

# NIMIR



QUARTERLY  
REPORT  
SEPTEMBER  
**2023**

**Nimir Resins Limited**  
Better life Through Chemistry

## 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

# DIRECTORS' REVIEW REPORT

The Directors are pleased to present their review report together with the unaudited financial statements of Nimir Resins Limited (the "Company") for the first quarter, which ended on September 30, 2023

An analysis of the financial results for the said quarter is as under:

|  | September<br>2023 | September<br>2022 | %     |
|--|-------------------|-------------------|-------|
|  | Rupees '000       | Rupees '000       |       |
| Sales revenue                                  | 3,141,629         | 2,717,453         | 15.61 |
| Gross Profit                                   | 299,452           | 205,228           | 45.91 |
| Operating Profit                               | 231,339           | 156,144           | 48.16 |
| Profit After Taxation                          | 81,182            | 17,210            | 372%  |
| Earnings Per Share* Rs.<br>( Basic & diluted ) | 0.57              | 0.12              | 372%  |

Alhamdulillah during the first quarter of 2024 the top line grew by 15.61% over the corresponding period mainly driven by prices caused by devaluation of PKR. As a result of this we were able to increase the gross profit and Operating Profit by 45.91% and 48.16% respectively. The financial cost also decreased during the period due to efficient utilization of short-term lines The after-tax profit during the period also increased by 372% over the corresponding period.

The raw material prices in the international market have shown declining trend in last few months. This may have some negative impact on the profitability in the coming quarter. The recent actions taken by the government has helped the Pak Rupee in gaining strength against US Dollar but the instability of PKR is still far from over. We, however, hope that the economic revival will start in the second half of the year and the businesses to gradually return to normalcy.

Despite, these challenges, we will keep striving in the best possible way to remain less affected and keep enhancing shareholders value, Insha Allah.

On behalf of the board, the company would like to thank all of its stakeholders for their continued trust and support.



**Khalid Mumtaz Qazi**  
Director

For and on the behalf of the Board



**Zafar Mahmood**  
Chief Executive Officer

Lahore  
October 24, 2023

## ڈائریکٹرز کی رپورٹ

ڈائریکٹرز 30 ستمبر 2023 کو ختم ہونے والی پہلی سہ ماہی کے لئے نمبر ریزولمیٹڈ (کمپنی) کے غیر نظر ثانی شدہ مالی حسابات پر اپنی جائزہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔  
مذکورہ سہ ماہی کے لئے نتائج کا خلاصہ حسب ذیل ہے:

| فیصد % | 30 ستمبر 2022            | 30 ستمبر 2023 |   |
|--------|--------------------------|---------------|---|
|        | پاکستانی روپے ہزاروں میں |               |   |
| 15.61  | 2,717,453                | 3,141,629     | فروخت کی آمدنی                                  |
| 45.91  | 205,228                  | 299,452       | مجموعی منافع                                    |
| 48.16  | 156,144                  | 231,339       | آپریٹنگ منافع                                   |
| 372%   | 17,210                   | 81,182        | منافع بعد از ٹیکس                               |
| 372%   | 0.12                     | 0.57          | * فی شیئر آمدنی روپے (بنیادی اور معتدل - اعادہ) |

الحمد للہ 2024 کی پہلی سہ ماہی کے دوران کے دوران، ٹاپ لائن میں پاکستانی روپیہ کی قدر میں کمی کے باعث بنیادی طور پر قیمتوں کی وجہ سے گزشتہ اسی مدت سے 15.61 فیصد کی نمو ہوئی۔ اس کے نتیجے میں، ہم مجموعی منافع اور آپریٹنگ منافع میں بالترتیب 45.91 فیصد اور 48.16 فیصد اضافہ درج کرنے کے قابل ہوئے۔ مختصر مدتی قرضوں کے موثر استعمال کی وجہ سے مدت کے دوران مالی لاگت بھی کم ہوئی۔ مدت کے دوران بعد از ٹیکس منافع بھی گزشتہ اسی مدت سے 372 فیصد تک زیادہ ہوا۔

بین الاقوامی مارکیٹ میں خام مال کی قیمتوں نے گزشتہ چند مہینوں میں کمی کا رجحان دکھایا ہے۔ جو آئندہ سہ ماہی کے منافع پر منفی اثرات مرتب کرے گا۔ حکومت کی طرف سے کئے گئے حالیہ اقدامات نے امریکی ڈالر کے مقابلے استحکام حاصل کرنے میں پاکستانی روپیہ کی مدد کی لیکن پاکستانی روپیہ کا استحکام ابھی بہت دور ہے۔ تاہم، ہمیں امید ہے کہ معاشی بحالی سال کی دوسری ششماہی میں شروع ہوگی اور کاروبار بتدریج معمول پر آجائیں گے۔

ان مشکلات کے باوجود، ہم کم متاثر رہنے اور شیئر ہولڈرز کی قدر کو بڑھانے کے لئے اپنی بہترین کوشش کرتے رہیں گے۔ انشاء اللہ بورڈ کی جانب سے، ہم اپنے تمام اسٹیک ہولڈرز کے اعتماد اور تعاون کے لئے ان کا شکریہ ادا کرتے ہیں۔

منجانب بورڈ



خالد ممتاز قاضی

ڈائریکٹر



ظفر محمود

چیف ایگزیکٹو آفیسر

لاہور

24 اکتوبر 2023ء

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
AS AT SEPTEMBER 30, 2023

|  | (Un-audited)<br>Sept. 2023<br>(Rs. '000') | (Audited)<br>June 2023<br>(Rs. '000') |
|--|---|---------------------------------------|
| <b>EQUITY AND LIABILITIES</b>  |   |                                       |
| <b>Share Capital and Reserves</b>  |   |                                       |
| Authorized share capital<br>150,000,000 (June 30, 2023: 150,000,000) Ordinary<br>shares of Rs. 10 each (June 30, 2023: Rs.10 each)                     | 1,500,000                                 | 1,500,000                             |
| Issued, subscribed and paid up share capital<br>141,321,064 (June 30, 2023: 141,321,064) Ordinary<br>shares of Rs. 10 each (June 30, 2023: Rs.10 each) | 1,413,211                                 | 1,413,211                             |
| Share deposit money  | 9,391                                     | 9,391                                 |
| Sponsors' interest free loans  | 107,000                                   | 107,000                               |
| Reserves   | 891,860                                   | 808,351                               |
| Surplus on revaluation of property, plant and equipment- net   | 795,247                                   | 797,574                               |
|  | 3,216,709                                 | 3,135,527                             |
| <b>Non Current Liabilities</b>   |   |                                       |
| Long term financing  | 12,500                                    | 90,000                                |
| Lease liabilities  | 29,933                                    | 31,990                                |
| Post employment benefits obligation  | 46,667                                    | 42,091                                |
| Deferred tax liability   | 79,141                                    | 83,716                                |
|  | 168,241                                   | 247,797                               |
| <b>Current Liabilities</b>   |   |                                       |
| Trade and other payables   | 798,876                                   | 1,096,284                             |
| Unclaimed dividends  | 293                                       | 293                                   |
| Accrued mark up  | 58,527                                    | 44,693                                |
| Short term borrowings  | 1,571,000                                 | 851,377                               |
| Current portion of long term financing   | 24,286                                    | 68,929                                |
| Current portion of lease liabilities   | 8,506                                     | 8,155                                 |
| Provision for taxation   | 332,156                                   | 271,965                               |
|  | 2,793,644                                 | 2,341,696                             |
| <b>Contingencies and Commitments</b>   | -   | -                                     |
| <b>Total Equity and Liabilities</b>  | 6,178,594                                 | 5,725,020                             |
| <b>ASSETS</b>  |   |                                       |
| <b>Non Current Assets</b>  |   |                                       |
| Property, plant and equipment  | 1,499,255                                 | 1,503,351                             |
| Right-of-use assets  | 37,773                                    | 40,578                                |
| Long term deposits   | 27,015                                    | 27,015                                |
|  | 1,564,043                                 | 1,570,944                             |
| <b>Current Assets</b>  |   |                                       |
| Stores and spares  | 32,723                                    | 28,318                                |
| Stock in trade   | 1,561,121                                 | 1,616,419                             |
| Trade debts  | 2,412,551                                 | 1,942,682                             |
| Loans and advances   | 64,013                                    | 49,865                                |
| Short term prepayments   | 18,619                                    | -                                     |
| Other receivables  | 110,198                                   | 29,304                                |
| Tax refunds due from government  | 354,198                                   | 353,465                               |
| Cash and bank balances   | 61,128                                    | 134,023                               |
|  | 4,614,551                                 | 4,154,076                             |
| <b>Total Assets</b>  | 6,178,594                                 | 5,725,020                             |

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS**  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

| Note   | Quarter Ended |             |
|--|---------------|-------------|
|  | Sept. 2023    | Sept. 2022  |
|  | Rs. "000"     | Rs. "000"   |
| Revenue from Sales                                   | 3,141,629     | 2,717,453   |
| Less: Sales tax                                      | (474,471)     | (411,304)   |
| Sales - net  | 2,667,158     | 2,306,149   |
| Cost of sales  | (2,367,706)   | (2,100,921) |
| <b>Gross Profit</b>                                  | 299,452       | 205,228     |
| Operating expenses:                                  |               |             |
| Distribution costs                                   | (32,055)      | (26,612)    |
| Administrative expenses                              | (36,058)      | (22,472)    |
|  | (68,113)      | (49,084)    |
| <b>Operating Profit</b>                              | 231,339       | 156,144     |
| Other operating charges                              | (10,757)      | (3,221)     |
| Finance cost   | (90,277)      | (112,071)   |
| Other income   | 6,492         | 2,833       |
| <b>Profit before Taxation</b>                        | 136,797       | 43,685      |
| Taxation   |               |             |
| Current  | (44,757)      | (28,851)    |
| Super tax  | (15,433)      | (1,631)     |
| Deferred   | 4,575         | 4,007       |
|  | (55,615)      | (26,475)    |
| <b>Net profit for the Period</b>                     | 81,182        | 17,210      |
| <b>Earning per Share - Basic &amp; diluted (Rs.)</b> | 10 0.57       | 0.12        |

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

**Condensed Interim Statement of Other Comprehensive Income**  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

|  | Quarter Ended           |                         |
|--|-------------------------|-------------------------|
|  | Sept. 2023<br>Rs. "000" | Sept. 2022<br>Rs. "000" |
| Net Profit for the Period                        | 81,182                  | 17,210                  |
| Other comprehensive income                       | -                       | -                       |
| <b>Total Comprehensive Income for the Period</b> | <b>81,182</b>           | <b>17,210</b>           |

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

| Particulars  | Share Capital    | Share Deposit Money | Sponsors' Loan Interest Free | Reserves      |                    | Revaluation Surplus | Total Equity     |
|--|------------------|---------------------|------------------------------|---------------|--------------------|---------------------|------------------|
|  |                  |                     |                              | Share Premium | Accumulated Profit |                     |                  |
| ----- Rs. '000' -----  |                  |                     |                              |               |                    |                     |                  |
| <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  | -                | -                   | -                            | -             | 17,210             | -                   | 17,210           |
| Incremental depreciation for the period on surplus on revaluation of property, plant and equipment - net of deferred tax | -                | -                   | -                            | -             | 1,328              | (1,328)             | -                |
| <b>Balance as at September 30, 2022</b>  | <b>1,413,211</b> | <b>11,391</b>       | <b>107,000</b>               | <b>1,281</b>  | <b>434,012</b>     | <b>482,920</b>      | <b>2,449,815</b> |
| <b>Balance as at June 30, 2023</b>   | 1,413,211        | 9,391               | 107,000                      | 1,281         | 807,070            | 797,574             | 3,135,527        |
| Net profit for the period  | -                | -                   | -                            | -             | 81,182             | -                   | 81,182           |
| Incremental depreciation for the period on surplus on revaluation of property, plant and equipment - net of deferred tax | -                | -                   | -                            | -             | 2,327              | (2,327)             | -                |
| <b>Balance as at September 30, 2023</b>  | <b>1,413,211</b> | <b>9,391</b>        | <b>107,000</b>               | <b>1,281</b>  | <b>890,579</b>     | <b>795,247</b>      | <b>3,216,709</b> |


The annexed notes from 1 to 14 form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



**Condensed Interim Statement of Cash Flow**  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

|   | Quarter Ended           |                         |
|---|-------------------------|-------------------------|
|   | Sept. 2023<br>Rs. "000" | Sept. 2022<br>Rs. "000" |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                      |                         |                         |
| Profit before taxation  | 136,797                 | 43,685                  |
| Adjustments:  |                         |                         |
| - Depreciation  | 22,416                  | 18,930                  |
| - Depreciation on right of use asset                            | 2,805                   | 2,178                   |
| - Provision for gratuity  | 4,576                   | 3,060                   |
| - Workers' profit participation fund                            | 7,323                   | 2,335                   |
| - Worker welfare fund   | 2,783                   | 887                     |
| - Exchange loss / (gain) - net                                  | 652                     | (23)                    |
| - Finance cost  | 88,753                  | 111,923                 |
|   | 129,308                 | 139,290                 |
| <b>Operating profit before working capital changes</b>          | 266,105                 | 182,975                 |
| (Increase) / decrease in current assets:                        |                         |                         |
| - Stores and spares   | (4,405)                 | (3,643)                 |
| - Stock in trade  | 55,298                  | 356,274                 |
| - Trade debts   | (469,869)               | (452,220)               |
| - Loans and advances  | (14,148)                | 14,416                  |
| - Trade deposits and short term prepayments                     | (18,619)                | (10,916)                |
| - Other receivables   | (80,895)                | 11,365                  |
| - Sales Tax Refundable  | 35,317                  | 32,854                  |
| Increase / (decrease) in current liabilities:                   |                         |                         |
| - Trade and other payables                                      | (308,166)               | 149,525                 |
|   | (805,487)               | 97,655                  |
| <b>Cash (used in) / generated from operations</b>               | (539,382)               | 280,630                 |
| Finance cost paid   | (74,919)                | (83,497)                |
| Income tax paid   | (36,048)                | (31,748)                |
| <b>Net Cash (Used In) / Generated From Operating Activities</b> | (650,349)               | 165,385                 |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                      |                         |                         |
| Property, plant and equipment purchased                         | (88)                    | (832)                   |
| Capital work in progress  | (18,232)                | (13,295)                |
| Long term deposits  | -                       | (2,295)                 |
|   | (18,320)                | (16,422)                |
| <b>Net Cash Used In Investing Activities</b>                    | (18,320)                | (16,422)                |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                      |                         |                         |
| Payments against long term financing                            | (122,143)               | (16,360)                |
| Payments against diminishing musharaka arrangements             | -                       | (166)                   |
| Payments against lease liabilities                              | (1,706)                 | (1,544)                 |
| Short term borrowings - net                                     | 719,623                 | (142,382)               |
| <b>Net Cash Generated From / (Used In) Financing Activities</b> | 595,774                 | (160,452)               |
| <b>Net Decrease in Cash and Cash Equivalents</b>                | (72,895)                | (11,489)                |
| Cash and cash equivalents at the beginning of the period        | 134,023                 | 24,649                  |
| <b>Cash and Cash Equivalents at the End of the Period</b>       | 61,128                  | 13,160                  |

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

# Notes to and Forming part of the Condensed Interim Financial Information FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

## 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 Companies Act, 1913 (now the Companies Act, 2017) and 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 with effect from April 18, 2016.
- 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 shares of the Company are quoted on Pakistan Stock Exchange Limited. 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 Corporate office of the Company is located at 14.5 KM, Lahore-Sheikhupura Road, Lahore, while the production plants and warehouse of the Company are located at 14.5 KM , Lahore-Sheikhupura Road, Lahore and warehouse located at 14.8 KM, Sheikhupura Faisalabad Road, Sheikhupura.

## 2 BASIS OF PREPARATION

- 2.1 These condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standard (IFRS) 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 from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 2.2 The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June, 2023.
- 2.3 This condensed interim financial information is presented in Pak rupees, which is the Company's functional and presentational currency. The financial statements have been prepared under the historical cost convention. Figures have been rounded off to the nearest thousand rupee, unless stated otherwise.

## 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation of this condensed interim financial information are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2023.

## 4 ACCOUNTING ESTIMATES AND JUDGMENT

The accounting estimates and associated assumptions used in preparation of this condensed interim financial information are consistent with those applied in the preparation of annual financial statement for the year ended June 30, 2023.

## 5 LONG TERM FINANCING

|                       | <b>(Un-audited)</b> | <b>(Audited)</b> |
|-----------------------|---------------------|------------------|
|                       | <b>Sept. 2023</b>   | <b>June 2023</b> |
|                       | <b>Rs."000"</b>     | <b>Rs."000"</b>  |
| Long term financing   | 36,786              | 158,929          |
| Less: Current portion | (24,286)            | (68,929)         |
|                       | <u>12,500</u>       | <u>90,000</u>    |

- 5.1 The Company had obtained demand finance loan of Rs. 100 million from Bank of Punjab . This loan is repayable in 14 equal quarterly installments starting from September 30, 2020. Markup is charged at the rate of three months KIBOR plus 1.5% p.a payable quarterly in arrears. This facility is secured against charge over fixed assets of the Company.
- 5.2 The Company had obtained a loan of Rs. 50 million from Bank Alfalah Limited for Solar Energy system of 450KW. This loan is repayable in 20 equal quarterly installments starting from March 31, 2021. Markup is charged at SBP rate plus 2% p.a payable quarterly in arrears. This loan is secured against

## Notes to and Forming part of the Condensed Interim Financial Information FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)

joint pari passu charge over fixed assets of the Company.

- 5.3 The Company had obtained a loan of Rs. 150 million obtained to facilitate capital expenditure requirements pertaining to enhance the capacity. 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. The loan fully repaid during the current period.

### 6 SHORT TERM BORROWINGS

|   | (Un-audited)<br>Sept. 2023<br>Rs."000" | (Audited)<br>June 2023<br>Rs."000" |
|---|--|------------------------------------|
| <b>Banking companies - Secured</b>          |  |                                    |
| Running finance                             | 342,404                                | 389,012                            |
| Borrowings / finance against trust receipts | 1,228,596                              | 462,365                            |
|   | <u>1,571,000</u>                       | <u>851,377</u>                     |

- 6.1 The Company has obtained various funded and unfunded financial facilities from different banks for a total sanctioned limit of Rs. 4,955 million (June 30, 2023: Rs. 5,255 million) including running finance facilities amounting to Rs. 975 million (June 30, 2023: Rs. 1,475 million). The rate of mark up ranges from 1 to 6 months KIBOR + spread of upto 1.25% per annum (June 30, 2023: 1 to 6 Month KIBOR + spread of upto 1.25% per annum). These facilities are secured by way of joint pari passu charge and ranking hypothecation charge over present and future, current assets of the Company and lien over title of imported goods.

### 7 CONTINGENCIES AND COMMITMENT

#### 7.1 CONTINGENCIES

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, 2023.

#### 7.2 GUARANTEES

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

|                                    | (Un-audited)<br>Sept. 2023<br>Rs."000" | (Audited)<br>June 2023<br>Rs."000" |
|------------------------------------|--|------------------------------------|
| Sui Northern Gas Pipelines Limited | 3,090                                  | 3,090                              |
| Pakistan State Oil Company Limited | 6,000                                  | 6,000                              |
| Total Parco Pakistan Limited       | 8,000                                  | 8,000                              |
|                                    | <u>17,090</u>                          | <u>17,090</u>                      |
| <b>7.3 COMMITMENTS</b>             |  |                                    |
| Letters of credit                  | 730,573                                | 957,562                            |

### 8 PROPERTY, PLANT AND EQUIPMENT

|                          | (Un-audited)<br>Sept. 2023<br>Rs."000" | (Audited)<br>June 2023<br>Rs."000" |
|--------------------------|--|------------------------------------|
| Operating fixed assets   | 1,465,332                              | 1,487,660                          |
| Capital work in progress | 33,923                                 | 15,691                             |
|                          | <u>1,499,255</u>                       | <u>1,503,351</u>                   |

- 8.1 The movement in operating fixed assets during the period/year are as follows:

|   | (Un-audited)<br>Sept. 2023<br>Rs."000" | (Audited)<br>June 2023<br>Rs."000" |
|---|--|------------------------------------|
| Opening Balance (WDV)                     | 1,487,660                              | 1,131,598                          |
| Additions during the period / year (Cost) | 88                                     | 65,122                             |
| Depreciation charge for the period / year | (22,416)                               | (81,232)                           |
| Revaluation surplus                       | -                                      | 372,288                            |
| Disposal during the year (WDV)            | -                                      | (116)                              |
| Closing Balance (WDV)                     | <u>1,465,332</u>                       | <u>1,487,660</u>                   |

8.2 Movement in capital work-in-progress is as follows:

|                                       | <b>(Un-audited)</b><br><b>Sept. 2023</b><br><b>Rs."000"</b> | <b>(Audited)</b><br><b>June 2023</b><br><b>Rs."000"</b> |
|---------------------------------------|---|---|
| Opening balance                       | 15,691  | 23,187  |
| Addition during the period / year     | 18,232  | 45,938  |
| Transferred to operating fixed assets | -   | (40,358)  |
| Transferred to right of use assets    | -   | (13,076)  |
| Closing balance                       | <u>33,923</u>   | <u>15,691</u>   |

## 9 COST OF SALES

|                                 | <b>Quarter Ended</b>  |   |
|---------------------------------|---|---|
|                                 | <b>Sept. 2023</b><br><b>(Un-audited)</b><br><b>Rs."000"</b> | <b>Sept. 2022</b><br><b>(Un-audited)</b><br><b>Rs."000"</b> |
| Opening stock of finished goods | 510,801   | 490,823   |
| Cost of goods manufactured      | 2,271,416   | 2,179,628   |
|                                 | <u>2,782,217</u>  | <u>2,670,451</u>  |
| Closing stock of finished goods | (414,511)   | (569,530)   |
| Cost of sales                   | <u>2,367,706</u>  | <u>2,100,921</u>  |

## 10 EARNING PER SHARE - BASIC AND DILUTED

|  |              |             |             |
|--|--------------|-------------|-------------|
| Net Profit for the period                  | Rupees '000' | 81,182      | 17,210      |
| Weighted average number of ordinary shares | Number '000' | 141,321     | 141,321     |
| Earning per share - Basic and Diluted      | Rupee        | <u>0.57</u> | <u>0.12</u> |

## 11 TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise parent Company, related group companies, directors and key management personnel. Transactions with related parties are as follows.

| <b>Related Parties / Relationship</b>            | <b>Nature of Transaction</b> | <b>Quarter Ended</b>  |   |
|--|------------------------------|---|---|
|  |                              | <b>Sept. 2023</b><br><b>(Un-audited)</b><br><b>Rs."000"</b> | <b>Sept. 2022</b><br><b>(Un-audited)</b><br><b>Rs."000"</b> |
| <b>Transaction with related party</b>            |                              |   |   |
| <b>Nimir Industrial Chemicals Ltd</b>            | Purchase of goods            | 56,069  | 86,278  |
| Ultimate parent company                          | Sales of goods               | 1,020   | 2,270   |
|  | Services received/acquired   | 1,816   | 1,651   |
|  | Services provided            | 1,407   | 1,279   |
|  | Other expenses               | 741   | 1,376   |
| <b>Nimir Chemcoats Ltd</b>                       | Purchase of goods            | -   | 15,444  |
| Associated company                               | Sales of goods               | 87,786  | 7,975   |
|  | Services provided            | 1,200   | 629   |
| <b>Nimir Energy Ltd</b>                          | Sales of goods               | 145,738   | 87,486  |
| Associated company                               | Other expenses               | -   | 4   |
| <b>Contribution to staff retirement benefits</b> |                              |   |   |
|  | Gratuity fund charge         | 4,576   | 3,060   |
| <b>Key Management Personal</b>                   |                              |   |   |
|  | Remuneration                 | 26,514  | 18,845  |
|  | Other Benefits               | -   | -   |

## 12 SEGMENT REPORTING

12.1 Based on internal management reporting structure and products produced and sold, the Company has organized its business in the following two operating segments:

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

**Notes to and Forming part of the Condensed Interim Financial Information  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023 (UN-AUDITED)**

**12.2 Segment Analysis**

The segment information for the reportable segments for the quarter ended is as follows.

|   | Coating,<br>Emulsion and<br>Blending | Textile, Paper<br>and others | Total     |
|---|--------------------------------------|------------------------------|-----------|
|   | (Rs. '000)                           |                              |           |
| <b>Segment Results for the Period ended September 30, 2023 (Un-audited)</b> |                                      |                              |           |
| Sales   | 1,517,528                            | 1,149,630                    | 2,667,158 |
| Segment results   | 82,658                               | 148,681                      | 231,339   |
| Other operating expenses  |                                      |                              | (10,757)  |
| Finance costs   |                                      |                              | (90,277)  |
| Other income  |                                      |                              | 6,492     |
| Profit before taxation  |                                      |                              | 136,797   |
| <b>Segment Results for the Period ended September 30, 2022 (Un-audited)</b> |                                      |                              |           |
| Sales   | 1,288,784                            | 1,017,365                    | 2,306,149 |
| Segment results   | 82,265                               | 73,879                       | 156,144   |
| Other operating expenses  |                                      |                              | (3,221)   |
| Finance costs   |                                      |                              | (112,071) |
| Other income  |                                      |                              | 2,833     |
| Profit before taxation  |                                      |                              | 43,685    |

**Information about major customers**

One customer of the Company accounts for 17.49% (2022: 11.58%) of total sales for the period. Revenue from such customer was Rs. 466.494 million (2022: Rs. 267.082 million).

**Information about geographical areas**

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

**13 GENERAL**

**13.1** Corresponding figures are re-arranged / reclassified, wherever necessary, for the purpose of comparison and for better presentation. No material reclassifications have been made in this condensed interim financial information (un-audited).

**13.2** All figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

**14 AUTHORIZATION OF FINANCIAL INFORMATION**

This condensed interim financial information (un-audited) is authorized for issuance on Tuesday, October 24, 2023 by the Board of Directors of the Company.

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER

**Better life Through Chemistry**



E-Brochure



Corporate Video

# NIMIR

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