

ISO 9001:2008, 14001:2004 &
OHSAS 18001:2007 Certified

**WAH
NOBEL
CHEMICALS
LTD**

Third Quarterly
Financial Statements
(Unaudited)
March 31, 2022

VISION STATEMENT

The Company's vision is to be the market leader and serve the needs of customers with total dedication, supply them the current and anticipate their future needs, create value for customers, shareholders, employees and the community

CORPORATE MISSION

- **To meet the current needs of its customers and anticipate their future needs.**
- **To maintain close and direct contacts with the customers to ensure their complete satisfaction.**
- **Constantly improve the quality of all our activities through operational excellence.**
- **To give fullest regard to the safety and health of employees and customers.**
- **To promote professionalism at all levels through constant education, training and development of human resources.**
- **To safeguard the environment and the community from pollution.**
- **To create a conducive work environment and inspire people to perform to their fullest potential and to reward talent.**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lt. Gen. Ali Amir Awan,HI(M)	:	Chairman
Mr. Mats-Olof Rydberg	:	Vice Chairman
Maj Gen Rashid Mahmood	:	Director
Mrs. Kishwar Ahsan	:	Director
Mr. Tariq M. Rangoonwala	:	Director
Mr. Shafiq Ahmed Siddiqi	:	Director (N.I.T. Nominee)
Mr. Usman Ali Bhatti	:	Director

CHIEF EXECUTIVE : Brig (R) Shiraz Ullah Choudhry, SI(M)

AUDIT COMMITTEE

Mr Tariq M. Rangoonwala	:	Chairman
Mrs. Kishwar Ahsan	:	Member
Mr. Usman Ali Bhatti	:	Member

HUMAN RESOURCE & REMUNERATION (HR&R) COMMITTEE

Mr. Tariq M. Rangoonwala	:	Chairman
Mrs. Kishwar Ahsan	:	Member
Brig (R) Shiraz Ullah Choudhry,SI(M)	:	Member

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

: Mr. Tanveer Elahi, FCA

AUDITORS

: Grant Thornton Anjum Rahman
Chartered Accountants

LEGAL ADVISORS

: The Law Firm of Basit Musheer

SHARES REGISTRAR

: Ilyas Saeed Associates (Pvt.) Ltd.,
Management Consultants,
Office # 26, 2nd Floor, Rose Plaza,
I-8 Markaz, Islamabad.
Tel: 051-4938026-7, Fax: 051-4102628
Email: iilyas@hotmail.com

BANKERS

: MCB Bank Limited
Allied Bank of Pakistan Limited
Bank Al-Habib Limited
Askari Bank Limited
Meezan Bank Limited

REGISTERED OFFICE

: G.T. Road, Wah Cantt.

PHONES

: (051) 4545243-6 (4 Lines)
(051) 905525204

FAX

: (051) 4545241, (051) 4535862

E.MAIL

: ce@wahnobel.com

WEBSITE

: www.wahnobel.com

FACTORY

: Wah Cantt.

WAH NOBEL CHEMICAL LTD
DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Board of Directors of the Company is pleased to present Condensed Interim Financial Information (un-audited) for the 3rd Quarter ended March 31, 2022

During the period under review Company has achieved Gross Sales Revenue of Rs 2,886 million vis-à-vis Rs 2,343 million as compared to previous year's corresponding period (increased by 23%).

Despite the challenging economic conditions, during the nine months of FY 2021-22, the Company earned After Tax Profit of Rs 202 million. The profitability levels have been affected due to increase in Finance Cost, Production Cost that can be attributed to higher raw material prices, increase in fuel prices, provision of expected credit loss and substantial devaluation of Pak Rupee vis-à-vis US\$.

By the Grace of Almighty Allah, new plant of Urea Formaldehyde Moulding Compound (UFMC) having annual capacity of 6,000 MT has been successfully installed and is fully operational. Through the expansion of UFMC the company expects generation of additional revenues / profits in the upcoming period.

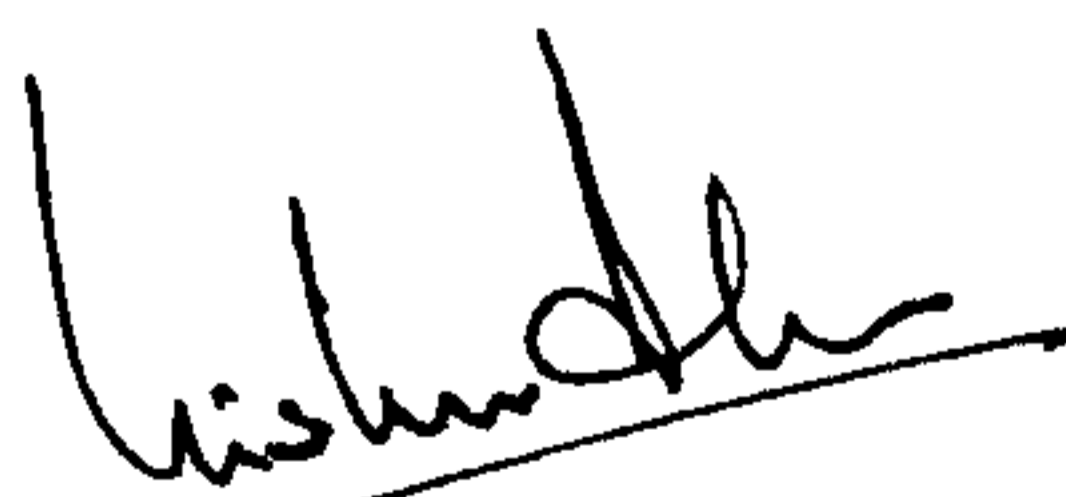
The management has a positive outlook and geared up, to ensure continued growth, operational efficiency and optimum results for the company and its stakeholders.

As regards Vend Fee and Permit Fee case, on January 19, 2022 the Honorable Supreme Court of Pakistan has disposed off the appeal of Provincial Government of Sindh. As per the order the Provincial Government shall surrender the Indemnity Bonds from 1990 to October 30, 2002 Subsequent to this date, a fresh demand shall be raised for the amount payable following the notification dated February 14, 2002 and Sindh (Amendment) Abkari Ordinance 2002 notified on October 30, 2002.

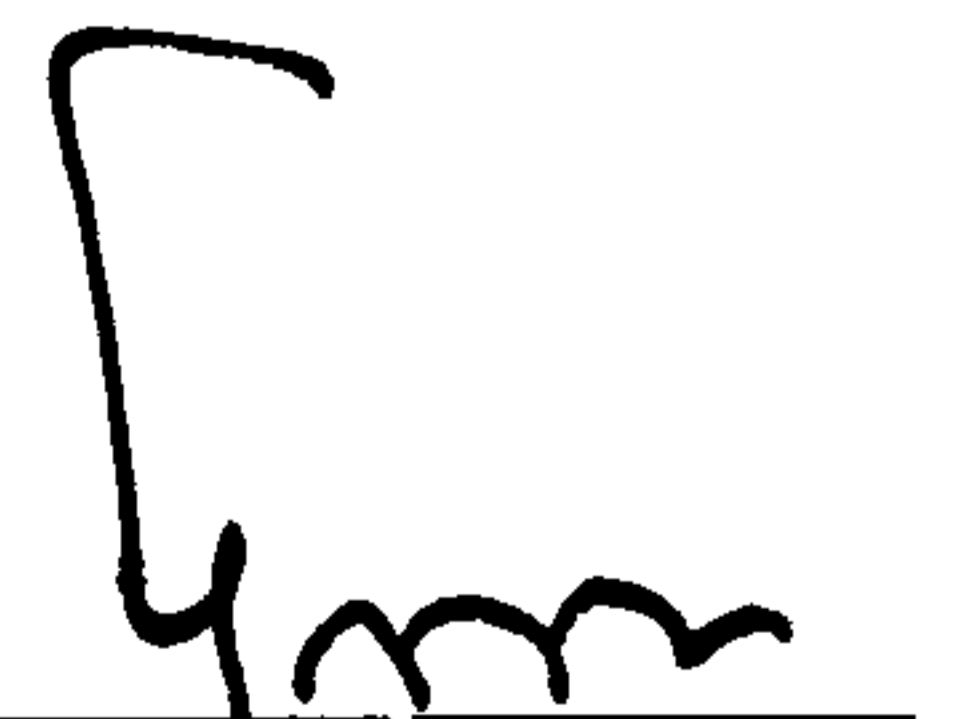
Upon the receipt of the fresh demand from the Department, the Company intends to approach the relevant Court to defend the case. Nexus to merits of the case and favourable decision of the Sindh High Court, the management is expecting a favourable decision from the Court if situation arises.

The Directors are pleased to place on record their deep appreciation for the earnest efforts and dedication to the cause, by all employees of the company for achieving good results despite volatile economic situation in the country and pay vivid gratitude to all its customers for their continued patronage, support and trust.

On behalf of the Board



Mrs. Kishwar Ahsan
Director


Brig (R) Shiraz Ullah Choudhry, SI(M)
Chief Executive

Wah Cantt

Dated: 29.04.2022

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز بمسرت غیر آڈٹ شدہ مالی نتائج بابت تیسری سہ ماہی و نومبر ماہ مختتمہ 31 مارچ 2022 پیش کرتے ہیں
زیر جائزہ مدت کے دوران کمپنی کی خالص آمدنی 2,886 ملین روپے ہے۔ جبکہ گزشتہ سال یہ 2,343 ملین روپے تھی (اضافہ
23%)۔

مشکل معاشی حالات کے باوجود مالی سال 2021-22 کے نومبر ماہ کے دوران، کمپنی نے بعد از ٹیکس منافع 202 ملین روپے کمایا۔ پیداواری
لاگت میں اضافے کی وجہ سے منافع کی سطح متاثر ہوئی ہے جو کہ خام مال کی زیادہ قیمتوں، پیٹروئل کی قیمت میں اضافے، متوقع کریڈٹ
تقصان کی فراہمی اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں کمی کی وجہ سے ہوا۔

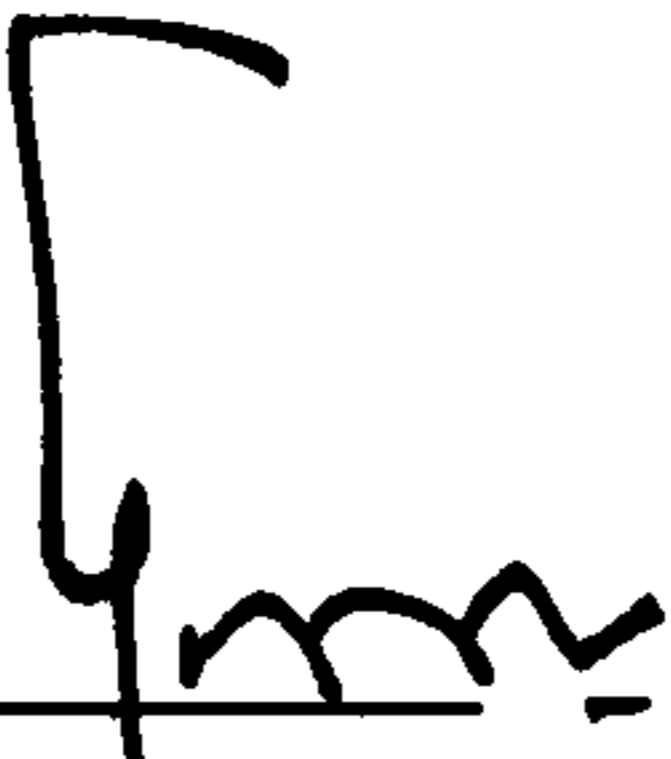
اللہ کے فضال و کرم سے (UFMC) Urea Formaldehyde Moulding Compound کا نیا پلانٹ جو کہ سالانہ 6000 MT پیداواری
صلاحیت رکھتا ہے، کامیابی سے نصب ہو چکا ہے۔ UFMC کی توسیع کی وجہ سے کمپنی متوقع ہے کہ آنے والے عرصے کے دوران اضافی
منافع حاصل ہوگا۔

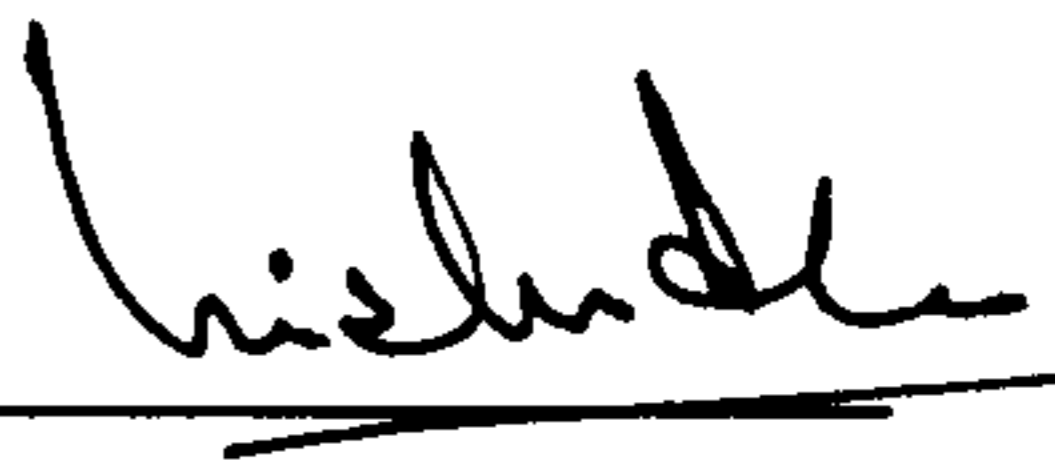
انتظامیہ ایک مثبت نقطہ نظر رکھتی ہے اور کمپنی اسٹیک ہولڈرز کے لئے مسلسل ترقی اور اچھے نتائج کو یقینی بنانے کے لئے کوشاں ہے۔

وینڈ فیس اور پرمیٹ فیس کیس کے حوالے سے معزز سپریم کورٹ و آف پاکستان نے 19 جنوری 2022 کو سندھ کی صوبائی حکومت کی اپیل کو
نمٹا دیا۔ حکم کے مطابق صوبائی حکومت 1990 سے 30 اکتوبر 2002 تک Indemnity Bonds سے دستبردار ہوگی، اس تاریخ کے بعد 14 فروری
2002 کے Notification اور 2002 Sind (Amendment) Abkari Ordinance کے بعد قابل ادائیگی رقم کے لئے ایک تازہ مطالبہ اٹھایا جائے گا
جیسا کہ 30 اکتوبر 2002 کو مطلع کیا گیا۔ محکمہ کی جانب سے مطالبہ کی وصولی پر کمپنی کیس کا دفاع کرنے کے لئے عدالت سے رجوع
کرنے کا ارادہ رکھتی ہے۔ کیس کے میرٹ اور سندھ ہائی کورٹ کے سازگار فیصلے کی موجودگی میں عدالت سے سازگار فیصلے کی توقع ہے۔

ڈائریکٹرز دل کی اتھاہ گہراہوں سے اپنے ملازمین کی ہر شعبے میں محنت لگن اور انتھک کوششوں کو سراہتے ہیں۔ ہم کمپنی کے گاہگوں جو
کہ ہماری مسلسل سرپرستی اور حمایت کرتے ہیں کے شکر گزار ہیں۔

ڈائریکٹرز بورڈ کی طرف سے


بریگیڈیر (ر) شیراز اللہ چودھری
چیف ایگزیکٹو


مسز کشور احسان
ڈائریکٹر

واہ کینٹ۔

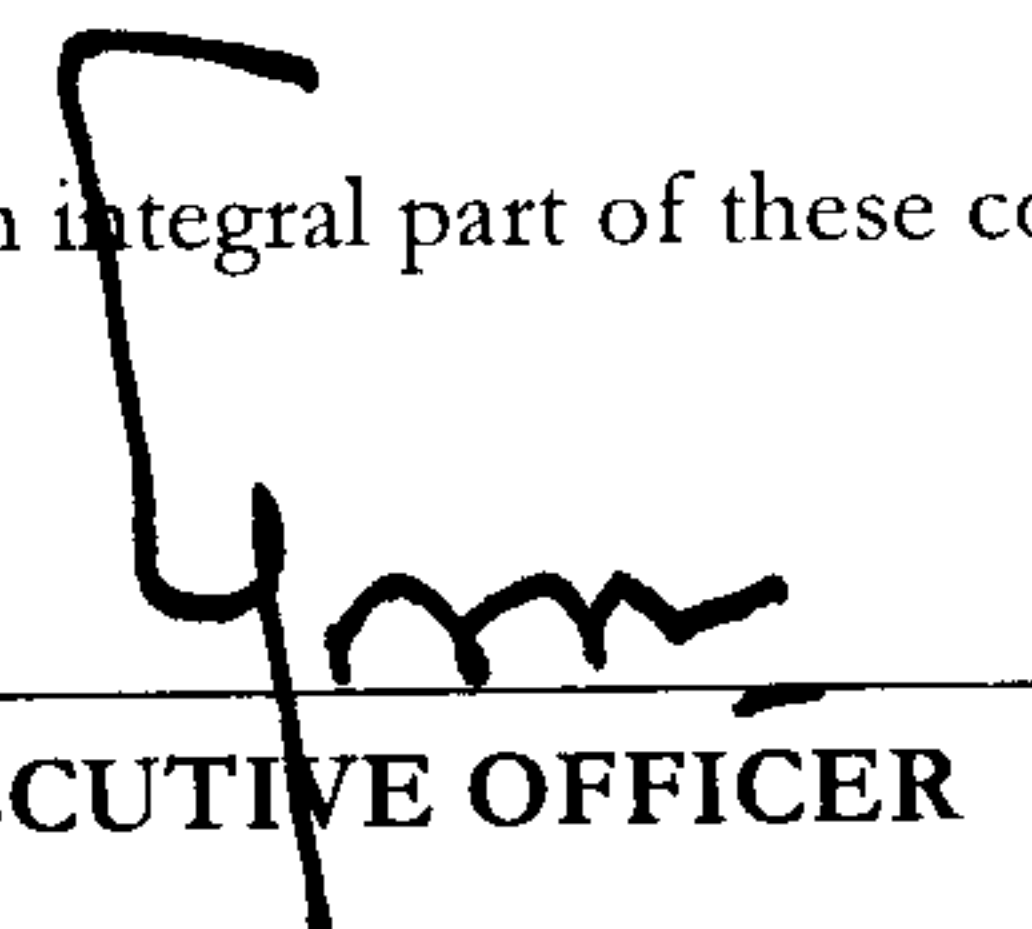
مورخہ : 29 اپریل 2022ء

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

		March 31 2022	June 30 2021
	Note	(Rupees in '000')	
		Unaudited	Audited
Assets			
Property, plant and equipment	5	428,557	384,394
Deferred tax		250	5,461
Non-current assets		428,807	389,855
Stores, spares and loose tools		80,307	68,171
Stock in trade		459,541	469,771
Trade debts	6	1,321,144	1,051,120
Advances, deposits, prepayments and other receivables		32,506	53,145
Short-term investment		2,656	2,681
Taxation - net		151,744	174,789
Cash and bank balances		15,748	25,573
Current assets		2,063,646	1,845,250
Total assets		2,492,453	2,235,105
Equity and liabilities			
Share capital		90,000	90,000
Capital reserve		944	944
Revenue reserves		1,303,685	1,191,505
Total equity		1,394,629	1,282,449
Liabilities			
Long term financing	7	62,204	72,353
Deferred liabilities	8	7,675	7,750
Non-current liabilities		69,879	80,103
Current portion of long term financing	7	11,908	-
Trade and other payables	9	322,666	404,792
Unclaimed dividend		7,523	6,691
Due to parent company	10	1,738	26
Loan from parent company - unsecured		307,782	305,669
Short term borrowings	11	376,328	155,375
Current liabilities		1,027,945	872,553
Total liabilities		1,097,824	952,656
Total equity and liabilities		2,492,453	2,235,105
Contingencies and commitments	12		

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.


DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Note	Nine months ended		Three months ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
(Rupees in '000')					
Gross sales	13	2,886,059	2,343,337	1,029,305	904,635
Sales tax		(435,171)	(368,306)	(156,897)	(151,398)
Discount		(6,523)	(6,780)	(2,728)	(2,221)
Net sales		2,444,365	1,968,251	869,680	751,016
Cost of sales		(2,061,600)	(1,556,916)	(744,056)	(597,689)
Gross profit		382,765	411,335	125,624	153,327
Administrative expenses		(12,216)	(10,113)	(3,679)	(3,026)
Distribution expenses		(10,224)	(8,322)	(3,717)	(2,974)
Operating profit		360,325	392,900	118,228	147,327
Finance cost		(50,511)	(21,871)	(20,491)	(5,600)
Other expenses		(22,183)	(25,672)	(7,152)	(9,757)
Allowance for expected credit losses		(5,737)	-	-	-
Other income		6,482	4,212	2,814	1,698
Profit before taxation		288,376	349,569	93,399	133,668
Provision for taxation		(86,196)	(109,165)	(28,583)	(47,059)
Net profit after taxation		202,180	240,404	64,816	86,609
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		202,180	240,404	64,816	86,609
Earnings per share - basic and diluted		22.46	26.71	7.20	9.62

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



 DIRECTOR



 CHIEF EXECUTIVE OFFICER



 CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR NINE MONTHS PERIOD ENDED MARCH 31, 2022

	March 31 2022	March 31 2021
Note	(Rupees in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	288,376	349,569
Adjustment for non cash items:		
Depreciation	26,886	22,824
Interest on term deposit receipts	(41)	(351)
Interest on workers' profit participation fund	1,048	115
Allowance for expected credit losses	5,737	-
Provision for gratuity fund	2,400	2,400
Workers' profit participation fund (WPPF)	15,504	17,846
Workers' welfare fund (WWF)	6,202	7,348
Provision for accumulated compensated absences	1,800	1,800
Provision for provident fund	5,995	5,178
Markup on loan from parent company -net	2,112	(2,947)
Markup on loan from State Bank of Pakistan	1,759	-
Debts written off	-	(29,123)
	69,402	25,090
Changes in:		
Stores, spares and loose tools	(12,136)	(5,590)
Stock in trade	10,230	77,847
Trade debts	(275,761)	(89,468)
Advances, deposits, prepayments and other receivables	20,639	(35,583)
Due to parent company	1,712	144
Trade and other payables	(99,447)	233,089
	(354,763)	180,439
Cash (used in)/ generated from operating activities	3,015	555,098
Payment for:		
Workers' profit participation fund	(6,363)	(1,454)
Gratuity fund	(1,500)	-
Accumulated Compensated absences	(1,875)	(1,517)
Provident fund	(5,964)	(5,087)
Pension fund	-	(1,274)
Taxation	(57,939)	(47,336)
	(73,641)	(56,668)
Net cash (used in)/ generated from operating activities	(70,626)	498,430
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for capital expenditure	(71,049)	(20,737)
Interest on term deposit receipts	66	558
Net cash used in investing activities	(70,983)	(20,179)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing repaid	-	(74,076)
Dividends paid	(89,168)	(35,399)
Net cash used in financing activities	(89,168)	(109,475)
Net increase / decrease in cash and cash equivalents	(230,777)	368,776
Cash and cash equivalents at beginning of the period	(129,803)	(246,529)
Cash and cash equivalents at end of the period	(360,580)	122,247

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The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.



 DIRECTOR



 CHIEF EXECUTIVE OFFICER




 CHIEF FINANCIAL OFFICER

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Revenue reserves					Sub-total	Total
	Issued, subscribed and paid-up share capital	Capital reserve - share premium	General reserve	Unappropriated profit			
	(Rupees in '000')						
Balance as at July 01, 2020	90,000	944	750,000	142,688	892,688	983,632	
Total comprehensive income for nine months ended March 31, 2021	-	-	-	240,404	240,404	240,404	
Profit after taxation	-	-	-	240,404	240,404	240,404	
Other comprehensive income - net of tax	-	-	-	240,404	240,404	240,404	
Transactions with owners recorded directly in equity							
Final dividend @ Rs. 4.00 per share -FY 2020	-	-	-	(36,000)	(36,000)	(36,000)	
Other							
Transfer to general reserve	-	-	100,000	(100,000)	-	-	
Balance as at March 31, 2021	90,000	944	850,000	247,092	1,097,092	1,188,036	
Balance as at July 1, 2021	90,000	944	850,000	341,505	1,191,505	1,282,449	
Total comprehensive income for nine months ended March 31, 2022	-	-	-	-	-	-	
Profit after taxation	-	-	-	-	-	-	
Other comprehensive income - net of tax	-	-	-	202,180	202,180	202,180	
Transactions with owners recorded directly in equity							
Final dividend @ Rs. 10.00 per share -FY 2021	-	-	-	(90,000)	(90,000)	(90,000)	
Others							
Transfer to general reserve	-	-	250,000	(250,000)	-	-	
Balance as at March 31, 2022	90,000	944	1,100,000	203,685	1,303,685	1,394,629	

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.


DIRECTOR


CHIEF EXECUTIVE OFFICER


CHIEF FINANCIAL OFFICER

1 STATUS AND NATURE OF BUSINESS

Wah Nobel Chemicals Limited ("the Company") was incorporated in Pakistan on May 31, 1983 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The parent company of the Company is Wah Nobel (Private) Limited and the ultimate parent company is Wah Industries Limited. The principal activity of the Company is to manufacture Urea Formaldehyde Moulding Compound, Formaldehyde and Formaldehyde based liquid resins for use as bonding agent in the chip board, plywood and flush door manufacturing industries. The Company's registered office and manufacturing facilities are situated in Wah Cantt, Pakistan.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 The disclosures in these condensed interim financial statements do not include the information that was reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021. Comparative condensed interim statement of financial position is extracted from the annual audited financial statements as of June 30, 2021, where as comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from unaudited condensed interim financial statements for nine months period ended March 31, 2021.

These condensed interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

2.3 Changes in accounting standards, interpretations and pronouncements

2.3.1 Standards and amendments to approved accounting and reporting standards that are effective:

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

2.3.2 Standards and amendments to approved accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2022. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

3 ACCOUNTING POLICIES

The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim financial statements and financial risk management policy are the same as those applied in preparation of audited annual financial statements for the year ended June 30, 2021.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

- 4.1 The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

- 4.2 Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those that were applied to the annual audited financial statements as at and for the year ended June 30, 2021.

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR NINE MONTHS PERIOD ENDED MARCH 31, 2022

5 PROPERTY, PLANT AND EQUIPMENT

		March 31 2022	June 30 2021
		(Rupees in '000")	
	Note	(Un-Audited)	(Audited)
5.1 Operating fixed assets			
Balance at 01 July		277,580	297,682
Additions during the period/ year		15,037	10,432
Transfers from Capital work in progress	5.2	162,826	-
Disposal during the period/ year		-	(1,813)
Depreciation charged during the period/ year		(26,886)	(28,722)
Balance at period/ year end		<u>428,557</u>	<u>277,580</u>
5.2 Capital work in progress			
Balance at 01 July		106,814	-
Additions during the period/ year		56,012	116,347
Related government grant		-	(9,533)
Transferred to operating fixed assets		(162,826)	-
Balance at period/ year end		<u>-</u>	<u>106,814</u>
5.3	This represents addition in plant & machinery and building. Addition of plant has increased the capacity of UFMC production by 6000 MT.		

6 TRADE DEBTS

		March 31 2022	June 30 2021
		(Rupees in '000")	
	Note	(Un-Audited)	(Audited)
Trade debts		1,465,445	1,189,684
Less: Allowance for expected credit losses	6.1	(144,301)	(138,564)
		<u>1,321,144</u>	<u>1,051,120</u>
6.1 Movement in allowance for expected credit losses			
Balance at 01 July		138,564	163,171
Charge for the period/ year		5,737	4,516
Debts written off		-	(29,123)
Balance at period/ year end		<u>144,301</u>	<u>138,564</u>

7 LONG TERM FINANCING

State Bank of Pakistan	7.1	72,353	71,660
Accrued markup		1,759	693
Current portion of long term financing		(11,908)	-
		<u>62,204</u>	<u>72,353</u>

7.1 This represents utilized amount of long term finance facility under State Bank of Pakistan (SBP) temporary economic refinance facility for payment of capital asset procurement with cumulative sanctioned limit of Rs. 84 million. The facility carries fixed mark-up of 4% of the utilized amount. The tenor of the facility is 5 years repayable in 16 equal quarterly instalments. The facility is secured by registration of specific charge on fixed assets of the Company for 112 M.

		March 31 2022	June 30 2021
		(Rupees in '000")	
		(Un-Audited)	(Audited)
8 DEFERRED LIABILITIES			
Accumulated compensated absences		<u>7,675</u>	<u>7,750</u>

9 TRADE AND OTHER PAYABLES

This includes payable to Wah Nobel Private limited (Parent company) amounting to Rs. 11,373 thousand (June 30, 2021 Rs. Nil) and Nobel Energy Limited (an associated company) amounting to Rs. 4,078 thousand (June 30, 2021 Rs. 2,215 thousand).

10 DUE TO PARENT COMPANY

The amount represents payable in respect of expenses incurred by the parent company on behalf of the Company. This is unsecured and payable on demand.

March 31 2022	June 30 2021
(Rupees in '000")	
(Un-Audited)	(Audited)

11 SHORT-TERM BORROWINGS - SECURED

Running finance availed from:

- Bank Al-Habib Limited	129,473	27,790
- Allied Bank Limited	160,327	8,230
- Askari Bank Limited	36,807	118,353
- MCB Bank Limited	37,863	-
Accrued markup	11,858	1,002
	376,328	155,375

11.1 The Company has obtained running finance facility with limits upto Rs. 690,000 thousand (June 30, 2021: Rs. 690,000 thousand) from different banks. These facilities carries markup of 1 month/ 3 months KIBOR plus 0.35% payable on quaterly basis. These facilities are secured against first pari passu charge on present and future, current and fixed assets of the Company .

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

As regards levy of vend fee and permit fee on methanol, on January 19, 2022 the Honorable Supreme Court of Pakistan has disposed off the appeal of Provincial Government of Sindh. As per the order, the Provincial Government shall surrender the Indemnity Bonds from 1990 to October 30, 2002 and subsequent to this date, a fresh demand shall be raised for the amount payable following the notification dated February 14, 2002 and Sindh (Amendment) Abkari Ordinance 2002 notified on October 30, 2002. Upon the receipt of the fresh demand from the Department, the Company intends to approach the relevant Court to defend the case.

Currently, all imports of methanol are being released on payment of Rs. 3/- per bulk gallon in cash which is being expensed out and submission of guarantee @ Rs. 14/- per bulk gallon in the form of indemnity bonds.

As of the reporting date vend and permit fee(net) determined on the basis of consumption of methanol by the Company since November 2002 comes to Rs.1,056 million. Based on the previous favourable decisions of High Courts the management has made no provision for any liability. Furthermore, management is making necessary efforts to resolve this matter and is confident that the Company will be able to continue as a going concern.

March 31 2022	June 30 2021
(Rupees in '000")	
(Un-Audited)	(Audited)

12.2 Commitments

12.2.1 Letters of credit for purchase of stocks	163,392	354,293
12.2.2 Post dated cheques issued in favour of collector of customs against custom duties and other levies on methanol kept in bonded ware house.	25,976	25,723
12.2.3 Letter of guarantee issued by bank on behalf of the Company	15,000	15,000
12.2.1.4 Capital expenditures against civil work services from Wah Construction limited	-	22,102

WAH NOBEL CHEMICALS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR NINE MONTHS PERIOD ENDED MARCH 31, 2022

	March 31 2022		March 31 2021	
	(Rupees in '000')			
	(Un-Audited)		(Un-Audited)	
13 GROSS SALES				
Local sales	2,886,059		2,343,337	
Export	-		-	
	<u>2,886,059</u>		<u>2,343,337</u>	
	Nine month ended		Three month	
Dissegregation of Revenue	March 31 2022	March 31 2021	March 31 2022	March 31 2021
	(Rupees in '000')			
Urea Formaldehyde Moulding compound	1,023,536	921,837	320,703	325,512
Urea / Phenol Formaldehyde	755,485	660,997	237,411	300,386
Formaldehyde and Formalin solvent	1,055,625	683,158	458,548	250,239
Others	51,413	77,345	12,643	28,498
	<u>2,886,059</u>	<u>2,343,337</u>	<u>1,029,305</u>	<u>904,635</u>
			March 31 2022	March 31 2021
	(Rupees in '000')			
	(Un-Audited)		(Un-Audited)	
14 CASH AND CASH EQUIVALENTS				
Cash and bank balances	15,748		126,213	
Short term running finance - secured	(376,328)		(3,966)	
	<u>(360,580)</u>		<u>122,247</u>	
15 RELATED PARTY TRANSACTIONS AND BALANCES				

The Company is a subsidiary of Wah Nobel (Private) Limited, so all subsidiaries, holding companies and associated undertakings of the parent are related parties of the Company. Other related parties comprise of directors, key management personnel, entities with common directorships and entities over which the directors and trustees are able to exercise influence. Balances and transactions with related parties are shown relevant notes to the financial statements.

15.1 Following are the associated companies and related parties with whom the Company had entered into transactions during the year:

Associated company	Nature of relationship	Number of shares held in the Company	Aggregate %age shareholding in the Company
Wah Nobel (Private) Ltd.	Parent company	4,970,395	55.23%
WNPL Employees Provident Fund	Staff retirement	99,000	1.10%
WNCL Employees Provident Fund	Staff retirement	33,102	0.37%
Wah Nobel Acetates Limited (WNAL)	Associated company	-	0.00%
Nobel Energy Limited (WNEL)	Associated company	-	0.00%
Wah Construction (Pvt) Limited	Associated company	-	0.00%
Mr. Tariq Rangoonwala	Director	500	0.01%
Mr. Shafiq Ahmed Siddiqi	Director	-	0.00%

WAH NOBEL CHEMICALS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR NINE MONTHS PERIOD ENDED MARCH 31, 2022

15.2 Details of transactions with related parties, other than those which have been disclosed elsewhere in these condensed financial statements are as follows:

	March 31 2022	March 31 2021
	(Rupees in '000")	
	(Un-Audited)	(Un-Audited)
RELATED PARTY TRANSACTIONS		
Significant transactions with related parties during the period were as follows:		
Expenses incurred on behalf or by the parent companies - net	4,393	144
Corporate service fee charged by holding company	675	-
Payment to/ (by) parent company against expenses- net	(5,430)	7,800
Purchase of electricity from associated company	13,675	13,667
Purchase of electricity from parent company	9,858	-
Civil work services from Wah Const ruction (Pvt) Limited	22,765	13,266
Purchase of raw material from associated company	5,154	8,506
Dividend paid to the holding company	49,704	19,882
Sales to parent company	14,512	-
Interest paid to the parent company	17,186	19,145
Interest incurred on loan from parent company	19,298	16,198
Contribution to:		
- Employee provident fund trust	1,832	1,695
- Workers profit participation fund	15,504	1,454
Balances with related parties were as follows:		
Loan from holding company-unsecured	307,782	305,400
Payable to associated companies	15,451	1,883
Due to holding company	1,738	218
Payable to employee's gratuity fund	2,842	2,964
Payable to employee's provident fund	679	603

16 IMPACT OF COVID-19 (CORONA VIRUS)

The management has evaluated and concluded that there are no implications of COVID-19 that require adjustment and specific disclosure in these condensed interim financial statements.

17 DATE OF AUTHORIZATION FOR ISSUE

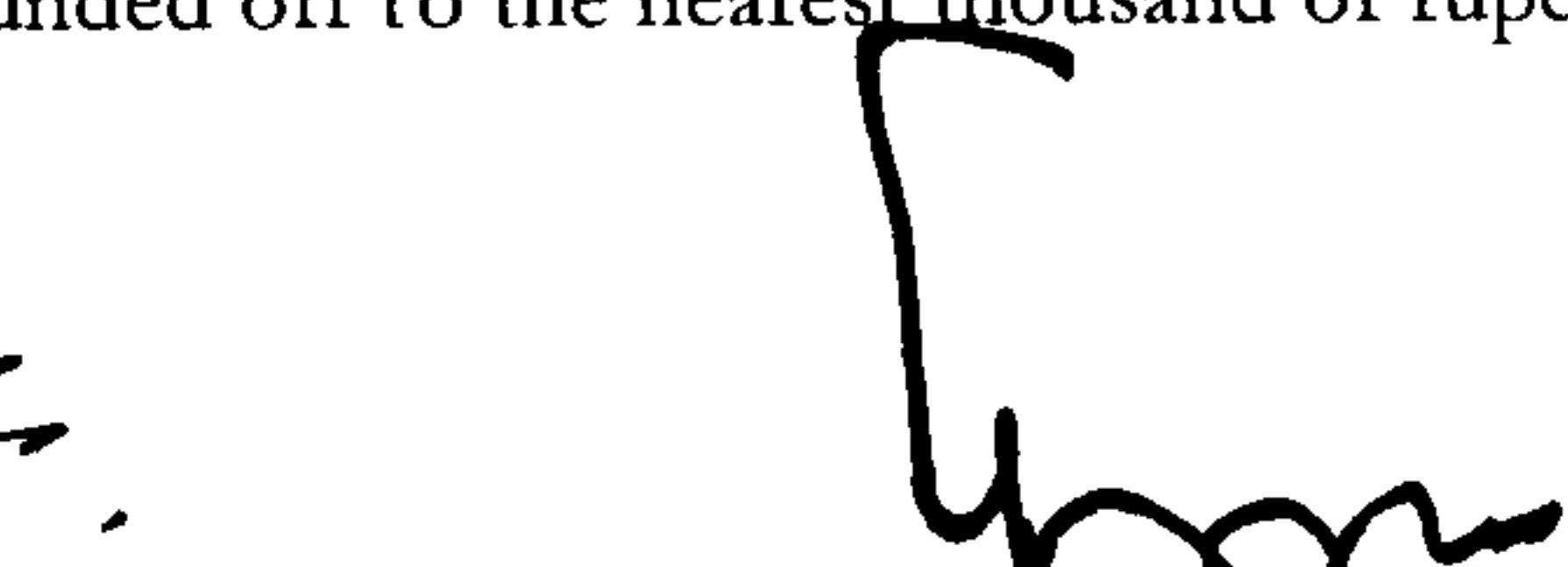
These condensed interim financial statements were authorized for issue on April 29, 2022 by the Board of Directors of the Company.

18 GENERAL

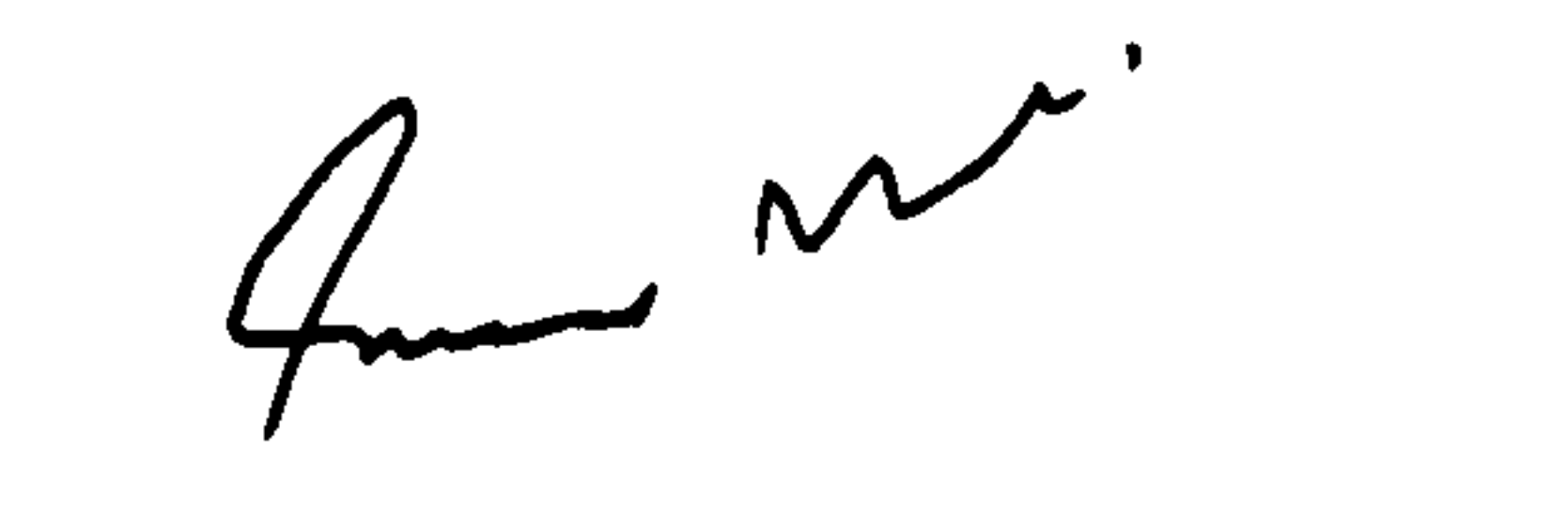
Figures have been rounded off to the nearest thousand of rupees.



 DIRECTOR



 CHIEF EXECUTIVE OFFICER



 CHIEF FINANCIAL OFFICER