

**AUDITOR'S REPORT  
AND  
FINANCIAL STATEMENTS  
OF  
FAR CHEMICAL INDUSTRIES LIMITED  
FOR THE YEAR ENDED 30 JUNE 2018**



**AHMAD & AKHTAR**

*Chartered Accountants*

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INDEPENDENT AUDITOR'S REPORT  
To the Shareholders of  
FAR Chemical Industries Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of **FAR Chemical Industries Limited** (the company), which comprises the Statement of Financial Position as at 30 June 2018 and Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information thereon.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of **FAR Chemical Industries Limited** as at 30 June 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs).

**Report on Other Legal and Regulatory Requirements**

In accordance with the Companies Act 1994 and The Securities and Exchange Rules 1987, we also report that:

- we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;
- the Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows dealt with the report are in agreement with the books of account; and
- the expenditure incurred was for the purpose of the company's business.

Date: October 27, 2018  
Place: Dhaka

  
AHMAD & AKHTAR  
Chartered Accountants

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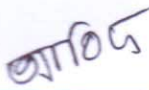
**Chittagong Branch Office:**


Isabella Tower, Level-4 IBBL  
Hallshahar, Boropool,  
Chittagong-4000  
(M): 01715429860

FAR Chemical Industries Limited  
Statement of Financial Position  
As at June 30, 2018

	Notes	Amount in Taka	
		30 June 2018	30 June 2017
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment	4.00	1,677,478,262	1,431,042,371
Security deposit	5.00	1,675,929,791	1,429,493,900
		1,548,471	1,548,471
<b>Current assets</b>			
Inventories	6.00	1,136,386,432	1,115,599,812
Trade receivables	7.00	426,959,883	417,694,944
Advances, deposits and prepayments	8.00	626,642,699	640,160,123
STD Account (IPO)	9.00	56,904,297	34,052,246
STD Account (Dividend)	10.00	2,945,000	2,950,000
Cash and cash equivalents	11.00	724,454	822,665
		22,210,099	19,919,834
<b>Total Assets</b>		<b>2,813,864,694</b>	<b>2,546,642,183</b>
<b>Shareholder Equity and Liabilities</b>			
<b>Shareholders' equity</b>			
Share capital	12.00	2,764,342,798	2,497,612,528
Retained earnings	13.00	1,802,424,980	1,638,568,160
		961,917,818	859,044,368
<b>Current Liabilities</b>			
Trade payables	14.00	49,521,896	49,029,655
Short term borrowings	15.00	40,035,250	36,561,263
Share Money Deposits (IPO)	16.00	2,147,857	1,999,623
Dividend payables	17.00	2,945,000	2,950,000
Creditors and accruals	18.00	724,454	822,665
		3,669,335	6,696,104
<b>Total Shareholder Equity and Liabilities</b>		<b>2,813,864,694</b>	<b>2,546,642,183</b>
<b>Net Assets Value (NAV) per share</b>	27.00	<b>15.34</b>	<b>15.24</b>

The annexed notes form an integral part of these financial statements.

  
Chairman

  
Managing Director


  
Company Secretary

  
Chief Financial Officer

Signed as per our annexed report on even date

Dated: October 27, 2018  
Place: Dhaka

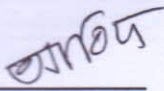


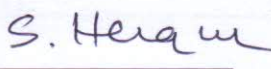
  
AHMAD & AKHTAR  
Chartered Accountants

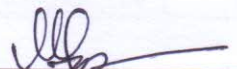
**FAR Chemical Industries Limited**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the year ended June 30, 2018**

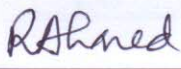
	Notes	Amount in Taka	
		FY (2017-2018)	FY (2016-2017)
Revenue	19.00	1,337,366,121	1,436,569,686
Less: Cost of sales	20.00	1,047,992,773	1,122,823,282
<b>Gross profit</b>		<b>289,373,348</b>	<b>313,746,404</b>
<b>Less: Operating expenses</b>			
Selling and distribution expenses	21.00	10,581,377	9,775,646
Administrative expenses	22.00	10,998,069	10,466,531
Employee Welfare expenses	23.00	761,035	701,254
		<b>22,340,481</b>	<b>20,943,431</b>
<b>Profit from operation</b>		<b>267,032,867</b>	<b>292,802,973</b>
Less: Financial expenses	24.00	666,964	581,655
		<b>266,365,903</b>	<b>292,221,318</b>
Add: Other income	25.00	364,367	384,194
<b>Profit before tax</b>		<b>266,730,270</b>	<b>292,605,512</b>
Less: Income tax expenses		-	-
<b>Profit after tax</b>		<b>266,730,270</b>	<b>292,605,512</b>
<b>Basic Earnings Per Share (EPS)</b>	26.00	<b>1.48</b>	<b>1.62</b>

The annexed notes form an integral part of these financial statements.

  
Chairman

  
Managing Director

  
Company Secretary

  
Chief Financial Officer

Signed as per our annexed report on even date

Dated: October 27, 2018  
Place: Dhaka

  
AHMAD & AKHTAR  
Chartered Accountants

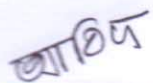


FAR Chemical Industries Limited  
Statement of Changes in Equity  
For the year ended June 30, 2018

Particulars	Share Capital Taka	Retained Earnings Taka	Total Taka
Balance at July 01,2017	1,638,568,160	859,044,368	2,497,612,528
Bonus Issue	163,856,820	(163,856,820)	-
Cash Dividend	-	-	-
Profit during the year	-	266,730,270	266,730,270
<b>Balance at 30 June 2018</b>	<b>1,802,424,980</b>	<b>961,917,818</b>	<b>2,764,342,798</b>

FAR Chemical Industries Limited  
Statement of Changes in Equity  
For the year ended June 30, 2017

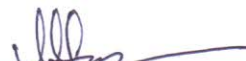
Particulars	Share Capital Taka	Retained Earnings Taka	Total Taka
Balance at July 01,2016	1,365,473,470	907,807,220	2,273,280,690
Bonus Issue	273,094,690	(273,094,690)	-
Cash Dividend	-	(68,273,674)	(68,273,674)
Profit during the year	-	292,605,512	292,605,512
<b>Balance at 30 June 2017</b>	<b>1,638,568,160</b>	<b>859,044,368</b>	<b>2,497,612,528</b>



Chairman



Managing Director



Company Secretary



Chief Financial Officer

Signed as per our annexed report on even date

Dated: October 27, 2018  
Place: Dhaka

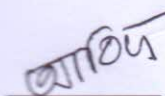


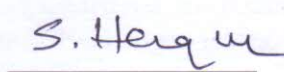
  
AHMAD & AKHTAR  
Chartered Accountants


**FAR Chemical Industries Limited**  
**Statement of Cash Flows**  
**For the year ended June 30, 2018**

	Notes	Amount in Taka	
		FY (2017-2018)	FY (2016-2017)
<b>A. Cash flows from operating activities:</b>			
Receipt from customers		1,350,883,545	1,395,420,027
Receipt from other income		364,367	384,194
Payment for cost of expenses		(1,011,075,473)	(1,052,423,400)
Payment for operating expenses		(24,570,971)	(20,884,145)
Payment of financial expenses on short term loan		(666,964)	(581,655)
<b>Net cash from operating activities</b>		<b>314,934,504</b>	<b>321,915,021</b>
<b>B. Cash flows from investing activities:</b>			
Acquisition of property, plant and equipment		(312,792,473)	(308,958,168)
<b>Net cash used in investing activities</b>		<b>(312,792,473)</b>	<b>(308,958,168)</b>
<b>C. Cash flows from financing activities:</b>			
Receipt/(Payment) against short term loan		148,234	(125,864)
Dividend paid		-	(68,273,674)
<b>Net Cash used in financing activities</b>		<b>148,234</b>	<b>(68,399,538)</b>
<b>D. Net increase in cash and cash equivalents (A+B+C)</b>		<b>2,290,265</b>	<b>(55,442,685)</b>
E. Opening cash and cash equivalents		19,919,834	75,362,519
<b>F. Closing cash and cash equivalents (D+E)</b>		<b>22,210,099</b>	<b>19,919,834</b>
<b>Net Operating Cash Flow Per Share (NOCFPS) 28.00</b>		<b>1.75</b>	<b>1.96</b>

The annexed notes form an integral part of these financial statements.

  
Chairman

  
Managing Director

  
Company Secretary

  
Chief Financial Officer



Dated: October 27, 2018  
Place: Dhaka

**FAR Chemical Industries Limited**  
**Notes, comprising significant accounting policies and other explanatory information**  
**For the year ended June 30, 2018**

**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 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.

**1.02 Nature of Business**

The principal activities of the Company are to manufacture and export of Chemical products to different export oriented Textiles, dyeing and Apparels industries. Some of the Principal products and services are:

- Softening Agent
- Scouring Agent
- Anti-Foaming Agent
- Leveling Agent
- Fixing Agent
- Stabilizer
- Retarding Agent
- Bleaching Agent and
- Other chemical products.

**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 1991; and  
The Value Added Tax Rules 1991  
The Customs Act 1969 and  
Bangladesh labour law 2006 (Amendment 2013).



**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 Use of Estimates and Judgements**

The preparation of these financial statements in conformity with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected thereby.

In particular, information about significant areas of estimation on uncertainty and critical judgments in applying accounting policies that have the most significant affect on the amounts recognized in the financial statements are included in the following notes:

Note: 4 Property, Plant and Equipment

Note: 6 Inventories

Note: 7 Trade Receivables

Note: 8 Advance, Deposit and Pre-payment

Note: 14 Trade Payable

**2.07 Reporting Period**

The financial period of the companies covers one year from 01 July 2017 to 30 June 2018 and is followed consistently.

**2.08 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".





**2.09 IAS and IFRS adopted by the management**

Sl. No.	Name of the IAS	IAS's No.
1	Presentation of Financial Statements	1
2	Inventories	2
3	Statement of Cash Flows	7
4	Accounting policies, Changes in accounting Estimates & Errors	8
5	Events after the Reporting Period	10
6	Income Taxes	12
7	Property, Plant and Equipment	16
8	Leases	17
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SL. No.	Name of the IFRS	IFRS No.
1	Financial Instruments: Disclosures	7
2	Operating Segments	8
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**3.00 Significant Accounting Policies**

**3.01 Property, Plant & Equipment**

**3.1.1 Recognition and Measurement**

Tangible fixed assets are accounted for according to "IAS 16: Property, plant and equipment", Items of property, plant and equipment are measured at cost or revaluation less accumulated depreciation. The cost of acquisition of an asset comprises its purchase price and any attributable cost of bringing the assets to its working condition for its intended Expenditure incurred after the assets have been put into use, such as repairs maintenance is normally charged off as revenue expenditure in the year in which it incurs. In situation where it can be clearly demonstrated that the expenditure has resulted increase in the future economic benefit expected to be obtained from the asset expenditure is capitalized as an additional cost of the assets.



### 3.1.2 Depreciation

Depreciation is provided on Reducing Balance Method except Leasehold Land Development (Comilla EPZ) on the value at which the assets carried in the books of Accounts. Depreciation is charged at the rates varying from 2.50% to 20% depending on the estimated useful life of assets. Depreciation is provided on Leasehold Land development on straight-line method the lease term of 30 years. Depreciation has been charged on additions during the period of available for utilization of Property, Plant & Equipment.

Rates of depreciation of assets considering their useful lives are as follows:

<u>Category</u>	<u>Rate</u>
Leasehold Land Development	3.33%
Factory Buildings	2.50%
Plant and Machinery	10%
Electrical Installation	10%
Compressor	10%
Forklift	10%
Water line Installation	10%
Office Equipment	10%
Furniture & Fixture	20%

### 3.02 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 30 June 2018;
- ii. Statement of profit or loss and other comprehensive income for the financial year ended on 30 June 2018;
- iii. Statement of changes in equity for the financial year ended on 30 June 2018
- iv. Statement of cash flows for the financial year ended on 30 June 2018; and
- v. Notes, comprising significant accounting policies and other explanatory information for the financial year ended on 30 June 2018.

### 3.03 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.

### 3.04 Revenue

Revenue represents the ex-factory invoice value of goods supplied to customers during the period. Revenue from sale of goods is recognized in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer in compliance with IAS 18: Revenue. Sales are recognized when delivery certificate is raised against confirmed orders.

**3.05 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.

**3.06 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.

**3.07 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.

**3.08 Taxation**

**3.8.1 Current Tax**

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.



**3.8.2 Deferred Tax**

Deferred tax arises due to temporary difference deductible or taxable for the transaction which is recognized in the income statement. A temporary difference between the tax base of an asset or liability and its carrying amount/or amount in the Statement of Financial Position. Deferred tax assets or liability is the year income tax recoverable or payable in future periods recognized in the current period "IAS 12: Income Tax.

Since the income of the company is exempted from tax. So the calculation of deferred not required for the company.

**3.09 Provisions**

As per "IAS 37: Provisions, Contingent Liabilities and Contingent Assets, a provision recognized on the date of statement of financial position if, as a result of past event Company has a present obligation that can be estimated reliably, and it is probable outflow of economic benefits will be required to settle the obligation.

**3.10 Contingencies**

Contingencies arising from claim, litigation assessment, fines, penalties etc are recorded it is probable that a liability has been incurred and the amount can be measured reliably accordance with "IAS 37: Provisions, Contingent Liabilities and Contingent Assets".

**3.11 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.

**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.

**3.12 Segment Reporting**

No segmental reporting is applicable for the company as required by "IFRS 08: Operating Segment" as the company operates in a single industry segment and within as geographical segment.

**3.13 Event after Statement of Financial Position Date**

In compliance with the requirements of "IAS-10: Event after the reporting period" that provide additional information about the company's position at the date of the financial position are reflected in the financial statements and events after the reporting period that are not adjusting events are disclosed in the notes when materials.

There was no significant event that has been occurred between the statement of financial position date and date on which the financial statements are authorized for issue.

**3.14 Employee Benefits**

**3.14.1 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.

**3.14.2 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.

**3.14.3 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'.

**3.15 Financial Risk Management Policies**

The company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The company does not hold or issue derivative financial instruments for speculative or trading purposes.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the interest rate exposure arises from short and long term borrowings from banks. The company has no significant risk of fluctuations in interest rates.

**Foreign Currency Risk**

The company is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

**Credit Risk**

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the group's customer base, Management does not anticipate material losses from its debt collection.

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the party to incur a financial loss. The company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

Concentrations of credit risk arise when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the company's performance to developments affecting a particular industry. The breakup amount due from customers other than related parties as disclosed in note 7.00 to these financial statements is presented below:

Due from customer other than related parties:	
Gross trade and other receivable	Tk.626,642,699 .00
Less: Related Parties	<u>Tk. 3,654,550.00</u>
Net from Customer	Tk. <u>622,988,149.00</u>

Out of the total trade debts of Tk. 626,642,699 .00 the company has not made any provision. The aging profile to the trade debts overdue is as follows:

Time duration	Gross Amount	Impairment
Up to 6 months	626,642,699 .00	-
Over 6 months	-	-
<b>Total Taka</b>	626,642,699 .00	-

#### Liquidity Risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and bank balances and availability of funding through an adequate amount of committed credit facilities. The company aims to maintain flexibility in funding by keeping committed credit lines open. The maturity profile of the company's liabilities based on contractual maturities is as follows:

Financial Liability	Carrying Amount	On Demand	Contractual Cash flows	Upto One year	More than one year
Trade payable	40,035,250	-	40,035,250	40,035,250	-
Short term borrowing	2,147,857	-	2,147,857	2,147,857	-
<b>Total Taka</b>	<b>42,183,107</b>	-	<b>42,183,107</b>	<b>42,183,107</b>	-



**Fair Values**

The fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Consequently, difference may arise between the carrying value and the fair value estimates. As at 30 June 2018 the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying values.

Underlying the definition of fair value is the presumption that the company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

**3.16 Date of Authorization**

These financial statements were authorized for issue on 27 October, 2018 by the board of the Directors of the company.

**3.17 General**

- i) Comparative figures have been re-arranged where considered necessary to ensure better comparability with the current period without causing any impact on the profit and value of assets and liabilities as reported in the financial statements.
- ii) Figures for the year 2017 have been rearranged wherever considered necessary to ensure comparability with the current year.



		Amount in Taka	
		30-06-2018	30-06-2017
<b>4.00</b>	<b>Property, plant &amp; equipment</b>		
	<b>At cost</b>		
	Opening balance	1,916,727,421	1,607,769,253
	Addition during the year	312,792,473	308,958,168
		<b>2,229,519,894</b>	<b>1,916,727,421</b>
	<b>Accumulated depreciation</b>		
	Opening balance	487,233,521	415,267,727
	Charged during the year	66,356,582	71,965,794
		<b>553,590,103</b>	<b>487,233,521</b>
	<b>Written down value as on June 30</b>	<b>1,675,929,791</b>	<b>1,429,493,900</b>
	The details of the above is given in Annexure-A		
	Note: Addition of Land & Land development includes:		
	Deed Value of Land (95.80 decimal of land purchased )	20,244,000	20,451,000
	Registration & Other cost	2,631,720	2,658,630
	Land development cost	174,664,498	265,432,246
		<b>197,540,218</b>	<b>288,541,876</b>
	Description of land: Registered deed agreement numbers are 5245, 8011, 11154, 1144, 1242, 4865, 5275, 7941, 8714, 9678, 11847, 847, 1254/17, 3183/17 and 4299/17.		
<b>5.00</b>	<b>Security deposit</b>		
	Land lease at BEPZA, Plot : 135-136	1,152,985	1,152,985
	Deposit for electricity	395,486	395,486
		<b>1,548,471</b>	<b>1,548,471</b>
<b>6.00</b>	<b>Inventories</b>		
		<b>Notes</b>	
	Raw materials	6.01	296,137,074
	Work-in-process	6.02	10,436,343
	Packaging materials	6.03	6,140,905
	Finished goods	6.04	109,623,373
	Store items	6.05	4,622,188
			<b>426,959,883</b>
			<b>417,694,944</b>
<b>6.01</b>	<b>Raw materials</b>		
	Opening stock		285,248,167
	Add: Purchase during the year		859,362,951
	Raw materials available for production		<b>1,144,611,118</b>
	Less: Input to production		848,474,044
			<b>296,137,074</b>
<b>6.02</b>	<b>Work-in-process</b>		
	Opening work-in-process		10,571,652
	Add: Current year		890,011,011
			<b>900,582,663</b>
	Less: Transfer to finished goods		890,146,320
			<b>10,436,343</b>
<b>6.03</b>	<b>Packaging materials</b>		
	Opening stock		6,152,413
	Add: Purchase during the year		41,525,459
			<b>47,677,872</b>
	Less: Consumption during the year		41,536,967
			<b>6,140,905</b>
			<b>6,152,413</b>





	Amount in Taka	
	30-06-2018	30-06-2017
<b>6.04 Finished goods</b>		
Opening stock	111,210,678	109,254,125
Add: Production during the year	1,046,893,262	1,125,310,863
Less: Cost of free issue	(487,794)	(531,028)
Production available for export	<u>1,157,616,146</u>	<u>1,234,033,960</u>
Less: Cost of goods sold	<u>1,047,992,773</u>	<u>1,122,823,282</u>
	<u><b>109,623,373</b></u>	<u><b>111,210,678</b></u>
<b>6.05 Store items</b>		
Opening stock	4,512,034	4,365,289
Add: Purchase during the year	20,343,848	23,045,102
	<u>24,855,882</u>	<u>27,410,391</u>
Less: Consumption during the year	20,233,694	22,898,357
	<u><b>4,622,188</b></u>	<u><b>4,512,034</b></u>
<b>7.00 Trade receivables</b>		
Opening balance	640,160,123	599,010,464
Add: Export during the year	1,337,366,121	1,436,569,686
	<u>1,977,526,244</u>	<u>2,035,580,150</u>
Less: Realization during the year	1,350,883,545	1,395,420,027
	<u>626,642,699</u>	<u>640,160,123</u>
Receivables due over six months	-	-
Receivables due below six months	626,642,699	640,160,123
	<u><b>626,642,699</b></u>	<u><b>640,160,123</b></u>

This is considered as fully secured and guaranteed payment by export letter of credit opening bank against export order and is considered good & realizable within one year as per the terms of export letter of credit. The classification of receivables as required by the Schedule XI of the Companies Act, 1994 are given below:

Particulars	30-06-2018	30-06-2017
i. Receivables considered good in respect of which the company is fully secured	626,642,699	640,160,123
ii. Receivables considered good in respect of which the company holds no security other than the debtor personal security	-	-
iii. Receivables considered doubtful or bad	-	-
iv. Receivables due by directors or other officers & staffs	-	-
v. Receivables due from companies under same management	3,654,550	33,542,108
vi. The maximum amount of receivable due by any director or other officer of the company	-	-



		Amount in Taka	
		30-06-2018	30-06-2017
<b>8.00</b>	<b>Advances, deposits and prepayments</b>		
	Sundry Advances	54,779,101	32,395,819
	Advance Salary	1,996,400	1,641,000
	M/S. Abul Khair Steel	123,542	-
	M/S. Sattar Enterprise	5,254	15,427
		<u>56,904,297</u>	<u>34,052,246</u>
<b>8.01</b>	<b>Sundry Advances</b>		
	Mr. MA Bari	6,521,547	5,121,547
	Mr. Uttam Kumar	1,963,415	65,150
	M/S. Gazi Enterprise	20,150	487,549
	M/S. Omer Electrical Engineering Works	517,496	412,506
	Md. Abul Khair Manik	35,998,423	13,329,587
	M/S. Bangla Trac Ltd.	3,105,247	3,652,006
	M/S. L/N Enterprise	514,293	854,968
	M/S. Creative Design and Development	2,309,175	2,415,076
	M/S. Tropical Vertical Mover	624,186	3,952,003
	M/S. Denmark Refrigeration Workes	3,205,169	2,105,427
		<u>54,779,101</u>	<u>32,395,819</u>
<b>8.02</b>	<b>Movement of Advances, Deposits and Prepayments</b>		
	Opening Balance	34,052,246	51,263,934
	Add: Addition during the year	26,057,097	39,870,546
		<u>60,109,343</u>	<u>91,134,480</u>
	Less: Adjustment during the year	3,205,046	57,082,234
		<u>56,904,297</u>	<u>34,052,246</u>
<b>9.00</b>	<b>STD Account (IPO)</b>		
	STD Accounts (BRAC Bank)	2,945,000	2,950,000
		<u>2,945,000</u>	<u>2,950,000</u>
<b>10.00</b>	<b>STD Account - Dividend</b>		
	STD Accounts (SBACBL)	724,454	822,665
		<u>724,454</u>	<u>822,665</u>
<b>11.00</b>	<b>Cash and Cash equivalent</b>		
	Cash in hand - Head Office	1,524,196	1,145,174
	Cash in hand - Factory	1,405,218	2,021,048
	<b>Cash at bank:</b>		
	Al-Arafah Islami Bank Ltd.	12,541,876	12,221,439
	Social Islami Bank Limited	1,709,874	1,402,843
	Social Islami Bank Limited	5,013,694	3,108,276
	Bank Asia Limited	15,241	21,054
		<u>22,210,099</u>	<u>19,919,834</u>
<b>12.00</b>	<b>Share capital:</b>		
<b>12.01</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>12.02</b>	<b>Issued, subscribed and paid-up capital:</b>		
	180,242,498 Ordinary Shares of Tk. 10/- each fully paid-up.	<u>1,802,424,980</u>	<u>1,638,568,160</u>



Amount in Taka	
30-06-2018	30-06-2017

The shareholding position of the company are as under:

Name	No of shares	Percentages (%)	Amount in Taka
Sponsors & Directors	54,510,432	30.24%	545,104,320
Local Institutions	53,982,628	29.95%	539,826,280
General Shareholder	71,749,438	39.81%	717,494,380
<b>Total</b>	<b>180,242,498</b>	<b>100.00%</b>	<b>1,802,424,980</b>

**12.03 Classification of shareholders by holdings:**

The composition of shareholders at June 30, 2018.

Ranges of Shareholdings	30-06-2018		30-06-2017	
	No. of Holder	% of holding	No. of Holder	% of holding
Less than or equal to 500 Shares	2,824	0.36%	3,292	0.52%
501 to 1,000 Shares	2,164	0.94%	2,727	1.45%
1,001 to 5,000 Shares	5,430	7.40%	5,269	8.85%
5,001 to 10,000 Shares	1,694	6.71%	1,644	7.80%
10,001 to 20,000 Shares	1,155	8.83%	934	8.52%
20,001 to 30,000 Shares	378	5.09%	331	5.15%
30,001 to 40,000 Shares	190	3.66%	156	3.39%
40,001 to 50,000 Shares	108	2.70%	119	3.40%
50,001 to 100,000 Shares	183	6.93%	171	7.77%
100,001 to 1,000,000 Shares	110	13.89%	87	11.94%
Over 1,000,000 Shares	17	43.49%	14	41.21%
<b>Total</b>	<b>14,253</b>	<b>100.0%</b>	<b>14,744</b>	<b>100.0%</b>

**13.00 Retained earnings**

Opening balance	859,044,368	907,807,220
Less: Dividend	163,856,820	341,368,364
	695,187,548	566,438,856
Add: Profit during the year	266,730,270	292,605,512
	<b>961,917,818</b>	<b>859,044,368</b>

**14.00 Trade Payable**

CJTECH Co Ltd.	9,415,080	15,216,527
SFC Co Ltd.	7,151,639	5,651,399
SBC Co Ltd.	11,257,893	10,152,186
OCI Corporation	12,210,638	5,541,151
	<b>40,035,250</b>	<b>36,561,263</b>

**14.01 Movement of Trade Payable**

Opening Balance	36,561,263	34,150,610
Add: Import/Purchases during the year	921,232,258	1,006,125,734
	<b>957,793,521</b>	<b>1,040,276,344</b>
Less: Payment made during the year	917,758,271	1,003,715,081
	<b>40,035,250</b>	<b>36,561,263</b>

**15.00 Short term borrowings**

Trust Receipt (Note-15.01)	2,147,857	1,999,623
	<b>2,147,857</b>	<b>1,999,623</b>

**15.01** The Al-Arafah Islami Bank Limited sanctioned a composite working capital limit for Tk 45.00 crore to make stock of raw materials, work-in-process and finished goods in the form of:

- L/C limit for Tk 35.00 crore
- Trust receipt (TR) for Tk 5.00 crore and
- Bai-Muazzal Commercial for Tk 5.00 crore

**Terms and Conditions :**

- Rate of profit 11.50% per annum
- Validity upto 22.04.2019 and can be renewable yearly



	Amount in Taka	
	30-06-2018	30-06-2017
<b>16.00 Share Money Deposits (IPO)</b>		
Share Money Deposits	2,945,000	2,950,000
	<b>2,945,000</b>	<b>2,950,000</b>
<b>17.00 Dividend paybles</b>		
Dividend payable	724,454	822,665
	<b>724,454</b>	<b>822,665</b>
<b>18.00 Creditors and accruals</b>		
Electricity bill	126,210	102,548
Water bill	855,416	851,246
Medical subscription-BEPZA	25,163	24,187
Salaries and wages	2,218,769	2,154,218
Director remuneration and fees	50,000	256,200
Sundry creditors (Note-18.01)	143,777	745,708
M/s Jubair Construction	-	120,517
Audit and professional fees	250,000	250,000
M/s Alhaj Supply & Transport	-	2,076,641
M/s Khan Associates	-	114,839
	<b>3,669,335</b>	<b>6,696,104</b>
<b>18.01 Sundry creditors</b>		
M/s Power Puls Engineering	-	521,047
M/s Zahid Enterprise	105,361	65,340
M/s New China Thai Aluminium Ltd.	21,054	15,428
M/s Rainbow Printers	17,362	98,674
M/s Transformer & Electric Mfg Co Ltd.	-	45,219
	<b>143,777</b>	<b>745,708</b>
<b>19.00 Revenue</b>		
Softening Agent	405,136,876	411,541,276
Scouring Agent	167,541,052	163,223,959
Anti-Foaming Agent	100,521,630	108,054,189
Levelling Agent	114,206,395	129,105,215
Fixing Agent	101,241,876	102,042,168
Stabilizer	167,541,638	191,405,186
Retarding Agent	147,541,637	185,142,168
Bleaching Agent	50,421,071	56,210,357
Other chemical products	83,213,946	89,845,168
	<b>1,337,366,121</b>	<b>1,436,569,686</b>
<b>20.00 Cost of sales</b>		
Raw materials consumed-Chemicals (Note-20.01)	848,474,044	917,045,386
Packaging materials consumed (Note-20.02)	41,536,967	47,510,340
	<b>890,011,011</b>	<b>964,555,726</b>
Add: Work in process- opening	10,571,652	10,875,193
	<b>900,582,663</b>	<b>975,430,919</b>
Less: Work in process- closing	10,436,343	10,571,652
<b>Total consumption</b>	<b>890,146,320</b>	<b>964,859,267</b>
Add: Manufacturing overhead (Note-20.03)	91,186,639	89,349,392
Add: Depreciation (Annexure-A)	65,560,303	71,102,204
<b>Cost of production</b>	<b>1,046,893,262</b>	<b>1,125,310,863</b>
Add: Finished goods - opening	111,210,678	109,254,125
	<b>1,158,103,940</b>	<b>1,234,564,988</b>
Less: Finished goods - closing	109,623,373	111,210,678
<b>Change of finished goods stock</b>	<b>1,048,480,567</b>	<b>1,123,354,310</b>
Less: Cost of free issue	487,794	531,028
	<b>1,047,992,773</b>	<b>1,122,823,282</b>

	Amount in Taka	
	30-06-2018	30-06-2017
<b>20.01 Raw materials consumed-chemicals</b>		
Opening Stock	285,248,167	266,854,126
Add: Purchase during the period	859,362,951	935,439,427
<b>Raw materials available for production</b>	<b>1,144,611,118</b>	<b>1,202,293,553</b>
Less: Closing Stock	296,137,074	285,248,167
Consumption during the period	<b>848,474,044</b>	<b>917,045,386</b>
<b>20.02 Packaging materials consumed</b>		
Opening Stock	6,152,413	6,021,548
Add: Purchase during the period	41,525,459	47,641,205
Consumable Item available for packing.	<b>47,677,872</b>	<b>53,662,753</b>
Less: Closing Stock	6,140,905	6,152,413
Consumption during the period	<b>41,536,967</b>	<b>47,510,340</b>
<b>20.03 Manufacturing overhead</b>		
Salaries and wages	23,154,087	22,541,876
Fuel, water and power	26,754,291	23,516,487
Printing and stationary	935,416	910,521
Conveyance expenses	1,105,249	1,024,688
Mobile bill	47,541	45,218
Store and spares consumed (Note-6.05)	20,233,694	22,898,357
Rent, rates and taxes	7,451,639	7,541,861
Medical expenses	913,024	945,826
Food and Tiffin	1,642,051	1,542,879
Labor charge	1,975,416	1,754,186
Repair and maintenance (Note-20.3.1)	3,945,218	3,945,218
Carrying Charge	874,639	718,754
Other overhead	2,154,374	1,963,521
	<b>91,186,639</b>	<b>89,349,392</b>
<b>20.03.1 Repairs and maintenance</b>		
Plant and Machinery	2,105,394	1,978,416
Buildings	506,318	1,120,517
Others	641,207	541,635
	<b>3,252,919</b>	<b>3,640,568</b>
<b>21.00 Selling and distribution expenses</b>		
Advertisement expenses	317,245	535,187
Salaries and wages	1,975,416	1,785,406
Transportation and handling expenses	4,152,497	3,451,052
Repairs and maintenance	385,416	390,751
Rent	99,500	98,721
Electricity, water and gas	816,352	750,617
Sales promotion expenses	785,641	783,402
Traveling expenses	663,041	628,421
Entertainment expenses	301,526	245,103
Miscellaneous expenses	56,819	49,751
Sample, test and analysis	301,246	267,130
Cost of free issue	487,794	531,028
Depreciation (Annexure-A)	238,884	259,077
	<b>10,581,377</b>	<b>9,775,646</b>



	Amount in Taka	
	30-06-2018	30-06-2017
<b>22.00 Administrative expenses</b>		
Salaries and wages	1,452,168	1,251,876
Postage and telecommunication	50,418	48,241
Traveling, haulage and passage	816,427	746,226
Repair and maintenance	97,563	95,241
Electricity, fuel and water	516,340	463,517
Printing and stationery	160,542	139,754
Rent, rates and taxes	5,741,864	5,579,702
Subscription and donation	60,527	63,517
Entertainment	55,196	58,754
Legal and professional Charge	85,691	85,691
Audit and professional fees	250,000	250,000
Miscellaneous expenses	55,396	32,517
News paper and periodicals	4,158	3,261
AGM Expenses	416,384	369,721
Director remuneration	600,000	600,000
Board meeting attendance fees	78,000	74,000
Depreciation (Annexure-A)	557,395	604,513
	<b>10,998,069</b>	<b>10,466,531</b>
<b>23.00 Employee welfare expenses</b>	<b>761,035</b>	<b>701,254</b>
	<b>761,035</b>	<b>701,254</b>
<b>24.00 Financial expenses</b>		
Bank Charges	56,437	52,422
Interest on Trust Receipt	610,527	529,233
	<b>666,964</b>	<b>581,655</b>
<b>25.00 Other income</b>		
Foreign Exchange Gain/Loss	89,051	76,127
Sale of wastage	275,316	308,067
	<b>364,367</b>	<b>384,194</b>
<b>26.00 Basic earnings per share for the year:</b>		
<b>Earnings from Core Business</b>		
a) Net Profit after Tax excluding Extraordinary Income	266,365,903	292,221,318
b) Weighted average number of shares outstanding (Note-26.01)	180,242,498	163,856,816
<b>Basic Earnings per share (EPS) from core business(a/b)</b>	<b>1.48</b>	<b>1.78</b>
<b>Earnings from Extraordinary Income</b>		
a) Extraordinary Income	364,367	384,194
b) Weighted average number of shares outstanding	180,242,498	163,856,816
<b>Basic Earnings per share from from Extraordinary Income (a/b)</b>	<b>0.0020</b>	<b>0.0023</b>
<b>Basic earnings per share</b>	<b>1.48</b>	<b>1.79</b>
<b>Basic earnings per share (Adjusted)</b>	<b>1.48</b>	<b>1.62</b>



Amount in Taka	
30-06-2018	30-06-2017

26.01 Weighted average number of shares outstanding

For the year 2018

Particulars	Number of Share	Weight	Weighted average no. of Shares
Opening Shares	163,856,816	365/365	163,856,816
Bonus Shares	16,385,682	365/365	16,385,682
<b>Total</b>	<b>180,242,498</b>		<b>180,242,498</b>

For the year 2017

Particulars	Number of Share	Weight	Weighted average no. of Shares
Opening Shares	136,547,347	365/365	136,547,347
Bonus Shares	27,309,469	365/365	27,309,469
<b>Total</b>	<b>163,856,816</b>		<b>163,856,816</b>

27.00 Net Assets Value (NAV) per share

Total Assets	2,813,864,694	2,546,642,183
Less: Total outside liability	49,521,896	49,029,655
<b>a. Net Asset Value</b>	<b>2,764,342,798</b>	<b>2,497,612,528</b>
b. Total number of shares outstanding	180,242,498	163,856,816
<b>Net Assets Value (NAV) per share (a/b)</b>	<b>15.34</b>	<b>15.24</b>

28.00 Net operating cash flow per share (NOCFPS)

a) Net Operating Cash Flow (Numerator)	314,934,504	321,915,021
b) No of Shares outstanding	180,242,498	163,856,816
<b>Net operating cash flow per share (NOCFPS) (a/b)</b>	<b>1.75</b>	<b>1.96</b>

28.01 Reconciliation of cash generated by operations

Net Profit/(Loss) Before Tax	266,730,270	292,605,512
Add: Depreciation	66,356,582	71,965,794
Increase/Decrease in inventory	(9,264,939)	(20,324,663)
Increase/Decrease in bills receivables	13,517,424	(41,149,659)
Increase/Decrease in advance, deposits & prepayments	(22,852,051)	17,211,688
Increase/Decrease in bills payables	3,473,987	2,410,653
Increase/Decrease in Dividend payables	(98,211)	822,665
Increase/Decrease in STD Account (Dividend)	98,211	(822,665)
Increase/Decrease in Share Money Deposits (IPO)	(5,000)	(30,000)
Increase/Decrease in STD Account (IPO)	5,000	30,000
Increase/Decrease in creditors & accrues	(3,026,769)	(804,304)
	<b>314,934,504</b>	<b>321,915,021</b>



**29.00 Related party transactions**

During the period, the Company carried out a number of transactions with related parties in the normal course of business. The names of the related parties and nature of these transactions have been set out in accordance with the provision of IAS 24- Related Party Disclosures:

Name of related party	Nature of Transaction	Outstanding Balance as at June 30, 2018
M.L. Dyeing Limited	Sale of Goods	3,654,550
	<b>Total</b>	<b>3,654,550</b>

**30.00 Production and product mix**

Production capacity per year 11,000,000 Kg and during the year company produces 96,55,583 Kg of different types of Chemicals made up as follows:

Type of Chemicals	Production Qty in Kg	Product Mix
Softening Agent	2,138,789	22.15%
Scouring Agent	822,394	8.52%
Anti-Foaming Agent	757,589	7.84%
Levelling Agent	720,947	7.46%
Fixing Agent	762,285	7.89%
Stabilizer	1,202,317	12.45%
Retarding Agent	1,269,519	13.15%
Bleaching Agent	1,130,282	11.71%
Other chemical products	851,461	8.83%
<b>Total</b>	<b>9,655,583</b>	<b>100.00%</b>

**30.A Disclosure as per requirement of Schedule XI, part II, note 5 of para 3**

Employee Position ( as on June 30, 2018)

Salary Range	Officer & Staff		Worker	Total Employee
	Factory	Head Office		
Below 5992	20	5	67	92
Above 5992	7	13	204	224
<b>Total</b>	<b>27</b>	<b>18</b>	<b>271</b>	<b>316</b>





**30.B Disclosure as per requirement of Schedule XI, part II, para 4 of companies act 1994**

Payment to directors within the year of July 1, 2017 to June 30, 2018

**Remuneration & Board Meeting attendance Fees: Tk.678,000**

Directors' are entitled Tk. 2,000 as Board Meeting fee for attending each Board Meeting and Remuneration of Managing Director entitled Tk. 50,000 per month. The break down is as follows:

Name of Board of Directors	Designation	Director Remuneration	Meeting attending fees	Total Taka
Mr. Abid Mustafizur Rahman	Chairman	-	12,000	12,000
Md. Shirazul Haque (Representative of FAR Pharmaceuticals Ltd.)	MD	600,000	14,000	614,000
Mr. Faiaz Kader Sadman	Director	-	10,000	10,000
Md. Mehedi Hasan (Representative of S.S Energy Explosion Ltd.)	Director	-	14,000	14,000
Mr. Akik Habibuzzaman	Independent Director	-	14,000	14,000
Mr. Md. Abdullah	Independent Director	-	14,000	14,000
<b>Total</b>		<b>600,000</b>	<b>78,000</b>	<b>678,000</b>

**30.C Board Meeting attendance by each director**

Name of the Board of Directors	Designation	No. of meeting held	No. of meeting attending	Amount in Taka
Mr. Abid Mustafizur Rahman	Chairman	7	6	12,000
Md. Shirazul Haque (Representative of FAR Pharmaceuticals Ltd.)	MD	7	7	14,000
Mr. Faiaz Kader Sadman	Director	7	5	10,000
Md. Mehedi Hasan (Representative of S.S Energy Explosion Ltd.)	Director	7	7	14,000
Mr. Akik Habibuzzaman	Independent Director	7	7	14,000
Mr. Md. Abdullah	Independent Director	7	7	14,000
<b>Total Taka</b>				<b>78,000</b>

**31.00 Events after reporting period (IAS-10)**

There was no significant event that has been occurred between the statement of financial position date and the date on which the financial statements are authorised for issue.



**32.00 Other commitments, contingencies and relevant information**

**32.01 Quantity wise schedule as required under Para 3, Schedule XI, Part II of the Companies Act, 1994**

Quantity wise schedules of sales, raw material consumed and opening and closing stock of finished goods relating to the financial statements for the year ended 30 June, 2018 as required under Para 3, Schedule XI, Part II of the Companies Act 1994 are given below:

Particulars	01-07-2017 to 30-06-2018		01-07-2016 to 30-06-2017	
	Quantity in Kg	Amount in Taka	Quantity in Kg	Amount in Taka
Export Sales	9,655,583	1,337,366,121	10,371,652	1,436,569,686
<b>Total</b>	<b>9,655,583</b>	<b>1,337,366,121</b>	<b>10,371,652</b>	<b>1,436,569,686</b>

**32.02 Capital expenditure commitment**

The company has procured land area 338.33 decimal for its second unit at Rupganj, Narayanganj. Land development work is going on to set up second unit.

**32.03 Directors' interest in contracts with the company**

There was no transaction resulting in Directors' interest with the Company and no leasing facilities have been made available to the Directors.

**32.04 Foreign remittances**

No remittances was made in foreign currency on account of dividend, royalty, technical experts, professional advisor fees, interest, etc.



**FAR Chemical Industries Limited**  
**Schedule of Property, Plant and Equipment**  
**For the year ended June 30, 2018**

Annexure-A

Particulars	Cost				Rate of depreciation/amortization	Depreciation			Written Down Value as at June 30, 2018
	Balance as on July 01, 2017	Addition during the year	Disposal during the year	Balance as on June 30, 2018		Charged during the year	Adjustment during the year	Balance as on June 30, 2018	
Leasehold land and development	34,914,483	-	-	34,914,483	3.33%	1,162,652	-	7,888,875	27,025,608
Land and Land development	533,212,000	309,597,085	-	842,809,085	0.00%	-	-	-	842,809,085
Factory building	325,449,642	-	-	325,449,642	2.5%	7,265,900	-	42,079,523	283,370,119
Plant and machinery	835,260,970	-	-	835,260,970	10.00%	45,962,289	-	421,600,373	413,660,597
Electrical installation	63,483,433	-	-	63,483,433	10.00%	3,883,493	-	28,531,996	34,951,437
Compressor	79,142,375	1,305,195	-	80,447,570	10.00%	5,267,881	-	31,749,577	48,697,993
Fork lift	15,562,879	-	-	15,562,879	10.00%	959,172	-	6,930,336	8,632,544
Water line installation	17,352,307	1,105,843	-	18,458,150	10.00%	1,093,141	-	7,529,392	10,928,758
Office equipment	6,761,900	262,871	-	7,024,771	10.00%	406,396	-	3,107,990	3,916,781
Furniture and Fixture	5,587,432	521,479	-	6,108,911	20.00%	355,658	-	4,172,041	1,936,870
<b>Balance as on June 30, 2018</b>	<b>1,916,727,421</b>	<b>312,792,473</b>	<b>-</b>	<b>2,229,519,894</b>		<b>66,356,582</b>	<b>-</b>	<b>553,590,103</b>	<b>1,675,929,791</b>
<b>Balance as on June 30, 2017</b>	<b>1,607,769,253</b>	<b>308,958,168</b>	<b>-</b>	<b>1,916,727,421</b>		<b>71,965,794</b>	<b>-</b>	<b>487,233,521</b>	<b>1,429,493,900</b>

**Allocation of depreciation**

Manufacturing overhead (Note-20.03)	65,560,303
Selling and Distribution Expenses (Note-21.00)	238,884
Administrative Expenses (Note-22.00)	557,395
	<u>66,356,582</u>

Leasehold land development represents the cost incurred to develop land after being taken over from BEPZA. Soil filling, internal road and boundary wall are the components of this amount. Total area of the factory is 43,065 Sq. ft as per lease agreement and the lease term is for 30 years. Accordingly the leasehold land development cost is being amortized over a period of 30 years on straight line basis.

