

Independent Auditor's Report
And
Financial Statement
Of

FAR Chemical Industries Limited.

For the year ended June 30, 2013

SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

R.K Tower

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



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CHARTERED ACCOUNTANTS

R.K TOWER

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Independent Auditor's Report To the shareholders of FAR Chemical Industries Limited

We have audited the accompanying financial statements of Far Chemical Industries Limited (the Company) which comprise the statement of financial position as at June 30, 2013, the related statement of 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 relevant explanatory notes thereon.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRSs) and for such internal control as management determines is necessary to enable the preparation of financial statements 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 Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 the auditor's 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, the auditor considers 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 prepared in accordance with the Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs), give a true and fair view of the financial position of FAR Chemical Industries Limited as at June 30, 2013 and the results of its financial performance and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

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 purpose 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 and income statement along with the annexed notes 1 to 25 dealt with by the report are in agreement with books of account; and
- The expenditure incurred and payments made were for the purposes of the company's business.

Dated: Dhaka, September 19, 2013



R. Basak

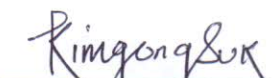
SHIRAZ KHAN BASAK & CO.
CHARTERED ACCOUNTANTS

FAR Chemical Industries Limited
Statement of Financial Position
as at June 30, 2013

	<u>Notes</u>	<u>Amount in Taka</u>	
		<u>30-06-2013</u>	<u>30-06-2012</u>
ASSETS			
Non-current assets			
Property, plant & equipment	4.00	704,975,729	463,352,134
Security deposit	5.00	1,548,471	1,548,471
		706,524,200	464,900,605
Current assets			
Inventories	6.00	203,858,960	208,921,895
Trade receivables	7.00	370,322,997	235,001,856
Advances, deposits and prepayments	8.00	22,114,549	2,807,465
Cash and cash equivalents	9.00	9,657,858	2,958,904
		605,954,364	449,690,120
TOTAL ASSETS		1,312,478,564	914,590,725
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	10.00	790,315,650	526,877,100
Retained earnings	11.00	438,281,624	306,137,811
		1,228,597,274	833,014,911
Current Liabilities			
Trade and other payables	12.00	65,108,915	66,242,725
Short term borrowings	13.00	12,225,096	12,452,783
Provision for expenses	14.00	6,547,279	2,880,306
		83,881,290	81,575,814
TOTAL EQUITY AND LIABILITIES		1,312,478,564	914,590,725
Net Assets Value per share		15.55	15.81


The annexed notes 1 to 25 and Annexure A form an integral part of these financial statements.


Chairman


Managing Director


Chief Financial Officer



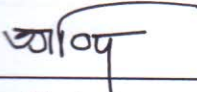

Shiraz Khan Basak & Co.
Chartered Accountants

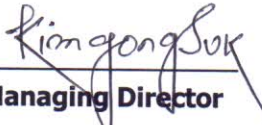
Dated: Dhaka, September 19, 2013

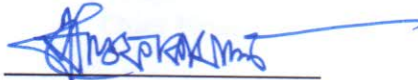
FAR Chemical Industries Limited
Statement of Comprehensive Income
for the Period ended June 30, 2013

	Notes	Amount in Taka	
		30.06.2013	30.06.2012
Revenue	15.00	1,097,422,650	689,265,894
Cost of sales	16.00	691,422,611	468,698,737
Gross profit		406,000,039	220,567,157
Operating expenses			
Selling and distribution expenses	17.00	4,754,807	3,521,238
Administrative expenses	18.00	3,524,368	1,441,257
Employee Welfare expenses	19.00	397,030	342,980
		8,676,205	5,305,475
Profit from operation		397,323,834	215,261,682
Financial expenses	20.00	2,016,129	2,385,732
		395,307,705	212,875,950
Other income	21.00	274,658	277,652
Profit before tax		395,582,363	213,153,602
Income tax expense		-	-
		395,582,363	213,153,602
Earnings per share (EPS)			
Basic earnings per share	22.00	5.01	4.05

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

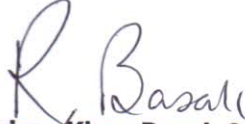

Chairman


Managing Director


Chief Financial Officer

Dated: Dhaka, September 19, 2013




Shiraz Khan Basak & Co.
Chartered Accountants

