

BOOK POST



Sardar
Chemical Industries Ltd.

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To:
Head Office:
2-A, 2nd Floor, Canal Bank Road,
Justice Sardar Iqbal Road, Aziz Avenue,
Gulberg-V, Lahore.
Tel: (92-42) 35711154, 35710148, 35753402
Fax: (92-42) 35775706
Email: sarchem@brain.net.pk
Website: sardarchem.net

Factory:
Plot # 29-B, Road No .01,
Gadoon Amazai, Industrial Estate,
Topi Ganduf Road, Swabi,
Khyber Pakhtunkhwa.
Tel:(0938) 270439, 270539, 270792
Fax: 92-938-270791



First Quarter Accounts
(Un-Audited)
September
2017



Sardar
Chemical Industries Limited



ISO 9002 CERTIFIED





COMPANY INFORMATION

CHIEF EXECUTIVE	Sardar Mahmood Sadiq
DIRECTORS	Mr. Shahid Aziz (NIT Nominee) Sardar Ayaz Sadiq Mr. Fayaz Ahmed Khan Mr. Aitzaz Ahmad Tarar Mrs. Mona Mahmood Mrs. Reema Ayaz
Audit Committee	Mr. Fayyaz Ahmed Khan Mrs. Mona Mahmood Mrs. Reema Ayaz
COMPANY SECRETARY	Mr. Niaz Ahmed Chughtai
AUDITORS	Aslam Malik & Co., Chartered Accountants
HR & REMUNERATION	Mrs. Moona Mehmood Mr. Aitzaz Ahmad Tarar Mrs. Reema Ayaz
BANKERS	Allied Bank of Pakistan Ltd. Askari Commercial Bank Ltd.
LEGAL ADVISORS	Mr. Javaid Iqbal Malik, Advocate



HEAD OFFICE/SHARE DEPARTMENT	2-A, 2 nd Floor, Canal Bank Road, Justice Sardar, Iqbal Road, Aziz Avenue Gulberg-V, Lahore. Ph: (042) 35711154, 35710148 Fax: (042) 35775706 E-Mail: sarchem@brain.net.pk Web Site: www.sardarchem.net
REGISTERED OFFICE/ FACTORY	Plot. NO. 29-B, Road No. 01 Gadoon Amazai, industrial Estate, Topi, Ganduf Road, Swabi (NWFP) Ph: (0938) 270792, 270439, 270539 Fax: (0938) 270791
REGISTRAR/TRANSFERAGENT	CorpLink (PVT)Ltd, WingsArcade, 1-K, Commercial, Model Town, Lahore. Ph:042-35839182,35887262 Fax:042-35869037

**FIRST QUARTER DIRECTORS' REPORT TO THE SHAREHOLDERS**

The Directors of SARDAR CHEMICAL INDUSTRIES LIMITED are pleased to present their report upon financial results of the Company for its First Quarter ended on 30-09-2017.

FINANCIAL RESULTS ARE SUMMERIZED AS UNDER

	<u>2016</u>	<u>2017</u>
	(Rupees in thousands)	
Sales Net	43,037	44,653
Cost & Expenditures	41,313	41,658
Profit/(Loss) Before Taxation	1,720	2,995
Profit/(Loss) after Taxation	1,173	2,067

It is noted with pleasure that there is an increase of about 3.75% in the net Sales of the Company as compared to first quarter of the last year. Now doubt this is minor increase in sales but the Directors of your Company are happy with this minor increase, our dyes are mainly for the export oriented industries of the country and the exports of the country has gone down considerably. In these circumstances this minor increase indicates that your company is overall in upward trend in revenue generation.

The future forecast about revenue of the Company depends upon the export orders of the country, as we are hopeful that export increasing incentive and policy of the Government will be helpful in increasing the exports of the country which will increase the sales of the company.

FUTURE PROSPECTS

The directors of your company are very optimistic about future of the company because the financial policies of the government are very encouraging e.g. making the industries of the country load shedding free which will reduce the cost of production and will be helpful in competing in the international market for increasing exports of the country.

The company shall continue to focus on production of quality products meeting international standard, timely supply to our valued customers and taking remedial measures to put the company on profitable path with consistency in production and supply.

For and on behalf of the Board

SARDAR MAHMOOD SADIQ
Chief Executive

Gadoon Amazai

October 31, 2017.

**BALANCE SHEET (UN-AUDITED)**

	3 Months	12 Months
	Sep. 30, 2017	June 30, 2017
	Rupees	Rupees
CAPITAL AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised:		
10,000,000 (2017:10,000,000) Ordinary Shares of Rs. 10/- each.	100,000,000	100,000,000
Issued, Subscribed and Paid-up:		
6,000,000 (2017: 6,000,000) Ordinary shares of Rs.10/-each fully paid in cash	60,000,000	60,000,000
Share premium	30,000,000	30,000,000
Un-appropriated Profit / (loss)	28,916,122	26,849,259
	118,916,122	116,849,259
<u>NON CURRENT LIABILITIES</u>		
OBLIGATION UNDER FINANCE LEASE	2,738,581	1,334,285
DEFERRED LIABILITIES	184,837	184,837
<u>CURRENT LIABILITIES</u>		
Current maturity	1,744,664	3,890,112
Short term finance	11,054,282	9,427,033
Creditors, accrued and other liabilities	11,215,833	7,663,275
Markup Accrued	--	184,553
	24,014,779	21,164,973
	145,854,319	139,533,354

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

Chief Executive

**AS AT SEPTEMBER 30, 2017**

3 Months

12 Months

Sep. 30,2017
RupeesJune 30,2017
Rupees**PROPERTY AND ASSETS****NON-CURRENT ASSETS**

Property, Plant and Equipment 18,782,149 19,476,137

LONG TERM DEPOSITS 883,600 883,600
19,665,749 20,359,737**CURRENT ASSETS**Stores, spares & loose tools 776,050 775,228
Stock in trade 14,657,738 12,458,320
Trade debts 68,335,567 68,158,713
Current maturity of long term deposit 1,740,700 1,740,700
Advances, deposits, prepayments & other receivables 1,267,089 992,873
Taxation- Net 21,442,344 21,149,744
Cash & bank balances 17,969,082 13,898,039
126,188,570 119,173,617

145,854,319

139,533,354

Director

**PROFIT AND LOSS ACCOUNT**

(UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

Three Months Quarter Ended

	30 SEP. 2017 Rupees	30SEP. 2016 Rupees
Sales- Net	44,653,269	43,037,548
Cost of Sales	34,925,391	33,506,232
Gross Profit	9,727,878	9,531,316

Administrative Expenses	4,452,360	4,521,173
Selling and distribution Cost	2,523,211	2,560,070
	6,975,571	7,081,243
Operating Profit for the period	2,752,307	2,450,073
Other Operating Income	411,535	--
Other Operating Expenses	31,504	--
Finance Cost	136,885	725,566
Profit/(Loss) before taxation	2,995,453	1,724,507
Taxation	(928,590)	(551,842)
Profit/(Loss) for the period	2,066,863	1,172,665

Earning/(loss) per share 0.34 0.20

Chief Executive

Director



**STATEMENT OF CASH FLOW (UN-AUDITED)
AS AT SEPTEMBER 30, 2017**

	SEPTEMBER 30,2017 Rupees	SEPTEMBER 30,2016 Rupees
cash flow from operating activities		
Profit/(Loss) before taxation	2,995,453	1,724,507
Adjustment of non-Cash items.		
Depreciation.	647,473	752,851
Financial Charges	136,885	725,566
Profit on sale of fixed assets	(343,486)	
	<u>440,872</u>	<u>1,478,417</u>
Profit before working capital changes	3,436,325	3,202,924
Effect of working capital changes		
(Increase) /Decrease in store, spare and loose tools	(822)	304,634
(Increase) /Decrease in stock in trade	(2,199,418)	501,051
(Increase) /Decrease in trade debts	(176,854)	2,750,243
	<u>(274,216)</u>	<u>(2,322,633)</u>
(Increase)/Decrease in advances, deposit and Prepayments	(274,216)	(2,322,633)
Increase/(Decrease) in creditors accrued and other Liabilities	3,388,247	(390,155)
	<u>736,937</u>	<u>843,140</u>
Financial charges paid	(321,438)	(848,473)
Tax paid	(1,056,879)	(1,136,196)
	<u>(1,378,317)</u>	<u>(1,984,669)</u>
Net cash used in operating activities	A 2,794,945	2,061,395
Cash flow from investing activities:		
Fixed Capital expenditure	390,000	--
Sale proceeds of assets disposed off	390,000	--
Net Cash generated from investing activities	B 390,000	--
Cash flow from financing activities		
(Repayment) / proceeds of lease obligation	(741,152)	(658,999)
(Repayment) / proceeds of short term finances	1,627,250	(2,987,074)
Net cash generated from financing activities	C 886,098	(3,646,073)
Net increase/ (Decrease) in cash and cash Equivalents	A+B+C 4,071,043	(1,584,678)
Cash and cash Equivalents at beginning of the period	13,898,039	11,001,739
Cash and cash Equivalents at end of the period	<u>17,969,082</u>	<u>9,417,061</u>

Chief Executive

Director



**SARDAR CHEMICAL INDUSTRIES LIMITED.
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017.**

	Share Capital	Share Premium	Un-appropriated Profit/ Profit/ (Accumulated Loss)	Rupees Total
Balance at				
30 th June 2016	60,000,000	30,000,000	24,394,035	114,394,035
Profit/(Loss) for the period ended				
30 Sep.. 2016	--	--	<u>1,172,665</u>	<u>1,172,665</u>
Balance at				
30 Sep.. 2016	60,000,000	30,000,000	25,566,700	115,566,700
Profit/(Loss) for the period ended				
30 June 2017	--	--	<u>1,282,559</u>	<u>1,282,559</u>
Balance at				
30 June 2017	60,000,000	30,000,000	26,849,259	116,849,259
Profit/(Loss) for the period ended				
30 Sep. 2017	--	--	<u>2,066,863</u>	<u>2,066,863</u>
Balance at				
30 Sep. 2017	60,000,000	30,000,000	28,916,122	118,916,122

**NOTES TO THE ACCOUNTS
QUARTER ENDED SEPTEMBER 30, 2017**

- The accounts are un audited and have been prepared in accordance with the requirements of SRO dated 5, November 2001 issued by the Securities and Exchange Commission of Pakistan.
- Accounting policies adopted for the preparation of the quarterly accounts are the same as those applied in the preparation of the audited annual published accounts of the company as on 30/06/2017.
- These accounts have been prepared in compliance with the requirement of international accounting standard IAS 34 "Interim Financial Reporting".

Chief Executive

Director