



COMPANY INFORMATION

CHIEF EXECUTIVE	Sardar Mahmood Sadiq
DIRECTORS	Mr. Shahid Aziz (NIT Nominee) Sardar Ayaz Sadiq Mr. Fayaz Ahmed Khan Mr. Iftikhar Ahmed Khan 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. Mona Mehmood Mr. Shahid Aziz Mrs. Reema Ayaz Mr. Hameed ud din Mirza (Secretary)
BANKERS	Allied Bank of Pakistan Ltd. Askari Bank Ltd.
LEGAL ADVISORS	Mr. Javaid Iqbal Malik, Advocate
HEAD OFFICE/SHARE DEPARTMENT	House # 127/II, C Block, Model Town, Lahore. Ph: (042) 35851865, 35851866, 35856488 Fax: (042) 35856489 E-Mail: sarchem@brain.net.pk Web Site: www.sardarchem.com

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/TRANSFER AGENT	CorpLink (PVT)Ltd,WingsArcade,1-K,Commercial, Model Town, Lahore. Ph:042-35839182,35887262 Fax:042-35869037

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

The Directors of SARDAR CHEMICAL INDUSTRIES LIMITED are pleased to present their report along with financial statements (un-audited) of the Company for the third quarter ended on March 31, 2015.

RESULTS FOR THE QUARTER ARE SUMMARIZED AS UNDER:

	<u>2015</u>	<u>2014</u>
	(Rupees in thousands)	
Sales-Net	49,408	57,027
Cost & Expenditures	47,945	56,827
Profit/(Loss) before taxation	1,463	200
Profit/(Loss) after taxation	994	130

There is decrease of about 13% in net sales as compared to last third quarter but profit after taxation was considerable increased due to adjustments in the prices of raw materials. The prices of raw materials were considerably increased along with increase in the price of US dollar in previous periods. The price of US dollar was successfully controlled by the company which stabilized the prices of raw materials and prices of some materials gone down in this quarter. The effects of stability in prices of raw materials could not be effectively passed on to the customers in this quarter.

The quarter passed was not good for manufacturing organizations due to energy crises country wide.

FUTURE PROSPECTS:

The Company will continue to focus on quality products meeting with the international standards and remedial measures will be taken to put the company on the path of profitability with consistency in production and supply.

ACKNOWLEDGEMENT:

The Board of Directors are pleased to acknowledge the loyalty and efforts of management, staff and workers of the Company.

For and on behalf of the Board

Chief Executive

Gadoon Amazai
April 29, 2015.

**INTERIM CONDENSED BALANCE SHEET (UN-AUDITED)**

	9 Months March 31, 2015 Rupees	12 Months June 30, 2014 Rupees
CAPITAL AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised:		
10,000,000 (2015:10,000,000) Ordinary Shares of Rs. 10/- each.	<u>100,000,000</u>	<u>100,000,000</u>
Issued, Subscribed and Paid-up:		
6,000,000 (2015: 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)	<u>18,404,640</u>	<u>16,981,120</u>
	108,404,640	106,981,120
NON- CURRENT LIABILITIES		
OBLIGATION UNDER FINANCE LEASE	4,657,620	6,465,487
Deferred Taxation	415,834	415,834
CURRENT LIABILITIES & PROVISION		
Current maturity & overdue amounts	1,405,733	1,492,373
Short term finance	26,132,065	23,963,186
Creditors, accrued and other liabilities	10,101,096	16,542,490
Provision for taxation	3,938,759	3,237,622
Mark up Accrued	834,960	704,365
	<u>42,412,613</u>	<u>45,940,036</u>
	<u>155,890,707</u>	<u>159,802,477</u>

Chief Executive



AS AT MARCH 31, 2015

	9 Months March 31, 2015 Rupees	12 Months JUNE 30, 2014 Rupees
PROPERTY AND ASSETS		
FIXED ASSETS		
NON-CURRENT ASSETS		
Operating fixed assets	22,040,063	24,765,664
Long Term deposits	1,740,700	2,482,300
	23,780,763	27,247,964
CURRENT ASSETS		
Stores, spares & loose tools	750,699	514,203
Stock in trade	23,380,811	23,999,689
Trade debts	71,448,448	77,910,748
Advances, deposits, prepayments & other receivables	477,759	771,369
Tax Due from Government	29,589,408	23,594,993
Cash & bank balances	6,462,819	5,763,511
	132,109,944	132,554,513
	155,890,707	159,802,477

Director



INTERIM CONDENSED PROFIT AND LOSS ACCOUNT

(UN-AUDITED)

FOR THE THIRD QUARTER ENDED MARCH 31, 2015

	9 Months Ended		Quarter Ended	
	31 March. 2015 Rupees	31 March. 2014 Rupees	31 March 2015 Rupees	31 March 2014 Rupees
Sales	149,776,705	144,857,883	49,408,053	57,026,768
Cost of Sales	125,582,185	120,188,113	41,093,654	49,282,359
Gross Profit	24,194,520	24,669,770	8,314,399	7,744,409
OPERATING EXPENSES				
Administrative	12,719,315	12,453,855	4,129,845	4,094,206
Selling and distribution	6,794,555	6,972,582	2,482,020	2,356,282
Other Operating Expenses	28,053	30,451	0	0
Other Operating Income	(869,114)	(548,154)	(869,114)	(120,000)
	18,672,809	18,908,734	5,742,751	6,330,488
Operating Profit/(Loss) for the period	5,521,711	5,761,036	2,571,648	1,413,921
Finance Cost	3,397,054	3,770,922	1,108,417	1,213,434
Profit/(Loss) before taxation	2,124,657	1,990,114	1,463,231	200,487
Taxation	(701,137)	(696,540)	(469,638)	(70,171)
Profit/(Loss) for the period	1,423,520	1,293,574	993,593	130,316
Earning/(loss) per share	0.24	0.22	0.17	0.03

Chief Executive

Director



**INTERIM CONDENSED STATEMENT OF CASH FLOW (UN-AUDITED)
AS AT MARCH 31, 2015**

	MARCH 31,2015 Rupees	MARCH 31,2014 Rupees
Cash flow from operating activities:		
Cash generated from operation	7,656,368	9,831,552
Financial charges paid	(3,266,459)	(3,821,860)
Long term deposits		0
Tax paid	(5,606,574)	(4,772,142)
	<u>(8,873,033)</u>	<u>(8,594,002)</u>
Net cash inflow from operating activities	(1,216,665)	1,237,550
Cash flow from investing activities:		
Long Term Deposit	741,600	0
Sale proceeds of assets disposed off	900,000	500,000
Net Cash Inflow/(outflow) from investing activities	1,641,600	500,000
	<u>424,935</u>	<u>1,737,550</u>
Cash from financing activities		
(Repayment) / proceeds of lease obligation	(1,894,506)	(1,670,312)
(Repayment) / proceeds of short term finances	2,168,879	684,716
Net cash (out flow) / inflow from activities	274,373	(985,596)
Net increase/ (Decrease) in cash and cash Equivalents	699,308	751,954
Cash and cash Equivalents at beginning of the period	5,763,511	5,089,803
Cash and cash Equivalents at end of the period	6,462,819	5,841,757
CASH GENERATED FROM OPERATION		
Profit/(Loss) before taxation	2,124,657	1,990,114
Add/(Less) adjustment of non-Cash items.		
Depreciation.	2,502,636	3,032,669
Financial Charges	3,397,054	3,770,922
(Profit)/ Loss on sale of fixed assets	(677,035)	(428,154)
	<u>5,222,655</u>	<u>6,375,437</u>
Profit before working capital changes	7,347,312	8,365,551
Effect of cash flow due to working capital change		
(Increase) /Decrease in store, spare and loose tools	(236,496)	(60,352)
(Increase) /Decrease in stock in trade	618,878	5,673,294
(Increase) /Decrease in trade debts	6,462,300	(4,813,706)
(Increase)/Decrease in advances, deposit and Prepayments	293,610	1,238,097
Increase/(Decrease) in creditors accrued and other Liabilities	(6,829,236)	(571,332)
	<u>309,056</u>	<u>1,466,001</u>
	<u>7,656,368</u>	<u>9,831,552</u>

Chief Executive

Director



**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THIRD QUARTER ENDED MARCH 31, 2015.**

	Share Capital	Share Premium	Un-appropriated Profit/ (Accumulated Loss)	Rupees Total
Balance at				
30 th June 2013	60,000,000	30,000,000	12,806,193	102,806,193
Profit/(Loss) for the year ended				
30 June. 2014	---	---	<u>4,174,927</u>	<u>4,174,927</u>
Balance at				
30 June. 2014	60,000,000	30,000,000	16,981,120	106,981,120
Profit/(Loss) for the period ended				
31 Dec 2014	---	---	<u>429,927</u>	<u>429,927</u>
Balance at				
31 Dec 2014	60,000,000	30,000,000	17,411,047	107,411,047
Profit/(Loss) for the period ended				
31 March. 2015	---	---	<u>993,593</u>	<u>993,593</u>
Balance at				
31 March. 2015	60,000,000	30,000,000	18,404,640	108,404,640

**NOTES TO THE ACCOUNTS
THIRD QUARTER ENDED MARCH 31, 2015**

- 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 30/06/2014
- These accounts have been prepared in compliance with the requirement of international accounting standard IAS 34 "Interim Financial Reporting".
- Previous year's figures have been rearranged wherever necessary, for the purposes of comparison.

Chief Executive

Director