

# NIMIR



Annual Report  
**2024**

**Nimir Resins Limited**  
Better life Through Chemistry

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## Company Information

### Board of Directors

Sheikh Amar Hameed	- Chairman
Mr. Zafar Mahmood	- Chief Executive Officer
Mr. Khalid Mumtaz Qazi	
Mr. Muhammad Yahya Khan	
Mr. Osman Hameed	
Mr. Khalid Siddiq Tirmizey	
Mr. Pervaiz Ahmad Khan	
Mrs. Nazia Qureshi	

### Chief Financial Officer

Syed Sajid Nasim

### Company Secretary

Mr. Muhammad Inam-ur-Rahim

### Head of Internal Audit

Mr. Umair Tahir

### Auditors

Crowe Hussain Chaudhury & Co.  
Chartered Accountants

### Audit Committee

Mr. Pervaiz Ahmad Khan	- Chairman
Mrs. Nazia Qureshi	- Member
Mr. Osman Hameed	- Member

### Human Resources & Remuneration Committee

Mr. Khalid Siddiq Tirmizey	- Chairman
Sheikh Amar Hameed	- Member
Mr. Zafar Mahmood	- Member

### Share Registrar

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

### Legal Advisors

M/s Hassan & Hassan  
Advocates

### Bankers

Al Baraka Bank (Pakistan) Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Islami Pakistan Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
Pak Brunei Investment Company Limited  
Soneri Bank Limited  
The Bank of Punjab

### Registered Office / Plant - 1

14.5 Km, Lahore-Sheikhupura Road,  
Lahore, Pakistan.  
Tel : +92 42 37971512-14  
Fax: +92 42 37970229

### Plant – 2

14.8 Km, Sheikhupura-Faisalabad Road,  
Bhikhi, Dist. Sheikhupura. Pakistan.  
Tel : +92 56 3883001 – 7  
Fax: +92 56 3883010

### Head Office

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

### Karachi Office

607, Progressive Centre, Block-6,  
PECHS, Shahrah-e-Faisal, Karachi.  
Tel : +92 21 34327661-62

### Web Site

www.nimir.com.pk





# Our Vision

To become an industry leader through a persistent commitment to customer focus, technical innovation, managerial excellence, entrepreneurial spirit and social responsibility.

# OUR MISSION

To deliver unparalleled value to stakeholders and continually striving to exceed customer expectations by developing innovative industrial chemical solutions with special emphasis on workforce, health, safety, environment and contribution to the national economic development.

# Dear Stakeholders

On behalf of the Board of Directors, I am pleased to present to you the Annual Report of Nimir Resins Limited (the "Company") highlighting the Company's performance for the year ended June 30, 2024.

In my previous year's report, I had mentioned that 2023-2024 would be difficult year for the Company due to forecast economic difficulties facing the Country. As was expected the Government followed a policy of curtailing demand with resultant contraction of the national economy.

Consequently the company's sales declined by around 8% from previous year. Temptation to reduce prices was compelling but the Company's management resisted price competition and succeeded in maintaining the gross profit percentage to the same as last year.

The very high inflation of over 25% prevailing in the country for most of this financial year took its toll, raising Distribution and Administration costs considerably. State Bank of Pakistan also kept interest rates above 20% for most of year and the Company had to incur financial costs of nearly half a billion rupees. Net profit, under these circumstances, was bound to be hit, but at Rs. 270 million although significantly lower than last year, should still be considered a good achievement.

The Company's management is determined to increase sales significantly next year to more than make up for this year's decline. If economic conditions in the country remain stable, we hope Insha Allah to earn a net profit not only higher than this year but also higher than last year.

On behalf of the Board, I express my sincere appreciation to our customers, management, employees, suppliers and all other stakeholders, who have supported the Company's growth and business performance. Together we hope to achieve even better results in the coming fiscal year Inshallah. May Allah continue to bless us. Ameen.



A handwritten signature in black ink, appearing to read 'Amar Hameed', written over a horizontal line.

**Sheikh Amar Hameed**  
Chairman



# Dear Stakeholders

The financial year 2024 presented many economic and political challenges. Headline inflation consistently remained above 30%, with food inflation rising even higher, forcing consumers to prioritize essential purchases, leaving little room for discretionary spending. Additionally, the discount rate was held at a high 22% for most of the year, which placed significant financial strain on businesses. Despite these challenges, the GDP grew by 2.38%, contrasting with the previous year's contraction of 0.21%. However, record-high inflation eroded consumer purchasing power, reducing demand across key sectors.

Despite this tough environment, Nimir Resins Limited performed reasonably well in FY 2024, achieving a gross turnover of PKR 10 billion, with only an 8% shortfall compared to last year. Due to the high financial costs, the bottom line declined by 30%. Despite these pressures, an EPS of PKR 1.91 per share reflects the company's solid profitability for the fiscal year ending June 30, 2024.

Looking ahead to FY 2025, we anticipate both opportunities and challenges. While the first quarter may remain tough, we expect improvement as macroeconomic conditions stabilize. The currency has now stabilized, easing inflationary pressures, and the State Bank's recent interest rate cuts have reduced the KIBOR to below 17%, with the hope for further reductions. This should support improved company performance in the current financial year.

Our Corporate Social Responsibility (CSR) initiatives remain focused on key areas such as education, health, the environment, and community development. We believe long-term stakeholder value can be realized through the diligent execution of top-tier ESG practices, which remain a priority for us.

In conclusion, while uncertainties like climate change and geopolitical tensions still pose risks, my team and I are committed to navigating these complexities and delivering the best possible outcomes.

I sincerely thank all our stakeholders for their support during these challenging times, and I am confident that the plans we have for FY 2025 will further strengthen our position and ensure long-term sustainability, Insha'Allah.



**Zafar Mahmood**  
Chief Executive Officer

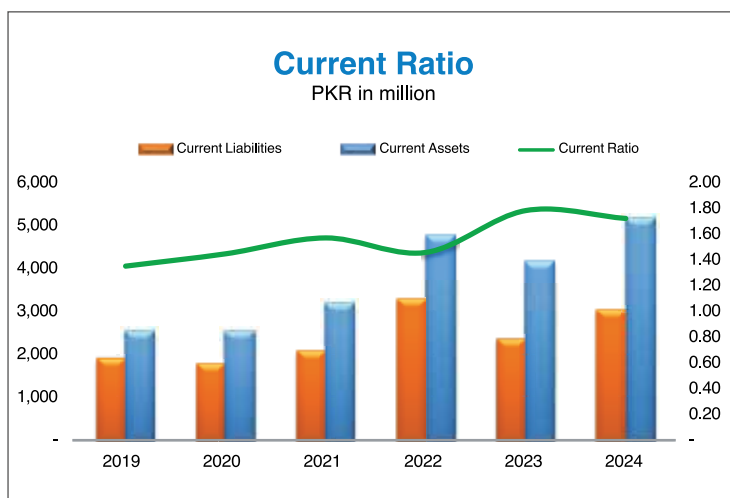
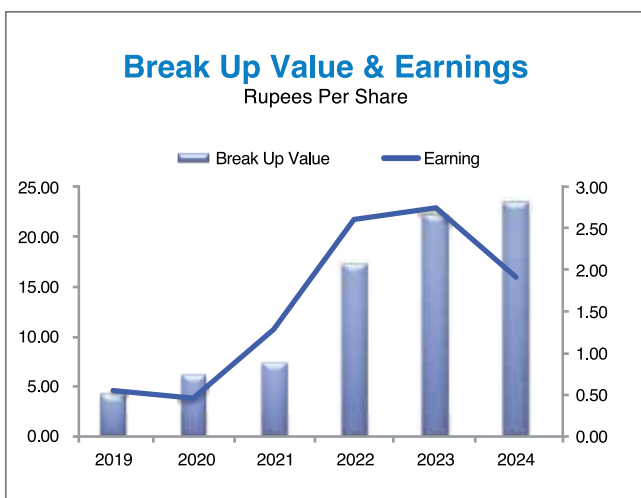
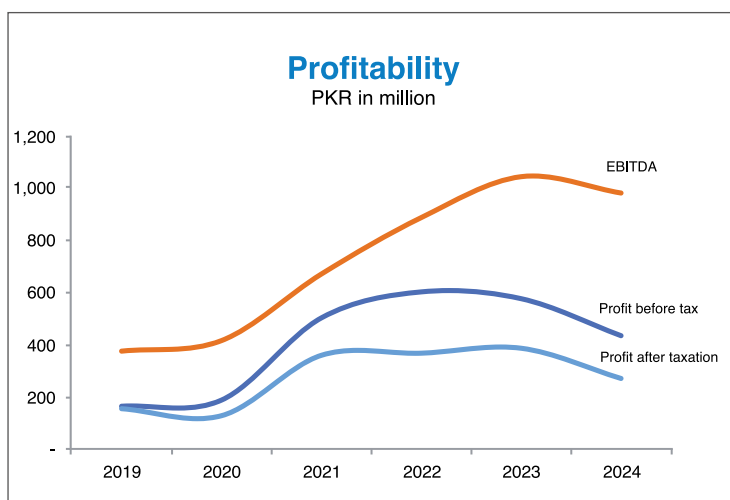
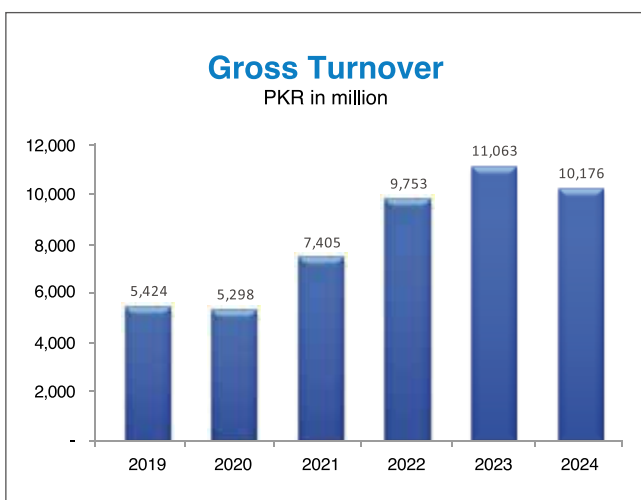


## Our Performance

PKR\* Million

	2019	2020	2021	2022	2023	2024
Gross Turnover	5,424	5,298	7,405	9,753	11,063	10,176
Net Sales	4,883	4,499	6,278	8,271	9,371	8,585
Gross Profit	500	506	794	1,075	1,208	1,165
Operating Profit	389	394	652	906	992	887
Profit Before Tax	164	187	502	602	576	434
Profit after Tax	154	127	359	367	386	270
EBITDA	375	415	670	887	1,044	981
Long term borrowings / Lease	5	23	122	178	122	63
Net Worth	1,166	1,712	2,070	2,433	3,136	3,298
Current Assets	2,515	2,532	3,175	4,745	4,154	5,167
Current Liabilities	1,870	1,758	2,032	3,271	2,341	3,016
Current Ratio	1.34	1.44	1.56	1.45	1.77	1.71
Number of Shares (in Million)	283	283	283	141	141	141
Breakup value per share-Rupees*	4.09	6.02	7.28	17.14	22.11	23.27
Earning per share-Rupees	0.54	0.45	1.27	2.60	2.73	1.91

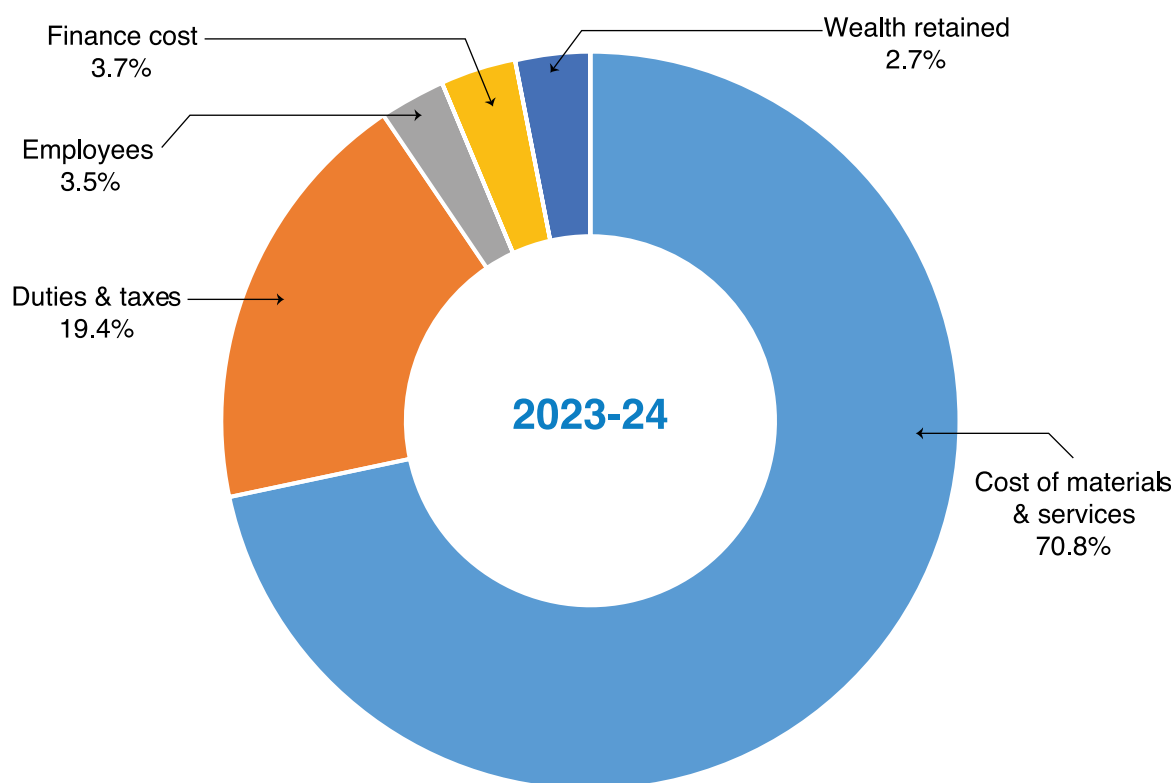
\* Share Face value was increased from Rs 5 To Rs 10 Per Share during the Year 2021-22



# Wealth Generated and Distributed

For The Year Ended June 30, 2024

	2024	
	Rs in million	Percentage
<b>Wealth Generated</b>		
Sales with sales Tax	10,176	99.5%
Other operating profit	46	0.5%
	<u>10,222</u>	<u>100.0%</u>
<b>Distribution of Wealth</b>		
Cost of materials & services	7,219	70.8%
Duties & taxes	1,981	19.4%
Employees	352	3.5%
Finance cost	376	3.7%
Wealth retained	273	2.7%
	<u>10,201</u>	<u>100.0%</u>





## Year at a Glance 2023-2024

Performance Parameters	2024	2023
	Rs in million	
Sales	8,585	9,371
Gross Profit	1,165	1,208
Operating profit	887	992
Finance Cost	445	376
Profit before taxation	434	576
Profit after taxation	270	386
EBITDA	981	1,044
Current Ratio	1.71	1.77
Long term Borrowings to Equity Ratio	1.9 : 98.1	3.7 : 96.3
Interest coverage Ratio	1.98	2.53
Earning per share-Rupees	1.91	2.73
Breakup value per share- Rupees	23.27	22.11



## Key Operating & Financial Data for Last Six Years

	2019	2020	2021	2022	2023	2024
	Rs in million					
<b>Summary of Profit and Loss</b>						
Net Sales	4,883	4,499	6,278	8,271	9,371	8,585
Gross Profit	500	506	794	1,075	1,208	1,165
Operating profit	389	394	652	906	992	887
Finance Cost	168	185	113	214	376	445
Profit before taxation	164	187	502	602	576	434
Profit after taxation	154	127	359	367	386	270
EBITDA	375	415	670	887	1,044	981
<b>Financial Position</b>						
Share Capital	1,413	1,413	1,413	1,413	1,413	1,413
Net Worth	1,166	1,712	2,070	2,433	3,136	3,298
Long term borrowings and Lease	5	23	122	178	122	63
Deferred Liabilities	11	36	80	82	126	110
Current Liabilities	1,870	1,758	2,032	3,271	2,341	2,979
Total Liabilities	1,886	1,817	2,234	3,531	2,589	3,189
Non Current Assets	537	997	1,128	1,219	1,571	1,320
Current Assets	2,515	2,532	3,175	4,745	4,154	4,938
Total Assets	3,052	3,529	4,303	5,963	5,725	6,487
<b>Investor Information</b>						
Gross profit margin	10.24%	11.24%	12.65%	12.99%	12.89%	13.57%
Pre tax margin	3.35%	4.16%	8.00%	7.28%	6.15%	5.06%
Net profit margin	3.15%	2.83%	5.71%	4.44%	4.12%	3.15%
Current Ratio	1.34	1.44	1.56	1.45	1.77	1.71
Long term Borrowing to Equity Ratio	0.5 : 99.5	1.3 : 98.7	5.5 : 94.5	6.8 : 93.2	3.7 : 96.3	1.9 : 98.1
Interest cover (Times)	1.98	2.01	5.46	3.82	2.53	1.98
Earnings per share-Rupees	0.54	0.45	1.27	2.60	2.73	1.91
Breakup value per share-Rupees *	4.09	6.02	7.28	17.14	22.11	23.27

\* Breakup value is calculated after excluding share deposit money from net worth.

\* Share Face value was increased from Rs 5 To Rs 10 Per Share during the Year 2021-22

## Core Business at a Glance

Coatings, Emulsions & Polyesters	Coatings & Emulsions	<p>One of the Leading &amp; Oldest manufacturer of Resins, Emulsions &amp; Additives for the Coatings industry. Range include following products.</p> <ul style="list-style-type: none"> <li>• All types of Alkyd Resins &amp; Modified Alkyds for Decorative, Refinish &amp; OEM Paints.</li> <li>• Amino Resins, Saturated Polyesters, Epoxy ester &amp; Urethane Alkyds.</li> <li>• Rosin modified Maleic &amp; Phenolic Resins.</li> <li>• Thermo plastic, Thermo setting &amp; Acrylic Polyol Resins.</li> <li>• Metal Driers (Cobalt, Zirconium &amp; Calcium)</li> <li>• Acrylic, Styrene Acrylic &amp; PVA Emulsion binders.</li> <li>• Wetting Agent, Antifoam, Liquid polymeric Pigment &amp; Emulsifiers.</li> </ul>
	Unsaturated Polyester Resins	<p>A complete line of Resin products for composites.</p> <ul style="list-style-type: none"> <li>• General purpose &amp; Gel Coat Resins for Tanks, Ducts, Pipes, sheets &amp; Articles.</li> <li>• Chemicals Resistant Resin.</li> <li>• Filament Winding Resin, Pigment dispersion Resin &amp; Accelerator catalyst.</li> <li>• Promoted &amp; Non promoted Resins.</li> </ul>
Textile, Paper, Adhesives, Solvents & Monomers	Textile Chemicals / Auxiliaries	<p>Complete range of specialty chemicals for pre-treatment and finishing for textile industry including.</p> <ul style="list-style-type: none"> <li>• Textile Auxiliaries</li> <li>• Optical Brighteners</li> <li>• Binders and PVAs</li> <li>• PVAs for finishing</li> <li>• Binders for non-woven &amp; woven interlining</li> </ul>
	Pulp & Paper Chemicals	<p>Manufacturing all sizing solutions for paper industry including Alkaline, Alkyl Ketene Dimer (AKD) Neutral and Acidic sizing Coating Chemicals.</p> <ul style="list-style-type: none"> <li>• Specialty Chemicals</li> <li>• Optical Brightening Agent</li> <li>• Sizing Agents</li> <li>• Antifoam</li> <li>• Dispersing Agent</li> </ul>
	Adhesives	<ul style="list-style-type: none"> <li>• Food grade packaging</li> <li>• Flexible packaging</li> <li>• Laminate glue</li> </ul>
	Solvents & Monomers	<ul style="list-style-type: none"> <li>• Providing tailor made solutions.</li> <li>• Liquid Formulations</li> </ul>





# Directors' Report

The Board of Directors of Nimir Resins Limited (the "Company") feels pleasure in presenting to you the 60th Annual Report along with the Audited financial statements for the year ended June 30, 2024.

## Economic Overview

In FY-2024, the Pakistani economy began a path toward gradual stabilization, showing moderate signs of recovery. GDP grew by 2.38%, in contrast to a contraction of 0.21% in the previous year. The agricultural sector experienced a robust rebound with 6.25% growth, while the industrial sector saw marginal improvement at 1.21% following last year's decline of 2.94%. However, inflated utility costs and record-high inflation throughout the year eroded consumer purchasing power, leading to reduced demand across key sectors. The exceptionally high interest rates, along with the introduction of super tax, further constrained profitability.

Although the central bank has lowered interest rates to 17.5% and inflation has fallen to single digits, persistently high baseline costs continue to suppress consumer spending, dampening demand in our key businesses.

## Operating Results

In line with broader economic trends, the Company's performance was affected by reduced demand across all business segment. The Company's performance for FY-2024 is summarized below:

	2024	2023
	PKR Million	
Gross Sales	10,176	11,063
Gross Profit	1,165	1,207
Operating Profit	887	992
Profit After Taxation	270	385
Earnings Per Share (PKR)	1.91	2.73

Revenue decreased by 8% year-on-year due to lower market demand, while operating profit fell by 10.5%. Furthermore, financial costs rose by 18%, resulting in a 30% reduction in earnings per share (EPS).

## Future Outlook

The new fiscal year, which began on July 1, 2024, brought some hope for recovery, driven by easing inflation, decreasing interest rates, and the potential for an IMF bailout package. However, elevated baseline costs remain a significant concern. Domestic demand across sectors such as paint, textiles, and paper continues to face challenges. Furthermore, the global economic slowdown and declining crude oil prices could lead to potential inventory losses in the coming quarters.

Nevertheless, we remain optimistic about recovery. As we progress through FY-2025, we expect improved performance, supported by a more stable macroeconomic environment.

We are committed to delivering stronger results in the months ahead and consistently providing value to all stakeholders, Insha'Allah.

## Credit Rating

PACRA (Pakistan Credit Rating Agency) has maintained the credit rating of the Company at A - for long-term and A 2 for short-term.

## Summary of Key Operating and financial data of last Six financial years

Summary of key operating and financial data of last six years is annexed.

## Outstanding Statutory Payments

All outstanding payments are of nominal and of routine nature.

## Retirement Benefit Schemes

The Company operates a funded gratuity scheme for its employee as referred in Note-12 to the accounts.

## Board of Directors

Currently, the Board of Directors consists of seven members and Chief Executive Officer of which seven male and one female. Out of these directors, two are executive, three are non-executive, and three are independent.

The board has two sub committees: Audit Committee and Human Resource and Remuneration Committee, the composition of which are shown below:

### Audit Committee:

1. Mr. Pervaiz Ahmad Khan Chairman, Independent Director
2. Mrs. Nazia Qureshi Member, Independent Director
3. Mr. Osman Hameed Member, Non-Executive Director

Human Resource and Remuneration Committee:

1. Mr. Khalid Siddiq Tirmizey Chairperson, Independent Director
2. Sheikh Amar Hameed Member, Non-Executive Director
3. Zafar Mahmood Member, Executive Director

During the fiscal year, six (6) Board, four (4) Audit Committee, and one (1) Human Resource & Remuneration Committee meetings were held. Attendance by each director is as follows:

Name of Director	Board of Directors	Audit Committee	HR & R Committee
Sheikh Amar Hameed	6 / 6	-	1 / 1
Mr. Zafar Mahmood	6 / 6	-	1 / 1
Mr. Khalid Mumtaz Qazi	6 / 6	-	-
Mr. Osman Hameed	6 / 6	4 / 4	-
Mr. Muhammad Yahya Khan	6 / 6	-	-
Mr. Pervaiz Ahmad Khan	6 / 6	4 / 4	-
Mrs. Nazia Qureshi	6 / 6	4 / 4	1 / 1
Mr. Khalid Siddiq Tirmizey	4 / 6	-	-

## Board Evaluation

In accordance with the Code of Corporate Governance (CCG) and the Companies Act, 2017 the evaluation of the Board, its committees, and individual directors was conducted. The Board is assisted by sub-committees i.e., the Audit Committee and the HR&R Committee, and these sub-committees held meetings during the year as per the stipulations of CCG. It is also important to recognize the key role played by the sub-committees in assisting Board of Directors in performing their duties.

## Directors' Remuneration Policy

Executive Directors' remuneration is paid in line with the Company's formal policy, approved by the Board of Directors which is in accordance with the Companies Act, 2017 and the CCG. The fee of the Non-Executive and Independent Directors for attending the Board and Committee meetings of the Company is determined by the Board from time to time.

## Corporate Governance

As required by the Code of Corporate Governance (incorporated in the Listing Rules of the stock exchanges in the country), the Board of Directors is pleased to state:

- The financial statements, prepared by the management of the Company,

present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no significant doubt on the company's ability to continue as a going concern.
- There has been no material departure from best practices of Corporate Governance, as detailed in the listing regulations.
- Key operating and financial data for the last 6 years is annexed.; and
- Outstanding taxes and levies are given in the notes to the financial statements.

The management of the Company is committed to following good corporate governance, taking all appropriate measures to comply with best practices, and continuously reviewing the system of internal controls in the light of Companies Act 2017.

### Corporate Social Responsibilities

The Company recognizes its social responsibilities as a key member of the community. It is committed to contribute its resources for the betterment of the environment without prejudice. Its Health, Safety, and environmental (HSE) policies are geared towards the betterment of employees and community.

The Company ensures environment friendly operations, products, and services while promoting environmental awareness among its employee and the community. It inducts employees from the surrounding community, offers internship/apprenticeship opportunities to technical institutes, encourages student visits from different educational institutions and planting trees etc. The Company also supports needy children of the employees for studies to promote education in the country.

### Sustainability ESG

The Company recognizes the importance of and is committed to adhering to SECP's regulatory guidelines on ESG disclosure. Given the significant impact of ESG factors on investor confidence, financial stability, and overall business viability, integrating sustainability considerations into our operations will help mitigate risks, enhance our reputation, and offer sustainable products and services. This approach ultimately creates long-term value for all stakeholders.

### External Auditors

The present auditor, Crowe Hussain Chaudhury and Company, Chartered Accountant, who are retiring this year, have offered themselves for re-appointment. Being eligible, the audit committee has recommended the reappointment of Crowe Hussain Chaudhury and Company, Chartered Accountant as the external auditor of the Company for the year ending June 30, 2025.

### Internal Financial Control

The Company has a system of internal control which is sound in design and has been effectively implemented and monitored. The Board assumes the overall responsibility of overseeing the internal control processes.

### Related Party Transaction

The Company has made detailed disclosures about the related party transaction in the financial statements annexed with the annual report. Such

disclosure is in line with the requirement of the Companies Act, 2017 and applicable international Financial Reporting Standards.

A complete list of all Related Party Transaction is compiled and submitted by the Internal Auditor, which has verified that all transactions or arrangements with the related parties were carried out in the ordinary course and are conducted on an arm's length basis to the Board's Audit Committee every quarter. After the review by the Audit Committee the transactions or arrangements with all the related parties were placed before the Board of Directors for their consideration and approval.

### Dividend / Bonus Shares

The Board, after examining the financial position of the Company, have decided to keep the company liquid to the maximum possible extent under the current difficult economic situation. The Board has recommended a full and final cash dividend of Re. 1 per share (i.e. 10%) for the year ended recommended for the year ended June 30, 2024.

### Scheme of Arrangement

On February 12, 2024, in pursuance of the sanction by the Honourable Lahore High Court of the "Scheme of Arrangement" filed by the Company and its Parent Company Nimir Management Private Limited (NMPL) and ultimate parent Nimir Industrial Chemicals Limited (NICL), NMPL was liquidated and the assets held by this company was transferred to its shareholders after paying off its liabilities. Furthermore, NICL also distributed the shares of NRSL held by it (including the shares transferred by NMPL) to its shareholders in proportion to their shareholding in NICL. Consequently, NRSL seized to be a subsidiary of NICL from February 12, 2024.

### Pattern of Shareholding

The pattern of shareholding of the Company is annexed. There was no trading in the shares of the Company by the Directors, Chief Executive, Chief Financial Officer, Company Secretary, Company Executives and their spouses and minor children during the year except those which are mentioned in the annexed statement required under the Code of Corporate Governance.

Necessary returns in this respect were filed with the regulatory authorities besides informing the Board and the Stock Exchange of the said transactions as required under the Code of Corporate Governance.

### Subsequent Event

No material changes and commitment affecting the financial position of the Company have occurred between the end of the financial year i.e. June 30, 2024 and date of this report.

### Acknowledgment

We are thankful to our valued stakeholders including regulators, customers, banks, suppliers, contractors, and shareholders for their excellent support and confidence. We also thank our employees for their focussed dedication and hard work throughout this period.

For and on behalf of the Board



**Zafar Mahmood**  
Chief Executive Officer  
Lahore, September 18, 2024



**Khalid Mumtaz Qazi**  
Director

اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔ بورڈ داخلی کنٹرول کے عمل کی نگرانی کی مجموعی ذمہ داری کو قبول کرتا ہے۔

### متعلقہ پارٹی لین دین

کمپنی نے سالانہ رپورٹ کے ساتھ منسلک مالی حسابات میں متعلقہ پارٹی لین دین کے بارے میں تفصیلی انکشافات کئے ہیں۔ یہ انکشاف کمپنیز ایکٹ، 2017 اور قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات کے مطابق ہے۔

تمام متعلقہ پارٹی لین دین کی ایک مکمل فہرست مرتب کی گئی ہے اور داخلی آڈیٹر کو جمع کرائی گئی ہے، جس نے تصدیق کی ہے کہ متعلقہ فریقوں کے ساتھ تمام لین دین یا انتظامات عام معمول میں انجام پائے اور بورڈ کی آڈٹ کمیٹی کو ہر سہ ماہی میں قابل رسائی بنیاد پر منعقد کئے گئے ہیں۔ آڈٹ کمیٹی کے جائزے کے بعد تمام متعلقہ فریقوں کے ساتھ لین دین یا انتظامات غور و خوض اور ان کی منظوری کے لئے بورڈ آف ڈائریکٹرز کے روبرو رکھے گئے۔

### ڈیویڈنڈ پالیسی

بورڈ نے کمپنی کی مالی حیثیت کا جائزہ لینے کے بعد موجودہ اقتصادی حالات کے پیش نظر کمپنی لیکویڈ کو زیادہ سے زیادہ ممکنہ سطح تک برقرار رکھنے کا فیصلہ کیا ہے۔ چنانچہ بورڈ نے 30 جون 2024 کے لئے 1 روپیہ فی شیئر (یعنی 10 فیصد) حتمی نقد منافع / ڈیویڈنڈ کی سفارش کی ہے۔

### انتظامات کی اسکیم

12 فروری 2024ء کو لاہور ہائی کورٹ کی جانب سے کمپنی اور اس کی پیرنٹ کمپنی نمرینجسٹ پرائیویٹ لمیٹڈ (این ایم پی ایل) اور الیمینٹ پیرنٹ نمر انڈسٹریل کیمیکلز لمیٹڈ (این آئی سی ایل) کی جانب سے دائر کی گئی اسکیم آف انتظامات کی منظوری کی تعمیل میں این ایم پی ایل کو ختم کر دیا گیا اور اس کمپنی کے اثاثے اس کے واجبات ادا کرنے کے بعد اس کے شیئرز ہولڈرز کو منتقل کر دیے گئے۔ مزید برآں این آئی سی ایل نے این آری ایل کے حصص (این ایم پی ایل کے ذریعے منتقل کیے گئے حصص سمیت) کو بھی این آئی سی ایل میں ان کی شیئرز ہولڈنگ کے تناسب سے اپنے شیئرز ہولڈرز میں تقسیم کیا۔ نتیجتاً این آری ایل 12 فروری 2024 سے این آئی سی ایل کا ماتحت ادارہ نہیں رہا۔

### نمونہ حصص داری

کمپنی کا نمونہ حصص داری منسلک ہے۔ سال کے دوران کمپنی کے ڈائریکٹرز، چیف ایگزیکٹو، چیف فنانشل آفیسر، کمپنی سیکریٹری، کمپنی ایگزیکٹو اور ان کے زوج اور نابالغ بچوں کے ذریعے کمپنی کے حصص میں کوئی ٹریڈنگ نہیں کی گئی، ماسوائے جس کا ذکر کوڈ آف کارپوریٹ گورننس (سی سی جی) کے ضابطہ کے تحت درکار منسلک بیان میں کیا گیا ہے۔

کوڈ آف کارپوریٹ گورننس کے تحت درکار، مذکورہ لین دین کا بورڈ اور اسٹاک ایکسچینجر کو مطلع کرنے کے علاوہ باہر میں ضروری ریٹرنز ریگولیشنز اور تھارٹی کے ہاں داخل کی گئی ہیں۔

### پینلس شیڈ کے بعد کے واقعات

مالی سال کے اختتام یعنی 30 جون، 2024 اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلی اور وابستگی واقع نہیں ہوئی ہے۔

### اظہار تشکر

ہم اپنے قابل قدر اسٹیک ہولڈرز سمیت ریگولیشنز، صارفین، بینکوں، سپلائرز، ٹھیکیداروں اور حصص داران کے شاندار تعاون اور اعتماد کے شکر گزار ہیں۔ ہم اس پوری مدت میں اپنے ملازمین کی مرکز توجہ اور سخت محنت کا بھی شکر یاد کرتے ہیں۔

### منجانب بورڈ

ایگزیکٹو ڈائریکٹرز کا معاوضہ کمپنیز ایکٹ، 2017 اور کوڈ آف کارپوریٹ گورننس کے مطابق بورڈ کی طرف سے منظور شدہ رسمی پالیسی کے مطابق طے کیا گیا ہے۔ کمپنی کے بورڈ اور کمیٹی کے اجلاسوں میں شرکت کے لئے نان ایگزیکٹو اور آڈٹ ڈائریکٹرز کی فیس کا تعین وقتاً فوقتاً بورڈ کرتا ہے۔

### کارپوریٹ گورننس

(ملک میں اسٹاک ایکسچینجر کے فہرستی قوانین میں شامل) کارپوریٹ گورننس کے ضابطہ کے مطابق، بورڈ آف ڈائریکٹرز بخوشی بیان کرتے ہیں:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریشنز کے نتائج، نقدی بہاؤ اور ایکویٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات (IFRS) کی بیروی کی گئی ہے۔

اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی موثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔

- کمپنی کے گورننگ کنسرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- فہرستی قواعد و ضوابط میں تفصیلی کارپوریٹ گورننس کے بہترین عمل سے کوئی مادی انحراف نہیں کیا گیا ہے۔
- گزشتہ چھ سال کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا منسلک ہے۔
- بقایا ٹیکسز اور لیویز کا مالی حسابات کے نوٹ میں انکشاف کیا گیا ہے۔

کمپنی کی انتظامیہ اچھے کارپوریٹ گورننس کے لئے پُر عزم ہے، اور بہترین طریقوں کے مطابق عمل کرنے کے لئے مناسب اقدامات کئے گئے ہیں۔ تاہم کمپنی کی انتظامیہ کمپنیز ایکٹ 2017 کی روشنی میں داخلی کنٹرول کے نظام کا مسلسل جائزہ لینے کے لئے پُر عزم ہے۔

### کارپوریٹ سماجی ذمہ داریاں

کمپنی کمیونٹی کے ایک اہم رکن کے طور پر اپنی سماجی ذمہ داریوں کو تسلیم کرتی ہے۔ یہ غیر جانبدارانہ نقطہ نظر کے ساتھ بہتر ماحول کے لئے اپنے وسائل کو شریک کرنے میں مصروف ہے۔ اس کی حفاظتی، صحت اور ماحولیاتی (HSE) پالیسیاں ملازمین اور کمیونٹی کی بہتری کے لئے تیار کی گئی ہیں۔

کمپنی ماحول دوست، مصنوعات اور خدمات کو پیشانی بناتی ہے اور اپنے ملازمین اور کمیونٹی کے درمیان ماحولیاتی شعور کو فروغ دیتی ہے۔ یہ ارد گرد کی کمیونٹی سے ملازمین کو ترجیح دیتی اور تکنیکی اداروں کو انٹرنیشنل اور پرنٹس شپ کے مواقع پیش کرتی ہے۔ یہ مختلف تعلیمی اداروں کے طالب علموں کی طرف سے دوروں اور شجر کاری وغیرہ کی حوصلہ افزائی کرتی ہے۔ کمپنی ملک میں تعلیم کو فروغ دینے کے لئے ملازمین کے ضرورت مند بچوں کی مدد بھی کرتی ہے۔

### پائیداری ESG

کمپنی ESG کے انکشاف پر SECP کی ریگولیشنز ہدایات پر عمل کرنے کی اہمیت کو تسلیم کرتی ہے اور اس پر عمل کرنے کے لئے پُر عزم ہے۔ سرمایہ کاروں کے اعتماد، مالی استحکام اور مجموعی کاروباری قابلیت پر ایسی جی عوامل کے نمایاں اثرات کو دیکھتے ہوئے، ہمارے آپریشنز میں پائیداری کے خیالات کو مربوط کرنے سے خطرات کو کم کرنے، ہماری ساکھ کو بڑھانے اور پائیدار مصنوعات اور خدمات پیش کرنے میں مدد ملے گی۔ یہ نقطہ نظر بالآخر تمام اسٹیک ہولڈرز کے لئے طویل مدتی قدر پیدا کرتا ہے۔

### بیرونی محاسب

موجودہ محاسب میسرز کروو حسین چوہدری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اس سال سبکدوش ہو رہے ہیں، نے اہل ہونے کی بناء پر، دوبارہ تقرری کے لئے اپنے آپ کو پیش کیا ہے۔ آڈٹ کمیٹی نے 30 جون 2025 کو ختم ہونے والے سال کے لئے کمپنی کے بیرونی محاسب کے طور پر میسرز کروو حسین چوہدری اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کی ہے۔





18 ستمبر 2024ء

خالد ممتاز قاضی

ظفر محمود

لاہور

ڈائریکٹر

چیف ایگزیکٹو آفیسر

# ڈائریکٹرز رپورٹ

نمر ریزولوشن (NRL) کا بورڈ آف ڈائریکٹرز 30 جون 2024ء کو ختم ہونے والے سال کے لئے 60 ویں سالانہ رپورٹ معہ نظر ثانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتا ہے۔

## اقتصادی جائزہ

مالی سال 2024 میں پاکستانی معیشت بتدریج استحکام کی راہ پر گامزن ہو گئی جس میں بحالی کے معتدل اشارے دکھائی دیئے۔ جی ڈی پی میں 2.38 فیصد نمو ہوئی جبکہ گزشتہ سال اس میں 0.21 فیصد کمی آئی تھی۔ زرعی شعبے میں 6.25 فیصد شرح نمو کے ساتھ زبردست بحالی دیکھنے میں آئی جبکہ صنعتی شعبے میں گزشتہ سال 2.94 فیصد کمی کے بعد 1.21 فیصد کمی معمولی بہتری دیکھی گئی۔ تاہم یوٹیٹی اخراجات میں اضافے اور سال بھر میں ریکارڈ افراط زر کی وجہ سے صارفین کی قوت خرید میں کمی واقع ہوئی جس کی وجہ سے اہم شعبوں میں طلب میں کمی واقع ہوئی۔ سپرٹیکس کے تعارف کے ساتھ ساتھ غیر معمولی طور پر بلند شرح سود نے منافع کو مزید محدود کر دیا۔

اگرچہ مرکزی بینک نے شرح سود کو کم کر کے 17.5 فیصد کر دیا ہے اور افراط زر واحد عدد تک کم ہو گئی، لیکن مسلسل زیادہ ہیں لائن اخراجات صارفین کے اخراجات کو کم کر رہے ہیں، جس سے ہمارے اہم کاروباروں میں طلب میں کمی واقع ہوئی ہے۔

## کاروباری نتائج

وسیع تر معاشی رجحانات کے مطابق، کمپنی کی کارکردگی تمام کاروباری شعبوں میں کم طلب کی وجہ سے متاثر ہوئی۔ مالی سال 2024 کے لئے کمپنی کی کارکردگی کا خلاصہ ذیل میں ہے:

2023	2024
پاکستانی روپے میں	
11,063	10,176
1,207	1,165
992	887
385	270
2.73	1.91

فروخت آمدنی  
مجموعی منافع  
آپریٹنگ منافع  
ٹیکس کے بعد منافع  
فی شیئر آمدنی (روپے)

مارکیٹ کی طلب میں کمی کی وجہ سے آمدنی میں سال بہ سال 8 فیصد کمی واقع ہوئی جبکہ آپریٹنگ منافع میں 10.5 فیصد کمی واقع ہوئی۔ مزید برآں، مالی اخراجات میں 18 فیصد اضافہ ہوا، جس کے نتیجے میں فی شخص آمدنی (ای پی ایل) میں 30 فیصد کمی واقع ہوئی۔

## مستقبل کا نقطہ نظر

یکم جولائی 2024 کو شروع ہونے والے نئے مالی سال نے افراط زر میں کمی، شرح سود میں کمی اور آئی ایم ایف کے تیل آؤٹ پیکیج کے امکانات کی وجہ سے بحالی کی کچھ امیدیں پیدا کیں۔ تاہم، زیادہ ہیں لائن اخراجات ایک اہم تشویش ہے۔ پیپٹ، ٹیکسٹائل اور کاغذ جیسے شعبوں میں مقامی طلب کو مشکلات کا سامنا ہے۔ مزید برآں، عالمی اقتصادی سست روی اور خام تیل کی قیمتوں میں کمی آئندہ سہ ماہیوں میں ممکنہ انونیٹری نقصانات کا باعث بن سکتی ہے۔ تاہم، ہم بحالی کے لئے پُر امید ہیں۔ جیسا کہ ہم مالی سال 2025 کے دوران، ہم بہتر کارکردگی کی توقع کرتے ہیں، جس میں زیادہ مستحکم منیجر و اکٹاناک ماحول کی مدد حاصل ہے۔ ہم آئندہ مہینوں میں مضبوط نتائج دینے اور تمام اسٹیک ہولڈرز کو مسلسل قدر فراہم کرنے کے لئے پرعزم ہیں، انشاء اللہ۔

## کریڈٹ ریٹنگ

PACRA (پاکستان کریڈٹ ریٹنگ ایجنسی) نے کمپنی کی کریڈٹ ریٹنگ طویل مدتی -A اور مختصر مدتی A2 برقرار رکھی ہے۔

## گزشتہ چھ مالی سالوں کے کلیدی آپریٹنگ اور مالیاتی اعداد و شمار کا خلاصہ

گزشتہ چھ سالوں کے اہم آپریٹنگ اور مالیاتی اعداد و شمار کا خلاصہ منسلک ہے۔

## بقایا قانونی ادائیگیاں

تمام بقایا ادائیگیاں برائے نام اور معمولی نوعیت کی ہیں۔

## ریٹائرمنٹ کے فوائد کی سیمینس:

کمپنی اپنے ملازمین کے لئے اکاؤنٹس کے نوٹ 12 پر درج، ایک فنڈ ڈگریجویٹ اسکیم چلاتی ہے۔

## بورڈ آف ڈائریکٹرز

فی الحال بورڈ آف ڈائریکٹرز سات (7) ارکان، اور ایک چیف ایگزیکٹو آفیسر (سات مرد اور ایک خاتون) ڈائریکٹرز پر مشتمل ہے۔ ان ڈائریکٹرز میں سے دو (2) ایگزیکٹو، تین (3) نان ایگزیکٹو اور تین (3) آزاد ڈائریکٹرز ہیں۔

بورڈ کی دو ذیلی کمیٹیاں یعنی آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریٹائرمنٹ کمیٹی ہیں۔ ان دو کمیٹیوں کی ترتیب حسب ذیل ہے:

## آڈٹ کمیٹی:

- 1۔ جناب پرویز احمد خان چیئرمین، آزاد ڈائریکٹر
- 2۔ محترمہ نازیہ قریشی رکن، آزاد ڈائریکٹر
- 3۔ جناب عثمان حمید رکن، نان ایگزیکٹو ڈائریکٹر

## ہیومن ریسورس اینڈ ریٹائرمنٹ کمیٹی:

- 1۔ جناب خالد صدیق طرمرزی چیئرمین، آزاد ڈائریکٹر
  - 2۔ شیخ عامر حمید رکن، نان ایگزیکٹو ڈائریکٹر
  - 3۔ جناب ظفر محمود رکن، ایگزیکٹو ڈائریکٹر
- زیر جائزہ سال کے دوران چھ (6) بورڈ، چار (4) آڈٹ کمیٹی اور ایک (1) ہیومن ریسورس اینڈ ریٹائرمنٹ کمیٹی کے اجلاس منعقد ہوئے۔ ہر ایک ڈائریکٹر کی حاضری حسب ذیل ہے:

نام ڈائریکٹر	بورڈ آف ڈائریکٹرز	آڈٹ کمیٹی	ایچ آر & ریٹائرمنٹ کمیٹی
شیخ عامر حمید	6/6	-	1/1
ظفر محمود	6/6	-	1/1
خالد ممتاز قاضی	6/6	-	-
عثمان حمید	6/6	4/4	-
محمد یحییٰ خان	6/6	-	-
پرویز احمد خان	6/6	4/4	-
محترمہ نازیہ قریشی	6/6	4/4	1/1
خالد صدیق طرمرزی	4/6	-	-

## بورڈ کی تشکیلی

کوڈ آف کارپوریٹ گورننس (سی سی جی) اور کمپنیز ایکٹ 2017 کے مطابق بورڈ، اس کی کمیٹیوں اور انفرادی ڈائریکٹرز کی تشکیلی کی گئی۔ بورڈ کی مدد ذیلی کمیٹیوں، یعنی آڈٹ کمیٹی اور ایچ آر اینڈ ریٹائرمنٹ کمیٹی کے ذریعے کی جاتی ہے، اور ان ذیلی کمیٹیوں نے کارپوریٹ گورننس کے ضابطہ اخلاق کی شرائط کے مطابق سال کے دوران اجلاس منعقد کئے۔ اپنے فرائض کی ادائیگی میں بورڈ آف ڈائریکٹرز کی مدد کرنے میں ذیلی کمیٹیوں کے کلیدی کردار کو تسلیم کرنا بھی ضروری ہے۔



# Statement of Compliance with the Listed Companies

(Code of Corporate Governance) Regulations, 2019 For the Year Ended June 30, 2024

Nimir Resins Limited (the “Company”) has complied the requirement of the Regulations in the following manner:

Note: The Board is reconstituted after the election in December 2022.

1. The total members of the Board were 08, number of elected directors is 07 and a CEO as detailed below:

a. Male : 07

b. Female : 01

2. The composition of the board is as follows:

S. No.	Category	Name
1	Independent Director	1. Mr. Pervaiz Ahmad Khan 2. Mr. Khalid Siddiq Tirmizey 3. Mrs. Nazia Qureshi
2	Executive Director	1. Mr. Zafar Mahmood - Chief Executive Officer 2. Mr. Khalid Mumtaz Qazi
3	Non- Executive Director	1. Sheikh Amar Hameed - Chairman 2. Mr. Muhammad Yahya Khan 3. Mr. Osman Hameed
4	Female Director	1. Mrs. Nazia Qureshi

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this, Company.

4. The Company has prepared a “Code of Conduct” and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.

5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;

6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board/shareholders as empowered by the relevant provisions of the Companies Act, 2017 and these Regulations.

7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of board.

8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations.

9. All the directors had successfully completed their respective training under Directors’ Training Program in prior years.

10. The board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements before approval of the board.

12. The Board has formed committees comprising of members given below:

**I. Audit Committee:**

- I. Mr. Pervaiz Ahmad Khan – Chairman
- II. Mrs. Nazia Qureshi
- III. Mr. Osman Hameed

**II. HR and Remuneration Committee:**

- I. Mr. Khalid Siddiq Tirmizey – Chairman
- II. Sheikh Amar Hameed
- III. Mr. Zafar Mahmood

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings (quarterly/half-yearly/yearly) of the committees were as per following:

**I. Audit Committee**

One yearly, one half yearly and two quarterly meetings were held during the financial year ended June 30, 2024.

**II. HR & Remuneration Committee**

One meeting was held during the financial year ended June 30, 2024.

15. The board has set up an effective internal audit function, which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for noncompliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36, are below: Not Applicable.

For **Nimir Resins Limited**



**Sheikh Amar Hameed**  
Chairman



**Zafar Mahmood**  
Chief Executive Officer

Lahore  
September 18, 2024

## Independent Auditors' Review Report to the Members on Statement of Compliance with the CCG

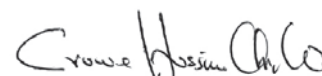
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Nimir Resins Limited ("the Company") for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.



**CROWE HUSSAIN CHAUDHURY & CO.**  
Chartered Accountants

Lahore  
September 18, 2024  
UDIN:CR202410169zIDBTsmwV

# Independent Auditors' Report to the Members

For the Year Ended June 30, 2024

## Opinion

We have audited the annexed financial statements of NIMIR RESINS LIMITED (the Company), which comprise the statement of financial position as at June 30, 2024 and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

## Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the key audit matters:

Key Audit Matters	How the Matter was Addressed in our Report
<b>1. Recoverability of Trade Debts</b>	
<p>Refer to note 22 to the financial statements.</p> <p>The trade debts of the Company as at June 30, 2024 are Rs. 1.929 billion. IFRS 9 requires the entities to incorporate an allowance for the impairment of financial assets using Expected Credit Loss (ECL) approach.</p> <p>The Company has incorporated a provision of Rs. 105.671 million as expected credit loss against trade debts.</p> <p>We have considered this matter as a key audit matter as the determination of ECL requires significant judgment and assumptions including consideration of factors such as forward looking. Furthermore, trade debts represent 29.74% of the total assets of the Company as at June 30, 2024.</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Reviewed the procedures employed by the Company for the estimation of recoverability of trade debts and for the determination of required ECL.</li> <li>• Reviewed the judgments, assumptions, historical credit loss and forward-looking factors exercised by the management for the development of ECL model.</li> <li>• Obtained aging reports and, on sample basis checked the correctness of these reports.</li> <li>• Assessed the adequacy of ECL provision by performing recalculation on sample basis.</li> <li>• Assessed the adequacy of disclosures made in the financial statements according to the requirements of the International Financial Reporting Standards.</li> </ul>



# Independent Auditors' Report to the Members

For the Year Ended June 30, 2024

## 2. Stock in trade

Refer to note 3.6 & 21 to the financial statements.

The Company's stock in trade as at June 30, 2024 is Rs. 2.473 billion and stock in trade is stated at lower of cost and estimated net realizable value.

We have considered this area as a key audit matter due to its size, representing 38.12% of the total assets of the Company as at June 30, 2024 and the judgment involved in valuation.

Our key audit procedures included:

- Observing physical inventory count procedures and comparing, on a sample basis, physically counted inventories with valuation sheets provided by the management
- Comparing on a sample basis specific purchases and directly attributable costs with underlying supporting documents.
- Checking the accumulation of costs at different stages of production to ascertain the valuation of finished goods on a sample basis.
- Comparing the net realizable value, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to stocks value in accordance with applicable accounting and reporting standards.
- Assessing the provision for slow moving stocks as of the reporting date and assessed whether it is in accordance with the Company's policies and relevant accounting and reporting standards.
- Considering adequacy of the related disclosures and assessed whether these are in accordance with the applicable accounting and financial reporting standards.

## Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of the Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

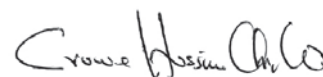
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no Zakat was deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Nasir Muneer.



**CROWE HUSSAIN CHAUDHURY & CO.**  
Chartered Accountants

Lahore  
Dated: September 18, 2024  
UDIN: AR20241016929iQzaJZr

# Statement of Financial Position

As at June 30, 2024

	Note	2024 Rupees	2023 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
150,000,000 (2023: 150,000,000 of Rs. 10 each) Ordinary shares of Rs. 10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid up share capital	5	1,413,210,640	1,413,210,640
Share deposit money	6	-	9,391,005
Sponsors' interest free loans - unsecured		6,886,251	107,000,000
Reserves	7	1,084,860,722	808,350,998
Surplus on revaluation of property, plant and equipment - net	8	793,261,430	797,574,562
		3,298,219,043	3,135,527,205
<b>Non Current Liabilities</b>			
Long term financing	9	5,000,000	90,000,000
Loan from related parties - unsecured	10	21,568,799	-
Lease liabilities	11	36,856,160	31,990,042
Post employment benefit obligations	12	59,635,948	42,091,474
Deferred tax liability	13	50,229,571	83,716,039
		173,290,478	247,797,555
<b>Current Liabilities</b>			
Trade and other payables	14	732,572,052	1,096,284,486
Unclaimed dividends		292,819	292,819
Accrued mark up		69,326,490	44,692,748
Short term borrowings	15	1,887,700,631	851,376,791
Current portion of long term financing	9	10,000,000	68,928,574
Current portion of lease liabilities	11	10,121,958	8,154,960
Provision for taxation	16	269,787,805	271,965,145
		2,979,801,755	2,341,695,523
Liabilities related to asset classified as held for sale	27	36,000,000	-
	17	-	-
<b>Total Equity and Liabilities</b>		<b>6,487,311,276</b>	<b>5,725,020,283</b>

	Note	2024 Rupees	2023 Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	18	1,229,864,109	1,503,350,659
Right-of-use assets	19	43,882,734	40,578,053
Long term deposits	20	46,194,970	27,015,270
		1,319,941,813	1,570,943,982
<b>Current Assets</b>			
Stores and spares		31,794,956	28,317,927
Stock in trade	21	2,473,142,082	1,616,419,011
Trade debts	22	1,929,140,250	1,942,682,334
Loans and advances	23	58,105,590	49,865,304
Prepayments and other receivables	24	4,163,300	29,303,464
Tax refunds due from the Government	25	363,396,824	353,464,999
Cash and bank balances	26	78,471,206	134,023,262
		4,938,214,208	4,154,076,301
Asset classified as held for sale	27	229,155,255	-
<b>Total Assets</b>		<b>6,487,311,276</b>	<b>5,725,020,283</b>

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Statement of Profit or Loss Account

For the Year Ended June 30, 2024

	Note	2024 Rupees	2023 Rupees
Revenue from sales		10,176,208,632	11,063,212,014
Less:			
- Sales tax		(1,591,464,457)	(1,692,304,372)
<b>Net sales</b>	28	8,584,744,175	9,370,907,642
Cost of sales	29	(7,419,530,838)	(8,163,332,358)
<b>Gross Profit</b>		1,165,213,337	1,207,575,284
Distribution cost	30	(136,684,171)	(116,487,929)
Administrative expenses	31	(141,039,348)	(98,702,434)
		(277,723,519)	(215,190,363)
<b>Operating Profit</b>		887,489,818	992,384,921
Other operating expenses	32	(53,939,796)	(72,386,150)
Finance cost	33	(444,958,433)	(376,236,589)
Other income	34	46,201,331	32,145,686
<b>Profit before Taxation</b>		434,792,920	575,907,868
Taxation	35	(164,417,304)	(190,033,012)
<b>Net Profit for the Year</b>		270,375,616	385,874,856
<b>Earnings per share - Basic and Diluted</b>	36	1.91	2.73

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer



# Statement of Comprehensive Income

For the Year Ended June 30, 2024

	2024	2023
	Rupees	Rupees
<b>Net Profit for the Year</b>	270,375,616	385,874,856
<b>Other comprehensive income</b>		
<b>Items that will not be re-classified subsequently to profit or loss</b>		
Surplus arising on revaluation of property, plant and equipment	-	372,287,535
Related deferred tax impact	-	(45,262,829)
	-	327,024,706
Re-measurement of net defined benefit obligation	(4,030,737)	(1,936,069)
Related deferred tax impact	1,491,373	755,067
	(2,539,364)	(1,181,002)
<b>Items that may be re-classified subsequently to profit or loss</b>	-	-
Other comprehensive (loss) / income for the Year	(2,539,364)	325,843,704
<b>Total Comprehensive Income for the Year</b>	<b>267,836,252</b>	<b>711,718,560</b>

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Statement of Changes in Equity

For the Year Ended June 30, 2024

Particulars	Issued, Subscribed and Paid up Share Capital	Share Deposit Money	Sponsors' Interest Free Loans - unsecured	Reserves		Surplus on Revaluation of Property, Plant and Equipment - net	Total
				Capital Reserve	Revenue Reserve		
	Rupees	Rupees	Rupees	Share Premium Reserve	Unappropriated Profit	Rupees	Rupees
<b>Balance as at June 30, 2022</b>	1,413,210,640	11,391,005	107,000,000	1,281,303	415,474,227	484,247,824	2,432,604,999
Net profit for the year	-	-	-	-	385,874,856	-	385,874,856
Other comprehensive (loss) / income for the year	-	-	-	-	(1,181,002)	327,024,706	325,843,704
Total comprehensive income for the year	-	-	-	-	384,693,854	327,024,706	711,718,560
Incremental depreciation for the year on surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	-	6,901,614	(6,901,614)	-
Effect of rate change	-	-	-	-	-	(6,796,354)	(6,796,354)
<b>Transactions with owners</b>							
Share deposit money repaid	-	(2,000,000)	-	-	-	-	(2,000,000)
<b>Balance as at June 30, 2023</b>	1,413,210,640	9,391,005	107,000,000	1,281,303	807,069,695	797,574,562	3,135,527,205
Net profit for the year	-	-	-	-	270,375,616	-	270,375,616
Other comprehensive loss for the year	-	-	-	-	(2,539,364)	-	(2,539,364)
Total comprehensive income for the year	-	-	-	-	267,836,252	-	267,836,252
Incremental depreciation for the year on surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	-	8,673,472	(8,673,472)	-
Effect of rate change	-	-	-	-	-	4,360,340	4,360,340
<b>Transactions with owners</b>							
Share deposit money repaid	-	(9,391,005)	-	-	-	-	(9,391,005)
Repayment of sponsors' interest free loan	-	-	(78,544,950)	-	-	-	(78,544,950)
Classified as loan from related parties	-	-	(21,568,799)	-	-	-	(21,568,799)
<b>Balance as at June 30, 2024</b>	1,413,210,640	-	6,886,251	1,281,303	1,083,579,419	793,261,430	3,298,219,043

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Statement of Cash Flows

For the Year Ended June 30, 2024

## CASH FLOWS FROM OPERATING ACTIVITIES

### Cash (Used in) / Generated from Operations

Finance cost paid  
Income tax paid  
Gratuity paid  
Workers' welfare fund paid  
Workers' (profit) participation fund paid  
Long term deposits - utility companies and others

### Net Cash (Used in) / Generated from Operating Activities

## CASH FLOWS FROM INVESTING ACTIVITIES

Property, plant and equipment purchased  
Proceeds from disposal of property, plant and equipment  
Capital work in progress - property, plant and equipment  
Advance received against classified as held for sale  
Addition in right-of-use assets  
Long term deposits - against right of use assets

### Net Cash Used in Investing Activities

## CASH FLOWS FROM FINANCING ACTIVITIES

Long term financing repaid  
Sponsor loan repaid  
Diminishing musharaka finance  
Payment of lease liabilities  
Short term borrowings - net  
Share deposit money repaid

### Net Cash Generated from / (Used in) Financing Activities

### Net (Decrease) / Increase in Cash and Cash Equivalents

Cash and cash equivalents at the beginning of the year

### Cash and Cash Equivalents at the End of the Year

Note	2024	2023
	Rupees	Rupees
37	(128,742,715)	2,533,480,128
	(414,717,683)	(382,004,703)
	(231,741,983)	(206,225,170)
	(2,868,296)	(3,952,461)
	(12,848,890)	(12,680,497)
	(30,886,290)	(32,607,717)
	(16,425,700)	-
	(709,488,842)	(637,470,548)
	(838,231,557)	1,896,009,580
	(14,786,507)	(25,013,278)
	5,943,220	95,000
18.10	(32,538,630)	(42,544,491)
27	36,000,000	-
	(500,001)	-
	(2,854,000)	(678,800)
	(8,735,918)	(68,141,569)
	(143,928,574)	(72,519,686)
	(78,544,950)	-
	-	(525,325)
11	(13,043,892)	(11,307,079)
	1,036,323,840	(1,632,141,586)
	(9,391,005)	(2,000,000)
38	791,415,419	(1,718,493,676)
	(55,552,056)	109,374,335
	134,023,262	24,648,927
	78,471,206	134,023,262

The annexed notes from 1 to 49 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

# Notes to and Forming Part of the Financial Statements

For the Year Ended June 30, 2024

## 1 THE COMPANY AND ITS OPERATIONS

- 1.1** Nimir Resins Limited (the Company) was initially incorporated in Pakistan on December 17, 1964 as a private limited company under the repealed Companies Act, 1913 (now the Companies Act, 2017). It was converted into public limited company on August 19, 1991 with the name of Nimir Resins Limited. The name of the Company was changed to Descon Chemicals Limited on April 01, 2010 when the Company entered into a scheme of arrangement for merger / amalgamation with Descon Chemicals (Private) Limited. Subsequent to a change of management, the Board of Directors was reconstituted on January 05, 2016 and the name of the Company was changed to Nimir Resins Limited. The change was made effective on April 18, 2016.
- 1.2** The Company is domiciled in Pakistan and principal activity of the Company is to manufacture surface coating resins, polyesters for paint industry, optical brightener and textile auxiliaries for textile industry. The shares of the Company are quoted on Pakistan Stock Exchange Limited.
- 1.3** The geographical location and address of the Company is as under:

Business Unit	Geographical Location
Head office / Registered Office	14.5 KM, Lahore-Sheikhupura Road, Lahore
Production Plant / Factory	14.5 KM, Lahore-Sheikhupura Road, Lahore
Warehouse	14.8 KM, Sheikhupura Faisalabad Road, Sheikhupura.

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise:

- International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Accounting Standards or the IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### 2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except to the extent of following:

Lease liabilities	Note 11	(stated at Present value)
Post employment benefits (Gratuity)	Note 12	(stated at Present value)
Certain property, plant and equipment	Note 18	(stated at Revalued amount)

### 2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees (Rs.) which is the Company's functional and presentation currency. All the figures have been rounded off to the nearest Rupee, unless otherwise stated.

### 2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on the historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

These estimates and related assumptions are reviewed on an ongoing basis. Accounting estimates are revised in the year in which such revisions are made. Significant management estimates in these financial statements relate primarily to:

- Useful lives, residual values, depreciation method and fair value of property, plant and equipment – Note 3.1 & 18
- Provision for obsolescence of inventories - Note 3.5, 3.6 & 21
- Impairment loss of non-financial assets other than inventories – Note 4.8
- Provision for expected credit losses – Note 3.13 & 22

- Obligation of post employment benefits - Note 3.8 & 12
- Estimation of provisions - Note 4.2
- Estimation of contingent liabilities - Note 4.4 & 17
- Current income tax expense, provision for current tax and recognition of deferred tax - Note 3.9, 16 & 35

However, the management believes that the change in outcome of estimates would not have a material effect on the amounts disclosed in these financial statements.

## 2.5 Changes in accounting standards, interpretations and pronouncements

### 2.5.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

Certain standards, amendments and interpretations to IFRS are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures;

Standard or Interpretation	Effective date (annual periods beginning on or after)
IAS 1 Presentation of Financial Statements (Amendments)	January 1, 2023
IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - (Amendments)	January 1, 2023
IAS 12 Income Taxes (Amendments)	January 1, 2023
IAS 12 Deferred tax related to assets and liabilities arising from a single transaction - (Amendments)	January 1, 2023

### 2.5.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 16 Amendments to IFRS 16 "Leases" - Clarification on how seller- lessee subsequently measures sale and lease back transaction	January 01, 2024
IAS 1 Presentation of Financial Statements (Amendments)	January 01, 2024
IAS 7 Amendments to IAS 7 "Statement of Cash Flows"	January 01, 2024
IFRS 7 "Amendments to IFRS 7 ""Financial Instruments Disclosures""- Supplier Finance Arrangements"	January 01, 2024
IAS 21 The Effects of Changes in Foreign Exchange Rates (Amendments)	January 01, 2025
IFRS 7 & 9 "Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 7 and IFRS 9"	January 01, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 01, 2027

Other than the aforementioned standards, interpretations, and amendments, IASB has also issued the following standards, which have not been notified locally, in relation to the Company, by Securities and Exchange Commission of Pakistan (SECP) as at January 31, 2024:

IFRS 1	First Time Adoption of IFRS
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information
IFRS S2	Climate-Related Disclosures

The Company is in the process of assessing of the impact of these amendments on financials statement.

## 3 Material Accounting Policy Information

The Company adopted disclosure of Accounting Policies (Amendments to IAS 1 and IFRS practice statements 2 Making Materiality Judgments') from July 01, 2023. Although amendments did not result in any changes to the accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.



The amendments require disclosure of 'material', rather than 'significant' accounting policies. The amendments also provide the guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful entity specific accounting policy information that user need to understand other information in the financial statements.

The material accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### 3.1 Property, plant and equipment

Property, plant and equipment except freehold land and building on freehold land are stated at cost less accumulated depreciation and identified impairment losses, if any. Freehold land is stated at revalued amount less identified impairment loss, if any and building on freehold land is stated at revalued amount less accumulated depreciation and impairment loss, if any.

Depreciation is charged to statement of profit or loss using straight line method at the rates specified in Note 18. Full month's depreciation is charged on additions during the month, whereas no depreciation is charged on assets disposed off during the month.

Freehold land and buildings on freehold land are revalued every three years. Latest revaluation of land and buildings was carried out by an independent valuer as at February 03, 2023. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Additions, subsequent to revaluation, are stated at cost less accumulated depreciation and any identified impairment loss.

Any revaluation increase arising on the revaluation of land and buildings on freehold land is recognised in other comprehensive income and presented as a separate component of equity as "Surplus on revaluation of property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land and building on freehold land is charged to profit or loss to the extent that it exceeds the balance, if any, held in the surplus on revaluation of property, plant and equipment relating to a previous revaluation of that asset.

Each year, the incremental depreciation and its related deferred taxation, the difference between depreciation based on revalued carrying amount of the asset and depreciation based on the asset's original cost, is transferred from surplus on revaluation of property, plant and equipment to retained earnings. All transfers from surplus on revaluation of property, plant and equipment are net of applicable deferred taxation. Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

Depreciation method, residual value and useful lives of assets are reviewed at least at each reporting date and adjusted if impact on depreciation is significant.

Subsequent cost is included in the carrying amount of an asset or recognized as a separate asset, as appropriate, only when it is probable that future economics benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. Day to day maintenance and normal repairs are charged to profit or loss as and when incurred. Gains or losses on disposal of property, plant and equipment are included in the statement of profit or loss.

### 3.2 Capital work-in-progress

Capital work-in-progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work in progress. Cost may also include borrowing costs, if any. These are transferred to operating fixed assets as and when these are available for use.

### 3.3 Leases

For contracts entered into, or modified, on or after January 1, 2019, the Company assesses whether a contract contains a lease or not at the inception of a contract. The Company reassesses whether a contract is, or contains, a lease further when the terms and conditions of the contract are modified.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain to not to exercise that option.

The Company reassesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the Company and affects whether the Company is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in the determination of the lease term.

The Company revises the lease term if there is a change in the non-cancellable period of a lease.

#### 3.3.1 Company as a lessee

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of all underlying assets that have a lease term of 12 months or less and leases for which the underlying asset, when new, is of low-value. The Company recognizes the lease

payments associated with these leases as an expense on straight-line basis over the lease term.

### 3.3.1.2 Initial measurement

#### Lease liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid. The lease payments are discounted using the interest rate implicit in the lease, or the Company's incremental borrowing rate if the implicit rate is not readily available. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments comprise fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

#### Right-of-use asset

The Company initially measures the right-of-use asset at cost. This cost comprise the amount of lease liability as initially measured, plus any lease payments made on or before the commencement date, less lease incentives received, initial direct costs and estimated terminal costs (i.e. dismantling or other site restoration costs required by the terms and conditions of the lease contract).

### 3.3.1.3 Subsequent measurement

#### Lease liability

After the commencement date, the Company re-measures the lease liability to reflect the affect of interest on outstanding lease liability, lease payments made, reassessments and lease modifications etc. Variable lease payments not included in the measurement of the lease liability and interest on lease liability are recognized in the statement of profit or loss, unless these are included in the carrying amount of another asset.

Lease payments are apportioned between the finance charges and reduction of the lease liability using the incremental borrowing rate implicit in the lease to achieve a constant rate of interest on the remaining balance of the liability.

#### Right-of-use asset

After the commencement date, the Company measures the right-of-use asset at cost less accumulated depreciation and accumulated identified impairment losses, if any, adjusted for any remeasurement of the lease liability.

The Company depreciates the cost of right-of-use asset, net of residual value, from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. However, if the lease contract transfers ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise the purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset.

Depreciation is charged to profit or loss over the lease term of leased assets given in note 19.

## 3.4 Balances from contract with customers

### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. The Company recognizes a contract asset for the earned consideration that is conditional if the Company performs by transferring goods to a customer before the customer pays consideration or before payment is due.

### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. Trade receivables are carried at original invoice amount less expected credit loss based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. A contract liability is recognized at earlier of when the payment is made or the payment is due if a customer pays consideration before the Company transfers goods to the customer.

## 3.5 Stores and spares

These are valued at lower of moving average cost and net realizable value while items considered obsolete, if any, are carried at nil value.

Cost is determined using the weighted average method. Items in transit are valued at cost comprising invoice value plus other charges paid thereon. Provision is made for obsolete and slow moving stores and spares based on management's best estimate.

### 3.6 Stock in trade

These are valued at lower of cost and net realizable value. Cost is determined as follows:

Raw and packing materials	- Moving average cost
Materials in transit	- Invoice value plus incidental charges
Finished goods	- Average manufacturing cost

Manufacturing cost in relation to finished goods comprises cost of materials, labor and appropriate manufacturing overheads. Net realizable value signifies estimated selling price in the ordinary course of business less necessary costs to make the sale.

### 3.7 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of statement of cash flows, cash and cash equivalents comprises cash in hand and cash at banks in current and savings accounts.

### 3.8 Post employment benefits

#### Defined benefits plan

The Company operates an approved, funded defined benefit plan for all of its permanent employees according to the terms of employment subject to a minimum qualifying period of service. The accounting policy for employee retirement benefits is that gratuity is paid to the retiring employees on the basis of their last drawn gross salary for each completed year of service. The present value of the defined benefit obligation is calculated using a discount rate determined by reference to the market yields at the end of reporting period on high quality corporate bonds, or where there is no deep market in such bonds, by reference to market yield on government bonds.

Actuarial gains / (losses) arising from experience adjustments and changes in actuarial assumptions for the defined benefits plan are charged or credited to other comprehensive income in the period in which they arise. Past service costs are recognized immediately in the statement of profit or loss.

### 3.9 Taxation

Income tax expense includes current and deferred tax. Income tax is recognized in profit or loss except to the extent that relates to items recognized expense directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

#### Current

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the year end of the reporting date.

The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax. Super tax applicable on the Company is also as per the applicable rates as per the Income Tax Ordinance, 2001. However, in case of loss for the year, income tax expense is recognized as minimum tax liability on turnover of the Company in accordance with the provisions of the Income Tax Ordinance, 2001.

Corporate tax is based on taxable income for the year determined in accordance with the prevailing laws of taxation. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Alternative corporate tax is calculated at 17% of accounting profit, after taking into account the required adjustments.

Current tax for current and prior periods, to the extent unpaid is recognized as a liability. If the amount already paid irrespective of current and prior period exceeds the amount due to those periods the excess recognized as an asset.

The Company offsets current tax assets and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The management periodically evaluates positions taken in the tax returns with respect to situation in which applicable tax regulations are subject to interpretation and establishes provision where appropriate.

When minimum tax is higher than tax calculated on taxable profits, excess amount is recognized as levy under IFIRC 21.

### Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from the difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of transaction neither affects accounting nor taxable profit or loss.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for all major deductible temporary differences to the extent that it is probable that taxable profit will be available against which deductible temporary differences unused tax losses and tax credits can be utilized.

The carrying amount of the deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent of probable future taxable profit available that will allow deferred tax asset to be recovered.

Deferred tax is calculated at rates that are expected to apply to the period when the differences reverse based on the tax rates and tax laws that have been enacted or have been notified for subsequent enactment by the reporting date.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which temporary differences are expected to reverse.

### 3.10 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### 3.11 Related party transactions

Transactions with related parties are based on the transfer pricing policy that all transactions between the Companies and the related party are at arm's length basis determined using the comparable uncontrolled price method except in circumstances where it is not in the interest of the Company to do so except for the allocation of expenses such as utilities, rental and common overheads shared with related parties, which are on actual basis. Amounts due to and due from related parties are shown in respective notes to the financial statements.

### 3.12 Revenue recognition

Revenue is recognised in accordance by applying the following steps:

- i) Identifying the contract with a customer.
- ii) Identifying the performance obligation in the contract.
- iii) Determining the transaction price of the contract.
- iv) Allocating the transaction price to each of the separate performance obligations in the contract.
- v) Recognizing the revenue when (or as) the entity satisfies a performance obligation.

The Company is in the business of sale of goods. Revenue from contracts with customers is recognised at a point in time when control of the goods is transferred to the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

### 3.13 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### 3.13.1 Financial assets

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

#### Classification

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. Currently, the Company classifies its financial assets at amortized cost. This classification is based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition.

### Initial recognition and measurement

All financial assets are initially measured at cost plus transaction costs that are directly attributable to its acquisition except for trade receivables. Trade receivables are initially measured at the transaction price, if these do not contain significant financing component as per IFRS - 15.

### Subsequent measurement

Financial assets measured at amortized cost are subsequently measured using the effective interest rate method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss.

### Derecognition

Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired. The difference between the carrying amount and the consideration received is recognized in profit or loss.

### Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortized cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

## 3.13.2 Financial liabilities

### a) Initial recognition and measurement

Financial liabilities are initially classified at amortized cost. Such liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and include trade and other payables, loans or borrowings and accrued mark up etc.

### b) Subsequent measurement

The Company measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss. Difference between carrying amount and consideration paid is recognized in the statement of profit or loss when the liabilities are derecognized.

## 3.13.3 Off-setting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

## 3.14 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker (the Chief Executive Officer of the Company) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly administrative and other operating expenses, and income tax assets and liabilities.

## 3.15 Earnings per Share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit after tax attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit after tax attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares, if any.

## 4 Summary of Other Accounting Policies

Other than material accounting policies applied in the preparation of these financial statements are set out below for ease of user's understanding of these financial statements. These policies have been applied consistently for all periods presented, unless otherwise stated.

### 4.1 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.



## 4.2 Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

## 4.3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date in an orderly transaction between market participants in the principal, or in its absence, the most advantageous market to which the Company has access at that date. There are three levels which are as under:

The Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

When there is no quoted price in an active market, the Company determines transaction price by applying valuation techniques. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received.

If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is credited or charged to the profit or loss account on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

## 4.4 Contingent liabilities

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent liability is also disclosed when there is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits would be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

## 4.5 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are charged to profit or loss in the period in which they are incurred.

## 4.6 Foreign currency transactions and translations

Transactions denominated in foreign currencies are initially recorded in Pak Rupees by applying the foreign exchange rate prevailing on the date of transaction. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rate prevailing at the reporting date. Exchange differences are included in statement of profit or loss.

## 4.7 Dividend distributions

Dividends to shareholders of the Company are recognized as a liability in the period in which these are approved.

## 4.8 Impairment of non-financial assets

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment losses on fixed assets that offset available revaluation surplus are charged against this surplus, all other impairment losses are charged to profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date. Where impairment loss is recognized, the depreciation / amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its remaining useful life. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase.

5 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

2024	2023		2024	2023
No. of shares			Rupees	
50,412,824	50,412,824	Ordinary shares of Rs. 10 each fully paid in cash	504,128,240	504,128,240
16,775,294	16,775,294	Ordinary shares of Rs. 10 each issued at 60% discount	167,752,940	167,752,940
1,349,624	1,349,624	Ordinary shares of Rs. 10 each issued for consideration other than cash - land	13,496,240	13,496,240
4,571,434	4,571,434	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	45,714,340	45,714,340
71,844,938	71,844,938	Ordinary shares of Rs. 10 each issued pursuant to the scheme of amalgamation	718,449,380	718,449,380
(3,633,050)	(3,633,050)	Ordinary shares of Rs. 10 each cancelled pursuant to the scheme of amalgamation	(36,330,500)	(36,330,500)
141,321,064	141,321,064		1,413,210,640	1,413,210,640

5.1 As at the reporting date, the shares of the Company as held by its associates are as under:

	2024	2023	2024	2023
	% of Shareholding		Number of shares	
Nimir Management (Private) Limited	0.00%	51.00%	-	72,073,743
Nimir Industrial Chemicals Limited	0.00%	11.63%	-	16,438,306
Terranova (Private) Limited	3.03%	4.56%	4,282,335	6,446,388
Directors	36.00%	4.00%	50,934,140	5,130,258
Mr. Nadeem Nisar	10.58%	5.36%	14,955,318	7,570,000
			70,171,793	107,658,695

5.2 All ordinary shares rank equally with regard to residual assets of the Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting and other rights are in proportion to the shareholding.

5.3 There has been no movement in the shares of the Company during the year ended June 30, 2024.

5.4 During the year, the owners of the Company has entered into a scheme of arrangement, approved by shareholders in an extraordinary general meeting dated August 29, 2023 and by the Honourable High Court on January 17, 2024. Pursuant to this scheme, shareholdings were exchanged among owners / sponsors resultantly Nimir Management (Private) Limited and Nimir Industrial Chemicals Limited ceases to be parent company and ultimate parent company of Nimir Resins Limited respectively.

6 SHARE DEPOSIT MONEY

During the year, share deposit money was fully repaid to Nimir Management (Private) Limited (2023: Rs. 2 million).

7 RESERVES

	2024	2023
	Rupees	
<b>Capital reserves</b>		
Share premium reserve	1,281,303	1,281,303
<b>Revenue reserves</b>		
Unappropriated profit	1,083,579,419	807,069,695
	1,084,860,722	808,350,998

## 8 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET

	2024	2023
	Rupees	Rupees
<b>Land - freehold</b>		
Opening balance	664,584,203	408,355,203
Add: Surplus on revaluation arisen during the year	-	256,229,000
	664,584,203	664,584,203
<b>Buildings on freehold land</b>		
Opening balance	132,990,359	75,892,621
Add: Surplus on revaluation arisen during the year	-	116,058,535
Less: Related deferred taxation	-	(45,262,829)
	132,990,359	146,688,327
Transferred to retained earnings in respect of net incremental depreciation - net of deferred tax	(8,673,472)	(6,901,614)
Effect of change in rate	4,360,340	(6,796,354)
Closing balance - net of tax	793,261,430	797,574,562

**8.1** Latest revaluation was carried out on February 03, 2023 by an independent valuer that resulted in additional revaluation surplus of Rs. 372.287 million. The following basis were used for revaluation:

Freehold Land	Market Value
Buildings	Market Value / Depreciated Value

**8.2** The surplus on revaluation of property, plant and equipment is not available for distribution to shareholders in accordance with section 241 of the Companies Act, 2017.

**8.3** Incremental depreciation charged on revalued property, plant and equipment has been transferred to retained earnings to record realization of surplus to the extent of incremental depreciation. Incremental depreciation represents the difference between actual depreciation based on revalued carrying amount of the asset and equivalent depreciation based on the original carrying amount of the asset.

## 9 LONG TERM FINANCING

	Note	2024	2023
		Rupees	Rupees
Bank Alfalah Limited	9.1	15,000,000	25,000,000
The Bank of Punjab	9.2	-	21,428,574
MCB Bank Limited	9.3	-	112,500,000
		15,000,000	158,928,574
Less: current portion of loans		(10,000,000)	(68,928,574)
		5,000,000	90,000,000

**9.1** This represents facility of Rs. 50 million (2023: 50 million) obtained for solar energy unit of 578.76 KW. This loan is repayable in 20 equal installments payable quarterly in arrears starting from March 31, 2021. Markup is charged at SBP rate plus 2% p.a (2023: SBP rate plus 2% p.a) payable quarterly in arrears. This loan is secured against joint pari passu charge of Rs. 67 million (2023: Rs. 67 million) over fixed assets of the Company with 25% margin.

**9.2** This represented facility of Rs. 100 million (2023: 100 million) obtained to facilitate capital expenditure requirements pertaining to procurement, installation and augmentation of new and existing machinery, equipment related auxiliaries and civil works. This loan was repayable in 14 equal quarterly installments payable in arrears starting from September 30, 2020. Mark-up was charged at 3 months KIBOR plus 1.5% p.a. (2023: 3 months KIBOR plus 1.5% p.a.) payable on quarterly basis. This facility was secured against 1st pari passu charge over fixed assets of the Company amounting to Rs. 134 million (2023: 134 million). This loan has been fully repaid during the current year.

**9.3** This represented loan of Rs. 150 million (2023: 150 million) obtained to facilitate capital expenditure requirements pertaining to enhance the capacity of resins, emulsions and additives for the coating unit along with increase in capacity for speciality chemicals for pre-treatment and finishing of textile industry. This loan was repayable in 20 equal quarterly installments starting from March 28, 2022. Markup was charged at 3 Months KIBOR plus 0.75% p.a (2023: 3 Months KIBOR plus 0.75% p.a) payable quarterly in arrears. This loan was secured against first pari passu charge of Rs. 200 million over entire fixed assets of the Company. This loan has been fully repaid during the current year.

**10 Loan from Related Parties - unsecured**

	2024	2023
	Rupees	Rupees
Loan from related parties - interest free	21,568,799	-
<b>10.1</b> Breakup of loan from related parties is as follow:		
Nimir Industrial Chemicals Limited	14,512,000	-
Terranova (Private) Limited	2,845,573	-
Mr. Muhammad Saeed uz Zaman	1,138,273	-
Mr. Imran Afzal	1,185,186	-
Mr. Umar Iqbal	906,319	-
Mr. Aamir Jamil	697,168	-
Ms. Nusrat Jamil	284,280	-
	<u>21,568,799</u>	<u>-</u>

**10.2** These loans are interest free and the parties has agreed not to demand repayment for a period of next twelve months. These loans has not been discounted to present value using the effective interest rate method as the effect of discounting is considered to be immaterial.

**11 LEASE LIABILITIES**

	2024	2023
	Rupees	Rupees
Opening balance	40,145,002	42,370,992
Add: Additions during the year	14,270,000	3,394,000
Add: Interest expense	5,607,008	5,687,089
Less: Payments made	(13,043,892)	(11,307,079)
Gross liability	46,978,118	40,145,002
Less: Current portion	(10,121,958)	(8,154,960)
Closing balance	<u>36,856,160</u>	<u>31,990,042</u>

**11.1** Summary of amounts relating to leases charged in different line items of the financial statements is as follows:

	Included in	Note	2024	2023
			Rupees	Rupees
Carrying amount of ROU assets	Statement of financial position		43,882,734	40,578,053
Depreciation charge	Cost of sales	29	1,802,414	2,553,051
Depreciation charge	Administrative expenses	31	6,224,203	5,353,455
Depreciation charge	Distribution cost	30	3,438,703	2,310,663
Interest expense	Finance cost	33	5,607,008	5,687,089
Security deposit	Long term deposits	20	13,089,800	10,235,800
Payments made	Statement of cash flows		13,043,892	11,307,079

**11.2 Maturity analysis of contractually undiscounted cash flows**

	2024	2023
	Rupees	Rupees
Up to one year	16,806,374	12,030,920
2-5 Years	44,740,842	36,492,489
More than 5 years	-	-
	<u>61,547,216</u>	<u>48,523,409</u>

**11.3 Nature of leasing activities**

**11.3.1** The Company acquired vehicles from different banks under finance lease arrangements, for a period of 60 months. Present value of minimum lease payments has been discounted using interest rate ranging from 3 months to 1 year KIBOR with a spread of upto 2% (2023:

3 months to 1 year KIBOR with a spread of upto 2%). Rentals are paid in equal monthly installments. Taxes, repairs and insurance costs are borne by the Company. In case of earlier termination, the Company will be required to pay entire principal portion of the rentals for unexpired period of lease agreement. These vehicles are registered exclusively in the name of respective banks.

**11.3.2** There are no variable lease payments in the lease contracts. There are no leases with residual value guarantees or leases not yet commenced to which the Company is committed.

**11.3.3** Remaining lease term of lease contracts is of 5 years (2023: 5 years) for which lease liability is recorded.

## 12 POST EMPLOYMENT BENEFIT OBLIGATIONS

	Note	2024 Rupees	2023 Rupees
Defined Benefit Obligation - Gratuity Fund			
Present value of defined benefit obligations	12.3	75,261,509	55,125,714
Fair value of plan assets	12.4	(15,625,561)	(13,034,240)
		<u>59,635,948</u>	<u>42,091,474</u>

**12.1** The Company operates an approved funded gratuity scheme for its permanent employees. Actuarial valuation of the scheme is carried out annually by an independent actuary and the latest actuarial valuation was carried out as of June 30, 2024 using following significant assumptions.

	2024 Rupees	2023 Rupees
Discount rate (per annum)	14.75%	16.25%
Expected rate of salary increase in future years	13.75%	15.25%
Average duration of liability	9 years	9 years
Actuarial valuation method	Projected Unit Credit Method	
Mortality rate	SLIC (2001-2005) Mortality Table	

### 12.2 Changes in net defined benefit obligations

	Note	2024 Rupees	2023 Rupees
Opening balance		42,091,474	30,856,775
Charge for the year	12.5	16,382,033	13,251,091
Remeasurements of net defined benefit obligation	12.4.1	4,030,737	1,936,069
Contribution paid during the year		(2,868,296)	(3,952,461)
		<u>59,635,948</u>	<u>42,091,474</u>

### 12.3 Movement in present value of defined benefit obligations

Opening balance	55,125,714	42,376,399
Service cost for the year	9,775,218	9,424,419
Interest cost	8,724,879	5,357,395
Benefits paid during the year	(2,868,296)	(3,886,461)
Actuarial loss on defined benefit obligation	4,503,994	1,853,962
Closing balance	<u>75,261,509</u>	<u>55,125,714</u>

### 12.4 Movement in fair value of plan assets

Opening balance	13,034,240	11,519,624
Contribution made during the year	2,868,296	3,952,461
Interest income for the year	2,118,064	1,530,723
Benefits paid during the year	(2,868,296)	(3,886,461)
Actuarial gain / (loss) on plan asset	473,257	(82,107)
Closing balance	<u>15,625,561</u>	<u>13,034,240</u>



Notes to and Forming Part of the Financial Statements  
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**12.4.1 Remeasurements of post employment benefit obligation.**

	2024	2023
	Rupees	Rupees
Actuarial loss on defined benefit obligation	4,503,994	1,853,962
(Gain) / deficit on plan assets	(473,257)	82,107
Remeasurements of net defined benefit obligation	<u>4,030,737</u>	<u>1,936,069</u>

**12.4.2 Composition of plan assets**

Investment in MCB Funds	15,527,600	12,936,232
Cash at bank	97,961	98,008
	<u>15,625,561</u>	<u>13,034,240</u>

**12.5 Charge for the year**

Current and past service cost	9,775,218	9,424,419
Interest cost on defined benefit liability	8,724,879	5,357,395
Interest income on plan assets	(2,118,064)	(1,530,723)
	<u>16,382,033</u>	<u>13,251,091</u>

**12.6 Allocation in profit or loss**

Cost of sales	8,943,992	7,234,612
Administrative expenses	3,802,668	3,075,900
Distribution cost	3,635,373	2,940,579
	<u>16,382,033</u>	<u>13,251,091</u>

**12.7 Estimated charge for the next year**

	2025
	Rupees
Current service cost	11,231,180
Interest on defined benefit liability	8,796,302
	<u>20,027,482</u>

**12.8 Year end sensitivity analysis on defined benefit obligations**

Reasonably possible changes as at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in defined benefit obligations as stated below:

	2024	2023
	Rupees	Rupees
Discount rate + 100 bps	68,815,440	50,404,255
Discount rate - 100 bps	82,313,213	60,290,774
Salary increase + 100 bps	82,311,393	60,289,441
Salary increase - 100 bps	68,814,595	50,403,636

The Company faces the following risks on account of staff gratuity scheme:

- **Final Salary Risk** - The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary, which will closely reflect inflation and other macroeconomic factors, the benefit amount increases as salary increases.

- **Mortality Risk** - The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

- **Withdrawal Risk** - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

12.9 Maturity profile	2024	2023
	Rupees	Rupees
1 year	5,608,227	4,958,632
2 year	6,315,619	5,128,482
3 year	7,162,826	6,093,456
4 year	8,035,951	7,001,618
5 year	8,836,425	7,969,705
6-10 years	68,532,063	52,107,889

#### 12.10 Historical data of net defined benefit obligation

	2024	2023	2022	2021	2020
	Rupees	Rupees	Rupees	Rupees	Rupees
Present value of defined benefit obligations	75,261,509	55,125,714	42,376,399	35,208,974	26,506,113
Fair value of plan assets	(15,625,561)	(13,034,240)	(11,519,624)	(11,062,454)	(10,110,272)
Net Liability	59,635,948	42,091,474	30,856,775	24,146,520	16,395,841

### 13 DEFERRED TAX LIABILITY

	Note	2024	2023
		Rupees	Rupees
Deferred tax Liability	13.1	50,229,571	83,716,039

#### 13.1 Breakup of Deferred tax Liability

##### Taxable temporary differences

Accelerated tax depreciation	54,734,750	67,010,713
Surplus on revaluation of property, plant and equipment	75,572,339	85,026,624
Right of use assets	16,236,612	15,825,441

##### Deductible temporary differences

Lease liabilities	(17,381,904)	(15,656,551)
Post employment benefit obligations	(22,065,301)	(16,415,675)
Provision for obsolescence stock	(17,768,580)	(15,183,943)
Provision for doubtful debts	(39,098,345)	(36,890,570)
	50,229,571	83,716,039

13.2 Deferred tax assets / liabilities on temporary differences are measured at effective rate of 37% (2023: 39%).

#### 13.3 Reconciliation of deferred tax liabilities / (assets) - Net

Opening balance	83,716,039	50,925,216
Deferred tax income during the year recognised in profit or loss account	(27,634,755)	(18,513,293)
Deferred tax income / (expense) during the year recognised in other comprehensive income	(1,491,373)	44,507,762
Effect of rate change	(4,360,340)	6,796,354
Closing balance	50,229,571	83,716,039

Notes to and Forming Part of the Financial Statements  
For the Year Ended June 30, 2024

13.4 Analysis of deferred tax

	Statement of Financial Position		Statement of Profit or Loss	
	2024	2023	2024	2023
	Rupees	Rupees	Rupees	Rupees
Accelerated tax depreciation and amortization	54,734,750	67,010,713	(12,275,963)	7,682,486
Revaluation of property, plant and equipment	75,572,339	85,026,624	(5,093,945)	(4,412,507)
Right of Use Assets	16,236,612	15,825,441	411,171	3,460,598
Provision for doubtful debts	(39,098,345)	(36,890,570)	(2,207,775)	(12,751,880)
Provision for obsolete stock	(17,768,580)	(15,183,943)	(2,584,637)	(5,339,994)
Provision for staff gratuity	(22,065,301)	(16,415,675)	(4,158,253)	(5,477,872)
Lease liabilities	(17,381,904)	(15,656,551)	(1,725,353)	(1,674,124)
	<u>50,229,571</u>	<u>83,716,039</u>	<u>(27,634,755)</u>	<u>(18,513,293)</u>

14 TRADE AND OTHER PAYABLES

	Note	2024	2023
		Rupees	Rupees
Local creditors - Unsecured	14.1	421,223,849	347,387,288
Foreign creditors - Secured		126,316,803	580,758,507
Accrued liabilities		142,717,309	118,551,410
Contract liabilities	14.2	8,817,565	6,025,371
Workers' (profit) participation fund	14.3	23,422,929	30,886,083
Workers' welfare fund	14.4	10,073,597	12,675,827
		<u>732,572,052</u>	<u>1,096,284,486</u>

14.1 This includes Rs. 11,160,912 (2023: Rs. 67,695,420) payable to related parties on account of purchase of raw materials.

14.2 These contract liabilities are expected to be satisfied during the year ended June 30, 2025.

14.3 Workers' (profit) participation fund

	Note	2024	2023
		Rupees	Rupees
Opening balance		30,886,083	32,607,510
Add: Provision for the year		23,423,136	30,886,290
Less: Payments made during the year		(30,886,290)	(32,607,717)
Closing balance		<u>23,422,929</u>	<u>30,886,083</u>

14.4 Workers' welfare fund

Opening balance		12,675,827	14,424,676
Add: Provision for the year		10,246,660	10,931,648
Less: Payments made during the year		(12,848,890)	(12,680,497)
Closing balance		<u>10,073,597</u>	<u>12,675,827</u>

15 SHORT TERM BORROWINGS

Banking companies - Secured

Borrowings / running finance		646,307,286	389,012,343
Finance against trust receipts	15.2	1,241,393,345	462,364,448
		<u>1,887,700,631</u>	<u>851,376,791</u>

## 15.1 Terms and conditions of borrowings

### Purpose

The Company has obtained various funded and unfunded financial facilities from different banks for a total sanctioned limit of Rs. 5,755 million (2023: Rs. 5,255 million) including running finance facilities amounting to Rs. 1,025 million (2023: Rs. 1,475 million) to meet working capital requirements, retirement of local and foreign LCs, discounting local bills / receivables and loan against trust receipts etc. Unutilized amount of funded and unfunded facilities are Rs. 2,528 million (2023: Rs. 3,036 million). These facilities shall expire on various dates latest by February 28, 2025.

### Markup

Mark-up on short term borrowings is charged using 1 to 6 Months KIBOR+ spread of up to 1.25% (2023: 1 to 6 Months KIBOR + spread of up to 1.25%) per annum. Mark up is payable on monthly / quarterly basis in arrears or at the time of adjustment of liability whichever is earlier. Furthermore, some limits carry commission against foreign and local LCs at 0.05% to 0.10% (2023: 0.05% to 0.10%) per quarter.

### Securities

These facilities are secured by way of joint pari passu charge and ranking hypothecation charge over present and future, current assets of the Company's lien over title of imported goods and personal guarantee of main sponsors of the Company.

15.2 This includes short term financing amounting to Rs. 467.459 million (2023: 148.287 million) obtained as per Islamic mode of financing.

## 16 PROVISION FOR TAXATION

	2024	2023
	Rupees	Rupees
Opening balance	271,965,145	243,227,814
Add: Charge for the year	142,340,984	183,784,802
Add: Super tax	39,266,478	63,374,070
Less: Prior year adjustment	10,444,597	(1,403,158)
Less: Previous year super tax adjustment	-	(37,209,409)
	464,017,204	451,774,119
Less: Payment / adjustments	(194,229,399)	(179,808,974)
	269,787,805	271,965,145

16.1 The provision for current year tax represents corporate tax at 29% (2023: 29%) and super tax at the rate of 8% (2023: 10%) as per the Income Tax Ordinance, 2001.

16.2 Income tax assessments are deemed finalized by the management up to the Tax Year 2023 as tax returns were filed under the self assessment scheme.

## 17 CONTINGENCIES AND COMMITMENTS

### 17.1 Contingencies

There are no material contingencies outstanding as at the reporting date (2023: Nil).

### 17.2 Guarantees

The Company is liable for bank guarantees arranged from The Bank of Punjab that have been issued in favour of the following:

Note	2024	2023
	Rupees	Rupees
Sui Northern Gas Pipelines Limited	44,525,000	3,090,000
Pakistan State Oil Company Limited	6,000,000	6,000,000
Total Parco Pakistan Limited	8,000,000	8,000,000
	58,525,000	17,090,000

### 17.3 Commitments

Letters of credit	680,951,061	957,561,520
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## 18 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	18.1	1,210,268,718	1,487,659,457
Capital work in progress	18.10	19,595,391	15,691,202
		1,229,864,109	1,503,350,659

Notes to and Forming Part of the Financial Statements  
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18.1 Operating fixed assets

Year Ended June 30, 2024

Description	Freehold Land	Buildings on Freehold Land	Plant and Machinery	Office Equipment, Furniture and Fixtures	IT Equipment	Laboratory Equipment	Vehicles and Carriers	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>Cost / Revalued Amount</b>								
Balance as at July 01, 2023	806,629,000	337,455,284	894,846,374	12,644,092	27,376,518	29,582,803	24,687,362	2,133,221,433
Additions	-	10,643,934	20,722,973	1,604,150	2,725,025	724,866	6,000,000	42,420,948
Disposals during the year	-	-	(5,641,291)	(291,999)	(736,706)	-	(5,484,375)	(12,154,371)
Adjustment	(150,829,000)	(84,535,566)	-	-	-	-	-	(235,364,566)
Balance as at June 30, 2024	655,800,000	263,563,652	909,928,056	13,956,243	29,364,837	30,307,669	25,202,987	1,928,123,444
Accumulated depreciation								
<b>Balance as at July 01, 2023</b>	-	13,380,477	555,412,574	9,143,438	21,351,966	23,046,436	23,227,085	645,561,976
Charge for the year	-	35,490,603	46,902,941	1,553,269	3,767,392	2,067,680	850,621	90,632,506
Disposals during the year	-	-	(5,641,287)	(275,744)	(729,040)	-	(5,484,374)	(12,130,445)
Adjustment	-	(6,209,311)	-	-	-	-	-	(6,209,311)
<b>Balance as at June 30, 2024</b>	-	42,661,769	596,674,228	10,420,963	24,390,318	25,114,116	18,593,332	717,854,726
<b>Carrying amount as at June 30, 2024</b>	655,800,000	220,901,883	313,253,828	3,535,280	4,974,519	5,193,553	6,609,655	1,210,268,718
<b>Rate of depreciation - %</b>	-	7% to 10%	7% to 33%	20% to 50%	20% to 50%	13% to 50%	20%	

Year Ended June 30, 2023

<b>Cost / Revalued Amount</b>								
Balance as at July 01, 2022	550,400,000	259,624,203	857,390,094	13,862,602	31,902,160	27,704,857	24,687,362	1,765,571,278
Additions	-	22,579,423	37,456,280	905,976	2,302,098	1,877,946	-	65,121,723
Disposals during the year	-	-	-	(2,124,486)	(6,827,740)	-	-	(8,952,226)
Revaluation adjustment	-	(60,806,877)	-	-	-	-	-	(60,806,877)
Revaluation Surplus	256,229,000	116,058,535	-	-	-	-	-	372,287,535
Balance as at June 30, 2023	806,629,000	337,455,284	894,846,374	12,644,092	27,376,518	29,582,803	24,687,362	2,133,221,433
Accumulated depreciation								
Balance as at July 01, 2022	-	47,351,227	511,098,344	9,837,640	24,503,069	21,053,015	20,129,753	633,973,048
Charge for the year	-	26,836,127	44,314,230	1,430,138	3,560,271	1,993,421	3,097,332	81,231,519
Disposals during the year	-	-	-	(2,124,340)	(6,711,374)	-	-	(8,835,714)
Revaluation adjustment	-	(60,806,877)	-	-	-	-	-	(60,806,877)
Balance as at June 30, 2023	-	13,380,477	555,412,574	9,143,438	21,351,966	23,046,436	23,227,085	645,561,976
<b>Carrying amount as at June 30, 2023</b>	806,629,000	324,074,807	339,433,800	3,500,654	6,024,552	6,536,367	1,460,277	1,487,659,457
<b>Rate of depreciation - %</b>	-	7% to 10%	7% to 33%	20% to 50%	20% to 50%	13% to 50%	20%	

18.2 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location / Address	Usage of immovable property	Total Area (Sq. ft.)	Covered Area (Sq. ft.)
14.5 Km Lahore Sheikhpura Road	Production and warehouse	476,165	127,044
14.8 km Sheikhpura Faisalabad Road	Warehouse	375,433	161,877

18.3 Apportionment of depreciation charge for the year

Depreciation charge for the year has been apportioned as follows:

Note	2024	2023	
	Rupees	Rupees	
Cost of sales	29	86,798,543	77,506,757
Distribution cost	30	1,492,523	1,658,335
Administrative expenses	31	2,341,440	2,066,427
		90,632,506	81,231,519

**18.4** As per the latest valuation report by an independent valuer as of February 03, 2023, the forced sales value of freehold land and building was Rs. 685,634,650 and Rs. 267,644,476 respectively. The management believes that these values approximate to the values as on June 30, 2024.

**18.5 Cost, accumulated depreciation and book value of revalued assets**

Had there been no revaluation, the cost, accumulated depreciation and book values of revalued assets would have been as follows:

	2024			2023		
	Cost	Accumulated depreciation	Written Down Value	Cost	Accumulated depreciation	Written Down Value
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Freehold land	115,484,291	-	115,484,291	142,044,797	-	142,044,797
Factory buildings on freehold land	214,546,622	(144,049,640)	70,496,982	234,593,589	(128,535,765)	106,057,824
	330,030,913	(144,049,640)	185,981,273	376,638,386	(128,535,765)	248,102,621

The change in cost of freehold land is due to the piece of land classified as held for sale as mentioned in note 27.

**18.6** The following methods and assumptions were used to estimate the fair values:

The significant inputs used in the fair value measurements categorized within Level 2 of the fair value hierarchy, together with a quantitative sensitivity analysis are as shown below:

Description	Valuation Technique	Significant Observable Inputs	Quantitative Data / Range (weighted average)
Land and building	Sales value comparison approach	Market enquiries and survey as per kanal/marla for land rates and per square foot rates for building	Nil

There are no movements between level 1, level 2 and level 3 assets.

**18.7** As mentioned in Note 9, long term financing of the Company are secured by way of exclusive charge amounting to Rs. 201 million (2023: 471.06 million) over fixed assets of the Company.

**18.8** During the year, the Company changed its depreciation policy as mentioned in Note 3.1. The net impact of this change is a reduction in depreciation of Rs. 181,513. The depreciation policy changed from 'depreciation is charged on additions from the month of acquisition, and no depreciation is charged on assets disposed of during the month' to 'depreciation is charged on additions from the date the asset is available for use, and on disposals until the date the disposal is made'.

**18.9** Property, plant and equipment contains fully depreciated assets, having cost of Rs. 90.114 million (2023: Rs. 75.904 million) that are still in use as at the reporting date.

**18.10 Capital Work in Progress**

	Land		Building		Plant and Machinery		Vehicles		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
- Opening balance	1,000,000	1,000,000	-	-	14,691,202	13,660,156	-	8,527,000	15,691,202	23,187,156
- Additions during the year	-	-	10,643,933	-	21,894,697	41,389,491	-	4,549,000	32,538,630	45,938,491
	1,000,000	1,000,000	10,643,933	-	36,585,899	55,049,647	-	13,076,000	48,229,832	69,125,647
- Transferred to fixed assets	-	-	(10,643,933)	-	(16,990,508)	(40,358,445)	-	-	(27,634,441)	(40,358,445)
- Transferred to right of use assets	-	-	-	-	-	-	-	(13,076,000)	-	(13,076,000)
- Transferred to other receivable	(1,000,000)	-	-	-	-	-	-	-	(1,000,000)	-
	-	1,000,000	-	-	19,595,391	14,691,202	-	-	19,595,391	15,691,202

**18.11** The aggregate book values of operating fixed assets disposed off during the year are below Rupees 5 million.



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**19 RIGHT-OF-USE ASSETS**

**Motor Vehicles**

Opening balance

Add: Additions during the year

Less: Depreciation charge for the year

Closing balance

Lease Term (Years)

Note	2024	2023
	Rupees	Rupees
	40,578,053	37,469,222
	14,770,001	13,326,000
	55,348,054	50,795,222
	(11,465,320)	(10,217,169)
	43,882,734	40,578,053
	5	5

**19.1 Apportionment of depreciation charge for the year**

Cost of sales

Distribution cost

Administrative expenses

Note	2024	2023
29	1,802,414	2,553,051
30	3,438,703	2,310,663
31	6,224,203	5,353,455
	11,465,320	10,217,169

**19.2** The Company has lease contracts for purchase of motor vehicles having lease term of 5 years. The Company's obligations under its leases are secured by the lessor's title to the motor vehicles.

**20 LONG TERM DEPOSITS**

Utility companies

Against right of use assets

Others

Note	2024	2023
	Rupees	Rupees
	30,546,420	14,606,470
	13,089,800	10,235,800
	2,558,750	2,173,000
	46,194,970	27,015,270

**21 STOCK IN TRADE**

Raw and packing materials

Raw materials in transit

Finished goods

Solar panels purchased for resale

Less: Provision for obsolescence of stock

	1,597,875,998	955,912,287
	176,712,313	188,639,114
	746,576,959	495,943,664
	-	14,857,134
	2,521,165,270	1,655,352,199
21.1	(48,023,188)	(38,933,188)
	2,473,142,082	1,616,419,011

**21.1 Provision for obsolescence of stock**

Opening balance

Provision for the year

Less: Obsolete stocks written off

	38,933,188	29,830,148
	9,090,000	9,103,040
	48,023,188	38,933,188
	-	-
	48,023,188	38,933,188

**21.2** As mentioned in Note 15, short term borrowings of the Company are secured by way of hypothecation charge on present and future current assets of the Company (including stock in trade).

**22 TRADE DEBTS**

**Local - Unsecured**

Considered good

- Local sales

Considered doubtful

Less: Allowance for expected credit losses

Note	2024	2023
	Rupees	Rupees
	1,929,140,250	1,942,682,334
	105,671,204	94,591,204
	2,034,811,454	2,037,273,538
22.1	(105,671,204)	(94,591,204)
	1,929,140,250	1,942,682,334

## 22.1 Loss allowance

	Note	2024 Rupees	2023 Rupees
Opening balance		94,591,204	73,147,544
Loss allowance for the year		11,080,000	21,443,660
		105,671,204	94,591,204
Less: Bad debts written off		-	-
		105,671,204	94,591,204

22.2 These customers have no recent history of default. For age analysis of these trade debts, refer to note 40.1 (b).

22.3 Trade debts include an amount of Rs. 75,006,379 due from related parties (2023: Rs. 50,829,797) as at June 30, 2024.

22.4 Aging of outstanding balance of related party as at June 30, 2024, is as under:

	2024			2023		
	Nimir Chemcoats Limited	Nimir Industrial Chemical Limited	Total	Nimir Chemcoats Limited	Nimir Industrial Chemical Limited	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Not overdue	47,387,075	54,000	47,441,075	29,023,397	21,806,400	50,829,797
Past due less than 30 days	11,682,101	-	11,682,101	-	-	-
Past due less than 60 days	12,528,463	-	12,528,463	-	-	-
Past due less than 90 days	-	-	-	-	-	-
Past due less than 180 days	3,354,740	-	3,354,740	-	-	-
Past due over 180 days	-	-	-	-	-	-
Total	74,952,379	54,000	75,006,379	29,023,397	21,806,400	50,829,797

22.5 The maximum aggregate amount due from Nimir Industrial Chemicals Limited, Nimir Energy Limited and Nimir Chemcoats Limited at the end of any month in the year was Rs. 1,600,005 (2023: Rs. 25,086,712), 145,737,528 (2023: Rs. 102,003,070) and 156,832,947 (2023: Rs. 31,746,139) respectively. No interest has been charged on the amounts due from associated undertakings.

## 23 LOANS AND ADVANCES

	Note	2024 Rupees	2023 Rupees
Advances to (Unsecured - Considered good):			
- Suppliers and contractors		54,276,735	48,733,282
- Employees against expenses	23.1	1,522,856	697,333
Short term loans to employees (Unsecured - Considered good)	23.2	2,305,999	434,689
		58,105,590	49,865,304

23.1 Advances to employees do not include any amount given to directors or executives of the Company.

23.2 This represents interest-free loans given to employees as per the Company's policy. These loans are recoverable from salary in monthly installments.

## 24 OTHER RECEIVABLES

	2024 Rupees	2023 Rupees
Margin against letters of credits	-	28,503,464
Margin against letters of guarantees	800,000	800,000
Other receiveable	1,000,000	-
Prepayments	2,363,300	-
	4,163,300	29,303,464

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<b>25 TAX REFUNDS DUE FROM THE GOVERNMENT</b>		<b>2024</b>	<b>2023</b>
		<b>Rupees</b>	<b>Rupees</b>
	Tax deducted at source and advance tax	355,660,788	318,148,204
	Sales tax refundable - net	7,736,036	35,316,795
		<b>363,396,824</b>	<b>353,464,999</b>
<b>26 CASH AND BANK BALANCES</b>			
	Cash in hand	146,680	537,322
	Cash at bank:		
	- in current accounts	77,319,918	133,479,005
	- in saving accounts	997,673	-
	- special account related to dividend payable	6,935	6,935
		<b>78,471,206</b>	<b>134,023,262</b>
<b>26.1</b>	This represents amounts in saving accounts yielding profit @ 11.01% (2023: Nil) per annum, approximately.		
<b>26.2</b>	The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows.		
<b>26.3</b>	This include bank balances amounting to Rs. 59.291 million (2023: 120.929 million) in Shariah-compliant banks.		
<b>27 ASSET CLASSIFIED AS HELD FOR SALE</b>		<b>2024</b>	<b>2023</b>
		<b>Rupees</b>	<b>Rupees</b>
	Land	150,829,000	-
	Building	78,326,255	-
		<b>229,155,255</b>	<b>-</b>
	Liabilities related to asset classified as held for sale	36,000,000	-
<b>27.1</b>	The Company has received advance amounting to Rs 36 million against sale of land and building.		
<b>27.2</b>	Assets held for sale comprise a piece of land situated at 14.8 km Sheikhpura Faisalabad Road, Tehsil and District Sheikhpura, Pakistan.		
<b>27.3</b>	During the year, the Board of directors committed a plan to sell a peice of related land and building. For this, the Company has signed the agreement to sell these assets with Nimir Chemcoats Limited the related party. The sale is expected to be completed in one hundred and eighty days commencing from the date of execution of this Agreement. Initially, assets held for sale are stated at lower of carrying value and fair value less cost to sell. Gain / (loss) on disposal of these assets shall be presented in the statement of profit or loss.		
<b>28 REVENUE</b>		<b>2024</b>	<b>2023</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>28.1</b>	All the revenue is recognised at a point in time.		
<b>28.2</b>	Geographical markets		
	Pakistan	8,584,744,175	9,370,907,642
<b>28.3</b>	The Company's net revenue disaggregated by operating segment are as follows:		
	Coating, emulsion and blending	4,872,807,104	4,952,524,571
	Textile, paper and others	3,711,937,071	4,418,383,071
		<b>8,584,744,175</b>	<b>9,370,907,642</b>
<b>28.4</b>	Contract balances		
	Trade receivables	1,929,140,250	1,942,682,334
	Contract liabilities	8,817,565	6,025,371
<b>28.4.1</b>	Trade receivables are non-interest bearing and become due after 10 to 120 days of the invoice date.		
<b>28.4.2</b>	Contract liabilities represents short term advances received from customers against delivery of goods in future. Revenue recognized in the current year that was included in the contract liabilities balance at the beginning of the year amounts to Rs. 6,025,371 (2023: Rs. 45,758,955).		

## 29 COST OF SALES

	Note	2024	2023
		Rupees	Rupees
Raw materials consumed		6,979,597,348	7,707,009,095
Stores and spares consumed		40,627,745	27,583,463
Fuel and power		253,961,160	201,362,969
Salaries, wages and benefits	29.1	235,695,387	200,260,949
Printing and stationery		286,369	246,166
Repairs and maintenance		12,797,425	12,611,852
Travelling, conveyance and entertainment		21,840,000	18,671,342
Insurance		11,956,108	9,743,983
Rent, rates and taxes		549,561	580,858
Communication		1,193,431	1,201,526
Fees and consultancy charges		15,350,367	1,188,663
Depreciation on property, plant and equipment	18.3	86,798,543	77,506,757
Depreciation on right of use asset	19.1	1,802,414	2,553,051
Miscellaneous		7,708,275	871,634
		7,670,164,133	8,261,392,308
Finished goods:			
Opening finished goods	21	495,943,664	397,883,714
Closing finished goods	21	(746,576,959)	(495,943,664)
		(250,633,295)	(98,059,950)
		7,419,530,838	8,163,332,358

**29.1** This includes Rs. 8,943,992 (2023: Rs. 7,234,612) in respect of employee benefits.

## 30 DISTRIBUTION COST

	Note	2024	2023
		Rupees	Rupees
Salaries, wages and benefits	30.1	57,263,358	50,027,135
Packing, carriage and forwarding		51,335,210	44,657,786
Travelling, conveyance and entertainment		11,931,539	10,336,456
Printing and stationery		52,350	281,210
Rent, rates and taxes		18,450	322,150
Fee and subscription		4,415,749	2,228,458
Insurance		2,139,708	1,857,140
Communication		738,510	265,023
Utilities		1,194,042	859,000
Repairs and maintenance		2,664,029	1,684,573
Depreciation on property, plant and equipment	18.3	1,492,523	1,658,335
Depreciation on right of use asset	19.1	3,438,703	2,310,663
		136,684,171	116,487,929

**30.1** This includes Rs. 3,802,668 (2023: Rs. 2,940,579) in respect of employee benefits.

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**31 ADMINISTRATIVE EXPENSES**

	Note	2024 Rupees	2023 Rupees
Salaries, wages and benefits	31.1	76,963,235	55,663,585
Travelling, conveyance and entertainment		7,597,547	7,105,448
Repairs and maintenance		4,384,220	3,963,433
Printing and stationery		3,641,831	2,225,760
Rent, rates and taxes	31.2	1,846,930	21,200
Insurance		1,607,668	1,159,569
Communication		4,014,970	3,735,887
Fee and subscription	31.3	22,453,030	9,131,168
Advertisement		249,960	555,039
Legal and professional charges		7,144,246	4,629,766
Auditors' remuneration	31.4	1,825,000	2,202,500
Utilities		740,093	859,000
Depreciation on property, plant and equipment	18.3	2,341,440	2,066,427
Depreciation on right of use asset	19.1	6,224,203	5,353,455
Miscellaneous		4,975	30,197
		<b>141,039,348</b>	<b>98,702,434</b>

**31.1** This includes Rs. 3,635,373 (2023: Rs. 3,075,900) in respect of employee benefits.

**31.2** This includes rent of admin office amounting to Rs. 1,626,250 (2023: Nil) which has been classified as low value asset lease.

**31.3** This includes amounting to Rs. 9.57 million (2023: Nil) relating to expenses incurred for scheme of arrangement as disclosed in note 5.4.

**31.4** Auditors' remuneration:

- Audit fee
- Half yearly review
- Other assurance services
- Other certifications

Note	2024 Rupees	2023 Rupees
	1,150,000	950,000
	550,000	440,000
	-	712,500
	125,000	100,000
	<b>1,825,000</b>	<b>2,202,500</b>

**32 OTHER OPERATING EXPENSES**

Expected credit losses on trade debts	22.1	11,080,000	21,443,660
Provision for obsolescence of stock	21.1	9,090,000	9,103,040
Workers' welfare fund		10,246,660	10,931,648
Workers' (profit) participation fund		23,423,136	30,886,290
Security deposit written off		100,000	-
Loss on disposal of fixed asset		-	21,512
		<b>53,939,796</b>	<b>72,386,150</b>

**33 FINANCE COST**

Markup on :

- Short term borrowings		421,879,670	331,028,150
- Diminishing musharaka finance		-	3,993
- Long term finance		6,671,987	29,591,349
- Lease liabilities		5,607,008	5,687,089
LC discounting charges		2,269,317	3,016,062
Bank and other charges		8,530,451	6,909,946
		<b>444,958,433</b>	<b>376,236,589</b>

**34 OTHER INCOME**

	2024	2023
Note	Rupees	Rupees
Sale of waste material / scrap	20,512,733	25,505,611
Gain on disposal of fixed asset	5,919,294	-
Foreign exchange gain	15,871,418	2,988,552
Rental income	3,872,905	3,651,523
Profit on saving account	24,981	-
	46,201,331	32,145,686

**35 TAXATION**

## Current tax:

- Current year

- Super tax

- Adjustment for prior years

Deferred tax

13

142,340,984	183,784,802
39,266,478	63,374,070
10,444,597	(38,612,567)
192,052,059	208,546,305
(27,634,755)	(18,513,293)
164,417,304	190,033,012

**35.1 Reconciliation of tax charge for the year**

Profit before taxation

Tax @ 29% (2023: 29%) on profit before taxation

Super tax @ 8% (2023: 10%)

Tax effect of add backs / allowed deductions

Deferred tax

Adjustment for prior years

434,792,920	575,907,868
126,089,947	167,013,282
39,266,478	63,374,070
16,251,037	16,771,520
(27,634,755)	(18,513,293)
10,444,597	(38,612,567)
164,417,304	190,033,012

**35.2 Tax expense on items recognised in other comprehensive income**

Remeasurement of post employment benefits obligation

Revaluation of property, plant and equipment

(1,491,373)	(755,067)
-	45,262,829
(1,491,373)	44,507,762

**35.3** The current tax expense for the year is calculated using corporation tax rate of 29% (2023: 29%) and super tax at rate of 8% (2023: 10%). Deferred tax assets and liabilities on temporary differences are measured at effective rate of 37% (2023: 39%).

**36 EARNINGS PER SHARE**

Profit for the year attributable to ordinary shareholders

Weighted average number of ordinary shares

outstanding during the year

Earning per share - basic

	2024	2023
Rupees	270,375,616	385,874,856
Numbers	141,321,064	141,321,064
Rupees	1.91	2.73

**36.1** There is no dilution effect on the earnings per share of the Company as the Company does not have any convertible instruments in issue as at June 30, 2024 and June 30, 2023 which would have any effect on the earnings per share if the option to convert is exercised.



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37 CASH GENERATED FROM OPERATIONS

Profit before taxation

Adjustments for:

- Depreciation on property, plant and equipment
- Depreciation on right of use asset
- Provision for gratuity
- Provision for obsolescence of stock
- Expected credit loss on trade debts
- Workers' (profit) participation fund
- Workers' welfare fund
- Finance cost
- Interest on lease liabilities
- Security deposit written off
- Foreign exchange gain
- (Gain) / Loss on disposal of property, plant and equipment

Operating profit before working capital changes

(Increase) / decrease in current assets

- Stores and spares
- Stock in trade
- Trade debts
- Loans and advances
- Prepayments and other receivables
- Sales tax refundable - Net

Increase / (decrease) in current liabilities

- Trade and other payables

Cash Generated from Operations

Note	2024	2023
	Rupees	Rupees
	434,792,920	575,907,868
18	90,632,506	81,231,519
19	11,465,320	10,217,169
12	16,382,033	13,251,091
32	9,090,000	9,103,040
32	11,080,000	21,443,660
32	23,423,136	30,886,290
32	10,246,660	10,931,648
33	439,351,425	370,549,500
33	5,607,008	5,687,089
32	100,000	-
34	(15,871,418)	(2,988,552)
34	(5,919,294)	21,512
	595,587,376	550,333,966
	1,030,380,296	1,126,241,834
	(3,477,029)	(4,654,325)
	(865,813,071)	665,855,627
	2,462,084	39,838,810
	(8,240,286)	(5,308,271)
	26,140,164	2,176,155
	27,580,759	(1,914,100)
	(337,775,632)	711,244,398
	(1,159,123,011)	1,407,238,294
	(128,742,715)	2,533,480,128

38 LIABILITIES ARISING FROM FINANCING ACTIVITIES

	As at June 30, 2023	Non-cash changes	Cash flows (Net)	As at June 30, 2024
	Rupees			
Long term financing	158,928,574	-	(143,928,574)	15,000,000
Lease liabilities	40,145,002	19,877,008	(13,043,892)	46,978,118
Share deposit money	9,391,005	-	(9,391,005)	-
Loan from related parties	-	21,568,799	-	21,568,799
Sponsors' interest free loans - unsecured	107,000,000	(21,568,799)	(78,544,950)	6,886,251
Short term borrowings	851,376,791	-	1,036,323,840	1,887,700,631
Total liabilities from financing activities	1,166,841,372	19,877,008	791,415,419	1,978,133,799

	As at June 30, 2022	Non-cash changes	Cash flows (Net)	As at June 30, 2023
	Rupees			
Long term financing	231,448,260	-	(72,519,686)	158,928,574
Lease liabilities	42,370,992	9,081,089	(11,307,079)	40,145,002
Share deposit money	11,391,005	-	(2,000,000)	9,391,005
Diminishing musharaka finance	525,325	-	(525,325)	-
Short term borrowings	2,483,518,377	-	(1,632,141,586)	851,376,791
Total liabilities from financing activities	2,769,253,959	9,081,089	(1,718,493,676)	1,059,841,372

### 39 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for the period as remuneration and benefits paid to the chief executive officer, directors and executives of the Company are as follows:

	Chief Executive Officer		Non-Executive Directors		Executives		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	<b>Rupees in Thousand</b>							
Managerial remuneration	7,355	4,645	-	-	59,104	48,632	66,459	53,277
Housing and other allowances	3,309	2,090	-	-	26,593	22,087	29,902	24,177
Utilities	735	465	-	-	5,909	4,863	6,644	5,328
Bonus	2,304	2,316	-	-	22,160	24,870	24,464	27,186
Retirement benefits	-	-	-	-	4,434	3,682	4,434	3,682
Meeting fee	-	-	6,500	4,810	-	-	6,500	4,810
	13,703	9,516	6,500	4,810	118,200	104,134	138,403	118,460
Number of persons	1	1	7	7	20	19	28	27

**39.1** An executive is defined as an employee, other than the chief executive officer and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

### 40 FINANCIAL RISK MANAGEMENT

#### 40.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

#### (a) Market risk

##### (i) Currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. This exists due to the Company's exposure resulting from outstanding import and foreign currency payments.

At June 30, 2024, if Pakistani Rupee had weakened / strengthened by 1% against the the foreign currencies with all other variables held constant, pre-tax profit for the year would have been lower / higher by Rs. 8.072 million (2023: Rs. 15.383 million), mainly as a result of foreign exchange losses / gains on translation of the foreign currencies financial assets and liabilities.

	2024	2023
	Rupees	Rupees
Trade and other payables	126,316,803	580,758,507
Letters of credit commitments	680,951,061	957,561,520
	807,267,864	1,538,320,027

The following exchange rates were applied during the year:

Rupees per foreign currency rate

##### June 30, 2024

Average rate

Reporting date rate

##### June 30, 2023

Average rate

Reporting date rate

	USD	CNY
Average rate	283.12	38.99
Reporting date rate	278.34	38.31
Average rate	246.05	35.13
Reporting date rate	287.90	39.67

##### (ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from short and long-term borrowings. These are benchmarked to variable rates which expose the Company to cash flow interest rate risk.

The effective interest / mark-up rates for interest / mark-up bearing financial instruments are mentioned in relevant notes to the financial statements. The Company's interest / mark-up bearing financial instruments as at the reporting date are as follows:

Notes to and Forming Part of the Financial Statements  
For the Year Ended June 30, 2024

Fixed rate instruments	2024	2023
	Rupees	Rupees
<b>Financial liabilities</b>		
Long term financing	15,000,000	25,000,000
<b>Floating rate instruments</b>		
<b>Financial liabilities</b>		
Lease liabilities	46,978,118	40,145,002
Long term financing	-	158,928,574
Short term borrowings	1,887,700,631	851,376,791
<b>Financial assets</b>		
Saving bank accounts	997,673	-

**Cash flow sensitivity analysis for variable rate instruments**

As at June 30, 2024, if interest rates on the Company's borrowings had been 1% higher / lower with all other variables held constant, profit before tax for the year would have been lower / higher by Rs. 19.336 million (2023: Rs. 10.505 million), mainly as a result of interest exposure on variable rate borrowings.

**Cash flow sensitivity analysis for fixed rate instruments**

The profit before taxation for the year would have no fluctuation due to change in rate at reporting date.

**(iii) Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to any market price risk.

**(b) Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings, if any. As at June 30, 2024, the maximum exposure to credit risk is equal to the carrying amount of the financial assets as detailed below:

	Note	2024	2023
		Rupees	Rupees
Trade debts	22	1,929,140,250	1,942,682,334
Short term loans to employees	23	2,305,999	434,689
Other receivables	24	4,163,300	29,303,464
Bank balances	26	78,324,526	133,485,940
The aging of trade debts as at reporting date is as follows:			
Not due yet		1,294,187,045	1,366,864,729
1 - 30 days		238,233,386	205,273,085
31 - 60 days		146,151,920	200,278,214
61 - 150 days		145,093,765	70,107,627
More than 150 days		105,474,134	100,158,679
	22	<u>1,929,140,250</u>	<u>1,942,682,334</u>

Customer credit risk is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. The Company believes that it is not exposed to major concentration of credit risk as its exposure is spread over a large number of counter parties.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates

are based on days past due for groupings of various customer segments with similar loss patterns (i.e. by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company does not hold collateral as security. The letters of credit are considered integral part of foreign trade receivables and considered in the calculation of impairment.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are operated in largely independent markets. The credit risk on liquid funds is limited because the counter parties are either banks (with reasonably high credit ratings) and trade receivables for which the exposure is spread over a large number of counter parties.

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating	Rating	Rating	2024	2023
	Short-term	Long term	Agency	Rupees	Rupees
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	13,290	302,013
Bank Al-Habib Limited	A1+	AAA	PACRA	12,761,777	2,142,509
Habib Bank Limited	A1+	AAA	VIS	2,285,426	5,586,622
The Bank of Punjab	A1+	AA+	PACRA	2,081,832	2,594,883
Al Baraka Bank (Pakistan) Limited	A1	A+	VIS	680,601	80,102,964
Meezan Bank Limited	A-1+	AAA	VIS	58,057,349	40,686,245
National Bank of Pakistan	A1+	AAA	PACRA	749,260	398,415
Allied Bank Limited	A1+	AAA	PACRA	668,816	2,000
Bank Islami Limited	A1	AA-	PACRA	553,215	140,611
JS Bank Limited	A1+	AA	PACRA	-	724,908
MCB Bank Limited	A1	A	PACRA	-	804,770
Askari Bank Limited	A1+	AA+	PACRA	472,960	-
				<b>78,324,526</b>	<b>133,485,940</b>

### (c) Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

Contractual maturities of financial liabilities as at June 30, 2024:

Description	Carrying Amount	Contractual cash flows	Within 1 year	1-2 Years	2-5 Years	Above 5 Years
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Long term financing	15,000,000	15,375,000	10,350,000	5,025,000	-	-
Loan from related parties - unsecured	21,568,799	21,568,799	-	21,568,799	-	-
Lease liabilities	46,978,118	61,547,216	16,806,374	16,020,811	28,720,031	-
Trade and other payables	690,257,961	690,257,961	690,257,961	-	-	-
Accrued mark up	69,326,490	69,326,490	69,326,490	-	-	-
Short term borrowings	1,887,700,631	2,288,648,245	2,288,648,245	-	-	-
	<b>2,730,831,999</b>	<b>3,146,723,711</b>	<b>3,075,389,070</b>	<b>42,614,610</b>	<b>28,720,031</b>	<b>-</b>

**Notes to and Forming Part of the Financial Statements**  
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Contractual maturities of financial liabilities as at June 30, 2023:

Description	Carrying Amount	Contractual cash flows	Within 1 year	1-2 Years	2-5 Years	Above 5 Years
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Long term financing	158,928,574	204,073,444	84,556,879	55,273,876	64,242,689	-
Lease liabilities	40,145,002	48,523,409	12,030,920	11,638,356	24,854,133	-
Trade and other payables	1,046,697,205	1,046,697,205	1,046,697,205	-	-	-
Accrued mark up	44,692,748	44,692,748	44,692,748	-	-	-
Short term borrowings	851,379,791	1,047,023,178	1,047,023,178	-	-	-
	<b>2,141,843,320</b>	<b>2,391,009,984</b>	<b>2,235,000,930</b>	<b>66,912,232</b>	<b>89,096,822</b>	<b>-</b>

**(d) Fair value of financial instruments**

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. Fair value is determined on the basis of objective evidence at each reporting date. The management believes that the fair values of financial assets and financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

**40.2 Financial instruments by categories**

**Financial asset as at amortized cost**

	2024	2023
	Rupees	Rupees
Trade debts	1,929,140,250	1,942,682,334
Short term loans to employees	2,305,999	434,689
Other receivables	4,163,300	29,303,464
Cash and bank balances	78,471,206	134,023,262
	<b>2,014,080,755</b>	<b>2,106,443,749</b>

The Company did not possess any financial assets designated as fair value through profit or loss and fair value through other comprehensive income categories.

**Financial liabilities at amortized cost**

	2024	2023
	Rupees	Rupees
Trade and other payables	690,257,961	1,046,697,205
Accrued mark up	69,326,490	44,692,748
Short term borrowings	1,887,700,631	851,376,791
Long term financing	15,000,000	158,928,574
Loan from related parties - unsecured	21,568,799	-
Lease liabilities	46,978,118	40,145,002
	<b>2,730,831,999</b>	<b>2,141,840,320</b>

**41 BALANCES AND TRANSACTION WITH RELATED PARTIES**

Related parties comprise associated companies due to common directorship, staff retirement funds, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. The Company enters into transactions with related parties on the basis of mutually agreed terms. Outstanding balances at the reporting date are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. Significant balances and transactions with related parties are as follows:

Related party	Relationship	Nature of Transaction	2024	2023
			Rupees	Rupees
Nimir Industrial Chemicals Limited [Ultimate parent company till January 17, 2024]	Associated Company	Purchase of goods	247,486,357	319,117,680
		Sale of goods	4,619,999	24,128,569
		Services provided	5,629,143	5,117,402
		Services acquired	7,265,038	6,604,580
		Other reimbursable expenses	14,608,309	9,081,105
Nimir Chemcoats Limited	Associated Company	Purchase of goods	86,662,627	62,191,227
		Sale of goods	226,930,200	74,201,444
		Services provided	3,293,835	2,669,233
		Other reimbursable expenses	855,827	237,962
		Advance against purchase of land	36,000,000	-
Nimir Energy Limited	Associated Company	Purchase of goods / services	-	6,159,651
		Sale of goods	145,737,528	158,468,608
		Other reimbursable expenses	451,451	666,253
Nimir Management (Pvt.) Ltd. [Parent Company till January 17, 2024]	Associated Company	Share deposit money repaid	9,391,005	2,000,000
		Payment of Sponsors' interest free loan	78,544,950	-
Extracts4Life (Private) Limited	Associated Company	Sale of goods	4,067,700	3,177,900
<b>Balances outstanding as at June 30,</b>				
Directors	Sponsors' interest free loans		6,886,251	107,000,000
Loan from related party	Loan from related party		21,568,799	-
Nimir Management (Private) Limited	Share deposit money		-	9,391,005
Nimir Industrial Chemicals Limited	Trade creditors		11,160,912	56,197,830
Nimir Chemcoats Limited	Trade creditors		-	11,497,590
Nimir Industrial Chemicals Limited	Trade debts		54,000	21,806,400
Nimir Chemcoats Limited	Trade debts		74,952,379	29,023,397

41.1 Following are the related parties with whom the Company had entered into transactions or have arrangement / agreement in place.

S. No.	Company Name	Relationship	% of Shareholding
1	Nimir Industrial Chemicals Limited [Ultimate parent company till January 17, 2024]	Associate	Common directorship
2	Terranova (Private) Limited	Associate	3.03%
3	Nimir Chemcoats Limited	Associate	Common directorship
4	Nimir Energy Limited	Associate	Common directorship
5	Extracts4Life (Private) Limited	Associate	Common directorship
6	Mr. Zafar Mahmood	Directorship	19.3500%
7	Mr. Ammar Hameed	Directorship	0.0010%
8	Mr. Khalid Mumtaz Qazi	Directorship	11.1133%
9	Mr. Muhammad Yahya Khan	Directorship	5.8131%
10	Mr. Osman Hameed	Directorship	0.0005%
11	Mr. Pervaiz Ahmed Khan	Directorship	0.0004%
12	Mrs. Nazia Qureshi	Directorship	0.0004%
13	Mr. Khalid Siddiq Trimzey	Directorship	0.0004%

41.2 There is a change in percentage of shareholding as compared to previous year. Further, Nimir Management (Private) Limited, parent company till January 17, 2024 has been dissolved under the scheme of arrangement as disclosed in note 5.4.

## 42 SEGMENT REPORTING

42.1 A business segment is a group of assets and operations engaged in providing products that are subject to risks and returns that are different from those of other business segments. The management has determined its operating segments based on the information that is presented to the Chief Operating Decision Maker for allocation of resources and assessments of performance. Based on internal management reporting structure and products produced and sold, the Company is organized into the following operating segments:

- Coating, Emulsion and Blending
- Textile, Paper and others



**Notes to and Forming Part of the Financial Statements**  
For the Year Ended June 30, 2024

The Chief Operating Decision Maker (the Chief Executive Officer) of the Company monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is generally evaluated based on certain key performance indicators including business volume, gross profit, profit from operations, reduction in operating cost and free cash flows.

Segment assets include all operating assets used by a segment and consist principally of receivables, inventories and property, plant and equipment, net of impairment and provisions but do not include deferred tax. Segment liabilities include all operating liabilities and consist principally of trade and bills payable.

#### 42.2 Segment analysis

The segment information for the reportable segments for the period ended June 30, 2024 is as follows.

	Coating, Emulsion and Blending	Textile, Paper and others	Total
<b>Segment Results for the year ended June 30, 2024</b>			
	<b>Rupees in Thousand</b>		
Revenue	4,872,807	3,711,937	8,584,744
Segment results	378,704	508,786	887,490
Other operating expenses			(53,939)
Finance costs			(444,959)
Other income			46,201
Profit before taxation			434,793
<b>Segment Results for the year ended June 30, 2023</b>			
Revenue	4,952,525	4,418,383	9,370,908
Segment results	428,891	563,494	992,385
Other operating expenses			(72,386)
Finance costs			(376,237)
Other income			32,146
Profit before taxation			575,908

42.3 There are no specific segment asset and liabilities.

42.3 Entity-wide disclosures regarding reportable segment are as follows:

- Information about major customers

One customer of the Company accounts for 13.18% (2023: 10.52%) of total sales for the period. Revenue from such customer was Rs. 1,131.194 million (2023: Rs. 985.511 million).

- Information about geographical areas

- All non-current assets of the Company are located in Pakistan as at the reporting date.

- Revenue from export sales is Rs. Nil (2023: Nil).

#### 43 CAPITAL RISK MANAGEMENT

While managing capital, the objectives of the Company are to ensure that it continues to meet the going concern assumption, enhances shareholders' wealth and meets stakeholders' expectations. The Company ensures its sustainable growth viz. maintaining optimal capital structure, keeping its finance cost low, exercising the option of issuing right shares or repurchasing shares, if possible, selling surplus property, plant and equipment without affecting the optimal operating level and regulating its dividend payout thus maintaining smooth capital management.

In line with the industry norms, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital employed. Net debt is calculated as total borrowings (including current and non current) less cash and cash equivalents. Total capital employed is calculated as equity, as shown in the statement of financial position, plus net debt.

As at the reporting date, the gearing ratio of the Company was worked out as under:

	Note	2024 Rupees	2023 Rupees
Total borrowings		1,971,247,548	1,050,450,367
Cash and bank balances		(78,471,206)	(134,023,262)
Net debt		1,892,776,342	916,427,105
Equity		3,298,219,043	3,135,527,205
Total capital employed		5,190,995,385	4,051,954,310
Gearing ratio		36.46%	22.62%

44 SHARI'AH SCREENING DISCLOSURE	Note	2024	2023
		Rupees	Rupees
Loans and advances as per islamic mode	15.2	467,459,023	148,287,102
Shariah compliant bank deposits/bank balances/overdrawn	26.3	59,291,165	120,929,820
Profit earned from Shariah compliant bank deposits/bank balances	34	24,981	-
Revenue earned from a Shariah compliant business segment	28	8,584,744,175	9,370,907,642
Exchange gain / (loss) earned from actual currency	34	15,871,418	2,988,552
Mark up paid on Islamic mode of financing	33	69,438,379	74,315,515
Profits earned or interest paid on any conventional loan or advance	33	385,397,169	291,995,066

For total finance cost including on conventional loans, refer to note 33.

Accrued markup include markup payable on conventional loan amounting to Rs. 56,591,508 (2023: 36,218,099).

The Company maintains bank accounts with Meezan Bank Limited, Al Baraka Bank (Pakistan) Limited and Bank Islami Limited.

45 PLANT CAPACITY AND PRODUCTION	2024	2023
	Metric Ton	Metric Ton
Actual production	24,197	26,183
Total capacity	46,560	45,600

45.1 Production of goods relates to the sales orders received from the customers and the Company produces goods to meet those orders. Actual production remained lower than last year due to market demand.

46 NUMBER OF EMPLOYEES	2024	2023
	Number	Number
Employees as at June 30,		
- Permanent	125	129
- Contractual	6	6
Average employees during the year		
- Permanent	127	124
- Contractual	6	6

#### 47 AUTHORIZATION OF FINANCIAL STATEMENTS

These financial statements were approved and authorized by the Board of Directors of the Company for issuance on September 18, 2024

#### 48 SUBSEQUENT EVENTS

The Board of Directors of the Company has proposed a final cash dividend of Re. 1 per share (2023: Nil) for the year ended June 30, 2024 at their meeting held on September 18, 2024 for the approval of members at the Annual General Meeting to be held on October 26, 2024. These financial statements do not include the effect of these appropriations which will be accounted for in the period in which they are approved.

#### 49 GENERAL

Corresponding figures are re-arranged / reclassified, wherever necessary, to facilitate comparison. Following reclassifications / rearrangements have been made in these financial statements for better presentation:

Nature	From	To	Amount
Share deposit money repaid	Cash flows from investing activities	Cash flows from financing activities	(2,000,000)
Legal and professional charges - Administrative Expenses	Fee and subscription	Legal and professional charges	1,301,780



Chief Executive Officer



Director



Chief Financial Officer

## Pattern of Shareholding

As at June 30, 2024

Shareholding				
No. of Shareholders	From	To	Total Shares Held	
1,365	1	100	43,184	
1,823	101	500	463,108	
461	501	1,000	344,036	
799	1,001	5,000	1,984,363	
197	5,001	10,000	1,409,420	
74	10,001	15,000	933,679	
32	15,001	20,000	565,142	
39	20,001	25,000	917,755	
21	25,001	30,000	574,426	
10	30,001	35,000	326,554	
16	35,001	40,000	614,542	
11	40,001	45,000	472,529	
15	45,001	50,000	741,759	
7	50,001	55,000	367,176	
2	55,001	60,000	115,500	
3	60,001	65,000	185,582	
3	65,001	70,000	202,750	
5	70,001	75,000	356,577	
3	75,001	80,000	231,826	
4	85,001	90,000	354,564	
5	95,001	100,000	492,880	
4	100,001	105,000	409,419	
1	120,001	125,000	122,658	
1	135,001	140,000	139,735	
5	145,001	150,000	741,991	
1	150,001	155,000	150,678	
1	155,001	160,000	157,268	
1	165,001	170,000	166,626	
2	175,001	180,000	356,178	
2	195,001	200,000	396,065	
2	220,001	225,000	445,000	
1	275,001	280,000	275,643	
1	280,001	285,000	283,250	
1	285,001	290,000	290,000	
1	295,001	300,000	299,802	
1	315,001	320,000	318,000	
1	375,001	380,000	379,040	
1	390,001	395,000	394,000	
1	400,001	405,000	400,500	
1	500,001	505,000	505,000	
1	550,001	555,000	552,607	
1	600,001	605,000	600,206	
1	845,001	850,000	845,500	
1	855,001	860,000	858,500	
1	865,001	870,000	869,435	
1	1,660,001	1,665,000	1,663,351	
1	1,855,001	1,860,000	1,859,981	
1	1,965,001	1,970,000	1,966,601	
1	2,760,001	2,765,000	2,763,000	
1	3,285,001	3,290,000	3,290,000	

Shareholding				
No. of Shareholders	From	To	Total Shares Held	
1	4,090,001	4,095,000	4,094,284	
1	4,280,001	4,285,000	4,282,335	
1	4,915,001	4,920,000	4,917,500	
1	7,180,001	7,185,000	7,180,137	
1	8,215,001	8,220,000	8,215,141	
1	9,215,001	9,220,000	9,216,256	
1	12,545,001	12,550,000	12,547,380	
1	14,955,001	14,960,000	14,955,318	
1	15,705,001	15,710,000	15,705,478	
1	27,005,001	27,010,000	27,009,849	
4,944			141,321,064	

### 2.3 CATEGORIES OF SHAREHOLDERS AS AT JUNE 30, 2024

S. No.	Categories of shareholders	Shares held	Percentage
2.3.1	Directors, Chief Executive Officer and their spouse and minor children	51,034,640	36.1126
2.3.2	Associated Companies, Undertakings and related parties.	4,282,335	3.0302
2.3.3	NIT and ICP	5,580	0.0039
2.3.4	Banks Development, Financial Institutions, Non Banking Financial Institutions.	13,931	0.0099
2.3.5	Insurance Companies	0	0.0000
2.3.6	Modarabas and Mutual Funds	156,598	0.1108
2.3.7	Shareholders holding 10% or more	57,670,645	40.8082
2.3.8	General Public		
	a. Local	81,897,570	57.9514
	b. Foreign	205,110	0.1451
2.3.9	Others (to be specified)		
	1- Joint Stock Companies	3,642,527	2.5775
	2- Foreign Companies	14,719	0.0104
	3- Government Holding	35,963	0.0254
	4- Investment Companies	5,701	0.0040
	5- Pension Funds	24,299	0.0172
	6- Others	2,091	0.0015

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## Categories of Shareholders (CCG)

As at June 30, 2024

S. No.	Name	No. of Shares Held	Percentage (%)
<b>Associated Companies, Undertakings and Related Parties :</b>			
1	TERRANOVA PVT. LIMITED (CDC)	4,282,335	3.0302
<b>Mutual Funds :</b>			
1	PROIDENTIAL STOCKS FUND LTD.	29	0.0000
2	CDC - TRUSTEE GOLDEN ARROW STOCK FUND (CDC)	122,658	0.0868
3	CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB FUND (CDC)	33,430	0.0237
<b>Directors and their Spouse and Minor Children :</b>			
1	MR. ZAFAR MAHMOOD (CEO) (CDC)	27,009,849	19.1124
2	SHEIKH AMAR HAMEED (CDC)	1,427	0.0010
3	MR. KHALID MUMTAZ QAZI (CDC)	15,705,478	11.1133
4	MR. MUHAMMAD YAHYA KHAN (CDC)	8,215,141	5.8131
5	MR. OSMAN HAMEED (CDC)	735	0.0005
6	MR. PERVAIZ AHMED KHAN (CDC)	510	0.0004
7	MRS. NAZIA QURESHI (CDC)	500	0.0004
8	MR. KHALID SIDDIQ TRIMZEY (CDC)	500	0.0004
9	MRS. NAUREEN KHALID W/O KHALID SIDDIQ TRIMZEY (CDC)	100,500	0.0711
<b>Executives:</b>		29,243,575	20.6930
<b>Public Sector Companies &amp; Corporations :</b>		-	0.0000
<b>Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds :</b>		38,711	0.0271

### Shareholders holding five percent or more voting interest in the listed Company :

S. No.	Name	No. of Shares Held	Percentage (%)
1	MR. ZAFAR MAHMOOD (CEO) (CDC)	27,009,849	19.1124
2	MR. KHALID MUMTAZ QAZI (CDC)	15,705,478	11.1133
3	MR. NADEEM NISAR (CDC)	14,955,318	10.5825
4	MR. IMRAN AFZAL (CDC)	12,847,182	9.0908
5	MR. UMAR IQBAL (CDC)	9,216,256	6.5215
6	MR. MUHAMMAD YAHYA KHAN (CDC)	8,215,141	5.8131
7	MR. AMIR JAMIL (CDC)	7,180,137	5.0807

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

### Transactions made under Lahore High Court Order (Jan-2024)

S. No.	Name	Subtraction	Addition
1	MR. ZAFAR MAHMOOD (CEO) (CDC)	-	27,009,143
2	SH. AMAR HAMEED (CDC)	-	721
3	MR. KHALID MUMTAZ QAZI (CDC)	-	15,702,926
4	MR. MUHAMMAD YAHYA KHAN (CDC)	-	3,091,063
5	MR. OSMAN HAMEED (CDC)	-	29
6	MR. IMRAN AFZAL (CDC)	-	12,547,380
7	MR. AMIR JAMIL (CDC)	-	7,175,137
8	MR. UMAR IQBAL (CDC)	-	9,216,256
		<b>Sale</b>	<b>Purchase</b>
9	MR. AMIR JAMIL (CDC)	-	5,000

# Notice of 60<sup>th</sup> Annual General Meeting

For the Year Ended June 30, 2024

Notice is hereby given that the 60th Annual General Meeting of Nimir Resins Limited (the “Company”) shall be held on Saturday, October 26, 2024 at 10:30 a.m. at 122-B, New Muslim Town, Lahore, as well as electronically through video link facility to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2024 together with Chairman’s review, the reports of the Directors’, Statement of Compliance (CCG) and Independent Auditors’ reports thereon.
2. To appoint Auditors for the year ending June 30, 2025 and fix their remuneration. The members are hereby given the notice that the Audit Committee and the Board of Directors have recommended the re-appointment of retiring auditors M/s Crowe Hussain Chaudhury & Co. – Chartered Accountants as auditors of the Company.
3. To approve the payment of final cash dividend of Re. 1 per share (i.e. 10 %) for the year ended June 30, 2024.

## SPECIAL BUSINESS:

4. To receive, consider and approve the Circulation of Annual Report through QR Code and Through Weblink, in accordance with the Section 223(6) of the Companies Act, 2017 read with SECP’s S.R.O 389(1)/2023 dated March 31, 2023 and pass the following resolution with or without modification:

“**Resolved that**, Nimir Resins Limited (the “Company”) be and is hereby authorized to circulate its Annual Report including Annual Audited Financial Statements Auditor’s Report, Directors Report, Chairman Review Report and other reports contained therein to Members of the Company through QR enabled Code and web link.”

Statement under section 134 of the Company Act, 2017 in the above matter pertaining to item no 4 is annexed

**By Order of the Board**

**Lahore**  
**October 05, 2024**

**Muhammad Inam-ur-Rahim**  
**(Company Secretary)**

## Notes:

- I. The share transfer books of the Company shall remain closed from October 20, 2024 to October 26, 2024 (both days inclusive). Transfers (Physical Shares) received in order at the office of the Company’s shares registrar at the close of business on Friday, October 18, 2024 will be treated in time for purpose of determine the entitlements attend and vote at the AGM.
- II. A member eligible to attend and vote at this meeting is entitled to appoint another member as his/her proxy to attend and vote instead of him/her. A proxy must be a member of the Company and shall produce his/her original Computerized National Identity Card (CNIC) or passport at the time of meeting. Proxies in order to be effective must be received at the registered office of the Company not later than forty-eight (48) hours before the time of holding the meeting.
- III. The corporate shareholders shall nominate someone to represent them at the AGM. The nominations, in order to be effective must be received by the Company not later than forty-eight (48) hours before time of holding the meeting.
- IV. Any individual beneficial owner of Central Depository Company of Pakistan Limited (CDC), entitled to attend and vote at this meeting, must bring his/her original CNIC or passport, Account and participants’ I.D numbers to prove his/her identity, and in case of proxy must enclose an attested copy of his / her CNIC or passport. Representatives of corporate members should bring the, Board resolution/power of attorney with specimen signature (unless it had been provided earlier) along with the proxy form to the Company.
- V. Shareholders (Physical) are requested to immediately notify change in address, if any, to the Company’s Share Registrar, at the following address:

**M/s Corplink (Pvt.) Limited**

Wings Arcade, 1-K (Commercial), Model Town, Lahore.

Tel : 042 35916714, 35916719, 35839182. Fax: 042 35869037. www.corplink.com.pk



### **Submission of CNIC - (Mandatory)**

With reference to the notification of Securities and Exchange Commission of Pakistan (SECP), SRO 779(I)/2011, dated August 18, 2011, the Members/Shareholders (Physical) who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to the Company are required to send the same at the earliest directly of the Company's Share Registrar, M/s Corplink (Pvt.) Limited. Members/Shareholders (CDC) get it updated directly to their CDC participant (broker)/CDC Investor Account Services, as the case may be.

Kindly comply with the request, in case of non-receipt of the copy of valid CNIC and non-compliance of the above-mentioned SRO of SECP, the Company may be constrained to withhold dividends in the future. Shareholders are requested to promptly notify any change of address to the Company's Share Register (for Physical shares) or to their respective participant / broker (for CDS shares) as the case may be.

### **Video Conference Facility**

Pursuant to the provisions of the Companies Act, 2017 the shareholders residing in other cities and holding at least 10% of the total paid up capital may demand the Company to provide the facility of video link for participation in the meeting. The demand for video-link facility shall be received at Shares Registrar address given hereinabove at least 7 days prior to the date of AGM.

### **Deposit of Physical Shares in to CDC Account:**

As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act, i.e., May 30, 2017. The Shareholders having physical shareholding are encouraged to open CDC sub - account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

### **Deduction of withholding Income Tax / Zakat on the amount of Dividend**

Pursuant of the provisions of Finance Act, 2024 effective from July 1, 2024, the deduction of income tax from the dividend payments shall be made on the bases of filer and non-filers as follows:

S. No.	Nature of Shareholders	Rate of Deduction
1	Filers of Income Tax Return - ATL	15%
2	Non-Filers of Income Tax Return - ATL	30%

Shareholders seeking exemption from deduction of income tax or are eligible at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be. The shareholders who have joint shareholdings held by filers or non-filers shall be dealt separately. If the shares are not ascertainable then each account holder will be assumed to hold equal proportion of shares and deduction will be made accordingly.

Zakat will be deducted from the dividend(s) at source at the rate of 2.5% of the paid-up value of the share (i.e. Rs. 10/- each) and will be deposited within the prescribed period with the relevant authority as per the prescribed regulations. Shareholders desiring non-deduction of Zakat are requested to submit a valid declaration form (CZ-50) under Zakat and Ushr Ordinance, 1980 to the Share Register / CDC – Participant / investor Account Services before Book Closer for non-deduction of Zakat.

### **Payment of Cash Dividend through Electronic Mode (IBAN format)**

In accordance with the Section 242 of the Companies Act, 2017 cash dividend can only be paid through electronic mode directly into the respective bank account designated by the entitled Shareholders. Shareholders are requested to provide their bank account details (IBAN format) to our share registrar (for Physical shares) or to their respective participant / broker (for CDS shares) as the case may be. The subject Form is available at Company's website i.e. www.nimir.com.pk. In case of unavailability of IBAN, the Company would be constrained to withhold dividend in accordance with the Companies (Distribution of Dividends) Regulations, 2017.

### **Unclaimed Shares / Dividend Under Section 244 of the Companies Act, 2017**

The Company has previously discharged its responsibility under Section 244 of the Companies Act, 2017 whereby the Company approached the shareholders to claim their unclaimed dividends and undelivered share certificates in accordance with the law. Shareholders, whose dividends still remain unclaimed and/or undelivered share certificates are available with the Company, are hereby once again requested to approach the

Company to claim their outstanding dividend amounts and/or undelivered share certificates.

#### **Availability of Audited Financial Statements on Company's Website**

In accordance to Section 223 and 237 of the Company Act, 2017, the audited financial statements of the Company for the year ended June 30, 2024 have been made available on the Company's website [www.nimir.com.pk/nrl/financial\\_reports.html](http://www.nimir.com.pk/nrl/financial_reports.html), in addition to annual and quarterly financial statements for the prior years.

#### **Circulation of Annual Audited Financial Statements to Shareholders Through Email/CD/USB/DVD or Any Other Media:**

SECP through SRO 787(1)/2014 dated September 8, 2014 and SRO 470(1)/2016 dated May 31, 2016 has allowed the companies to circulate its Annual Audited Financial Statements to its members through Email/CD/DVD/USB/ or any other Electronic Media at their registered Addresses. The Company circulates its Annual Audited Financial Statements to its members through CD. However, shareholders who wish to receive the hard copy of Financial Statements shall have to write request and send it to the Company's registered address.

#### **E-Voting:**

Members can also exercise their right to poll subject to meeting the requirement of Section 143 to 145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations, 2018 "Regulation 2018. Details of e-voting facilities will be shared through email with those Members of the Company who have their valid CNIC number, cell numbers and email address available in the register of Members of the Company within due course. Postal ballot form is also available on the Company's website.

#### **Proxy Form:**

Proxy Form is enclosed and also available on the website of the company i.e. [www.nimir.com.pk](http://www.nimir.com.pk)

#### **STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 CONCERNING THE SPECIAL BUSINESS SUBJECT:**

The statement set out the material facts concerning the special Business given in agenda item No. 4 of the notice which will be considered to be passed by the members.

#### **Agenda item no. 4 of the notice – Circulation of Annual Audited Financial Statements Through QR enabled code and weblink.**

The securities and Exchange Commission of Pakistan (SECP) through its notification No. S.R.O 389(1)/2023 dated March 21, 2023 has allowed the Companies to circulate the Annual Audited Financial Statements Auditor's Report, Directors Report, Chairman Review Report and other reports contained therein to Members of the Company through QR enabled Code and web link. Consequently, notice of the meeting shall be dispatched to Members as per the requirements of the Companies Act, 2017 on their registered mailing address, containing the QR code and web link address to enable them to view and download the Annual Audited Financial Statements together with the reports and documents required to be annexed thereto under the Companies Act, 2017.

The Company shall send hard copies of the Annual Audited Financial Statements to the shareholders, free of charge, upon receipt of a duly completed Request Form, as available on the Company's website.

None of the Directors of the Company have any direct or indirect interest in the Special Business, except in their capacity as Members and Directors of the Company.

# Gender Pay Gap statement under SECP Circular 10 of 2024

## 1. Mean Gender Gap :



The mean pay for Women is 32% higher than that of men

## 2. Median Gender Gap :



The median pay for Women is 174% higher than that of men

For and on behalf of board



**Zafar Mahmood**

Chief Executive Officer  
Nimir Resins Limited

Lahore  
September 18, 2024

# Form of Proxy 60<sup>th</sup> Annual General Meeting

**The Company Secretary**  
**NIMIR RESINS LIMIEDT**  
14.5 K.M. Lahore – Sheikhpura Road,  
Lahore, Pakistan.

Ledger Folio/CDC A/C No.

Shares Held

I / We ..... of  
..... being member(s) of  
Nimir Resins Limited hereby appoint ..... of .....  
as my/our proxy to vote for me / us ..... on my / our behalf at the Annual General Meeting  
of the Company held on Saturday, October 26, 2024 at 10:30 a.m. and / or at any adjournment thereof or any ballot to be  
taken in consequence thereof.

Signed this ..... day of ..... 2024 .

## WITNESSES:

1. \_\_\_\_\_ 2. \_\_\_\_\_  
Name : \_\_\_\_\_  
CNIC : \_\_\_\_\_  
Address: \_\_\_\_\_  
Date: \_\_\_\_\_

Signature of Shareholder

(The signature should agree with the specimen

registered with the Company)

**Fifty Rupees  
Revenue Stamp**

## Notes:

- i. The share transfer books of the Company shall remain closed from October 20, 2024 to October 26, 2024 (both days inclusive). Transfers received in order at the office of the Company's shares registrar at the close of business on Friday, October 18, 2024 will be treated in time for purpose of determine the entitlements to attend and vote at the AGM.
- ii. A member eligible to attend and vote at this meeting is entitled to appoint another member as his/her proxy to attend and vote instead of him/her. A proxy must be a member of the Company and shall produce his/her original Computerized National Identity Card (CNIC) or passport at the time of meeting. Proxies in order to be effective must be received at the registered office of the Company not later than forty eight (48) hours before the time of holding the meeting.
- iii. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
- iv. The corporate shareholders shall nominate someone to represent them at the AGM. The nominations, in order to be effective must be received by the Company not later than forty eight (48) hours before time of holding the meeting. Representatives of corporate members should bring the, Board resolution/power of attorney with specimen signature (unless it had been provided earlier) along with the proxy form to the Company.
- v. Any individual beneficial owner of Central Depository Company of Pakistan Limited (CDC), entitled to attend and vote at this meeting, must bring his/her original CNIC or passport, Account and participants' I.D numbers

to prove his/her identity, and in case of proxy must enclose an attested copy of his / her CNIC or passport.

- vi. All Shareholders of the Company who holds shares in scrip-less form on CDC are requested to submit/send valid copies of CNIC and NTN Certificate(s) directly to their CDC participant (brokers)/CDC Investor Account Services. Physical Shareholders who had not yet submitted the valid copies of CNIC and NTN Certificate(s) are requested to send the copies of the same to the Company's Shares Registrar.
- vii. All CDC Shareholders are requested to immediately notify change in address, if any directly to their CDC participant (brokers)/CDC Investor Account Services. Physical Shareholders are requested to immediately notify change in address, if any, to the Company's Share Registrar, at the following address:

M/s Corplink (Pvt.) Limited  
Wings Arcade, 1-K (Commercial), Model Town, Lahore.  
Tel : 042 35916714, 35916719, 35839182. Fax : 042 35869037.  
[www.corplink.com.pk](http://www.corplink.com.pk)



**NIMIR RESINS LIMIEDT**

14.5 K.M. Lahore – Sheikhpura Road,  
Lahore, Pakistan.  
Tel: 042 37971512-14  
[www.nimir.com.pk](http://www.nimir.com.pk)

Posted Stamp

# BALLOT PAPER

**Registered Office:** Address 14.5 Km. Lahore-Sheikhupura Road, Lahore.

**Contact:** +92-42-35926090-93, **Website:** <https://www.nimir.com.pk>

Ballot paper for voting through post for the Special Business at the Annual General Meeting (AGM) of Nimir Resins Limited scheduled on Saturday, October 26, 2024, at 10:30 a.m. at the Company's Head Office situated at 122-B, New Muslim Town, Lahore.

Contact details of the Chairman at which the ballot paper may be sent:

**Business Address:** The Chairman, Sheikh Amar Hameed Office# 122 – B, New Muslim Town, Lahore, Pakistan. Email: [corporate@nimir.com.pk](mailto:corporate@nimir.com.pk)

Name of Shareholder/Joint Shareholders	
Registered Address	
Folio No. / CDC Participant / Investor ID with Sub-Account #	
Number of shares held (shall be taken as of book closure in notice)	
CNIC, NICOP/ Passport No. (for foreigner) (Copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation, and Federal Government.)	

## Instructions for Poll

- Please indicate your vote by ticking (√) the relevant box.
- In case if both the boxes are marked as (√), you poll shall be treated as "Rejected".

I/we hereby exercise my/our vote in respect of the following Special Business resolution through postal ballot by conveying my/our assent or dissent to the resolution by placing tick (√) mark in the appropriate box below;

Agenda No. 04	Nature and Description of Resolutions	No of Ordinary Shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
<u>4</u>	<b>SPECIAL BUSINESS:</b> To receive, consider and approve the Circulation of Annual Report through QR Code and Through Weblink, in accordance with the Section 223(6) of the Companies Act, 2017 read with SECP's S.R.O 389(1)/2023 dated March 31, 2023 and pass the following resolution with or without modification:  "Resolved that, Nimir Resins Limited (the "Company") be and is hereby authorized to circulate its Annual Report including Annual Audited Financial Statements Auditor's Report, Directors Report, Chairman Review Report and other reports contained therein to Members of the Company through QR enabled Code and web link."			

<b>Signature of Shareholder(s)</b> (In case of corporate entity, please also affix company stamp)	Place	Date



#### Notes/Procedure for submission for Ballot Paper:

1. Dully filled postal ballot should be sent to the Chairman of the meeting, Nimir Resins Limited (the “Company”) at Chairman’s office No. 122-B, New Muslim Town, Lahore – Pakistan or through email @ corporate@nimir.com.pk
2. Copy of CNIC/Passport (in case of foreign nationals) should be enclosed with the postal ballot.
3. Postal ballot form should reach to the Chairman of the meeting on or before Friday, October 25, 2024 during working hours by 05:00 p.m. (i.e. 1700 hours PST). Any postal ballot received after this date, will not be considered for voting.
4. Chairman of AGM will be Sheikh Amar Hameed, # 122-B, New Muslim Town, Lahore - Pakistan.
5. Signature on the postal ballot should match with the signature on CNIC/Passport (in case of foreign nationals).
6. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
7. In case of corporate body, corporation and Federal Government, postal ballot must be accompanied with the CNIC/Passport of authorized person, attested copy of Board Resolution, Power of Attorney, Authorization letter etc. in accordance with section 138 or 139 of the Companies Act, 2017 as applicable. In case of foreign corporate body etc. all documents must be attested from the counsel general of Pakistan having jurisdiction over the member.
8. Ballot paper has also been placed at the website of the Company [www.nimir.com.pk](http://www.nimir.com.pk), members may download the ballot paper from the Company’s website.

## Better life Through Chemistry



Corporate Video



E-Brochure



Accounts



# NIMIR

**NIMIR RESINS LIMITED**

14.5 K.M. Lahore – Sheikhpura Road,  
Lahore, Pakistan.

Tel: +92 42 37971512-14 | +92 42 35926090-93

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