



Third Quarter  
Accounts (Un Audited)

**March  
2021**

**Sardar  
Chemical Industries Limited**

  
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**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: [info@sardarchemicals.com](mailto:info@sardarchemicals.com)  
Website: [www.sardarchemicals.com](http://www.sardarchemicals.com)



**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



**SARDAR CHEMICAL INDUSTRIES LIMITED**

**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. Tayybah Mahmood Sadiq  
 Mrs. Reema Ayaz  
 Audit Committee Mr. Aitzaz Ahmad Tarar  
 Mrs. Tayybah Mahmood Sadiq  
 Mr. Fayaz Ahmed Khan  
 COMPANY SECRETARY Mr. Niaz Ahmed Chughtai  
 AUDITORS Aslam Malik & Co., Chartered Accountants  
 HR & REMUNERATION Mrs. Tayybah Mahmood Sadiq  
 Mr. Aitzaz Ahmad Tarar  
 Mr. Fayaz Ahmed Khan  
 BANKERS Allied Bank of Pakistan Ltd.  
 Askari Commercial Bank Ltd.  
 LEGAL ADVISORS Mr. Javaid Iqbal Malik, Advocate  
 HEAD OFFICE/SHARE DEPARTMENT 2-A, 2<sup>nd</sup> Floor, Canal Bank Road, Justice  
 Sardar Iqbal Road, Aziz Avenue, Gulberg, Lahore.  
 Ph: (92-42) 35711154, 35710148, 35753402  
 Fax: (92-42) 35775706  
 E-Mail : info@sardarchemicals.com  
 Web Site: www.sardarchemicals.com  
 REGISTERED OFFICE/ FACTORY Plot. NO. 29-B, Road No. O1  
 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:042-35916714,35916719 Fax:042-35839182



**SARDAR CHEMICAL INDUSTRIES LIMITED**

**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, 2021.

**RESULTS FOR THE QUARTER ARE SUMMARIZED AS UNDER:**

	<u>2021</u>	<u>2020</u>
	(Rupees in thousands)	
Sales-Net	92,453	85,488
Cost & Expenditures	64,697	70,798
Profit/(Loss) before taxation	27,756	14,690
Profit/(Loss) after taxation	17,382	10,327

It was noted with pleasure that there is increase of 8% in net sales as compared to last quarter of the last year ended on 31-03-2020 while profit after taxation has increased. Sales increased as the sales prices of our products have been increased and production cost has also increased due to regular increase in all type of costs such as electricity, gas, labor wages and transportation charges which forced us to adjust the prices of our products but the market is not absorbing the increase. Our dyes are mainly for the export oriented industries; export of textile industries of Pakistan has increased as compared to previous quarter, hence sales of our textile dyes increased as compared to last quarter which carries more profit as compared to leather dyes.

The quarter passed was good for manufacturing organizations.

**FUTURE PROSPECTS:**

The management of the company is in a state of adjustment about future sales of its products as the Covid-19 has again surged, markets are not functioning at 100% capacity and sale is decreasing quantitatively.

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

**Gadoon Amazai**

April 28, 2021

**Sardar Mahmood Sadiq**

Chief Executive



SARDAR CHEMICAL INDUSTRIES LIMITED

INTERIM CONDENSED BALANCE SHEET (UN-AUDITED)

	(Un-audited) March 31, 2021 Rupees	(Audited) June 30, 2020 Rupees
<b>CAPITAL AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorised:</b>		
10,000,000 (2020: 10,000,000) Ordinary Shares of Rs. 10/- each.	100,000,000	100,000,000
<b>Issued, Subscribed and Paid-up:</b>		
6,000,000 (2020: 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)	114,946,211	72,584,098
	204,946,211	162,584,098
<b>NON-CURRENT LIABILITIES</b>		
OBLIGATION UNDER FINANCE LEASE	18,973,121	6,109,157
<b>CURRENT LIABILITIES</b>		
Current maturity of long term obligation	3,753,604	1,453,422
Short term finance	10,000,000	17,058,518
Creditors, accrued and other liabilities	17,625,334	15,727,482
Unclaimed Dividend	1,585,819	2,401,236
Markup Accrued	--	--
	32,964,757	36,640,659
	256,884,090	205,333,913

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

  
Chief Executive

شروع اللہ کے نام سے جو بڑا مہربان اور نہایت رحم والا ہے

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

سردار کیمیکل انڈسٹریز لمیٹڈ کے ڈائریکٹرز اپنی 31 مارچ 2021 کو ختم ہونے والی تیسری سہ ماہی کے لئے غیر آڈٹ شدہ کھپنی کے مالی حسابات کے ساتھ اپنی رپورٹ پیش کرنے پر خوشی محسوس کرتے ہیں۔  
سہ ماہی نتائج کا خلاصہ درج ذیل ہے:

2020	2021	
		(رقم ہزاروں میں)
85,488	92,453	خالص فروخت
70,798	64,697	لاگت اور اخراجات
14,690	27,756	ٹیکس سے پہلے نفع / نقصان
10,327	17,382	ٹیکس کے بعد نفع / نقصان

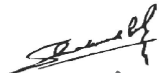
یہ نوٹ کیا گیا کہ پچھلے سال 31 مارچ 2020 کو ختم ہونے والی سہ ماہی کے مقابلے میں خالص فروخت میں 8 فیصد کا اضافہ ہوا ہے۔ جبکہ ٹیکس کے بعد منافع میں بھی اضافہ ہوا ہے۔ ہماری مصنوعات کی قیمت فروخت میں اضافے کی وجہ سے فروخت میں اضافہ ہوا اور بجلی، گیس، مزدوری، اجرت اور نقل و حمل جیسے اخراجات نے مستقل اضافے کی وجہ سے قیمتوں میں اضافے پر مجبور کیا لیکن مارکیٹ اس اضافہ کو قبول نہیں کر رہی۔ ہمارے رنگ بنیادی طور پر برآمدی صنعتوں کے لئے ہیں۔ پچھلے سہ ماہی کے مقابلے میں پاکستان کی ٹیکسٹائل صنعتوں کی برآمد میں اضافہ ہوا ہے جس کی وجہ سے ہمارے ٹیکسٹائل رنگوں کی فروخت پچھلے سال سہ ماہی کے مقابلے میں بڑھ گئی ہے جس میں چمڑے کے رنگوں کے مقابلے میں زیادہ منافع ہوتا ہے۔ گذشتہ سہ ماہی مینوفیکچرنگ آرگنائزیشنز کے لئے اچھا تھا۔


مستقبل کے امکانات:

کھپنی کی انتظامیہ اپنی مصنوعات کی آئندہ فروخت کے بارے میں ایڈجسٹمنٹ کی حالت میں ہے۔ کیونکہ کوویڈ-19 میں ایک بار پھر سے تیزی آگئی ہے۔ مارکیٹ میں 100 فیصد صلاحیت پر کام نہیں کر رہی ہیں اور فروخت کی مقدار میں کمی آ رہی ہے۔ کھپنی بین الاقوامی معیار کے مطابق مصنوعات کی تیاری پر توجہ دیتی رہے گی اور رسد میں مستقل مزاجی کے ساتھ منافع کی راہ پر گامزن کرنے کے لئے اقدامات اٹھائے جائیں گے۔

اعترافات:

بورڈ انتظامیہ، عملہ اور کھپنی کے کارکنوں کی وفاداری اور کوششوں کو تسلیم کرتا ہے۔

  
سردار محمود صادق  
چیف ایگزیکٹو

  
فیاض احمد خان  
ڈائریکٹر

گدون امازنی  
28 اپریل، 2021  
ڈائریکٹر



SARDAR CHEMICAL INDUSTRIES LIMITED

**AS AT MARCH 31, 2021**

(Un-audited)

(Audited)

March 31, 2021  
Rupees

June 30, 2020  
Rupees

**ASSETS**

**NON-CURRENT ASSETS**

Property: Plant and Equipment	41,180,179	27,850,172
Deffered Taxation	335,527	1,355,576
Long Term Deposit	5,757,780	1,477,200

**CURRENT ASSETS**

Stores, spares & loose tools	771,367	771,367
Stock in trade	46,179,454	40,363,334
Trade debts	121,804,464	95,429,672
Advances, deposits, prepayments & other receivables	1,442,783	1,458,831
Taxation-net	8,707,574	23,914,301
Cash & bank balances	30,704,961	12,713,460
	<b>209,610,604</b>	<b>174,650,965</b>
	<b>256,884,090</b>	<b>205,333,913</b>



SARDAR CHEMICAL INDUSTRIES LIMITED

**INTERIM CONDENSED PROFIT AND LOSS ACCOUNT  
FOR THE THIRD QUARTER ENDED MARCH 31, 2021**

(UN-AUDITED)

9 Months Ended

Quarter Ended

	31 Mar. 2021 Rupees	31 Mar. 2020 Rupees	31 Mar. 2021 Rupees	31 Mar. 2020 Rupees
<b>Sales</b>	266,603,361	225,658,381	92,452,989	85,487,899
<b>Cost of Sales</b>	(167,037,964)	(160,850,698)	(52,032,133)	(58,745,529)
<b>Gross Profit</b>	99,565,397	64,807,683	40,420,856	26,742,370
<b>OPERATING EXPENSES</b>				
Administrative	(27,708,611)	(23,813,200)	(9,585,742)	(8,175,638)
Selling and distribution	(7,159,964)	(8,612,408)	(2,490,011)	(2,857,883)
	(34,868,575)	(32,425,608)	(12,075,753)	(11,033,521)
Operating Profit/(Loss) For The period	64,696,822	32,382,075	28,345,103	15,708,849
Other Operating Income	1,192,650	--	--	--
Other Operating Expenses	(73,541)	--	--	--
Finance Cost	(2,205,598)	(3,081,872)	(588,692)	(1,019,013)
Profit/ (Loss) before taxation	63,610,333	29,300,203	27,756,411	14,689,836
Taxation	(21,248,220)	(8,228,792)	(10,373,923)	(4,362,773)
Profit/ (loss)for the period	42,362,113	21,071,411	17,382,488	10,327,063
Earning/(loss) per share	7.06	3.51	3.01	1.72

Chief Financial Officer

Director

Chief Executive

Chief Financial Officer

Director



**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE THIRD QUARTER ENDED MARCH 31, 2021**

(UN-AUDITED)

9 Months EndedQuarter Ended

	31 Mar. 2021 Rupees	31 Mar. 2020 Rupees	31 Mar. 2021 Rupees	31 Mar. 2020 Rupees
Profit/(Loss) after Taxation	42,362,113	21,071,411	17,382,488	10,327,063
Other Comprehensive Profit/(Loss)	--	--	--	--
<b>Total Comprehensive Profit/(Loss) for the Period</b>	<b>42,362,113</b>	<b>21,071,411</b>	<b>17,382,488</b>	<b>10,372,063</b>

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

Chief Executive

Chief Financial Officer

Director



**INTERIM CONDENSED STATEMENT OF CASH FLOW (UN-AUDITED)  
AS AT MARCH 31, 2021**

	MARCH 31,2021 Rupees	MARCH 31,2020 Rupees
<b>cash flow from operating activities</b>		
Profit/(Loss) before taxation	63,610,333	29,300,203
<b>Adjustment of non-Cash items.</b>		
Depreciation.	3,899,274	3,218,616
Financial Charges	2,205,598	3,081,872
Profit on sale of fixed assets	(1,190,680)	--
	<b>4,914,192</b>	<b>2,795,781</b>
Profit before working capital changes	<b>68,524,525</b>	<b>35,600,691</b>
<b>Effect of working capital changes</b>		
(Increase) /Decrease in store, spare and loose tools	--	(219,475)
(Increase) /Decrease in stock in trade	(5,816,120)	5,009,414
(Increase) /Decrease in trade debts	(26,374,792)	(38,475,557)
	<b>16,048</b>	<b>1,532,584</b>
(Increase)/Decrease in advances, deposit and Prepayments	3,322,823	3,461,630
Increase/(Decrease) in creditors accrued and other Liabilities	--	(417,129)
(Increase) /Decrease in Unclaimed dividend	--	(417,129)
	<b>(28,852,041)</b>	<b>(29,108,533)</b>
Financial charges paid	(2,205,598)	(2,555,735)
Workers profit participation fund paid	(1,424,970)	--
Tax paid	(5,021,444)	(3,733,130)
	<b>(8,652,012)</b>	<b>(6,288,865)</b>
<b>Net cash used in operating activities</b>	<b>A 31,020,472</b>	<b>203,293</b>
<b>Cash flow from investing activities:</b>		
Fixed Capital expenditure	(680,000)	(3,403,738)
Long term deposits	(4,280,580)	(187,000)
Sale proceeds of fixed assets	2,000,000	--
<b>Net Cash generated from investing activities</b>	<b>B (2,960,580)</b>	<b>(3,590,738)</b>
<b>Cash flow from financing activities</b>		
(Repayment) / proceeds of lease obligation	(2,194,456)	(886,303)
(Repayment) / proceeds of short term finances	(7,058,518)	4,851,147
Dividend paid	(815,417)	--
<b>Net cash generated from financing activities</b>	<b>C (10,068,391)</b>	<b>3,964,844</b>
<b>Net increase/ (Decrease) in cash and cash Equivalents</b>	<b>A+B+C 17,991,501</b>	<b>577,399</b>
<b>Cash and cash Equivalents at beginning of the Period</b>	<b>12,713,460</b>	<b>11,268,668</b>
<b>Cash and cash Equivalents at end of the period</b>	<b>30,704,961</b>	<b>11,846,067</b>

Chief Executive

Chief Financial Officer

Director



**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) AS AT 31 MARCH 2021**

	Share Capital	Share Premium	Un-appropriated Profit/ (Accumulated Loss)	Rupees Total
Balance at				
30 <sup>th</sup> June 2019	60,000,000	30,000,000	51,564,999	141,564,999
Final Dividend for the year 2019	--	--	--	--
Profit for the period ended				
31 Dec. 2019	--	--	<u>10,744,348</u>	<u>10,744,348</u>
Balance at				
31 Dec. 2019	60,000,000	30,000,000	62,309,347	152,309,347
Profit for the period ended				
30 June 2020	--	--	<u>10,274,751</u>	<u>10,274,751</u>
Balance at				
30 June 2020	60,000,000	30,000,000	72,584,098	162,584,098
Profit for the period ended				
31 Dec. 2020	--	--	<u>24,979,625</u>	<u>24,979,625</u>
Balance at				
31 Dec. 2020	60,000,000	30,000,000	97,563,723	187,563,723
Profit for the period ended				
31 Mar. 2021	--	--	<u>17,382,488</u>	<u>17,382,488</u>
Balance at				
31 Mar. 2021	<b>60,000,000</b>	<b>30,000,000</b>	<b>114,946,211</b>	<b>204,946,211</b>

  
 Chief Executive

  
 Chief Financial Officer

  
 Director


**SARDAR CHEMICAL INDUSTRIES LIMITED  
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION  
FOR THE THIRD QUARTER ENDED MARCH 31, 2021 (Unaudited)**

Sardar Chemical Industries Limited (the Company) was incorporated in Pakistan on October 3, 1989 as a Private Limited Company under the Companies Ordinance, 1984. It was converted into the Public Limited Company on December 30, 1993. The registered office of the Company is located at Plot No. 29-B, Road No. 01 Gadoon Amazai, Industrial Estate, Topi, Ganduf Road, Swabi (KPK). The principal business of the Company is manufacturer and sale of dyestuffs for leather, textile and paper industries. The Company is listed on Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited).

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial report of the Company for the Third Quarter ended on 31 March 2021 has been prepared in accordance with the requirements of the International Accounting Standard 34 – 'Interim Financial Reporting' and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed.

This condensed interim financial report is unaudited and is being submitted to the shareholders as required by the section 245 of the repealed Companies Ordinance, 1984.

**2.2 Basis of measurement**

The Companies Ordinance 1984 has been repealed after the enactment of the Companies Act, 2017. However as allowed by the SECP vide its Circular No.23 dated October 4, 2017 read with related press release, and as per Circular No. 17 of the Institute of Chartered Accountants of Pakistan, these financial information have been prepared in accordance with the provision of the repealed Companies Ordinance 1984.

This condensed interim financial information have been prepared under the historical cost convention except for staff retirement benefits that is determined under actuarial valuation annually and lease hold improvements and plant and machinery that are stated at revalued amount in accordance with the criteria laid down under International Accounting Standard (IAS) 16 'Property, Plant and Equipment'. This condensed interim financial information, except for cash flow information, has been prepared under the accrual basis of accounting.

**2.3 Functional and presentation currency**

This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

**3. ACCOUNTING POLICIES**

The accounting policies and method of computation adopted in preparation of this condensed interim financial information are the same as those applied in preparation of the annual financial statements of the Company for the year ended 30 June 2020.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

Judgments and estimates made by the management in preparation of this condensed interim financial information are the same as those applied to the annual financial statements for the year ended 30 June 2020.

**5. DATE OF AUTHORIZATION**

This condensed interim financial information was approved by the Board of Directors and for issue on 28<sup>th</sup> April, 2021.

**6. GENERAL**

Certain, prior figures have been reclassified for the purpose of comparison. There were no major reclassifications to report.

Figures have been rounded off to the nearest Rupee.

  
 Chief Executive

  
 Chief Financial Officer

  
 Director