



(Unaudited)
**Quarterly
Report**
September 2012



NIMIR INDUSTRIAL CHEMICALS LIMITED

Company Information

Board of Directors

Mr. Abdul Jalil Jamil - Chairman
Mr. Zafar Mahmood - Chief Executive Officer
Mr. Khalid Mumtaz Qazi
Mr. Imran Afzal
Mr. Umar Iqbal
Mr. Aamir Jamil
Mr. Sh. Amar Hameed
Mr. Saeed-uz-Zaman

Mr. Abdul Jaleel Shaikh
(Nominee Pak Brunei Investment
Company Limited)
Mr. Khalid Siddiq Tirmizey
(Nominee The Bank of Punjab)

Audit Committee

Mr. Abdul Jalil Jamil - Chairman
Mr. Saeed-uz-Zaman
Mr. Imran Afzal
Mr. Abdul Jaleel Shaikh

Human Resource & Remuneration Committee

Mr. Abdul Jalil Jamil - Chairman
Mr. Saeed-uz-Zaman
Mr. Zafar Mahmood

Chief Financial Officer

Mr. Aamir Jamil

Company Secretary

Mr. Muhammad Inam-ur-Rahim

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisor

Cornelius, Lane & Mufti
Advocates & Solicitors

Bankers

The Bank of Punjab
National Bank of Pakistan
Pak Brunei Investment Company Limited
MCB Bank Limited
Habib Bank Limited

Shares' Registrar

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

Registered Office / Factory

14.8 km., Sheikhpura-Faisalabad Road,
Mouza Bhikhi, District Sheikhpura.
Ph: +92 56 3883001-7

Cell: +92 301-8483950
Fax: +92 56 3883010

Lahore Office

12-B, New Muslim Town,
Lahore, Pakistan
Ph: +92 42 35926090-3
Fax: +92 42 35926099

Web Site

www.nimir.com.pk

Directors' Report

The Directors' are pleased to present quarterly report along with unaudited financial statements of the Company for the quarter ended 30 September 2012.

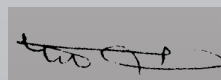
The performance of your Company during current quarter under review shows continuous improvement in the operating results over the corresponding period last year.

During the current quarter net sales increased from Rs. 648 million to Rs. 694 million showing a growth of 7% over the corresponding period last year. With increased sale the Company posted gross profit of Rs. 93 million and operating profit of Rs. 60 million during first quarter of current financial year. As a result, the company earned net profit of Rs. 25 million during the year. This helped the Company to achieve earning per share of Rs. 0.11 in the first quarter of current financial year.

Despite the various challenges faced by the business environment in Pakistan, the persistent financial results of your Company demonstrate the commitment of the management to run the affairs of the Company in more effective and efficient mode. This has further strengthened the share value of the Company.

For and on behalf of the Board

Sheikhupura
October 22, 2012

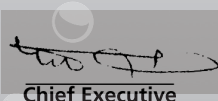

Chief Executive

Condensed Interim Balance Sheet

As At 30 September 2012

	Note	Unaudited 30 September 2012	Audited 30 June 2012
(Rupees in thousands)			
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	931,935	947,829
Capital work in progress		124,119	106,024
		1,056,054	1,053,853
Long term deposits		13,690	13,690
Deferred tax asset		145,362	145,362
CURRENT ASSETS			
Stores, spares and loose tools		68,287	43,377
Stock in trade		161,386	163,176
Trade debts		382,117	312,112
Loans and advances		39,211	11,340
Trade deposits and short term prepayments		3,084	5,608
Other receivables		11,515	7,037
Tax refund due from Government		114,848	138,350
Cash and bank balances		24,872	71,140
		805,320	752,140
TOTAL ASSETS		2,020,426	1,965,045
EQUITY AND LIABILITIES			
Authorized Capital			
290,000,000 (June 30, 2012: 290,000,000)		1,450,000	1,450,000
Ordinary Shares of Rs. 5/- each (June 30, 2012: Rs. 5/- each)			
Issued, subscribed and paid up capital			
221,181,093 (June 30, 2012: 221,181,093)		1,105,905	1,105,905
Ordinary Shares of Rs. 5/- each (June 30, 2012: Rs. 5/- each)			
Unappropriated profit		56,814	31,459
		1,162,719	1,137,364
NON CURRENT LIABILITIES			
Long term loans		179,667	196,000
Liabilities against assets subject to finance lease		4,427	4,840
Deferred Liabilities - Staff retirement benefits		31,601	30,000
CURRENT LIABILITIES			
Trade and other payable		127,482	133,128
Mark up accrued		8,470	5,109
Unclaimed dividend		688	688
Short term borrowings		405,179	360,810
Current maturity of long term loans		65,333	65,333
Current maturity of liabilities against assets subject to finance lease		3,251	3,635
Provision for taxation		31,609	28,138
		642,012	596,841
Contingencies and commitments	6	-	-
TOTAL EQUITY AND LIABILITIES		2,020,426	1,965,045

The annexed notes from 1 to 9 form an integral part to this condensed interim financial information.



 Chief Executive




 Director

Condensed Interim Profit & Loss Account (Un-audited)


For The Quarter Ended 30 September 2012

	Note	July to September 2012	July to September 2011
(Rupees in thousands)			
Sales - Net	7	694,171	647,982
Cost of sales	8	(601,602)	(553,888)
Gross profit		92,569	94,094
Distribution costs		(18,630)	(15,612)
Administrative expenses		(14,110)	(10,258)
Operating profit		59,829	68,224
Other expenses		(2,136)	(2,204)
Other income		866	3,214
Finance costs		(28,478)	(35,484)
Foreign exchange loss		(1,255)	(2,889)
Profit before taxation		28,826	30,861
Taxation		(3,471)	(6,480)
Profit after taxation		25,355	24,381
Earnings per share - Basic and diluted		0.11	0.11

The annexed notes from 1 to 9 form an integral part to this condensed interim financial information.



Chief Executive



Director

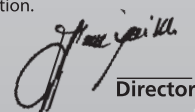
Condensed Interim Statement of Cash Flow (Un-audited)

For The Quarter Ended 30 September 2012

	July to September 2012	July to September 2011
	(Rupees in thousands)	
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation	28,826	30,861
Adjustment for :		
Depreciation	18,588	17,328
Loss / (Gain) on disposal of property, plant and equipment	(98)	-
Finance costs	28,478	35,484
Foreign exchange loss on foreign liabilities	1,255	2,889
Provision for gratuity	1,600	1,800
	49,823	57,501
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	78,649	88,362
Decrease / (Increase) in current assets		
Stores, spares and loose tools	(24,909)	958
Stock in trade	1,790	68,107
Trade debts	(70,005)	(28,296)
Loans and advances	(27,871)	(16,918)
Trade deposits and short term prepayments	2,524	30
Other receivables	(4,478)	1,126
Taxation receivable	23,501	12,768
	(99,448)	37,775
(Decrease) / Increase in current liabilities		
Trade and other payable	(6,899)	(61,792)
CASH GENERATED FROM OPERATIONS	(27,698)	64,345
Gratuity paid	-	(5,211)
Finance costs paid	(25,117)	(32,017)
Tax paid	-	(7,003)
	(25,117)	(44,231)
NET CASH GENERATED FROM OPERATING ACTIVITIES	(52,815)	20,114
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,694)	(2,117)
Addition to capital work in progress	(18,096)	(3,453)
Sale proceeds of property, plant and equipment	98	-
Long term deposits	-	(921)
NET CASH GENERATED FROM/ (USED IN) INVESTING ACTIVITIES	(20,692)	(6,491)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term Loans paid	(16,333)	-
Repayment of liabilities against assets subject to finance lease	(797)	(153)
Short term borrowings	44,370	(18,169)
NET CASH USED IN FINANCING ACTIVITIES	27,239	(18,322)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(46,268)	(4,699)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	71,140	28,909
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	24,872	24,210

The annexed notes from 1 to 9 form an integral part to this condensed interim financial information.


Chief Executive



Director

Condensed Interim Statement of Changes in Equity (Un-audited)

For The Quarter Ended 30 September 2012

	Share Capital	Accumulated Loss	Total
(Rupees in thousands)			
Balance as on 30 June 2011	1,105,905	(200,032)	905,873
Profit for the quarter	–	24,381	24,381
Balance as on 30 September 2011	1,105,905	(175,651)	930,254
Profit for the period	–	207,110	207,110
Balance as on 30 June 2012	1,105,905	31,459	1,137,364
Total comprehensive income for the period	–	25,355	25,355
Balance as on 30 September 2012	1,105,905	56,814	1,162,719

The annexed notes from 1 to 9 form an integral part to this condensed interim financial information.



Chief Executive



Director

Notes to the Condensed Interim Financial Information (Un-audited)

For The Quarter Ended 30 September 2012

1. THE COMPANY AND ITS OPERATIONS

The Company is incorporated in Pakistan as public limited Company and its shares are listed on Karachi and Lahore stock exchanges. The Company started its commercial operation on 1st January 2000. The registered office of the Company is situated at 14.8 KM, Sheikhpura-Faisalabad Road, Bhikhi, District Sheikhpura, Pakistan. The Company is engaged in manufacturing and sale of chemicals products.

2. BASIS OF PREPARATION

2.1 This condensed interim financial information has been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan.

2.2 The condensed interim financial information does 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 2012.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these interim condensed financial statements are consistent with those applied in the preparation of the preceding annual published financial statements of the company for the year ended 30 June 2012.

4. TAXATION

Provision for taxation is estimated and these are subject to final adjustments in the annual audited financial statements.

5. ADDITIONS / DISPOSALS IN PROPERTY, PLANT AND EQUIPMENTS - AT COST

Followings are the additions and disposals in the fixed assets made during the quarter ended 30 September 2012:

	Additions Rupees in thousands	Disposals Rupees in thousands
Office & factory equipments	387	-
Computers	313	-
Furniture	143	-
Vehicles	1,850	500
	<u>2,694</u>	<u>500</u>

6. CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies since the last audited published financial statements. The Company has made commitments in respect of letters of credit established for the import of raw materials and spare parts amounting to Rs. 84.56 million (30 June 2012: Rs. 66 million) and commitments in respect of letter of guarantee given to SNGPL & Customs amounting to Rs. 85.76 million (30 June 2012: Rs. 65.68 million).

7. SALES

Quarter ended
30 September 2012 **30 September 2011**
(Rupees in thousands)

Gross Sales	808,642	752,795
Less: Discount	3,000	1,000
Sales Tax	111,471	103,813
	114,471	104,813
Net Sales	<u>694,171</u>	<u>647,982</u>

8. COST OF SALES

Opening stock of finished goods	77,646	55,945
Cost of goods manufactured	603,304	588,275
	680,950	644,220
Less: Closing stock of finished goods	79,348	90,332
	<u>601,602</u>	<u>553,888</u>


9. GENERAL

9.1 This interim condensed financial information was authorized for issue on 22 October 2012 by the Board of Directors of the Company.

9.2 The figures have been rounded off to the nearest thousand of Rupees.



Chief Executive



Director

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