

NIMIR

TRANSFORMING FOR A SUSTAINABLE FUTURE

ANNUAL REPORT 2025

Nimir Industrial Chemicals Limited



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Form of Proxy

Company Information

Board of Directors

Mr. M. Saeed-uz-Zaman	- Chairman
Mr. Zafar Mahmood	- Chief Executive Officer
Mr. Khalid Mumtaz Qazi	
Mr. Umar Iqbal	
Mr. Javaid Bashir Sheikh	
Mrs. Humaira Shazia	
Mr. Farrukh Ansari	
Mr. Saqib Anjum	
Mr. Abdul Jaleel Shaikh	
(Nominee - Pak Brunei Investment Company Limited)	

Chief Financial Officer

Syed Sajid Nasim

Company Secretary

Mr. Muhammad Inam-ur-Rahim

Head of Internal Audit

Mr. Umair Tahir

Audit Committee

Mr. Javaid Bashir Sheikh	- Chairman
Mrs. Humaira Shazia	- Member
Mr. Abdul Jaleel Shaikh	- Member

Human Resource & Remuneration Committee

Mr. Farrukh Ansari	- Chairman
Mr. M. Saeed-uz-Zaman	- Member
Mr. Zafar Mahmood	- Member

ESG Committee

Mr. Abdul Jaleel Shaikh	- Chairman
Mr. Umar Iqbal	- Member
Mr. Saqib Anjum	- Member

External Auditors

BDO EBRAHIM & CO.
Chartered Accountants

Legal Advisor

Cornelius, Lane & Mufti
Advocates & Solicitors

Shares' Registrar

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

Banks / DFIs

Al Baraka Bank Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Ltd
Bank Islami Pakistan Ltd
The Bank of Punjab
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial & Commercial Bank of China (ICBC)
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Samba Bank Limited
Soneri Bank Limited
Standard Chartered Bank Pakistan Ltd
Pak Brunei Investment Company Limited
Pak Kuwait Investment Company (Pvt) Limited
Pak China Investment Company Limited
Pak Libya Holding Company (Pvt) Limited
Pair Investment Company Limited
United Bank Limited

Registered Office / Plant 1

14.8 km., Sheikhpura-Faisalabad Road,
Bhikhi, District Sheikhpura, Pakistan.
Tel: +92 56 3883001-7
Fax: +92 56 3883010
Cell: +92 301-8221151, 301-8483950

Plant 2

B -233 & 234 LIEDA, Hub Industrial Trading Estate,
Hub, District Lasbela, Balochistan

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

Website

www.nimir.com.pk

OUR VISION 2030

ہمارا نصب العین

To become a trusted international conglomerate,
driven by **Leadership**, **Talent**, and **Sustainability** by 2030

ہمارا نصب العین ۲۰۳۰ تک قیادت، صلاحیت، اور Sustainability کے بل پر ایک متاثر
بھروسہ بین الاقوامی متنوع ادارہ بننا ہے



OUR MISSION

ہمارا عزم

To nurture Trust, Talent and Innovation
ہم بھروسے، قابلیت اور تخلیقیت کو پروان چڑھانے کے لئے پر عزم ہیں

CHAIRMAN'S MESSAGE

DEAR ALL

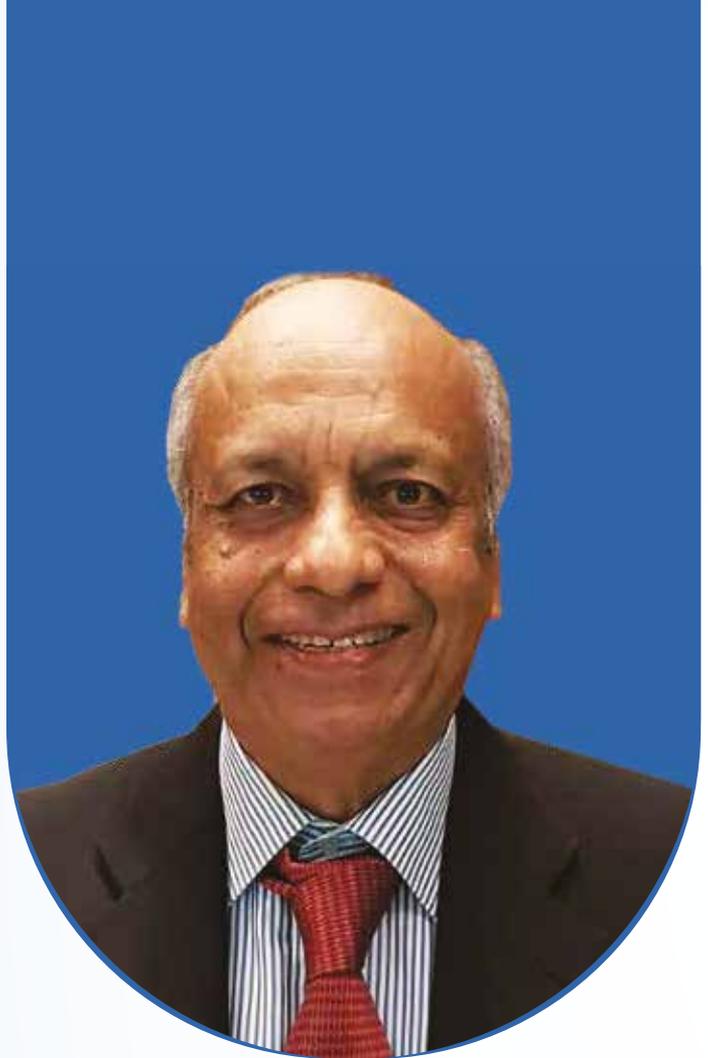
I am honored to present the Chairman's Review Report for Nimir Industrial Chemicals Limited, along with the Audited Financial Statements for the fiscal year ended June 30, 2025. We are delighted to observe the company's impressive performance this year, as management successfully doubled the bottom line and Earnings Per Share (EPS) compared to the previous year.

Our vision continues to center on achieving sustainable profitability, expanding our market presence, and maintaining the highest standards of corporate governance and compliance. Over the past year, Pakistan's economy demonstrated signs of recovery, with inflation dropping below 5%, down from over 30%. This improvement allowed the State Bank of Pakistan to reduce the policy rate from 22% to 11%, spurring private sector growth. Consequently, real GDP grew by 2.68%, and fiscal discipline improved, resulting in a smaller fiscal deficit.

This year has been exceptional in terms of performance, showcasing our ability to thrive amidst significant challenges. The company achieved robust financial results, with sales and gross profit increasing by 8%, and net profit doubling to PKR 2.0 billion (2024: PKR 1.0 billion). Earnings Per Share also rose from PKR 9.07 to PKR 18.29, reflecting effective cost management and operational excellence.

Looking ahead, we are actively pursuing strategic initiatives to strengthen our growth trajectory. These initiatives include investments aimed at enhancing operational efficiency, driving innovation, and supporting product development. With a stable economic outlook, favorable interest rates, and these forward-looking measures, we remain committed to delivering sustainable growth and creating greater shareholder value, Insha'Allah.

Our guiding principle has always been respect for humanity, recognizing that our employees, customers, shareholders, and



partners are the foundation of our success. We are deeply committed to minimizing the environmental impact of our operations and ensuring the health, safety, and well-being of all stakeholders associated with our business.

I would like to extend my gratitude to our Shareholders, Customers, Suppliers, Banks, and Employees for their trust, support, and dedication, which continue to drive the Company's success.

With warm regards,

A handwritten signature in blue ink, reading "Saeed uz Zaman".

Muhammad Saeed uz Zaman
Chairman
Lahore, September 16, 2025

CHAIRMAN'S MESSAGE

VALUED STAKEHOLDERS

I am pleased to present the Chief Executive Report for the year ended FY 2025. It has been a year of significant progress and positive developments for both the company and the country as a whole.

The year under review saw a period of economic recovery and political stability, with headline inflation decreasing to less than 5% and the State Bank of Pakistan lowering the discount rate from 22% to 11%. Real GDP grew by 2.68% in FY 2025, showcasing a slight improvement from the previous year. Fiscal discipline also improved significantly, leading to a narrower fiscal deficit of 5.4% of GDP. These positive trends are expected to continue in the upcoming year, providing a strong foundation for future growth.

The company's financial performance showed a positive trend in the past year, with both sales and gross profit experiencing 8% growth compared to the previous year. The reduction in financial costs by 33% was another key factor contributing to the bottom line, resulting in the company's bottom line doubling from PKR 1.0 billion to PKR 2.0 billion. The increase in Earnings Per Share from Rs.9.07 to PKR 18.29 reflects the company's ability to generate higher profits for its shareholders. These results demonstrate effective cost management and strong operational performance, positioning the company well for future growth and success.

The country's economic outlook is showing encouraging signs, with improved fiscal discipline under the IMF Program expected to continue the growth trajectory. Despite challenges such as the recent country-wide flood, the government's resilience is expected to minimize its effects. The government's focus on long-term macroeconomic policies is expected to accelerate growth and create opportunities for businesses.

The company acquired a soap plant in Hub from Procter & Gamble Pakistan in FY 2025 and is now working on reviving the plant by relocating one of the oleochemicals plants from Sheikhpura to Hub. This strategic move aims to reduce transportation costs and explore new export opportunities through sea ports. The



management has outlined aggressive growth strategies, including initiatives to improve efficiency, reduce costs, enhance existing products, and introduce new products.

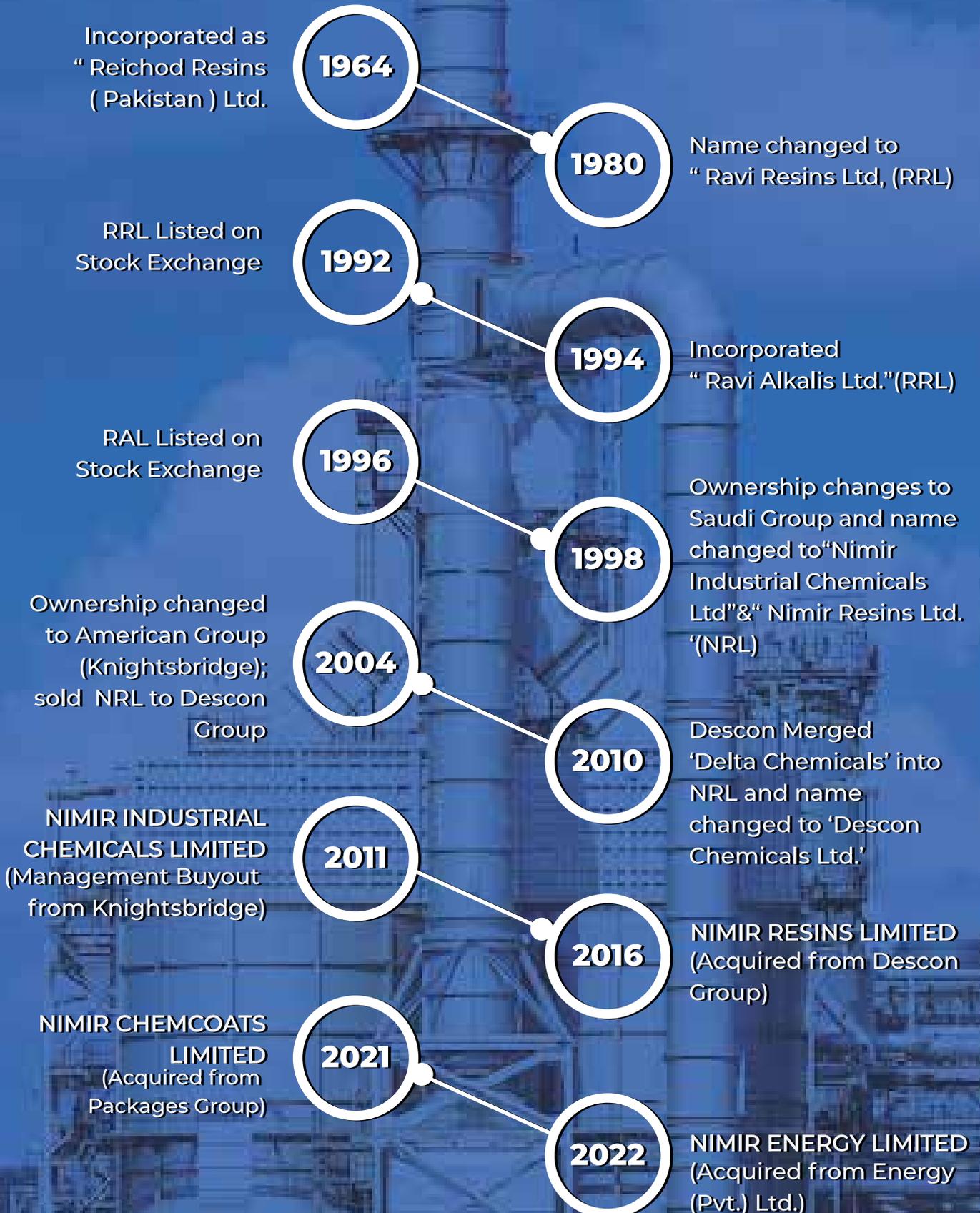
In conclusion, with favourable interest rates, stable inflation, and the implementation of strategic measures, the management is optimistic about creating higher shareholder value in the upcoming year.

I would like to express gratitude on behalf of the management to our shareholders, customers, employees, and partners for their ongoing trust and support. Together, we are committed to building a more robust company that delivers lasting value to all stakeholders, Insha Allah.

With warm regards,

Zafar Mahmood
Chief Executive Officer
Lahore, September 16, 2025

OUR HISTORY



Accreditations



Sedex is a not for profit membership organisation dedicated to driving improvements in ethical and responsible business practices in global supply chains.



Roundtable on Sustainable Palm Oil

The Roundtable on Sustainable Palm Oil (RSPO) was established in 2004 with the objective of promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders.



Good Manufacturing Practices (GMP) in accordance with ISO 14001 : 2015 - Environment



Good Manufacturing Practices (GMP) in accordance with ISO 45001 : 2018 - Health & Safety



Good Manufacturing Practices (GMP) in accordance with ISO 22716 : 2007 - Guidelines for Cosmetics

Certificate Number: CU844895ISO22716-02.2025



ISO 9001:2015 Certification (Quality Management System)

Certificate Number: CU844895ISO9001-01-2024



IT IS HEREBY CERTIFIED THAT THE FOLLOWING PRODUCTS SOAP NOODLE, GLYCERIN, STEARIC ACID & FINISHED SOAP

ARE IN COMPLIANCE WITH THE ISLAMIC SHARIAH (GUIDELINES), GLOBAL HALAL MANAGEMENT SYSTEM, IHI ALLIANCE-MALAYSIA (GHMS), PAKISTAN HALAL STANDARD (PS-3733:2016) AND UNDER THE SUPERVISION OF SHARIAH BOARD. THE PRODUCT CONTAINS HALAAL INGREDIENTS AND COMPLIES WITH THE ISLAMIC SHARIAH LAW, THEREFORE, IS LAWFUL FOR MUSLIM CONSUMPTION.

Cert. No. HAL/ 057
www.ri-ca.org



CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) for Nimir is not just a commitment- it's a promise to create opportunities that transform lives. At Bhikki School, this promise has become a reality for more than 1,000 young girls who are receiving free, modern education in an environment where they can dream without limits. Many of these girls come from families that could not otherwise afford education, yet today they walk into classrooms filled with hope, supported by modern facilities

solar energy backup, clean drinking water, hygienic washrooms, and a progressive syllabus that equips them for the future. For these children, Bhikki School is more than just a building - it is a doorway to dignity, confidence, and empowerment. By investing in their education and well-being, Nimir is not only shaping brighter futures but also uplifting entire communities, proving that true CSR is about touching hearts and changing generations.

Gender Pay Gap statement under SECP Circular 10 of 2024

At Nimir Industrial Chemicals Limited, we are committed to promoting workplace equality and ensuring compliance with the SECP circular on the gender pay gap.

Globally, the gender pays gap remains a significant challenge, reflecting disparities in earnings between men and women arising from factors such as occupational segregation, differences in work experience, and industry dynamics.

Despite the challenges faced by Pakistan's chemical sector, we are dedicated to fostering greater gender inclusion within the industry.

An overview of our current gender pay gap is presented below:

	Male	Female
Mean Hourly Wage Rate	815.45	458.29
Median Hourly Wage Rate	528.22	233.15

1. Mean Gender Gap :

Mean Gap



Mean Salary of the women is 44% lower than men

2. Median Gender Gap :

Median Gap



Median Salary of the women is 56% lower than men

Zafar Mahmood

Chief Executive Officer
Nimir Industrial Chemicals Limited

Lahore
September 16, 2025

Environmental, Social, and Governance (ESG)

Our ESG Vision

Nimir Industrial Chemicals Ltd. aims to:

- Align with leading international sustainability frameworks and ESG regulatory framework.
- Enhance ESG disclosures and performance metrics.
- Foster a culture of continuous improvement in environmental and social performance.
- Create shared value for all stakeholders including shareholders, employees, customers, suppliers, and communities.

Overview

At Nimir Industrial Chemicals Ltd., we recognize that Environmental, Social, and Governance (ESG) principles are fundamental to driving sustainable growth, mitigating risks, and enhancing long-term value for all stakeholders. In line with the guidelines of the Securities and Exchange Commission of Pakistan (SECP), global ESG frameworks, and evolving regulatory requirements, we are committed to embedding ESG considerations into every aspect of our operations and decision-making processes.

ESG Commitment Statement

1. Environmental Stewardship

We are dedicated to minimizing our environmental impact by optimizing resource utilization, reducing emissions and waste, and continuously improving operational efficiency. Our goal is to support a cleaner, greener, and more sustainable future.

2. Social Responsibility

We foster a culture of inclusion, fairness, and respect. We aim to create a safe, diverse, and empowering work environment for our employees, while also positively contributing to the well-being of our customers, suppliers, and communities in which we operate.

3. Strong Governance

Our governance framework is built on the pillars of integrity, transparency, and accountability. We ensure robust oversight, ethical conduct, and compliance with all applicable laws and regulations, promoting trust and long-term value creation.

ESG Governance Structure

To ensure effective implementation and oversight of our ESG strategy, a dedicated ESG Board Committee has been established. This committee is responsible for monitoring progress, setting strategic ESG priorities, and ensuring alignment with regulatory and stakeholder expectations.

ESG Committee Members:

- Mr. Abdul Jaleel Shaikh – Chairman
- Mr. Umar Iqbal – Executive Director
- Mr. Saqib Anjum – Non-Executive Director

The Committee convened its inaugural meeting to define a strategic ESG roadmap focused on achieving long-term sustainability goals and business growth. Regular updates and recommendations will be reported to the full Board of Directors.



OLOE-CHEMICALS

SOAP NOODLES

- Palm Bright 80:20
- Palm Bright 90:10
- Capella
- Soap Base

STEARIC ACID

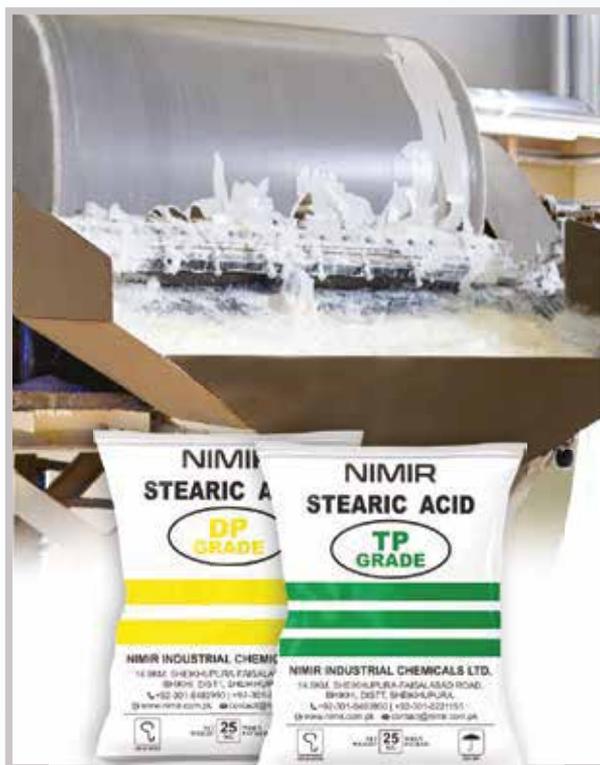
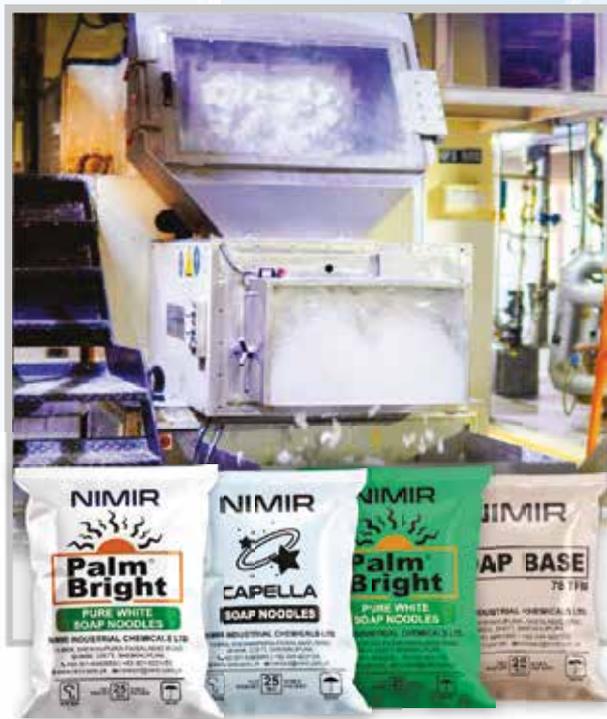
- Triple Press
- Double Press

GLYCERINE

- BP Grade, Halal Certified

HYDROGENATED OILS

DISTILLED FATTY ACID



THIRD PARTY MANUFACTURING SERVICES

TOILET SOAP BAR:

- Paper Wrapping
- BOPP Wrapping
- Flow Wrap
- Skillets
- Over-wrapping
- Bundling



AEROSOLS:

- Body Sprays
- Air Fresheners
- Insecticides
- Shaving Foam
- Spray Paints
- Industrial Cleaners
- Hair Sprays
- Home Hygiene



PERSONAL CARE LIQUIDS:

- Shampoos
- Hand Wash
- Face Wash
- Body Wash
- Lotion
- Hand Sanitizers
- Soft Creams



HOME CARE PRODUCTS:

- Toilet Cleaners
- Bath Cleaners
- Surface Cleaners
- Fabric Bleach
- Dish Bar & Scourer
- Liquid Detergent



CHLOR ALKALI

- CAUSTIC SODA
- LIQUID CHLORINE
- SODIUM HYPOCHLORITE
- HYDROCHLORIC ACID

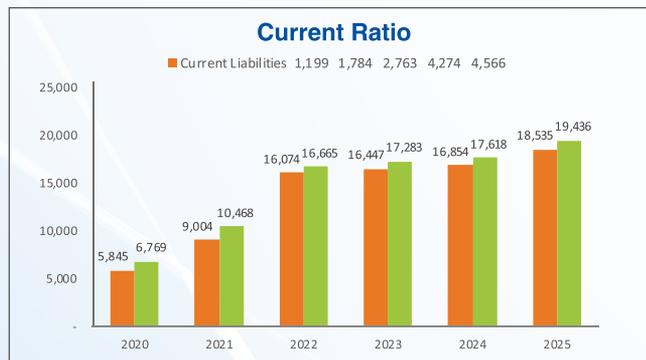
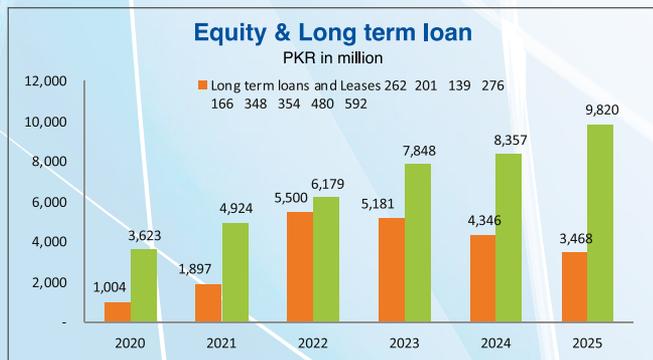
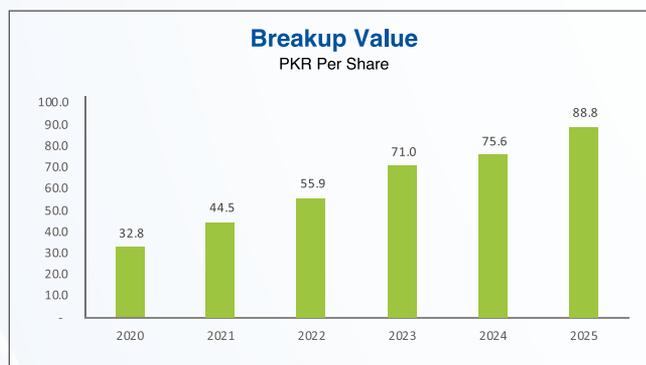
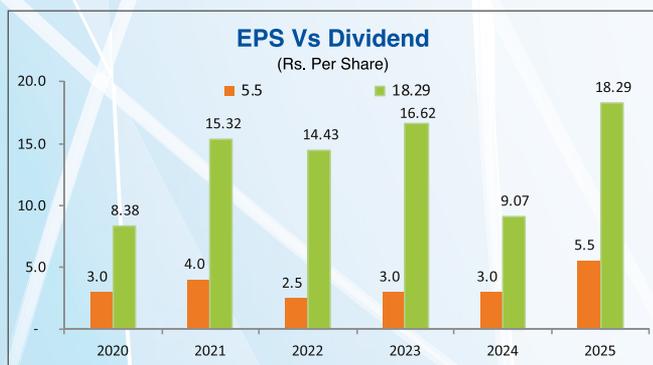
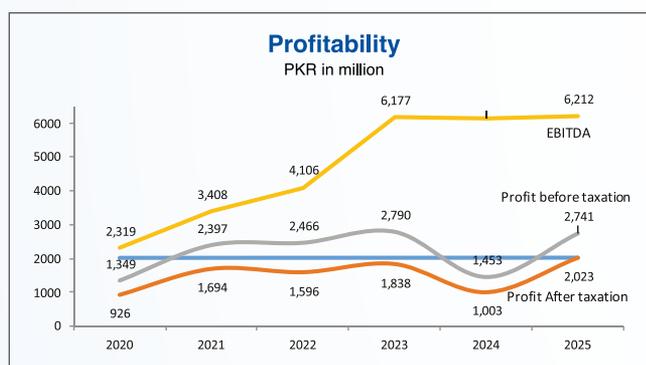
- CHLORINATED PARAFFIN WAX
(Multiple grades ranging from 40% to 65% chlorine content)



Our Performance

PKR Million*

	2020	2021	2022	2023	2024	2025
Gross Turnover	20,220	27,169	39,564	51,257	49,308	53,163
Net Sales	17,173	23,094	33,786	43,826	41,925	45,255
Profit before taxation	1,349	2,397	2,466	2,790	1,453	2,741
Profit after Taxation	926	1,694	1,596	1,838	1,003	2,023
EBITDA	2,319	3,408	4,106	6,177	6,154	6,212
Long term loans and Leases	1,004	1,897	5,500	5,181	4,346	3,468
Equity	3,623	4,924	6,179	7,848	8,357	9,820
Current Assets	6,769	10,468	16,665	17,283	17,618	19,436
Current Liabilities	5,845	9,004	16,074	16,447	16,854	18,535
Current Ratio	1.16	1.16	1.04	1.05	1.05	1.05
Number of Shares (in Millions)	111	111	111	111	111	111
Breakup value per share - Rupees	32.8	44.5	55.9	71.0	75.6	88.8
Earning per share - Rupees	8.38	15.32	14.43	16.62	9.07	18.29
Dividend Per Share - Rupees	3.0	4.0	2.5	3.0	3.0	5.5



Wealth Generated and Distributed

FOR THE YEAR ENDED JUNE 2025

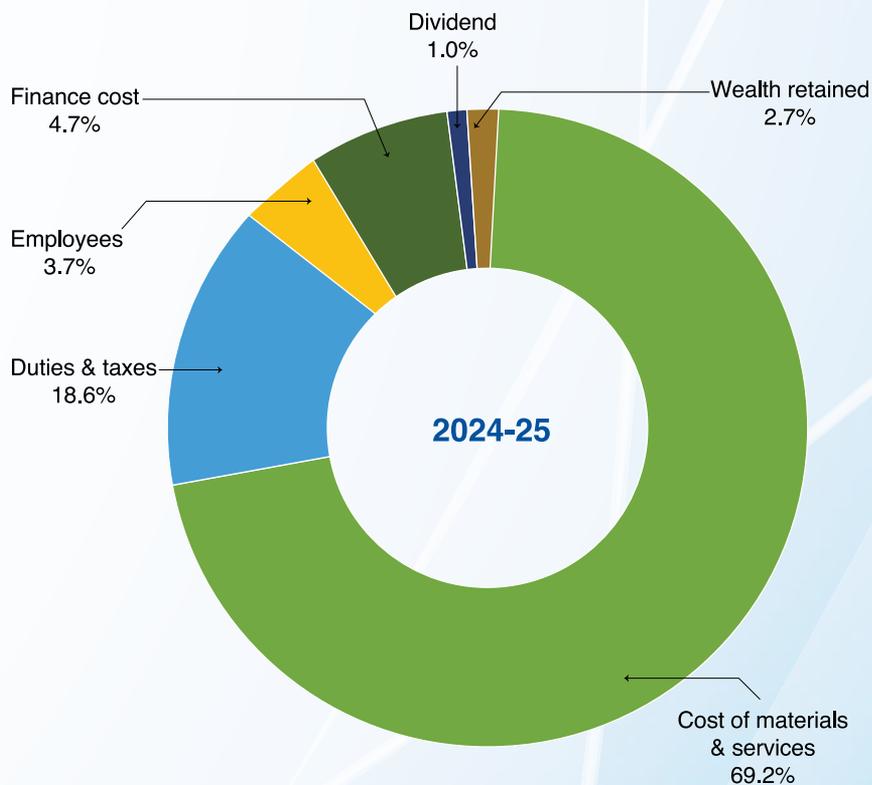
2025	
Rs in million	% age
53,163	99.4%
327	0.6%
53,490	100%
37,007	69.2%
9,949	18.6%
1,991	3.7%
2,527	4.7%
553	1.0%
1,463	2.7%
53,490	100.0%

Generation of Wealth

- Sales with sales Tax
- Other operating profit

Distribution of Wealth

- Cost of materials & services
- Duties & taxes
- Employees
- Finance cost
- Dividend
- Wealth retained



Year at A Glance 2025

	2025	2024
	Rupees in Million	
Gross Turnover	53,163	49,308
Gross Profit	6,690	6,178
Operating Profit	5,400	5,098
Finance Cost	2,527	3,796
Profit before taxation	2,741	1,453
Profit after taxation	2,023	1,003
EBITDA	6,212	6,154
Net Worth	9,820	8,357
Long Term Loans and Leases	3,468	4,346
Total Assets	29,258	31,425
Breakup value per share - Rupees	88.8	75.6
Earning per share - Rupees	18.3	9.1

07.90%

Increase in
Gross Turnover

08.30%

Increase in
Gross Profit

05.90%

Increase in
Operating Profit

78.60%

Increase in
Profit after Tax

0.93%

Increase in
EBITDA

17.50%

Increase in
Break Up Value

Key Operating & Financial Data for Last Six Years

	2020	2021	2022	2023	2024	2025
	Rupees in million					
Net Sales	17,173	23,094	33,786	43,826	41,925	45,255
Gross Profit	2,546	3,544	4,290	6,413	6,178	6,690
Operating Profit	2,177	3,046	3,685	5,521	5,098	5,400
Finance Cost	602	464	1,127	2,699	3,796	2,527
Profit before taxation	1,349	2,397	2,466	2,790	1,453	2,741
Profit after taxation	926	1,694	1,596	1,838	1,003	2,023
EBITDA	2,319	3,408	4,106	6,177	6,154	6,212
Paid-up Capital	1,106	1,106	1,106	1,106	1,106	1,106
Net Worth	3,623	4,924	6,179	7,848	8,357	9,820
Long Term Loans and Leases	1,004	1,897	5,500	5,181	4,346	3,468
Deffered Liabilities	376	444	1,506	1,948	1,734	1,489
Current Liabilities	5,845	9,004	16,074	16,447	16,854	18,535
Total Equity and Liabilities	10,849	16,269	29,258	31,425	31,290	33,311
Current Assets	6,769	10,468	16,665	17,283	17,618	19,436
Non Current Assets	4,079	5,801	12,593	14,142	13,672	13,875
Total Assets	10,849	16,269	29,258	31,425	31,290	33,311
Breakup value per share - Rupees	32.8	44.5	55.9	71.0	75.6	88.8
Earnings per share - Rupees	8.4	15.3	14.4	16.6	9.1	18.3
Current Ratio	1.16 : 1	1.16 : 1	1.04 : 1	1.05 : 1	1.05 : 1	1.05 : 1
Lont Terms Debt to Equity Ratio	22 : 78	28 : 72	47 : 53	40 : 60	34 : 66	26 : 74
Interest Coverage Ratio	3.24	6.17	3.19	2.03	1.38	2.08

Horizontal & Vertical Analysis

	2020	2021	2022	2023	2024	2025
	Rupees in million					
BALANCE SHEET						
Non Current Assets	4,079	5,801	12,593	14,142	13,672	13,875
Current Assets	6,769	10,468	16,665	17,283	17,618	19,436
TOTAL ASSETS	10,849	16,269	29,258	31,425	31,290	33,311
Share Capital and Reserves	3,623	4,924	6,179	7,848	8,357	9,820
Non Current Liabilities	1,381	2,341	7,006	7,129	6,080	4,956
Current Liabilities	5,845	9,004	16,074	16,447	16,854	18,535
TOTAL EQUITY AND LIABILITIES	10,849	16,269	29,258	31,425	31,290	33,311
PROFIT & LOSS ACCOUNT						
Sales- Net	17,173	23,094	33,786	43,826	41,925	45,255
Cost of Sales	14,626	19,550	29,495	37,412	35,747	38,565
Gross Profit	2,546	3,544	4,290	6,413	6,178	6,690
Distribution & Administration Cost	369	498	605	892	1,080	1,291
Operating Profit	2,177	3,046	3,685	5,521	5,098	5,400
Other Expenses/ (Income)	227	185	93	32	(151)	132
Finance Cost	602	464	1,127	2,699	3,796	2,527
Profit before Taxation	1,349	2,397	2,466	2,790	1,453	2,741
Taxation	423	702	870	952	450	718
Other Comprehensive Loss	6	7	9	2	0	7
Net Comprehensive income for the Year	920	1,688	1,586	1,836	1,003	2,016

Horizontal Analysis						Vertical Analysis					
2020	2021	2022	2023	2024	2025	2020	2021	2022	2023	2024	2025
percentages changes from last year						Percentage					
18.64	42.20	117.10	12.29	(3.32)	1.49	37.60	35.65	43.04	45.00	43.69	41.65
33.37	54.64	59.19	3.71	1.94	10.32	62.40	64.35	56.96	55.00	56.31	58.35
27.42	49.96	79.84	7.40	(0.43)	6.46	100.00	100.00	100.00	100.00	100.00	100.00
19.39	35.90	25.48	27.02	6.48	17.51	33.40	30.27	21.12	24.98	26.71	29.48
51.16	69.58	199.25	1.77	(14.73)	(18.47)	12.73	14.39	23.94	22.69	19.43	14.88
28.01	54.05	78.52	2.32	2.47	9.98	53.88	55.34	54.94	52.34	53.86	55.64
27.42	49.96	79.84	7.40	(0.43)	6.46	100.00	100.00	100.00	100.00	100.00	100.00
15.64	34.48	46.30	29.72	(4.34)	7.94	100.00	100.00	100.00	100.00	100.00	100.00
14.09	33.66	50.87	26.84	(4.45)	7.88	85.17	84.66	87.30	85.37	85.26	85.22
25.46	39.17	21.07	49.48	(3.67)	8.29	14.83	15.34	12.70	14.63	14.74	14.78
24.56	35.02	21.51	47.44	21.07	19.49	2.15	2.16	1.79	2.04	2.58	2.85
25.61	39.88	21.00	49.81	(7.66)	5.92	12.68	13.19	10.91	12.60	12.16	11.93
5.3	(18.4)	(50.0)	(65.8)	(575.9)	(187.2)	1.32	0.80	0.27	0.07	(0.36)	0.29
67.33	(22.86)	142.86	139.54	40.62	(33.42)	3.50	2.01	3.34	6.16	9.05	5.58
16.44	77.65	2.88	13.15	(47.92)	88.63	7.86	10.38	7.30	6.37	3.47	6.06
21.25	66.16	23.91	9.45	(52.74)	59.53	2.46	3.04	2.58	2.17	1.07	1.59
115.60	6.29	37.28	(76.68)	(92.97)	4,389.33	0.04	0.03	0.03	0.00	0.00	0.01
14.00	83.41	(6.00)	15.70	(45.37)	101.05	5.36	7.31	4.70	4.19	2.39	4.45

Directors' Report

The Board of Directors of Nimir Industrial Chemicals Limited (the "Company") is pleased to present the 32nd Annual Report, together with the audited financial statements, for the year ended June 30, 2025.

Economic Overview

The year under discussion may be regarded as a year of recovery, both on the economic and political front. This was a harbinger for a strong economic turn-around. In this year, the headline inflation had gone down to less than 5% from a high of over 30% in the previous year. This enabled the State Bank of Pakistan to reduce the discount rate from 22% to 11% easing credit conditions and stimulating private sector activity. During FY 2025, real GDP expanded by 2.68%, showing a modest improvement over the previous year. Fiscal discipline improved considerably which was reflected in the fiscal deficit which narrowed down to 5.4% of GDP. Current account, driven by record remittances, recorded a surplus of USD 2.1 billion against a deficit of USD 2.1 billion in the corresponding year. This helped the central bank to keep the exchange rates stable. These trends are expected to continue in the coming year as well.

Company Performance

Following the country's economic recovery, the company had a successful year with a significant increase in bottom line performance. Key highlights of the Company's financial results for the year ended June 30, 2025, include:

Items	2025 Jun-30	2024 Jun-30	% Change
	PKR Million		
Gross Sales	53,163	49,308	7.82
Gross Profit	6,690	6,178	8.29
Operating Profit	5,399	5,097	5.93
Profit After Taxation	2,022	1,003	101.60
Earning Per Share (PKR)	18.29	9.07	101.60

The company's financial performance showed a positive trend in the past year, with both sales and gross profit experiencing a healthy 8% increase compared to the previous year. This growth was supported by a 6% increase in operating profit. One of the key factors contributing to the improved bottom line was the significant reduction of PKR. 1.268 million in financial costs, which was 33% lower than the previous year. This reduction was mainly attributed to the gradual decrease in interest rates throughout the year.

As a result of these positive developments, the company's bottom line doubled from PKR 1.0 billion to PKR 2.0 billion, showcasing a strong financial performance. Furthermore, the increase in Earnings Per Share from Rs.9.07 to PKR 18.29 reflects the company's ability to generate higher profits for its shareholders. Overall, the company's improved financial results demonstrate effective cost management

and strong operational performance, positioning it well for future growth and success.

Future Outlook

The country's economic outlook is showing encouraging signs. With the improved fiscal discipline under IMF Program, the economy is expected to continue its growth trajectory. The havoc caused by country wide floods may impact negatively, but the resilience shown by the government is expected to minimise its effects. On the political front, the government is focussing on long term macro-economic policies. These policies are going to play pivotal role in the acceleration of growth.

The company acquired a soap plant in Hub from Procter & Gamble Pakistan in the previous financial year. Currently, the plant is operating at a low capacity. To revive the Hub plant, the management has developed a comprehensive plan to relocate one of the oleochemicals plants from Sheikhpura to Hub and establish necessary utilities by the end of FY 2026. This strategic move aims to reduce transportation costs and explore new export opportunities through sea ports.

Furthermore, the management has outlined aggressive growth strategies, including initiatives to improve efficiency, reduce costs, enhance existing products, and introduce new products. The company has allocated a capex budget of over PKR 1 billion for these initiatives, which includes the expenses associated with relocating the oleochemicals plant to Hub.

With favourable interest rates, stable inflation, and the implementation of these strategic measures, the management is optimistic about creating higher shareholder value, Insha'Allah.

Credit Rating

The Pakistan Credit Rating Agency (PACRA) has reaffirmed the Company's credit rating at A+ for the long term and A1 for the 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 routine nature.

Gratuity Scheme

The Company operates a funded gratuity scheme for its employees as referred in Note 6.15 to the accounts.

Board of Directors

The Board of Directors consists of nine members including CEO – Eight male and one female. Out of these directors, three are executives and six are non-executive (including three independent directors).

The Board was reconstituted after the elections in December 2024. The board has three sub committees: Audit Committee, Human Resource and Remuneration Committee and ESG Committee, the composition of which are shown below:

Audit Committee:

- | | | | |
|----|--------------------------|----------|------------------------|
| 1. | Mr. Javaid Bashir Sheikh | Chairman | Independent Director |
| 2. | Mrs. Humaira Shazia | Member | Independent Director |
| 3. | Mr. Abdul Jaleel Shaikh, | Member | Non-Executive Director |

Human Resource and Remuneration Committee:

- | | | | |
|----|-----------------------------|-------------|------------------------|
| 1. | Mr. Farrukh Ansari | Chairperson | Independent Director |
| 2. | Mr. Muhammad Saeed uz Zaman | Member | Non-Executive Director |
| 3. | Mr. Zafar Mahmood | Member | Executive Director |

ESG Committee:

- | | | | |
|----|-------------------------|----------|------------------------|
| 1. | Mr. Abdul Jaleel Shaikh | Chairman | Non-Executive Director |
| 2. | Mr. Saqib Anjum | Member | Non-Executive Director |
| 3. | Mr. Umar Iqbal | Member | Executive Director |

During the fiscal year 2024-25, five (5) Board, four (4) Audit Committee, one (1) HR & Remuneration Committee and one (1) ESG Committee meetings were held. The attendance of the directors was as follows:

Sr. No.	Name of Director	Board of Directors	Audit Committee	HR & R Committee	ESG Committee
1.	Mr. Muhammad Saeed uz Zaman	5/5	–	1/1	–
2.	Mr. Zafar Mahmood CEO	5/5	–	1/1	–
3.	Mr. Khalid Mumtaz Qazi	3/3	–	–	–
4.	Mr. Umar Iqbal	3/3	–	–	1/1
5.	Mr. Javaid Bashir Sheikh	3/3	2/2	–	–
6.	Mr. Farrukh Ansari	1/3	–	–	–
7.	Mrs. Humaira Shazia	5/5	4/4	–	–
8.	Mr. Saqib Anjum	5/5	–	–	–
9.	Mr. Abdul Jaleel Shaikh-PBIC	5/5	–	–	1/1
10.	Mr. Imran Afzal	1/2	–	–	–
11.	Mr. Aamir Jamil	2/2	2/2	–	–
12.	Mr. Javed Saleem Arif	2/2	2/2	–	–
13.	Ms. Parveen Akhter Malik	2/2	2/2	1/1	–

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 the CCG. The Audit and HR&R Committees play a pivotal role in identifying areas for improvement and recommending practical solutions.

Directors' Remuneration Policy

The remuneration of Executive Directors is governed by a formal policy approved by the Board in accordance with the Companies Act, 2017, and the Code of Corporate Governance. The fees for Non-Executive and Independent Directors for attending Board and Committee meetings are set by the Board periodically.

Corporate Governance

As per the Code of Corporate Governance included in the Listing Rules of the Pakistan Stock Exchange, the Board affirms the following:

- 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 controls is sound in design and has been effectively implemented and monitored,
- There is no significant doubt upon the company's ability to continue as a going concern,
- There has been no material departure from the best practices of the 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 is committed to continuously improving corporate governance and ensuring compliance with best practices, reviewing internal controls regularly in line with the 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 with an unprejudiced approach. Its Health, Safety, and environmental (HSE) policies are geared towards the betterment of employees and community.

The Company is committed to its social responsibility and the well-being of its community. In FY 2025, it spent PKR 47 million on the construction of new double story Building, New furniture, Principle and Staff offices at Government Girls Primary School – Bhikhi, District Sheikhpura with the support of the District government Sheikhpura.

The Company ensures environmentally friendly operations, products, and services while promoting environmental awareness among its employees and the community. It inducts employees from the surrounding community, offers internship/apprenticeship opportunities to technical institutes, and encourages student visits from different educational institutions. 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.

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 all 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.

External Auditors

The present auditors, M/s BDO Ebrahim & Co. - Chartered Accountant, who are retiring this year, have offered themselves for reappointment to the Management and Audit Committee. The Audit Committee has recommended the reappointment M/s BDO Ebrahim & Co. - Chartered Accountant as external auditor of the Company for the year ending June 30, 2026.

Dividend / Bonus Shares

The Board has recommended a PKR 2.0 per share (i.e. 20%) final cash dividend for the year ended June 30, 2025. The Board had earlier declared and paid interim cash dividends totaling PKR 3.5 per share (i.e. 35%). The total cash dividend for the year remained PKR 5.50 per share (i.e. 55 %).

Subsequent Event

No material changes affecting the Company's financial position occurred between June 30, 2025, and the date of this report, other than those disclosed.

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 Executive and their spouses and minor children during the year except those which are mentioned in the annexed statement required under code of CCG.

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.

Acknowledgment

The Board of Directors extends heartfelt gratitude to all stakeholders, including customers, banks, suppliers, contractors, and shareholders, for their unwavering support and confidence. We also express our gratitude to our dedicated employees for their hard work and commitment during this period. Our commitment remains steadfast in serving the best interests of all stakeholders and contributing to the overall welfare of our country.

For and on behalf of the Board



Zafar Mahmood

Lahore
September 16, 2025



Khalid Mumtaz Qazi

کمپنی نے گزشتہ مالی سال میں پراکٹر اینڈ گیمبل پاکستان سے جب میں صابن کا پلانٹ حاصل کیا تھا۔ فلائنگ پلانٹ کم صلاحیت پر کام کر رہا ہے۔ جب پلانٹ کو بحال کرنے کے لئے انتظامیہ نے اولیٰ کمیٹی پلانٹ میں سے ایک کو شیٹو پورہ سے حب منتقل کرنے اور مالی سال 2026 کے آخر تک ضروری یوٹیلیٹی قائم کرنے کے لئے ایک جامع منصوبہ تیار کیا ہے۔ اس اسٹریٹجی اقدام کا مقصد نقل و حمل کے اخراجات کو کم کرنا ہے اور سمندری بندرگاہوں کے ذریعے برآمدات کے نئے مواقع تلاش کرنا ہے۔

مزید برآں، انتظامیہ نے جارحانہ ترقی کی حکمت عملیوں کو خاکہ پیش کیا ہے، جس میں کارکردگی کو بہتر بنانے، لاگت کو کم کرنے، موجودہ مصنوعات کو بڑھانے اور نئی مصنوعات متعارف کرانے کے اقدامات شامل ہیں۔ کمپنی نے ان اقدامات کے لئے 1 PKR بلین روپے سے زیادہ کا بجٹ مختص کیا ہے جس میں اولیٰ کمیٹی پلانٹ کو حب میں منتقل کرنے کے اخراجات شامل ہیں۔

سازگار شرح سود، مستحکم افراط زر اور ان اسٹریٹجی اقدامات کے نفاذ کے ساتھ، انتظامیہ زیادہ شیئر ہولڈرز کی قدر پیدا کرنے کے لئے پرامید ہے۔ انشاء اللہ۔

کریڈٹ ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی (PACRA) نے کمپنی کی طویل مدت کے لئے A+ اور مختصر مدت کے لئے A1 کی کریڈٹ ریٹنگ برقرار رکھی۔

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۔

بورڈ آف ڈائریکٹرز

بورڈ آف ڈائریکٹرز نو (9) ارکان پر مشتمل ہے بشمول سی ای او جس میں آٹھ مرد اور ایک خاتون شامل ہیں۔ ان ڈائریکٹرز میں سے تین ایگزیکٹو اور چھ نان ایگزیکٹو (بشمول تین آزاد) ہیں۔

دسمبر 2024 میں انتخابات کے بعد بورڈ کی تشکیل نو کی گئی تھی۔ بورڈ کی تین ذیلی کمیٹیاں ہیں، یعنی آڈٹ کمیٹی، ہیومن ریورس اینڈ ریٹرنیشن کمیٹی اور ای ایس جی کمیٹی، جن کی تشکیل ذیل میں دی گئی ہے۔

آڈٹ کمیٹی:

1- جناب جاوید بشیر شیخ	(آزاد ڈائریکٹر)	چیئر مین
2- محترمہ جمیرا ایشاریہ	(آزاد ڈائریکٹر)	رکن
3- عبدالجلیل شیخ	(نان ایگزیکٹو ڈائریکٹر)	رکن

ہیومن ریورس اینڈ ریٹرنیشن کمیٹی:

1- جناب فرخ انصاری	(آزاد ڈائریکٹر)	چیئر پرسن
2- جناب محمد سعید الزمان	(نان ایگزیکٹو ڈائریکٹر)	رکن
3- جناب ظفر محمود	(ایگزیکٹو ڈائریکٹر)	رکن

ای ایس جی کمیٹی:

1- عبدالجلیل شیخ	(نان ایگزیکٹو ڈائریکٹر)	چیئر پرسن
2- جناب ثاقب انجم	(نان ایگزیکٹو ڈائریکٹر)	رکن
3- جناب عمر اقبال	(ایگزیکٹو ڈائریکٹر)	رکن

مالی سال 25-24 کے دوران، پانچ (5) بورڈ، چار (4) آڈٹ کمیٹی اور ایک (1) ایچ آر اینڈ ریٹرنیشن کمیٹی کے اجلاس اور ایک (1) ای ایس جی کے اجلاس منعقد ہوئے۔ ڈائریکٹرز کی حاضری حسب ذیل ہے:

نمبر انڈسٹریل کیٹگری لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز 30 جون 2025ء کو ختم ہونے والے مالی سال کے لئے 32 ویں سالانہ رپورٹ مع نظر ثانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتا ہے۔

اقتصادی جائزہ

زیر بحث سال کو معاشی اور سیاسی دونوں محازوں پر بحالی کا سال سمجھا جاسکتا ہے۔ یہ ایک مضبوط معاشی تبدیلی کا پیش خیمہ ثابت ہوا۔ اس سال ہینڈ لائن افراط زر گزشتہ سال کے 30 فیصد سے زیادہ کے مقابلے میں 5 فیصد سے بھی کم ہو گیا تھا۔ اس سے سٹیٹ بینک آف پاکستان نے ڈسکاؤنٹ ریٹ کو 22 فیصد سے کم کر کے 11 فیصد کر دیا، جس سے کریڈٹ کی شرائط میں نرمی نئی شعبے کی سرگرمیوں کو تحریک ملی۔ مالی سال 2025 کے دوران، حقیقی GDP میں 2.68 فیصد اضافہ ہوا، جو پچھلے سال کے مقابلے میں معمولی بہتری کو ظاہر کرتا ہے۔ مالیاتی نظم و ضبط میں خاطر خواہ بہتری آئی جس کی عکاسی مالیاتی خسارے سے ہوتی ہے جو کم ہو کر جی ڈی پی کے 5.4 فیصد تک رہ گیا۔ کرنٹ اکاؤنٹ ریکارڈ تریلیات کے ذریعے، اسی سال میں 2.1 بلین USD کے خسارے میں 2.1 بلین USD کا سرپلس ریکارڈ کیا گیا۔ اس سے مرکزی بینک کو شرح مبادلہ کو مستحکم رکھنے میں مدد ملی۔ یہ رجحانات آنے والے سال میں بھی جاری رہنے کی امید ہے۔

کمپنی کے کاروباری کارکردگی۔

ملکی کی معاشی بحالی کے بعد، کمپنی کا کامیاب سال رہا۔ جس میں منجلی سطح کی کارکردگی میں نمایاں اضافہ ہوا۔ 30 جون 2025 کو ختم ہونے والے سال کی اہم جھلکیاں مندرجہ ذیل ہیں:

	2024	2025
% میں تبدیلی		
روپے بلین		
مجموعی فروخت آمدنی	49,308	53,163
مجموعی منافع	6,178	6,690
آپریٹنگ منافع	5,097	5,399
ٹیکس کے بعد منافع	1,002	2,022
فی حصص آمدنی	9.07	18.29

مجموعی فروخت آمدنی
مجموعی منافع
آپریٹنگ منافع
ٹیکس کے بعد منافع
فی حصص آمدنی

کمپنی کی مالیاتی کارکردگی نے گزشتہ سال میں ایک مثبت رجحان ظاہر کیا۔ فروخت اور مجموعی منافع، دونوں میں پچھلے سال کے مقابلے میں 8 فیصد اضافہ ہوا۔ اس نمو کو آپریٹنگ منافع میں 6 فیصد اضافے سے سہارا ملا۔ منجلی سطح کو بہتر بنانے میں کردار ادا کرنے والے اہم عوامل میں سے ایک مالیاتی اخراجات میں 1.268 بلین روپے کی نمایاں کمی تھی، جو پچھلے سال کے مقابلے میں 33 فیصد کم تھی۔ اس کی کو بنیادی طور پر سال بھر میں شرح سود میں بتدریج کمی کو قرار دیا گیا۔

ان مثبت پیش رفتوں کے نتیجے میں، کمپنی کی بائبل لائن 1.0 بلین سے 2.0 بلین تک گئی ہوگی، جو مضبوط مالیاتی کارکردگی کو ظاہر کرتی ہے۔ مزید برآں، فی شیئر آمدنی میں 9.07 PKR روپے سے 18.29 روپے تک اضافہ کمپنی کی اسپن شیئر ہولڈرز کے لئے زیادہ منافع پیدا کرنے کی صلاحیت کو ظاہر کرتا ہے۔ مجموعی طور پر کمپنی کے بہتر مالیاتی نتائج موثر لاگت کے انتظام اور مضبوط آپریٹنگ کارکردگی کو ظاہر کرتے ہیں جو اسے مستقبل کی ترقی اور کامیابی کے لئے اچھی طرح سے ترتیب دیتے ہیں۔

مستقبل کا نقطہ نظر

ملک کا معاشی نقطہ نظر حوصلہ افزا نشانات دکھا رہا ہے۔ آئی ایم ایف پروگرام کے تحت بہتر مالیاتی نظم و ضبط کے ساتھ توقع ہے کہ معیشت اپنی بہتر ترقی کی رفتار کو جاری رکھے گی۔ ملک بھر میں سیلاب کی وجہ سے ہونے والے تباہی کا ضمنی اثر ہو سکتا ہے۔ لیکن حکومت کی طرف سے دکھائی جانے والی لچک سے اس کے اثرات کو کم کرنے کی امید ہے۔ سیاسی محاذ پر حکومت طویل مدتی مائیکرو ٹیکناک پالیسیوں پر توجہ مرکوز کر رہی ہے۔ یہ پالیسیاں ترقی کی راہ میں اہم کردار ادا کرنے جارہی ہیں۔

نام ڈائریکٹر	بورڈ آف ڈائریکٹرز	آڈٹ کمیٹی	ایچ آر & ریسیزیشن کمیٹی	ای ایس جی کمیٹی
محمد عبدالرحمان (ہیٹن)	5/5	-	1/1	-
ظفر محمود (سی ای او)	5/5	-	1/1	-
خالد ممتاز قاضی	3/3	-	-	-
عمر اقبال	3/3	-	-	1/1
جاوید بشیر شیخ	3/3	2/2	-	-
فرخ انصاری	1/3	-	-	-
مختصر مہیرا شاہیہ	5/5	4/4	-	-
ثاقب انجم	5/5	-	-	-
عبدالجلیل شیخ - PBICL	5/5	-	-	1/1
عمران افضل	1/2	-	-	-
عامر جمیل	2/2	2/2	-	-
جاوید سلیم عارف	2/2	2/2	-	-
مختصر پروین اختر ملک	2/2	2/2	1/1	-

- گزشتہ چھ سال کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا منسلک ہے اور۔
- ہٹاٹیکسز 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 اور کمپنیز ایکٹ 2017 کی روشنی میں مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔

کارپوریٹ سماجی ذمہ داریاں

کمپنی کمیونٹی کے ایک اہم رکن کے طور پر اپنی سماجی ذمہ داریوں کو پہنچاتی ہے۔ یہ غیر جانبدار 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 غیر جانبدارانہ بہتری کے لئے تیار کی گئی ہیں۔

کمپنی اپنی سماجی ذمہ داری اور اپنی کمیونٹی کی فلاح و بہبود کے لئے پُر عزم ہے۔ مالی سال 2025 میں اس نے مقامی بنیادی ڈھانچے کو بہتر بنانے پر 47 ملین روپے خرچ کیے، جس میں ڈسٹرکٹ گورنمنٹ شیٹو پورہ کے تعاون سے گورنمنٹ گرلز پرائمری سکول، بھکھی، ڈسٹرکٹ شیٹو پورہ میں نئی ڈبل سٹوری بلڈنگ، نئے فرنیچر، پرنسپل اور اسٹاف آفسرز کی تعمیر شامل ہے۔

کمپنی ماحول دوست آپریٹرز، مصنوعات اور خدمات کو یقینی بناتی ہے اور اپنے ملازمین اور کمیونٹی کے درمیان ماحولیاتی شعور کو فروغ دیتی ہے۔ یہ آرگورڈ کی کمیونٹی سے ملازمین کو شامل اور تکنیکی اداروں کو اپنٹس شپ اور اپنٹس شپ کے مواقع پیش کرتی ہے۔ یہ مختلف تعلیمی اداروں کے طالب علموں کی طرف سے دوروں کی حوصلہ افزائی اور ملک میں تعلیم کو فروغ دینے کے لئے ضرورت مند ملازمین کے بچوں کی مدد کرتی ہے۔

پائیداری ESG

کمپنی ESG کے انکشاف پر SECP کی ریگولیشنری 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 ای ایس جی عوامل کے نمایاں اثرات کو دیکھتے ہوئے، ہمارے آپریٹرز میں پائیداری کے خیالات کو فروغ دینے سے خطرات کو کم کرنے، ہماری سائیکل 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۔

اندرونی مالیاتی کنٹرول

اندرونی مالیاتی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔ بورڈ اندرونی مالیاتی 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 معیار کے مطابق ہے۔

تمام متعلقہ پارٹی لین دین کی ایک مکمل فہرست مرتب کی گئی ہے اور داخلی آڈٹ 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 زورور رکھے گئے۔

بیرونی محاسب

اس سال سبکدوش ہونے والے موجودہ محاسب میسرز بی ڈی اوی ابراہیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹ نے اہل ہونے کی بناء پر، بیٹجمنٹ اینڈ آڈٹ کمیٹی کو دوبارہ تقرری کے لئے اپنے آپ کو پیش کیا ہے۔ آڈٹ کمیٹی نے 30 جون 2026 کو ختم ہونے والے سال کے لیے میسرز بی ڈی اوی ابراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹ کو کمپنی کے بیرونی آڈیٹر کے طور پر تقرری کی سفارش کی ہے۔

بورڈ کی تفصیلات

کوڈ آف کارپوریٹ گورننس (سی سی جی) اور کمپنیز ایکٹ 2017 کے مطابق بورڈ، اس کی کمیٹیوں اور انفرادی ڈائریکٹرز کی تفصیلات کی گئی۔ بورڈ کی مدد دہلی کمیٹیوں، یعنی آڈٹ کمیٹی اور ایچ آر اینڈ آر 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۔ بہتری کے شعبوں کو اجاگر کرنے اور عملی حل تجویز کرنے میں ذیلی کمیٹیوں کے کلیدی کردار کی تعریف کرنا بھی ضروری ہے۔

ڈائریکٹرز کی معاوضہ پالیسی

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

کارپوریٹ گورننس

پاکستان اسٹاک ایکسچینج لمیٹڈ کے فہرستی قوانین میں شامل کوڈ آف 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، آپریٹرز 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 بیرونی مدد کی گئی ہے۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر 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۔

ڈائریکٹرز رپورٹ

ڈیویڈنڈ/بونس شیئرز

بورڈ نے 30 جون 2025ء کو ختم ہونے والے سال کے لئے 2/- روپے فی شیئر (یعنی 20%) حتمی نقد منافع کی سفارش کی ہے۔ بورڈ پہلے ہی عبوری نقد ڈیویڈنڈ/بونس کل -/3.5 روپے فی شیئر (یعنی 35%) کا اعلان اور ادا کر چکا ہے۔ سال کے لئے کل نقد ڈیویڈنڈ -/5.50 روپے فی شیئر (یعنی 55%) رہا۔

سیکیورٹیز سرگرمی:

30 جون 2025ء اور اس رپورٹ کی تاریخ کے درمیان کمپنی کی مالی حالت پر اثر انداز ہونے والی کوئی مادی تبدیلیاں ظاہر نہیں ہوئیں۔

نمونہ حصص داری

کمپنی کا نمونہ حصص داری منسلک ہے۔ سال کے دوران کمپنی کے ڈائریکٹرز، چیف ایگزیکٹو، چیف فنانس آفیسر، کمپنی سیکرٹری، 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 مسئلہ بیان میں کیا گیا ہے۔

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

اظہار تشکر

بورڈ آف ڈائریکٹرز، تمام قابل قدر اسٹیک ہولڈرز سمیت ریگولیشنز، بشمول صارفین، بینکوں، سپلائرز، ٹھیکیداروں اور حصص داران کے شاندار تعاون اور اعتماد کے لئے تہہ دل سے شکر گزار ہیں۔ ہم اس پوری مدت میں محنت اور عزم کے لئے اپنے سرشار ملازمین کی مرکز توجہ اور سخت محنت کا بھی شکریہ ادا کرتے ہیں۔ ہمارا عزم تمام اسٹیک ہولڈرز کے بہترین مفادات کی خدمت اور اپنے ملک کی مجموعی فلاح و بہبود میں اپنا حصہ ڈالنے میں ثابت قدم ہے۔

مخائب بورڈ

16 ستمبر 2025ء
لاہور

خالد ممتاز قاضی
ڈائریکٹر

ظفر محمود
چیف ایگزیکٹو آفیسر

Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

FOR THE YEAR ENDED JUNE 30, 2025

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

Note: The Board was reconstituted after the elections in December 2024.

1. 1. The total number of directors is 09 as detailed below:

- a. Male : 08
- b. Female : 01

2. The composition of the board is as follows:

S. No.	Category	Name
1	Independent Director	1. Mr. Javed Bashir Sheikh 2. Mrs. Humaira Shazia 3. Mr. Farrukh Ansari
2	Executive Director	1. Mr. Zafar Mahmood - Chief Executive Officer 2. Mr. Khalid Mumtaz Qazi 3. Mr. Umar Iqbal
3	Non- Executive Director	1. Mr. Muhammad Saeed uz Zaman - Chairman 2. Mr. Saqib Anjum 3. Mr. Abdul Jaleel Shaikh - Nominee
4	Female Director	1. Mrs. Humaira Shazia

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies (as applicable), including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
- 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.
- 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 (Board) have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- 9. During the period Mr. Saqib Anjum (Non-Executive Director) and Head of Internal Audit Mr. Umair Tahir had successfully completed their respective training under Directors’ Training Program.
- 10. The Board has approved appointment of Chief Financial Officer (CFO), 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. Chief Financial Officer (CFO) and Chief Executive Officer (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. Javaid Bashir Sheikh – Chairman
- II. Mrs. Humaira Shazia
- III. Mr. Abdul Jaleel Shaikh

II. HR and Remuneration Committee:

- I. Mr. Farrukh Ansari – Chairman
- II. Mr. Muhammad Saeed uz Zaman
- III. Mr. Zafar Mahmood

III. ESG Committee:

- I. Mr. Abdul Jaleel Shaikh – Chairman
- II. Mr. Umar Iqbal
- III. Mr. Saqib Anjum

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

Four quarterly meetings were held during the financial year ended June 30, 2025.

II. HR & Remuneration Committee

One meeting(s) was held during the financial year ended June 30, 2025.

III. ESG Committee

One meeting(s) was held during the financial year ended June 30, 2025.

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 (CEO), Chief Financial Officer (CFO), 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 Industrial Chemicals Limited



Muhammad Saeed uz Zaman
Chairman

Lahore
September 16, 2025



Zafar Mahmood
Chief Executive Officer

Independent Auditors' Review Report To The Members Of Nimir Industrial Chemicals Ltd. The Statement Of Compliance Contained In Listed Companies (CCG) Regulations, 2019

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 Industrial chemicals Limited (the Company) for the year ended June 30, 2025 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, 2025.

BDO Ebrahim & Co

BDO EBRAHIM & CO.

Chartered Accountants

Sajjad Hussain Gill

Lahore

September 18, 2025

UDIN: CR2025100878TGgQJN15

Independent Auditors' Report To The Members Of Nimir Industrial Chemicals Limited

On The Audited Financial Statements FOR THE YEAR ENDED JUNE 30, 2025

Introduction

We have audited the annexed financial statements of Nimir Industrial Chemicals Limited (the Company), which comprise the statement of financial position as at June 30, 2025, 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 material accounting policies 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, 2025 and of the profit and 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 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.

Key audit matters	How our audit addressed the key audit matter
1. Revenue Recognition	
<p>As described in Note 6.13 and Note 32 to the financial statements, the Company generates revenue from several types of products and services including three major categories i.e., oleo chemicals, chlor alkali and toll manufacturing. During the year ended June 30, 2025, the Company generated net revenue of Rs. 45,255 million as compared to Rs. 41,925 million, which represents an increase of 7.94% as compared to last year.</p> <p>The revenue recognition is identified as a key audit matter due to revenue being one of the key performance indicators of the Company and raises the risk that revenue could be misstated to meet targets.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Company's processes and design and implementation of internal controls relating to revenue recognition, credit control processes (credit limits), discount policies and on a sample basis, testing the effectiveness of those controls, particularly in relation to revenue recognition and timing; • Evaluating the appropriateness of the Company's revenue recognition policies and procedures to ensure compliance with International Financial Reporting Standards (IFRS) as applicable in Pakistan; • Assessed IT general controls and application controls for effectiveness in processing revenue transactions; • Performed test of controls on identified controls to ensure that they are operating effectively; • Examined supporting documentation for a sample of sales transactions, which involved verifying sales orders, invoices, goods dispatch notes, gate passes and conducting additional detailed procedures; • Performed substantive analytical procedures to reconcile sales reported in the sales tax returns with those in the internal sales reports. This included comparing the figures, investigating any discrepancies, and ensuring that all sales were accurately recorded and properly reported for tax purposes; • Performed cut-off procedures on near year-end sales to ensure revenue has been recorded in the correct period; and • Assessing the appropriateness and adequacy of the disclosures provided in Note 30 to the financial statements in accordance with relevant accounting standards.
2. Stock in trade	
<p>As described in Note 11 to the financial statements, the Company's stock in trade includes items of raw-materials in hand and raw-materials in transit against which the rights and obligations have been transferred to the Company and the finished good items as at reporting</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the Company's processes and design and implementation of internal controls relating the purchase and recording on inventory and on a sample basis,

Report on the Audit of the Financial Statements

FOR THE YEAR ENDED JUNE 30, 2025

<p>date amounting to Rs. 8,417 million as compared to Rs. 8,921 million which represents 5.64% decrease as compared to last year.</p> <p>We identified this area as a key audit matter because inventories constitute significant portion of total assets of the Company.</p> <p>Further, determining an appropriate write down as a result of net realizable value (NRV) and provision for slow moving inventories involves management judgment and estimation.</p>	<p>testing the effectiveness of those controls, particularly in relation to timing and recording on inventory;</p> <ul style="list-style-type: none">• Observed physical inventory count procedures and compared on a sample basis, physical count with inventory sheets;• We evaluated the effectiveness of the Company's internal controls over inventory management across various stages of production. This included performing ITAC testing to ensure that overhead costs were properly allocated, and inventory was recorded and issued at accurate moving average rates. We also verified that stock issuance rates were correctly calculated and that inventory was appropriately valued;• Performed substantive analytical procedures to reconcile stock issuance as per stock movement records with the amounts recorded in the trial balances. This involved investigating any discrepancies, including those related to interdepartmental issuances, and ensuring that consumption is accurately reflected in the financial statements;• Compared the NRV, on a sample basis, to the cost of finished goods to assess whether any adjustments are required to value stocks in accordance with applicable accounting and reporting standards;• Performed procedures related to purchases cut-off to ensure that recorded purchases were of the relevant period. This help verifying that the costs associated with inventory were properly allocated to the correct accounting period.• Assessed the provision for slow moving stock as at the year end and assessed whether it is in accordance with the relevant accounting and reporting standards; and• Considered adequacy of the related disclosures and assessed whether these are in accordance with the applicable accounting and financial reporting standards.
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3. Property, Plant and Equipment

<p>As described in Note 7.1 to the financial statements, the Company recorded material additions to property, plant and equipment amounting to Rs. 1,275.73 million during the year, including the acquisition of a manufacturing facility amounting to Rs. 935.353 million through deferred consideration.</p> <p>Such acquisitions are material to the financial statements and require management judgment in determining whether the costs incurred meet the capitalization criteria under IAS 16 Property, Plant and Equipment, including the present value of deferred payments and the identification of directly attributable costs.</p> <p>We identified this area as a key audit matter due to the size of the additions and the complexity involved in verifying the underlying transactions and calculating the cost of assets in accordance with the requirements of IAS 16 Property, Plant and Equipment.</p>	<ul style="list-style-type: none">• Inspected the purchase agreement and other legal documents to confirm the terms of acquisition, rights and obligations, and the nature of consideration payable;• Evaluated management's assessment of whether the recognition and measurement criteria under IAS 16 Property, Plant and Equipment and IFRS 9 Financial Instruments have been appropriately applied;• Recomputed the present value of the deferred consideration using the discount rate applied, and assessing its reasonableness by reference to market rates;• Tested, on a sample basis, payments made and other costs incurred in relation to the acquisition to determine whether they were directly attributable and appropriately capitalized;• Performed a physical verification of the acquired facility to confirm existence and condition;• Assessed the reasonableness of the consideration allocation with reference to the market value of the assets determined by management expert; and• Assessed the adequacy and appropriateness of disclosures made in the financial statements in respect of this acquisition.
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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 auditors' 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 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 auditors' 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 auditors' 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 auditors' report unless law or regulation precludes public disclosure about

Report on the Audit of the Financial Statements

FOR THE YEAR ENDED JUNE 30, 2025

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:

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) 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;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

The engagement partner on the audit resulting in this independent auditor's report is Sajjad Hussain Gill.

BDO Ebrahim & Co

BDO EBRAHIM & CO.
Chartered Accountants
Lahore
September 18, 2025
UDIN: AR20251008765FkiIVXM

Statement Of Financial Position

AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	13,837,606,442	13,625,466,143
Intangible assets	8	3,105,000	13,556,190
Long term deposits	9	34,484,110	32,558,910
		13,875,195,552	13,671,581,243
CURRENT ASSETS			
Stores, spare parts and loose tools	10	911,726,492	941,443,628
Stock-in-trade	11	8,417,523,319	8,920,922,765
Contract cost	12	67,479,056	65,075,920
Trade receivables	13	7,809,807,357	5,150,632,392
Loans and advances	14	61,720,633	43,090,446
Trade deposits and short-term prepayments		8,458,436	8,781,090
Other receivables	15	47,661,994	58,472,353
Short term investment	16	70,000,000	-
Tax refunds due from the Government	17	1,857,557,594	2,126,909,739
Cash and bank balances	18	184,011,080	303,170,209
		19,435,945,961	17,618,498,542
		33,311,141,513	31,290,079,785
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 145,000,000 (2024:145,000,000) shares of Rs. 10 each		1,450,000,000	1,450,000,000
Issued, subscribed and paid up capital	19	1,105,905,460	1,105,905,460
Revenue reserves - Accumulated profits		8,714,091,026	7,251,094,215
		9,819,996,486	8,356,999,675
NON CURRENT LIABILITIES			
Long term loans	20	3,282,780,411	4,232,130,664
Long term payable	21	72,373,155	-
Lease liabilities	22	112,462,886	113,724,575
Net defined benefit liability - Funded gratuity	23	242,976,227	231,948,925
Deferred tax liability	24	833,846,658	940,595,669
Deferred grant	25	411,965,620	561,117,033
		4,956,404,957	6,079,516,866
CURRENT LIABILITIES			
Trade and other payables	26	2,995,333,448	2,080,692,117
Contract liabilities	27	361,292,249	204,219,769
Unclaimed dividend		16,321,218	14,937,067
Short term borrowings	28	12,993,866,785	12,700,493,853
Current portion of non current liabilities	29	1,857,296,117	1,276,344,742
Markup accrued	30	310,630,253	576,875,696
		18,534,740,070	16,853,563,244
		33,311,141,513	31,290,079,785
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
	31		

The annexed notes from 1 to 50 form and integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Statement Of Profit Or Loss

FOR THE YEAR ENDED JUNE 30, 2025

Revenue from contracts with customers - Gross
 Less: Sales tax and trade discounts
 Revenue from contracts with customers - Net
 Cost of revenue
Gross profit
 Distribution cost
 Administrative expense

Operating profit

Other expense
 Other income
 Finance cost

Profit before income tax and levy

Levy

Profit before income tax

Taxation

Profit after income tax

Earnings per share - Basic and diluted

The annexed notes from 1 to 50 form and integral part of these financial statements.

Note	2025	2024
	Rupees	Rupees
	53,163,090,725	49,308,211,799
	(7,907,601,066)	(7,382,854,925)
32	45,255,489,659	41,925,356,874
33	(38,565,317,428)	(35,747,348,048)
	6,690,172,231	6,178,008,826
34	(588,845,615)	(500,584,120)
35	(701,785,654)	(579,540,257)
	(1,290,631,269)	(1,080,124,377)
	5,399,540,962	5,097,884,449
36	(458,863,133)	(153,712,949)
37	327,339,162	304,582,631
38	(2,527,409,354)	(3,795,851,002)
	2,740,607,637	1,452,903,129
39	(624,935,165)	(268,284,529)
	2,115,672,472	1,184,618,600
40	(92,988,591)	(181,744,041)
	2,022,683,881	1,002,874,559
41	18.29	9.07

Statement Of Comprehensive Income

FOR THE YEAR ENDED JUNE 30, 2025

Profit for the year

Other comprehensive loss

Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:

Re-measurement losses on defined benefit plan

Related deferred tax

Remeasurement losses on defined benefit plan - Net

Total comprehensive income for the year

The annexed notes from 1 to 50 form and integral part of these financial statements.

Note	2025	2024
	Rupees	Rupees
	2,022,683,881	1,002,874,559
23.7	(11,039,459)	(246,007)
24.1	4,305,389	95,943
	(6,734,070)	(150,064)
	2,015,949,811	1,002,724,495



Chief Executive Officer



Director



Chief Financial Officer

Statement Of Changes In Equity

FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid up share capital	Revenue Reserve unappropriated profits	Total
	Rupees	Rupees	Rupees
Balance as on July 01, 2023	1,105,905,460	6,742,468,523	7,848,373,983
Profit for the year	-	1,002,874,559	1,002,874,559
Other comprehensive loss for the year	-	(150,064)	(150,064)
Total Comprehensive income for the year	-	1,002,724,495	1,002,724,495
Final dividend for the year ended June 30, 2023 at the rate of Rs. 2 per share	-	(221,181,092)	(221,181,092)
First interim dividend at the rate of Rs. 1 per share	-	(110,590,546)	(110,590,546)
Effect of transfer of shares of Nimir Resins Limited	-	(162,327,165)	(162,327,165)
Balance as at June 30, 2024	1,105,905,460	7,251,094,215	8,356,999,675
Profit for the year	-	2,022,683,881	2,022,683,881
Other comprehensive loss for the year	-	(6,734,070)	(6,734,070)
Total Comprehensive income for the year	-	2,015,949,811	2,015,949,811
Final dividend for the year ended June 30, 2024 at the rate of Rs. 1.5 per share	-	(165,885,954)	(165,885,954)
First interim dividend at the rate of Rs. 2 per share	-	(221,181,092)	(221,181,092)
Second interim dividend at the rate of Rs. 1.5 per share	-	(165,885,954)	(165,885,954)
Balance as at June 30, 2025	1,105,905,460	8,714,091,026	9,819,996,486

The annexed notes from 1 to 50 form and integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Statement Of Cash Flows

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before income tax		2,115,672,472	1,184,618,600
Adjustments for:			
Depreciation	7.1	928,912,330	889,342,920
Amortization of intangible assets	8.1	14,591,190	16,267,428
Impairment	7.7	25,374,106	-
Finance cost	38	2,409,531,939	3,719,660,854
Financial charges on lease	38	29,780,306	15,988,940
Unwinding of long term payable	38	51,854,722	-
Provision for gratuity	23.6	60,712,844	53,297,531
Amortization of deferred grant	37	(166,597,406)	(182,106,041)
Gain on disposal of operating fixed assets	37	(85,918,207)	(73,916,499)
Workers' Profit Participation Fund	26.3	147,186,232	78,113,071
Workers' Welfare Fund	26.4	55,930,768	31,245,229
		3,471,358,824	4,547,893,433
Net cash flows before working capital changes		5,587,031,296	5,732,512,033
Effect on cash flows due to working capital changes:			
(Increase) / decrease in current assets			
Stores, spare parts and loose tools		29,717,136	(131,308,584)
Stock-in-trade		503,399,446	(760,087,394)
Contract cost		(2,403,136)	(7,978,604)
Trade receivables		(2,659,174,965)	14,927,212
Loans and advances		(18,630,187)	68,678,976
Trade deposits and short-term prepayments		322,654	(6,304,794)
Other receivables		10,810,359	170,756,848
Short term investment	16	(70,000,000)	-
Tax refunds due from the Government - Sales tax		663,474,481	694,944,597
Increase in current liabilities			
Trade and other payables		817,058,069	154,198,775
Contract liabilities		157,072,480	53,357,883
		(568,353,663)	251,184,915
Cash generated from operations		5,018,677,633	5,983,696,948
Gratuity paid	23.7	(60,725,000)	(22,000,000)
Finance cost paid		(2,509,179,980)	(3,776,261,626)
Income taxes paid		(589,554,549)	(531,814,958)
Workers' Profit Participation Fund paid	26.3	(78,113,071)	(149,999,188)
Workers' Welfare Fund paid	26.4	(27,420,666)	(44,962,278)
Net cash generated from operating activities		1,753,684,367	1,458,658,898

CASH FLOW FROM INVESTING ACTIVITIES

Additions in operating fixed assets		(360,667,844)	(112,467,357)
Additions in capital work-in-progress	7.7	(807,905,750)	(459,897,189)
Addition in intangible assets	8.1	(4,140,000)	-
Proceeds from sale of operating fixed assets		102,505,766	94,542,166
Payment received from Nimir Management (Private) Limited		-	40,057,304
Long term deposits - Net		(1,925,200)	(943,308)
Net cash used in investing activities		(1,072,133,028)	(438,708,384)

CASH FLOW FROM FINANCING ACTIVITIES

Long term loans obtained		500,000,000	-
Repayment of long term loans		(1,378,444,830)	(954,397,668)
Increase in long term payable	21	391,337,271	-
Dividend paid		(551,568,849)	(329,705,249)
Payment of lease liabilities	22.1	(55,406,992)	(52,424,063)
Short term borrowings - Net		293,372,932	404,121,718
Net cash used in financing activities		(800,710,468)	(932,405,262)
Net (decrease) / increase in cash and cash equivalents		(119,159,129)	87,545,252
Cash and cash equivalents at the beginning of the year	18	303,170,209	215,624,955
Cash and cash equivalents at the end of the year		184,011,080	303,170,209

The annexed notes from 1 to 50 form and integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Notes To The Financial Statements

FOR THE YEAR ENDED JUNE 30, 2025

1 THE COMPANY AND ITS OPERATIONS

Nimir Industrial Chemicals Limited ('the Company') was incorporated in Pakistan as a public limited company and its shares are listed on Pakistan Stock Exchange. The Company is engaged in manufacturing and sales of chemical products along with toll manufacturing of aerosol, soap products, home and personal care products.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical locations and addresses of the Company's business units including production facilities are as under:

Business Unit	Address
Registered office and plant	14.8 km, Sheikhpura-Faisalabad Road, Mouza Bhikki, District Sheikhpura, Pakistan.
Head office	Plot No. 122, block B, Muslim Town, Lahore, Pakistan.
Hub Plant	233-234, Sector B, Hub Industrial Trading Estate, Lasbela Hub Balochistan, Lasbela District, Balochistan, Pakistan.

3 BASIS OF PREPARATION

3.1 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 of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act 2017;

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and

- Provision 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.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain items as disclosed in the relevant accounting policies below.

3.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee ("Rs") which is the Company's functional and presentation currency.

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

4.2 New accounting standards, amendments and interpretations 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, 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.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

"IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

5 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

These financial statements have been prepared in accordance with International Financial Reporting Standards issued by International Accounting Standard Board as adopted by Securities and Exchange Commission of Pakistan (SECP), which 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 historical experience and other factors involving a higher degree of expectations of future events that are believed to be reasonable under the circumstances.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and future periods, if the revision affects both current and future periods. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

	Notes
Useful life and residual value of property, plant and equipment and right-of-use assets	6.1.5
Useful life and residual value of intangible asset	6.2.1
Impairment of non-financial assets	6.1.6
Provision for stock-in-trade, stores, spare parts and loose tools obsolescence	6.3.1
Allowance for expected credit loss	6.4.1
Estimation of contingent liabilities	6.10
Defined benefit liability	6.15
Provision for current tax and recognition of deferred tax asset (for carried forward tax losses)	6.11

6 MATERIAL ACCOUNTING POLICIES INFORMATION

The accounting policies applied are consistent with prior period information except as stated otherwise.

6.1 Property, plant and equipment

6.1.1 Owned assets

Property, plant and equipment except freehold land, are stated at cost less accumulated depreciation and impairment, if any. Cost of property, plant and equipment consists of historical cost and directly attributable cost of bringing the assets to their present location and condition. Cost in relation to self constructed assets includes direct cost of material, labor, applicable manufacturing overheads and borrowing costs on qualifying assets.

Depreciation is charged to statement of profit or loss, unless it is included in the carrying amount of another asset is calculated using the straight line method at rates disclosed in Note 8.1 which are considered appropriate to write off the cost of the assets over their useful lives after taking into account their residual values.

Depreciation on additions is charged from the month in which asset is capitalized / available for use while no depreciation is charged for the month in which the asset is disposed off.

Subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they are incurred.

6.1.2 Disposal

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset represents the difference between the sale proceeds and the carrying amount of the asset and is recognized in statement of profit and loss as income or expense.

6.1.3 Capital work-in-progress

These are stated at cost less impairment loss, if any, including capitalization of borrowing costs. It consists of expenditures incurred in respect of fixed assets in the course of their construction and installation. Transfers are made to relevant operating fixed assets category as and when assets are available for use.

6.1.4 Right-of-use assets

The right of use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right of use asset is subsequently depreciated using straight line method from the date of recognition to the earlier of the end of useful life of the right of use asset or the end of the lease term. The estimated useful lives of the right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

6.1.5 Useful lives, residual values and depreciation method of property, plant and equipment and right-of-use of assets

The Company reviews the useful lives and residual value of property, plant and equipment and right-of-use assets on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment and right-of-use assets with a corresponding effect on the depreciation charge.

6.1.6 Impairment

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment is recognized as expense. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is charged, the depreciation charge is adjusted for the future periods to allocate the asset's revised carrying amount over its estimated useful life.

6.1.7 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

6.1.8 Lease liabilities - Rented premises

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate. Subsequently lease liabilities are measured at amortized cost using the effective interest rate method.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

6.1.9 Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases, if any (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are of low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

6.2 Intangible assets

Intangible assets acquired are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. The useful lives of intangibles are measured to be finite. Intangibles with finite lives are amortized over the useful life using straight line method as mentioned in Note 8 and assessed for impairment whenever there is an indication that the asset may be impaired.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in statement of profit or loss when incurred.

Amortization on additions is charged from the month in which an asset is capitalized / available for use while no amortization is charged for the month in which the asset is disposed off.

6.2.1 Useful lives, residual values and amortisation method of intangible assets

The Company reviews the useful lives and residual value of intangible assets on a regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of intangible assets with a corresponding effect on the amortisation charge.

6.3 Stock-in-trade, stores, spare parts and loose tools

Stock-in-trade, stores, spares and loose tools are valued at lower of cost or net realizable value except those in transit, which are valued at invoice value including other charges, if any, incurred thereon. Cost comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the stock-in-trade to their present location and condition. Basis of determining cost is as follows:

Raw and packing material	- Moving average cost
Material in transit	- Cost
Work in process	- Cost
Finished goods	- Weighted average cost
Stores, spare parts and loose tools	- Moving average cost

Items considered obsolete are carried at nil value. Provision for obsolete and slow moving inventory is based on management estimates of usage in normal business operations. Net realizable value is determined on the basis of estimated selling price of the product in the ordinary course of business less costs of completion and costs necessary to be incurred in order to make the sale.

6.3.1 Provision for stock-in-trade, stores, spare parts and loose tools obsolescence

The Company reviews the carrying amount of stock in trade, stores, spare parts and loose tools on an annual basis, and as appropriate, inventory is written down to its net realizable value, or a provision is made for obsolescence if there is any change in the usage pattern and physical form of related inventory. Net realizable value signifies the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

6.4 Trade receivables

Trade receivables are initially measured at their transaction price under IFRS 15 and subsequently local customers are measured at amortized cost less expected credit losses while foreign debtors are stated at translated amount by applying exchange rate applicable on the reporting date less expected credit losses.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected credit loss allowance. Refer to accounting policies of financial assets in Note 6.6.1.

6.4.1 Allowance for expected credit losses of trade receivable

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

6.5 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at amortised cost.

For the purpose of cash flow statement, cash and cash equivalents comprise of cash and bank balances.

6.6 Financial instruments - Initial recognition and subsequent measurement

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.

6.6.1 Financial assets

a) Financial assets - Initial recognition

Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade debts and bank balance that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivable that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policy in Revenue from contracts with customers. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include long term deposits, trade receivables, loans and advances, other receivables, short term investment and bank balances.

b) Financial assets - Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at fair value through profit or loss
- Financial assets at amortized cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

c) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI at initial recognition. Dividends on listed equity investments are also recognized as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

The Company does not presently have financial asset at fair value through profit or loss.

d) Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized costs includes long term loans, long term deposits, trade debts, other receivables and bank balances.

6.6.2 Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under 'IAS 32 Financial Instruments: Presentation' and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company does not have any financial assets designated at fair value through OCI (equity instruments).

6.6.3 Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

The Company measures debt instruments at fair value through OCI if both of the following conditions are met:

-The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and

-The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange gains and losses and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Company does not have debt instruments recorded at fair value through OCI with recycling of cumulative gains and losses at the statement of financial position date.

6.6.4 Financial assets - Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

-The rights to receive cash flows from the asset have expired; or

-The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

6.6.5 Financial assets - Impairment

The Company recognizes an allowance for expected credit losses ("ECL") for all debt instruments not held at fair value through profit or loss. 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. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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). A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For trade debts and other receivables, the Company applies a simplified approach in calculating ECLs based on lifetime expected credit losses. The provision matrix is initially based on the Company's historical observed default rates. The Company calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product and inflation) are expected to deteriorate over the next year which can lead to an increased number of defaults in the sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The expected credit losses are recognized in the statement of profit or loss. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For bank balances, the Company applies a general approach in calculating ECLs based on lifetime expected credit losses. The Company reviews internal and external information available for each bank balance to assess expected credit loss and the likelihood to receive the outstanding contractual amount. The expected credit losses are recognized in the statement of profit or loss.

6.7 Financial liabilities

6.7.1 Financial liabilities - Initial recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include long-term loans, short-term borrowings utilized under mark-up arrangements, creditors, liabilities against assets subject to finance lease, accrued and other liabilities.

6.7.2 Financial liabilities - Subsequent measurement

a) Financial liabilities at amortized cost (loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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.

This category applies to long-term loans, short-term borrowings utilized under mark-up arrangements, trade and other payables, lease liabilities, accrued and other liabilities.

b) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

c) Financial liabilities - Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of profit or loss.

6.7.3 Offsetting of financial assets and financial liabilities

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

6.8 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to statement of profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

6.9 Provisions

Provisions are recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of past events and it is probable that 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 statement of financial position date and adjusted to reflect current best estimate. Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

6.10 Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the outcome of the future events cannot be predicted with certainty. The Company, based on the availability of the latest information, estimates the value of contingent assets and liabilities which may differ on the occurrence / non-occurrence of the uncertain future events.

The Company reviews the status of all the legal cases on a regular basis. Based on the expected outcome and lawyers' judgments, appropriate disclosure or provision is made.

6.11 Taxation

a) Current

Provision for current tax is based on taxable income for the year, determined in accordance with the provisions of the Income Tax Ordinance, 2001. The current tax charge is calculated using the applicable tax rates or the rates expected to apply to the year's profit if enacted, after considering available tax credits, rebates, and exemptions, if any. It also includes adjustments, where necessary, for prior years' tax provisions based on assessments finalized during the year.

b) Deferred

For entities subject to normal tax and falls under approach (b), deferred tax is measured using the enacted or notified tax rate as per the application guidance on "IAS 37/IFRIC 21-IAS 12 Accounting for Minimum and Final Taxes". Given the variability of the effective income tax rate, the Company reassesses its estimates for measuring deferred taxes in future periods, even if the enacted income tax rate remains unchanged.

6.12 Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in statement of profit or loss. Any excess of expected income tax paid or payable for the year under the Ordinance over the amount designated as current income tax for the year, is then recognized as a levy.

6.13 Revenue recognition

The Company is in the business of providing goods (i.e. oleo chemicals, and chlor alkali) and services (i.e. toll manufacturing). Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Specific revenue recognition details are as follows:

6.13.1 Sale of goods

Revenue from the sale of goods is recognized upon the transfer of control of the goods to the buyer when performance obligation is satisfied, which refers to the storage of processed finished goods in Company's warehouse and its intimation to the respective customer, the delivery or the dispatch of such goods to respective customer, as agreed in the contract. Payment is generally due within 7 to 90 days of satisfaction of performance obligation. The revenue is recognised at a point in time.

6.13.2 Service income from toll manufacturing

Sale of goods and toll manufacturing services are distinct performance obligations as the promise to transfer the goods and to provide services are distinct within the context of the contract. The goods and services are not inputs to a combined item in the contract. In addition, the goods and services are not highly interdependent or highly interrelated, because the performance obligation for goods is satisfied upon storage of processed goods into separate warehouse and its intimation to the customer or delivery to the customer if toll manufacturing services are not opted by the customer, while performance obligation for toll manufacturing services is satisfied upon completion of goods into packaged soap and dispatch of such goods to customers. The Company determines the transaction price of the sale of goods and the toll manufacturing services based on relative stand-alone selling prices. The revenue is recognised at a point in time.

Service income from toll manufacturing is recognized upon the completion of processing, packaging of goods and dispatch of such packaged goods to respective customer. Payment is generally due within 7 to 90 days of satisfaction of performance obligation.

6.13.3 Cost to obtain contract

The Company pays sales commission to its distributors and dealers for each contract that they obtain for sale of goods. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately charge sales commissions (included in note 30) because the amortization period of the asset that the Company otherwise would have used is one year or less.

6.13.4 Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Contract asset

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

6.14 Profit on bank deposit

Profit earned on saving and deposit accounts is accrued on time proportion basis by reference to the principal outstanding at the applicable rate of return.

6.15 Staff retirement benefits

Defined benefit liability

The Company formed an approved funded defined benefit gratuity liability for all of its permanent employees (excluding members of executive management). Under this plan, gratuity is paid to the retiring employees on the basis of their last drawn gross salary for each completed year of service.

Experience adjustments are recognized in statement of comprehensive income when they occur. Amounts recorded in statement of profit or loss are limited to current and past service cost, gains or losses on settlements, and net interest income / expense. All other changes in net defined benefit liability are recognized in other comprehensive income with no subsequent recycling to statement of profit or loss.

Calculations in this respect require assumptions to be made of future outcomes, the principal ones being in respect of mortality rate, withdrawal rate, increase in remuneration and the discount rate used to convert future cash flows to current values. Calculations are sensitive to changes in the underlying assumptions.

6.16 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and

liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in OCI if they relate to qualifying cash flow hedges. Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other income or other expense.

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in statement of profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as investment in equities measured at fair value through OCI are recognised in other comprehensive income.

6.17 Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are 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. Such borrowing costs are capitalized as part of the cost of the qualifying asset. Borrowing costs includes exchange differences arising from foreign currency borrowings to the extent these are regarded as an adjustment to borrowing costs and net gain / loss on the settlement of derivatives hedging instruments.

6.18 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

6.19 Earnings per share (EPS)

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS with weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit or loss attributable to ordinary shareholders of the Company that would result from conversion of all dilutive potential ordinary shares into ordinary shares.

6.20 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decision. The management has determined that the Company has a single reportable segment, as Board of Directors views the Company's operations as one reportable segment.

6.21 Dividend

The Company recognizes a liability to pay a dividend when the distribution is authorized by the Board of Directors of the Company (The Board), and the distribution is no longer at the discretion of the Company. A corresponding amount is recognized directly in equity.

7 PROPERTY, PLANT AND EQUIPMENT

	Note	2025 Rupees	2024 Rupees
Operating fixed assets	7.1	13,757,531,284	13,427,300,765
Capital work-in-progress	7.7	80,075,158	198,165,378
		<u>13,837,606,442</u>	<u>13,625,466,143</u>

7.1 Operating fixed assets

PARTICULARS	C O S T				D E P R E C I A T I O N				Net book value			
	As At 01 July 2024	Additions / Transfers*	Disposals	Transfer/ Adjustment	As At 30 June 2025	Rate %	Accumulated as at 01 July 2024	Charge for the year	Disposals	Transfer/ Adjustment	as at 30 June 2025	As at 30 June 2025
	Rupees											
OWNED												
Freehold land	575,189,801	120,613,480	-	-	695,803,281	-	-	-	-	-	-	695,803,281
Building on freehold land	2,099,965,453	96,948,640	-	-	2,196,914,093	4-5	443,029,659	105,701,119	-	-	548,730,778	1,648,183,315
Plant and machinery	14,002,718,286	803,673,224	(219,002,079)	-	14,587,389,431	4-50	3,240,633,672	656,211,887	(202,681,133)	-	3,694,164,426	10,893,225,005
Furniture and fittings	27,796,081	6,424,451	-	-	34,220,532	10-33	9,519,981	3,401,324	-	-	12,921,305	21,299,227
Office and factory equipment	580,034,784	223,120,024	(3,417,025)	-	799,737,783	10-50	334,500,938	114,794,779	(3,276,284)	-	446,019,433	353,718,350
Vehicles	162,423,796	10,509,888	(167,830)	10,169,130	182,934,984	20	139,775,774	9,327,746	(41,958)	10,169,130	159,230,692	23,704,292
	17,448,128,201	1,261,289,707	(222,586,934)	10,169,130	18,497,000,104		4,167,460,024	889,436,855	(205,999,375)	10,169,130	4,861,066,634	13,635,933,470
RIGHT-OF-USE												
Vehicles	92,970,740	14,440,700	-	(10,169,130)	97,242,310	20	44,398,317	18,831,230	-	(10,169,130)	53,060,417	44,181,893
Building - lease-hold	177,495,596	-	-	-	177,495,596	20-25	79,435,431	20,644,245	-	-	100,079,676	77,415,920
	270,466,336	14,440,700	-	(10,169,130)	274,737,906		123,833,748	39,475,475	-	(10,169,130)	153,140,093	121,597,813
2025	17,718,594,537	1,275,730,407	(222,586,934)	-	18,771,738,010		4,291,293,772	928,912,330	(205,999,375)	-	5,014,206,727	13,757,531,284

PARTICULARS	C O S T				D E P R E C I A T I O N				Net book value			
	As At 01 July 2023	Additions / Transfers*	Disposals	Transfer/ Adjustment	As At 30 June 2024	Rate %	Accumulated as at 01 July 2023	Charge for the year	Disposals	Transfer/ Adjustment	Accumulated as at 30 June 2024	As at 30 June 2024
	Rupees											
OWNED												
Freehold land	575,189,801	-	-	-	575,189,801	-	-	-	-	-	-	575,189,801
Building on freehold land	2,070,857,525	29,107,928	-	-	2,099,965,453	4-5	339,291,911	103,737,748	-	-	443,029,659	1,656,935,794
Plant and machinery	13,870,958,935	429,392,865	(297,633,514)	-	14,002,718,286	4-50	2,862,109,084	655,671,516	(277,097,670)	(49,258)	3,240,633,672	10,762,084,614
Furniture and fittings	26,308,581	1,487,500	-	-	27,796,081	10-33	6,944,886	2,575,095	-	-	9,519,981	18,276,100
Office and factory equipment	475,839,344	109,281,028	(2,100,844)	(2,984,744)	580,034,784	10-50	256,146,653	83,309,601	(2,019,831)	(2,935,485)	334,500,938	245,533,846
Vehicles	140,478,368	1,698,831	(3,600,693)	23,847,290	162,423,796	20	111,874,567	7,692,717	(3,591,883)	23,800,373	139,775,774	22,648,022
	17,159,632,554	570,968,152	(303,335,051)	20,862,546	17,448,128,201		3,576,367,101	852,986,677	(282,709,384)	20,815,630	4,167,460,024	13,280,668,177
RIGHT-OF-USE												
Vehicles	98,135,286	15,698,000	-	(20,862,546)	92,970,740	20	45,941,293	19,272,654	-	(20,815,630)	44,398,317	48,572,423
Building on leasehold Land	74,274,371	103,221,225	-	-	177,495,596	20-25	62,351,842	17,083,589	-	-	79,435,431	98,060,165
2024	17,332,042,211	689,887,377	(303,335,051)	-	17,718,594,537		3,684,660,236	889,342,920	(282,709,384)	-	4,291,293,772	13,427,300,765

7.2 There is no lien on property, plant, and equipment except those disclosed in Note 20.

Notes to the Financial Statements

FOR THE YEAR ENDED JUNE 30, 2025

7.3 The gross carrying amount of fully depreciated property, plant and equipment still in use is Rs. 1,542 million (2024: Rs. 1,479 million).

7.4 Particulars of immovable fixed assets are as follows:

Description	Location	Area
Registered office and plant	14.8 km, Sheikhpura-Faisalabad Road, Mouza Bhikki, District Sheikhpura, Pakistan.	68.90 acres
Head office	Plot No. 122, Block B, Muslim Town, Lahore, Pakistan.	2.544 kanal
Open plot of land	Plot # 14/14-A, Block K, Johar Town, Lahore	2.036 kanal
Open plot of land	Plot # 515-D, Block K, Johar Town, Lahore	5 marla
Hub plant	233-234-B, Hub Industrial Trading Estate, Lasbela Hub, Lasbela District, Balochistan, Pakistan	5.172 acres

7.5 Depreciation for the year has been allocated as under:

	Note	2025 Rupees	2024 Rupees
Cost of revenue	33	891,873,931	852,933,046
Distribution cost	34	4,193,959	4,582,526
Administrative expense	35	32,844,440	31,827,354
		928,912,330	889,342,926

7.6 Disposal of operating fixed assets

Particulars of assets	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)	Mode of disposal	Sold to	
							Name	Relationship with the Company
2025	Rupees	Rupees	Rupees	Rupees	Rupees			
Plant and machinery								
Old and redundant power house	219,002,079	202,702,166	16,299,913	102,056,500	85,756,587	Bid	Muhammad Gulzar and Brothers	Third Party
2024								
Plant and machinery								
Anode header 250 nb	5,546,793	4,714,776	832,017	1,635,910	803,893	Bid	Arnage Tech Limited	Third Party
Control valves	3,076,817	2,081,990	994,827	907,443	(87,384)	Bid	Arnage Tech Limited	Third Party
DC's instrument	9,694,507	6,980,083	2,714,424	2,859,191	144,767	Bid	Arnage Tech Limited	Third Party
Elements membranes for electrolyzer	9,865,254	4,439,364	5,425,890	2,909,550	(2,516,340)	Bid	Arnage Tech Limited	Third Party
Heat exchanger	7,046,718	4,670,900	2,375,818	2,078,282	(297,536)	Bid	Arnage Tech Limited	Third Party
Piping	4,262,107	2,770,314	1,491,793	1,257,019	(234,774)	Bid	Arnage Tech Limited	Third Party
Quincy air compressor	4,094,807	1,014,587	3,080,220	3,837,867	757,647	Bid	Arnage Tech Limited	Third Party
Caustic soda plant	254,046,511	250,425,657	3,620,854	74,925,690	71,304,836	Bid	Arnage Tech Limited	Third Party
	297,633,514	277,097,671	20,535,843	90,410,952	69,875,109			

7.7 Capital work-in-progress

	Note	2025				2024
		Building on freehold land	Plant and machinery	Others	Total	
		Rupees	Rupees	Rupees	Rupees	
Balance as at July 01,		-	148,165,378	50,000,000	198,165,378	265,334,998
Additions during the year		96,948,640	710,957,110	-	807,905,750	470,394,193
		96,948,640	859,122,488	50,000,000	1,006,071,128	735,729,191
Transferred to fixed assets		(96,948,640)	(753,673,224)	(50,000,000)	(900,621,864)	(474,198,793)
		-	105,449,264	-	105,449,264	261,530,398
Less: Accumulated impairment	7.7.1	-	(25,374,106)	-	(25,374,106)	(63,365,020)
Balance as at June 30,		-	80,075,158	-	80,075,158	198,165,378

7.7.1 This represents impairment charged against brick plant during the year.

8 INTANGIBLE ASSETS

	Note	2025 Rupees	2024 Rupees
Software and licenses	8.1	3,105,000	13,556,190
8.1 Software and licenses Cost			
Balance as at July 01,		48,082,846	48,082,846
Additions during the year		4,140,000	-
Balance as at June 30,		52,222,846	48,082,846
Accumulated amortization			
Balance as at July 01,		(34,526,656)	(18,259,230)
Amortization during the year	8.1.1	(14,591,190)	(16,267,426)
Balance as at June 30,		(49,117,846)	(34,526,656)
Rate of amortization		3,105,000	13,556,190
		20% - 33.33%	

8.1.1 The amortization charge for the year has been allocated to administrative expense.

9 LONG TERM DEPOSITS

	Note	2025 Rupees	2024 Rupees
Security deposits			
Financial institutions (including banks)	9.1	16,404,600	14,677,400
Others	9.2	18,079,510	17,881,510
		34,484,110	32,558,910

9.1 This represents deposits to financial institutions against right of use assets.

9.2 This includes deposit amounting to Rs. 12.24 million (2024: Rs. 12.24 million) given to electricity supply company for dedicated line.

9.3 These deposits have not been discounted to present value using the effective interest rate method as the effect of discounting is considered to be immaterial by the management.

10 STORES, SPARE PARTS AND LOOSE TOOLS

	Note	2025 Rupees	2024 Rupees
Stores, spare parts and loose tools			
In hand		917,839,920	864,442,701
In transit		30,012,116	88,126,471
		947,852,036	952,569,172
Less: Impairment allowance for slow moving items	10.1	(36,125,544)	(11,125,544)
	10.2	911,726,492	941,443,628
10.1 Impairment allowance for slow moving and obsolete stores, spare parts and loose tools:			
Balance as at July 01,		11,125,544	11,125,544
Provision charged during the year		25,000,000	-
Balance as at July 30,		36,125,544	11,125,544

10.2 Stores and spares also include items which may result in capital expenditure but are not distinguishable at the time of purchase. However, the stores and spares consumption resulting in capital expenditure are capitalized in cost of respective assets.

Notes to the Financial Statements
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11 STOCK-IN-TRADE

	Note	2025 Rupees	2024 Rupees
Raw and packing material			
In hand		5,307,169,744	5,881,081,247
In transit		944,491,187	1,549,978,866
		6,251,660,931	7,431,060,113
Semi finished goods		611,057,884	271,276,496
Finished goods		1,639,804,504	1,218,586,156
		2,250,862,388	1,489,862,652
		8,502,523,319	8,920,922,765
Less: Impairment allowance for slow moving items	11.1		
Raw material		(65,000,000)	-
Finished goods		(20,000,000)	-
		(85,000,000)	-
		8,417,523,319	8,920,922,765
11.1 Impairment allowance for slow moving and obsolete stocks:			
Balance as at July 01,		-	-
Provision charged during the year		85,000,000	-
Balance as at July 30,		85,000,000	-
11.2 There is no lien on stock-in-trade except those disclosed in Note 20.			
12 CONTRACT COST			
Contract cost	12.1	67,479,056	65,075,920
12.1 This represents variable and fixed overheads incurred on goods in process under toll manufacturing services.			
13 TRADE RECEIVABLES			
Trade receivables from contracts with customers			
Considered good - Unsecured			
Due from customers		7,835,039,592	5,151,927,658
Due from associated companies	13.1	82,438,997	20,589,407
		7,917,478,589	5,172,517,065
Less: Allowance for expected credit loss	13.3	(107,671,232)	(21,884,673)
		7,809,807,357	5,150,632,392
13.1 Due from associated companies			
Nimir Resins Limited		76,325,830	11,160,912
Nimir Chemicals Pakistan Limited		6,113,167	5,253,950
Nimir Chemcoats Limited		-	4,174,545
	13.2	82,438,997	20,589,407
13.2 Maximum aggregate amount due from Nimir Resins Limited, Nimir Chemicals Pakistan Limited and Nimir Chemcoats Limited at the end of any month in the year was Rs. 156.72 million (2024: Rs. 83.93 million), Rs. 6.11 million (2024: 5.25 million) and Rs. 4 million (2024: Rs. 4.17 million), respectively.			

13.3 Movement in allowance for expected credit losses is as follows:

Note	2025 Rupees	2024 Rupees
	21,884,673	21,884,673
	(15,610,471)	-
13.4	101,397,030	-
	<u>107,671,232</u>	<u>21,884,673</u>

13.4 This includes specific provision amounting to Rs. 71.39 million (2024: Nil)

14 LOANS AND ADVANCES

Considered good - unsecured

Advances to suppliers

Advances to employees:

- against business expense

- against salary

Note	2025 Rupees	2024 Rupees
	33,487,446	13,986,996
14.1	7,707,087	10,181,603
14.2	20,526,100	18,921,847
	<u>61,720,633</u>	<u>43,090,446</u>

14.1 These include advances given to executives amounting to Rs. 4.82 million (2024: Rs. 8.34 million).

14.2 These include advances given to executives amounting to Rs. 10.46 million (2024: Rs. 7.83 million). These advances are deducted from employees' salary and are interest free.

15 OTHER RECEIVABLES

Margin against bank guarantee

Margin against letter of credit

Receivable from associated companies

Note	2025 Rupees	2024 Rupees
	32,432,350	28,306,400
	-	14,536,413
15.1	15,229,644	15,629,540
	<u>47,661,994</u>	<u>58,472,353</u>

15.1 This includes amounts due from related parties, specifically Nimir Energy Limited amounting to Rs. 0.21 million (2024: Rs. Nil), Nimir Resins Limited amounting to Rs. 14.51 (2024: Rs. 15.63 million) and Nimir Chemcoats Limited amounting to Rs. 0.50 million (2024: Rs. Nil). These receivables represent expenses incurred on their behalf by the Company.

15.2 Maximum aggregate amount due from Nimir Energy Limited, Nimir Resins Limited and Nimir Chemcoats Limited at the end of any month during the year amount to Rs. 3.05 million (2024: Rs. 1.12 million), Rs. 14.51 million (2024: Rs. 15.63 million) and Rs. 9 million (2024: Rs. Nil) respectively.

16 SHORT TERM INVESTMENT

At amortised cost

Terms deposits receipt

Pak Kuwait Investment Company (Private) Limited

Note	2025 Rupees	2024 Rupees
16.1	70,000,000	-

16.1 This represents investment made in Term Deposit Receipt (TDR) with Pak Kuwait Investment Company (Private) Limited. This investment will mature on July 31, 2025. This carry mark-up of 10.50% per annum.

17 TAX REFUNDS DUE FROM THE GOVERNMENT

Income tax - Net of taxation

Prepaid asset

Sales tax

	2025 Rupees	2024 Rupees
	1,631,058,160	1,233,477,384
	-	3,458,440
	226,499,434	889,973,915
	<u>1,857,557,594</u>	<u>2,126,909,739</u>

Notes to the Financial Statements
FOR THE YEAR ENDED JUNE 30, 2025

18 CASH AND BANK BALANCES

Note	2025 Rupees	2024 Rupees
	1,851,550	2,628,436
	89,859,337	105,453,490
18.1	25,515,539	4,067,132
	66,784,654	191,021,151
	182,159,530	300,541,773
	184,011,080	303,170,209

18.1 These carry mark-up at the rate 7.50 % - 9.50% (2024: 14.5 % - 22.4%) per annum.

19 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Authorised share capital

2025	2024		2025	2024
No. of shares		Ordinary shares	Rupees	Rupees
145,000,000	145,000,000	Ordinary shares of Rs. 10 each	1,450,000,000	1,450,000,000

Issued, subscribed and paid-up share capital

2025	2024		2025	2024
No. of shares		Ordinary shares	Rupees	Rupees
110,590,546	110,590,546	Ordinary shares of Rs. 10 each fully paid in cash	1,105,905,460	1,105,905,460

19.1 The holders of voting ordinary shares are entitled to receive dividends as declared (if any), and are entitled to one vote per share at meetings of members of the Company.

20 LONG TERM FINANCING - SECURED

	2025 Rupees	2024 Rupees
Term finance	1,593,418,729	1,879,846,277
Term finance - Under temporary economic refinance facility	2,990,731,885	3,416,151,765
	4,584,150,614	5,295,998,042
Markup accrued	87,022,478	114,190,127
	4,671,173,092	5,410,188,169
Current maturity of term finance	(756,046,539)	(636,030,841)
Current maturity under temporary economic refinance facility	(545,323,664)	(427,836,537)
Current maturity shown under current liabilities	(1,301,370,203)	(1,063,867,378)
Less: Mark up accrued shown under current liabilities	(87,022,478)	(114,190,127)
	3,282,780,411	4,232,130,664

20.1 These represent long-term finance facilities obtained from financial institutions carrying mark-up at the rate of 1 month KIBOR to 3 months KIBOR plus 125 bps to 250 bps per annum repayable in equal monthly and quarterly instalments over a period of 5 to 6 years including 1 year grace period. These facilities are secured against first joint pari passu charge and mortgage charge (equitable) over present and future fixed assets of the Company.

20.2 These represent loans obtained under the Temporary Economic Refinance Facility offered by the State Bank of Pakistan (the "SBP TERF") for setting up imported and locally manufactured plants and machinery for new projects. The loan carries mark-up at the rate of SBP TERF Refinance rate plus 100 bps to 250 bps per annum repayable in equal quarterly installments over a period of 10 years including 2 years grace period. These facilities are secured against first joint pari passu charge over all present and future fixed assets of the Company. The loan was initially recognized at fair value in accordance with IFRS 9 - Financial instruments using interest rate

of three (3) month KIBOR plus spread. The difference between the fair value of the loan and loan proceeds has been recognized as deferred income as per requirements of IAS 20 (Accounting for Government grants and disclosure of Government assistance) and as per Circular 11/2020 issued by the Institute of Chartered Accountants of Pakistan.

21 LONG TERM PAYABLE

	Note	2025 Rupees	2024 Rupees
Balance as at July 01,			
Addition during the year		391,337,271	-
Unwinding of long term payable		51,854,722	-
		443,191,993	-
Less: Current maturity of long term payable	29	370,818,838)	-
Balance as at June 30,	21.1	72,373,155	-

21.1 During the year on September 23, 2024, the Company entered into an agreement with Procter & Gamble Pakistan (Private) Limited ("P&G") for the acquisition of its manufacturing facility located in Hub, Balochistan. The total consideration included an amount of Rs. 499.91 million, agreed to be paid on a deferred payment basis, representing the deferred portion of the purchase price. As per the terms of the agreement, the deferred amount of Rs. 499.91 million is repayable in five (5) equal quarterly installments, with the first installment due after one year from the acquisition date and the remaining four installments due on a quarterly basis thereafter. In accordance with the requirements of IFRS 9 - Financial Instruments, the deferred liability has been recognized at its present value. The difference between the nominal amount and the present value is being recognized as finance cost over the term of the liability using the effective interest method.

22 LEASE LIABILITIES

	Note	2025 Rupees	2024 Rupees
Present value of lease rentals		146,242,746	157,428,730
Less: Current portion shown under current liabilities		(33,779,860)	(43,704,155)
		112,462,886	113,724,575

22.1 Movement of lease liabilities:

Balance as at July 01,		157,428,732	84,635,000
Additions		14,440,700	113,718,225
Interest expense		29,780,306	15,988,940
Payments / adjustments		(55,406,992)	(56,913,433)
Balance as at June 30,		146,242,746	157,428,732

22.2 Salient features of the leases are as follows:

Discounting rate	12.48% to 23.26 %	8.68% to 23.42 %
Period of lease	60 months	60 months

22.3 Amount recognized in statement of profit or loss:

The following are the amounts recognized in profit or loss:

Short term lease		-	13,350,195
Interest expense on lease liabilities	38	29,780,306	15,988,940
Depreciation of right-of-use assets	7.1	39,475,475	36,356,243
		69,255,781	65,695,378

22.4 Cash outflow for leases

The Company had total cash outflows for leases of Rs. 55.41 million (2024: Rs. 56.91 million).

Notes to the Financial Statements

FOR THE YEAR ENDED JUNE 30, 2025

22.5 The maturity analysis of lease liability

Payable not later than one year
Payable later than one year but not later than five years

Future financial charges

Note	2025	2024
	Rupees	Rupees
	48,905,243	63,152,974
	117,904,189	122,928,996
	166,809,432	186,081,970
	(20,566,686)	(28,653,238)
	146,242,746	157,428,732

22.6 The Company is exposed to potential future increases in variable lease payments of vehicles based on KIBOR which are not included in the lease liability until they take effect. When adjustments to lease payments based on KIBOR take effect, the lease liability shall be reassessed using the revised discount rate that reflects the changes in KIBOR.

22.7 The Company has several finance lease contracts for vehicles and one lease contract for a warehouse with lease terms of 5 years. The Company's obligations under the lease are secured by the lessor's title to the leased asset. Generally, the Company is restricted from assigning and subleasing the leased asset, and the contract may require the Company to maintain certain financial ratios.

23 NET DEFINED BENEFIT LIABILITY - FUNDED GRATUITY

23.1 Employee benefit obligations

The Company formed an approved funded defined benefit gratuity plan for all of its permanent employees (excluding members of executive management). Under this plan, gratuity is paid to the retiring employees on the basis of their last drawn gross salary for each completed year of service.

23.2 Risks on account of defined benefit plans

The Company's Gratuity Scheme is a funded, defined benefit scheme established to meet statutory requirements. Contributions are made on an ad-hoc basis, and there is no minimum funding requirement. The Company faces the following risks on account of defined benefit plans:

Accrued benefits risk:

There is a risk that accrued gratuity benefits may not be paid when due. However, the gratuity benefit liability recorded in the Company's accounts offers a reasonable security of accrued rights and is likely to be treated as a high-priority debt in case of insolvency.

Discount rate fluctuation risk:

The present value of the defined benefit liability is affected by changes in discount rates based on high-quality corporate or government bonds. Decreases in bond interest rates will increase the liability, and increases will decrease it.

Salary risk:

The liability is calculated based on future salary estimates. Increases in participant salaries will lead to a higher liability, and decreases will lead to a lower liability.

Withdrawal rate risk:

The liability is also influenced by the withdrawal rate or attrition rate of plan participants. Variations in this rate can affect the liability depending on the age-service distribution of exiting employees.

Mortality rate risk:

The liability is based on mortality estimates during employment. Improvements in mortality rates may increase or decrease the liability based on the age-service distribution of participants.

23.3 Funding

The gratuity is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions used in determining defined benefit liability. Employees are not required to contribute to the gratuity.

Staff retirement liability - Gratuity

Note	2025	2024
	Rupees	Rupees
23.4	242,976,227	231,948,925

	Note	2025 Rupees	2024 Rupees
23.4 The amounts recognised in the statement of financial position is follows:			
Present value of defined benefit obligation	23.8	283,194,019	257,258,916
Less: Fair value of plan assets	23.9	(40,217,792)	(25,309,991)
		<u>242,976,227</u>	<u>231,948,925</u>
23.5 The amounts recognized in the statement of profit or loss are as follows:			
Current service cost	23.7	30,941,971	22,519,155
Interest cost on defined benefit obligation - Net	23.7	29,770,873	30,778,376
Expense recognized in the statement of profit or loss		<u>60,712,844</u>	<u>53,297,531</u>
23.6 The charge for the year has been allocated is as follows:			
Cost of revenue	33	40,821,295	29,313,642
Distribution cost	34	3,725,354	5,862,728
Administrative expense	35	16,166,195	18,121,161
		<u>60,712,844</u>	<u>53,297,531</u>
23.7 Movements in the net liability recognized as follows:			
Net liabilities as at July 01,		231,948,925	200,405,387
Current service cost		30,941,971	22,519,155
Net interest cost		29,770,873	30,778,376
Contribution by employer		(60,725,000)	(22,000,000)
Remeasurement adjustments charged to statement of other comprehensive income		11,039,459	246,007
Net liabilities at June 30,		<u>242,976,228</u>	<u>231,948,925</u>
23.8 Movements in the present value of defined benefit obligation:			
Present value as at July 01,		257,258,916	224,178,990
Current service cost		30,941,971	22,519,155
Interest cost on defined benefit obligation		34,220,975	34,576,237
Benefits paid		(50,504,610)	(22,804,300)
Remeasurement:			
Experience adjustments		11,891,668	(940,234)
Changes in financial assumptions		(614,901)	(270,932)
Present value as at June 30,		<u>283,194,019</u>	<u>257,258,916</u>
23.9 Movements in the fair value of plan assets:			
Present value as at July 01,		25,309,991	23,773,603
Contributions by employer		60,725,000	22,000,000
Interest income		4,450,102	3,797,861
Benefits paid		(50,504,610)	(22,804,300)
Return on plan assets excluding interest income		237,309	(1,457,173)
Fair value of plan assets at June 30,		<u>40,217,792</u>	<u>25,309,991</u>

23.10 Components of plan assets

	2025 Rupees	2024 Rupees
Mutual funds units	36,135,233	22,357,898
Cash and cash equivalents	3,582,559	2,952,093
	39,717,792	25,309,991

23.11 Estimated expense to be charged to statement of profit or loss in next year

	2026 Rupees
Current service cost	34,747,765
Interest cost on defined benefit obligation - Net	28,608,457
Amount chargeable to statement of profit or loss	63,356,222

23.12 Significant assumptions

Qualified actuaries had carried out the valuation as on June 30, 2025. The projected unit credit method, based on the following significant assumptions, is used for valuation of the plan:

Discount rate for obligation	11.75%	14.75%
Expected rates of salary increase in future years	10.75%	13.75%
Retirement assumption	Age 60	Age 60

Projected payments (undiscounted)

Year 1	24,136,071	17,820,513
Year 2	30,219,643	22,693,441
Year 3	37,507,335	28,195,068
Year 4	43,291,728	35,719,325
Year 5	51,289,512	43,471,862
Year 6 to Year 10	293,720,169	261,363,935

23.13 Sensitivity analysis

A quantitative sensitivity analysis for significant assumption on defined benefit obligation is as shown below:

Sensitivity level	Assumption	Defined benefit obligation
+100 bps	Discount rate	261,528,138
-100 bps	Discount rate	306,661,556
+100 bps	Expected increase in salary	306,654,775
-100 bps	Expected increase in salary	261,524,925

24 DEFERRED TAX LIABILITY

The net (assets) / liability for deferred taxation comprises temporary differences relating to:

	Note	2025 Rupees	2024 Rupees
Accelerated tax depreciation		1,608,701,356	1,800,591,144
Capital work-in-progress - Impairment		(7,651,808)	(23,378,876)
Allowance for expected credit losses		(32,469,304)	(8,074,472)
Provision for obsolescence of stores, spare parts and loose tools		(36,526,583)	(4,104,831)
Deferred and unpaid liabilities		(73,271,838)	(85,579,236)
Minimum tax	24.2	(624,935,165)	(738,858,060)
		833,846,658	940,595,669

24.1 Reconciliation of deferred tax liabilities - Net

Opening balance as at July 01,	940,595,669	1,017,418,927
Tax expense recognized in statement of profit or loss	(102,443,622)	(76,727,315)
Deferred tax income recognized in statement of other comprehensive income	(4,305,389)	(95,943)
Closing balance as at June 30,	833,846,658	940,595,669

24.2 Below is the expiry tax year of minimum tax on which deferred tax asset has been recognized.

Expiry tax year	Nature	Tax year		
2026	Minimum Tax	2023	-	493,196,509
2027	Minimum Tax	2024	-	245,661,551
2028	Minimum Tax	2025	624,935,165	-
			624,935,165	738,858,060

25 DEFERRED GRANT

This represents deferred grant recognized on loans received at below market interest rate under SBP temporary economic refinance facility for imported and locally manufactured new plant and machinery to be used for setting up of new projects.

	Note	2025 Rupees	2024 Rupees
Movement during the year is as follows:			
Balance as at July 01,		729,890,242	911,996,283
Amortization during the year			
Charged to other income	37	(166,597,406)	(182,106,041)
		563,292,836	729,890,242
Less: Current maturity of deferred grant	29	(151,327,216)	(168,773,209)
Balance as at June 30,		411,965,620	561,117,033

26 TRADE AND OTHER PAYABLES

Creditors - Unsecured	26.1	1,760,420,578	1,578,158,231
Accrued liabilities		971,135,727	364,744,358
Security deposits	26.2	7,000,000	5,500,000
Workers' Profit Participation Fund	26.3	147,186,232	78,113,071
Workers' Welfare Fund	26.4	77,482,266	48,972,164
Withholding tax payable		32,108,645	5,204,293
		2,995,333,448	2,080,692,117

Notes to the Financial Statements

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26.1 Creditors include amount payable to Nimir Energy Limited (associated company) amounting to Rs. 1.82 million (2024: Rs. Nil), Nimir Resins Limited (associated company) amounting to Rs. Nil (2024: Rs. 0.05 million) and Nimir Chemcoats Limited (associated company) amounting to Rs. 0.49 million (2024: Rs. Nil) on account of purchase of raw materials.

26.2 These represent security deposits from distributors which, by virtue of agreement, are interest free, repayable on demand and are used in the normal course of business in accordance with section 217 of Companies Act, 2017.

26.3 Workers' Profit Participation Fund

Note	2025 Rupees	2024 Rupees
	78,113,071	149,999,188
36	147,186,232	78,113,071
	(78,113,071)	(149,999,188)
	147,186,232	78,113,071

Balance as at July 01,

Add: Provision for the year

Less: Payments made during the year

Balance as at June 30,

26.4 Workers' Welfare Fund

	48,972,164	62,689,213
36	55,930,768	31,245,229
	(27,420,666)	(44,962,278)
	77,482,266	48,972,164

Balance as at July 01,

Add: Provision for the year

Less: Payments made during the year

Balance as at June 30,

27 CONTRACT LIABILITIES

Contract liabilities

27.2	361,292,249	204,219,769
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27.1 These represent advances received from customers in ordinary course of business.

27.2 Revenue recognized in the reporting period that was included in the contract liabilities balance at the beginning of the period amounts to Rs. 204.22 million (2024: Rs. 150.86 million).

28 SHORT-TERM BORROWINGS - SECURED

Note	2025 Rupees	2024 Rupees
28.1	2,406,173,921	1,518,556,221
28.1	691,012,044	724,749,491
28.1	9,887,603,033	7,032,997,699
28.3	9,077,787	3,424,190,442
	12,993,866,785	12,700,493,853

Running finance

Local bills discounting

Finance against trust receipts

Short term loan

28.1 The aggregate limit of short term finance facilities available from various financial institutions (including commercial banks) at year end is Rs. 31,500 million (2024: Rs. 24,538 million). The limit of running finance facilities amounts to Rs. 4,800 million (2024: Rs. 3,600 million). The rate of markup ranges from 1 month KIBOR to 6 months KIBOR + 0 to 90 bps with no floor and no cap (2024: 1 month KIBOR to 6 months KIBOR + 0 to 100 bps with no floor and no cap). The limit of local bills / invoice discounting amounts to Rs. 4,250 million (2024: Rs. 1,900 million). The rate of markup ranges from 1 month KIBOR to 3 months KIBOR + 50 bps (2024: 1 month KIBOR to 3 months KIBOR + 50 bps). The limit of finance against trust receipts amount to Rs. 22,450 million (2024: Rs. 19,038 million). The rate of markup ranges from 1 month KIBOR to 6 months KIBOR + 15 bps to 75 bps with no floor and cap (2024: 1 month KIBOR to 6 months KIBOR + 35 bps to 75 bps with no floor and cap). These facilities are secured against joint pari passu charge on the present and future current assets of the Company.

28.2 The unutilized facility for letters of credit, bank guarantees, running finance and local bills / invoice discounting as on June 30, 2025 amounts to Rs. 4,341 million (2024: Rs. 4,826 million), Rs. 425 million (2024: Rs. 90 million), Rs. 2,477 million (2024: Rs. 1,590 million) and Rs. 2,656 million (2024: Rs. 956 million) respectively.

28.3 These represent short-term loans obtained in foreign currency from a bank under the Trade Loan Facility FE-25 scheme offered by the State Bank of Pakistan. The scheme operates on a self-liquidating basis or utilizing export proceeds. The rate of markup varies case to case basis as per treasury terms with no floor and no cap. These facilities are secured against joint pari passu charge on the present and future current assets of the Company.

29 CURRENT PORTION OF NON CURRENT LIABILITIES

Current maturity of long term loans
Current maturity of lease liabilities
Current maturity of deferred grant
Current maturity of long term payable

Note	2025 Rupees	2024 Rupees
20	1,301,370,203	1,063,867,378
22	33,779,860	43,704,155
25	151,327,216	168,773,209
21	370,818,838	-
	1,857,296,117	1,276,344,742

30 MARK UP ACCRUED

Long term financing - Secured
Short term borrowings - Secured
Lease liabilities

20	87,022,478	114,190,127
	222,893,736	462,505,927
	714,039	179,642
	310,630,253	576,875,696

31 CONTINGENCIES AND COMMITMENTS

31.1 Contingencies

Pending the outcome of below cases, no provision has been made in the financial statements, since the management of the Company based on its consultants' opinion, is confident that the outcome of the appeals will be in favor of the Company. The aggregate exposure of the following cases amounts to Rs. 203.75 million (2024: Rs. Nil):

- 31.1.1** The admissibility of input tax adjustment aggregating to Rs 159.65 million, on purchases made from M/s Grow More SMC Private Limited during the tax periods from February 2022 to April 2023, was initially questioned through a show cause notice dated November 19, 2024, issued under section 11E of the Sales Tax Act, 1990. Subsequently, these proceedings were concluded through the assessment order No. 03/2025 dated May 5, 2025, which formally raised a sales tax demand of Rs 159.650 million along with penalty and default surcharge. An appeal against this assessment order is pending before the Appellate Tribunal Inland Revenue.

31.2 COMMITMENTS

Commitments in respect of letters of credit and letters of guarantee are as follows:

Letters of credit established for the import of raw materials, spare parts and machinery
Letter of guarantee issued by financial institution in favor of Sui Northern Gas Pipeline Limited (SNGPL)
Letter of guarantee issued by financial institution in favor of Pakistan State Oil (PSO)
Letter of guarantee issued by financial institution in favor of Total PARCO
Contractual obligations in respect of the acquisition of plant

	2025 Rupees	2024 Rupees
	5,433,499,589	3,514,000,000
	156,229,500	156,229,500
	15,000,000	59,000,000
	7,000,000	7,000,000
	-	950,000,000

32 REVENUE FROM CONTRACT WITH CUSTOMERS - NET

- 32.1** Below is the disaggregation of the Company's revenue from contracts with customers:

Manufacturing	51,136,145,854	47,960,080,329
Toll manufacturing	1,624,548,008	1,321,766,296
Trading	402,396,863	26,365,174
	53,163,090,725	49,308,211,799
Less:		
Sales tax	(7,703,306,339)	(7,153,771,069)
Trade discounts	(204,294,727)	(229,083,856)
	(7,907,601,066)	(7,382,854,925)
	45,255,489,659	41,925,356,874
Local sales	42,347,491,668	39,663,059,069
Export sales	2,907,997,991	2,262,297,805
	45,255,489,659	41,925,356,874

Notes to the Financial Statements
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32.2 Geographical region:

Pakistan - South Asia
Export sales - Middle East
Export sales - Central Asia
Export sales - East Africa

Note	2025	2024
	Rupees	Rupees
	42,433,776,155	39,663,059,069
	880,304,040	58,545,506
	1,941,409,464	2,199,454,102
	-	4,298,197
	45,255,489,659	41,925,356,874

32.3 Timing of transfer of goods and services:

At a point in time

45,255,489,659	41,925,356,874
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32.4 Contract balances

Contract cost
Trade receivables
Contract liabilities

12	67,479,056	65,075,920
13	7,809,807,357	5,150,632,392
27	361,292,249	204,219,769
	8,238,578,662	5,419,928,081

32.4.1 Trade receivables are non-interest bearing and become due after 7 to 90 days of the invoice date.

32.4.2 Contract liabilities represents short term advances received from customers against delivery of goods in future.

33 COST OF REVENUE

Raw and packing material consumed
Stores, spare parts and loose tools consumed
Salaries, wages and other benefits
Depreciation
Fuel and power
Repairs and maintenance
Traveling, conveyance and entertainment
Communications
Insurance
Rent, rates and taxes
Printing and stationery
Dues, fees and subscription
Miscellaneous expense

Note	2025	2024
	Rupees	Rupees
33.1	34,265,184,095	30,181,699,531
	277,518,828	299,510,642
33.2	1,561,223,727	941,955,885
7.5	891,873,931	852,933,046
	1,865,703,612	1,748,614,268
	197,181,892	31,079,350
	167,675,967	132,579,354
	5,358,840	2,865,721
	56,583,709	88,643,015
	10,504,071	7,379,035
	587,412	538,114
	9,068,115	6,236,319
	17,852,966	3,899,510
	39,326,317,164	34,297,933,790
	1,489,862,652	2,939,276,910
11	(2,250,862,388)	(1,489,862,652)
	38,565,317,428	35,747,348,048

33.1 Raw and packing material consumed

Balance as at July 01,
Purchases

Less: Balance as at June 30,
Raw and packing material consumed

7,431,060,113	5,221,558,461
33,085,784,913	32,399,179,787
40,516,845,026	37,620,738,248
11	(6,251,660,931)
34,265,184,095	30,189,678,135

33.2 This includes Rs. 40.82 million (2024: Rs. 35.84 million) in respect of defined benefit liability.

34 DISTRIBUTION COST

	Note	2025 Rupees	2024 Rupees
Salaries, wages and other benefits	34.1	129,755,527	108,443,824
Freight outward		423,467,984	360,276,417
Traveling, conveyance and entertainment		17,996,429	17,521,020
Depreciation	7.5	4,193,959	4,582,526
Repairs and maintenance		83,610	83,800
Communications		1,013,410	860,502
Insurance		3,602,035	4,584,849
Printing and stationery		54,422	376,859
Dues, fees and subscription		2,385,311	725,508
Miscellaneous expense		6,292,928	3,128,815
		<u>588,845,615</u>	<u>500,584,120</u>

34.1 This includes Rs. 3.72 million (2024: Rs. 3.69 million) in respect of defined benefit liability.

35 ADMINISTRATIVE EXPENSE

Salaries, wages and other benefits	35.1	397,808,277	268,930,238
Depreciation	7.5	32,844,440	31,827,353
Amortization	8	14,591,189	16,267,428
Fuel and power		5,829,333	6,155,164
Repairs and maintenance		8,324,678	8,458,294
Traveling, conveyance and entertainment		56,934,757	46,574,304
Communications		26,573,539	25,047,231
Insurance		4,270,257	4,318,031
Rent, rates and taxes		2,150,060	6,097,160
Printing and stationery		1,519,985	5,540,929
Advertising and sale promotion		-	3,540,865
Legal, professional and consultancy charge		48,501,161	32,077,730
Auditor's remuneration	35.2	2,804,000	2,715,000
Corporate social responsibility		9,378,104	34,822,956
Dues, fees and subscription		57,389,261	61,938,212
Miscellaneous expense		32,866,613	25,229,362
		<u>701,785,654</u>	<u>579,540,257</u>

35.1 This includes Rs. 16.17 million (2024: Rs. 13.37 million) in respect of defined benefit liability.

35.2 Auditor's remuneration

Audit fee		1,950,000	1,950,000
Half yearly review and certifications		754,000	650,000
Out of pocket expense		100,000	115,000
		<u>2,804,000</u>	<u>2,715,000</u>

36 OTHER EXPENSE

Workers' Profit Participation Fund	26.3	147,186,232	78,113,071
Workers' Welfare Fund	26.4	55,930,768	31,245,229
Foreign exchange loss		18,974,997	44,354,649
Impairment	7.7	25,374,106	-
Allowance for expected credit loss	13.3	101,397,030	-
Provision for stock, stores, spare parts and loose tools		110,000,000	-
		<u>458,863,133</u>	<u>153,712,949</u>

Notes to the Financial Statements
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37 OTHER INCOME

Gain on disposal of property, plant and equipment
Grant income
Scrap sales
Other income
Profit on savings accounts

Note	2025 Rupees	2024 Rupees
	85,918,206	73,916,500
25	166,597,406	182,106,041
	63,625,751	43,131,085
	-	1,634,953
	11,197,799	3,794,052
	327,339,162	304,582,631

38 FINANCE COSTS

Mark-up on
Long-term loans
Short-term borrowings
Financial charges on lease
Unwinding of long term payable
Bank charges, fee and commission

38.1	597,509,747	835,362,981
	1,812,022,192	2,884,297,873
22.1	29,780,306	15,988,940
21	51,854,722	-
	36,242,387	60,201,208
	2,527,409,354	3,795,851,002

38.1 This includes financial charges on unwinding of term finance loan under "Temporary Economic Refinance Facility" of State Bank of Pakistan (as explained in Note 20.2) amounting to Rs. 283.83 million (2024: Rs. 307.94 million) through effective interest rate (EIR).

39 LEVY

Final tax
Minimum tax differential

39.1	-	22,622,978
39.2	624,935,165	245,661,551
	624,935,165	268,284,529

39.1 This represents final tax paid under section 154 (1) of Income tax ordinance, 2001 ("the Ordinance"), representing levy in terms of requirements of IFRIC 21/IAS 37.

39.2 This represents portion of minimum tax paid under section 154 (1) of Income tax ordinance, 2001 ("the Ordinance"), representing levy in terms of requirements of IFRIC 21/IAS 37.

40 TAXATION

Current tax
Current period
Prior period

Deferred tax

Relating to the reversal and origination of temporary differences
Relating to rate change

Note	2025 Rupees	2024 Rupees
	193,978,573	348,172,317
	1,453,640	(89,700,961)
	195,432,213	258,471,356
24.1	(102,443,622)	(76,727,315)
	-	-
	(102,443,622)	(76,727,315)
	92,988,591	181,744,041

40.1 Current tax liability for the year as per the Ordinance
Portion of current tax liability as per tax laws, representing income tax under IAS 12
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37

	820,367,378	526,755,885
	(195,432,213)	(258,471,356)
39	(624,935,165)	(268,284,529)
	-	-

Difference

40.2 The aggregate of final tax, minimum tax differential and current income tax amounting to Rs. 820.37 million (2024: Rs. 526.75 million) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

40.3 Numerical reconciliation between the average tax rate and the applicable tax rate has not been presented, being impracticable, as provision for current taxation represents minimum tax on export sales under Section 154 of the Income Tax Ordinance, 2001 and minimum tax under Section 113 of the Income Tax Ordinance, 2001 on local sales.

41 EARNINGS PER ORDINARY SHARE - BASIC AND DILUTED

41.1 Basic

	Note	2025 Rupees	2024 Rupees
Profit attributable to ordinary shareholders (Rupees)		2,022,683,881	1,002,874,559
Weighted average number of ordinary shares (Number)	19	110,590,546	110,590,546
Earnings per share		18.29	9.07

41.2 No figure for diluted earning per share has been presented as the Company has not issued any instrument carrying option which would have an impact on earnings per share when exercised.

42 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The main risks arising from the Company's financial instruments are, credit risk, liquidity risk, foreign currency risk, interest rate risk and other price risk such as equity price risk. The management reviews and agrees policies for managing each of these risks which are summarized below.

42.1 Credit Risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. The Company does not believe it is exposed to major concentration of credit risk, however to manage any possible exposure the Company applies approved credit limits to its customers.

The Company is exposed to credit risk on loans and advances, long term deposits, trade receivables, other receivables, short term investment and bank balances. The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. The maximum exposure to credit risk at the reporting date is:

	Note	2025 Rupees	2024 Rupees
Long term deposits	9	18,079,510	17,881,510
Trade receivables - Unsecured	13	7,809,807,357	5,150,632,392
Other receivables	15	47,661,994	58,472,353
Short term investment	16	70,000,000	-
Bank balances	18	182,159,530	300,541,773
		8,127,708,391	5,527,528,028

42.1.1 Trade receivables

a) Non-related parties

Not yet due

5,434,587,620	3,253,573,680
---------------	---------------

Past due

1-90 days

2,153,811,342	1,632,243,662
---------------	---------------

91-180 days

118,564,027	149,939,413
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181-270 days

16,605,743	24,795,491
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271-360 days

9,675,016	41,550,303
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Over 360 days

101,795,844	49,825,108
-------------	------------

2,400,451,972	1,898,353,977
---------------	---------------

7,835,039,592	5,151,927,657
---------------	---------------

	Note	2025 Rupees	2024 Rupees
b) Related parties			
Not yet due		26,288,996	14,954,376
Past due			
1-90 days		55,350,789	5,635,031
181-270 days		799,212	-
		82,438,997	20,589,407

- c)** 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). 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 maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment.

42.1.2 Trade receivables

Set out below is the information about the credit risk exposure on the Company's trade debts using a provision matrix:

	Not yet due	1-90 days	91-180 days	181- 270 days	271-360 days	Over 360 days	Total
As at 30 June 2025							
Expected credit loss rate	0.03%	0.25%	2.57%	35.57%	65.50%	83.20%	
Estimated total gross carrying amount	5,460,876,616	2,209,162,131	118,564,027	17,404,955	9,675,016	101,795,844	7,917,478,589
Expected credit loss	1,879,013	5,522,905	3,047,095	6,190,942	6,337,135	84,694,142	107,671,232

As at June 30, 2024

Expected credit loss rate	0.09%	0.41%	0.45%	2.08%	4.70%	14.85%	
Estimated total gross carrying amount	3,246,643,383	1,637,172,565	149,939,413	2,438,816	86,497,780	49,825,108	5,172,517,065
Expected credit loss	2,941,393	6,750,613	677,369	50,775	4,064,223	7,400,300	21,884,673

Concentration risk

Concentration of credit risk exists when the changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Company's total credit exposure. The Company's portfolio of financial assets is limited to certain sectors, however all transactions are entered into with credit-worthy counterparties there-by mitigating any significant concentrations of credit risk. Therefore the Company does not believe it is exposed to major concentration of credit risk as its exposure is spread over several institutions and customers. However to manage any possible exposure the Company applies approved credit limits to its customers.

42.1.3 Bank balances

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The Company believes that it is not exposed to major concentration of credit risk as its exposure is spread over a large number of counterparties. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The credit quality of cash and bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate:

Banks	Ratings			2025	2024
	Agency	Short-Term	Long-Term	Rupees	Rupees
Albarrak Bank (Pakistan) Limited	JCR-VIS	A-1	AA-	528,284	11,093,666
Bank Alfalah Limited	PACRA	A1+	AAA	409	18,590
Bank Islamic Pakistan Limited	PACRA	A1	AA-	688,959	6,941,970
Habib Bank Limited	JCR-VIS	A1+	AAA	6,453,391	57,242,465
United Bank limited	JCR-VIS	A1+	AAA	6,872,363	4,744,694
Meezan Bank Limited	JCR-VIS	A1+	AAA	30,821,482	32,459,916
MCB Bank Limited	PACRA	A1+	AAA	4,354,183	2,261,987
National Bank of Pakistan	JCR-VIS	A-1+	AAA	984,375	2,173,911
Industrial and Commercial Bank of China	Moody's	P-1	A-2	4,142,477	4,143,057
Silk Bank Limited	JCR-VIS	A-2	A-	50,479	50,479
Soneri Bank Limited	PACRA	A1+	AA-	54,027,088	111,311,591
The Bank of Punjab	PACRA	A1+	AA+	23,757,331	17,830,036
				<u>132,680,821</u>	<u>250,272,362</u>

42.1.4 Other receivables

Advances and other receivables mainly comprise of cash margin withheld by banks against imports and other deposits. The Company has assessed, based on historical experience and available securities, that the expected credit loss associated with these financial assets is trivial and therefore no impairment charge has been accounted for.

42.1.5 Loans and advances

The Company has assessed, based on historical experience and available securities, that the expected credit loss associated with loans to employees is trivial and therefore no impairment charge has been accounted for.

42.1.6 Long-term deposits

The Company has assessed, based on historical experience and available securities, that the expected credit loss associated with loans to employees is trivial and therefore no impairment charge has been accounted for.

42.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its commitments associated with financial liabilities when they fall due. Liquidity requirements are monitored regularly and management ensures that sufficient liquid funds are available to meet any commitments as they arise.

Financial liabilities are analyzed below, with regard to their remaining contractual maturities.

	Carrying values	Maturity Up to One Year	Maturity After One Year	Total
As at 30 June 2025				
	Rupees			
Long term loans	5,140,076,528	1,452,697,419	3,694,746,031	5,147,443,450
Lease liabilities	146,242,746	48,905,243	117,904,189	166,809,432
Short term borrowings	12,993,866,785	21,345,693,835	-	12,993,866,785
Mark up accrued	310,630,253	310,630,253	-	310,630,253
Unclaimed dividend	16,321,218	16,321,218	-	16,321,218
Trade and other payables	2,738,556,305	2,738,556,305	-	2,738,556,305
Total financial liabilities	<u>21,345,693,835</u>	<u>17,560,977,223</u>	<u>3,812,650,220</u>	<u>21,373,627,443</u>

	Carrying values	Maturity Up to One Year	Maturity After One Year	Total
As at 30 June 2024				
	Rupees			
Long term loans	5,508,475,406	1,232,640,587	4,793,247,697	6,025,888,284
Lease liabilities	157,428,730	63,152,974	122,928,996	186,081,970
Short term borrowings	12,700,493,853	12,700,493,853	-	12,700,493,853
Mark up accrued	576,875,696	576,875,696	-	576,875,696
Unclaimed dividend	14,937,067	14,937,067	-	14,937,067
Trade and other payables	1,948,402,589	1,948,402,589	-	1,948,402,589
Total financial liabilities	<u>20,906,613,341</u>	<u>16,536,502,766</u>	<u>4,916,176,693</u>	<u>21,452,679,459</u>

42.2.1 Changes in liabilities arising from financing activities

	As at 1 July 2024	Cash flows	New leases	Others	As at 30 June 2025
			Rupees		
Long term financing	6,448,813,653	(878,444,830)	-	-	5,147,443,450
lease liability	174,615,572	(55,406,992)	14,440,700	(29,780,306)	103,868,974
Short term borrowings	12,700,493,853	293,372,932	-	-	12,993,866,785
Unclaimed dividend	14,937,067	-	-	-	14,937,067
	<u>19,338,860,145</u>	<u>(640,478,890)</u>	<u>14,440,700</u>	<u>(29,780,306)</u>	<u>18,260,116,276</u>

Changes in liabilities arising from financing activities

	As at 1 July 2023	Cash flows	New leases	Others	As at 30 June 2024
			Rupees		
Long term financing	7,089,755,662	(954,397,668)	-	-	6,025,888,284
lease liability	129,310,350	(52,424,063)	113,718,225	(15,988,940)	174,615,572
Short-term borrowings	12,296,372,135	404,121,718	-	-	12,700,493,853
Unclaimed dividend	12,870,678	(329,705,249)	-	331,771,638	14,937,067
	<u>19,528,308,825</u>	<u>(932,405,262)</u>	<u>113,718,225</u>	<u>315,782,698</u>	<u>18,915,934,776</u>

42.2.2 There are a few non-compliances with respect to loan covenants relating to maintenance of specified ratios. However, none of such non-compliances triggered any default clause under the respective loan facility agreements.

42.3 Market Risk

42.3.1 Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. Monetary items, including financial assets and financial liabilities, denominated in currency other than functional currency of the Company, are periodically restated to Pak Rupee equivalent and the associated gain or loss is taken to the statement of profit or loss.

The Company is exposed to currency risk on trade and other payables, short term borrowing, accrued mark up and trade receivables that are denominated in a currency other than the functional currency primarily U.S. Dollars (USD).

Particulars	Note	2025	2024
		USD	USD
Assets			
Bank balances		235,544	700,577
Trade receivables		2,225,950	1,056,071
		<u>2,461,494</u>	<u>1,756,648</u>
Liabilities			
Short term borrowings		(50,122)	(12,279,686)
Markup accrued		(4,994)	(144,521)
		<u>(55,116)</u>	<u>(12,424,207)</u>
		<u>2,406,378</u>	<u>(10,667,559)</u>

42.3.2 Exchange rate applied during the year

The following significant exchange rates have been applied during the year:

	Average rupees per FCY		Reporting date rupees per FCY	
	2025	2024	2025	2024
USD to PKR	280.00	283.60	283.60	278.58

The following analysis demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant, of the Company's profit before taxation.

Changes in Rate	2025	2024
	Rupees	Rupees
	Effects on profit before taxation	
+1%	6,824,488	(29,717,686)
-1%	(6,824,488)	29,717,686

The effect may be respectively lower / higher, mainly as a result of exchange gains / losses on translation of foreign exchange denominated financial instruments.

Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis.

42.3.3 Interest rate risk

Interest rate risk arises from the possibility that changes in market interest rates will affect the fair value or future cash flows of financial instruments. Significant interest rate risk exposures are primarily managed by a mix of borrowings at fixed and variable interest rates.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments is:

	Note	2025	2024
		Rupees	Rupees
Variable rate instruments			
Liabilities			
Long term loan	20	(1,593,418,729)	(1,879,846,277)
Lease liabilities		(117,904,189)	(122,928,996)
Short-term borrowings - Secured	28	(12,993,866,785)	(12,700,493,853)
		(14,705,189,703)	(14,703,269,126)
Assets			
Bank balances - Saving accounts	18	25,515,539	4,067,132
		(14,679,674,164)	(14,699,201,994)

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates on loans from borrowings from banks, at the year end date, fluctuate by 100 (2023: 100) bps higher / lower with all other variables, in particularly foreign exchange rates held constant, profit before taxation for the year would have been affected as follows:

	2025	2024
	Rupees	Rupees
Changes in Rate	Effects on profit before taxation	
+1%	(146,796,742)	(146,992,020)
-1%	146,796,742	146,992,020

The sensitivity analysis prepared is not necessarily indicative of the effects on the profit for the year and assets / liabilities of the Company.

42.3.4 Other price risk

Other price risk represents 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 interest rate risk or currency 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 significant other price risk.

42.3.5 Financial instruments by categories

Financial assets

	Note	2025 Rupees	2024 Rupees
Amortized Cost			
Long term deposits	9	18,079,510	17,881,510
Trade receivables - unsecured	13	7,809,807,357	5,150,632,392
Other receivables	15	47,661,994	58,472,353
Cash and bank balances	18	184,011,080	303,170,209
		8,059,559,941	5,530,156,464

Financial liabilities

Long term loans	22	5,147,443,450	6,025,888,284
Lease liabilities	23	146,242,746	157,428,732
Short term borrowings - secured	30	12,993,866,785	12,700,493,853
Markup accrued	29	310,630,253	576,875,696
Unclaimed dividend		16,321,218	14,937,067
Trade and other payables	27	2,731,556,305	1,942,902,589
		21,346,060,757	21,418,526,221

42.4 Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholders' value. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. The Board's policy is to maintain an efficient capital base so as to maintain investor, creditor and market confidence and to sustain the future development of its business. The Board of Directors monitors the return on capital employed, which the Company defines as operating income divided by total capital employed. The Board of Directors also monitors the level of dividends to ordinary shareholders.

The Company's objectives when managing capital are:

- i) To safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- ii) To provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may, for example, adjust the amount of dividends paid to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital using a gearing ratio. Capital includes ordinary share capital and reserves, whereas, net debt includes long-term loans, short-term borrowings and liabilities against assets subject to finance lease less cash and cash equivalents.

The gearing ratio as at year end is as follows:

	Note	2025	2024
Long-term loans	20	5,147,443,450	6,025,888,284
Short-term borrowings - secured	28	12,993,866,785	12,700,493,853
Lease liabilities	22	146,242,746	157,428,732
Less: cash and cash equivalents	18	(184,011,080)	(303,170,209)
Net debt		18,103,541,901	18,580,640,660
Share capital	19	1,105,905,460	1,105,905,460
Reserves		8,714,091,026	7,251,094,215
Total		9,819,996,486	8,356,999,675
Gearing Ratio		66:34	69:31

42.5 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying amounts of all the financial instruments reflected in these financial statements approximate to their fair value.

The following table shows assets recognized at fair value, analyzed between those whose fair value is based on:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of the reporting date, the Company does not have any financial assets carried at fair value that required categorization in Level 1, Level 2 and Level 3.

NOTE NUMBER 43 TO 43.2 IS NO THE NEXT PAGE.

43.3 The details of compensation paid to key management personnel are shown under the heading of “Remuneration of Chief Executive, Directors and Executive (Note 44)”. There are no transactions with key management personnel other than under their terms of employment except otherwise stated.

43.4 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of its management team, including the Chief Executive Officer and the Directors to be key management personnel.

44 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for the year for remuneration, including all benefits, to the Chief Executive, Directors and Executives of the Company are as follows:

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	Rupees					
Managerial remuneration	22,064,516	22,065,805	34,064,516	34,066,506	211,282,071	174,236,604
Housing	9,929,032	9,928,280	15,329,032	15,327,872	95,076,935	78,396,023
Utilities	2,206,452	2,205,915	3,406,452	3,405,622	21,128,212	17,418,506
Bonus	-	11,250,196	-	17,344,054	18,115,790	88,707,834
Gratuity	-	-	-	-	17,551,924	13,252,232
	34,200,000	45,450,196	52,800,000	70,144,054	363,154,932	372,011,199
Number of persons	1	1	2	2	59	52

44.1 The Chief Executive Officer and Directors have been provided with company maintained cars and generator sets, further they are also entitled to club membership and reimbursement of medical and entertainment expense whereas some executives have been provided with company maintained cars.

43 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties and associated undertakings comprise related group companies, directors and key management personnel. Remuneration of Chief Executive, directors and executives is shown in Note 44. The transactions with related parties are carried at mutually agreed terms and are as follows:

Name of parties	Nature of relationship	Nature of transactions	Rupees	
			2025 Transactions during the year	2024 Transactions during the year
			291,659,065	247,486,357
		Sale of goods	-	4,619,999
		Purchase of goods	2,743,999	7,265,038
Nimir Resins Limited	Associated Company	Services provided	31,431,871	5,629,143
		Services acquired	2,850,816	14,608,309
		Reimbursement of expense	1,616,555	366,069,107
Nimir Overseas LLC*	Associated Company	Sale of goods	-	3,594,000
		Sale of goods	-	8,388,964
		Purchase of goods	5,862,711	-
Nimir Chemcoats Limited	Associated Company	Services provided	10,338,424	-
		Services acquired	2,400,000	-
		Reimbursement of expense	3,296,615	-
Nimir Chemicals Pakistan Limited	Associated Company	Sale of goods	9,729,180	10,052,725
		Purchase of goods	58,772,877	-
Nimir Energy Limited	Associated Company	Services provided	4,165,888	-
		Reimbursement of expense	1,879,987	-
Staff retirement benefits	Contribution to gratuity fund	Contribution to gratuity fund	60,225,000	22,000,000

* Transactions with Nimir Overseas LLC have been disclosed for the purpose of comparison only, it is not an associated company in the current period.

43.1 Outstanding balances of related parties are disclosed in the relevant notes to the financial statements.

43.2 Basis of relationship with the company

Following are the details of related parties with whom the Company has entered into transactions or have arrangements / agreements in place during the year:

Name of related party	Country of Incorporation/origin	Relationship	2025		2024	
			Basis of Association	Shareholdings	Basis of Association	Shareholdings
Nimir Resins Limited (NRL)	Pakistan	Associated	Common Directorship	Nil	Common Directorship	Nil
Nimir Resources (Private) Limited	Pakistan	Associated	Common Directorship	Nil	Common Directorship	Nil
Nimir Chemcoats Limited	Pakistan	Associated	Common Directorship	Nil	Common Directorship	Nil
Nimir Chemicals Pakistan Limited	Pakistan	Associated	Common Directorship	Nil	Common Directorship	Nil
Nimir Energy Limited	Pakistan	Associated	Common Directorship	Nil	Common Directorship	Nil

44.2 An amount of Rs. 10.00 million (2024: Rs 11.90 million) was paid to non-executive directors for attending the board meetings.

45	TOTAL NUMBER OF EMPLOYEES	Note	2025	2024
			Rupees	Rupees
	Number of employees		314	243
	Average number of employees		305	256

46	PRODUCTION CAPACITY	2025	2025	2024	2024
		Production Capacity	Actual Production	Production Capacity	Actual Production
	1. Oleo Chemicals (Metric ton)	140,000	87,829	140,000	79,351
	2. Soap Saponification (Metric ton)	18,000	1,243	-	-
	3. Chlor Alkali Products				
	- Caustic Soda (Metric ton)	56,000	37,425	56,000	39,457
	- By Products (Metric ton)	129,500	89,505	129,500	97,002
	4. Chlorinated Paraffin Wax (Metric ton)	13,000	7,581	13,000	4,766
	5. Soap Finishing Line (Metric ton)	84,000	44,350	54,000	34,608
	6. Aerosol (Cans)	80,000,000	5,715,018	80,000,000	5,791,434
	7. Blending (Metric ton)	-	14,348	-	28,330
	8. Home Care (Bottles)	46,500,000	9,688,296	46,500,000	9,734,928
	9. Personal Care (Metric ton)	4,500	1,834	4,500	1,499
	10. Dish Wash (Metric ton)	9,000	4,707	9,000	4,098

46.1 The plants' available capacities were underutilized due to product mix and market demand.

47 CORRESPONDING FIGURES

Corresponding figures where necessary, have been rearranged for the purpose of comparison. However no significant rearrangement or reclassification has been made during the year ended June 30, 2025.

48 SUBSEQUENT EVENTS

The Board of Directors at its meeting held on September 16, 2025 has proposed a final dividend @ Rs. 2 per share for the year ended June 30, 2025 (2024: Rs. 1.5) amounting to Rs. 221.181 million (2024: Rs. 165.886 million) for approval of the members at the Annual General Meeting to be held on October 21, 2025. These financial statements do not reflect this dividend.

49 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors on Tuesday, September 16, 2025.

50 GENERAL

Figures have been rounded off to nearest rupee unless otherwise stated.



Chief Executive Officer



Director



Chief Financial Officer

Pattern of Shareholding

AS AT JUNE 30, 2025

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
280	1	100	9,265
926	101	500	266,949
184	501	1,000	161,412
251	1,001	5,000	685,835
105	5,001	10,000	773,644
40	10,001	15,000	483,865
22	15,001	20,000	396,250
15	20,001	25,000	345,510
13	25,001	30,000	364,058
10	30,001	35,000	330,730
2	35,001	40,000	74,612
1	40,001	45,000	45,000
8	45,001	50,000	394,193
8	50,001	55,000	414,929
4	55,001	60,000	229,801
3	60,001	65,000	189,794
2	65,001	70,000	140,000
1	70,001	75,000	73,500
2	75,001	80,000	157,000
3	80,001	85,000	247,792
4	85,001	90,000	352,420
1	90,001	95,000	93,537
4	95,001	100,000	400,000
1	100,001	105,000	102,687
1	130,001	135,000	135,000
1	140,001	145,000	144,000
1	170,001	175,000	175,000
1	185,001	190,000	190,000
1	195,001	200,000	200,000
2	235,001	240,000	477,395
1	240,001	245,000	243,973
1	250,001	255,000	255,000
1	310,001	315,000	311,500
1	785,001	790,000	788,000
1	1,205,001	1,210,000	1,208,000
1	1,340,001	1,345,000	1,341,339
1	1,455,001	1,460,000	1,455,080
1	1,805,001	1,810,000	1,807,500
1	2,225,001	2,230,000	2,228,351
1	3,455,001	3,460,000	3,458,000
1	5,850,001	5,855,000	5,851,054

Pattern of Shareholding

AS AT JUNE 30, 2025

Shareholding				
No. of Shareholders	From	To	Total Shares Held	
1	7,360,001	7,365,000	7,361,295	
1	8,510,001	8,515,000	8,511,750	
1	9,565,001	9,570,000	9,569,999	
1	10,655,001	10,660,000	10,656,117	
1	12,675,001	12,680,000	12,678,269	
1	13,145,001	13,150,000	13,149,460	
1	21,660,001	21,665,000	21,661,681	
1,915			110,590,546	

S. No.	Categories of shareholders	Shares held	Percentage
2.3.1	Directors, Chief Executive Officer, and their spouse and minor children	43,247,336	39.1058%
2.3.2	Associated Companies, undertakings and related parties.	-	0.0000%
2.3.3	NIT and ICP	1,500	0.0014%
2.3.4	Banks Development Financial Institutions, Non Banking Financial Institutions.	2,300	0.0021%
2.3.5	Insurance Companies	80,970	0.0732%
2.3.6	Modarabas and Mutual Funds	3,363,420	3.0413%
2.3.7	Share holders holding 10% or more	47,627,441	43.0665%
2.3.8	General Public		
	1 - Local	58,919,749	53.2774%
	2 - Foreign	400	0.0004%
2.3.9	Others (to be specified)		
	1- Joint Stock Companies	3,787,669	3.4249%
	2- Pension Funds	403,119	0.3645%
	3- Foreign Companies	30,600	0.0277%
	4- Leasing Companies	24,010	0.0217%
	5- Investment Companies	11,012	0.0100%
	6- Others	718,461	0.6497%



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*Where applicable, services provided by licensed or regulated third parties.

Categories of Shareholding required under Code of Corporate Governance (CCG) AS AT JUNE 30, 2025

S. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties :			
1	Nil	-	0.0000
Mutual Funds :			
1	CDC - TRUSTEE FAYSAL ASSET ALLOCATION FUND (CDC)	7,500	0.0068
2	CDC - TRUSTEE FAYSAL STOCK FUND (CDC)	7,670	0.0069
3	CDC - TRISTEE GOLDEN ARROW STOCKS FUND (CDC)	255,000	0.2306
4	CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND (CDC)	34,000	0.0307
5	CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND (CDC)	1,208,000	1.0923
6	CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND (CDC)	48,510	0.0439
7	CDC - TRUSTEE UBL ASSET ALLOCATION FUND (CDC)	102,687	0.0929
8	CDC - TRUSTEE UBL RETIREMENT SAVINGS FUND - EQUITY SUB ACCOUNT (CDC)	243,973	0.2206
9	CDC - TRUSTEE UBL STOCK ADVANTAGE FUND (CDC)	1,455,080	1.3157
Directors and their Spouse and Minor Children :			
1	MR. ZAFAR MAHMOOD - CEO (CDC)	21,748,601	19.6659
2	MR. MUHAMMAD SAEED UZ ZAMAN	1,375,790	1.2440
3	MR. KHALID MUMTAZ QAZI (CDC)	12,729,380	11.5104
4	MR. UMAR IQBAL (CDC)	7,391,065	6.6833
5	MR. JAVAID BASHIR SHEIKH (CDC)	500	0.0005
6	MR. SAQIB ANJUM (CDC)	1,000	0.0009
7	MR. FARRUKH ANSARI (CDC)	500	0.0005
8	MRS. HUMAIRA SHAZIA (CDC)	500	0.0005
Executives:		29,767,743	26.9171
Public Sector Companies & Corporations :		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds :		511,399	0.4624

Shareholders holding five percent or more voting intrest in the listed company

S. No.	Name	Holding	%
1	MR. ZAFAR MAHMOOD - CEO (CDC)	21,748,601	19.6659
2	MR. KHALID MUMTAZ QAZI (CDC)	12,729,380	11.5104
3	MR. IMRAN AFZAL (CDC)	10,737,939	9.7096
4	MR. MUHAMMAD YAHYA KHAN (CDC)	13,149,460	11.8902
5	MR. NADEEM NISAR (CDC)	9,569,999	8.6535
6	MRS. SHAHEEN NADEEM (CDC)	8,511,750	7.6966
7	MR. UMAR IQBAL (CDC)	7,391,065	6.6833
8	MR. AMIR JAMIL (CDC)	5,876,654	5.3139

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 as under :

S. No.	Name	SALE	PURCHASE
1	MR. ZAFAR MAHMOOD - CEO (CDC)	-	86,920
2	MR. MUHAMMAD SAEED UZ ZAMAN (CDC)	-	33,670
3	MR. KHALID MUMTAZ QAZI (CDC)	-	51,111
4	MR. UMAR IQBAL (CDC)	-	29,770
5	MR. IMRAN AFZAL (CDC)	-	81,822
6	MR. AMIR JAMIL (CDC)	-	25,600
7	MR. ARIF HUSSAIN SURTI (CDC)	-	3,690

Notice of 32nd Annual General Meeting

FOR THE YEAR ENDED JUNE 30, 2025

Notice is hereby given that the 32nd Annual General Meeting (“AGM”) of Nimir Industrial Chemicals Limited (the “Company”) will be held on Tuesday, October 21, 2025 at 11:00 a.m., at Sultan Grand Hotel, Lahore – Faisalabad By-pass, near Housing colony, Sheikhpura 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, 2025 together with Chairman’s review, the reports of the Directors’, Statement of Compliance (CCG) and Independent Auditors’ reports’ thereon.

In accordance with the section 223 of the Companies Act, 2017, and pursuant to S.R.O 389(1)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company which can be downloaded for the following link and QR enabled code:

<https://nimir.com.pk/nicl/financial-reports/>

QR Code:



2. To approve the payment of final cash dividend of Rs. 2.0 per share (i.e. 20%) in addition to the interim dividend of Rs. 3.5 per share (i.e. 35%), in total Rs. 5.5 per share (i.e. 55%) cash dividend for the year ended June 30, 2025.
3. To appoint Auditors for the year ending June 30, 2026 and fix their remuneration. The members are hereby given the notice that the Audit Committee and the Board of Directors have recommended the appointment of M/s BDO Ebrahim & Co. – Chartered Accountants as external auditors of the Company.

By Order of the Board

**Sheikhpura
October 1, 2025**

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

Notes:

- I. The share transfer books of the Company shall remain closed from October 15, 2025 to October 21, 2025 (both days inclusive). Transfers received in order at the office of the Company’s shares registrar at the close of business on Tuesday, October 14, 2025 will be treated in time for the purpose of entitlements of final cash dividend and 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. 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 desiring to claim exemption from Zakat deduction may file their Declaration before the closing date of the books i.e., October 14, 2025, duly attested by Oath Commissioner on Stamp paper to Company’s Share Registrar, otherwise Company shall have to deduct Zakat according to the Zakat and Ushr Ordinance, 1980; and Shareholders are also 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.

www.corplink.com.pk

Notice of 32nd Annual General Meeting

FOR THE YEAR ENDED JUNE 30, 2025

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 to 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.

Online Participation in AGM

In order to facilitate and for the safety and well-being of shareholders and the public at large, the Company in addition to convening a physical meeting has also arranged attendance of shareholders virtually through video link facility. Shareholder who are interested in attending the AGM proceedings online may send the below information along with valid copy of CNIC of both sides with the subject "Registration for Nimir Industrial Chemicals Limited AGM" at corporate@nimir.com.pk for their appointment and proxy's verification by or before Friday October 17, 2025 by 05:00 p.m.

Name of Shareholder	CNIC No.	Folio No. / CDC Account No.	Cell No.	Registered Email Address

Shareholders who will be registered, after necessary verification as per the above requirement, will be provided a password protected video link by the Company via email. The said link will be open from 10:55 a.m. at the date of AGM till the end of the meeting. Shareholders can also provide their comments and questions for the agenda items of AGM at corporate@nimir.com.pk by or before Friday October 17, 2025 by 05:00 p.m.

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, 2025 effective from July 1, 2025, 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, 2025 have been made available on the Company's website www.nimir.com.pk/nicl/financial_reports.html, in addition to annual and quarterly financial statements for the prior years.

Gift Distribution

It may be noted that no gift will be distributed in the general meeting. Shareholders are advised to take note of meeting etiquettes as prescribed in the Guidelines for professional conduct in General Meetings issued by SECP.

Proxy Form :

Proxy Form is enclosed and also available on the website of the company i.e. www.nimir.com.pk

Form of Proxy 32nd Annual General Meeting

The Company Secretary

Nimir Industrial Chemicals Limited

14.8 K.M. Sheikhpura - Faisalabad Road,

Bhikhi – Dist. Sheikhpura,

Pakistan.

Ledger Folio/CDC A/C No.

Shares Held

I / We of
..... being member(s) of
Nimir Industrial Chemicals Limited hereby appoint of
..... as my/our proxy to vote for me / us on my / our behalf at the
Annual General Meeting (AGM) of the Company held on Tuesday, October 21, 2025 at 11:00 a.m. and / or at any adjournment thereof or any ballot
to be taken in consequence thereof.

Signed this day of 2025.

Signature of Shareholder

(The signature should agree with the specimen

registered with the Company)

WITNESSES:

1. _____ 2. _____

Name : _____

CNIC : _____

Address: _____

Date: _____

Fifty Rupees
Revenue Stamp

Notes:

- i. The share transfer books of the Company shall remain closed from October 15, 2025 to October 21, 2025 (both days inclusive). Transfers received in order at the office of the Company's shares registrar at the close of business on Monday, October 14, 2025 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.
www.corplink.com.pk

NIMIR INDUSTRIAL CHEMICALS LTD.

14.8 Km., Sheikhpura-Faisalabad Road,
Bhikhi, District Sheikhpura, Pakistan.

Ph: +92 56 3883001-7 • Fax: +92 56 3883010

Cell: +92 301 8221151, 301 8483950

www.nimir.com.pk

Posted Stamp

NIMIR

Nimir Industrial Chemicals Limited
14.8 Km., Sheikhpura Faisalabad Road,
Bhikhi, District Sheikhpura, Pakistan.

Phone : +92 (0)301 8483950
+92 42 35926090-93

Web : www.nimir.com.pk



E-Brochure



Corporate Video