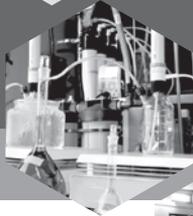
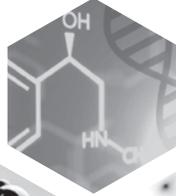


# NIMIR



**Nimir Resins Limited**  
Better life Through Chemistry

**Quarterly Report**  
March (Unaudited)  
**2023**

# 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. Nabeel Ahmad Khan

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

# DIRECTORS' REVIEW REPORT

On behalf of the Board of Directors of Nimir Resins Limited, we are pleased to present directors' review report on the un-audited interim financial results for the nine months ended March 31, 2023. The synopsis of the results for the period is as under:

	<b>Nine Months Period Ended</b>	
	<b>March 31,</b>	<b>March 31,</b>
	<b>2023</b>	<b>2022</b>
	<b>PKR Million</b>	
Revenue from Sales	8,441	7,167
Gross Profit	816	758
Operating Profit	659	635
Profit before Taxation	345	426
Profit after Taxation	230	304

The sales revenue during the year under review witnessed an increase of 18% driven mainly by rising commodity prices. Sales revenue in third quarter showed only 13% growth but overall volume growth remains negative mainly because of State Bank's restrictions on opening new letters of credits. In view of limited availability of feedstock, our focused remained on increasing margins. Hence the company witnessed sharp recovery in profitability in third quarter and surpassed the performance in all areas that resulted into an increase of 44% in the after-tax profit for the quarter.

Despite better performance in third quarter, overall gross and operating profits for year to-date could grow by 6% and 4% mainly due to high input costs in first half of the year. High interest cost which jumped from PKR 135 million to PKR 299 million (i.e. 122%) further squeezed the margin. As a result of this the profit before taxation for nine months has gone down to PKR 345 million from PKR 426 million with a decrease of 19%. The profit after taxation has reduced to PKR 230 million showing a decrease of 24%. Basic Earnings Per Share of the Company remained at PKR 1.63 (2022: Rs.2.15).

Going forward, the fear of global economic recession in the world due to high inflation and deteriorating economic situation in Pakistan which is facing acute shortage of foreign exchange has made the continuous availability of raw materials a herculean task. Despite these challenges, your Company remains focused on minimizing the negative impact of political instability and IMF Programme, we are committed to continued improvement in the financial results in the final quarter of the year, Insha Allah.

The Directors of your Company take pleasure in expressing their sincere gratitude and appreciation for the contribution by its shareholders, employees, valued customers and bankers and for their continued faith and reliance placed in the Company.

For and on the behalf of the Board



**Khalid Mumtaz Qazi**  
Director



**Zafar Mahmood**  
Chief Executive Officer

Lahore  
April 26, 2023

# ڈائریکٹرز رپورٹ

نمریز رزولیمینڈ کے بورڈ آف ڈائریکٹرز کی جانب سے، ہم 31 مارچ 2023 کو ختم ہونے والی نو ماہی کے لئے غیر نظر ثانی شدہ عبوری مالی نتائج پر ڈائریکٹرز کی جائزہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ موجودہ مدت کے نتائج کا خلاصہ حسب ذیل ہے:

مختصر نو ماہی		
مارچ 31, 2022	مارچ 31, 2023	
	پاکستانی روپے ملین میں	
7,167	8,441	مجموعی فروخت آمدنی
758	816	مجموعی منافع
635	659	آپریٹنگ منافع
426	345	قبل از ٹیکس منافع
304	230	منافع بعد از ٹیکس

زیر جائزہ مدت کے دوران فروخت آمدنی بنیادی طور پر ایشیا، افریقہ اور جنوبی امریکا میں اضافہ کی وجہ سے 18% زیادہ ہوئی۔ تیسری سہ ماہی میں فروخت آمدنی نے صرف 13 فیصد نمو ظاہر کی لیکن نمونہ مجموعی حجم بنیادی طور پر کریڈٹ کے نئے لیڈرز کو نلے پر بینک دولت پاکستان کی پابندیوں کی وجہ سے متنی رہا ہے۔ فیڈ اسٹاک کی محدود دستیابی کے مد نظر ہماری توجہ مارچ تا ستمبر پر مرکوز رہی ہے۔ اس لیے کمپنی نے تیسری سہ ماہی میں منافع میں تیزی سے بحالی دیکھی اور تمام شعبوں میں کارکردگی کو پیچھے چھوڑ دیا جس کے نتیجے میں سہ ماہی کے بعد از ٹیکس منافع میں 44 فیصد اضافہ ہوا۔

تیسری سہ ماہی میں بہتر کارکردگی کے باوجود اب تک سال کے لیے بنیادی طور پر سال کی پہلی ششماہی میں زیادہ پیداواری لاگت کی وجہ سے مجموعی طور پر آپریٹنگ منافع میں 6% اور 4% اضافہ ہو سکتا ہے۔ سود کی زیادہ لاگت جو کہ 135 ملین روپے سے بڑھ کر 299 ملین روپے (یعنی 122%) ہو گئی ہے، مارچن کو مزید کم کر دیا۔ اس کے نتیجے میں نو ماہ کے لیے قبل از ٹیکس منافع 19% کی کمی کے ساتھ 426 ملین روپے سے کم ہو کر 345 ملین روپے ہو گیا ہے۔ ٹیکس کے بعد منافع 24% کی کمی کو ظاہر کرتے ہوئے 230 ملین روپے تک کم ہو گیا ہے۔ کمپنی کی بنیادی آمدنی فی حصص 1.63 روپے (2022: 2.15 روپے) رہی۔

آگے بڑھتے ہوئے، بلند افراط زر اور پاکستان میں زرمبادلہ کی شدید کمی کا سامنا کرنے والے معاشی حالات کی وجہ سے دنیا میں عالمی معاشی کساد بازاری کے خدشے نے خام مال کی مسلسل دستیابی کو مشکل ترین کام بنا دیا ہے۔ ان چیلنجوں کے باوجود، آپ کی کمپنی سیاسی عدم استحکام اور آئی ایم ایف پروگرام کے متنی اثرات کو کم کرنے پر مرکوز ہے، ہم سال کی آخری سہ ماہی میں مالیاتی نتائج میں مسلسل بہتری کے لیے پرعزم ہیں، انشاء اللہ۔

آپ کی کمپنی کے ڈائریکٹرز اپنے شیئرز، ہولڈرز، ملازمین، قابل قدر کسٹمرز اور سٹیکرز کے تعاون اور کمپنی میں ان کے مسلسل اعتماد اور بھروسے کے لیے شکرگزار اور سراہتے ہوئے خوشی محسوس کرتے ہیں۔

برائے اور متجاوب یورڈ



خالد متار کاغشی  
ڈائریکٹر



ظفر محمود  
چیف ایگزیکٹو آفیسر

لاہور

26 اپریل 2023ء

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023 (UN-AUDITED)

	Note	March 31, 2023 (Un-audited) Rs '000'	June 30, 2022 (Audited) Rs '000'
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital 150,000,000 (June 30, 2022: 150,000,000) Ordinary shares of Rs. 10 each (June 30, 2022: Rs.10 each)		1,500,000	1,500,000
Issued, subscribed and paid up share capital		1,413,211	1,413,211
Share deposit money		9,391	11,391
Sponsors' interest free loans		107,000	107,000
Surplus on revaluation of property, plant and equipment		651,354	416,755
Reserves		813,345	484,248
		2,994,301	2,432,605
<b>Non Current Liabilities</b>			
Long term financing	5	100,000	141,956
Lease liabilities		34,024	35,768
Post employment benefits obligation		36,150	30,857
Deferred tax liability		79,770	50,925
		249,944	259,506
<b>Current Liabilities</b>			
Trade and other payables		521,991	391,499
Unclaimed dividends		293	293
Accrued mark up		70,445	56,148
Short term borrowings	6	1,274,314	2,483,518
Current portion of diminishing musharaka finance		-	525
Current portion of long term financing		76,413	87,979
Current portion of deferred income – Government grant		-	1,513
Current portion of lease liabilities		7,241	6,603
Provision for taxation		187,873	243,228
		2,138,570	3,271,306
<b>Contingencies and Commitments</b>			
	7	-	-
<b>Total Equity and Liabilities</b>		<b>5,382,815</b>	<b>5,963,417</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	8	1,504,697	1,154,785
Intangible assets		43,351	37,469
Long term deposits		27,066	26,337
		1,575,114	1,218,591
<b>Current Assets</b>			
Stores and spares		28,638	23,663
Stock in trade		1,309,357	2,291,377
Trade debts		2,013,242	2,003,965
Loans and advances		99,377	44,557
Short term prepayments		4,536	2,295
Other receivables		45,837	29,185
Tax refunds due from government		232,043	325,135
Cash and bank balances		74,671	24,649
		3,807,701	4,744,826
<b>Total Assets</b>		<b>5,382,815</b>	<b>5,963,417</b>

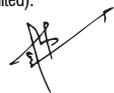
The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements (un-audited).



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023 (UN-AUDITED)

Note	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Rs '000'	Rs '000'	Rs '000'	Rs '000'
Revenue from sales	8,441,050	7,166,952	3,028,321	2,681,758
Less:				
- Sales tax	(1,306,509)	(1,086,206)	(488,764)	(406,010)
- Commission	-	(300)	-	-
Net sales	7,134,541	6,080,446	2,539,557	2,275,748
Cost of sales	9 (6,318,194)	(5,322,613)	(2,087,008)	(1,966,619)
<b>Gross Profit</b>	816,347	757,833	452,549	309,129
Operating expenses:				
- Distribution costs	(80,678)	(64,983)	(30,737)	(22,015)
- Administrative expenses	(76,578)	(58,339)	(29,509)	(19,060)
	(157,256)	(123,322)	(60,246)	(41,075)
<b>Operating Profit</b>	659,091	634,511	392,303	268,054
Other operating expenses	(36,759)	(91,658)	(31,220)	(21,258)
Finance cost	(299,328)	(135,001)	(86,751)	(71,244)
Other income	21,552	17,746	5,808	5,132
	(314,535)	(208,913)	(112,163)	(87,370)
<b>Profit before Taxation</b>	344,556	425,598	280,140	180,684
Taxation				
- Current	(109,048)	(135,886)	(52,987)	(55,626)
- Super tax	(15,255)	-	(14,447)	-
- Deferred	9,454	14,331	(27,851)	3,374
	(114,849)	(121,555)	(95,285)	(52,252)
<b>Net profit for the Period</b>	229,707	304,043	184,855	128,432
<b>Earnings per Share - Basic and Diluted</b>	1.63	2.15	1.31	0.91

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements (un-audited).



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF OTHER **COMPREHENSIVE INCOME** FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2023(UNAUDITED)

	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Rs '000'	Rs '000'	Rs '000'	Rs '000'
<b>Net Profit for the Period</b>	229,707	304,043	184,855	128,432
Other comprehensive income	-	-	-	-
Items that will not be re-classified subsequently to profit or loss	-	-	-	-
Surplus arising on revaluation	372,288	-	372,288	-
Related deferred tax impact	(38,299)	-	(38,299)	-
Items that may be re-classified subsequently to profit or loss	-	-	-	-
<b>Total Comprehensive Income for the Period</b>	<b>563,696</b>	<b>304,043</b>	<b>518,844</b>	<b>128,432</b>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements (un-audited).



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UNAUDITED)

Particulars	Share Capital	Share Deposit Money	Sponsors' Interest Free Loans	Capital Reserves		Revenue Reserves	Revaluation Surplus on Property, Plant and Equipment	Total
				Share Premium	Accumulated Profit			
Rs. '000'								
<b>Balance as at June 30, 2021</b>	1,413,211	11,391	107,000	1,281	42,052	494,832	2,069,767	
Total comprehensive income for the nine months ended March 31, 2022	-	-	-	-	304,043	-	304,043	
Incremental depreciation for the period on surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	-	4,540	(4,540)	-	
<b>Balance as at March 31, 2022</b>	1,413,211	11,391	107,000	1,281	350,635	490,292	2,373,810	
<b>Balance as at June 30, 2022</b>	1,413,211	11,391	107,000	1,281	415,474	484,248	2,432,605	
Net profit for the period	-	-	-	-	229,707	-	229,707	
Other comprehensive income for the period	-	-	-	-	-	333,989	333,989	
Incremental depreciation for the period on surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	-	4,892	(4,892)	-	
Share deposit money paid	-	(2,000)	-	-	-	-	(2,000)	
<b>Balance as at March 31, 2023</b>	1,413,211	9,391	107,000	1,281	650,073	813,345	2,994,301	

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements (un-audited).

  
**CHIEF EXECUTIVE**

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**

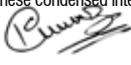
# CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UNAUDITED)

	Nine Months Ended	
	March 31, 2023 Rs '000'	March 31, 2022 Rs '000'
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	344,556	425,598
Adjustments:		
Depreciation	64,695	51,547
Provision for gratuity	9,180	7,380
Provision for obsolescence of stock	2,976	6,364
Expected credit losses on trade debts	7,176	16,130
Workers' (profit) participation fund	19,058	23,321
Workers' welfare fund	7,547	9,207
Gain in disposal of property, plant and equipment	(5)	-
Exchange loss/(gain) - net	(1,161)	36,636
Finance cost	296,613	130,433
	406,079	281,018
<b>Operating profit before working capital changes</b>	750,635	706,616
(Increase) / decrease in current assets:		
Stores and spares	(4,975)	(762)
Stock in trade	979,044	(219,053)
Trade debts	(16,453)	(794,707)
Loans and advances	(54,820)	(27,415)
Short term prepayments	(2,241)	(6,986)
Other receivables	(16,652)	-
Sales tax refundable - Net	33,403	69,313
(Decrease) / increase in current liabilities:		
Trade and other payables	150,338	(414,068)
	1,067,644	(1,393,678)
<b>Cash Generated from / (Used in) Operations</b>	1,818,279	(687,062)
Finance cost paid	(282,315)	(92,615)
Income tax paid	(119,970)	(125,892)
Gratuity paid	(3,887)	(808)
Workers' welfare fund paid	(12,681)	(10,045)
Workers' (profit) participation fund paid	(32,609)	(27,100)
<b>Net Cash Generated from / (Used in) Operating Activities</b>	1,366,817	(943,522)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment purchased	(18,362)	(6,072)
Capital work in progress - property, plant and equipment	(29,899)	(109,172)
Proceeds from disposal property, plant and equipment	65	-
Share deposit money repaid	(2,000)	-
Long term deposits	(729)	(1,835)
<b>Net Cash Used in Investing Activities</b>	(50,925)	(117,079)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term financing obtained	-	150,000
Payments against long term financing	(55,035)	(57,083)
Payments against diminishing musharaka finance	(525)	(1,181)
Lease liabilities	(1,106)	(3,425)
Short term borrowings - net	(1,209,204)	972,225
<b>Net Cash (Used in) / Generated Financing Activities</b>	(1,265,870)	1,060,536
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	50,022	(65)
Cash and cash equivalents at the beginning of the period	24,649	27,758
<b>Cash and Cash Equivalents at the End of the Period</b>	74,671	27,693

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements (un-audited).

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

**1 The Company and its Operations**

- 1.1 Nimir Resins Limited (the Company) was incorporated in Pakistan on December 17, 1964 as a private limited company under the Companies Act, 1913 (now the Companies Act, 2017) and was converted into public limited company on August 19, 1991.
- 1.2 The Company is a subsidiary of Nimir Management (Private) Limited whereas Nimir Industrial Chemicals Limited is the ultimate parent company of Nimir Resins Limited.
- 1.3 The principal activity of the Company is to manufacture coating resins, composite resins (UPR), optical brightener, textile auxiliaries and paper surface sizing agents.
- 1.3 The principal activity of the Company is to manufacture coating resins, composite resins (UPR), optical brightener, textile auxiliaries and paper surface sizing agents.
- 1.4 The shares of the Company are quoted on Pakistan Stock Exchange Limited. The Company is domiciled in Pakistan and its registered office is situated at 14.5 KM, Lahore-Sheikhupura Road, Lahore.
- 1.5 Corporate office of the Company is located at 14.5 KM, Lahore-Sheikhupura Road, Lahore while the production plants of the Company are located at 14.5 KM, Lahore-Sheikhupura Road, Lahore and 14.8 KM, Sheikhupura Faisalabad Road, Sheikhupura.

**2 Basis of Preparation**

- 2.1 These condensed interim financial statements has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 2.2 These condensed interim financial statements are presented in Pak rupees, which is the Company's functional and presentation currency. Figures have been rounded off to nearest thousand rupees, unless stated otherwise. These condensed financial statements do not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2022.

**3 Significant Accounting Policies**

The accounting policies and methods of presentation of these condensed interim financial statements are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2022.

**4 Accounting Estimates and Judgment**

The accounting estimates and associated assumptions used in the preparation of these interim financial statements are consistent with those applied in the preparation of annual financial statements of the Company for the immediately preceding year ended June 30, 2022.

**5 Long Term Financing**

	Note	March 31, 2023 (Un-audited) Rs '000'	June 30, 2022 (Audited) Rs '000'
Soneri Bank Limited	5.1	341	852
The Bank of Punjab	5.2	28,572	50,000
Bank Alfalah Limited	5.3	27,500	32,500
MCB Bank Limited	5.4	120,000	135,000
Refinance for salaries	5.5	-	13,096
Less: deferred income - Government grant		-	(1,513)
		-	11,583
		176,413	229,935
Less: current portion of loans		(76,413)	(87,979)
		100,000	141,956

- 5.1 This represents the facility of Rs. 3.411 million obtained by the Company from Soneri Bank Limited for the purchase of a vehicle. This loan is repayable in 60 equal monthly installments starting from August 01, 2018. Markup is charged at 3 months KIBOR plus 1.5% p.a. payable monthly in arrears. The vehicle is comprehensively insured in bank's favour with bank mortgage clause.
- 5.2 This represents facility of Rs. 100 million to facilitate capital expenditure requirements pertaining to procurement, installation and augmentation of new and existing machinery, equipment related auxiliaries and civil works. This loan is repayable in 14 equal quarterly instalments payable in arrears starting from September 30, 2020. Mark-up is charged at 3 months KIBOR plus 1.5% p.a. payable on quarterly basis. This facility is secured against 1st pari passu charge over fixed assets of the Company amounting to Rs 134 million.
- 5.3 This represents facility of Rs. 50 million obtained for solar energy unit of 450KW. 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. payable quarterly in arrears. This loan is secured against joint pari passu charge of Rs. 67 million over fixed assets of the Company with 25% margin.
- 5.4 This represents loan of Rs. 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 is repayable in 20 equal quarterly installments starting from March 28, 2022. Markup is charged at 3 Months KIBOR plus 0.75% p.a payable quarterly in arrears. This loan is secured against first pari passu charge of Rs. 200 million over entire fixed assets of the Company.
- 5.5 This represents the balance payable on account of loan of Rs. 52.382 million obtained for disbursement of salaries of employees under the State Bank of Pakistan Refinance Scheme for payment of wages and salaries. This loan is repayable in 8 equal quarterly installments payable in arrears starting from January 01, 2021. Markup is charged at SBP rate plus 1% - 1.5% p.a. payable quarterly in arrears. This facility is secured against exclusive charge over fixed assets of the Company amounting to Rs. 70.06 million registered with SECP.

## 6 Short Term Borrowings

	<b>March 31, 2023</b>	<b>June 30, 2022</b>
	<b>(Un-audited) Rs '000'</b>	<b>(Audited) Rs '000'</b>
<b>Banking companies - Secured</b>		
Running finance	233,790	655,638
Borrowings / FATRs	1,040,524	1,827,880
	<u>1,274,314</u>	<u>2,483,518</u>

- 6.1 The aggregate of short term finance facilities available from various financial institutions (including commercial banks) at period ended is Rs. 3140 million (June 30, 2020: Rs. 3,140 million) which includes running finance facilities amounting to Rs. 900 million (June 30, 2020: 900 million). The rate of mark up ranges from 1 to 6 months KIBOR + spread of upto 1.25% per annum (June 30, 2020: 1 to 6 Month KIBOR + spread of upto 1.25% per annum). These facilities are secured by way of joint pari passu charge over present and future, current assets of the Company and lien over title of imported goods.

## 7 Contingencies and Commitments

### 7.1 Contingencies

- 7.1.1 There is no material change in the status of contingencies as reported in annual financial statements of the Company for the year ended June 30, 2022.

### 7.2 Guarantees

There is no material change in the status of contingencies as reported in annual financial statements of the Company for the year ended June 30, 2022.

	<b>March 31, 2023</b>	<b>June 30, 2022</b>
	<b>(Un-audited) Rs '000'</b>	<b>(Audited) Rs '000'</b>
Sui Northern Gas Pipelines Limited	3,090	3,090
Pakistan State Oil Company Limited	3,000	3,000
Total Parco Pakistan Limited	8,000	8,000
	<u>14,090</u>	<u>14,090</u>
<b>7.3 Contingencies</b>		
Letters of credit	596,068	790,014

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM **FINANCIAL INFORMATION**  
FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UNAUDITED)

	Note	March 31, 2023 (Un-audited) Rs '000'	June 30, 2022 (Audited) Rs '000'
<b>8 Property, Plant and Equipment</b>			
Operating fixed assets	8.1	1,477,992	1,131,598
Capital work in progress	8.2	26,705	23,187
		<u>1,504,697</u>	<u>1,154,785</u>
<b>8.1 Operating fixed assets</b>			
Opening written down value		1,131,598	967,940
Additions during the period / year		31,417	229,816
Revaluation surplus	8.1.1	372,288	-
Disposals during the period		(134)	-
		<u>1,535,169</u>	<u>1,197,756</u>
Depreciation charge for the period / year		(57,251)	(66,158)
Depreciation on disposals during the period		74	-
		<u>1,477,992</u>	<u>1,131,598</u>

8.1.1 Latest revaluation was carried out by an approved, independent valuer as at January 31, 2023 using net replacement method. This resulted in revaluation surplus of Rs. 372.288 million on land and buildings.

**8.2 Capital Work in Progress**

Opening balance	23,187	132,335
Additions during the period / year	29,899	151,588
	53,086	283,923
Transferred to property, plant and equipment	(13,305)	(220,076)
Transferred to right of use asset	(13,076)	(36,418)
Transferred to profit or loss account	-	(4,242)
	<u>26,705</u>	<u>23,187</u>

**9 Cost of Sales**

	Nine Months Ended		Quarter Ended	
	March 31, 2023 (Un-audited) Rs '000'	March 31, 2022 (Un-audited) Rs '000'	March 31, 2023 (Un-audited) Rs '000'	March 31, 2022 (Un-audited) Rs '000'
Opening stock of finished goods	397,884	170,800	495,334	284,715
Cost of goods manufactured	6,262,905	5,482,895	1,934,269	2,012,986
	<u>6,660,789</u>	<u>5,653,695</u>	<u>2,429,603</u>	<u>2,297,701</u>
Closing stock of finished goods	(342,595)	(331,082)	(342,595)	(331,082)
Cost of goods sold	<u>6,318,194</u>	<u>5,322,613</u>	<u>2,087,008</u>	<u>1,966,619</u>

**10 Transactions with Related Parties**

Related parties comprise related group companies, associated companies, staff retirement funds, directors and executives. 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. Significant balances and transactions with related parties are as follows:

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM **FINANCIAL INFORMATION**  
FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UNAUDITED)

Related Parties	Relationship	Nature of Transaction	Nine Months Ended	
			March 31, 2023	March 31, 2022
			(Un-audited) Rs '000'	(Un-audited) Rs '000'
Nimir Industrial Chemicals Limited	Ultimate parent Company	Purchase of goods	225,241	161,154
		Sale of goods	4,036	3,426
		Services provided	3,838	3,489
		Services received	4,953	4,503
		Other expenses reimbursed	7,479	851
Nimir Chemcoats Limited	Associated Company	Sale of goods	29,483	46,908
		Purchase of goods	51,348	10,487
		Services provided	2,029	1,471
		Other expenses reimbursed	238	70
Nimir Energy Limited	Associated Company	Sale of goods	105,769	-
		Purchase of goods	6,160	-
		Other expenses reimbursed	548	-
Extracts4life (Pvt.) Limited	Associated Company	Sale of goods	3,178	-
<b>Contribution to staff retirement benefits</b>				
Contribution to gratuity fund			9,180	7,380
<b>Key Management Personnel</b>				
Remuneration			56,737	41,412
Other benefits			18,296	10,993

Sale and purchase transactions have been carried out on commercial terms and conditions as per the Company's Policy.

## 11 Segment Reporting

11.1 Based on internal management reporting structure and products produced and sold, the Company is organized into the following two operating segments:

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

### 11.2 Segment analysis

The segment information for the reportable segments is as follows:

	Coating, Emulsion & Blending	Textile, Paper & others	Total
	Rs '000'	Rs '000'	Rs '000'

#### Segment Results for the nine months ended March 31, 2023 (Un-audited)

Revenue	3,835,602	3,298,939	7,134,541
Segment results	296,041	363,050	659,091
Other operating expenses			(36,759)
Finance cost			(299,328)
Other income			21,552
Profit before taxation			344,556

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM **FINANCIAL INFORMATION**  
FOR THE NINE MONTHS ENDED MARCH 31, 2023 (UNAUDITED)

	<b>Coating, Emulsion &amp; Blending Rs '000'</b>	<b>Textile, Paper &amp; others Rs '000'</b>	<b>Total Rs '000'</b>
<b>Segment Results for the nine months ended March 31, 2022 (Un-audited)</b>			
Revenue	3,306,710	2,773,736	6,080,446
Segment results	319,157	315,354	634,511
Other operating expenses			(91,658)
Finance cost			(135,001)
Other income			17,746
Profit before taxation			425,598

**11.3** Entity-wide disclosures regarding reportable segment are as follows:

- Information about major customers

One customer of the Company accounts for 11.05% (2022: 10.11%) of total sales for the period. Revenue from such customer was Rs. 788.082 million (2022: Rs. 614.670 million).

- Information about geographical area

- All non-current assets of the Company are located in Pakistan as at the reporting date.
- Revenue from export sale is Rs. Nil (2022: 29.503 million).

**12 General**

Corresponding figures are re-arranged / reclassified, wherever necessary, to facilitate comparison. No material reclassifications have been made in these condensed interim financial statements (un-audited).

**13 Authorization of Financial Statements**

These condensed interim financial statements (un-audited) are approved and authorized for issuance on Wednesday, April 26, 2023 by the Board of Directors of the Company.



**CHIEF EXECUTIVE OFFICER**



**DIRECTOR**



**CHIEF FINANCIAL OFFICER**

Better life Through Chemistry



E-Brochure



Corporate Video

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