



SARDAR CHEMICAL INDUSTRIES LIMITED

Third Quarter Accounts
(Un-Audited)
**MARCH
2023**



Sardar
Chemical Industries Limited



SARDAR CHEMICAL INDUSTRIES LIMITED

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: info@sardarchemicals.com

Website: 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)
 Mr. Abdul Rehman Qureshi
 Mr. Fayyaz Ahmed Khan
 Mr. Aitzaz Ahmad Tarar
 Mrs. Tayybah Mahmood Sadiq
 Mrs. Reema Ayaz
 Audit Committee Mr. Aitzaz Ahmad Tarar
 Mrs. Tayybah Mahmood Sadiq
 Mr. Fayyaz Ahmed Khan
 COMPANY SECRETARY Mr. Niaz Ahmed Chughtai
 AUDITORS Aslam Malik & Co., Chartered Accountants
 HR & REMUNERATION Mrs. Aitzaz Ahmad Tarar
 Mrs. Tayybah Mahmood Sadiq
 Mr. Fayyaz 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, 2nd Floor, Canal Bank Road, Justice
 Sardar Iqbal Road, Aziz Avenue, Gulberg, Lahore.
 Ph: (92-42) 35711154, 35710148, 35753402
 Fax: (92-42) 35775706
 Email : info@sardarchemicals.com
 Website: www.sardarchemicals.com
 REGISTERED OFFICE/ FACTORY Plot. NO. 29-B, Road No. 01
 Gadoon Amazai, Industrial Estate Topi,
 Ganduf Road, Swabi (KPK)
 Ph: (0938) 270792, 270439, 270539
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 REGISTRAR/TRANSFERAGENT Corplink (Pvt.) Ltd, Wings Arcade, 1-K Commercial,
 Model Town, Lahore.
 Ph:042-35916714, 35916719 Fax:042-35839182



SARDAR CHEMICAL INDUSTRIES LIMITED

In the name of Allah, the most gracious, the most merciful.

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of Directors of **SARDAR CHEMICAL INDUSTRIES LIMITED** are pleased to present their report on the statement of accounts of the Company for the third quarter ended on March 31, 2023.

RESULTS FOR THE THIRD QUARTER ARE SUMMARIZED AS UNDER:

	<u>2023</u>	<u>2022</u>
	(Rupees in thousands)	
Sales-Net	111,344	111,661
Cost & Expenditures	87,167	96,895
Profit/ (Loss) before taxation	24,177	14,766
Profit/ (Loss) after taxation	16,350	10,170
Earnings/ (Loss) per share (Rs.)	2.72	1.70

The net Sales as compared to the previous quarter ended on March 31, 2022 remained the same in Rupees but decreased in quantity. The market almost stopped accepting the increase in prices due to fluctuation in the foreign exchange rate as a result we have seen decline in sales in Kgs.

Mainly our raw material are 90% imported one and due to fluctuation in exchange rate which was un-absorbable therefore we have laid down our factory for some period to avoid decline in profitability of the Company.

During the period the consumer sales continued to remain slow mainly due to unprecedented price hike and fluctuation in foreign exchange rate. Recovery of dues were hampered causing liquidity crunch.

FUTURE PROSPECTS

The Global Energy and Commodities prices, availability situation and consequential adverse Balance of Trade and Forex reserves' situation of Pakistan, may keep the outlook somewhat uncertain. However, local markets' business is expected to improve the overall business development of the Country from the new year.

The Company will continue to focus on quality products meeting with the international standards along with supply of products well in time to our valued customers' business place and remedial measures to keep control on cost of our products to get our share from the market.

ACKNOWLEDGMENT

We take opportunity to thank our valued business customers for their continued support, trust and assistance for the progress and prosperity of the Company. The Company also appreciates its staff and workers for their continuous dedication, commitment and support.

For and on behalf of the Board

SARDAR MAHMOOD SADIQ
Chief Executive

FAYYAZ AHMED KHAN
Director

Dated: April 27th, 2023
Place: Gadoon Amazai



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 2023 کو ختم ہونے والی تیسری سرمایہ کے لئے غیر آڈٹ شدہ کچھنی کے مالی حسابات کے ساتھ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

2022	2023	
(رقم ہزاروں میں)		
111,661	111,344	خالص فروخت
96,895	87,167	لاگت اور اخراجات
14,766	24,177	نکس سے پہلے نفع / نقصان
10,170	16,350	نکس کے بعد نفع / نقصان
1.70	2.72	آمدنی / نقصان فی شیئر

پچھلے سال 31 مارچ 2022 کو ختم ہونے والی سرمایہ کے مقابلے میں خالص فروخت روپے کے معادلے یکساں رہی تاہم مقدار میں کمی واقع ہوئی ہے۔ زرمبادلہ کی شرح میں اتار چڑھاؤ کی وجہ سے منڈی نے قیمتوں میں اضافے کو قبول نہیں کیا جس کے نتیجے میں کلوگرام فروخت میں کمی دیکھنے میں آئی۔

بنیادی طور پر ہمارا خام مال تقریباً 90% درآمد شدہ ہے اور زرمبادلہ کی شرح میں اتار چڑھاؤ کی وجہ سے جو کہ ناقابل برداشت ہونے کی سبب ہم نے کچھنی کے منافع میں کمی سے بچنے کے لئے فیکٹری کچھ مدت کے لئے بند کر دی تھی۔

اس تیسری سرمایہ کے دوران قیمتوں میں بے بہا اضافے کی وجہ سے صارفین کی خرید میں سست روی پائی گئی۔ فروخت کی رقم کی وصولی میں رکاوٹ کی وجہ سے کچھنی میں مالی بحران نے ختم لیا ہے۔

مشغلوں کے امکانات:

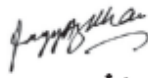
توانائی اور اشیاء کی عالمی قیمتوں اور دستیابی کی صورت حال اور اس کے نتیجے میں پاکستان کے تجارتی توازن اور زرمبادلہ کے ذخائر کی صورت حال مستقبل کو کسی حد تک غیر یقینی بنا دیا۔ تاہم نئے سال میں مقامی منڈی کے کاروبار میں مجموعی ترقی کی توقع ہے۔

کچھنی کی انتظامیہ اپنی مصنوعات کی آنے والے وقت میں فروخت میں اضافہ کے بارے میں بڑی امید ہے۔

احتیاطات:

بورڈ انتظامیہ عملہ اور کچھنی کے کارکنوں کی وقاداری اور کوششوں کو تسلیم کرتا ہے اور ملک کی بھلائی کے لئے ان کی جاری کوششوں کے لئے خوش ہیں۔


سردار محمد صادق
چیف ایگزیکٹو


فیاض احمد خان
ڈائریکٹر

گدون امازی
27 اپریل 2023



INTERIM CONDENSED BALANCE SHEET (UN-AUDITED)

	(Un-audited) March 31, 2023 Rupees	(Audited) June 30, 2022 Rupees
CAPITAL AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised:		
10,000,000 (2023: 10,000,000) Ordinary Shares of Rs. 10/- each.	100,000,000	100,000,000
Issued, Subscribed and Paid-up:		
6,000,000 (2023: 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)	153,778,398	137,503,886
	243,778,398	227,503,886
NON-CURRENT LIABILITIES		
Lease Liabilities	11,153,053	14,413,905
CURRENT LIABILITIES		
Current maturity	4,363,595	4,482,109
Director's Loan	46,000,000	46,000,000
Creditors, accrued and other liabilities	18,753,104	23,041,585
Unclaimed Dividend	2,304,599	2,310,220
	71,421,298	75,833,914
	326,352,749	317,751,705

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


Chief Executive



SARDAR CHEMICAL INDUSTRIES LIMITED

AS AT MARCH 31, 2023

(Un-audited)

(Audited)

March 31, 2023
Rupees

June 30, 2022
Rupees

ASSETS

NON-CURRENT ASSETS

Property: Plant and Equipment	31,221,795	35,245,588
Deferred Taxation	845,620	1,175,795
Long Term Deposit	5,863,430	5,863,430

CURRENT ASSETS

Stores, spares & loose tools	600,628	687,048
Stock in trade	100,393,906	93,994,777
Trade debts	133,463,089	140,895,363
Advances, deposits, prepayments & other receivables	1,533,022	1,600,002
Taxation-net	19,221,973	17,040,305
Cash & bank balances	33,209,286	21,253,397
	288,421,904	275,470,892
	326,352,749	317,751,705



SARDAR CHEMICAL INDUSTRIES LIMITED

**INTERIM CONDENSED PROFIT AND LOSS ACCOUNT
FOR THE THIRD QUARTER ENDED MARCH 31, 2023**

(UN-AUDITED)

9 Months Ended

Quarter Ended

	31 Mar. 2023 Rupees	31 Mar. 2022 Rupees	31 Mar. 2023 Rupees	31 Mar. 2022 Rupees
Sales	265,896,415	305,887,473	111,344,028	111,661,211
Cost of Sales	(186,786,866)	(225,038,935)	(71,478,341)	(82,035,830)
Gross Profit	79,109,549	80,848,538	39,865,687	29,625,381
OPERATING EXPENSES				
Administrative	(34,909,865)	(32,115,168)	(10,997,486)	(10,816,848)
Selling and distribution	(11,926,694)	(8,521,109)	(4,161,378)	(3,530,676)
	(46,836,559)	(40,636,277)	(15,158,864)	(14,347,524)
	32,272,990	40,212,261	24,706,823	15,277,857
Operating Profit/(Loss) For The period	256,005	294,526	92,805	--
Other Operating Income	(2,094)	(19,511)	--	--
Other Operating Expenses	(5,390,967)	(1,337,093)	(622,802)	(511,912)
Finance Cost	27,135,934	39,150,183	24,176,826	14,765,944
Profit/ (Loss) before taxation	(10,861,422)	(11,748,381)	(7,827,190)	(4,595,484)
Taxation	16,274,512	27,401,802	16,349,636	10,170,460
Profit/ (loss)for the period	2.71	4.57	2.72	1.70
Earning/(loss) per share				

Chief Financial Officer

Director

Chief Executive

Chief Financial Officer

Director



**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED MARCH 31, 2023**

(UN-AUDITED)

9 Months EndedQuarter Ended

	31 Mar. 2023 Rupees	31 Mar. 2022 Rupees	31 Mar. 2023 Rupees	31 Mar. 2022 Rupees
Profit/(Loss) after Taxation	16,274,512	27,401,802	16,349,636	10,170,460
Other Comprehensive Profit/(Loss)	--	--	--	--
Total Comprehensive Profit/(Loss) for the Period	16,274,512	27,401,802	16,349,636	10,170,460

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



**INTERIM CONDENSED STATEMENT OF CASH FLOW (UN-AUDITED)
AS AT MARCH 31, 2023**

	MARCH 31,2023 Rupees	MARCH 31,2022 Rupees
cash flow from operating activities		
Profit/(Loss) before taxation	27,135,934	39,150,183
Adjustment of non-Cash items.		
Depreciation.	4,023,795	4,734,755
Financial Charges	5,390,967	1,337,093
Profit on sale of fixed assets	--	(294,526)
	9,414,762	5,777,322
Profit before working capital changes	36,550,696	44,927,505
Effect of working capital changes		
(Increase) /Decrease in store, spare and loose tools	86,420	303,225
(Increase) /Decrease in stock in trade	(6,399,129)	(23,088,466)
(Increase) /Decrease in trade debts	7,432,274	(36,804,661)
(Increase)/Decrease in advances, deposit and Prepayments	66,980	(12,175,959)
Increase/(Decrease) in creditors accrued and other Liabilities	(2,118,898)	6,345,952
(Increase) /Decrease in Unclaimed dividend	--	--
	(932,353)	(65,419,909)
Financial charges paid	(5,390,967)	(1,337,093)
Workers profit participation fund paid	(2,169,583)	--
Tax paid	(12,716,915)	(8,540,346)
	(20,277,465)	(8,652,012)
Net cash generated from operating activities A	15,340,878	(30,369,843)
Cash flow from investing activities:		
Fixed Capital expenditure	--	(1,207,700)
Long term deposits	--	(105,650)
Sale proceeds of fixed assets	--	400,000
Net Cash generated from investing activities B	--	(913,350)
Cash flow from financing activities		
(Repayment) / proceeds of lease obligation	(3,379,369)	(2,943,332)
(Repayment) / proceeds of short term finances	--	42,000,000
Dividend paid	(5,620)	(2,232,759)
Net cash generated from financing activities C	(3,384,989)	36,823,909
Net increase/ (Decrease) in cash and cash Equivalents A+B+C	11,955,889	5,540,716
Cash and cash Equivalents at beginning of the Period	21,253,397	12,984,567
Cash and cash Equivalents at end of the period	33,209,286	18,525,283

Chief Executive

Chief Financial Officer

Director

Chief Executive

Chief Financial Officer

Director



INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) AS AT 31 MARCH 2023

	Share Capital	Share Premium	Un-appropriated Profit/ (Accumulated Loss)	Rupees Total
Balance at				
30 th June 2021	60,000,000	30,000,000	111,454,174	201,454,174
Final Dividend for the year 2021	--	--	(3,000,000)	(3,000,000)
Profit for the period ended 31 Dec. 2021	--	--	17,231,338	17,231,338
Balance at				
31 Dec. 2021	60,000,000	30,000,000	125,685,512	215,685,512
Profit for the period ended 30 June 2022	--	--	11,818,374	11,818,374
Balance at				
the period ended 30 th June. 2022	60,000,000	30,000,000	137,503,886	227,503,886
Profit for The period ended 31 Dec. 2022	--	--	(75,124)	(75,124)
Balance at				
31 Dec. 2022	60,000,000	30,000,000	137,428,762	227,428,762
Profit for the period ended 31 Mar. 2023	--	--	16,349,636	16,349,636
Balance at				
31 Mar. 2023	60,000,000	30,000,000	153,778,398	243,778,398

Chief Executive

Chief Financial Officer

Director



**SARDAR CHEMICAL INDUSTRIES LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE THIRD QUARTER ENDED MARCH 31, 2023 (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 2023 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 2022.

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 2022.

5. DATE OF AUTHORIZATION

This condensed interim financial information was approved by the Board of Directors and for issue on 27th April, 2023.

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