



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. 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,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 along with financial statements (un-audited) of the Company for the first quarter ended on September 30, 2015.

RESULTS FOR THE QUARTER ARE SUMMERIZED AS UNDER:

	<u>2014</u>	<u>2015</u>
	(Rupees in thousands)	
Sales-Net	52,858	40,201
Cost & Expenditures	51,769	38,967
Profit/(Loss) before Taxation	1,089	1,234
Profit/(Loss) after Taxation	708	827

There was decrease of about 24% as compared to the last first quarter ended on 30-09-2014 in the net Sales of the Company which was noted with deep concern. The profit after taxation has increased by about 17% as compared to the last quarter in spite of reduction in net sales. 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 reduced the business activities in the market in whole. These elements increased the cost of production and due to this our products could not compete in the international market apart from having GSP plus for exports. Our country could avail that facility in complete.

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, 2015.

**BALANCE SHEET (UN-AUDITED)**

	3 Months Sep. 30, 2015 Rupees	12 Months June 30, 2015 Rupees
CAPITAL AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised:		
10,000,000 (2014:10,000,000) Ordinary Shares of Rs. 10/- each.	100,000,000	100,000,000
Issued, Subscribed and Paid-up:		
6,000,000 (2014: 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)	21,451,281	20,624,563
	111,451,281	110,624,563
<u>NON CURRENT LIABILITIES</u>		
OBLIGATION UNDER FINANCE LEASE	3,887,878	4,279,036
DEFERRED LIABILITIES	274,219	274,219
<u>CURRENT LIABILITIES</u>		
Current maturity	1,493,939	1,449,405
Short term finance	29,330,998	31,126,859
Creditors, accrued and other liabilities	7,934,975	10,412,142
Markup Accrued	640,537	741,186
	39,400,449	43,729,592
	155,013,827	158,907,410

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

Chief Executive

**AS AT SEPTEMBER 30, 2015**

3 Months

12 Months

Sep. 30, 2015
RupeesJune 30, 2015
Rupees**PROPERTY AND ASSETS****NON-CURRENT ASSETS**

Property, Plant and Equipment	20,505,451	21,205,852
LONG TERM DEPOSITS	1,740,700	1,740,700
	<u>22,246,151</u>	<u>22,946,552</u>

CURRENT ASSETS

Stores, spares & loose tools	791,265	706,003
Stock in trade	35,170,238	32,669,998
Trade debts	60,207,891	68,599,930
Advances, deposits, prepayments & other receivables	990,945	926,732
Taxation- Net	27,539,708	26,512,175
Cash & bank balances	8,067,629	6,546,020
	<u>132,767,676</u>	<u>135,960,858</u>
	<u>155,013,827</u>	<u>158,907,410</u>

Director

**PROFIT AND LOSS ACCOUNT**

(UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

Three Months Quarter Ended

	30 SEP. 2015 Rupees	30SEP. 2014 Rupees
Sales- Net	40,201,188	52,858,621
Cost of Sales	<u>31,273,507</u>	<u>44,450,469</u>
Gross Profit	8,927,681	8,408,152

Administrative Expenses	4,415,804	4,068,379
Selling and distribution Cost	2,382,023	2,109,978
	<u>6,797,827</u>	<u>6,178,357</u>
Operating Profit for the period	2,129,854	2,229,795
Other Operating Income	--	--
Other Operating Expenses	--	--
Finance Cost	895,947	1,140,694
Profit/(Loss) before taxation	1,233,907	1,089,101
Taxation	(407,189)	(381,185)
Profit/(Loss) for the period	<u>826,718</u>	<u>707,916</u>

Earning/(loss) per share

0.14

0.12

Chief Executive

Director



**STATEMENT OF CASH FLOW (UN-AUDITED)
AS AT SEPTEMBER 30, 2015**

	SEPTEMBER 30,2015 Rupees	SEPTEMBER 30,2014 Rupees
Cash flow from operating activities:		
Cash generated from operation	5,936,019	(764,999)
Financial charges paid	(996,596)	(1,033,641)
Long term deposits		
Tax paid	(1,275,329)	(1,733,291)
	(2,271,925)	(2,766,932)
Net cash inflow from operating activities	3,664,094	(3,531,931)
Cash flow from investing activities:		
Fixed Capital expenditure	--	--
Sale proceeds of assets disposed off	--	--
Net Cash Inflow/(outflow) from investing activities	--	--
	3,664,094	(3,531,931)
Cash from financing activities		
(Repayment)/ proceeds of lease obligation	(346,624)	(510,313)
(Repayment)/ proceeds of short term finances	(1,795,861)	4,392,903
Net cash (out flow) / inflow from activities	(2,142,485)	3,882,590
Net increase/ (Decrease) in cash and cash Equivalents	1,521,609	350,659
Cash and cash Equivalents at beginning of the period	6,546,020	5,763,511
Cash and cash Equivalents at end of the period	8,067,629	6,114,170
CASH GENERATED FROM OPERATION		
Profit/(Loss) before taxation	1,233,907	1,089,101
Add/(Less) adjustment of non-Cash items.		
Depreciation.	700,402	845,361
Financial Charges	895,947	1,140,694
(Profit)/ Loss on sale of fixed assets	--	--
	1,596,349	1,986,055
Profit before working capital changes	2,830,256	3,075,156
Effect of cash flow due to working capital changes		
(Increase) /Decrease in store, spare and loose tools	(85,262)	(166,615)
(Increase) /Decrease in stock in trade	(2,500,240)	2,081,747
(Increase) /Decrease in trade debts	8,392,039	1,821,915
	(64,213)	172,367
(Increase)/Decrease in advances, deposit and Prepayments	(64,213)	172,367
Increase/(Decrease) in creditors accrued and other Liabilities	(2,636,561)	(7,749,569)
	3,105,763	(3,840,155)
	5,936,019	(764,999)


 Chief Executive


 Director


**SARDAR CHEMICAL INDUSTRIES LIMITED.
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015.**

	Share Capital Rupees	Share Premium	Un-appropriated Profit/ (Accumulated Loss)	Rupees Total
Balance at				
30 th June 2014	60,000,000	30,000,000	16,981,120	106,981,120
Profit/(Loss) for the period ended 30 Sep.. 2014	--	--	707,916	707,916
Balance at				
30 Sep.. 2014	60,000,000	30,000,000	17,689,036	107,689,036
Profit/(Loss) for the period ended 30 June 2015	--	--	2,935,527	2,935,527
Balance at				
30 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

**NOTES TO THE ACCOUNTS
QUARTER ENDED SEPTEMBER 30, 2015**

- 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 30/06/2015.
- These accounts have been prepared in compliance with the requirement of international accounting standard IAS 34 "Interim Financial Reporting".


 Chief Executive


 Director