



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. Iftikhar Ahmed Khan Mrs. Mona Mahmood

Mrs. Reema Ayaz

Audit Committee Mr. Iftikhar Ahmed Khan

Mrs. Mona Mahmood

Mrs. Reema Ayaz

COMPANY SECRETARY Mr. Niaz Ahmed Chughtai

AUDITORS Aslam Malik & Co., Chartered Accountants

BANKERS Allied Bank of Pakistan Ltd.

Askari 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

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, 2013.

RESULTS FOR THE QUARTER ARE SUMMARIZED AS UNDER:

	<u>2013</u>	<u>2012</u>
	(Rupees in thousands)	
Sales-Net	46,691	40,647
Cost & Expenditures	45,051	39,373
Other Income		512
Profit/(Loss) before taxation	1,640	1,786
Profit/(Loss) after taxation	1,066	1,161

The Company has been successful in increasing its Net Sales by 14.87% over the same quarter of the last year in spite of the severe energy shortage in the country, along with high inflationary trend the prices of Raw Materials, Fuels and others. The Textile dyes has contributed major share as compared to the corresponding quarter. The Company has earned profit of Rs. 1.066 (M) after taxation as compared to the last quarter's profit of Rs. 1.161 (M) as being tough competition in the textile sector.

FUTURE PROSPECTS

Exorbitant increasing trend of US Dollar and temporary closure of chemical factories of China, the prices of our raw materials has increased proportionately. Due to these facts the Company forecast the remaining period difficult.

The Company will continue to focus on quality products meeting with international standards and remedial measures to put the Company towards sustainable profitability with consistency in production and supply.

ACKNOWLEDGMENT

The board is pleased to acknowledge the loyalty and efforts of management, staff and workers.

For and on behalf of the Board

Lahore April 30, 2013.

Chief Executive

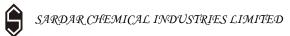


SARDAR CHEMICAL INDUSTRIES LIMITED

INTERIM CONDENSED BALANCE SHEET (UN-AUDITED)

	9 Months March 31, 2013 Rupees	12 Months June 30, 2012 Rupees
CAPITAL AND LIABILITIES	•	•
SHARE CAPITAL AND RESERVES		
Authorised:		
10,000,000 (2012:10,000,000) Ordinary		
Shares of Rs. 10/- each.	100,000,000	100,000,000
Issued, Subscribed and Paid-up: 6,000,000 (2012: 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)	11,652,220	9,223,669
	101,652,220	99,223,669
NON- CURRENT LIABILITIES		
OBLIGATION UNDER FINANCE LEASE	8,588,621	3,247,023
Deferred Taxation	255,061	255,061
CURRENT LIABILITIES & PROVISION		
Current maturity & overdue amounts	2,190,452	988,119
Short term finance	31,708,837	37,326,134
Creditors, accrued and other liabilities	8,939,869	9,227,172
Provision for taxation	11,723,376	10,415,694
Mark up Accrued	971,856	1,008,251
	55,534,390	58,965,370
	466 020 202	161 601 122
	166,030,292	161,691,123

Chief Executive



AS AT MARCH 31, 2013

	9 Months	12 Months
PROPERTY AND ASSETS	March 31,2013 Rupees	JUNE 30,2012 Rupees
FIXED ASSETS		
NON-CURRENT ASSETS Operating fixed assets	30,123,198	25,041,033
Long Term deposits	2,482,300	1,823,400
	32,605,498	26,864,433
CURRENT ASSETS		
Stores, spares & loose tools	850,345	711,212
Stock in trade	27,400,950	32,128,882
Trade debts	74,024,677	73,617,485
Advances, deposits, prepayments & other receivables	3,083,032	2,159,341
Tax Due from Goverment	24,398,739	21,275,319
Cash & bank balances	3,667,051	4,934,451
	133,424,794	134,826,690
	166,030,292	161,691,123

Director



SARDAR CHEMICAL INDUSTRIES LIMITED

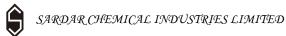
INTERIM CONDENSED PROFIT AND LOSS ACCOUNT

(UN-AUDITED) FOR THE THIRD QUARTER ENDED MARCH 31, 2013

9 Months Ended		Quarter Ended	
31 March.	31March.	31 March	31 March
			2012
Rupees	Rupees	Rupees	Rupees
130,927,117	114,607,731	46,691,168	40,647,203
103,587,744	92,173,931	35,382,942	33,009,350
27,339,373	22,433,800	11,308,226	7,637,853
12,229,751	10,948,704	5,020,185	3,901,627
7,342,160	6,157,685	2,886,114	2,069,578
39,480	26,730	9,809	21,449
541,704	775,235	16,204	512,297
19,069,687	16,357,884	7,899,904	5,480,357
8,269,686	6,075,916	3,408,322	2,157,496
4,533,453	1,792,103	1,768,633	371,135
3,736,233	4,283,813	1,639,689	1,786,361
(1,307,682)	(1,499,335)	573,892	625,227
2,428,551	2,784,478	1,065,797	1,161,134
0.40	0.46	0.17	0.19
	31 March. 2013 Rupees 130,927,117 103,587,744 27,339,373 12,229,751 7,342,160 39,480 541,704 19,069,687 8,269,686 4,533,453 3,736,233 (1,307,682) 2,428,551	31 March. 2013 2012 Rupees 130,927,117 103,587,744 27,339,373 22,433,800 12,229,751 7,342,160 39,480 26,730 541,704 775,235 19,069,687 8,269,686 6,075,916 4,533,453 1,792,103 3,736,233 4,283,813 (1,307,682) 2,428,551 2012 2012 Rupees 114,607,731 10,948,704 6,157,685 26,730 775,235 19,069,687 16,357,884 8,269,686 16,357,884 8,269,686 11,792,103 3,736,233 4,283,813 (1,307,682) 2,428,551 2,784,478	31 March. 2013 2012 2013 Rupees Rupees Rupees 130,927,117 114,607,731 46,691,168 103,587,744 92,173,931 22,433,800 11,308,226 12,229,751 7,342,160 39,480 26,730 541,704 775,235 16,204 19,069,687 16,357,884 7,899,904 8,269,686 6,075,916 3,408,322 4,533,453 1,792,103 1,768,633 3,736,233 4,283,813 1,639,689 (1,307,682) (1,499,335) 573,892 2,428,551 2,784,478 1,065,797

Chief Executive

Director



INTERIM CONDENSED STATEMENT OF CASH FLOW (UN-AUDITED) AS AT MARCH 31, 2013

Cash flow from operating activities: 14,060,397 7,519,841 Cash generated from operation 14,060,397 7,519,841 Financial charges paid (4,569,848) (2,253,314) Long term deposits (688,900) 691,800 Tax paid (2,826,684) (1,260,386) Net cash inflow from operating activities 6,004,965 4,697,941 Cash flow from investing activities 6,004,965 4,697,941 Cash flow from investing activities 67,000 Sale proceeds of assets disposed off 571,500 951,000 Net Cash Inflow/(outflow) from investing activities 6,509,465 5,648,941 Cash from financing activities 6,509,465 5,648,941 Cash from financing activities 6,509,465 5,648,941 Cash (Repayment) / proceeds of lease obligation (2,159,568) (2,365,396) (Repayment) / proceeds of short term finances (5,617,297) (7,461,426) Net cash (out flow) / inflow from activities (7,776,865) (9,826,822) Net cash cout flow / inflow from activities (7,776,865) (9,826,822) Cash an		MARCH 31,2013 Rupees	MARCH 31,2012 Rupees
Financial charges paid			
Comparison			
Net cash inflow from operating activities			
Net cash inflow from operating activities 6,004,965 4,697,941			
Net cash inflow from operating activities	l ax paid		
Cash flow from investing activities: (67,000) Fixed Capital expenditure (67,000) Sale proceeds of assets disposed off 571,500 951,000 Net Cash Inflow/(outflow) from investing activities 504,500 951,000 Cash from financing activities (6,509,465 5,648,941 Cash grownent (Repayment) / proceeds of lease obligation (Repayment) / proceeds of short term finances (2,159,568) (2,365,396) (Repayment) / proceeds of short term finances (5,617,297) (7,461,426) Net cash (out flow) / inflow from activities (7,776,865) (9,826,822) Net increase/ (Decrease) in cash and cash (1,267,400) (4,177,881) Equivalents (1,267,400) (4,177,881) Cash and cash Equivalents at beginning of the period 4,934,451 9,283,533 Cash and cash Equivalents at end of the period 3,667,051 5,105,652 CASH GENERATED FROM OPERATION Profit/(Loss) before taxation 3,736,233 4,283,813 Add/(Less) adjustment of non-Cash items. 3,656,265 2,748,406 4,533,453 1,792,103 (Profit)/ Loss on sale of fixed assets 7,650,287 <	Not and talk the form and a set of the		
Sale proceeds of assets disposed off \$71,500 951,000 951,000 Net Cash Inflow/(outflow) from investing activities \$504,500 951,000 \$5,648,941 \$6,509,465 \$5,648,941 \$6,509,465 \$6,509,465 \$6,509,465 \$6,509,465 \$6,509,465 \$6,509,465 \$6,509,465 \$6,648,941 \$6		6,004,965	4,697,941
Sale proceeds of assets disposed off 571,500 951,0		(67,000)	
Net Cash Inflow/(outflow) from investing activities			951,000
Cash from financing activities (Repayment // proceeds of lease obligation (2,159,568) (2,365,396) (Repayment) / proceeds of short term finances (5,617,297) (7,461,426) Net cash (out flow) / inflow from activities (7,776,865) (9,826,822) Net increase/ (Decrease) in cash and cash (1,267,400) (4,177,881) Equivalents (2,365,396) (9,826,822) Cash and cash Equivalents at beginning of the period (1,267,400) (4,177,881) Cash and cash Equivalents at end of the period 3,667,051 5,105,652 CASH GENERATED FROM OPERATION Profit/(Loss) before taxation 3,736,233 4,283,813 Add/(Less) adjustment of non-Cash items. 0 2,748,406 Depreciation. 3,656,265 2,748,406 Financial Charges 4,533,453 1,792,103 (Profit)/ Loss on sale of fixed assets 7,650,287 3,765,235 Profit before working capital changes 11,386,520 8,049,087 Effect of cash flow due to working capital change (139,133) 38,931 (Increase) / Decrease in store, spare and loose tools (139,133) 4,531,164 (Increase	Net Cash Inflow/(outflow) from investing activities		
Cash from financing activities (Repayment // proceeds of lease obligation (2,159,568) (2,365,396) (Repayment) / proceeds of short term finances (5,617,297) (7,461,426) Net cash (out flow) / inflow from activities (7,776,865) (9,826,822) Net increase/ (Decrease) in cash and cash (1,267,400) (4,177,881) Equivalents (2,365,396) (9,826,822) Cash and cash Equivalents at beginning of the period (1,267,400) (4,177,881) Cash and cash Equivalents at end of the period 3,667,051 5,105,652 CASH GENERATED FROM OPERATION Profit/(Loss) before taxation 3,736,233 4,283,813 Add/(Less) adjustment of non-Cash items. 0 2,748,406 Depreciation. 3,656,265 2,748,406 Financial Charges 4,533,453 1,792,103 (Profit)/ Loss on sale of fixed assets 7,650,287 3,765,235 Profit before working capital changes 11,386,520 8,049,087 Effect of cash flow due to working capital change (139,133) 38,931 (Increase) / Decrease in store, spare and loose tools (139,133) 4,531,164 (Increase	, , , , , , , , , , , , , , , , , , ,		
Repayment/ proceeds of short term finances (5,617,297) (7,461,426) Net cash (out flow) / inflow from activities (7,776,865) (9,826,822) Net increase/ (Decrease) in cash and cash (1,267,400) (4,177,881) Equivalents Cash and cash Equivalents at beginning of the period (4,934,451 9,283,533 Period (2,367,051 5,105,652 CASH GENERATED FROM OPERATION Profit/(Loss) before taxation (3,667,051 5,105,652 CASH GENERATED FROM OPERATION Profit/(Loss) before taxation (4,533,453 1,792,103 1,792,103 (Profit) / Loss on sale of fixed assets (5,617,297) Profit before working capital changes (5,617,297) Profit before working capital changes (1,39,433) (7,75,235) T,650,287 (7,461,426) (1,267,400) (4,177,881) (1,267,400) (4,177,81) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82) (1,267,400) (3,26,82)	Cash from financing activities		, ,
Repayment// proceeds of short term finances (5,617,297) (7,461,426) Net cash (out flow) / inflow from activities (7,776,865) (9,826,822) Net increase/ (Decrease) in cash and cash Equivalents Cash and cash Equivalents at beginning of the period 2,834,451 9,283,533 Period 2,834,451 9,283,533 CASH GENERATED FROM OPERATION Profit/(Loss) before taxation 3,736,233 4,283,813 Add/(Less) adjustment of non-Cash items. Depreciation. 3,656,265 2,748,406 4,533,453 1,792,103 (Profit)/ Loss on sale of fixed assets (539,431) (775,235) Profit before working capital changes (139,433) (38,931 (10,00000000000000000000000000000000000	(Repayment)/ proceeds of lease obligation	(2,159,568)	(2,365,396)
Net increase/ (Decrease) in cash and cash Equivalents (1,267,400) (4,177,881) Cash and cash Equivalents at beginning of the period 4,934,451 9,283,533 Cash and cash Equivalents at end of the period 3,667,051 5,105,652 CASH GENERATED FROM OPERATION Profit/(Loss) before taxation 3,736,233 4,283,813 Add/(Less) adjustment of non-Cash items. Depreciation. 3,656,265 2,748,406 Financial Charges 4,533,453 1,792,103 (775,235) (Profit)/ Loss on sale of fixed assets (539,431) (775,235) 7,650,287 3,765,274 Profit before working capital changes 11,386,520 8,049,087 8,049,087 Effect of cash flow due to working capital change (Increase) /Decrease in store, spare and loose tools (Increase) /Decrease in store, spare and loose tools (Increase) /Decrease in store, spare and loose tools (Increase) /Decrease in trade debts (139,133) (Increase) / (5,121,197) (5,121,197) (Increase)/Decrease in advances, deposit and Prepayments Increase/(Decrease) in creditors accrued and other Liabilities (584,039) (193,467) (193,467)			
Equivalents Cash and cash Equivalents at beginning of the period 4,934,451 9,283,533 Cash and cash Equivalents at end of the period 3,667,051 5,105,652 CASH GENERATED FROM OPERATION Profit/(Loss) before taxation Add/(Less) adjustment of non-Cash items. Depreciation. 3,656,265 2,748,406 Financial Charges (Profit)/ Loss on sale of fixed assets 4,533,453 1,792,103 (Profit)/ Loss on sale of fixed assets (539,431) (775,235) Profit before working capital changes 11,386,520 8,049,087 Effect of cash flow due to working capital change (Increase) /Decrease in store, spare and loose tools (Increase) /Decrease in store, spare and loose tools (Increase) /Decrease in trade debts (139,133) 38,931 (Increase) /Decrease in trade debts (407,192) (5,121,197) (Increase) /Decrease in advances, deposit and Prepayments (923,691) 215,323 Increase/(Decrease) in creditors accrued and other Liabilities (584,039) (193,467)	Net cash (out flow) / inflow from activities	(7,776,865)	(9,826,822)
Cash and cash Equivalents at beginning of the period 4,934,451 9,283,533 Cash and cash Equivalents at end of the period 3,667,051 5,105,652 CASH GENERATED FROM OPERATION Profit/(Loss) before taxation 3,736,233 4,283,813 Add/(Less) adjustment of non-Cash items. 3,656,265 2,748,406 Depreciation. 3,656,265 2,748,406 Financial Charges 4,533,453 1,792,103 (Profit)/ Loss on sale of fixed assets 7,650,287 3,765,274 Profit before working capital changes 11,386,520 8,049,087 Effect of cash flow due to working capital change (Increase) /Decrease in store, spare and loose tools (Increase) /Decrease in stock in trade (Increase) /Decrease in trade debts (139,133) 38,931 (Increase) /Decrease in advances, deposit and Prepayments Increase/(Decrease) in creditors accrued and other Liablities (584,039) (193,467) Liablities 2,673,877 (529,246)		(1,267,400)	(4,177,881)
CASH GENERATED FROM OPERATION Profit/(Loss) before taxation 3,736,233 4,283,813 Add/(Less) adjustment of non-Cash items. 3,656,265 2,748,406 Depreciation. 4,533,453 1,792,103 (Profit)/ Loss on sale of fixed assets (539,431) (775,235) Profit before working capital changes 11,386,520 8,049,087 Effect of cash flow due to working capital change (Increase) /Decrease in store, spare and loose tools (Increase) /Decrease in stock in trade (Increase) /Decrease in trade debts (139,133) 38,931 (Increase) /Decrease in trade debts (407,192) (5,121,197) (Increase)/Decrease in advances, deposit and Prepayments Increase/(Decrease) in creditors accrued and other Liablities (584,039) (193,467) Liablities 2,673,877 (529,246)	Cash and cash Equivalents at beginning of the	4,934,451	9,283,533
Profit/(Loss) before taxation Add/(Less) adjustment of non-Cash items. Depreciation. Financial Charges (Profit)/ Loss on sale of fixed assets Profit before working capital changes Effect of cash flow due to working capital change (Increase) /Decrease in store, spare and loose tools (Increase) /Decrease in trade debts (Increase) /Decrease in advances, deposit and Prepayments Increase/(Decrease) in creditors accrued and other Liablities 2,673,877 4,283,813 4,283,814 4,531,404 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,164 4,727,932 4,531,16	Cash and cash Equivalents at end of the period	3,667,051	5,105,652
Financial Charges (Profit)/ Loss on sale of fixed assets (Fofit)/ Loss on sale of fixed assets (Frofit)/ Loss on sale of fixed assets (539,431) (775,235) (11,386,520 (139,133) (139,133) (139,133) (139,133) (139,133) (100,139,139,133) (100,139,133) (100,139,139,133) (100,139,139,133) (100,139,139,133) (100,139,139,139,139) (100,139,139,139,139,139) (100,139,139,139,139,139) (100,139,139,139,139,139,139) (100,139,139,139,139,139) (100,139,139,139,139,139,139) (100,139,139,139,139,139,139) (100,139,139,139,139,139,139) (100,139,139,139,139,139) (100,139,139,139,139,139,139) (100,139,139,139,139,139,139) (1	Profit/(Loss) before taxation	3,736,233	4,283,813
Profit Loss on sale of fixed assets (539,431) (775,235) (775,235) (775,235) (775,235) (775,235) (775,235) (775,235) (775,235	Depreciation.	3,656,265	2,748,406
7,650,287 3,765,274 3,765,274 3,765,274 3,765,274 2,7650,287 3,765,274 3,7	Financial Charges	4,533,453	1,792,103
Profit before working capital changes 11,386,520 8,049,087	(Profit)/ Loss on sale of fixed assets	(539,431)	(775,235)
Effect of cash flow due to working capital change (Increase) / Decrease in store, spare and loose tools (Increase) / Decrease in stock in trade (Increase) / Decrease in stock in trade (Increase) / Decrease in trade debts (407,192) (5,121,197) (Increase) / Decrease in advances, deposit and Prepayments Increase / (Decrease) in creditors accrued and other Liablities (584,039) (193,467)		7,650,287	3,765,274
(Increase) /Decrease in store, spare and loose tools (139,133) 38,931 (Increase) /Decrease in stock in trade (407,192) 4,531,164 (Increase) /Decrease in trade debts (407,192) (5,121,197) (Increase) /Decrease in advances, deposit and Prepayments Increase/(Decrease) in creditors accrued and other Liablities (584,039) (193,467) Liablities 2,673,877 (529,246)		11,386,520	8,049,087
(Increase) /Decrease in stock in trade 4,727,932 4,531,164 (Increase) /Decrease in trade debts (407,192) (5,121,197) (Increase)/Decrease in advances, deposit and Prepayments Increase/(Decrease) in creditors accrued and other Liablities (584,039) (193,467) Liablities 2,673,877 (529,246)			
(Increase) / Decrease in trade debts (407,192) (5,121,197) (Increase) / Decrease in advances, deposit and Prepayments Increase/(Decrease) in creditors accrued and other Liablities (923,691) 215,323 (193,467) (193,467)			
(Increase)/Decrease in advances, deposit and Prepayments Increase/(Decrease) in creditors accrued and other Liablities (923,691) 215,323 (584,039) (193,467) 2,673,877 (529,246)			
Prepayments Increase/(Decrease) in creditors accrued and other Liablities (584,039) (193,467) 2,673,877 (529,246)	(Increase) /Decrease in trade debts	(407,192)	(5,121,197)
Liablities		(923,691)	215,323
	Increase/(Decrease) in creditors accrued and other	(584,039)	(193,467)
14,060,397 7,519,841		2,673,877	(529,246)
		14,060,397	7,519,841

Chief Executive

Director



SARDAR CHEMICAL INDUSTRIES LIMITED

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THIRD QUARTER ENDED MARCH 31, 2013.

	Share Capital	Share Premium	Un-appropriated Profit/ (Accumulated Loss)	Rupees Total
Balance at				
30 th June 2011 Profit/(Loss) for	60,000,000	30,000,000	4,919,879	94,919,879
the year ended 30 June. 2012			4,303,790	4,303,790
Balance at				
30 June. 2012 Profit/(Loss) for	60,000,000	30,000,000	9,223,669	99,223,669
the period ended 31 Dec 2012			1,362,754	<u>1,362,754</u>
Balance at				
31 Dec 2012	60,000,000	30,000,000	10,586,423	100,586,423
Profit/(Loss) for the period ended 31 March. 2012			1,065,797_	1,065,797
Balance at				
31 March. 2013	60,000,000	30,000,000	11,652,220	101,652,220

NOTES TO THE ACCOUNTS THIRD QUARTER ENDED MARCH 31, 2013

- Accounting policies adopted for the preparation of the quartly accounts are the same as those applied in the preparation of the audited annual published accounts of the company as on 30/06/2012
- 2. These accounts have been prepared in compliance with the requirement of international accounting standard IAS 34 "Interim Financial Reporting".
- Previous year's figures have been rearranged wherever necessary, for the purposes of comparison.

Chief Executive

Director