



Quarterly Report September 2013  
(Unaudited)

## COMPANY INFORMATION

### Board of Directors

Mr. Abdul Jalil Jamil - Chairman  
Mr. Zafar Mahmood - Chief Executive Officer  
Mr. Khalid Mumtaz Qazi  
Mr. Umar Iqbal  
Mr. Muhammad Sarwar Khawaja  
Sh. Amar Hameed  
Mr. Saeed-uz-Zaman  
Mr. Muhammad Yahya Khan  
Mr. Khalid Siddiq Tirmizey - Nominee, The Bank of Punjab  
Mr. Abdul Jaleel Shaikh - Nominee, Pak Brunei Investment Co. Ltd.

### Chief Financial Officer

Mr. Aamir Jamil

### Company Secretary

Mr. Muhammad Inam-ur-Rahim

### Internal Auditor

Mr. Arshad Mahmood

### Audit Committee

Mr. Muhammad Sarwar Khawaja - Chairman  
Mr. Saeed-uz-Zaman  
Mr. Abdul Jaleel Shaikh

### Human Resource & Remuneration Committee

Mr. Saeed-uz-Zaman - Chairman  
Sh. Amar Hameed  
Mr. Zafar Mahmood

### Bankers

The Bank of Punjab  
National Bank of Pakistan  
Pak Brunei Investment Company Limited  
Standard Chartered Bank (Pakistan) Limited  
Al Baraka Bank (Pakistan) Limited

### Shares' Registrar

Corplink (Pvt.) Limited  
Wings Arcade, 1-K (Commercial)  
Model Town Lahore.  
Tel: +92 42 35916714 & 19  
Fax: +92 42 35869037

### Registered Office / Factory

14.8 km., Sheikhpura-Faisalabad Road,  
Mouza Bhikhi, District Sheikhpura.  
Tel: +92 56 3883001-7  
Fax: +92 56 3883010  
Cell: +92 301-8483950

### Lahore Office

12-B, New Muslim Town,  
Lahore, Pakistan  
Tel: +92 42 35926090-93  
Fax: +92 42 35926099

### Web Site

[www.nimir.com.pk](http://www.nimir.com.pk)

## DIRECTORS' REPORT

The Company maintained top line growth and achieved 16% increase in net sale value and 9% increase in net sale volumes during the quarter ended September 30, 2013 over the same quarter of the last year. The Company recorded net sales turnover of Rs. 808 million during the quarter under review.

While the Company registered 16% growth in sales, the increase in cost of sales was only 10%. As a result of this, the Company earned gross profit of Rs. 143 million during the quarter against Rs.93 million earned last year, registering an increase of 55%. The gross profit ratio to net sales increased to 17.7% during the current quarter, which was 13.3% in the same quarter of the last year.

Operating profit for the quarter is Rs. 103 million, which has grown by 72% compared to last year. The Company achieved a net profit of Rs. 41 million in the quarter against Rs. 12 million achieved last year.

The plant expansion activities are moving as per plan and the management is confident to add the additional capacity to our manufacturing facility by the end of current financial year. The management is committed to keep the thrust of growth and increasing stakeholder's value. Hence we are confident to post promising results during the current financial year despite overall challenging business environment in the country, Insha Allah.

For and on behalf of the Board

Sheikhupura  
October 28, 2013



Chief Executive Officer

## CONDENSED INTERIM BALANCE SHEET - UNAUDITED

AS AT SEPTEMBER 30, 2013

	Note	Unaudited 30 September 2013 (Rupees in thousands)	Audited 30 June 2013
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	1,085,326	1,067,364
Intangible assets		1,753	1,841
Long term deposits		17,644	16,754
Deferred tax asset		36,047	56,995
		1,140,770	1,142,954
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		51,804	45,232
Stock in trade		218,778	312,288
Trade debts		441,045	510,239
Loans and advances		23,226	18,469
Trade deposits and short term prepayments		3,480	4,589
Other receivables		19,701	8,950
Tax refund due from Government		83,141	86,612
Cash and bank balances		51,493	56,136
		892,668	1,042,515
<b>TOTAL ASSETS</b>		<b>2,033,438</b>	<b>2,185,469</b>
<b>EQUITY AND LIABILITIES</b>			
Authorized Capital			
290,000,000 ( June 30, 2013: 290,000,000)		1,450,000	1,450,000
Ordinary Shares of Rs. 5/- each (June 30, 2013: Rs. 5/- each)			
Issued, subscribed and paid up capital		1,105,905	1,105,905
221,181,093 ( June 30, 2013: 221,181,093)			
Ordinary Shares of Rs. 5/- each (June 30, 2013: Rs. 5/- each)			
Unappropriated profit		199,328	158,540
		1,305,233	1,264,445
<b>NON CURRENT LIABILITIES</b>			
Long term loans		114,333	130,667
Liabilities against assets subject to finance lease		10,244	8,232
Deferred Liabilities - Staff retirement benefits		36,595	35,167
		161,172	174,066
<b>CURRENT LIABILITIES</b>			
Trade and other payable		196,276	167,668
Mark up accrued		5,521	5,792
Unclaimed dividend		688	688
Short term borrowings		269,882	486,977
Current maturity of long term loans		65,333	65,333
Current maturity of liabilities against assets subject to finance lease		4,868	4,125
Provision for taxation		24,465	16,375
		567,033	746,958
<b>Contingencies and commitments</b>	6	—	—
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,033,438</b>	<b>2,185,469</b>

The annexed notes from 1 to 9 form an integral part to this condensed interim financial information.



Chief Executive Officer



Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - UNAUDITED**

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	Note	July to September 2013	July to September 2012
		(Rupees in thousands)	
Sales - Net	8	808,059	694,171
Cost of sales	9	(664,665)	(601,602)
Gross profit		143,394	92,569
Distribution costs		(19,729)	(18,630)
Administrative expenses		(20,654)	(14,110)
Operating profit		103,011	59,829
Other expenses		(5,175)	(2,136)
Other income		506	866
Finance costs		(24,765)	(28,478)
Foreign exchange loss		(3,750)	(1,255)
Profit before taxation		69,827	28,826
Taxation:			
Current Tax		(8,091)	(3,471)
Deferred Tax		(20,948)	(13,141)
		(29,039)	(16,612)
Profit after taxation		40,788	12,214
Earnings per share - Basic and diluted		0.18	0.06

The annexed notes from 1 to 9 form an integral part to this condensed interim financial information.

**Chief Executive Officer****Director**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UNAUDITED**  
FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	Issued, Subscribed and Paid up Share Capital	Unappropriated Profit	Total
	( Rupees in thousands )		
<b>Balance as on June 30, 2012</b>	1,105,905	31,459	1,137,364
Profit for the quarter	–	12,214	12,214
<b>Balance as on September 30, 2012</b>	1,105,905	43,673	1,149,578
Profit for the period	–	114,867	114,867
<b>Balance as on June 30, 2013</b>	1,105,905	158,540	1,264,445
Total comprehensive income for the period	–	40,788	40,788
<b>Balance as on September 30, 2013</b>	1,105,905	199,328	1,305,233

The annexed notes from 1 to 9 form an integral part to this condensed interim financial information.

  
Chief Executive Officer

  
Director

## CONDENSED INTERIM STATEMENT OF CASH FLOWS - UNAUDITED

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

	Note	July to September 2013	July to September 2012
		(Rupees in thousands)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net profit before taxation		69,827	28,826
<b>Adjustment for :</b>			
Depreciation		21,595	18,588
Amortization		89	—
Loss / (Gain) on disposal of property, plant and equipment		(1)	(98)
Finance costs		24,765	28,478
Foreign exchange loss on foreign liabilities		3,750	1,255
Provision for gratuity		1,800	1,600
		51,998	49,823
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		121,825	78,649
<b>(Increase) / decrease in current assets</b>			
Stores, spares and loose tools		(6,572)	(24,909)
Stock in trade		93,510	1,790
Trade debts		69,194	(70,005)
Loans and advances		(4,757)	(27,871)
Trade deposits and short term prepayments		1,110	2,524
Other receivables		(10,752)	(4,478)
Tax refund due from Government		3,471	23,501
		145,204	(99,448)
<b>Increase / (decrease) in current liabilities</b>			
Trade and other payable		24,857	(6,899)
<b>CASH GENERATED FROM / (USED IN) OPERATIONS</b>		291,886	(27,698)
Gratuity paid		(372)	—
Finance costs paid		(25,035)	(25,117)
		(25,407)	(25,117)
<b>NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES</b>		266,479	(52,815)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(39,557)	(20,790)
Sale proceeds of property, plant and equipment		1	98
Long term deposits		(890)	—
<b>NET CASH (USED IN) INVESTING ACTIVITIES</b>		(40,446)	(20,692)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Long term Loans paid		(16,333)	(16,333)
Repayment of liabilities against assets subject to finance lease		(1,063)	(797)
New leases acquired during the period		3,815	—
Short term borrowings		(217,095)	44,369
<b>NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES</b>		(230,676)	27,239
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		(4,643)	(46,268)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		56,136	71,140
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		51,493	24,872

The annexed notes from 1 to 9 form an integral part to this condensed interim financial information.



Chief Executive Officer



Director

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION - UNAUDITED

FOR THE QUARTER ENDED SEPTEMBER 30, 2013

### 1 THE COMPANY AND ITS OPERATIONS

Nimir Industrial Chemicals Limited ("the Company") was incorporated in Pakistan on 6th February, 1994 as a public limited Company under the Companies Ordinance, 1984. The shares of the Company are quoted on Karachi and Lahore Stock Exchanges. The Company started its commercial operation on 1st January 2000. The registered office of the Company is situated at 14.8 km., Sheikhpura-Faisalabad Road, Mouza Bhikhi, District Sheikhpura, Pakistan. The Company is engaged in manufacturing and sale of industrial chemical products.

### 2 BASIS OF PREPARATION

- 2.1** This condensed interim financial information has been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan.
- 2.2** The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2013.

### 3 ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these interim condensed financial statements are consistent with those applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2013.

### 4 TAXATION

Provision for taxation is estimated and these are subject to final adjustments in the annual audited financial statements.

### 5 ADDITIONS / (DISPOSALS) IN PROPERTY, PLANT AND EQUIPMENTS - AT COST

Followings are the additions and disposals in the fixed assets made during the quarter ended September 30, 2013:

	Additions	Disposals
	(Rupees in thousands)	
Land	2,550	—
Office & factory equipments	458	—
Computers	1,173	—
Vehicles-Own	297	3
Vehicles-Leased	3,817	—
	8,295	3



## 6 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies since the last audited published financial statements. The Company has made commitments in respect of letters of credit established for the import of raw materials, plant and machinery and spare parts amounting to Rs. 192 million (30 June 2013: Rs. 61 million) and commitments in respect of letter of guarantee given to SNGPL & Customs amounting to Rs. 137 million (30 June 2013: Rs. 137 million).

## 7 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise local associated companies, directors and key management personnel. There is no related party transaction during the period under review.

## 8 SALES

	Quarter ended	
	30 September 2013	30 September 2012
	(Rupees in thousands)	
Gross Sales	949,056	808,642
Less: Discount	3,008	3,000
Sales Tax	137,989	111,471
	140,997	114,471
Net Sales	808,059	694,171

## 9 COST OF SALES

Opening stock of finished goods	54,841	77,646
Cost of goods manufactured	683,209	603,304
	738,050	680,950
Less: Closing stock of finished goods	73,385	79,348
	664,665	601,602

## 10 GENERAL

**10.1** This interim condensed financial information was authorized for issue on October 28, 2013 by the Board of Directors of the Company.

**10.2** The figures have been rounded off to the nearest thousand of Rupees.



Chief Executive Officer

  
Director

## BOOK POST

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