

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

**Amount in Taka**

Particulars	Notes	31-03-2020	30-06-2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	4.00	1,818,699,630	1,847,141,781
Security Deposits	5.00	1,548,471	1,548,471
		<b>1,820,248,101</b>	<b>1,848,690,252</b>
<b>Current Assets:</b>			
Inventories	6.00	599,989,471	468,297,673
Trade Receivables	7.00	568,653,906	617,542,172
Advances, Deposits and Prepayments	8.00	88,968,493	38,808,225
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	42,360,288	44,789,720
		<b>1,303,635,236</b>	<b>1,173,100,869</b>
<b>TOTAL ASSETS</b>		<b>3,123,883,338</b>	<b>3,021,791,121</b>
<b>EQUITY AND LIABILITES</b>			
<b>Shareholder's Equity</b>			
Share Capital	12.00	2,180,934,230	1,982,667,480
Retained Earnings	13.00	896,378,581	990,834,606
		<b>3,077,312,811</b>	<b>2,973,502,086</b>
<b>Current Liabilites</b>			
Trade Payables	14.00	36,514,589	38,964,750
Short Term borrowings	15.00	1,967,984	2,002,142
Share Money Deposit (IPO)	16.00	2,945,000	2,945,000
Dividend Payables	17.00	718,079	718,079
Creditors and Accruals	18.00	4,424,875	3,659,064
		<b>46,570,527</b>	<b>48,289,035</b>
<b>TOTAL EQUITY AND LIABILITES</b>		<b>3,123,883,338</b>	<b>3,021,791,121</b>
<b>Net Asset Value Per Share</b>		14.11	15.00



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka

Dated: June 29, 2020



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

Amount in Taka

Particulars	Notes	Nine Months Ended		3rd Quarter Ended	
		July 01, 2019 to March 31, 2020	July 01, 2018 to March 31, 2019	January 01, 2020 to March 31, 2020	January 01, 2019 to March 31, 2019
Sales Revenue	22.00	685,669,201	881,665,106	212,720,818	283,487,697
Less: Cost of Goods Sold	23.00	567,127,499	670,825,972	182,507,873	218,387,879
<b>Gross Profit</b>		<b>118,541,702</b>	<b>210,839,134</b>	<b>30,212,945</b>	<b>65,099,818</b>
<b>Operating Expenses</b>					
Selling & Distribution	24.00	7,928,035	9,246,033	2,617,688	2,907,016
Administrative Expenses	25.00	6,039,333	6,406,721	1,976,686	1,987,288
Employee Welfare Expenses	26.00	483,434	614,582	164,217	208,939
		<b>14,450,802</b>	<b>16,267,335</b>	<b>4,758,591</b>	<b>5,103,243</b>
<b>Profit from Operation</b>		<b>104,090,900</b>	<b>194,571,798</b>	<b>25,454,354</b>	<b>59,996,574</b>
Less: Financial Expenses	27.00	362,686	524,950	102,587	207,624
Add: Foreign Exchange Gain/(Loss)	28.00	35,912	62,413	18,573	29,588
		<b>103,764,126</b>	<b>194,109,261</b>	<b>25,370,340</b>	<b>59,818,538</b>
Add: Other Income	29.00	46,599	64,774	15,364	17,318
<b>Net profit before tax</b>		<b>103,810,725</b>	<b>194,174,035</b>	<b>25,385,704</b>	<b>59,835,856</b>
Income Tax Expenses		-	-	-	-
<b>Profit after tax</b>		<b>103,810,725</b>	<b>194,174,035</b>	<b>25,385,704</b>	<b>59,835,856</b>
Basic Earnings Per Share (EPS)	30.00	0.48	0.89	0.12	0.27

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

*Signature*

Chairman

*S. Haque*

Managing Director

*M. Hasan*

Director

*Rahmed*

Chief Financial Officer

*Signature*

Company Secretary

Place: Dhaka

Dated: June 29, 2020



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Cash Flows**  
**For the period ended March 31,2020**

Particulars	Amount in Taka	
	July 01, 2019 to March 31, 2020	July 01, 2018 to March 31, 2019
<b>A. Cash Flows From Operating Activities:</b>		
Receipt from customers	734,557,467	930,455,090
Receipt from other income	46,599	64,774
Payment for Cost of Expenses	(710,343,722)	(677,536,874)
Payment for Operating Expenses	(12,702,931)	(12,853,757)
Payment for employee welfare expenses	(483,434)	(614,582)
<b>Net cash flows from Operating activities</b>	<b><u>11,073,979</u></b>	<b><u>239,514,651</u></b>
<b>B. Cash Flows From Investing Activities:</b>		
Purchase of Fixed Assets	(13,109,971)	(226,573,174)
<b>Net cash flows from investing activities</b>	<b><u>(13,109,971)</u></b>	<b><u>(226,573,174)</u></b>
<b>C. Cash Flows From Financing Activities:</b>		
Increase / (Decrease) in Short term Borrowings	(34,159)	864,117
Payment for financial Expenses	(362,686)	(524,950)
<b>Net Cash flows from financing activities</b>	<b><u>(396,845)</u></b>	<b><u>339,167</u></b>
<b>D. Increase/(Decrease) cash and cash equivalents (A+B+C)</b>	<b>(2,432,837)</b>	<b>13,280,644</b>
<b>E. Foreign Exchange Gain/(Loss)</b>	<b>3,405</b>	<b>7,209</b>
<b>F. Opening cash and cash equivalents</b>	<b>44,789,720</b>	<b>22,210,099</b>
<b>G. Closing cash and cash equivalents (D+ E+F)</b>	<b><u>42,360,288</u></b>	<b><u>35,497,952</u></b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>0.05</b>	<b>1.21</b>



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka

Dated: June 29, 2020



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Changes in Equity**  
**For the period ended March 31,2020**

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	-	103,810,725	103,810,725
<b>Total</b>	<b>2,180,934,230</b>	<b>896,378,581</b>	<b>3,077,312,811</b>

**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
<b>Total</b>	<b>1,982,667,480</b>	<b>975,849,354</b>	<b>2,958,516,834</b>



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka

Dated: June 29, 2020



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



### **3.00 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 2020;
- ii. Statement of profit or loss and other comprehensive income for the period ended on 31 March 2020;
- iii. Statement of changes in equity for the period ended on 31 March 2020
- iv. Statement of cash flows for the period ended on 31 March 2020;and
- v. Notes, comprising significant accounting policies and other explanatory information for the period ended on 31 March 2020.

### **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 1<sup>st</sup> February 2013 in compliance to the requirement of BEPZA rules. The management of the fund is maintained by BEPZA according to the rules & guidelines imposed under the style of ‘Constitution and Operation Procedure of EPZ Worker’s Welfare Fund 2012’.



FAR Chemical Industries Limited

Notes to the accounts	Particulars	Amount in Taka	
		31-03-2020	30-06-2019

4.00 **Property, plant & equipment**  
Cost less accumulated depreciation 1,818,699,630 1,847,141,781

5.00 **Security Deposit** 1,548,471 1,548,471  
Land lease at BEPZA 1,152,985 1,152,985  
Deposit for electricity 395,486 395,486

6.00 Inventories 599,989,471 468,297,673

7.00 Trade receivables 568,653,906 617,542,172

8.00 Advances, deposits and prepayments 88,968,493 38,808,225

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 42,360,288 44,789,720

12.00 **Share capital:**

**Authorized share capital :**

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

**31-03-2020** **30-06-2019**

**3,000,000,000** **3,000,000,000**

**Issued, subscribed and paid-up capital:**

218,093,423 Ordinary Shares of Tk. 10/- each fully paid-up

**2,180,934,230**

**1,982,667,480**

**The shareholding position of the company are as under:**

Name	No of shares	Percentages (%)	Taka
Sponsors & Directors	65,957,620	30.24%	659,576,200
Local Institutions	59,380,891	27.23%	593,808,910
General Shareholder	92,754,912	42.53%	927,549,120
<b>Total</b>	<b>218,093,423</b>	<b>100.00%</b>	<b>2,180,934,230</b>

**Amount in Taka**

**31-03-2020** **30-06-2019**

13.00 **Retained earnings:**

Opening balance 990,834,606 961,917,818

Less: Dividend (198,266,750) (180,242,500)

792,567,856 781,675,318

Add: Profit during the year 103,810,725 209,159,288

**896,378,581** **990,834,606**

14.00 Trade Payable 36,514,589 38,964,750

15.00 Short term borrowings 1,967,984 2,002,142

16.00 Share Money Deposits (IPO) 2,945,000 2,945,000

17.00 Dividend paybles 718,079 718,079

18.00 Creditors and accruals 4,424,875 3,659,064





FAR Chemical Industries Limited

Notes to the accounts	Particulars	Amount in Taka			
		01-07-2019 to 31-03-2020	01-07-2018 to 31-03-2019	01-01-2020 to 31-03-2020	01-01-2019 to 31-03-2019
	Particulars				
22.00	Sales Revenue	685,669,201	881,665,106	212,720,818	283,487,697
23.00	Cost of Goods Sold	567,127,499	670,825,972	182,507,873	218,387,879
	Gross Profit	<u>118,541,702</u>	<u>210,839,134</u>	<u>30,212,945</u>	<u>65,099,818</u>
	<b>Operating Expenses</b>				
24.00	Selling & Distribution	7,928,035	9,246,033	2,617,688	2,907,016
25.00	Administrative Expenses	6,039,333	6,406,721	1,976,686	1,987,288
26.00	Employee Welfare Expenses	483,434	614,582	164,217	208,939
		<u>14,450,802</u>	<u>16,267,335</u>	<u>4,758,591</u>	<u>5,103,243</u>
27.00	Financial Expenses	362,686	524,950	102,587	207,624
28.00	Foreign Exchange Gain/(Loss)	35,912	62,413	18,573	29,588
29.00	Other income	46,599	64,774	15,364	17,318
30.00	<b>Basic earnings per share for the year:</b>				
	<b>Earnings from Core Business</b>				
	a) Net Profit after Tax excluding other Income	103,764,126	194,109,261	25,370,340	59,818,538
	b) Weighted average number of shares outstanding	218,093,423	198,266,748	218,093,423	198,266,748
	Basic Earnings per share (EPS) from core business(a/b)	<u>0.48</u>	<u>0.98</u>	<u>0.12</u>	<u>0.30</u>
	<b>Earnings from Other Income</b>				
	a) Other Income	46,599	64,774	15,364	17,318
	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)	<u>0.0002</u>	<u>0.0003</u>	<u>0.0001</u>	<u>0.0001</u>
	<b>Basic earnings per share</b>	<u>0.48</u>	<u>0.98</u>	<u>0.12</u>	<u>0.30</u>
	Basic earnings per share (Adjusted)	<u>0.48</u>	<u>0.89</u>	<u>0.12</u>	<u>0.27</u>

**Weighted average number of shares outstanding**

For the year 2019-2020	Number of Share	Weight	Weighted average no. of Shares
<b>Particulars</b>			
Opening Shares	198,266,748	365/365	198,266,748
Bonus Shares	19,826,675	365/365	19,826,675
<b>Total</b>	<b>218,093,423</b>		<b>218,093,423</b>

Particulars	Amount in Taka	
	31-03-2020	30-06-2019

31.00	<b>Net Assets Value (NAV) per share</b>		
	Total Assets	3,123,883,338	3,021,791,121
	Less: Total outside liability	46,570,527	48,289,035
	<b>a. Net Asset Value</b>	<b>3,077,312,811</b>	<b>2,973,502,086</b>
	b. Total number of shares outstanding	218,093,423	198,266,748
	<b>Net Assets Value (NAV) per share (a/b)</b>	<u><b>14.11</b></u>	<u><b>15.00</b></u>



FAR Chemical Industries Limited

Notes to the accounts	Particulars	Amount in Taka
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32.00 **Net operating cash flow per share (NOCFPS)**  
a) Net Operating Cash Flow  
b) No. of Shares outstanding  
**Net operating cash flow per share (NOCFPS) (a/b)**

Amount in Taka	
31-03-2020	31-03-2019
11,073,979	239,514,651
218,093,423	198,266,748
<b>0.05</b>	<b>1.21</b>

33.00 **Reconciliation of cash generated by operations**

Net Profit/(Loss) Before Tax  
Add: Depreciation  
Increase/Decrease in inventory  
Increase/Decrease in bills receivables  
Increase/Decrease in advance, deposits & prepayments  
Increase/Decrease in bills payables  
Increase/Decrease in Dividend payables  
Increase/Decrease in STD Account (Dividend)  
Increase/Decrease in Share Money Deposits (IPO)  
Increase/Decrease in STD Account (IPO)  
Increase/Decrease in short term borrowings  
Increase/Decrease in creditors & accrues

Amount in Taka	
31-03-2020	30-06-2019
103,810,725	209,159,288
41,945,563	60,729,630
(131,691,798)	(41,337,790)
48,888,266	9,100,527
(50,160,268)	18,096,072
(2,450,161)	(1,070,500)
-	(6,375)
-	6,375
-	-
-	-
(34,158)	(145,715)
765,812	(10,272)
<b>11,073,979</b>	<b>254,521,241</b>

