



First Quarter Accounts
(Un-Audited)

September
2023



Sardar
Chemical Industries Limited



ISO 9002 CERTIFIED





COMPANY INFORMATION

CHIEF EXECUTIVE	Mrs. Reema Ayaz
DIRECTORS	Mr. Shahid Aziz (NIT Nominee) Mr. Niaz Ahmed Chughtai Mr. Fayyaz Ahmed Khan Mr. Aitzaz Ahmad Tarar Mrs. Tayybah Mahmood Sadiq Mr. Abdul Rehman Qureshi
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	Mr. Aitzaz Ahmad Tarar Mrs. Tayybah Mahmood Sadiq Mr. Fayyaz Ahmed Khan
BANKERS	Allied Bank of Pakistan Ltd. Askari Bank Ltd.
LEGAL ADVISOR	Mr. Javaid Iqbal Malik, Advocate



HEAD OFFICE/SHARE DEPARTMENT	2-A, 2 nd Floor, Canal Bank Road, Justice Sardar, Iqbal Road, Aziz Avenue Gulberg-V, Lahore, Pakistan. Ph: (042) 35711154, 35710148 Fax: (042) 35775706 E-Mail: info@sardarchemicals.com Web Site: 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 Fax: (0938) 270791
REGISTRAR/TRANSFER AGENT	CorpLink (PVT) Ltd, Wings Arcade, 1-K, Commercial, Model Town, Lahore. Ph: 042-35916714, 35916719 Fax: 042-35839182



FIRST QUARTER DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of SARDAR CHEMICAL INDUSTRIES LIMITED are pleased to present their report along with financial statements of the Company for the first quarter ended on September 30, 2023.

RESULTS FOR THE FIRST QUARTER ARE SUMMARIZED AS UNDER:

	<u>2023</u>	<u>2022</u>
	(Rupees in thousands)	
Sales-Net	150,041	65,563
Cost & Expenditures	105,227	66,942
Profit/ (Loss) before taxation	44,814	(1,379)
Profit/ (Loss) after taxation	41,906	(2,362)
Earnings/ (Loss) per share (Rs.)	6.98	(0.39)

The net Sales has increased by about 56% as compared to the same quarter of the previous year due to increase in prices of finished products. The prices of finished products were increased due to tremendous increase in the cost of utilities i.e. electricity, sui gas, labour wages, transportation charges, exchange rate, markup rate and other elements in the market. The cost and expenditure were also increased about 36% due to the above-mentioned reasons. Our sales were increased in Rupees but not in quantity.

The profit after tax has also increased in Rupees due to increase in price of our dyes but the profit also rose as raw material was purchased at cheaper rate and better exchange rate but was sold at new sales prices, and due to less import of raw material during the period. The cost and expenditure were also increased by 36% as compared to increase in sales.

FUTURE PROSPECTS

Due to positive efforts of the government the exchange rate is improving which will play a vital role in the coming periods. The directors are of the opinion that the coming periods will be good for the Company and country. 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.

ACKNOWLEDGEMENT

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

MRS. REEMA AYAZ

FAYYAZ AHMED KHAN

Dated: October 27th,
2023

Place: Gadoon Amazai

Chief Executive

Director



STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

	3 Months Sep. 30, 2023 Rupees	12 Months June 30, 2023 Rupees
CAPITAL AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised:		
10,000,000 (2023:10,000,000) Ordinary Shares of Rs. 10/- each.	<u>100,000,000</u>	<u>100,000,000</u>
Issued, Subscribed and Paid-up:		
6,000,000 (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)	<u>203,739,149</u>	<u>161,832,737</u>
	293,739,149	251,832,737
<u>NON CURRENT LIABILITIES</u>		
LEASE LIABILITIES	8,760,796	9,663,583
<u>CURRENT LIABILITIES</u>		
Current maturity	3,989,592	4,176,328
Director's Loan	37,511,904	46,000,000
Creditors, accrued and other liabilities	30,451,108	16,497,429
Unclaimed Dividend	2,304,599	2,304,599
Markup Accrued	--	--
	<u>74,257,203</u>	<u>68,978,356</u>
	376,757,148	330,474,676

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

Chief Executive

**AS AT SEPTEMBER 30, 2023**

3 Months

12 Months

Sep. 30, 2023

June 30, 2023

Rupees

Rupees

PROPERTY AND ASSETS**NON-CURRENT ASSETS**

Property, Plant and Equipment	28,771,542	29,880,529
Deferred Tax	1,517,657	1,517,657
LONG TERM DEPOSITS	5,289,430	5,289,430
	35,578,629	36,687,616

CURRENT ASSETS

Stores, spares & loose tools	816,908	761,648
Stock in trade	98,939,575	103,345,105
Trade debts	166,580,700	146,530,846
Advances, deposits, prepayments & other receivables	2,014,673	1,722,842
Taxation- Net	28,267,347	22,686,793
Cash & bank balances	44,559,316	18,739,826
	341,178,519	293,787,060
	376,757,148	330,474,676

Chief Financial Officer

Director

**STATEMENT OF PROFIT OR LOSS ACCOUNT**

(UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

Three Months Quarter Ended

	30 SEP. 2023 Rupees	30 SEP. 2022 Rupees
Sales- Net	150,041,486	65,563,431
Cost of Sales	<u>(86,921,684)</u>	<u>(52,363,830)</u>
Gross Profit	63,119,802	13,199,601
Administrative Expenses	(11,963,207)	(10,966,811)
Selling and distribution Cost	(4,117,244)	(3,243,630)
	<u>(16,080,451)</u>	<u>(14,210,441)</u>
Operating Profit for the period	47,039,351	(1,010,840)
Other Operating Income	884,581	163,200
Finance Cost	(3,109,541)	(531,228)
Profit/(Loss) before taxation	44,814,391	(1,378,868)
Taxation	(2,907,980)	(983,451)
Profit/(Loss) for the period	<u>41,906,411</u>	<u>(2,362,320)</u>
Earning/(loss) per share	6.98	(0.39)

Chief Executive

Chief Financial Officer

Director

STATEMENT OF CASH FLOW (UN-AUDITED)
AS AT SEPTEMBER 30, 2023

	SEPTEMBER 30, 2023 Rupees	SEPTEMBER 30, 2022 Rupees
cash flow from operating activities		
Profit/(Loss) before taxation	44,814,391	(1,378,868)
Adjustment of non-Cash items.		
Depreciation.	1,108,988	1,341,265
Financial Charges	3,109,541	531,228
Profit on sale of fixed assets	-	-
	<u>4,218,529</u>	<u>1,872,493</u>
Profit before working capital changes	49,032,920	493,625
Effect of working capital changes		
(Increase) /Decrease in store, spare and loose tools	(55,260)	(125,240)
(Increase) /Decrease in stock in trade	4,405,530	(9,550,975)
(Increase) /Decrease in trade debts	(20,049,854)	23,217,511
(Increase)/Decrease in advances, deposit and Prepayments	(291,831)	(10,569,028)
Increase/(Decrease) in creditors accrued and other Liabilities	13,953,679	(2,516,344)
(Increase)/Decrease in unclaimed dividend	-	-
	<u>(2,037,736)</u>	<u>455,924</u>
Financial charges paid	(3,109,541)	(531,228)
Tax paid	(8,488,534)	(5,338,558)
	<u>(11,598,075)</u>	<u>(5,869,786)</u>
Net cash generated from operating activities A	35,397,109	(4,920,237)
Cash flow from investing activities:		
Fixed Capital expenditure	-	-
Sale proceeds of assets disposed off	-	-
Long Term Deposit	-	-
Net Cash generated from investing activities B	-	-
Cash flow from financing activities		
(Repayment) / proceeds of lease obligation	(1,089,523)	(1,089,592)
(Repayment)/ proceeds of short term finances	(8,488,096)	-
Dividend Paid	-	-
Net cash used in financing activities C	(9,577,619)	(1,089,592)
Net increase/ (Decrease) in cash and cash Equivalents A+B+C	25,819,490	(6,009,829)
Cash and cash Equivalents at beginning of the period	18,739,826	21,253,397
Cash and cash Equivalents at end of the period	<u>44,559,316</u>	<u>15,243,568</u>

Chief Executive

Chief Financial Officer

Director

SARDAR CHEMICAL INDUSTRIES LIMITED.
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

	Share Capital	Share Premium	Un-Appropriated Profit/ (Accumulated Loss)	Rupees Total
Balance at				
30 th June 2022	60,000,000	30,000,000	137,503,886	227,503,886
Profit/(Loss) for the period ended				
30 Sep. 2022	--	--	(2,362,320)	(2,362,320)
Balance at				
30 Sep. 2022	60,000,000	30,000,000	135,141,566	225,141,566
Profit/(Loss) for the period ended				
30 June 2023	--	--	26,691,171	26,691,171
Balance at				
30 June 2023	60,000,000	30,000,000	161,832,737	251,832,737
Profit/(Loss) for the period ended				
30 Sep. 2023	--	--	41,906,411	41,906,411
Balance at				
30 Sep. 2023	60,000,000	30,000,000	203,739,149	293,739,149

NOTES TO THE ACCOUNTS
QUARTER ENDED SEPTEMBER 30, 2023

- 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 30/06/2023.
- These accounts have been prepared in compliance with the requirement of international accounting standard IAS 34 "Interim Financial Reporting".

Chief Executive

Chief Financial Officer

Director



BOOK POST

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز
سردار کیمیکل انڈسٹریز لمیٹڈ کے ڈائریکٹرز اپنی 30 ستمبر 2023 کو ختم ہونے والی پہلی سرمایہ کے لئے غیر آڈٹ شدہ کچھ کے مالی حسابات کے ساتھ اپنی رپورٹ پیش کرتے ہیں۔
سرمایہ نتائج کا خلاصہ درج ذیل ہے:

2022	2023	
		(رقم ہزاروں میں)
65,563	150,041	خالص فروخت
66,942	105,227	لاگت اور اخراجات
(1,379)	44,814	ٹیکس سے پہلے نفع / نقصان
(2,362)	41,906	ٹیکس کے بعد نفع / نقصان
(0.39)	6.98	آمدنی / نقصان فی شیئر

تیار شدہ مصنوعات کی قیمتوں میں اضافے کی وجہ سے گذشتہ سال کی اسی سرمایہ کے مقابلے میں خالص فروخت میں تقریباً 56 فیصد اضافہ ہوا ہے۔ بجلی، سوئی گیس، مزدوروں کی اجرت، ٹرانسپورٹیشن چارجز، ایکسیج ریسٹ، مارک اپ ریسٹ اور مارکیٹ میں دیگر عناصر کی قیمتوں میں زبردست اضافے کی وجہ سے تیار مصنوعات کی قیمتوں میں اضافہ کیا گیا۔ اوپر دی گئی وجوہات کی بنا پر لاگت اور اخراجات میں بھی تقریباً 36 فیصد اضافہ ہوا۔ ہماری فروخت روپے میں بڑھی لیکن مقدار میں نہیں۔

ہمارے رنگوں کی قیمتوں میں اضافے کی وجہ سے بعد از ٹیکس منافع بھی روپے میں بڑھ گیا ہے کیونکہ خام مال سستی اور بہتر شرح تبادلہ پر خریدنا جاتا تھا لیکن فروخت نئی قیمتوں پر کیا جاتا تھا اور خام مال کی کم درآمد کی وجہ سے اس مدت کے دوران فروخت میں اضافے کے مقابلے لاگت اور اخراجات میں بھی 36 فیصد اضافہ ہوا ہے۔
مستقبل کے امکانات:

حکومت کی مثبت کوششوں سے شرح مبادلہ میں بہتری آ رہی ہے جو کہ آنے والے ادوار میں اہم کردار ادا کرے گی۔ ڈائریکٹرز کی رائے ہے کہ آنے والے ادوار کچھ اور ملک کے لئے اچھے ہوں گے۔ کچھ بین الاقوامی معیار کے مطابق اپنی مصنوعات کو اپنے قابل قدر کسٹمرز کے کاروباری مقام پر بروقت فراہمی اور اپنی مصنوعات کی قیمت پر کنٹرول رکھنے کے لئے اقدامات پر توجہ مرکوز رکھے ہوئے ہے۔
احترامات:

ہم اپنے قابل قدر کسٹمرز کا کچھ کی ترقی اور خوشحالی کے لیے مسلسل تعاون اور احسان کرنے پر شکر یہ ادا کرتے ہیں۔
کچھ اپنے کارکنوں اور عملے کی مسلسل لگن، عزم اور تعاون کو بھی سراہتی ہے۔

Racma Qureshi

محترمہ ریڈیا ایاز صاحبہ
چیف ایگزیکٹو

فیاض احمد خان

ڈائریکٹر

گدون امازی
27 اکتوبر 2023



Sardar
Chemical Industries Ltd.

If Undelivered
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To:

Head Office:

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Factory:

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