financial period ended on 31 December 2022
- v. Accounting policies and explanatory notes for the financial period ended on 31 December, 2022

### **3.02 Inventories**

Inventories are measured at lower of cost and ex-factory net realizable value in compliance with "IAS 2: Inventories". The cost of inventories is based on weighted average principle and includes expenditure for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is estimated upon selling price in the ordinary course of business less estimated cost of completion. When the inventories are used, the carrying amounts of those inventories are recognized as expense in the year in which the related revenue is recognized.

### **3.03 Revenue**

In compliance with the requirements of IFRS 15 Revenue from contracts with customers, Entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is recognized only when following steps match with a transaction;

- a) Identification of the contract(s) with a customer;
- b) Identification of the performance obligation in a contract;
- c) Determine the transaction price;
- d) Allocate the transaction price to the performance obligations in the contract;
- e) Recognition revenue when (or as) the entity satisfies a performance obligation by transferring control over goods or services to a customer;

Sales Revenue for both units not yet started after shifting of chemical factory plant, Equipment and Machineries from EPZ- Cumilla to own premises at Rupgonj, Narayangonj.

### **3.04 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 Profit or Loss and Other Comprehensive Income whenever arise.



### 3.05 Financial Expenses

Financial costs comprise of interest expense on short term loan. The costs are charged to revenue except those are capitalized in accordance with IAS 23: Borrowing Costs.

### 3.06 Financial Instruments

Non-derivative financial instruments comprise trade receivables, trade payables, cash and cash equivalents and share capital.

#### Trade Receivables

Trade receivables are recognized initially at invoice value and subsequently measured at the remaining amount less allowance for doubtful receivable at the year end, if any. Receivables from foreign currency transactions are recognized in Bangladeshi Taka using exchange rates prevailing on the date of transaction.

#### Trade Payables

Liabilities are recorded at the amount payable for settlement in respect of goods and services received by the company.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of cash in hand and with banks on current and deposit accounts and short term investments which are held and available for use by the company without any restriction. There is insignificant risk of change in value of the same.

#### Share Capital

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effect.

### 3.07 Taxation

#### 3.07.1 Current Tax

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

#### 3.07.2 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

### 3.08 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.

#### Diluted Earnings per Share (DEPS)

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and number of ordinary shares outstanding, for the effect of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there were no potential ordinary shares during the relevant period.





**3.09 Impact of Covid-19 and Revenue**

There are no going concern threats due to Covid-19 as the company has adequate resources to continue in future. However, being a deemed export oriented company it has been facing global impact. During the period, the company has started export from its spinning unit but not chemical unit. Some of Chemical machineries are not fit for running its production.

**3.10 Amalgamation/Merger of S.F. Textile Industries Ltd. with FAR Chemical Industries Ltd.:**

The Company has received the Honorable High Court's judgment and final order on 01 January 2023 regarding amalgamation. The Board of Directors has decided on 05 January 2023 to merge the company with the S.F. Textile Industries Ltd. on the basis of Honorable High Court's judgment and final order given on the 28th November, 2022. The amalgamation is under process due to maintenance of some regulatory compliance.





**FAR CHEMICAL INDUSTRIES LIMITED**  
**Notes to the accounts**  
**For the period from July 01, 2022 to December 31, 2022**

| Notes        | Particulars                                    | Amount in Taka     |                    |
|--------------|--|--------------------|--------------------|
|              |  | 31-12-2022         | 30-06-2022         |
| <b>4.00</b>  | <b>Property, Plant &amp; Equipment</b>         | 3,188,694,184      | 3,169,560,395      |
| <b>5.00</b>  | <b>Security Deposits</b><br>Narayangonj, PBS-2 | 3,000,000          | -                  |
| <b>6.00</b>  | <b>Inventories:</b>                            | 409,649,293        | 56,547             |
| <b>6.01</b>  | Chemical Unit                                  | 56,547             | 56,547             |
| <b>6.02</b>  | <b>Spinning Unit:</b>                          | 409,592,746        | -                  |
|              | Raw Materials                                  | 144,080,245        | -                  |
|              | WIP  | 14,894,131         | -                  |
|              | Finished Goods                                 | 250,618,370        | -                  |
| <b>7.00</b>  | <b>Trade Receivables</b>                       | 60,242,487         | -                  |
| <b>8.00</b>  | <b>Advances, Deposits and Prepayments</b>      | 7,463,589          | 12,276,505         |
| <b>9.00</b>  | <b>STD Account (Dividend)</b>                  | 675,784            | 675,784            |
|              |  | <b>675,784</b>     | <b>675,784</b>     |
| <b>10.00</b> | <b>Cash and Cash Equivalents</b>               |                    |                    |
|              | Cash in hand - Head Office                     | 37,894             | 29,096             |
|              | Cash in hand - Factory                         | 354,781            | 148,791            |
|              | Cash at bank                                   | 8,809,537          | 11,054,669         |
|              | Cash at bank: FDR (Notes - 10.01)              | 257,202,816        | 254,175,667        |
|              |  | <b>266,405,028</b> | <b>265,408,223</b> |
| <b>10.01</b> | <b>Cash at bank: FDR</b>                       |                    |                    |
|              | Al-Arafah Islami Bank Ltd # 9398               | 40,738,111         | 41,422,690         |
|              | Al-Arafah Islami Bank Ltd # 9409               | 40,738,111         | 41,422,690         |
|              | Al-Arafah Islami Bank Ltd # 9411               | 40,738,111         | 41,422,690         |
|              | Al-Arafah Islami Bank Ltd # 9422               | 20,368,882         | 20,696,211         |
|              | Al-Arafah Islami Bank Ltd # 9455               | 40,830,530         | 41,514,031         |
|              | Al-Arafah Islami Bank Ltd # 9477               | 16,000,000         | 16,281,285         |
|              | Al-Arafah Islami Bank Ltd # 9578               | 9,000,000          | 9,160,331          |
|              | Al-Arafah Islami Bank Ltd # 9646               | 12,500,000         | 12,733,056         |
|              | Al-Arafah Islami Bank Ltd # 15881              | 12,935,001         | 12,500,000         |
|              | Al-Arafah Islami Bank Ltd # 9848               | 1,150,128          | 1,121,683          |
|              | Al-Arafah Islami Bank Ltd # 11031              | 5,545,906          | 5,450,000          |
|              | Al-Arafah Islami Bank Ltd # 11075              | 2,078,095          | 2,044,000          |
|              | Al-Arafah Islami Bank Ltd # 11119              | 2,114,747          | 2,080,000          |
|              | Al-Arafah Islami Bank Ltd # 11132              | 2,849,574          | 2,802,000          |
|              | Al-Arafah Islami Bank Ltd # 11143              | 2,136,939          | 2,102,000          |
|              | Al-Arafah Islami Bank Ltd # 11154              | 1,445,682          | 1,423,000          |
|              | Al-Arafah Islami Bank Ltd # 11683              | 2,283,000          | -                  |
|              | Al-Arafah Islami Bank Ltd # 11694              | 3,724,000          | -                  |
|              | Al-Arafah Islami Bank Ltd # 11705              | 26,000             | -                  |
|              |  | <b>257,202,816</b> | <b>254,175,667</b> |



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Notes to the accounts**  
**For the period from July 01, 2022 to December 31, 2022**

| Notes        | Particulars  | Amount in Taka       |                        |                       |
|--------------|--|----------------------|------------------------|-----------------------|
|              |  | 31-12-2022           | 30-06-2022             |                       |
| <b>11.00</b> | <b>Share Capital</b>   |                      |                        |                       |
|              | <b>Authorized share capital :</b>  |                      |                        |                       |
|              | 300,000,000 ordinary shares of Taka 10/= each.   | <u>3,000,000,000</u> | <u>3,000,000,000</u>   |                       |
|              | <b>Issued, subscribed and paid-up capital:</b>   |                      |                        |                       |
|              | 218,093,423 Ordinary Shares of Tk. 10/- each fully paid-up   | <u>2,180,934,230</u> | <u>2,180,934,230</u>   |                       |
|              | <b>The shareholding position of the company are as under:</b>  |                      |                        |                       |
|              |  |                      |                        |                       |
|              | <b>Name</b>  | <b>No of shares</b>  | <b>Percentages (%)</b> | <b>Amount in Taka</b> |
|              | 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         |
|              | <b>Total</b>   | <b>218,093,423</b>   | <b>100.00%</b>         | <b>2,180,934,230</b>  |
| <b>12.00</b> | <b>Retained Earnings</b>   |                      |                        |                       |
|              | Opening balance  | 458,705,295          | 808,776,253            |                       |
|              | Less: Dividend   | -                    | (21,809,343)           |                       |
|              |  | <u>458,705,295</u>   | <u>786,966,910</u>     |                       |
|              | Add: Profit/(Loss) during the period   | (53,099,557)         | (328,261,616)          |                       |
|              |  | <u>405,605,738</u>   | <u>458,705,295</u>     |                       |
| <b>13.00</b> | <b>Deferred Tax Liability</b>  | -                    | -                      |                       |
| <b>14.00</b> | <b>Term Loan</b>   |                      |                        |                       |
|              | Al-Arafah Islami Bank Ltd, Pragati Sarani Branch   |                      |                        |                       |
|              |  | 542,857,000          | 494,733,000            |                       |
|              |  | <u>542,857,000</u>   | <u>494,733,000</u>     |                       |
|              | Al-Arafah Islami Bank Limited sanctioned a limit for Tk 90.75 crore to procure capital machineries and working capital for import of Raw materials and stock of raw materials, work in process and finished goods. The sanctions are in the form of: |                      |                        |                       |
|              | a) HPSM Machinery (L/Cs- Deferred/ UPAS ) limit for Tk 30.75 crore   |                      |                        |                       |
|              | b) Working Capital (LCs- Sight/Deferred/UPAS/EDF) limit for Tk 60.00 crore to import/procure all types raw materials, spare parts and chemicals etc.   |                      |                        |                       |
|              | <b>Terms and Conditions :</b>  |                      |                        |                       |
|              | a) Rate of profit 6.00% for UPAS Period and 9% for Project Loan period.  |                      |                        |                       |
|              | b) Validity upto 7 years subject to renewable every year.  |                      |                        |                       |
| <b>15.00</b> | <b>Short Term borrowings</b>   |                      |                        |                       |
|              | EDF/AIBL   | 431,206,140          | -                      |                       |
|              | Short term borrowings - Unsecured (15.01)  | 358,652,454          | 303,804,964            |                       |
|              |  | <u>789,858,594</u>   | <u>195,734,277</u>     |                       |





**FAR CHEMICAL INDUSTRIES LIMITED**  
**Notes to the accounts**  
**For the period from July 01, 2022 to December 31, 2022**

| Notes        | Particulars  | Amount in Taka            |                           |
|--------------|--|---------------------------|---------------------------|
|              |  | 31-12-2022                | 30-06-2022                |
| <b>15.01</b> | <b>Short term borrowings - Unsecured</b>           |                           |                           |
|              | Samin Food and Bevarage & Textile Mills Ltd        | 41,636,964                | 41,636,964                |
|              | MN Industries Ltd                                  | 84,900,000                | 84,900,000                |
|              | Rezwana Rahman Rini                                | 88,600,000                | 88,600,000                |
|              | SF Textile Ind. Ltd.                               | 76,168,000                | 76,168,000                |
|              | Rajon Industries Ltd.                              | 67,347,490                | 12,500,000                |
|              |  | <b><u>358,652,454</u></b> | <b><u>303,804,964</u></b> |
| <b>16.00</b> | <b>Provision for Income tax</b>                    |                           |                           |
|              | Opening balance                                    | 5,180,976                 | 3,176,822                 |
|              | Add: Current year charged                          | 1,874,933                 | 5,154,055                 |
|              | Less: Adjustment                                   | (5,180,976)               | (3,149,901)               |
|              |  | <b><u>1,874,932</u></b>   | <b><u>5,180,976</u></b>   |
| <b>17.00</b> | <b>Unpaid or Unclaimed Dividend</b>                |                           |                           |
|              | Dividend Payables Note (17.01)                     | 675,784                   | 675,784                   |
|              |  | <b><u>675,784</u></b>     | <b><u>675,784</u></b>     |
| '17.01       | <b>Dividend payable</b>                            |                           |                           |
|              | For the Financial Year 2015-2016                   | -                         | 190,845                   |
|              | For the Financial Year 2019-2020                   | 426,982                   | 426,982                   |
|              | For the Financial Year 2020-2021                   | 248,803                   | 248,803                   |
|              |  | 675,784                   | 866,629                   |
|              | Less: Transferred to the CMSF for the FY-2015-2016 | -                         | (190,845)                 |
|              |  | <b><u>675,784</u></b>     | <b><u>675,784</u></b>     |
| <b>18.00</b> | <b>Creditors and Accruals</b>                      | <b><u>14,324,087</u></b>  | <b><u>3,943,206</u></b>   |



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Notes to the accounts**  
**For the period from July 01, 2022 to December 31, 2022**

| Particulars                                 | 01-07-2022<br>to<br>31-12-2022 | 01-07-2021<br>to<br>31-12-2021 | 01-10-2022<br>to<br>31-12-2022 | 01-10-2021<br>to<br>31-12-2021 |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>19.00 Sales Revenue:</b>                 |                                |                                |                                | -                              |
| Chemical Unit                               | -                              | 34,872,966                     | -                              | -                              |
| Spinning Unit                               | 60,242,487                     | -                              | 60,242,487                     | -                              |
| <b>Total</b>                                | <b>60,242,487</b>              | <b>34,872,966</b>              | <b>60,242,487</b>              | <b>-</b>                       |
| <b>20.00 Cost of Goods Sold</b>             |                                |                                |                                |                                |
| Cost of Goods Sold                          | 86,419,314                     | 59,146,218                     | 86,419,314                     | 23,543,287                     |
|   | <b>86,419,314</b>              | <b>59,146,218</b>              | <b>86,419,314</b>              | <b>23,543,287</b>              |
| <b>Operating Expenses:</b>                  |                                |                                |                                |                                |
| <b>21.00 Selling &amp; Distribution</b>     | 7,839,547                      | 3,810,291                      | 3,982,507                      | 1,254,590                      |
| <b>22.00 Administrative Expenses</b>        | 19,577,975                     | 3,765,403                      | 9,794,148                      | 1,638,943                      |
| <b>23.00 Employee Welfare Expenses</b>      | 151,841                        | 270,957                        | 96,026                         | 106,084                        |
|   | <b>27,569,363</b>              | <b>7,846,651</b>               | <b>13,872,681</b>              | <b>2,999,617</b>               |
| <b>24.00 Financial Expenses</b>             |                                |                                |                                |                                |
| Bank Charge & Commission                    | 256,077                        | 261,985                        | 90,296                         | 129,306                        |
| Interest on Murabaha TR/EDF                 | 3,011,285                      | -                              | 2,744,863                      | -                              |
|   | <b>3,267,362</b>               | <b>261,985</b>                 | <b>2,835,159</b>               | <b>129,306</b>                 |
| <b>25.00 Foreign Exchange Gain/(Loss)</b>   | 285,371                        | 5,089                          | 285,371                        | -                              |
|   | <b>285,371</b>                 | <b>5,089</b>                   | <b>285,371</b>                 | <b>-</b>                       |
| <b>26.00 Other Income</b>                   | 5,503,557                      | 3,941                          | 4,644,592                      | 1,254                          |
|   | <b>5,503,557</b>               | <b>3,941</b>                   | <b>4,644,592</b>               | <b>1,254</b>                   |
| <b>27.00 Income Tax Expenses</b>            |                                |                                |                                |                                |
| Current Tax on operating income (Note :)    | 361,455                        |                                | 2,903,261                      |                                |
| Current Tax on other income @27.50%         | 1,513,478                      |                                | 1,182                          |                                |
| Deferred Tax                                | -                              |                                | -                              |                                |
|   | <b>1,874,933</b>               |                                | <b>2,904,443</b>               |                                |
| <b>27.01 Current Tax</b>                    |                                |                                |                                |                                |
| Profit before Tax                           | (51,224,624)                   |                                | (32,372,858)                   |                                |
| Add: Depreciation as Accounting base        | 40,176,005                     |                                | 23,543,287                     |                                |
| Less: Depreciation as Tax base              | 80,175,717                     |                                | 29,533,892                     |                                |
| Taxable Income or Loss                      | <b>(91,224,335)</b>            |                                | <b>(38,363,463)</b>            |                                |
| Tax Rate                                    | 15%                            |                                | 25%                            |                                |
| Current Tax                                 | (13,683,650)                   |                                | (9,590,866)                    |                                |
| Minimum Tax                                 | 361,455                        |                                | 2,903,261                      |                                |
| So, Current Tax during the year, higher one | <b>361,455</b>                 |                                | <b>2,903,261</b>               |                                |





**FAR CHEMICAL INDUSTRIES LIMITED**  
**Notes to the accounts**  
**For the period from July 01, 2022 to December 31, 2022**

| Particulars   | 01-07-2022<br>to<br>31-12-2022 | 01-07-2021<br>to<br>31-12-2021 | 01-10-2022<br>to<br>31-12-2022 | 01-10-2021<br>to<br>31-12-2021 |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>27.02 Deferred Tax</b>                             |                                |                                |                                |                                |
| Property, Plant & Equipment                           |                                |                                |                                |                                |
| Carrying amount as Accounting base                    | 3,188,694,184                  |                                | 2,847,890,092                  |                                |
| Carrying amount as Tax base                           | 2,919,278,387                  |                                | 2,491,011,402                  |                                |
| Difference  | <u>269,415,797</u>             |                                | <u>356,878,690</u>             |                                |
| Tax Rate  | 15%                            |                                | 25%                            |                                |
| Total maximum deferred tax liability at the end of    | 40,412,370                     |                                | 89,219,673                     |                                |
| Total maximum deferred tax liability at the beginning | -                              |                                | -                              |                                |
| Total maximum deferred tax for the period             | <u>40,412,370</u>              |                                | <u>89,219,673</u>              |                                |
| Total tax on operating income and other income for    | 1,874,933                      |                                | 2,903,261                      |                                |
| Less: Current tax (Minimum tax on turnover and tax on | 1,874,933                      |                                | 2,903,261                      |                                |
| Deferred tax as per total tax liability               | <u>-</u>                       |                                | <u>-</u>                       |                                |
| Deferred tax for the period                           | <u>-</u>                       |                                | <u>-</u>                       |                                |

**28.00 Basic earnings per share for the year:**

**i) Earnings from Core Business**

|  |               |               |               |               |
|--|---------------|---------------|---------------|---------------|
| a) Net Profit after Tax excluding other Income           | (47,596,000)  | (35,273,360)  | (34,948,830)  | (29,157,020)  |
| b) Weighted average number of shares outstanding         | 218,093,423   | 218,093,423   | 218,093,423   | 198,266,748   |
| <b>Basic Earnings per share (EPS) from core business</b> | <u>(0.22)</u> | <u>(0.16)</u> | <u>(0.16)</u> | <u>(0.15)</u> |

**ii) Earnings from Other Income**

|   |              |               |               |               |
|---|--------------|---------------|---------------|---------------|
| a) Other Income                                   | 5,503,557    | 3,941         | 4,644,592     | 1,254         |
| b) Weighted average number of shares outstanding  | 218,093,423  | 218,093,423   | 218,093,423   | 218,093,423   |
| <b>Basic Earnings per share from other Income</b> | <u>0.025</u> | <u>0.0000</u> | <u>0.0213</u> | <u>0.0000</u> |

**Basic earnings per share (i+ii)** (0.19) (0.16) (0.14) (0.15)

**Basic earnings per share (Adjusted)** (0.19) (0.16) (0.16) (0.13)

**Weighted average number of shares outstanding**

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

| Particulars | Amount in Taka |            |
|-------------|----------------|------------|
|             | 31-12-2022     | 30-06-2022 |
|             |                |            |

**29.00 Net Assets Value (NAV) per share**

|   |                      |                      |
|---|----------------------|----------------------|
| Total Assets                                  | 3,936,130,365        | 3,447,977,454        |
| Less: Total outside liability                 | 1,349,590,397        | 808,337,929          |
| <b>a. Net Asset Value</b>                     | <b>2,586,539,968</b> | <b>2,639,639,525</b> |
| b. Total number of shares outstanding         | 218,093,423          | 218,093,423          |
| <b>Net Assets Value (NAV) per share (a/b)</b> | <u><b>11.86</b></u>  | <u><b>12.10</b></u>  |



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Notes to the accounts**  
**For the period from July 01, 2022 to December 31, 2022**

|              |   | Amount in Taka       |                    |
|--------------|---|----------------------|--------------------|
|              |   | 31-12-2022           | 31-12-2021         |
| <b>30.00</b> | <b>Net operating cash flow per share (NOCFPS)</b>       |                      |                    |
|              | a) Net Operating Cash Flow (Numerator)                  | (471,152,211)        | 557,938,039        |
|              | b) No of Shares outstanding                             | 218,093,423          | 218,093,423        |
|              | <b>Net operating cash flow per share (NOCFPS) (a/b)</b> | <b>(2.16)</b>        | <b>2.56</b>        |
| <b>31.00</b> | <b>Reconciliation of cash generated by operations</b>   |                      |                    |
|              |   | Amount in Taka       |                    |
|              |   | 31-12-2021           | 30-06-2022         |
|              | Net Profit/(Loss) Before Tax                            | (51,224,624)         | (79,046,633)       |
|              | Add: Depreciation                                       | 40,176,005           | 46,736,618         |
|              | Increase/Decrease in inventory                          | (409,592,746)        | 24,731,730         |
|              | Increase/Decrease in bills receivables                  | (60,242,487)         | 545,775,447        |
|              | Increase/Decrease in advance, deposits & prepayments    | 4,812,916            | 12,589,147         |
|              | Income tax paid   | (5,180,976)          | (3,721,094)        |
|              | Increase/Decrease in creditors & accrues                | 10,380,881           | (5,647,154)        |
|              | Foreign Exchange Gain                                   | (281,180)            | (2,749)            |
|              |   | <b>(471,152,211)</b> | <b>541,415,312</b> |

