



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. Iftikhar Ahmed Khan Mrs. Reema Ayaz
BANKERS	Allied Bank of Pakistan Ltd. Askari Commercial 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/TRANSFERAGENT	CorpLink (PVT)Ltd, Wings Arcade, 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 along with financial statements (un-audited) of the Company for the first quarter ended on September 30, 2016.

RESULTS FOR THE QUARTER ARE SUMMERIZED AS UNDER:

	<u>2015</u>	<u>2016</u>
	(Rupees in thousands)	
Sales-Net	40,201	43,037
Cost & Expenditures	38,967	41,313
Profit/(Loss) before Taxation	1,234	1,724
Profit/(Loss) after Taxation	827	1.173

It was noted an increase of about 7% as compared to the last first quarter of the year ended on 30-09-2015 in the net Sales of the Company. The profit after taxation has also increased by about 42% as compared to the last quarter. Our dyes are mainly for export oriented industries of the country and the exports of the country in the field of Leather and Textile remained under pressure due to energy crisis and taxation dispute with the traders also the overall decrease in the exports of the country, reduced the business activities in the market as a whole. There was noted overall stability in the prices of our raw materials in the international market which leaves positive effects on the dyes industry of the country.

FUTURE PROSPECTS:

The management of the Company is very much optimistic about the future of the Sales of the Company products as the Government is seems very seriously working on energy crises which provide hope to the industrial sector of the country for better future.

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

For and on behalf of the Board

SARDAR MAHMOOD SADIQ
Chief Executive

Lahore

October 30, 2016.

**BALANCE SHEET (UN-AUDITED)**

	3 Months Sep. 30, 2016 Rupees	12 Months June 30, 2016 Rupees
CAPITAL AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised:		
10,000,000 (2016:10,000,000) Ordinary Shares of Rs. 10/- each.	100,000,000	100,000,000
Issued, Subscribed and Paid-up:		
6,000,000 (2016: 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)	25,566,700	24,394,035
	115,566,700	114,394,035
NON CURRENT LIABILITIES		
OBLIGATION UNDER FINANCE LEASE	4,487,710	5,228,862
DEFERRED LIABILITIES		
CURRENT LIABILITIES		
Current maturity	2,838,882	2,756,730
Short term finance	21,922,923	24,909,997
Creditors, accrued and other liabilities	9,528,498	9,742,249
Markup Accrued	389,211	512,118
	34,679,514	37,921,094
	154,733,924	157,543,991

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

Chief Executive

**AS AT SEPTEMBER 30, 2016**

3 Months

12 Months

Sep. 30,2016
RupeesJune 30,2016
Rupees**PROPERTY AND ASSETS****NON-CURRENT ASSETS**

Property, Plant and Equipment	20,906,642	21,659,493
LONG TERM DEPOSITS	<u>2,624,300</u>	<u>2,624,300</u>
	23,530,942	24,283,793

CURRENT ASSETS

Stores, spares & loose tools	406,387	711,021
Stock in trade	21,476,078	21,977,129
Trade debts	63,789,647	66,539,890
Advances, deposits, prepayments & other receivables	3,020,894	698,261
Taxation- Net	33,092,915	32,332,157
Cash & bank balances	9,417,061	11,001,739
	131,202,982	133,260,197
	<u>154,733,924</u>	<u>157,543,991</u>

Director

**PROFIT AND LOSS ACCOUNT**

(UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2016

Three Months Quarter Ended

	30 SEP. 2016 Rupees	30SEP. 2015 Rupees
Sales- Net	43,037,548	40,201,188
Cost of Sales	<u>33,506,232</u>	<u>31,273,507</u>
Gross Profit	9,531,316	8,927,681

Administrative Expenses	4,521,173	4,415,804
Selling and distribution Cost	2,560,070	2,382,023
	<u>7,081,243</u>	<u>6,797,827</u>
Operating Profit for the period	2,450,073	2,129,854
Other Operating Income	--	--
Other Operating Expenses	--	--
Finance Cost	725,566	895,947
Profit/(Loss) before taxation	1,724,507	1,233,907
Taxation	(551,842)	(407,189)
Profit/(Loss) for the period	<u><u>1,172,665</u></u>	<u><u>826,718</u></u>

Earning/(loss) per share

0.20

0.14

Chief Executive

Director

STATEMENT OF CASH FLOW (UN-AUDITED)
AS AT SEPTEMBER 30, 2016

	SEPTEMBER 30,2016 Rupees	SEPTEMBER 30,2015 Rupees
cash flow from operating activities		
Profit/(Loss) before taxation	1,724,507	1,233,907
Adjustment of non-Cash items.		
Depreciation.	752,851	700,402
Financial Charges	725,566	895,947
	<u>1,478,417</u>	<u>1,596,349</u>
Profit before working capital changes	3,202,924	2,830,256
Effect of working capital changes		
(Increase) /Decrease in store, spare and loose tools	304,634	(85,262)
(Increase) /Decrease in stock in trade	501,051	(2,500,240)
(Increase) /Decrease in trade debts	2,750,243	8,392,039
	<u>(2,322,633)</u>	<u>(64,213)</u>
(Increase)/Decrease in advances, deposit and Prepayments	(390,155)	(2,636,561)
Increase/(Decrease) in creditors accrued and other Liabilities	843,140	3,105,763
	<u>(848,473)</u>	<u>(996,596)</u>
Financial charges paid	(848,473)	(996,596)
Tax paid	(1,136,196)	(1,275,329)
	<u>(1,984,669)</u>	<u>(2,271,925)</u>
Net cash used in operating activities A	2,061,395	3,664,094
Cash flow from investing activities:		
Fixed Capital expenditure	--	--
Sale proceeds of assets disposed off	--	--
Net Cash generated from investing activities B	--	--
Cash flow from financing activities		
(Repayment) / proceeds of lease obligation	(658,999)	(346,624)
(Repayment) / proceeds of short term finances	(2,987,074)	(1,795,861)
Net cash generated from financing activities C	(3,646,073)	(2,142,485)
Net increase/ (Decrease) in cash and cash Equivalents A+B+C	(1,584,678)	1,521,609
Cash and cash Equivalents at beginning of the period	11,001,739	6,546,020
Cash and cash Equivalents at end of the period	<u>9,417,061</u>	<u>8,067,629</u>

Chief Executive

Director

SARDAR CHEMICAL INDUSTRIES LIMITED.
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2016.

	Share Capital	Share Premium	Un-appropriated Profit/ Profit/ (Accumulated Loss)	Rupees Total
Balance at				
30 th June 2015	60,000,000	30,000,000	20,624,563	110,624,563
Profit/(Loss) for the period ended				
30 Sep.. 2015	--	--	826,718	826,718
Balance at				
30 Sep.. 2015	60,000,000	30,000,000	21,451,281	111,451,281
Profit/(Loss) for the period ended				
30 June 2016	--	--	2,942,754	2,942,754
Balance at				
30 June 2016	60,000,000	30,000,000	24,394,035	114,394,035
Profit/(Loss) for the period ended				
30 Sep. 2016	--	--	1,172,665	1,172,665
Balance at				
30 Sep. 2016	60,000,000	30,000,000	25,566,700	115,566,700

NOTES TO THE ACCOUNTS
QUARTER ENDED SEPTEMBER 30, 2016

- 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 30/06/2016.
- These accounts have been prepared in compliance with the requirement of international accounting standard IAS 34 "Interim Financial Reporting".

Chief Executive

Director