



# FAR CHEMICAL INDUSTRIES LTD.

**Corporate Office:** House # 11 (Floor: 5-A), Road # 12, Block # F, Niketon Gulshan-1, Dhaka-1212, Bangladesh. **Tel:** 9858734, **Fax:** 88-02-9858735  
**E-mail:** farchemicaltd@gmail.com, **Web:** www.farchemicalbd.com

June 9, 2021

The Chairman  
Bangladesh Securities and Exchange Commission  
Securities Commission Bhaban  
Plot# E-6/C, Agargaon  
Sher-e-Bangla Nagar  
Dhaka-1207, Bangladesh.

**Copy to:**

- i) Managing Director, Dhaka Stock Exchange Ltd.
- ii) Managing Director, Chittagong Stock Exchange Ltd.

**Dhaka Office:**

Eunoos Trade Center (Level -15), 52-53 Dilkusha C/A, Dhaka-1000.

**Subject:** Regarding submission of un- audited Financial Statements (**Q3**) of FAR  
Chemical Industries Limited for the period from July 01, 2020 to March 31, 2021

Dear Sir,

Reference to the captioned subject, this is to inform you that we are submitting herewith un-audited Financial Statements for the period from July 01, 2020 to March 31, 2021 (**Q3**) of FAR Chemical Industries Ltd.

If you need any further information or query, please call us.

Thanking you.

Sincerely Yours,

ABM Golam Mostafa FCMA  
Company Secretary

Encl: As stated above

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

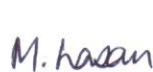
Particulars	Notes	Amount in Taka	
		31-03-2021	30-06-2020
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	4.00	2,052,548,332	1,934,391,972
Security Deposits	5.00	1,548,471	1,548,471
		<u>2,054,096,803</u>	<u>1,935,940,443</u>
<b>Current Assets:</b>			
Inventories	6.00	204,349,588	535,592,517
Trade Receivables	7.00	689,507,127	581,905,470
Advances, Deposits and Prepayments	8.00	76,913,712	23,608,225
STD Account (IPO)	9.00	2,945,000	2,945,000
STD Account (Dividend)	10.00	4,564,335	718,079
Cash and Cash Equivalents	11.00	17,973,852	11,375,844
		<u>996,253,614</u>	<u>1,156,145,135</u>
<b>TOTAL ASSETS</b>		<u><u>3,050,350,417</u></u>	<u><u>3,092,085,578</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Equity</b>			
Share Capital	12.00	2,180,934,230	2,180,934,230
Retained Earnings	13.00	834,515,622	864,711,493
		<u>3,015,449,852</u>	<u>3,045,645,723</u>
<b>Non-Current Liabilities</b>			
Lease Liability	14.00	5,497,275	5,603,529
		<u>5,497,275</u>	<u>5,603,529</u>
<b>Current Liabilities</b>			
Trade Payables	15.00	16,158,743	32,426,095
Short Term borrowings	16.00	140,124	131,076
Provision for Income tax	17.00	1,895,659	-
Refundable Deposit (IPO)	18.00	2,945,000	2,945,000
Dividend Payables	19.00	4,564,335	718,079
Creditors and Accruals	20.00	3,699,428	4,616,076
		<u>29,403,289</u>	<u>40,836,326</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>3,050,350,417</u></u>	<u><u>3,092,085,578</u></u>
<b>Net Asset Value Per Share</b>		13.83	13.96



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka

Dated: June 9, 2021



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Statement of Changes in Equity**  
**For the period ended March 31,2021**

Particulars	Ordinary Share Capital	Retained Earnings	Total
As at July 01, 2020	2,180,934,230	864,711,493	3,045,645,723
Add/(Less): Bonus Share	-	-	-
Less: Dividend paid	-	(21,809,342)	(21,809,342)
Add: Current Period Net Profit	-	(8,386,528)	(8,386,528)
<b>Total</b>	<b>2,180,934,230</b>	<b>834,515,622</b>	<b>3,015,449,852</b>

**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>

*আব্দুল*

Chairman

*S. Haque*

Managing Director

*M. Hasan*

Director

*Rahmed*

Chief Financial Officer

*Ullah*

Company Secretary

Place: Dhaka

Dated: June 9, 2021



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

Particulars	Amount in Taka	
	July 01, 2020 to March 31, 2021	July 01, 2019 to March 31, 2020
<b>A. Cash Flows From Operating Activities:</b>		
Receipt from customers	378,504,349	734,557,467
Receipt from other income	10,458	46,599
Payment for Cost of Expenses	(176,264,851)	(710,343,722)
Payment for Operating Expenses	(12,590,880)	(12,702,931)
Payment for employee welfare expenses	(401,072)	(483,434)
<b>Net cash flows from Operating activities</b>	<b><u>189,258,004</u></b>	<b><u>11,073,979</u></b>
<b>B. Cash Flows From Investing Activities:</b>		
Purchase of Fixed Assets	(156,578,437)	(13,109,971)
Increase / (Decrease) in STD Account (Dividend)	(3,846,256)	-
<b>Net cash flows from investing activities</b>	<b><u>(160,424,693)</u></b>	<b><u>(13,109,971)</u></b>
<b>C. Cash Flows From Financing Activities:</b>		
Increase / (Decrease) in Short term Borrowings	(33,126)	(34,159)
Payment for financial Expenses	(394,532)	(362,686)
Payment for cash dividend	(21,809,342)	-
<b>Net Cash flows from financing activities</b>	<b><u>(22,237,000)</u></b>	<b><u>(396,845)</u></b>
<b>D. Increase/(Decrease) cash and cash equivalents (A+B+C)</b>	<b>6,596,311</b>	<b>(2,432,837)</b>
<b>E. Foreign Exchange Gain/(Loss)</b>	<b>1,697</b>	<b>3,405</b>
<b>F. Opening cash and cash equivalents</b>	<b>11,375,844</b>	<b>44,789,720</b>
<b>G. Closing cash and cash equivalents (D+ E+F)</b>	<b><u>17,973,852</u></b>	<b><u>42,360,288</u></b>
<b>Net Operating Cash Flows Per Share (NOCFPS)</b>	<b>0.87</b>	<b>0.05</b>



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka

Dated: June 9, 2021



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

Amount in Taka

Particulars	Notes	Nine Months Ended		3rd Quarter Ended	
		July 01, 2020 to March 31, 2021	July 01, 2019 to March 31, 2020	January 01, 2021 to March 31, 2021	January 01, 2020 to March 31, 2020
Sales Revenue	21.00	486,106,006	685,669,201	172,720,818	212,720,818
Less: Cost of Goods Sold	22.00	479,690,652	567,127,499	171,442,684	182,507,873
<b>Gross Profit</b>		<b>6,415,354</b>	<b>118,541,702</b>	<b>1,278,134</b>	<b>30,212,945</b>
<b>Operating Expenses</b>					
Selling & Distribution	23.00	6,769,990	7,928,036	2,112,045	2,617,688
Administrative Expenses	24.00	5,356,526	6,039,333	1,654,214	1,976,686
Employee Welfare Expenses	25.00	401,072	483,434	124,568	164,217
		<b>12,527,587</b>	<b>14,450,802</b>	<b>3,890,827</b>	<b>4,758,591</b>
<b>Profit from Operation</b>		<b>(6,112,233)</b>	<b>104,090,900</b>	<b>(2,612,693)</b>	<b>25,454,354</b>
Less: Financial Expenses	26.00	394,532	362,686	128,842	102,587
Add: Foreign Exchange Gain/(Loss)	27.00	5,438	35,912	3,511	18,573
		<b>(6,501,327)</b>	<b>103,764,126</b>	<b>(2,738,023)</b>	<b>25,370,340</b>
Add: Other Income	28.00	10,458	46,599	3,647	15,364
<b>Net profit before tax</b>		<b>(6,490,869)</b>	<b>103,810,725</b>	<b>(2,734,376)</b>	<b>25,385,704</b>
Income Tax Expenses	29.00	1,895,659	-	728,890	-
<b>Profit after tax</b>		<b>(8,386,528)</b>	<b>103,810,725</b>	<b>(3,463,266)</b>	<b>25,385,704</b>
Basic Earnings Per Share (EPS)	30.00	(0.04)	0.48	(0.02)	0.12

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



Chairman



Managing Director



Director



Chief Financial Officer



Company Secretary

Place: Dhaka  
Dated: June 9, 2021



**FAR Chemical Industries Limited**  
**Notes, comprising significant accounting policies and other explanatory information**  
**For the period ended March 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 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 2020 to 31 March 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".



### **3.00 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 2021;
- ii. Statement of profit or loss and other comprehensive income for the period ended on 31 March 2021;
- iii. Statement of changes in equity for the period ended on 31 March 2021
- iv. Statement of cash flows for the period ended on 31 March 2021;and
- v. Notes, comprising significant accounting policies and other explanatory information for the period ended on 31 March 2021.

### **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 date 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**

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

#### **Deferred Tax**

Deferred tax arises due to temporary difference deductible or taxable for the transaction which is not recognized during the period because of loss of the company. A temporary difference between the tax base of an asset or liability and its carrying amount/or amount in the Statement of Financial Position. Deferred tax assets or liability is the year income tax recoverable or payable in future periods recognized in the current period as per "IAS 12: Income Tax.

### **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 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**  
**For the period from July 01, 2020 to March 31, 2021**

Particulars	31-03-2021	30-06-2020
4.00 Property, Plant & Equipment	2,052,548,332	1,934,391,972
5.00 Security Deposits	1,548,471	1,548,471
6.00 Inventories	204,349,588	535,592,517
7.00 Trade Receivables	689,507,127	581,905,470
8.00 Advances, Deposits and Prepayments	76,913,712	23,608,225
9.00 STD Account (IPO)	2,945,000	2,945,000
10.00 STD Account (Dividend)	4,564,335	718,079
Opening balance	718,079	
Add: For the Financial Year 2019-2020	3,846,256	
11.00 Cash and Cash Equivalents	17,973,852	11,375,844
12.00 Share Capital	2,180,934,230	2,180,934,230
13.00 Retained Earnings		
Opening balance	864,711,493	990,834,606
Less: Dividend	(21,809,342)	(198,266,750)
	842,902,150	792,567,856
Add: Profit/(Loss) during the period	(8,386,528)	72,143,637
	<b>834,515,622</b>	<b>864,711,493</b>
<b>14.00 Lease Liability</b>		
Long Term Lease Liability	5,497,275	5,603,529
15.00 Trade Payables	16,158,743	32,426,095
16.00 Short Term borrowings	140,124	131,076
<b>17.00 Provision for Income tax</b>	1,895,659	
<b>Current Tax:</b>		
Minimum Tax @ 0.50% on Turnover	1,892,522	
On other income @ 30%	3,137	
18.00 Refundable Deposit (IPO)	2,945,000	2,945,000
19.00 Dividend Payables	4,564,335	718,079
Opening balance	718,079	
Add: For the Financial Year 2019-2020	3,846,256	
20.00 Creditors and Accruals	3,699,428	4,616,076



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Notes to the accounts**  
**For the period from July 01, 2020 to March 31, 2021**

Particulars	01-07-2020 to 31-03-2021	01-07-2019 to 31-03-2020	01-01-2021 to 31-03-2021	01-01-2020 to 31-03-2020
21.00 Sales Revenue	486,106,006	685,669,201	172,720,818	212,720,818
Sales Revenue	<u>486,106,006</u>	<u>685,669,201</u>	<u>172,720,818</u>	<u>212,720,818</u>
<b>22.00 Cost of Goods Sold</b>				
Cost of Goods Sold	479,690,652	567,127,499	171,442,684	182,507,873
	<u>479,690,652</u>	<u>567,127,499</u>	<u>171,442,684</u>	<u>182,507,873</u>
<b>Operating Expenses</b>				
23.00 Selling & Distribution	6,769,990	7,928,036	2,112,045	2,617,688
24.00 Administrative Expenses	5,356,526	6,039,333	1,654,214	1,976,686
25.00 Employee Welfare Expenses	401,072	483,434	124,568	164,217
	<u>12,527,587</u>	<u>14,450,803</u>	<u>3,890,827</u>	<u>4,758,591</u>
26.00 Financial Expenses	394,532	362,686	128,842	102,587
27.00 Foreign Exchange Gain/(Loss)	5,438	35,912	3,511	18,573
28.00 Other Income	10,458	46,599	3,647	15,364
29.00 Income Tax Expenses	1,895,659	-	728,890	-
<b>30.00 Basic earnings per share for the year:</b>				
<b>i) Earnings from Core Business</b>				
a) Net Profit after Tax excluding other Income	(8,376,070)	103,764,126	(3,459,619)	25,370,340
b) Weighted average number of shares outstanding	218,093,423	218,093,423	218,093,423	218,093,423
Basic Earnings per share (EPS) from core business(a/b)	<u>(0.04)</u>	<u>0.48</u>	<u>(0.02)</u>	<u>0.12</u>
<b>ii) Earnings from Other Income</b>				
a) Other Income	10,458	46,599	3,647	15,364
b) Weighted average number of shares outstanding	218,093,423	218,093,423	218,093,423	218,093,423
Basic Earnings per share from other Income (a/b)	<u>0.0000</u>	<u>0.0002</u>	<u>0.0000</u>	<u>0.0001</u>
<b>Basic earnings per share (i+ii)</b>	<u>(0.04)</u>	<u>0.48</u>	<u>(0.02)</u>	<u>0.12</u>
<b>Basic earnings per share (Adjusted)</b>	<u>(0.04)</u>	<u>0.48</u>	<u>-0.02</u>	<u>0.12</u>

**Weighted average number of shares outstanding**

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



**FAR CHEMICAL INDUSTRIES LIMITED**  
**Notes to the accounts**  
**For the period from July 01, 2020 to March 31, 2021**

Particulars	Amount in Taka	
	31-03-2021	30-06-2020
<b>31.00 Net Assets Value (NAV) per share</b>		
Total Assets	3,050,350,417	3,092,085,578
Less: Total outside liability	34,900,565	46,439,855
<b>a. Net Asset Value</b>	<b>3,015,449,852</b>	<b>3,045,645,723</b>
b. Total number of shares outstanding	218,093,423	218,093,423
<b>Net Assets Value (NAV) per share (a/b)</b>	<b>13.83</b>	<b>13.96</b>

Amount in Taka	
31-03-2021	31-03-2020
189,258,004	11,073,979
218,093,423	218,093,423
<b>0.87</b>	<b>0.05</b>

**32.00 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	
	31-03-2021	30-06-2020
Net Profit/(Loss) Before Tax	(8,386,528)	72,143,637
Add: Depreciation	42,589,737	56,207,921
Increase/Decrease in inventory	331,242,929	(67,294,844)
Increase/Decrease in bills receivables	(107,601,657)	35,636,702
Increase/Decrease in advance, deposits & prepayments	(53,305,487)	15,200,000
Increase/Decrease in bills payables	(16,267,352)	(815,212)
Increase/Decrease in creditors & accrues	(916,648)	957,013
Foreign Exchange Gain	(1,697)	(3,941)
	<b>189,258,004</b>	<b>112,031,276</b>

