



ITTEHAD CHEMICALS LIMITED

**For a Greener Tomorrow,
GROW RESPONSIBLY
TODAY**



2025

3rd Quarterly Report
March 31,

ITTEHAD CHEMICALS LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3rd QUARTER ENDED MARCH 31, 2025 (UN-AUDITED)

Contents

2	Corporate Information
4	Directors' Report
6	Unconsolidated Condensed Interim Statement of Financial Position
7	Unconsolidated Condensed Interim Statement of Profit or Loss Account
8	Unconsolidated Condensed Interim Statement of Comprehensive Income
9	Unconsolidated Condensed Interim Statement of Cash Flows
10	Unconsolidated Condensed Interim Statement of Changes in Equity
11	Notes to the Unconsolidated Condensed Interim Financial Statements
23	Directors' Report on the Consolidated Financial Statements
24	Consolidated Condensed Interim Statement of Financial Position
25	Consolidated Condensed Interim Statement of Profit or Loss Account
26	Consolidated Condensed Interim Statement of Comprehensive Income
27	Consolidated Condensed Interim Statement of Cash Flows
28	Consolidated Condensed Interim Statement of Changes in Equity
29	Notes to the Consolidated Condensed Interim Financial Statements

Corporate Information

BOARD OF DIRECTORS

Mr. Muhammad Siddique Khatri	Chairman	Non-Executive Director
Mr. Abdul Sattar Khatri	Director/CEO	Executive Director
Mr. Waqas Siddiq Khatri	Director	Executive Director
Mr. Ahmed Mustafa	Director	Non-Executive Director
Mrs. Farhana Abdul Sattar Khatri	Director	Non-Executive Director
Mr. Pervez Ismail	Director	Independent Director
Mr. Ali Asrar Hossain Aga	Director	Independent Director

AUDIT COMMITTEE

Mr. Pervez Ismail	Chairman
Mr. Ahmed Mustafa	Member
Mr. Ali Asrar Hossain Aga	Member

HR & REMUNERATION COMMITTEE

Mr. Ali Asrar Hossain Aga	Chairman
Mr. Ahmed Mustafa	Member
Mr. Waqas Siddiq Khatri	Member

RISK MANAGEMENT COMMITTEE

Mr. Pervez Ismail	Chairman
Mr. Abdul Sattar Khatri	Member
Mr. Waqas Siddiq Khatri	Member

CHIEF FINANCIAL OFFICER

Mr. Muhammad Asif Khan

COMPANY SECRETARY

Mr. Abdul Mansoor Khan

REGISTERED OFFICE/HEAD OFFICE

39-Empress Road, P.O. Box 1414, Lahore-54000.
Tel: 042 - 36306586 - 88, Fax: 042 - 36365697
Website: www.ittihadchemicals.com, E-mail: info@ittihadchemicals.com

FACTORY/PLANT

G.T. Road, Kala Shah Kaku, District Sheikhpura.
Ph: 042 - 37950222 - 25, Fax: 042 - 37950206

SHARES REGISTRAR

M/s. Hameed Majeed Associates (Pvt) Limited
1st Floor, H.M. House, 7 Bank Square
The Mall, Lahore.
Tel: 042 - 37235081 - 82

BANKERS

Banks - Conventional Side

Askari Bank Limited
Allied Bank Limited
Faysal Bank Limited
Habib Metro Bank Limited
MCB Bank Limited
National Bank of Pakistan
JS Bank Limited
Pak Libya Holding Co. (Pvt.) Ltd.
Pak Brunei Inv. Company Ltd.
The Bank of Punjab
United Bank Limited
Samba Bank Limited
Soneri Bank Limited
Pak China Investment Co. Limited

Banks - Islamic Window Operations

Al-Baraka Bank (Pakistan) Limited
The Bank of Punjab (Taqla Islamic Banking)
Dubai Islamic Bank (Pak) Limited
Bank Alfalah Limited - Islamic-Banking
MCB Islamic Bank Limited

AUDITORS

M/s. BDO Ebrahim & Co., Chartered Accountants,
2nd Floor, Block- C, Lakson Square Building No.1,
Sarwar Shaheed Road, Karachi.
Ph: 021 - 35683189, 35683498, Fax : 021 - 35684239

LEGAL ADVISOR

Cornelius, Lane & Mufti
Advocates & Solicitors
Nawa-e-Waqt House
4 - Shahrah-e-Fatima Jinnah
Lahore-54000

ITTEHAD CHEMICALS LIMITED

(UNCONSOLIDATED)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE 3rd QUARTER ENDED MARCH 31, 2025

(UNAUDITED)

DIRECTORS' REPORT

The Directors of your Company are pleased to present the standalone un-audited condensed interim financial statements of the Company for the third quarter and nine months ended March 31, 2025.

The Company posted net sales revenue of Rupees 20,340 Million (2024: Rupees 17,863 Million) with an increase of 14% during the nine months of ongoing financial year under review. The cost of sales was Rupees 16,603 Million (2024: Rupees 14,277 Million) bringing gross profit to Rupees 3,737 Million (2024: Rupees 3,586 Million). The gross profit margin dropped to 18% from 20% vis-à-vis corresponding period of last year on account of higher energy cost. The bottom line showed a net profit after tax of Rupees 928 Million (2024: Rupees 977 Million) which yielded earnings per share of Rupees 9.28 (2024: Rupees 9.77 per share).

ICL is maintaining its focus on technological advancement to improve operational efficiencies. The Board has approved the increase in the long term strategic investment from Rupees Five (05) Billion to Rupees Eight (08) Billion in M/s ICL Power (Pvt.) Limited considering the upcoming Biomass Power Plant capacity / version enhancement from what was earlier determined. Presently, the development work on the project is in full swing and the Company is injecting equity / loan in its wholly owned subsidiary on as and when required basis from its own resources.

As conveyed through earlier report, the Board of Directors has approved establishment of another Caustic Soda Flaker Plant. The letter of credit (L/C) has been established for the project and the project is likely to be commissioned by the end of FY 2025-26. This will improve the profitability and is in line with the Management's commitment to enhance the shareholders' value. M/s Ittehad Salt Processing (Pvt.) Limited (a wholly owned subsidiary), remains committed to acquiring the Mining Lease, however; the process has been delayed due to prevailing Government policies.

Despite ongoing economic challenges, the Company has continued to focus on operational efficiency, cost control, and strategic growth. We are making our utmost efforts to maintain a strong focus by introducing value-added products, exploring new markets and modernizing our existing facilities. The management remains optimistic about the future while closely monitoring market dynamics and macroeconomic developments.

The Board is thankful to the valuable Members, Customers, Suppliers, Banks, and Government departments for their trust, confidence, persistent support, and patronage and would like to place on record its gratitude to all the Employees of the company for their contribution, dedication, and hard work.

On behalf of the Board



Lahore
April 23, 2025

Muhammad Siddique Khatri
Chairman



Abdul Sattar Khatri
Chief Executive Officer

ڈائریکٹر رپورٹ

آپ کی کمپنی کے ڈائریکٹر 31 مارچ 2025ء کو اختتام پذیر ہونے والی تیسری سہ ماہی اور رواں مالی سال کے پہلے نو ماہ کے غیر مربوط غیر پڑتال شدہ بین المدتی مختصر مالی گوشوارے پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

کمپنی کی فروخت رواں مالی سال کے نو ماہ کے دوران 14 فیصد اضافے کے ساتھ 20,340 ملین روپے (17,863:2024 ملین روپے) رہی۔ فروخت کی لاگت 16,603 ملین روپے (14,277:2024 ملین روپے) رہی جس سے 3,737 ملین روپے (3,586:2024 ملین روپے) خام منافع حاصل ہوا۔ توانائی کی زیادہ لاگت کی وجہ سے خام منافع کا تناسب گزشتہ سال کے اسی عرصے کے مقابلے میں 20 فیصد سے کم ہو کر 18 فیصد ہو گیا۔ ٹیکس کی ادائیگی کے بعد گوشوارے کی آخری سطر مبلغ 928 ملین روپے (977:2024 ملین روپے) کا منافع ظاہر کرتی ہے جس کے نتیجے میں فی حصص 9.28 روپے (9.77:2024 روپے فی حصص) کی آمدنی ہوئی۔

آئی سی ایل آپریشنل استعداد کار کو بہتر بنانے کے لئے تکنیکی ترقی پر اپنی توجہ برقرار رکھے ہوئے ہے۔ بورڈ نے آئی سی ایل پاور (پرائیویٹ) لمیٹڈ میں طویل مدتی اسٹریٹجک سرمایہ کاری کو 5 ارب روپے سے بڑھا کر 8 ارب روپے کرنے کی منظوری دی ہے۔ اس وقت اس منصوبے پر ترقیاتی کام تیزی سے جاری ہے اور کمپنی اپنے وسائل سے ضرورت پڑنے پر اپنی مکمل ملکیت والے ماتحت ادارے کو سرمایہ / قرضہ دے رہی ہے۔

جیسا کہ پچھلی رپورٹ کے ذریعے بتایا گیا ہے، بورڈ آف ڈائریکٹر نے ایک اور کاسٹک سوڈا فلیکس پلانٹ کے قیام کی منظوری دی ہے۔ منصوبے کے لئے لیٹر آف کریڈٹ (ایل / سی) قائم ہو گئی ہے اور یہ منصوبہ مالی سال 2025-26 کے آخر تک مکمل ہونے کا امکان ہے۔ اس سے منافع میں بہتری آئے گی اور شیئر ہولڈرز کی قدر بڑھانے کے انتظامیہ کے عزم کے مطابق ہے۔ اتحاد سالٹ پروسیسنگ (پرائیویٹ) لمیٹڈ (ایک مکمل ملکیتی ماتحت ادارہ) کان کنی لیز حاصل کرنے کے لئے پُر عزم ہے۔ موجودہ حکومتی پالیسیوں کی وجہ سے اس عمل میں تاخیر ہوئی ہے۔

جاری معاشی چیلنجوں کے باوجود، کمپنی نے آپریشنل کارکردگی، لاگت کو کنٹرول، اور اسٹریٹجک ترقی پر توجہ مرکوز کرنا جاری رکھا ہے۔ ہم ویلیو ایڈڈ مصنوعات متعارف کرانے، نئی منڈیوں کی تلاش اور اپنی موجودہ سہولیات کو جدید بنانے کے ذریعے ایک مضبوط توجہ برقرار رکھنے کے لئے اپنی پوری کوشش کر رہے ہیں۔ انتظامیہ مارکیٹ کیے محرکات اور میکرو اکنامک ترقی کی قریب سے نگرانی کرتے ہوئے مستقبل کے بارے میں پُر امید رہتی ہے۔

بورڈ قابل قدر حصص داران، سپلائرز، صارفین، بینکوں اور سرکاری محکموں کی جانب سے ان کے اعتماد، مسلسل تعاون اور سرپرستی پر شکر گزار ہے اور کمپنی کے تمام ملازمین کا ان کے تعاون، لگن اور محنت کے لیے شکریہ ادا کرتا ہے۔

منجانب بورڈ

محمد صدیق کھتری

چیرمین

لاہور

23 اپریل 2025ء

عبدالستار کھتری

چیف ایگزیکٹو آفیسر

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2025**

AS AT MARCH 31, 2025		March 31, 2025 (Un-audited)	June 30, 2024 (Audited)
		----- (Rupees in thousand)-----	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	6	8,339,090	8,504,920
Capital work in progress	7	412,437	242,090
		8,751,527	8,747,010
Intangible assets		81	326
Investment property		675,000	675,000
Long term Investments	8	1,002,500	12,382
Long term deposits		64,798	63,144
		10,493,906	9,497,862
CURRENT ASSETS			
Stores and spares		649,161	661,237
Stock in trade		2,887,369	2,274,309
Trade debts		2,853,738	3,015,773
Loans and advances	9	475,455	256,358
Trade deposits and short term prepayments		197,141	204,211
Tax refunds due from Government		926,673	723,993
Taxation - net		96,500	333,136
Short term Investments		12,200	12,200
Cash and bank balances		531,957	287,556
		8,630,194	7,768,773
TOTAL ASSETS		19,124,100	17,266,635
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	10.1	2,000,000	2,000,000
Issued, subscribed and paid up capital	10.2	1,000,000	1,000,000
Share premium money		177,000	177,000
Unappropriated profit		5,822,385	5,244,539
Merger Reserves		(6,445)	(6,445)
Surplus on revaluation of fixed assets		2,872,504	2,872,504
		9,865,444	9,287,598
NON CURRENT LIABILITIES			
Long term financing	11	568,968	582,415
Long term diminishing musharaka	12	-	-
Deferred liabilities		830,289	799,378
Deferred grant		12,730	27,526
		1,411,987	1,409,319
CURRENT LIABILITIES			
Trade and other payables		3,748,295	3,498,084
Unclaimed dividend		9,172	5,932
Mark-up accrued		103,872	107,870
Short term borrowings		3,446,550	2,294,448
Current portion of deferred grant		32,004	40,846
Current portion of long term liabilities		506,776	622,538
		7,846,669	6,569,718
CONTINGENCIES AND COMMITMENTS	13	-	-
TOTAL EQUITY AND LIABILITIES		19,124,100	17,266,635

The annexed notes from 1 to 22 form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2025	2024	2025	2024
		----- (Rupees in thousand) -----			
Revenue from contracts with customers		20,339,793	17,863,341	7,196,535	5,689,589
Cost of sales	14	(16,602,753)	(14,277,466)	(5,942,783)	(4,534,425)
Gross profit		3,737,040	3,585,875	1,253,752	1,155,164
Selling and distribution expenses		(1,261,294)	(929,555)	(439,040)	(332,533)
General and administrative expenses		(308,665)	(271,053)	(118,470)	(100,782)
Other operating expenses		(146,095)	(134,547)	(63,246)	(37,577)
Other operating income		58,421	47,113	8,933	(56,684)
		(1,657,633)	(1,288,042)	(611,823)	(527,576)
Operating profit / loss		2,079,407	2,297,833	641,929	627,588
Financial charges		(467,584)	(527,546)	(115,408)	(133,618)
Profit before income tax and levy		1,611,823	1,770,287	526,521	493,970
Levy		(7,338)	(10,373)	(1,244)	(2,458)
Profit / (loss) before Income tax		1,604,485	1,759,914	525,277	491,512
Taxation		(676,639)	(782,431)	(211,827)	(208,331)
Profit / (loss) after taxation		927,846	977,483	313,450	283,181
Earnings per share - basic and diluted (Rupees)	15	9.28	9.77	3.13	2.83

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Nine months ended March 31,		Quarter ended March 31,	
	2025	2024	2025	2024
	----- (Rupees in thousand) -----			
Profit / (loss) for the period	927,846	977,483	313,450	283,181
Other comprehensive income for the period				
Items that will not be reclassified subsequently to statement of profit or loss				
Revaluation surplus on free hold land	-	1,523,560	-	-
Total comprehensive income / (loss) for the period	927,846	2,501,043	313,450	283,181

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Nine months ended March 31,	
Note	2025	2024
	----- (Rupees in thousand) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,611,823	1,770,287
Adjustments for items not involving movement of funds:		
Depreciation	566,747	490,102
Amortisation of intangible assets	244	418
Provision for gratuity	44,286	32,953
Loss on sale of fixed assets	(10,075)	(3,529)
Loss / (Gain) on foreign exchange	(2,840)	(4,552)
Bad debts written off	170	-
Provision for obsolete stores	13,500	13,500
Financial charges	467,584	527,546
Net cash flow before working capital changes	2,691,439	2,826,725
Decrease / (increase) in current assets		
Stores and spares	(1,424)	(88,228)
Stock in trade	(613,060)	(159,399)
Trade debts	164,704	(360,692)
Loans and advances	(219,097)	(72,612)
Trade deposits and short term prepayments	7,070	19,434
Tax refunds due from the Government	155,424	(51,607)
	(506,383)	(713,104)
Increase / (decrease) in current liabilities		
Trade and other payables	250,212	(168,547)
Cash generated from operations	2,435,268	1,945,074
Income taxes paid	(804,590)	(924,739)
Gratuity paid	(14,228)	(5,507)
Financial charges paid	(471,582)	(494,638)
Net cash (used in) / generated from operating activities	1,144,868	520,190
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to operating fixed assets - net	(50,892)	(54,736)
Additions to capital work in progress	(522,153)	(588,586)
Proceeds from sale of operating fixed assets	11,855	90,076
Long term Investments	(990,118)	(1,000)
Short term Investments	-	287,068
Long term deposits	(1,654)	(181,507)
Net cash used in investing activities	(1,552,962)	(448,685)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term financing	304,898	41,500
Repayment of long term financing	(318,714)	(279,288)
Repayment of long term diminishing musharaka	(139,031)	(281,002)
Repayment of lease Liability	-	(4,114)
Dividend paid	(346,760)	(225,394)
Short term borrowings	1,152,102	153,349
Net cash inflow from financing activities	652,495	(594,949)
Net increase in cash and cash equivalents	244,401	(523,444)
Cash and cash equivalents at the beginning of the period	287,556	923,733
Cash and cash equivalents at the end of the period	531,957	400,289

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Share capital	Surplus on revaluation of fixed assets	Balance arising upon merger	Share premium money	Unappropriated profit	Total
	(Rupees in thousand)					
Balance as at July 01, 2023 (Audited)	1,000,000	1,392,042	(6,445)	177,000	4,141,170	6,703,767
Transaction with owners:						
Final cash dividend @ Rs. 1.25 per share	-			-	(125,000)	(125,000)
Interim cash dividend @ Rs. 1 per share					(100,000)	(100,000)
Total Comprehensive income for the period	-	-	-	-	977,483	977,483
Revaluation surplus for the period		1,523,560				1,523,560
Revaluation surplus transferred to revenue reserves		(43,098)			43,098	-
Balance as at March 31, 2024	1,000,000	2,872,504	(6,445)	177,000	4,936,751	8,979,810
Balance as at July 01, 2024 (Audited)	1,000,000	2,872,504	(6,445)	177,000	5,244,539	9,287,598
Transaction with owners:						
Final cash dividend @ Rs. 1.50 per share	-			-	(150,000)	(150,000)
Interim cash dividend @ Rs. 2 per share					(200,000)	(200,000)
Total Comprehensive income for the period	-	-	-	-	927,846	927,846
Balance as at March 31, 2025	1,000,000	2,872,504	(6,445)	177,000	5,822,385	9,865,444

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

Ittehad Chemicals Limited (the Company) was incorporated on September 28, 1991 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The Company was privatised on July 03, 1995. The Company is engaged in the business of manufacturing and selling caustic soda and other allied chemicals.

The Company holds 100% shares of Ittehad Salt Processing (Private) Limited (subsidiary company), which is a private limited company and incorporated in Pakistan under the Companies Act, 2017 on December 03, 2019. The subsidiary company is engaged in the business of exploring, operating, and working on mines and quarries. The registered office of subsidiary company is situated at 31-A, Tech Society, Canal Bank, Lahore. The Chief Executive of subsidiary company is Ahmed Mustafa.

The Company holds 100% shares of ICL Power (Private) Limited (subsidiary company), which is a private limited company incorporated in Pakistan under the Companies Act, 2017 on January 2, 2024, as company limited by shares. The Company is engaged in the business of generating and providing of electricity.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is situated at 39, Empress Road, Lahore. The manufacturing facility of the Company is located at G.T Road Kala Shah Kaku District Sheikhpura and regional offices are located as follows:

Regional office	Office address
Karachi	Town House No. 44-N/1-A, Razi Road, Block-6, P.E.C.H.S. Karachi.
Faisalabad	3rd Floor, Habib Bank Building, Circular Road, Faisalabad.
Islamabad	2nd Floor, Quaid Plaza, office No.15, Markaz I-9, Islamabad.

3 BASIS OF PREPARATION

3.1 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;

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

Provisions of and directives issued under the Companies Act, 2017.

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

These condensed interim financial statements are unaudited and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2024 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the nine months period ended March 31, 2024.

3.2 Basis of measurement

This condensed interim financial statements have been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value, investment property at fair value and certain operating fixed assets at revalued amounts.

3.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

4 MATERIAL ACCOUNTING POLICY INFORMATION

- 4.1** The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2024.
- 4.2** The Company has adopted all the new standards and amendments to standards, including any consequential amendments to other standards which are applicable for the financial year beginning on July 1, 2024. The adoption of these new and amended standards did not have material impact on the Company's condensed interim financial statements. There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Company's accounting period beginning on or after July 01, 2024. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have a significant effect on this condensed interim financial statements.

5 ESTIMATES

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial information for the year ended June 30, 2024.

	Note	March 31, 2025 (Unaudited) (Rupees in thousand)	June 30, 2024 (Audited)
6 OPERATING FIXED ASSETS			
Fixed Assets	6.1	<u>8,339,090</u>	<u>8,504,920</u>
6.1 Opening net book value (NBV)		8,504,920	6,321,437
Additions / revaluation / Transfer (at cost)	6.1.1 & 6.1.2	<u>402,698</u>	3,010,763
		8,907,618	9,332,200
Disposals (at NBV) during the period / year	6.1.3	(1,781)	(140,433)
Depreciation charged during the period / year		<u>(566,747)</u>	(686,847)
		(568,528)	(827,280)
Closing net book value (NBV)		<u>8,339,090</u>	<u>8,504,920</u>

March 31,
2025
(Unaudited)
(Rupees in thousand)

June 30,
2024
(Audited)

6.1.1 Details of additions (at cost) during the period / year are as follows:

Freehold Land	-	1,523,560
Building	5,713	27,141
Plant and machinery	336,798	1,397,366
Other equipment	1,090	35,785
Furniture and fixtures	523	344
Office and other equipment	6,210	2,014
Vehicles - owned	52,364	24,553
	<u>402,698</u>	<u>3,010,763</u>

6.1.2 Free hold land was latest revalued by M/s Harvester Services (Private) Limited as at November 03, 2023 on the basis of market value. The revaluation resulted in surplus aggregating to Rs. 2,872.504 million. Had there been no revaluation, the book value of operating fixed assets would have been lower by Rs. 2,872.504 million (2024: Rs. 2,872.504 million). Had there been no revaluation, the net book value of the free hold land would have been Rs. 158.476 million (2024: Rs. 158.476 million).

6.1.3 Details of disposals (at NBV) during the period / year are as follows:

Building	-	3
Free hold Land	-	85,475
Plant and machinery	-	49,662
Other Equipment	-	2,040
Furniture and fixtures	-	322
Office and other equipment	-	1,541
Vehicles	1,781	1,390
	<u>1,781</u>	<u>140,433</u>

7 CAPITAL WORK IN PROGRESS

Advances	1,639	104,140
Building	66,437	12,707
Plant and machinery	344,361	125,243
	<u>412,437</u>	<u>242,090</u>

	March 31, 2025 (Unaudited) (Rupees in thousand)	June 30, 2024 (Audited)
8 LONG TERM INVESTMENTS		
Ittehad salt processing (pvt) Ltd		
250,000 (2023: 250,000) fully paid ordinary shares	2,500	2,500
ICL Power (Pvt) Ltd		
100,000,000 (2024: 100,000) fully paid ordinary shares	1,000,000	1,000
Advance against issuance of Shares	-	8,882
	<u>1,002,500</u>	<u>12,382</u>

9 LOAN AND ADVANCES

Advances - (Unsecured - considered good)			
To employees	9.1	20,463	21,864
Advance for supplies and services (Unsecured)			
Considered good		205,789	231,814
Considered doubtful		1,374	1,374
		207,163	233,188
Against import		1,428	1,576
To ICL Power (Pvt) Ltd	9.2	247,343	-
		455,934	234,764
Accrued Interest receivable		432	1,104
Less: Provision for doubtful advances		1,374	1,374
		<u>475,455</u>	<u>256,358</u>

9.1 This includes advance to employees against salaries in accordance with the terms of their employment. These advances are unsecured, interest free and deductible from their salaries.

9.2 During the year company has given loan to ICL Power (Pvt) Ltd a wholly owned subsidiary. This loan is unsecured and carry markup at the average borrowing cost of the company

	March 31, 2025 (Unaudited) (Rupees in thousand)	June 30, 2024 (Audited)
10 SHARE CAPITAL		
10.1 Authorized share capital		
175,000,000 (June 30, 2024: 175,000,000) ordinary shares of Rs. 10/- each	1,750,000	1,750,000
25,000,000 (June 30, 2024.: 25,000,000) preference shares of Rs. 10/- each	250,000	250,000
	<u>2,000,000</u>	<u>2,000,000</u>
10.2 Issued, subscribed and paid up share capital		
27,100,000 (June 30, 2024: 27,100,000) ordinary shares of Rs. 10/- each fully paid in cash	271,000	271,000
24,900,000 (June 30, 2024: 24,900,000) ordinary shares of Rs. 10/- each issued for consideration other than cash	249,000	249,000
48,000,000 (June 30, 2024: 48,000,000) fully paid bonus shares of Rs. 10/- each	480,000	480,000
	<u>1,000,000</u>	<u>1,000,000</u>
11 LONG TERM FINANCING		
From banking companies and financial institutions - secured	1,024,214	1,014,392
Current portion shown under current liabilities	(455,246)	(431,977)
	<u>568,968</u>	<u>582,415</u>
12 LONG TERM DIMINISHING MUSHARAKA		
From banking companies and financial institutions - secured	51,530	190,561
Current portion shown under current liabilities	(51,530)	(190,561)
	<u>-</u>	<u>-</u>

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingent liabilities

- a) Letters of guarantee outstanding as at March 31, 2025 were Rs. 553.141 million (June 2024: Rs. 471.522 million).
- b) The deputy commissioner Inland Revenue, while adjudicating disallowed the claim of input tax against purchase of mild steel products that were utilized in fabrication and repair of machinery. The Company contested the claim before commissioner Inland Revenue (Appeals) who has also decided the case in favour of department. Being aggrieved, the Company has filed a reference before Honourable High Court Lahore which is still pending for adjudication.
- c) Other contingencies are not materially different from those as disclosed in preceding annual financial statements for the year ended June 30, 2024.

13.2 Commitments

Commitments as on March 31, 2025 were as follows:

- a) Against letters of credit amounting to Rs. 2,188.876 million (June 30, 2024: Rs. 1,479.252 million).
- b) Against purchase of land amounting to Rs. 1.639 million (June 30, 2024: Rs. 79.139 million).

----- (Unaudited) -----			
Nine months ended March 31,		Quarter ended March 31,	
2025	2024	2025	2024
----- (Rupees in thousand) -----			

14 COST OF SALES

Raw materials consumed	8,385,511	6,944,126	2,965,313	1,659,100
Other overheads:				
Salaries, wages and other benefits	783,886	679,131	265,501	225,147
Stores, spares and consumables	375,569	332,649	133,875	125,991
Packing materials consumed	198,204	185,767	74,304	52,472
Fuel and power	6,288,685	5,825,919	2,311,674	1,846,878
Repair and maintenance	49,296	60,437	15,057	23,942
Rent, rates and taxes	13,689	4,698	4,773	1,548
Insurance	14,637	13,746	4,053	4,935
Depreciation	549,702	470,868	189,924	167,077
Vehicle running expenses	21,740	21,457	6,747	6,343
Telephone, telex and postage	981	841	353	261
Printing and stationery	109	61	63	18
Provision for slow moving stores & spares	13,500	13,500	13,500	4,500
Other expenses	7,281	5,416	3,206	1,513
	8,317,279	7,614,490	3,023,030	2,460,625
Opening work in process	82,822	75,529	89,118	71,602
Closing work in process	(91,113)	(91,167)	(91,113)	(91,167)
	(8,291)	(15,638)	(1,995)	(19,565)
Cost of goods manufactured	16,694,499	14,542,978	5,986,348	4,100,160
Cost of stores traded	254,206	-	-	-
Opening stock of finished goods	1,208,684	1,073,329	1,511,071	1,773,106
Closing stock of finished goods	(1,554,636)	(1,338,841)	(1,554,636)	(1,338,841)
	(345,952)	(265,512)	(43,565)	434,265
	16,602,753	14,277,466	5,942,783	4,534,425

----- (Unaudited) -----			
Nine months ended		Quarter ended	
March 31,		March 31,	
2025	2024	2025	2024
----- (Rupees in thousand) -----			

15 EARNINGS PER SHARE - BASIC AND DILUTED

Profit / (loss) after taxation - (Rs. in thousand)	927,846	977,483	313,450	283,181
Weighted average number of ordinary shares - (in thousand)	100,000	100,000	100,000	100,000
Earnings per share - basic and diluted - (Rs.)	9.28	9.77	3.13	2.83

16 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise group companies, other associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings are given as under:

----- (Unaudited) -----			
Nine months ended		Quarter ended	
March 31,		March 31,	
2025	2024	2025	2024
----- (Rupees in thousand) -----			

Transaction with:

Relationship with the Company Nature of transaction

Subsidiary Company

ICL Power (Pvt) Ltd	Investment Made	-	1,000	-	1,000
	Against right issue	990,118	8,432	503,118	8,432
	Loan given	245,882	-	245,882	-
	Interest Charged	1,461	-	1,461	-

Associated Company

Ittehad Developers	Loan Obtained	130,000	100,000	-	100,000
	Loan Repaid	(120,000)		(120,000)	

Other related party

Chemi Multifabrics Ltd	Marketing services charges	94,396	85,021	32,990	27,456
Chemitex industries Ltd	Purchase of Vehicle	-	3,053	-	-
Retirement benefit plans	Contribution to staff retirement benefit plans	652	665	213	292
Key Management Personnel	Remuneration and other benefits	96,229	88,126	45,981	31,341

March 31, **June 30,**
2025 **2024**
(Unaudited) **(Audited)**
(Rupees in thousand)

Period / year end balances:

Relationship with the Company	Nature of outstanding balances		
Chemi Multifabrics Ltd	Trade and other payables	51,823	25,814
ICL Power (Pvt) Ltd	Short Term borrowing	247,343	-
Ittehad Developers	Short Term borrowing	110,000	100,000

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There were no financial instruments held by the Company which are measured at fair value as of March 31, 2025 and June 30, 2024.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

18 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

This condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2024.

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2024.

19 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

20 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on April 23, 2025 by the Board of Directors of the Company.

21 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no significant adjusting or non adjusting event after the reporting date requiring adjustment or disclosure in the financial statements.

22 GENERAL

Amounts have been rounded off to the nearest rupees in thousand unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ITTEHAD CHEMICALS LIMITED

(CONSOLIDATED)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE 3rd QUARTER ENDED MARCH 31, 2025

(UNAUDITED)

DIRECTORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors take pleasure in presenting their report on the consolidated un-audited condensed interim financial statements of Ittehad Chemicals Limited ("The Holding Company") and its wholly owned subsidiary companies, "Ittehad Salt Processing (Pvt.) Limited" (the "ISPPL") and "ICL Power (Pvt.) Limited" (the "IPL") for the third quarter and nine months ended March 31, 2025.

Ittehad Salt Processing (Private) Limited ("ISPPL") was established pursuant to the provisions of the Companies Act, 2017 in Pakistan, being incorporated as a company limited by shares on December 3, 2019. The registered office of the company is situated in Lahore, Punjab. The principal aim of this wholly owned subsidiary is to investigate the opportunities present in Rock Salt Mining, subject to compliance with all prerequisites mandated by the applicable laws. The subsidiary has successfully obtained an exploration license from the Punjab Mines and Minerals Department for an expanse of 1,356.07 acres located in close proximity to Dhok Jabba /Lafi, District Chakwal. Currently, efforts are underway to secure a Mining Lease from the relevant Government Department.

ICL Power (Private) Limited ("IPL") was incorporated under the Companies Act, 2017 in Pakistan as a company limited by shares on January 2, 2024. The registered office of the Company is situated in Lahore, Punjab. The main objective of this wholly owned subsidiary is to carry out all or any of the businesses of generating, purchasing, importing, transforming, converting, distributing, supplying, exporting and dealing in electricity, in Pakistan or elsewhere in the world subject to the applicable laws. The wholly owned subsidiary is currently in the process of Biomass Power Plant establishment.

The Consolidated Financial Statements showed Earnings per share Rs. 9.19 for the nine months ended March 31, 2025.

Adequate internal financial controls have been established, and Management diligently oversees their comprehensive and satisfactory implementation. Management holds an optimistic outlook regarding future growth and robust returns, particularly following the acquisition of the Mining Lease from the Punjab Mines & Minerals Department and the Power Plant License from the respective Government Department.

On behalf of the Board



Lahore
April 23, 2025

Muhammad Siddique Khatri
Chairman



Abdul Sattar Khatri
Chief Executive Officer

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT MARCH 31, 2025**

		March 31, 2025 (Un-audited)	June 30, 2024 (Audited)
----- (Rupees in thousand)-----			
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	6	8,339,090	8,504,920
Capital work in progress	7	1,657,244	251,750
		<u>9,996,334</u>	<u>8,756,670</u>
Intangible assets		333	578
Investment property		675,000	675,000
Long term Investments	8	-	-
Long term deposits		66,435	64,644
		<u>10,738,102</u>	<u>9,496,892</u>
CURRENT ASSETS			
Stores and spares		704,795	661,237
Stock in trade		2,887,678	2,274,309
Trade debts		2,853,738	3,015,773
Loans and advances	9	228,112	256,358
Trade deposits and short term prepayments		197,141	204,211
Tax refunds due from Government		926,896	723,993
Taxation - net		97,108	333,136
Short term Investments		12,200	12,200
Cash and bank balances		534,916	289,057
		<u>8,442,584</u>	<u>7,770,274</u>
		<u>19,180,686</u>	<u>17,267,166</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	10.1	2,000,000	2,000,000
Issued, subscribed and paid up capital	10.2	1,000,000	1,000,000
Share premium money		177,000	177,000
Unappropriated profit		5,813,375	5,243,885
Merger Reserves		(6,445)	(6,445)
Surplus on revaluation of fixed assets		2,872,504	2,872,504
		<u>9,856,434</u>	<u>9,286,944</u>
NON CURRENT LIABILITIES			
Long term financing	11	568,968	582,415
Long term diminishing musharaka	12	-	-
Deferred liabilities		830,317	799,378
Deferred grant		12,730	27,526
		<u>1,412,015</u>	<u>1,409,319</u>
CURRENT LIABILITIES			
Trade and other payables		3,812,853	3,498,259
Short term loan		1,010	1,010
Unclaimed dividend		9,172	5,932
Mark-up accrued		103,872	107,870
Short term borrowings		3,446,550	2,294,448
Current portion of deferred grant		32,004	40,846
Current portion of long term liabilities		506,776	622,538
		<u>7,912,237</u>	<u>6,570,903</u>
CONTINGENCIES AND COMMITMENTS			
	13	-	-
TOTAL EQUITY AND LIABILITIES		<u>19,180,686</u>	<u>17,267,166</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025

		Nine months ended March 31,		Quarter ended March 31,	
	Note	2025	2024	2025	2024
		----- (Rupees in thousand) -----			
Revenue from contracts with customers		20,339,793	17,863,341	7,196,535	5,689,589
Cost of sales	14	(16,602,753)	(14,277,466)	(5,942,783)	(4,534,425)
Gross profit		3,737,040	3,585,875	1,253,752	1,155,164
Selling and distribution expenses		(1,261,294)	(929,555)	(439,040)	(332,533)
General and administrative expenses		(316,092)	(271,488)	(125,805)	(101,213)
Other operating expenses		(146,090)	(134,547)	(63,241)	(37,577)
Other operating income		56,961	47,113	7,473	(56,684)
		(1,666,515)	(1,288,477)	(620,613)	(528,007)
Operating profit / loss		2,070,525	2,297,398	633,139	627,157
Financial charges		(467,590)	(527,546)	(115,411)	(133,618)
Profit before income tax and levy		1,602,935	1,769,852	517,728	493,539
Levy		(7,338)	(10,373)	(1,244)	(2,458)
Profit / (loss) before Income tax		1,595,597	1,759,479	516,484	491,081
Taxation		(676,107)	(782,431)	(211,295)	(208,331)
Profit / (loss) after taxation		919,490	977,048	305,189	282,750
Earnings per share - basic and diluted (Rupees)	15	9.19	9.77	3.05	2.83

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Nine months ended March 31,		Quarter ended March 31,	
	2025	2024	2025	2024
	----- (Rupees in thousand) -----			
Profit / (loss) for the period	919,490	977,048	305,189	282,750
Other comprehensive income for the period				
Items that will not be reclassified subsequently to statement of profit or loss				
Revaluation surplus on free hold land	-	1,523,560	-	-
Total comprehensive income / (loss) for the period	919,490	2,500,608	305,189	282,750

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

	Nine months ended March 31,	
Note	2025	2024
	----- (Rupees in thousand) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,602,935	1,769,852
Adjustments for items not involving movement of funds:		
Depreciation	566,747	490,102
Amortisation of intangible assets	244	418
Provision for gratuity	44,286	32,953
Loss on sale of fixed assets	(10,075)	(3,529)
Loss / (Gain) on foreign exchange	(2,840)	(4,552)
Bad debts written off	170	-
Provision for obsolete stores	13,500	13,500
Financial charges	467,590	527,546
Net cash flow before working capital changes	2,682,557	2,826,290
Decrease / (increase) in current assets		
Stores and spares	(57,058)	(88,228)
Stock in trade	(613,369)	(159,399)
Trade debts	164,704	(360,692)
Loans and advances	28,246	(64,180)
Trade deposits and short term prepayments	7,070	19,434
Tax refunds due from the Government	155,201	(51,607)
	(315,206)	(704,672)
Increase / (decrease) in current liabilities		
Trade and other payables	314,597	(168,597)
Cash generated from operations	2,681,948	1,953,021
Income Taxes paid	(804,641)	(924,739)
Gratuity paid	(14,228)	(5,507)
Financial charges paid	(471,588)	(494,638)
Net cash (used in) / generated from operating activities	1,391,491	528,137
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to operating fixed assets - net	(50,892)	(54,736)
Additions to capital work in progress	(1,757,299)	(596,586)
Proceeds from sale of operating fixed assets	11,855	90,076
Short term Investments	-	287,068
Long term deposits	(1,791)	(181,507)
Net Cash used in investing activities	(1,798,127)	(455,685)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term financing	304,898	41,500
Repayment of long term financing	(318,714)	(279,288)
Repayment of long term diminishing musharaka	(139,031)	(281,002)
Repayment of lease Liability	-	(4,114)
Dividend paid	(346,760)	(225,394)
Short term borrowings	1,152,102	153,349
Net cash inflow from financing activities	652,495	(594,949)
Net increase in cash and cash equivalents	245,859	(522,497)
Cash and cash equivalents at the beginning of the period	289,057	925,198
Cash and cash equivalents at the end of the period	534,916	402,701

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY- (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2025**

Share capital	Surplus on revaluation of fixed assets	Balance arising upon merger	Share premium money	Unappropriated profit	Total
(Rupees in thousand)					

**Balance as at July 01, 2023
(Audited)**

1,000,000	1,392,042	(6,445)	177,000	4,140,827	6,703,424
-----------	-----------	---------	---------	-----------	-----------

Transaction with owners:

Final cash dividend @ Rs. 1.25 per share				(125,000)	(125,000)
--	--	--	--	-----------	-----------

Interim cash dividend @ Rs. 1 per share	-		-	(100,000)	(100,000)
---	---	--	---	-----------	-----------

Total Comprehensive income for the period	-	-	-	977,048	977,048
--	---	---	---	---------	---------

Revaluation surplus for the period		1,523,560			1,523,560
------------------------------------	--	-----------	--	--	-----------

Revaluation surplus transferred to revenue reserves		(43,098)		43,098	-
---	--	----------	--	--------	---

Balance as at March 31, 2024

1,000,000	2,872,504	(6,445)	177,000	4,935,973	8,979,032
-----------	-----------	---------	---------	-----------	-----------

Balance as at July 01, 2024 (Audited)	1,000,000	2,872,504	(6,445)	177,000	5,243,885	9,286,944
---------------------------------------	-----------	-----------	---------	---------	-----------	-----------

Transaction with owners:

Final cash dividend @ Rs. 1.50 per share	-		-	(150,000)	(150,000)
--	---	--	---	-----------	-----------

Interim cash dividend @ Rs. 2 per share				(200,000)	(200,000)
---	--	--	--	-----------	-----------

Total Comprehensive income for the period	-	-	-	919,490	919,490
--	---	---	---	---------	---------

Balance as at March 31, 2025

1,000,000	2,872,504	(6,445)	177,000	5,813,375	9,856,434
-----------	-----------	---------	---------	-----------	-----------

The annexed notes from 1 to 22 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

The group comprises of Ittehad Chemicals Limited (Parent/holding Company) (ICL), Ittehad Salt Processing (Private) Limited (Subsidiary Company) (ISPL) and ICL Power (Private) Limited (Subsidiary Company) (IPL). The Parent Company and the subsidiary companies are collectively referred to as "the Group".

1.1 Status of the Parent Company

Ittehad Chemicals Limited (the Holding Company) was incorporated on September 28, 1991 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. The Group was privatised on July 03, 1995. The Group is engaged in the business of manufacturing and selling caustic soda and other allied chemicals.

The Holding Company holds 100% shares of Ittehad Salt Processing (Private) Limited (subsidiary company), which is a private limited company and incorporated in Pakistan under the Companies Act, 2017 on December 03, 2019, as company limited by shares. The subsidiary company is engaged in the business of exploring, operating, and working on mines and quarries. The Chief Executive of subsidiary company is Ahmed Mustafa.

The Holding Company holds 100% shares of ICL Power (Private) Limited (subsidiary company), which is a private limited company and incorporated in Pakistan under the Companies Act, 2017 on January 2, 2024, as company limited by shares. The subsidiary company is engaged in the business of generating and providing of electricity. The Chief Executive of subsidiary company is Waqas Siddiq Khatri.

1.2 Basis of consolidation

These Consolidated financial statements comprise the financial statements of the Holding Company and its Subsidiary Companies as at March 31, 2025 (together referred to as "the Group").

A Company is a subsidiary, if an entity (the Holding Company) directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiary is consolidated from the date on which the Holding Company obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries is prepared for the same reporting period as the Holding/parent Company, using consistent accounting policies.

All inter-company balances, transactions and unrealized gains and losses resulting from inter-company transactions and dividends are eliminated in full.

The assets, liabilities, income and expenses of subsidiary company are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary company's shareholders' equity in the consolidated financial statements.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

- 2.1** The registered office of the Company is situated at 39, Empress Road, Lahore. The manufacturing facility of the Company is located at G.T Road Kala Shah Kaku District Sheikhpura and regional offices are located as follows:

Regional office Office address

Karachi	Town House No. 44-N/1-A, Razi Road, Block-6, P.E.C.H.S. Karachi.
Faisalabad	3rd Floor, Habib Bank Building, Circular Road, Faisalabad.
Islamabad	2nd Floor, Quaid Plaza, office No.15, Markaz I-9, Islamabad.

2.2 Subsidiary companies

The registered office of the Ittehad Salt Processing (Private) Limited is situated at 31-A, Tech Society, Canal Bank, Lahore.

The registered office of the ICL Power (Private) Limited is situated at 39, Empress Road, Lahore.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These consolidated 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;

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

Provisions of and directives issued under the Companies Act, 2017.

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

Thses consolidated condensed interim financial statements are unaudited and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

These consolidated condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2024 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these consolidated condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2024, whereas the comparative consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity are extracted from the unaudited consolidated condensed interim financial statements for the nine months ended March 31, 2024.

3.2 Basis of measurement

This condensed interim financial statements have been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value, investment property at fair value and certain operating fixed assets at revalued amounts.

3.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

4 MATERIAL ACCOUNTING POLICY INFORMATION

4.1 The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2024.

4.2 The Company has adopted all the new standards and amendments to standards, including any consequential amendments to other standards which are applicable for the financial year beginning on July 1, 2024. The adoption of these new and amended standards did not have material impact on the Company's condensed interim financial statements. There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Company's accounting period beginning on or after July 01, 2024. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have a significant effect on this condensed interim financial statements.

5 ESTIMATES

The preparation of these consolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial information for the year ended June 30, 2024.

		March 31, 2025 (Unaudited) (Rupees in thousand)	June 30, 2024 (Audited)
	Note		
6 OPERATING FIXED ASSETS			
Fixed Assets	6.1	<u>8,339,090</u>	<u>8,504,920</u>
6.1 Opening net book value (NBV)		8,504,920	6,321,437
Additions / revaluation / Transfer (at cost)	6.1.1 & 6.1.2	<u>402,698</u>	3,010,763
		8,907,618	9,332,200
Disposals (at NBV) during the period / year	6.1.3	<u>(1,781)</u>	(140,433)
Depreciation charged during the period / year		<u>(566,747)</u>	(686,847)
		(568,528)	(827,280)
Closing net book value (NBV)		<u>8,339,090</u>	<u>8,504,920</u>

6.1.1 Details of additions (at cost) during the period / year are as follows:

Freehold Land	-	1,523,560
Building	5,713	27,141
Plant and machinery	336,798	1,397,366
Other equipment	1,090	35,785
Furniture and fixtures	523	344
Office and other equipment	6,210	2,014
Vehicles - owned	52,364	24,553
	<u>402,698</u>	<u>3,010,763</u>

- 6.1.2** Free hold land was latest revalued by M/s Harvester Services (Private) Limited as at November 03, 2023 on the basis of market value. The revaluation resulted in surplus aggregating to Rs. 2,872.504 million. Had there been no revaluation, the book value of operating fixed assets would have been lower by Rs. 2,872.504 million (2024: Rs. 2,872.504 million). Had there been no revaluation, the net book value of the free hold land would have been Rs. 158.476 million (2024: Rs. 158.476 million).

March 31,	June 30,
2025	2024
(Unaudited)	(Audited)
(Rupees in thousand)	

6.1.3 Details of disposals (at NBV) during the period / year are as follows:

Building	-	3
Free hold Land	-	85,475
Plant and machinery	-	49,662
Other Equipment	-	2,040
Furniture and fixtures		322
Office and other equipment		1,541
Vehicles	1,781	1,390
	<u>1,781</u>	<u>140,433</u>

7 CAPITAL WORK IN PROGRESS

Advances	1,236,562	113,800
Building	66,437	12,707
Plant and machinery	354,245	125,243
	<u>1,657,244</u>	<u>251,750</u>

8 LONG TERM INVESTMENTS

Ittehad salt processing (pvt) Ltd		
250,000 (2023: 250,000) fully paid ordinary shares	-	-
ICL Power (Pvt) Ltd		
100,000,000 (2024: 100,000) fully paid ordinary shares	-	-
Advance against issuance of Shares	-	-
	<u>-</u>	<u>-</u>

9 LOAN AND ADVANCES

		March 31, 2025 (Unaudited) (Rupees in thousand)	June 30, 2024 (Audited)
Advances - (Unsecured - considered good)			
To employees	9.1	20,463	21,864
Advance for supplies and services (Unsecured)			
Considered good		205,789	231,814
Considered doubtful		1,374	1,374
		207,163	233,188
Against import		1,428	1,576
		229,054	256,628
Accrued Interest receivable		432	1,104
Less: Provision for doubtful advances		1,374	1,374
		228,112	256,358

- 9.1 This includes advance to employees against salaries in accordance with the terms of their employment. These advances are unsecured, interest free and deductible from their salaries.

10 SHARE CAPITAL

10.1 Authorized share capital

175,000,000 (June 30, 2024: 175,000,000) ordinary shares of Rs. 10/- each	1,750,000	1,750,000
25,000,000 (June 30, 2024.: 25,000,000) preference shares of Rs. 10/- each	250,000	250,000
	2,000,000	2,000,000

10.2 Issued, subscribed and paid up share capital

27,100,000 (June 30, 2024: 27,100,000) ordinary shares of Rs. 10/- each fully paid in cash	271,000	271,000
24,900,000 (June 30, 2024: 24,900,000) ordinary shares of Rs. 10/- each issued for consideration other than cash	249,000	249,000
48,000,000 (June 30, 2024: 48,000,000) fully paid bonus shares of Rs. 10/- each	480,000	480,000
	1,000,000	1,000,000

	March 31, 2025 (Unaudited) (Rupees in thousand)	June 30, 2024 (Audited)
11 LONG TERM FINANCING		
From banking companies and financial institutions - secured	1,024,214	1,014,392
Current portion shown under current liabilities	(455,246)	(431,977)
	<u>568,968</u>	<u>582,415</u>
12 LONG TERM DIMINISHING MUSHARAKA		
From banking companies and financial institutions - secured	51,530	190,561
Current portion shown under current liabilities	(51,530)	(190,561)
	<u>-</u>	<u>-</u>
13 CONTINGENCIES AND COMMITMENTS		
13.1 Contingent liabilities		
a) Letters of guarantee outstanding as at March 31, 2025 were Rs. 553.141 million (June 2024: Rs. 471.522 million).		
b) The deputy commissioner Inland Revenue, while adjudicating disallowed the claim of input tax against purchase of mild steel products that were utilized in fabrication and repair of machinery. The Company contested the claim before commissioner Inland Revenue (Appeals) who has also decided the case in favour of department. Being aggrieved, the Company has filed a reference before Honourable High Court Lahore which is still pending for adjudication.		
c) Other contingencies are not materially different from those as disclosed in preceding annual financial statements for the year ended June 30, 2024.		
13.2 Commitments		
Commitments as on March 31, 2025 were as follows:		
a) Against letters of credit amounting to Rs. 2,188.876 million (June 30, 2024: Rs. 1,479.252 million).		
b) Against purchase of land amounting to Rs. 1.639 million (June 30, 2024: Rs. 79.139 million).		
c) Against purchase of Plant and Machinery to Rs. 598 million (June 30, 2024: Nil).		

----- (Unaudited) -----

Nine months ended
March 31,Quarter ended
March 31,

2025

2024

2025

2024

----- (Rupees in thousand) -----

14 COST OF SALES

Raw materials consumed	8,385,511	6,944,126	2,965,313	1,659,100
------------------------	-----------	-----------	-----------	-----------

Other overheads:

Salaries, wages and other benefits	783,886	679,131	265,501	225,147
Stores, spares and consumables	375,569	332,649	133,875	125,991
Packing materials consumed	198,204	185,767	74,304	52,472
Fuel and power	6,288,685	5,825,919	2,311,674	1,846,878
Repair and maintenance	49,296	60,437	15,057	23,942
Rent, rates and taxes	13,689	4,698	4,773	1,548
Insurance	14,637	13,746	4,053	4,935
Depreciation	549,702	470,868	189,924	167,077
Vehicle running expenses	21,740	21,457	6,747	6,343
Telephone, telex and postage	981	841	353	261
Printing and stationery	109	61	63	18
Provision for slow moving stores & spares	13,500	13,500	13,500	4,500
Other expenses	7,281	5,416	3,206	1,513
	8,317,279	7,614,490	3,023,030	2,460,625

Opening work in process	82,822	75,529	89,118	71,602
Closing work in process	(91,113)	(91,167)	(91,113)	(91,167)
	(8,291)	(15,638)	(1,995)	(19,565)

Cost of goods manufactured	16,694,499	14,542,978	5,986,348	4,100,160
----------------------------	------------	------------	-----------	-----------

Cost of stores traded	254,206	-	-	-
-----------------------	---------	---	---	---

Opening stock of finished goods	1,208,684	1,073,329	1,511,071	1,773,106
Closing stock of finished goods	(1,554,636)	(1,338,841)	(1,554,636)	(1,338,841)
	(345,952)	(265,512)	(43,565)	434,265
	16,602,753	14,277,466	5,942,783	4,534,425

----- (Unaudited) -----			
Nine months ended		Quarter ended	
March 31,		March 31,	
2025	2024	2025	2024
----- (Rupees in thousand) -----			

15 EARNINGS PER SHARE - BASIC AND DILUTED

Profit / (loss) after taxation - (Rs. in thousand)	919,490	977,048	305,189	282,750
Weighted average number of ordinary shares - (in thousand)	100,000	100,000	100,000	100,000
Earnings per share - basic and diluted - (Rs.)	9.19	9.77	3.05	2.83

16 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise group companies, other associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings are given as under:

----- (Unaudited) -----			
Nine months ended		Quarter ended	
March 31,		March 31,	
2025	2024	2025	2024
----- (Rupees in thousand) -----			

Transaction with:

Relationship with the Company Nature of transaction

Subsidiary Company

ICL Power (Pvt) Ltd	Investment Made	-	1,000	-	1,000
	Against right issue	990,118	8,432	503,118	8,432
	Loan given	245,882	-	245,882	-
	Interest Charged	1,461	-	1,461	-

Associated Company

Ittehad Developers	Loan Obtained	130,000	100,000	-	100,000
	Loan Repaid	(120,000)		(120,000)	

Other related party

Chemi Multifabrics Ltd	Marketing services charges	94,396	85,021	32,990	27,456
Chemitex industries Ltd	Purchase of Vehicle	-	3,053	-	-
Retirement benefit plans	Contribution to staff retirement benefit plans	652	665	213	292
Key Management Personnel	Remuneration and other benefits	96,229	88,126	45,981	31,341

		March 31, 2025 (Unaudited) (Rupees in thousand)	June 30, 2024 (Audited)
Period / year end balances:			
Relationship with the Company	Nature of outstanding balances		
Chemi Multifabrics Ltd	Trade and other payables	51,823	25,814
ICL Power (Pvt) Ltd	Short Term borrowing	247,343	-
Ittehad Developers	Short Term borrowing	110,000	100,000

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

There were no financial instruments held by the Company which are measured at fair value as of March 31, 2025 and June 30, 2024.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the year.

18 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

This condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended June 30, 2024.

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2024.

19 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

20 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on April 23, 2025 by the Board of Directors of the Company.

21 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no significant adjusting or non adjusting event after the reporting date requiring adjustment or disclosure in the consolidated financial statement.

22 GENERAL

Amounts have been rounded off to the nearest rupees in thousand unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



Registered Office/Head Office:
39-Empress Road, Lahore, Pakistan.
Tel: +92 42 36306586 - 88, Fax: +92 42 36365697

Factory:
G.T. Road, Kala Shah Kaku,
District Sheikhpura, Pakistan.
Tel: +92 42 37950222 - 25, Fax: +92 42 37950206