

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Financial Position (Un-Audited)
As at March 31, 2019

Amount in Taka

Particulars	31-03-2019	30-06-2018
ASSETS		
Non-Current Assets		
Property, Plant & Equipment	1,857,165,172	1,675,929,791
Security Deposits	1,548,471	1,548,471
	<u>1,858,713,643</u>	<u>1,677,478,262</u>
Current Assets:		
Inventories	480,274,471	426,959,883
Trade Receivables	577,852,715	626,642,699
Advances, Deposits and Prepayments	49,168,872	56,904,297
STD Account (IPO)	2,945,000	2,945,000
STD Account (Dividend)	724,454	724,454
Cash and Cash Equivalents	35,497,952	22,210,099
	<u>1,146,463,464</u>	<u>1,136,386,432</u>
TOTAL ASSETS	<u><u>3,005,177,107</u></u>	<u><u>2,813,864,694</u></u>
EQUITY AND LIABILITES		
Shareholder's Equity		
Share Capital	1,982,667,480	1,802,424,980
Retained Earnings	975,849,354	961,917,818
	<u>2,958,516,834</u>	<u>2,764,342,798</u>
Current Liabilites		
Trade Payables	34,054,567	40,035,250
Short Term borrowings	3,011,975	2,147,857
Share Money Deposit (IPO)	2,945,000	2,945,000
Dividend Payables	724,454	724,454
Creditors and Accruals	5,924,277	3,669,335
	<u>46,660,273</u>	<u>49,521,896</u>
TOTAL EQUITY AND LIABILITES	<u><u>3,005,177,107</u></u>	<u><u>2,813,864,694</u></u>
Net Asset Value Per Share	14.92	15.34



Chairman



Managing Director

Director



Company Secretary



Chief Financial Officer

Place: Dhaka

Dated: April 30, 2019

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Profit or Loss and other Comprehensive Income (Un-Audited)
For the period ended March 31, 2019.

Amount in Taka

Particulars	Nine Months Ended		3rd Quarter Ended	
	July 01, 2018 to March 31, 2019	July 01, 2017 to March 31, 2018	January 01, 2019 to March 31, 2019	January 01, 2018 to March 31, 2018
Sales Revenue	881,665,106	1,001,431,405	283,487,697	347,134,208
Less: Cost of Goods Sold	670,825,972	767,481,516	218,387,879	274,203,234
Gross Profit	210,839,134	233,949,889	65,099,818	72,930,974
Operating Expenses				
Selling & Distribution	9,246,032	9,708,645	2,907,016	2,975,636
Administrative Expenses	6,406,721	6,607,871	1,987,288	2,037,996
Employee Welfare Expenses	614,582	626,976	208,939	216,959
	16,267,334	16,943,492	5,103,243	5,230,591
Profit from Operation	194,571,800	217,006,397	59,996,575	67,700,383
Less: Financial Expenses	524,950	556,713	207,624	249,527
Add: Foreign Exchange Gain/(Loss)	62,412	19,357	29,587	19,357
	194,109,262	216,469,041	59,818,538	67,470,213
Add: Other Income	64,774	90,516	17,318	90,516
Net profit before tax	194,174,036	216,559,557	59,835,856	67,560,729
Income Tax Expenses	-	-	-	-
Profit after tax	194,174,036	216,559,557	59,835,856	67,560,729

Basic Earnings Per Share (EPS) 0.98 1.09 0.30 0.34

* EPS calculated based on weighted average number of shares.

Atiqur

Chaiman

S. Heman

Managing Director

M. Hasan

Director

[Signature]

Company Secretary

R. Shamed

Chief Financial Officer

Place: Dhaka
Dated: April 30, 2019

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Cash Flows
For the period ended March 31, 2019

Particulars	Amount in Taka	
	July 01, 2018 to March 31, 2019	July 01, 2017 to March 31, 2018
A. Cash Flows From Operating Activities:		
Receipt from customers	930,455,090	1,013,738,813
Receipt from other income	64,774	103,366
Payment for Cost of Expenses	(677,536,874)	(748,683,934)
Payment for Operating Expenses	(12,853,757)	(16,493,196)
Payment for employee welfare expenses	(614,582)	(626,976)
Net cash flows from Operating activities	239,514,651	248,038,073
B. Cash Flows From Investing Activities:		
Purchase of Fixed Assets	(226,573,174)	(229,360,366)
Net cash flows from investing activities	(226,573,174)	(229,360,366)
C. Cash Flows From Financing Activities:		
Increase / (Decrease) in Short term Borrowings	864,117	1,012,351
Payment for financial Expenses	(524,950)	(556,713)
Net Cash flows from financing activities	339,167	455,638
D. Increase/(Decrease) cash and cash equivalents (A+B+C)	13,280,644	19,133,345
E. Foreign Exchange Gain/(Loss)	7,209	6,507
F. Opening cash and cash equivalents	22,210,099	19,919,834
G. Closing cash and cash equivalents (D+ E+F)	35,497,952	39,059,686
Net Operating Cash Flows Per Share (NOCFPS)	1.21	1.38



Chairman



Managing Director



Director



Company Secretary



Chief Financial Officer

Place: Dhaka

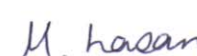

Dated: April 30, 2019

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Changes in Equity
For the period ended March 31,2019

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2018	1,802,424,980	961,917,818	2,764,342,798
Add/(Less): Bonus Share	180,242,500	(180,242,500)	-
Add: Current Period Net Profit	-	194,174,036	194,174,036
Total	1,982,667,480	975,849,354	2,958,516,834

FAR CHEMICAL INDUSTRIES LIMITED
Statement of Changes in Equity
For the period ended March 31,2018

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2017	1,638,568,160	859,044,368	2,497,612,528
Add/(Less): Bonus Share	163,856,820	(163,856,820)	-
Add: Current period net profit	-	216,559,557	216,559,557
Total	1,802,424,980	911,747,105	2,714,172,085

 Chairman	 Managing Director	 Director	 Company Secretary	 Chief Financial Officer
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Place: Dhaka
Dated: April 30, 2019

FAR Chemical Industries Limited
Notes, comprising significant accounting policies and other explanatory information
For the period ended March 31, 2019

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 9 months period from 01 July 2018 to 31 March 2019 and is followed consistently.

2.05 Statement of Cash Flows

Statement of cash flows is prepared in accordance with "IAS 7: Statement of Cash Flows" and the cash flow from operating activities have been presented under Direct Method as required by the Securities and Exchange Rules 1987 and considering the provisions that "Enterprises are Encouraged to Report Cash Flows from Operating Activities using the Direct Method".



3.00 Components of the Financial Statements

According to the International Accounting Standards (IAS)-1 as adopted by ICAB "Presentation of Financial Statements" the complete set of financial statements includes the following components.

- i. Statement of financial position as at 31 March 2019;
- ii. Statement of profit or loss and other comprehensive income for the period ended on 31 March 2019;
- iii. Statement of changes in equity for the period ended on 31 March 2019
- iv. Statement of cash flows for the period ended on 31 March 2019;and
- v. Notes, comprising significant accounting policies and other explanatory information for the period ended on 31 March 2019.

4.0 Foreign Currency Transaction/Translation

Foreign currency transactions are translated into Bangladeshi Taka at the exchange rates ruling at the transaction dates according to IAS 21: "The effect of changes in Foreign Exchange Rates". Monetary assets and liabilities denominated in the foreign currencies are translated at prevailing rates on the balance sheet (financial position) date. Non monetary assets and liabilities denominated in foreign currencies, which are related at historical cost, are translated into Bangladesh Taka at the exchange rate ruling at the date of transactions. Foreign exchange fluctuation gain/losses are charged to Statement of Comprehensive Income for the respective period.

5.00 Taxation

No provision is made for income tax since the Company is situated in Export Processing Zone, Comilla and as per Income Tax Ordinance 1984 vide IRD SRO No. 289-Law/89, dated 19 August 1989, all industries operated in the Bangladesh Export Processing Zone (BEPZ) have been exempted from payment of income tax for a period of 10 years from the date of commercial operation.

6.00 Earnings per Share (EPS)

This has been calculated in compliance with the requirements of "IAS 33: Earnings per Share" by dividing the basic earnings by the weighted average number of ordinary Shares outstanding during the year.

Basic Earnings

This represents earnings for the period attributable to the ordinary shareholders. As there 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.

7.00 Employee Benefits

7.1 Worker's Profit Participation

Accordance with the requirement of section 234 of Labor Act, 2006, the company should contribute 5% of net profit before charging the amount to the aforementioned fund. But the company established in 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.



7.2 Provident Fund

The Company has established and maintaining Contributory Provident Fund in compliance to the requirement of "The EPZ employees (Contributory) Provident Fund Policy -2012". The fund is administrated by the 6 members Board of Trustees of which 3 members are nominated from employer's side and remaining 3 members fulfilled from the representative from Workers Welfare Association. All members of trustee shall hold their position for three years. The member of the trustee board within the limit of the policy shall together hold absolute measure to take any decision for implementation of the provident fund.

7.3 Workers Welfare Fund

The company has been paying against "Workers Welfare Fund" to BEPZA since 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'.



Particulars	01-07-2018 to 31-03-2019	01-07-2017 to 31-03-2018	01-01-2019 to 31-03-2019	01-01-2018 to 31-03-2018
8.00 Cost of Goods Sold				
Cost of Goods Sold	670,825,972	767,481,516	218,387,879	274,203,234
	<u>670,825,972</u>	<u>767,481,516</u>	<u>218,387,879</u>	<u>274,203,234</u>
9.00 Operating Expenses				
Selling & Distribution	9,246,032	9,708,645	2,907,016	2,975,636
Administrative Expenses	6,406,721	6,607,871	1,987,288	2,037,996
Employee Welfare Expenses	614,582	626,976	208,939	216,959
	<u>16,267,334</u>	<u>16,943,492</u>	<u>5,103,243</u>	<u>5,230,591</u>
10.00 Basic earnings per share for the year:				
Earnings from Core Business				
a) Net Profit after Tax excluding Extraordinary Income	194,109,262	216,469,041	59,818,538	67,470,213
b) Weighted average number of shares outstanding	198,266,748	180,242,498	198,266,748	180,242,498
Basic Earnings per share (EPS) from core business(a/b)	<u>0.98</u>	<u>1.20</u>	<u>0.30</u>	<u>0.37</u>
Earnings from Extraordinary Income				
a) Extraordinary Income	64,774	90,516	17,318	90,516
b) Weighted average number of shares outstanding	198,266,748	180,242,498	198,266,748	180,242,498
Basic Earnings per share from Extraordinary Income (a/b)	<u>0.0003</u>	<u>0.0005</u>	<u>0.0001</u>	<u>0.0005</u>
Basic earnings per share	<u>0.98</u>	<u>1.20</u>	<u>0.30</u>	<u>0.37</u>
Basic earnings per share (Adjusted)	<u>0.98</u>	<u>1.09</u>	<u>0.30</u>	<u>0.34</u>

Weighted average number of shares outstanding

For the year 2018-2019	Number of Share	Weight	Weighted average no. of Shares
Particulars			
Opening Shares	180,242,498	365/365	180,242,498
Bonus Shares	18,024,250	365/365	18,024,250
Total	198,266,748		198,266,748

Amount in Taka	
31-03-2019	30-06-2018

11.00 Share Capital:

Authorized share capital :

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

3,000,000,000	3,000,000,000
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Issued, subscribed and paid-up capital:

198,266,748 Ordinary Shares of Tk. 10/- each fully paid-up.

1,982,667,480	1,802,424,980
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The shareholding position of the company are as under:

Name	No of shares	Percentages (%)	Taka
Sponsors & Directors	59,961,474	30.24%	599,614,740
Local Institutions	57,457,704	28.98%	574,577,040
General Shareholder	80,847,570	40.78%	808,475,700
Total	198,266,748	100.00%	1,982,667,480



Particulars	Amount in Taka	
	31-03-2019	30-06-2018
12.00 Retained earnings:		
Opening balance	961,917,818	859,044,368
Less: Dividend	(180,242,500)	163,856,820
	781,675,318	695,187,548
Add: Profit during the year	194,174,036	266,730,270
	975,849,354	961,917,818

13.00 Net Assets Value (NAV) per share

Total Assets	3,005,177,107	2,813,864,694
Less: Total outside liability	46,660,273	49,521,896
a. Net Asset Value	2,958,516,834	2,764,342,798
b. Total number of shares outstanding	198,266,748	180,242,498
Net Assets Value (NAV) per share (a/b)	14.92	15.34

Amount in Taka	
31-03-2019	31-03-2018
239,514,651	248,038,073
198,266,748	180,242,498
1.21	1.38

14.00 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	
31-03-2019	30-06-2018
194,174,036	266,730,270
44,992,417	66,208,348
(53,314,588)	(9,264,939)
48,789,984	13,517,424
7,735,425	(22,852,051)
(5,980,683)	3,473,987
-	(98,211)
-	98,211
-	(5,000)
-	5,000
864,118	148,234
2,254,942	(3,026,769)
239,515,651	314,934,504

15.00 Reconciliation of cash generated by operations

Net Profit/(Loss) Before Tax	194,174,036	266,730,270
Add: Depreciation	44,992,417	66,208,348
Increase/Decrease in inventory	(53,314,588)	(9,264,939)
Increase/Decrease in bills receivables	48,789,984	13,517,424
Increase/Decrease in advance, deposits & prepayments	7,735,425	(22,852,051)
Increase/Decrease in bills payables	(5,980,683)	3,473,987
Increase/Decrease in Dividend payables	-	(98,211)
Increase/Decrease in STD Account (Dividend)	-	98,211
Increase/Decrease in Share Money Deposits (IPO)	-	(5,000)
Increase/Decrease in STD Account (IPO)	-	5,000
Increase/Decrease in short term borrowings	864,118	148,234
Increase/Decrease in creditors & accrues	2,254,942	(3,026,769)
	239,515,651	314,934,504

