



# **SHAFFI CHEMICAL**

## **Industries Limited**

### **HALF YEARLY REPORT**

**For the Quarter Ended  
31 December 2024**



# SHAFFI CHEMICAL INDUSTRIES LIMITED

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# SHAFFI CHEMICAL INDUSTRIES LIMITED

## **CORPORATE PROFILE**

### **BOARD OF DIRECTORS**

1. Mr. Iftikhar Shaffi	Chief Executive	(Executive)
2. Mr. Nazir Ahmad	Director	(Independent)
3. Mr. Imran Kabir	Director	(Independent)
4. Mr. Muhammad Sameer	Director	(Non-Executive)
5. Mrs. Seema Iftikhar	Director	(Non-Executive)
6. Mr. Hashim Aslam Butt	Director	(Non-Executive)
7. Mr. Mohib Hussain	Director	(Non-Executive)

### **COMPANY SECRETARY**

- Mr. Zahoor Ahmad

### **CHIEF FINANCIAL OFFICE**

- Mr. Munawar Hussain

### **AUDIT COMMITTEE**

1. Mr. Imran Kabir	Chairman	(Independent Director)
2. Mr. Muhammad Sameer	Member	(Non-Executive Director)
3. Mr. Hashim Aslam Butt	Member	(Non-Executive Director)

### **HUMAN RESOURCE & REMUNERATION COMMITTEE**

1. Mr. Imran Kabir	Chairman	(Independent Director)
2. Mr. Muhammad Sameer	Member	(Non-Executive Director)
3. Mr. Hashim Aslam Butt	Member	(Non-Executive Director)

### **LEGAL ADVISOR**

- A.K. Minhas Law Associates

### **AUDITORS**

HLB IJAZ TABUSSUM & CO.  
Office No. 1, 3<sup>rd</sup> Floor, Madinah Heights, 87-E, Moulana Shoukat Ali Road,  
Johar Town Lahore  
Tel: 92-42-35173258  
E.mail: mataabussum@hotmail.com

### **BANKERS**

- Allied Bank Limited
- Askari Commercial Bank Limited
- Bank Alfalah Limited
- Habib Metropolitan Bank Limited
- Silk Bank Limited

### **REGISTERED OFFICE**

- Plot No. 2, Gadoon Amazai, Industrial Estate, Swabi, Khyber Pakhtoonkhwa  
Tel: 0938-270696, 270697

### **FACTORY**

- Plot No. 2, Gadoon Amazai, Industrial Estate, Swabi, Khyber Pakhtoon khwa  
Tel: 0938-270697  
E.mail: [scil\\_gad@hotmail.com](mailto:scil_gad@hotmail.com)

### **PRINCIPLE OFFICE**

- 23-Km, Multan Road, Mohlanwal, Lahore  
Tel: 042-37540336-7  
Fax: 042-37540335  
E.mail: [shaffichemical@diamondfoam.com](mailto:shaffichemical@diamondfoam.com)

### **SHARE REGISTRAR**

- M/s Corplink (Pvt) Limited  
Wings Arcade, I-K Commercial, Model Town, Lahore  
Tel: 042-35916714, 35916719, 35839182  
Fax: 042-35869037  
E.mail: [corplink786@yahoo.com](mailto:corplink786@yahoo.com)



# SHAFFI CHEMICAL INDUSTRIES LIMITED

## DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors of **Shaffi Chemical Industries Limited** I am pleased to place before you the unaudited half yearly financial statements of the company for the quarter ended December, 31, 2024.

### **FINANCIAL HIGHLIGHTS:**

As already reported in Directors' Report of the latest annual financial statements that after settlement of all liabilities of ABL, and outstanding annual listing fees of PSX, the default of clause 5.11.1(e) of PSX Regulations, has been rectified and the company has requested the authority of PSX to remove the name of company from defaulter segment and shift the company name at normal trade counter to restore the trading in the shares of our company.

Meanwhile on the basis of suspension of company's business activities, winding up petition filed by deputy registrar of companies Peshawar and is pending before the Hon'ble High Court Peshawar which is contested by the company vigorously and in compliance of our revival plan submitted before Hon'ble High Court Peshawar, the management has started the furniture business in the factory premises with the hope that if it is appreciated by the furniture market, then the furniture business will continue to be expanded in future and for working capital requirement, the company will initiate the process for issuance of right shares to the existing shareholders in compliance of all applicable provisions of the Companies Act 2017 and all other legal forums thereon.

Accordingly, during the last six months period under review, the company has secure sale revenue of Rs. 12.193 million from furniture business and earned operating profit of Rs. 1.110 million as against of Rs. 0.636 million of the preceding period ended December 31, 2023 whereas after adjustment of finance Cost of Rs. (3.460) million and reversal of impairment on long term investment of Rs. (13.505) million Net Profit/(Loss) after tax arrived at Rs. (16.414) million as compare to Rs. (7.032) million of the corresponding period ended December 31, 2023. The disputed cases relating to First Capital ABN AMRO equities (Pakistan) Ltd, Lahore Stock Exchange and others are being contested vigorously at its proper forums by your company and are explained in the latest annual financial statements for the P.E. June 30, 2024 under the title "Contingencies and Commitments".

### **FUTURE OUTLOOK:**

As the company has settled all the disputes with Allied Bank Limited and all the longstanding issued / litigations with ABL has also been settled amicably. However keeping in view the current economic condition prevailing in the country and sharp devaluation of Pak Rupee against US dollar, it is not feasible to restart its core business activities, however initially the company has started new furniture business in the factory premises to cope with saving the wealth of its minority shareholder and if feasible, the management will take necessary steps for increase of this furniture business and for required business operations, the working capital of the company shall be enhanced by issuing of right shares to the existing shareholders in due course of time in future. Meanwhile the company has requested to PSX to remove company name from defaulters' segment, so that trading in shares of the company may also be started to execute the right issuance process in near future.





## SHAFFI CHEMICAL INDUSTRIES LIMITED

### **EARNING PER SHARE:**

The earnings per share of the company for the half year under review is Rs. (1.37) as compared to Rs. (0.59) in the corresponding half year ended December 31, 2023.

### **ACKNOWLEDGEMENT:**

The Board of Directors deeply expresses its appreciation to the staff, workers and all other stakeholders for their continued support in achieving the reported level of performance.

For and on behalf of Board

IFTIKHAR SHAFFI  
Chief Executive

IMRAN KABIR  
Director

Lahore: 25<sup>th</sup> February, 2025



## SHAFFI CHEMICAL INDUSTRIES LIMITED

### ڈائریکٹرز کی رپورٹ

#### پیارے شیئر ہولڈرز،

شفیع کیمیکل انڈسٹریز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے مجھے ۳۱ دسمبر ۲۰۲۴ کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ ششماہی مالی گوشوارے آپ کے سامنے پیش کرتے ہوئے خوشی ہو رہی ہے۔

#### مالی جھلکیاں:

جیسا کہ اے بی ایل کی تمام واجبات اور پی ایس ایکس کی بقایا سالانہ لسٹنگ فیس کے تصفیے کے بعد پی ایس ایکس ریگولیشنز کی شق ۵،۱۱،۱ (ای) کی ڈیفالٹ کو درست کیا گیا ہے اور کمپنی نے پی ایس ایکس کے اتھارٹی سے درخواست کی ہے کہ وہ کمپنی کا نام ڈیفالٹر سیگمنٹ سے ہٹا دے اور کمپنی کا نام نارمل ٹریڈ کاؤنٹر پر منتقل کرے تاکہ ہمارے حصص میں ٹریڈنگ بحال ہو سکے۔ کمپنی دریں اثناء کمپنی کی کاروباری سرگرمیوں کی معطلی کی بنیاد پر ڈپٹی رجسٹرار آف کمپنیز پشاور کی جانب سے دائر کی گئی اور معزز ہائی کورٹ پشاور میں زیر التوا درخواست کو ختم کر دیا گیا ہے جسے کمپنی نے بھرپور طریقے سے چیلنج کیا ہے اور عزت مآب ہائی کورٹ پشاور میں جمع کرائے گئے ہمارے بحالی کے منصوبے کی تعمیل میں انتظامیہ نے فیکٹری کے احاطے میں فرنیچر کا کاروبار اس امید کے ساتھ شروع کیا ہے کہ اگر فرنیچر مارکیٹ اسے سراہے گی تو اس کے بعد فرنیچر کے کاروبار کو مستقبل میں توسیع دی جائے گی اور ورکنگ کیپٹل کی ضرورت کے لئے، کمپنیز ایکٹ ۲۰۱۷ کی تمام قابل اطلاق شقوں اور اس پر دیگر تمام قانونی فورمز کی تعمیل میں موجودہ شیئر ہولڈرز کو رائٹ شیئرز کے اجراء کا عمل شروع کرے گی۔

اس کے مطابق گزشتہ چھ ماہ کے دوران کمپنی نے فرنیچر کے کاروبار سے ۱۲،۱۹۳ ملین روپے کی سیلز آمدنی حاصل کی ہے اور ۳۱ دسمبر ۲۰۲۳ء کو ختم ہونے والی گزشتہ مدت کے ۰،۶۳۶ ملین روپے کے مقابلے میں ۱،۱۱۰ ملین روپے کا آپریٹنگ منافع کمایا ہے جبکہ فنانس کاسٹ (۳،۴۶۰) ملین روپے کی ایڈجسٹمنٹ اور طویل مدتی سرمایہ کاری پر نقصان کی واپسی کے بعد ۱۳،۵۰۵ ملین روپے کا خالص منافع حاصل ہوا ہے۔ ۳۱ دسمبر ۲۰۲۳ء کو ختم ہونے والی اسی مدت کے مقابلے میں ۷،۰۳۲ ملین روپے تھے۔ فرسٹ کیپیٹل اے بی این ایمر و ایکویٹیز (پاکستان) لمیٹڈ، لاہور سٹاک ایکسچینج اور دیگر سے متعلق متنازعہ مقدمات آپ کی کمپنی کی جانب سے مناسب فورمز پر بھرپور انداز میں لڑے جا رہے ہیں اور ۳۰ جون ۲۰۲۴ء کے تازہ ترین سالانہ مالیاتی گوشواروں میں "ہنگامی حالات اور وعدوں" کے عنوان سے وضاحت کی گئی ہے۔

#### مستقبل کا نقطہ نظر:

چونکہ کمپنی نے الائیڈ بینک لمیٹڈ کے ساتھ تمام تنازعات کو حل کر لیا ہے اور اے بی ایل کے ساتھ تمام دیرینہ جاری / مقدمات بھی خوش اسلوبی سے حل ہو گئے ہیں۔ تاہم ملک کی موجودہ معاشی صورتحال اور امریکی ڈالر کے مقابلے میں پاکستانی روپے کی قدر میں تیزی سے کمی کو مدنظر رکھتے ہوئے اپنی بنیادی کاروباری سرگرمیوں کو دوبارہ شروع کرنا ممکن نہیں تاہم ابتدائی طور پر کمپنی نے اپنے اقلیتی شیئر ہولڈرز کی دولت بچانے کے لیے فیکٹری کے احاطے میں فرنیچر کا نیا کاروبار شروع کیا ہے



## SHAFFI CHEMICAL INDUSTRIES LIMITED

اور اگر ممکن ہو تو انتظامیہ فرنیچر کے اس کاروبار میں اضافے کے لئے ضروری اقدامات کرے گی اور مطلوبہ کاروباری آپریشنز کے لئے مستقبل میں موجودہ شیئر ہولڈرز کو رائٹ شیئرز جاری کر کے کمپنی کے ورکنگ کیپیٹل میں اضافہ کیا جائے گا۔ دریں اثناء کمپنی نے پی ایس ایکس سے درخواست کی ہے کہ وہ کمپنی کا نام نادہندگان کے سیگمنٹ سے نکال دے تاکہ مستقبل قریب میں درست اجراء کے عمل کو عملی جامہ پہنانے کے لیے کمپنی کے حصص کی ٹریڈنگ بھی شروع کی جاسکے۔

### فی حصص آمدنی:

۳۱ دسمبر ۲۰۲۳ء کو ختم ہونے والی ششماہی میں کمپنی کی فی حصص آمدنی ۱,۳۷ روپے رہی جو کہ ۳۱ دسمبر ۲۰۲۲ء کو ختم ہونے والی اسی ششماہی میں (۰,۵۹ روپے) تھی۔

### اعتراف:

بورڈ آف ڈائریکٹرز کارکردگی کی رپورٹ کردہ سطح کے حصول میں مسلسل تعاون پر عملے، کارکنوں اور دیگر تمام اسٹیک ہولڈرز کا تہہ دل سے شکریہ ادا کرتا ہے۔

بورڈ کے لئے اور بورڈ کی طرف سے

افتخار شفیق  
چیف ایگزیکٹو

عمران کبیر  
ڈائریکٹر

لاہور: ۲۵ فروری ۲۰۲۵



# SHAFFI CHEMICAL INDUSTRIES LIMITED

## INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION TO THE MEMBERS OF SHAFFICHEMICAL INDUSTRIES LIMITED

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **SHAFFI CHEMICAL INDUSTRIES LIMITED** as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the financial information for the six-month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Emphasis of Matter

We draw your attention to note 2 to the condensed interim financial information, which states that this condensed interim financial information has been prepared on the basis historical cost convention in current period, instead of estimated realizable/ (settlement) values of assets and liabilities respectively which are used to prepare financial statement till June 30, 2024. Our conclusion is not qualified in respect of this matter.

### Other Matter

The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarter ended December 31, 2024 and December 31, 2023 have not been reviewed, and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended

December 31, 2024.

The engagement partner on the review resulting in this independent auditor's review report is Mr. Ijaz Akber-FCA.

Islamabad

**Date:** February 27, 2025

**UDIN:** RR202410415dNnq9U2oz

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*Chartered Accountants*





NOTE	Dec. 31, 2024	30-Jun-24
	Book Value	Book Value

NOTE	Dec. 31, 2024	30-Jun-24
	Book Value	Book Value

Dec. 31, 2024
Book Value

30-Jun-24	Book Value
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## ASSETS

Book Value

Book Value

## NON-CURRENT ASSETS

Property, plant and equipment	7	13,312,074	13,650,434
Long term investments	8	28,267,175	34,933,926
Long term deposits		223,560	223,560
		<u>41,802,808</u>	<u>48,807,920</u>

<b>Authorized share capital</b>		
12,000,000 (2024; 12,000,000) ordinary shares of Rupees 10 each		120,000,000
		<b>120,000,000</b>
	<b>4</b>	
12,000,000 (2024; 12,000,000) Ordinary shares of Rs. 10/- each fully paid in cash		120,000,000
Surplus on Revaluation of Property, Plant and Equipments		8,252,023
Fair Value Reserve		64,029
Accumulated Losses		(193,343,551)
<b>Total equity</b>		<b>(65,027,499)</b>
		<b>(55,857,778)</b>

## CURRENT ASSETS

Stock-in-trade	9	1,511,048	1,125,058
Trade debts		2,140,668	2,745,666
Loans and Advances		468,697	445,661
Other receivables		934,429	1,151,045
Cash and bank balances		644,180	789,321
		<u>5,699,022</u>	<u>6,256,751</u>

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Deferred liabilities		
Payable to Director & Sponsors	33,491,574	33,491,574
Payable to Associated Company	38,513,928	40,214,841
	<u>72,005,502</u>	<u>73,706,415</u>

Accrued and Other Payables	3,368,012	3,420,488
Accrued Markup	37,003,396	33,542,563
Provision for Taxation	152,419	252,983
	<u>40,523,827</u>	<u>37,216,034</u>

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<b>TOTAL EQUITY AND LIABILITIES</b>	<b>47,501,830</b>	<b>55,064,671</b>
<b>TOTAL ASSETS</b>	<b>47,501,830</b>	<b>55,064,671</b>

The annexed notes form an integral part of these condensed interim financial statements.



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**Chief Financial Officer**

## Director



# SHAFFI CHEMICAL INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED DECEMBER 31, 2024 (UN-AUDITED)

	Half Year Ended		Quarter Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Notes	Rupees	Rupees	Rupees	Rupees
Sales - net	12,193,507	10,051,519	6,652,119	5,540,756
Cost of Sales	(10,337,598)	(8,459,157)	(6,024,100)	(4,972,229)
Gross Profit	1,855,909	1,592,362	628,019	568,527
Administrative Expenses	(745,627)	(956,099)	(355,786)	(644,326)
Other Operating Income/(Expenses)	-	-	-	-
Operating Profit/(Loss)	(745,627)	(956,099)	(355,786)	(644,326)
Finance Cost	1,110,282	636,263	272,233	(75,799)
	(3,460,833)	(5,377,243)	(3,458,287)	(2,650,084)
Reversal of impairment/(Impairment) on long term investment in associated company	(2,350,551)	(4,740,980)	(3,186,054)	(2,725,883)
	(13,605,795)	-	(13,605,795)	-
Share of Profit / (Loss) of Associated Company	(15,956,346)	(4,740,980)	(16,791,849)	(2,725,883)
Profit/ (Loss) Before Taxation and levy	25,843	(3,405,866)	25,843	(3,405,866)
Levy	(15,930,503)	(8,146,846)	(16,766,006)	(6,131,749)
Profit/ (Loss) Before Taxation	(152,419)	(125,644)	(83,151)	(125,644)
-Share of Tax of Associated Company	(16,082,922)	(8,272,490)	(16,849,157)	(6,257,393)
Profit / (Loss) after Taxation	(331,189)	1,239,955	(331,189)	1,239,955
	(16,414,111)	(7,032,535)	(17,180,346)	(5,017,438)
Earnings per share	(1.37)	(0.59)	(1.43)	(0.42)

Chief Executive

Chief Financial Officer

Director

The annexed notes form an integral part of these condensed interim financial statements.



# SHAFFI CHEMICAL INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED DECEMBER 31, 2024 (UN-AUDITED)

	Half Year Ended		Quarter Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	Rupees	Rupees	Rupees	Rupees
<b>PROFIT / (LOSS) FOR THE PERIOD</b>	-	7,032,535	(17,180,346)	(5,017,438)
<b>OTHER COMPREHENSIVE INCOME</b>				
Items that will not be reclassified to profit or loss				
Gain/ (Loss) on remeasurement of staff retirement benefit of associated companies	-	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Unrealized gain / (loss) arising on remeasurement of available for sale investments of associated companies	5,813,528	365,299	5,813,528	365,299
Unrealized gain arising on remeasurement of available for sale investments	32,135	22,641	32,135	22,641
Other Comprehensive income for the period	5,845,663	387,941	5,845,663	387,941
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(10,568,447)</b>	<b>(6,644,594)</b>	<b>(11,334,683)</b>	<b>(4,629,497)</b>

The annexed notes form an integral part of these condensed interim financial statements.

**Chief Executive**

**Chief Financial Officer**

**Director**



# SHAFFI CHEMICAL INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED DECEMBER 31, 2024 (UN-AUDITED)

	Half Year Ended	
	December 31, 2024	December 31, 2023
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before taxation	(15,930,503)	(8,146,846)
<b>Adjustments for :</b>		
Depreciation	338,360	364,346
Impairment/(Reversal) of impairment on long term investment	13,605,795	-
Share of profit / (loss) of associated company	(25,843)	3,405,866
Interest income	-	-
Finance cost	3,460,833	5,377,243
	<b>17,379,145</b>	<b>9,147,455</b>
<b>Operating Profit before Working Capital Changes</b>	<b>1,448,642</b>	<b>1,000,609</b>
<b>Changes in Working Capital</b>		
<b>(Increase) / Decrease in Current Assets</b>		
Stock-in-trade	(385,990)	70,624
Trade debts	604,998	947,080
Loans and Advances	-	(310)
Short term prepayments	-	-
Other Receivables	216,616	265,925
	<b>435,624</b>	<b>1,283,319</b>
<b>Increase / (Decrease) in Current Liabilities</b>		
Trade and Other Payables	(52,476)	7,629,190
<b>Changes in Working Capital</b>	<b>383,148</b>	<b>8,912,509</b>
<b>Cash Generated from / (used in) Operations</b>	<b>1,831,790</b>	<b>9,913,118</b>
Taxes paid	(276,019)	(26,876)
Finance Cost Paid	-	-
<b>Net Cash Generated from / (Used in) Operating Activities</b>	<b>1,555,771</b>	<b>9,886,241</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>Net Cash Generated from Investing Activities</b>	<b>-</b>	<b>-</b>
<b>Net Cash Flows Before Financing Activities</b>	<b>1,555,771</b>	<b>9,886,241</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short Term Borrowings	(1,700,913)	(10,280,673)
Interest Income	-	-
<b>Net Cash Flows From Financing Activities</b>	<b>(1,700,913)</b>	<b>(10,280,673)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(145,141)</b>	<b>(394,432)</b>
<b>Cash &amp; Cash Equivalents at the Beginning</b>	<b>789,321</b>	<b>1,229,394</b>
<b>Cash &amp; Cash Equivalents at the End</b>	<b>644,180</b>	<b>834,962</b>

The annexed notes form an integral part of these condensed interim financial statements.

Chief Executive

Chief Financial Officer

Director





# SHAFFI CHEMICAL INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2024 (UN-AUDITED)

	CAPITAL RESERVES/REVENUE RESERVES			Surplus on revaluation of property, plant and equipment	TOTAL RESERVES
	SHARE CAPITAL	Fair Value Reserve	(Accumulated Loss) / Unappropriated Profit		
<b>Balance as at 01 July 2023</b>	120,000,000	15,916	(176,018,703)	8,838,188	(167,164,599)
Incremental depreciation on surplus on revaluation of property, plant & equipment	-	-	199,593	(199,593)	-
Revaluation surplus arising during the period	-	-	-	-	-
Effect of items directly credited in equity by the associated companies	-	-	630,921	-	630,921
Profit for the period	-	-	(7,032,535)	-	(7,032,535)
Other comprehensive income for the period	-	22,641	365,299	-	387,941
Total comprehensive loss for the period	-	22,641	(6,667,236)	-	(6,644,594)
<b>Balance as at 31 December 2023</b>	<b>120,000,000</b>	<b>38,557</b>	<b>(181,855,425)</b>	<b>8,638,596</b>	<b>(173,178,272)</b>
<b>Balance as at 01 July 2024</b>	120,000,000	31,894	(184,328,676)	8,439,003	(175,857,779)
Incremental depreciation on surplus on revaluation of property, plant & equipment	-	-	186,981	(186,981)	-
Revaluation surplus arising during the period	-	-	-	-	-
Effect of items directly credited in equity by the associated companies	-	-	1,398,726	-	1,398,726
Profit for the period	-	-	(16,414,111)	-	(16,414,111)
Other comprehensive income for the period	-	32,135	5,813,528	-	5,845,663
Total comprehensive loss for the period	-	32,135	(10,600,582)	-	(10,568,447)
<b>Balance as at 31 December 2024</b>	<b>120,000,000</b>	<b>64,029</b>	<b>(193,343,551)</b>	<b>8,252,022</b>	<b>(185,027,500)</b>

The annexed notes form an integral part of these condensed interim financial statements.

**Chief Executive**

**Chief Financial Officer**

**Director**



# SHAFFI CHEMICAL INDUSTRIES LIMITED

## CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION FOR THE PERIOD ENDED DECEMBER 31, 2024 (UN-AUDITED)

### 1 STATUS AND NATURE OF BUSINESS

The Company was incorporated under the Companies Ordinance, 1984 (now Companies Act, 2017) as Public Limited Company on 27th December 1994. The shares of the company are quoted on Karachi and Lahore Stock Exchanges. The principal activity of the company was to manufacture and process of Di-Octyle-Ortho Phthalates (DOP) Chemicals which has been changed with trading of furniture, foam and mattresses. The registered office of the company is situated at Gadoon Amazai, Industrial Estate, Swabi (Khyber-Pakhtunkhwa).

### 2 BASIS OF PREPARATION

Company has prepared these financial statement on non-going concern basis because company has started its business operations by trading of furniture & Mattress, however company is suffering loss before taxation amounting to Rupees =15.930/- Million. Company is suffering with negative equity amounting to Rupees =65.027 Million. Management of the company had decided to go for delisting therefore all the employees had been laid off since 2015. Current liabilities has exceeded from current assets by Rupees =34.825 million. These factors have raised uncertainties that the company may not be able to continue as a going concern. Therefore in view of aforesaid reasons, the company is not considered a going concern. These financial statements have been prepared using the non-going concern basis of accounting i.e. estimated realizable / settlement values of assets and liabilities respectively.

These financial statements have also been prepared under historical cost convention except for Building, Plant & Machinery which is stated on revalued amounts.

These condensed interim financial statements are un-audited and are submitted to the shareholders as required under Section 237 of the Companies Act, 2017. These interim financial statements are prepared in accordance with the requirements of the International Accounting Standards 34 'Interim Financial Reporting'.

### 3 ACCOUNTING POLICIES

The accounting policies adopted in preparation of these financial statements are the same as those applied in the preparation of the preceding annual audited published financial statements of the Company.

### 4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares		Un-Audited December 31, 2024 Rupees	Audited June 30, 2024 Rupees
December 31, 2024	June 30, 2024		
12,000,000	12,000,000	120,000,000	120,000,000
12,000,000	12,000,000	120,000,000	120,000,000

### 5 DEFERRED INCOME TAX

	Dec - 2024		
	Balance at the beginning of the period	Recognized in profit & loss account	Balance at the end of the period
Accelerated tax depreciation allowance	2,330,432	(121,182)	2,451,614
Effect of accumulated tax losses	(14,637,501)	(4,087,457)	(10,550,044)
	(12,307,069)	(4,208,638)	(8,098,431)
Non-recognition of deferred tax asset	5.1 12,307,069	4,208,638	8,098,431
	-	-	-

5.1 Deferred tax asset of Rs. 8.098 million (2023: 12.307 million) has not been recognised because the company is continuously sustaining losses and in the future years sufficient taxable profits will not be available against which they can be utilized.

### 6 CONTINGENCIES AND COMMITMENTS

There is no major change in contingencies and commitments as have been disclosed in last audited financial statement of the Company.

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# SHAFFI CHEMICAL INDUSTRIES LIMITED

## 12 TRANSACTIONS WITH RELATED PARTIES

Transactions and contracts with the related parties are carried out at arm's length prices determined in accordance with comparable uncontrolled price method.

The related parties comprises of associated companies, directors of the companies, key management personnels and staff retirement funds.

Detail of transactions with related parties:

	Un-Audited December 31, 2024 Rupees in Millions	Audited June 30, 2024
<b>Loan from related party</b>		
Capital Industrial Enterprises (Private) Limited	(38.514)	(40.215)
<b>Mark-up on loan from related party</b>		
Capital Industrial Enterprises (Private) Limited	3.46	9.48
<b>Purchases from related party</b>		
Diamond Products (Private) Limited	8.710	12.448

13 Figures have been rounded off to the nearest rupee.

14 These condensed set of interim financial information was authorised for issue on **February 25, 2025** by the board of directors of the

Chief Executive

Chief Financial Officer

Director