

Independent Auditor's Report
And
Financial Statement
Of

FAR Chemical Industries Ltd.

For the year ended 30th June, 2012.

SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTS

R. K Tower

86, Bir Uttam C.R Datta Road, Level-10, Hatirpool, Dhaka-1205.



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

R.K TOWER

86, Bir Uttam C.R Datta Road
(312 Sonargaon Road), Level-10
Hatirpool, Dhaka-1205.
Phone : 88-02-8651165, Fax : 88-02-8621575
Mobile : 01711-520770, 01198-015427
01715-178968
E-mail : shirazkhanbasak@yahoo.com

**INDEPENDENT AUDITOR'S REPORT
OF
FAR CHEMICAL INDUSTRIES LIMITED**

We have audited the accompanying Statement of Financial position of **FAR CHEMICAL INDUSTRIES LIMITED** as of June 30, 2012 and the related Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BAS), give a true and fair view of the state of the Company's affairs as of June 30, 2012 and of the results of its operations and its cash flows for the period then ended and comply with the applicable section of the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- a) 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;
- b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appeared from our examination of those books;
- c) The company's Statement of Financial position, Statement of Comprehensive Income, Cash Flow Statement and change of Equity Statement dealt by the report are in agreement with the books of accounts; and
- d) The expenditure incurred was for the purposes of the company's business.

Dated: Dhaka, October 24, 2012



SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

Far Chemical Industries Limited
Statement of Financial Position
as at 30 June 2012

	Notes	Amount in Taka	
		2012	2011
ASSETS			
Non-current assets			
Property, plant & equipment	4	463,352,134	485,472,179
Security deposit	5	1,548,471	1,548,471
		464,900,605	487,020,650
Current assets			
Inventories	6	208,921,895	81,827,269
Trade and other receivables	7	235,001,856	119,414,622
Advances, deposits and prepayments	8	2,807,465	3,078,529
Cash and cash equivalents	9	2,958,904	1,979,418
		449,690,120	206,299,838
TOTAL ASSETS		914,590,725	693,320,488
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	10	526,877,100	99,900,000
Share money deposit	11	-	426,977,100
Retained earnings	12	306,137,811	92,984,209
		833,014,911	619,861,309
Current Liabilities			
Trade and other payables	13	66,242,725	65,762,699
Short term borrowings	14	12,452,783	4,977,369
Provision for expenses	15	2,880,306	2,719,111
		81,575,814	73,459,179
TOTAL EQUITY AND LIABILITIES		914,590,725	693,320,488
Net Assets Value per share		15.81	193.08

The annexed notes 1 to 24 and Annexure A form an integral part of these financial statements.

Shirin Faruk

Chairman

[Signature]

Managing Director

[Signature]

Director Finance &
Company Secretary



R. Basak
Shiraz Khan Basak & Co.
Chartered Accountants

Dated: Dhaka, October 24, 2012

Far Chemical Industries Limited
Statement of Comprehensive Income
for the year ended 30 June 2012

	<u>Notes</u>	<u>Amount in Taka</u>	
		<u>2012</u>	<u>2011</u>
Revenue	16	689,265,894	397,275,647
Cost of sales	17	(468,698,737)	(326,657,703)
Gross profit		220,567,157	70,617,944
Operating expenses			
Selling and distribution expenses	18	(3,521,238)	(3,278,776)
Administrative expenses	19	(1,441,257)	(1,830,502)
Employee Welfare expenses		(342,980)	(306,879)
		(5,305,475)	(5,416,157)
Profit from operation		215,261,682	65,201,787
Finance cost	20	(2,385,732)	(988,909)
Other income	21	277,652	142,893
Profit before tax		213,153,602	64,355,771
Income tax expense		-	-
Net Profit after tax		213,153,602	64,355,771
Earnings per share (EPS)			
Basic earnings per share	22	4.05	64.42

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

Shrin Faruk

Chairman

[Signature]

Managing Director

[Signature]

Director Finance &
Company Secretary



R. Basak
Shiraz Khan Basak & Co.
Chartered Accountants

Dated: Dhaka, October 24, 2012

