

NIMIR INDUSTRIAL CHEMICALS LTD.



QUARTERLY REPORT
SEPTEMBER
2022

NIMIR

TRANSFORMING FOR A SUSTAINABLE FUTURE

► Board of Directors

Mr. M. Saeed-uz-Zaman	- Chairman
Mr. Zafar Mahmood	- Chief Executive Officer
Mr. Imran Afzal	
Mr. Aamir Jamil	
Mr. Javed Saleem Arif	
Mr. Tariq Ahmad Khan	
Ms. Parveen Akhter Malik	
Mr. Saqib Anjum	
Mr. Abdul Jaleel Shaikh	
(Nominee - Pak Brunei Investment Company Limited)	

► Executive Management

Mr. Zafar Mahmood
Mr. Khalid Mumtaz Qazi
Mr. Imran Afzal
Mr. Umar Iqbal
Mr. Aamir Jamil
Mr. Muhammad Yahya Khan

► Chief Financial Officer

Syed Sajid Nasim

► Company Secretary

Mr. Muhammad Inam-ur-Rahim

► Head of Internal Audit

Mr. Nabeel Ahmad Khan

► Audit Committee

Mr. Javed Saleem Arif	- Chairman
Mr. Tariq Ahmad Khan	- Member
Mr. Abdul Jaleel Shaikh	- Member

► Human Resource & Remuneration Committee

Ms. Parveen Akhter Malik	- Chairperson
Mr. M. Saeed-uz-Zaman	- Member
Mr. Zafar Mahmood	- Member

► External Auditors

EY Ford Rhodes
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

► Bankers

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)
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
Pair Investment Company Limited

► Registered Office / Factory

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

► Head Office

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

► Website

www.nimir.com.pk

Directors' Review Report

The Directors are pleased to present their review report with the unaudited financial statements of the Nimir Industrial Chemicals Limited (the "Company") for the first quarter, which ended on September 30, 2022.

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

	September 2022	September 2021
	(Rs. '000')	(Rs. '000')
Gross Sales	14,903,232	8,696,194
Gross Profit	1,152,655	754,274
Operating Profit	955,985	631,256
Finance Cost	610,604	160,486
Profit Before Taxation	345,001	455,613
Profit After Taxation	215,588	322,745
Earnings per share (Rs.) Basic and diluted)	1.95	2.92

During the quarter under review, your Company posted gross sales revenue of PKR 14.9 billion; an increase of 71% over the corresponding period, which is mainly attributed to rising prices in the international market and devaluation of PKR by 35%. The gross and operating profits grew by 53% and 51% respectively, but significant increase in the financial cost eroded the bottom line by 33% against same quarter of the last year.


The palm oil prices, after a consistent rise for almost two years, witnessed sharp decline from June 2022. This has affected the profitability of first quarter and will have some impact on the results of second quarter as well. The overall economy is passing through turbulent time due to deteriorating forex situation, high inflation and interest rate, devastated floods and unstable political situation. Hence, we foresee that the pressure on volumes and margins will continue throughout the current financial year.

The remaining projects which are in progress are expected to be commissioned during the end of second quarter or early third quarter. This will indeed help in strengthening the financial health of the Company. The management, however, is fully committed to produce the best possible results under the current difficult times, Insha Allah.

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

For and on the behalf of the Board

Lahore
October 21, 2022


Aamir Jamil
Director


Zafar Mahmood
Chief Executive Officer

ڈائریکٹرز کی جائزہ رپورٹ

ڈائریکٹرز 30 ستمبر 2022 کو ختم ہونے والی پہلی سہ ماہی کے لئے نمائندگی کیلئے کمیٹی (کمپنی) کے غیر نظر ثانی شدہ مالی حسابات پر اپنی جائزہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ مذکورہ سہ ماہی کے لئے مالی نتائج کا تجزیہ حسب ذیل ہے:

30 ستمبر 2021	30 ستمبر 2022	
		پاکستانی روپے ہزاروں میں
8,696,194	14,903,232	مجموعی فروخت
754,274	1,152,655	مجموعی منافع
631,256	955,985	آپریٹنگ منافع
160,486	610,604	مالی لاگت
455,613	345,001	قبل از ٹیکس منافع
322,745	215,588	منافع بعد از ٹیکس
2.92	1.95	فی عام شیئر آمدنی (روپے) (بنیادی اور معتدل)

زیر جائزہ سہ ماہی کے دوران، آپ کی کمپنی نے مجموعی فروخت آمدنی 14.9 بلین روپے درج کی ہے، گزشتہ سال سے 71 فیصد زیادہ، جو کہ بین الاقوامی مارکیٹ میں بڑھتی ہوئی قیمتوں اور پاکستانی روپیہ کی قدر میں 35 فیصد کمی کی وجہ سے ہوا۔ مجموعی منافع اور آپریٹنگ منافع بھی بالترتیب 53 فیصد اور 51 فیصد تک بڑھا، لیکن مالی لاگت میں بہت زیادہ اضافے نے گزشتہ سال کی اسی سہ ماہی کے مقابلے میں زریں لائن کو 33 فیصد نقصان پہنچایا۔

پام آئل کی قیمتوں میں تقریباً دو سال کے مسلسل اضافے کے بعد، جون 2022 سے تیزی سے گراوٹ دیکھنے میں آئی۔ اس نے پہلی سہ ماہی کے منافع کو متاثر کیا ہے اور دوسری سہ ماہی کے نتائج پر بھی کچھ اثر پڑے گا۔ غیر ملکی کرنسی کی خراب صورتحال، مہنگائی اور سود کی بلند شرح، تباہ کن سیلاب اور غیر مستحکم سیاسی صورتحال کی وجہ سے مجموعی معیشت مشکل وقت سے گزر رہی ہے۔ لہذا، ہم پیش گوئی کرتے ہیں کہ حجم اور مارجن پر دباؤ پورے مالی سال میں جاری رہے گا۔

باقی منصوبے جو تکنیکی مراحل میں ہیں توقع ہے کہ دوسری سہ ماہی کے اختتام یا تیسری سہ ماہی کے آغاز میں مکمل ہو جائیں گے۔ اس سے یقینی طور پر کمپنی کی مالی حالت کو مزید مضبوط بنانے میں مدد ملے گی۔ تاہم، انتظامیہ موجودہ مشکل اوقات کے تحت بہترین ممکنہ نتائج درج کرنے کے لیے پُر عزم ہے۔ انشاء اللہ

بورڈ کی جانب سے، ہم اپنے تمام اسٹیک ہولڈرز کے اعتماد اور تعاون کے لئے ان کا شکریہ ادا کرتے ہیں۔

مختار بھٹ

عامر جمیل
ڈائریکٹر

ظفر محمود
چیف ایگزیکٹو آفیسر

لاہور
21 اکتوبر 2022ء

A black and white photograph of a complex industrial chemical plant. The image shows a dense network of pipes, metal walkways, and structural beams. In the foreground, there are large vertical pipes and horizontal structures. In the background, more complex machinery and storage tanks are visible under a clear sky. The overall scene conveys a sense of large-scale industrial operations.

4

Financial Statements Separate

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

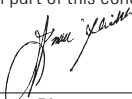
Condensed Interim Statement of Financial Position (Unaudited)

AS AT SEPTEMBER 30, 2022

	Note	(Un-audited) September 2022 (Rs. '000')	(Audited) June 2022 (Rs. '000')
ASSETS			
Non Current Assets			
Property, plant and equipment	5	12,912,364	12,309,193
Intangibles		27,797	30,487
Investment in subsidiaries	6	202,385	202,384
Loan to subsidiary		14,512	14,512
Long term deposits		36,972	36,812
		13,194,030	12,593,388
Current Assets			
Stores, spare parts and loose tools		561,409	527,802
Stock in trade		7,685,438	7,823,007
Trade debts		7,555,712	6,219,981
Loans and advances		495,555	105,444
Trade deposits and short term prepayments		62,051	19,912
Other receivables		34,278	153,229
Tax refunds due from the Government		2,809,178	2,425,410
Cash and bank balances		122,744	260,276
		19,326,365	17,535,061
Total Assets		32,520,395	30,128,449
EQUITY AND LIABILITIES			
Authorized Share Capital			
145,000,000 (June 30, 2022: 145,000,000)			
Ordinary Shares of Rs. 10/- each		1,450,000	1,450,000
Issued, subscribed and paid up capital			
110,590,546 (30 June 2022: 110,590,546)			
Ordinary Shares of Rs. 10/- each		1,105,905	1,105,905
Unappropriated profit - revenue reserve		5,122,539	5,072,837
		6,228,444	6,178,742
NON CURRENT LIABILITIES			
Long term loans	7	5,461,395	5,428,141
Lease liabilities		79,700	71,739
Net defined benefit liability-funded gratuity		181,783	151,983
Deferred tax liability		472,024	440,320
Deferred grant		871,755	913,533
		7,066,657	7,005,716
CURRENT LIABILITIES			
Trade and other payables		2,347,766	1,980,253
Contract liabilities		87,988	93,473
Mark up accrued		528,894	355,984
Unclaimed dividend		12,325	12,325
Dividend payable		165,886	-
Short term borrowings		14,534,578	13,040,528
Current maturity of long term loans	7	371,883	384,195
Current maturity of lease liabilities		35,651	38,671
Current portion of deferred grant		172,428	168,378
Provision for taxation		967,894	870,184
		19,225,294	16,943,991
CONTINGENCIES AND COMMITMENTS			
	8	-	-
TOTAL EQUITY AND LIABILITIES		32,520,395	30,128,449

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.


Chief Executive Officer


Director


Chief Financial Officer

Condensed Interim Statement of Profit or Loss (Unaudited)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

		September 30, 2022	September 30, 2021
	Note	Rs. "000"	Rs. "000"
Revenue from contracts with customers - gross		14,903,232	8,696,194
Less: Sales tax, trade discounts and commission		(2,065,833)	(1,286,705)
Revenue from contracts with customers - net		12,837,399	7,409,489
Cost of sales	9	(11,684,744)	(6,655,215)
Gross Profit		1,152,655	754,274
Distribution costs		(88,582)	(41,869)
Administrative expenses		(108,088)	(81,149)
Operating Profit		955,985	631,256
Other operating charges		(25,570)	(33,693)
Finance cost		25,190	17,536
Other income		(610,604)	(160,486)
Profit before Taxation		345,001	454,613
Taxation			
Current		(97,709)	(152,189)
Deferred		(31,704)	20,321
		(129,413)	(131,868)
Profit after taxation		215,588	322,745
Earning per Share - Basic & diluted (Rs.)		1.95	2.92

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.

Condensed Interim Statement of Comprehensive Income (Unaudited)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	September 30, 2022	September 30, 2021
	Rs. "000"	Rs. "000"
Net Profit for the Period	215,588	322,745
Other comprehensive income	-	-
Total Comprehensive Income for the Period	215,588	322,745

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.


Chief Executive Officer


Director


Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Unaudited)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Particulars	Issued, subscribed and paid up capital	Unappropriated Profit	Total
	Rs. "000"	Rs. "000"	Rs. "000"
Balance as on 01 July 2021	1,105,905	3,818,120	4,924,025
Final dividend for 2021 @ Rs. 2.0 per share	-	(221,181)	(221,181)
Total comprehensive income for the period (Jul 2021 to Sep 2021)	-	322,745	322,745
Balance as on 30 September 2021 (unaudited)	<u>1,105,905</u>	<u>3,919,684</u>	<u>5,025,589</u>
Balance as on 01 July 2022	1,105,905	5,072,837	6,178,742
Final dividend for 2022 @ Rs. 1.50 per share	-	(165,886)	(165,886)
Total comprehensive income for the period (Jul 2022 to Sep 2022)	-	215,588	215,588
Balance as on 30 September 2022 (unaudited)	<u>1,105,905</u>	<u>5,122,539</u>	<u>6,228,444</u>

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Statement of Cash Flows (Unaudited)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	September 30, 2022	September 30, 2021
	Rs. "000"	Rs. "000"
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	345,001	454,613
Adjustments for:		
Depreciation	142,570	140,392
Amortization	2,690	-
Gain on disposal of property, plant and equipment	(20)	(54)
Mark-up expense	600,931	156,815
Foreign exchange gain	-	(3,906)
Workers profit participation fund provision	18,528	24,415
Workers welfare fund provision	7,041	9,278
Provision for gratuity fund	9,800	9,000
	781,540	335,940
Operating profit before working capital changes	1,126,541	790,553
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(33,607)	62,618
Stock in trade	137,569	871,651
Trade debts	(1,335,731)	(458,480)
Loans and advances	(390,111)	10,223
Trade deposits and short term prepayments	(42,138)	(32,431)
Other receivables	118,951	25,225
Tax refunds due from the Government	(116,664)	174,912
Increase / (decrease) in current liabilities:		
Trade and other payables	341,944	(196,325)
Contract liabilities	(5,485)	(89,868)
	(1,325,273)	367,525
Cash generated / (consumed) in operations	(198,732)	1,158,078
Contribution drawn from gratuity fund	20,000	-
Markup paid	(425,185)	(121,559)
Tax paid	(267,102)	(140,677)
Long term deposits	(160)	1,000
	(672,447)	(261,236)
Net Cash Generated From Operating Activities	(871,179)	896,842
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(8,487)	(597)
Capital work in progress	(725,251)	(2,725,713)
Long term deposits	20	19,756
Net Cash Used In Investing Activities	(733,718)	(2,706,554)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans obtained	105,730	1,466,936
Long term loans repaid	(122,516)	(104,554)
Lease rentals paid	(9,899)	(13,229)
Dividend paid	-	(102)
Short term borrowings - net	1,494,050	525,909
Net cash generated from financing activities	1,467,365	1,874,960
Net (decrease) / increase in cash and cash equivalents	(137,532)	65,248
Cash and cash equivalents at the beginning of the period	260,276	58,429
Cash and cash equivalents at the end of the period	122,744	123,677

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.


Chief Executive Officer


Director


Chief Financial Officer

Notes to the Condensed Interim Financial Information (Unaudited)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

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.

2 BASIS OF PREPARATION

2.1 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 comprises of:

- International Accounting Standards (IAS) 34, Interim Financial Reporting, issued by the Internal 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 requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2022.

2.3 These condensed interim financial statements are presented in Pak rupees, which is the Company's functional and presentational currency. The financial statements have been prepared under the historical cost convention. Figures have been rounded off to the nearest thousand rupee, unless stated otherwise.

3 ACCOUNTING POLICIES

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

4 TAXATION

Provision for taxation is calculated on prevailing rates and these are subject to final adjustments in the annual audited financial statements.

5 PROPERTY, PLANT AND EQUIPMENT

	Period ended Sep. 30, 2022 (Un-audited) Rs."000"	Year ended June 30, 2022 (Audited) Rs."000"
Operating fixed assets	5,329,232	5,437,069
Capital work in progress	7,583,132	6,872,124
	12,912,364	12,309,193

6 INVESTMENT IN SUBSIDIARIES

This represents 51% and 11.63% shares in Nimir Management (Private) Limited (NMPL) and Nimir Resins Limited (NRL) respectively. NMPL has majority shareholding of Nimir Resins Limited, a listed company engaged in the business of specialty chemicals. The investments have been made in accordance with the requirements under the Companies Act, 2017.

7 LONG TERM LOANS

	(Un-audited) Sep. 30, 2022 Rs."000"	(Audited) June 30, 2022 Rs."000"
Term finance	2,041,532	2,035,166
Term finance - under refinance scheme for payroll financing	21,725	44,877
Term finance - under temporary economic refinance facility	3,755,509	3,717,782
Loan from directors / sponsors - unsecured	14,512	14,512
	5,833,278	5,812,337
Mark-up accrued	102,249	96,992
	5,935,527	5,909,328
Current maturity of term finance	(327,006)	(296,211)
Current maturity under refinance scheme for payroll financing	(21,725)	(44,877)
Current maturity under temporary economic refinance facility	(23,152)	(43,107)
	5,563,644	5,525,133
Less:- Mark-up accrued shown under current liabilities	(102,249)	(96,992)
	5,461,395	5,428,141

Notes to the Condensed Interim Financial Informaiton (Unaudited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

8 CONTINGENCIES AND COMMITMENT

8.1 CONTINGENCIES

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

8.2 COMMITMENTS

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

	(Un-audited) Sep. 30, 2022	(Audited) June 30, 2022
Letters of credit established for the import of raw materials, spare parts and machinery	3,177 million	3,721 million
Letter of guarantee given to SNGPL	145 million	133 million
Letter of guarantee given to PSO	59 million	59 million
Letter of guarantee given to TOTAL PARCO	5 million	5 million

9 COST OF SALES

	(Un-audited) Sep. 30, 2022 Rs."000"	(Audited) Sep. 30, 2021 Rs."000"
Opening stock of finished goods	1,456,673	1,492,413
Cost of goods manufactured	11,988,645	6,645,341
	13,445,318	8,137,754
Closing stock of finished goods	(1,760,574)	(1,482,540)
Cost of goods sold	11,684,744	6,655,215

10 TRANSACTIONS WITH RELATED PARTIES

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

Name of Related Parties	Relationship	Nature of Transaction	Sep. 30, 2022 Rs."000"	Sep. 30, 2021 Rs."000"
Nimir Resins Limited	Subsidiary Company	Sale of goods	86,278	30,699
		Purchase of goods	7,975	1,180
		Services provided	1,651	1,501
		Services acquired	1,279	1,163
		Other Expenses	1,376	683
Nimir Chemicias Pakistan Limitied	Associated Company	Sale of goods	9,216	-
Nimir Chemcoats Limited	Associated Company	Purchase of goods	3,891	2,256
Key Management Personnel				
Remuneration			73,606	60,572
Other Benefits			-	16,549

11 Corresponding figures

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

Transferred from component	Transferred to component	Sep. 30, 2021 Rs."000"
Statement of profit or loss		
Foreign exchange gain	Other income	3,906

12 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on Friday, 21 October 2022 by the Board of Directors of the Company.


Chief Executive Officer


Director


Chief Financial Officer

A black and white photograph of a large industrial facility, likely a refinery or chemical plant. The image shows a complex network of pipes, steel structures, and walkways. In the foreground, there is a paved walkway with a brick pattern. In the background, several tall distillation columns and other industrial equipment are visible under a cloudy sky. The overall scene is industrial and expansive.

11

Financial Statements Consolidated

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Condensed Interim Consolidated Statement of Financial Position (Unaudited) AS AT SEPTEMBER 30, 2022

		(Un-audited) Sep. 30, 2022 Rs."000"	(Audited) June 30, 2022 Rs."000"
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized Share Capital		-	-
145,000,000 (30 June 2022: 145,000,000) Ordinary shares of of Rs.10/- each		1,450,000	1,450,000
Issued, subscribed and paid up capital			
Unappropriated profit - revenue reserve		1,105,905	1,105,905
Non-controlling interest		5,556,497	5,498,106
		1,264,001	1,253,270
		7,926,403	7,857,281
NON-CURRENT LIABILITIES			
Long term loans	7	5,678,526	5,662,586
Lease liabilities		113,742	107,507
Diminishing musharaka finance		215,700	182,840
Deferred grant		871,755	913,532
Deferred tax liability		482,562	454,211
		7,362,285	7,320,676
CURRENT LIABILITIES			
Trade and other payables		2,847,475	2,297,269
Contract liabilities		87,988	139,232
Mark up accrued		613,468	412,132
Unclaimed dividend		12,618	12,618
Dividend payable		165,886	-
Short term borrowings		16,875,714	15,524,046
Current maturity of long term loans	7	461,552	472,174
Current maturity of lease liabilities		42,436	45,274
Current maturity of diminishing musharaka finance		359	525
Current maturity of deferred grant		173,204	169,891
Provision for taxation		1,241,603	1,113,412
		22,522,303	20,186,573
Contingencies and commitments	8	-	-
TOTAL EQUITY AND LIABILITIES		37,810,991	35,364,530
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	13,622,344	13,024,172
Intangibles		27,797	30,487
Long-term deposits		65,604	63,149
		13,715,745	13,117,808
CURRENT ASSETS			
Stores, spare parts and loose tools		588,715	551,465
Stock in trade		9,617,382	10,110,344
Trade debts		9,966,972	8,194,810
Loans and advances		525,696	150,001
Trade deposits and short term prepayments		75,262	22,207
Other receivables		52,098	182,414
Tax refunds due from the Government		3,133,205	2,750,545
Cash and bank balances		135,916	284,936
		24,095,246	22,246,722
TOTAL ASSETS		37,810,991	35,364,530

The annexed notes from 1 to 13 form an integral part of these condensed interim consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Note	Sep. 30, 2022 Rs. "000"	Sep. 30, 2021 Rs. "000"
Revenue from contracts with customers-gross		17,530,432	10,064,844
Less: Sales tax, trade discount and commission		(2,477,137)	(1,140,992)
Revenue from contracts with customers-net		15,053,295	8,923,852
Cost of sales	9	(13,692,992)	(8,026,444)
Gross profit		1,360,303	897,408
Distribution costs		(115,167)	(60,455)
Administrative expenses		(130,244)	(98,913)
Operating profit		1,114,892	738,040
Other expenses		(28,791)	(43,400)
Other income		27,471	15,472
Finance cost		(722,675)	(187,405)
Profit before taxation		390,897	522,707
Taxation		(155,888)	(151,917)
Profit after taxation		235,009	370,790
Attributable to:			
Equity holders of the parent		224,277	340,365
Non-controlling interests		10,732	30,425
		235,009	370,790
Earnings per share- Basic and diluted (Rs.)		2.03	3.08

The annexed notes from 1 to 13 form an integral part of these condensed interim consolidated financial statements.

Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Sep. 30, 2022 Rs. "000"	Sep. 30, 2021 Rs. "000"
Profit after taxation	235,009	370,790
Other comprehensive income	-	-
Total comprehensive income for the period	235,009	370,790
Attributable to:		
Equity holders of the parent	224,277	340,365
Non-controlling interest	10,732	30,425
	235,009	370,790

The annexed notes from 1 to 13 form an integral part of these condensed interim consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Condensed Interim Statement of Changes in Equity (Unaudited)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

Particulars	Issued, subscribed and paid up capital	Un- appropriated Profit	Non- controlling interest	Total
	Rs. "000"	Rs. "000"	Rs. "000"	Rs. "000"
Balance as on 01 July 2021 (audited)	1,105,905	4,205,349	914,535	6,225,789
Final dividend for 2021 @ Rs. 2.0 per share	-	(221,181)	-	(221,181)
Total comprehensive income for the period (Jul 2021 to Sep 2021)	-	340,365	30,425	370,790
Balance as on 30 September 2021 (unaudited)	<u>1,105,905</u>	<u>4,324,533</u>	<u>944,960</u>	<u>6,375,398</u>
Balance as on 01 July 2022 (audited)	1,105,905	5,498,106	1,253,269	7,857,280
Final dividend for 2022 @ Rs. 1.50 per share	-	(165,886)	-	(165,886)
Total comprehensive income for the period (Jul 2022 to Sep 2022)	-	224,277	10,732	235,009
Balance as on 30 September 2022 (unaudited)	<u>1,105,905</u>	<u>5,556,497</u>	<u>1,264,001</u>	<u>7,926,403</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim consolidated financial statements.



Chief Executive Officer



Director



Chief Financial Officer

Condensed Interim Consolidated Statement of Cash Flows (Unaudited)

FOR THE QUARTER ENDED SEPTEMBER 30, 2022

	Sep. 30, 2022	Sep. 30, 2021
	Rs. "000"	Rs. "000"
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	390,897	522,707
Adjustment for:		
Depreciation	162,349	156,062
Amortization	2,690	-
Mark-up expense	712,854	182,886
Provision for gratuity fund	12,860	11,460
Gain on disposal of property, plant and equipment	(43)	(54)
Exchange loss / (gain) - unrealized	-	4,604
Workers' profit participation fund provision	20,863	28,114
Workers' welfare fund provision	7,928	10,683
	919,501	393,755
Operating profit before working capital changes	1,310,398	916,462
(Increase) / decrease in current assets		
Stores, spares parts and loose tools	(37,250)	64,619
Stock in trade	492,961	1,021,552
Trade debts	(1,743,026)	(616,810)
Loans and advances	(375,695)	15,092
Trade deposits and short term prepayments	(53,054)	(43,602)
Other receivables	130,316	25,226
Tax refunds due from the Government	(83,810)	198,376
	(1,669,558)	664,453
Increase / (decrease) in current liabilities		
Trade and other payables	446,544	(159,306)
Contract liabilities	(5,485)	(97,226)
	(1,228,499)	407,921
Cash generated from operations	81,899	1,324,383
Contribution drawn from gratuity fund	20,000	-
Mark-up paid	(508,682)	(149,181)
Tax paid	(298,850)	(196,931)
Long term deposits	(2,455)	(156)
	(789,987)	(346,268)
Net cash (used in) / generated from operating activities	(708,088)	978,114
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment - net	(9,319)	(1,900)
Additions in capital work in progress - net	(738,546)	(2,746,576)
Sale proceeds from disposal of property, plant and equipment	20	19,756
Net cash used in investing activities	(747,845)	(2,728,720)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan obtained	105,730	1,466,936
Long term loan repaid	(138,876)	(120,915)
Dividend paid	-	(102)
	(11,443)	(11,680)
Lease rentals paid	(166)	(473)
Repayment of liabilities against diminishing musharaka finance	1,351,668	457,063
Net cash generated from financing activities	1,306,912	1,790,829
Net (decrease) / increase in cash and cash equivalents	(149,021)	40,223
Cash and cash equivalents at the beginning of the period	284,936	100,093
Cash and cash equivalents at the end of the period	135,915	140,316

The annexed notes from 1 to 13 form an integral part of these condensed interim consolidated financial statements.


Chief Executive Officer


Director


Chief Financial Officer

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited) FOR THE QUARTER ENDED SEPTEMBER 30, 2022

1 THE GROUP AND ITS OPERATIONS

1.1 Nimir Industrial Chemicals Limited ("NICL") is part of Nimir Group ("The Group") which consist of:

Parent (Holding) Company

Nimir Industrial Chemicals Limited ("NICL")

Subsidiary Companies

Nimir Management (Private) Limited ("NMPL")

Nimir Resins Limited ("NRL")

The shareholding of the Nimir Group is as follows:

Holding of NICL in NMPL	51%
Holding of NMPL in NRL	51%
Holding of NICL in NRL	11.63%
Effective shareholding of NICL in NRL	37.64%

Nimir Industrial Chemicals Limited ('the Holding Company') was incorporated in Pakistan as a Public Limited Company and its shares are listed on Pakistan Stock Exchange Limited. The Holding Company is engaged in manufacturing and sales of chemical products.

Nimir Management (Private) Limited (NMPL) were incorporated in Pakistan as private limited companies on 4 December 2015 respectively for the purpose of investment in Nimir Resins Limited. The registered office of NMPL is Nimir House, 12-B, New Muslim Town, Lahore, Pakistan.

Nimir Resins Limited was initially incorporated in Pakistan on 17 December 1964 as a private limited company under the Companies Act, 1913 (now the Companies Act, 2017) and was converted into public limited company on 19 August 1991 with the name of Nimir Resins Limited. The name of the company was changed to Descon Chemicals Limited on 1 April 2010 when the company entered into a scheme of arrangement for merger / amalgamation with Descon Chemicals (Private) Limited. Upon acquisition by Nimir Group, the name of the company changed to Nimir Resins Limited as per the approval of Securities and Exchange Commission of Pakistan dated 18 April 2016. The shares of Nimir Resins Limited are quoted on Pakistan Stock Exchange Limited. The principal activity of the company is to manufacture surface coating resins for paint industry, polyesters, and optical brightener for paper and textile industries and textile auxiliaries for textile industry.

2 BASIS OF PREPARATION

2.1 These condensed interim consolidated 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 comprises 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 These condensed interim consolidated financial statements does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2022.

2.3 The condensed interim consolidated financial statements have been prepared under the historical cost convention. These consolidated financial statements are prepared in Pak Rupees, which is the functional currency of the group. Figures have been rounded off to the nearest thousand of Rupee, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

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

4 TAXATION

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

5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim consolidated financial statements are consistent with those applied in the preparation of the preceding annual published consolidated financial statements of the Group for the year ended 30 June 2022.

6 PROPERTY, PLANT AND EQUIPMENT

	(Unaudited) Quarter Ended Sep. 30, 2022 (Rs. '000')	(Audited) Year Ended June 30, 2022 (Rs. '000')
Operating fixed assets	6,002,730	6,128,862
Capital work in progress	7,619,614	6,895,311
	13,622,344	13,024,173

7 LONG TERM LOANS

Term finance	2,220,072	2,221,019
Term finance - under refinance scheme for payroll financing	27,497	56,459
Term finance - under temporary economic refinance facility	3,755,509	3,717,782
Term finance - Secured (Renewable energy)	30,000	32,500
Loan from directors / sponsors	107,000	107,000
	6,140,078	6,134,760
Mark up accrued	109,902	103,984
	6,249,980	6,238,744
Less: Current maturity shown under current liabilities	(461,552)	(472,174)
Less: Markup accrued shown under current liabilities	(109,902)	(103,984)
	5,678,526	5,662,586

8 CONTINGENCIES AND COMMITMENTS

CONTINGENCIES

Holding Company/Subsidiary Company

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

COMMITMENTS

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

	(Unaudited) Sep. 30, 2022 Rs. in million	(Audited) June 30, 2022 Rs. in million
Letters of credit established for the import of raw materials, spare parts and machinery	3,890	4,185
Letter of guarantee given to SNGPL	148	136
Letter of guarantee given to PSO	62	62
Letter of guarantee given to Total PARCO	13	13

9 COST OF SALES

	(Unaudited) Sep. 30, 2022 (Rs. '000')	(Audited) Sep. 30, 2021 (Rs. '000')
Opening stock of finished goods	1,947,496	1,670,468
Cost of goods manufactured	14,075,600	8,065,770
	16,023,096	9,736,238
Closing stock of finished goods	(2,330,104)	(1,709,794)
	13,692,992	8,026,444

10 TRANSACTIONS WITH RELATED PARTIES

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

Name of Related Parties	Relationship	Nature of Transaction	Sep. 30, 2022 Rs."000"	Sep. 30, 2021 Rs."000"
Nimir Chemcoats Limited	Subsidiary Company	Purchase of goods	19,335	2,256
		Sale of goods	7,975	19,471
		Services provided	629	491
Nimir Chemiclas Pakistan Limited	Associated Company	Sale of goods	9,216	-
Key Management Personnel				
Remuneration			92,451	73,854
Other Benefits			-	19,769

11 Corresponding figures

Corresponding figures have been re-arranged and re-classified, where necessary, for better and fair presentation. However no significant reclassifications / restatements have been made, other than the following:

Transferred from component	Transferred to component	Sep. 30, 2021 Rs."000"
Statement of profit or loss		
Foreign exchange gain	Other income	3,906

12 GENERAL

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors of the Group on October 21, 2022.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2022

13 OPERATING SEGMENT INFORMATION

	Nimr Industrial Chemicals Limited		Nimr Resins Limited Coating, emulsion and resins		Other segments		Inter segment eliminations		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Rs. "000"									
Revenue from contracts with customers - net	12,837,399	7,409,489	2,306,149	1,546,242	-	-	(90,253)	(31,879)	15,053,295	8,923,852
Cost of sales	(11,684,744)	(6,655,215)	(2,100,921)	(1,402,603)	-	-	92,673	31,374	(13,692,992)	(8,026,444)
Gross profit	1,152,655	754,274	205,228	143,639	-	-	2,420	(505)	1,360,303	897,408
Distribution cost	(88,582)	(41,869)	(26,612)	(18,586)	-	-	27	-	(115,167)	(60,455)
Administrative expenses	(108,088)	(81,149)	(22,472)	(18,027)	-	-	316	263	(130,244)	(98,913)
Operating profit	955,985	631,256	156,144	107,026	-	-	2,763	(242)	1,114,892	738,040
Other expenses	(25,570)	(33,693)	(3,221)	(13,613)	-	-	-	-	(28,791)	(47,306)
Other income	25,190	17,536	2,833	2,344	-	-	(552)	(502)	27,471	19,378
Finance cost	(610,604)	(160,486)	(112,071)	(26,919)	-	-	-	-	(722,675)	(187,405)
Profit before taxation	345,001	454,613	43,685	68,838	-	-	2,211	(744)	390,897	522,707
Taxation	(129,413)	(131,868)	(26,475)	(20,049)	-	-	-	-	(155,888)	(151,917)
Profit after taxation	215,588	322,745	17,210	48,789	-	-	2,211	(744)	235,009	370,790
	30 Sep. 2022	30 June 2022	30 Sep. 2022	30 June 2022	30 Sep. 2022	30 June 2022	30 Sep. 2022	30 June 2022	30 Sep. 2022	30 June 2022
Segment assets	32,520,395	30,128,450	6,030,858	5,963,417	292,912	292,912	(1,033,175)	(1,020,249)	37,810,990	35,364,531
Segment liabilities	26,291,951	23,949,708	3,581,043	3,637,812	78,957	78,956	(67,365)	(159,227)	29,884,586	27,507,250

13.1 Inter segment sales, purchases and balances have been eliminated.


Chief Executive Officer


Director


Chief Financial Officer



NIMIR

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E-Brochure



Corporate Video