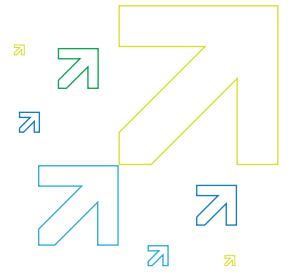


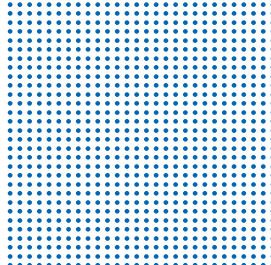
CONTENTS





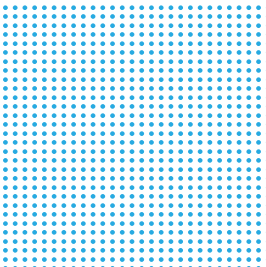
02
COMPANY
INFORMATION

03
VISION
AND MISSION
STATEMENT



04
CHAIRMAN'S
MESSAGE

05
CEO'S
MESSAGE



06
PROFILE OF
DIRECTORS

10
OUR
PERFORMANCE

12
HORIZONTAL
AND VERTICAL
ANALYSIS

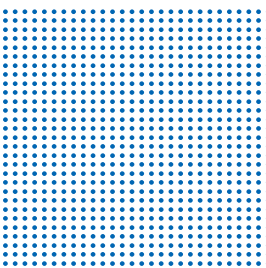
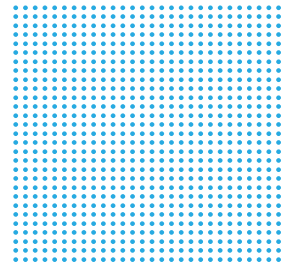
14
KEY
OPERATING &
FINANCIAL DATA
FOR LAST
SIX YEARS

16
DIRECTORS'
REPORT

19
STATEMENT
OF
COMPLIANCE

22
REVIEW
REPORT
FROM
AUDITORS

23
AUDITORS
REPORT



24
FINANCIAL
STATEMENTS

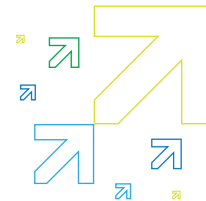
52
PATTERN OF
SHAREHOLDING

55
STATEMENT
PURSUANT TO
SECTION 218

56
NOTICE OF
ANNUAL
GENERAL
MEETING



COMPANY INFORMATION



Board of Directors

Mr. Abdul Jalil Jamil - Chairman
Mr. Zafar Mahmood - Chief Executive Officer
Mr. Khalid Mumtaz Qazi
Mr. Umar Iqbal
Mr. Muhammad Sarwar Khawaja
Sh. Amar Hameed
Mr. Saeed-uz-Zaman
Mr. Muhammad Yahya Khan
Mr. Khalid Siddiq Tirmizey
(Nominee, The Bank of Punjab)
Mr. Abdul Jaleel Shaikh
(Nominee, Pak Brunei Investment Co. Ltd.)

Chief Financial Officer

Mr. Aamir Jamil

Company Secretary

Mr. Muhammad Inam-ur-Rahim

Internal Auditor

Mr. Arshad Mahmood

Audit Committee

Mr. Muhammad Sarwar Khawaja - Chairman
Mr. Saeed-uz-Zaman
Mr. Abdul Jaleel Shaikh

Human Resource & Remuneration Committee

Mr. Saeed-uz-Zaman - Chairman
Sh. Amar Hameed
Mr. Zafar Mahmood

External Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisor

Cornelius, Lane & Mufti
Advocates & Solicitors

Shares' Registrar

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

Bankers

The Bank of Punjab
Habib Bank Limited
Standard Chartered Bank (Pakistan) Limited
Al Baraka Bank (Pakistan) Limited
Samba Bank Limited
Pak Brunei Investment Company Limited
National Bank of Pakistan

Registered Office / Factory

14.8 km., Sheikhpura-Faisalabad Road,
Bhikhi, District Sheikhpura, Pakistan.
Tel: +92 56 3883001-7
Fax: +92 56 3883010
Cell: +92 301-8221151, 301-8483950

Lahore Office

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

Web Site

www.nimir.com.pk

OUR VISION & MISSION

Our Vision

To become an industry leader through a persistent commitment to customer focus, technical innovation, managerial excellence, entrepreneurial spirit and social responsibility.

Our Mission

To deliver unparalleled value to stakeholders and continually striving to exceed customer expectations by developing innovative industrial chemical solutions with special emphasis on workforce, health, safety, environment and contribution to the national economic development.

CHAIRMAN'S MESSAGE



While the global economic trend has been stable, the Pakistan economic indicators have been positive. Despite the fact that the country has faced numerous challenges in recent years, all macroeconomic indicators have been showing an upward trend, which has been reflected by a higher GDP along with positive reports about our economy from the World Bank and IMF. The Economist and other reports have forecast that Pakistan is ripe with opportunities for development and growth.

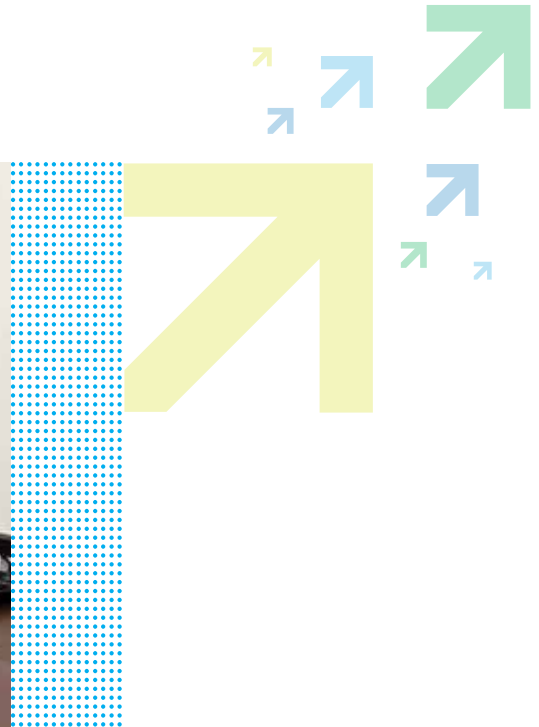
Nimir Industrial Chemicals Limited has been a pioneer in the unexplored chemical sector in Pakistan. Nimir has established itself as a dynamic frontline industry, serving as an all-encompassing chemical business and thus contributing to the establishment of an affluent Pakistani chemical industry, producing high quality products and services for our customers. Nimir has always been a leader in its field, and continues to expand and continually value add to its product range, having recently completed an expansion, with the addition of soap manufacturing, giving the company an A to Z facility. These developments, plus our many other successes, have ensured that

multinational FMCG companies with highest international standards continue to use our high-quality products. Insha Allah this progress will continue and we will be able to keep bringing the Pakistani market the latest and most competitive innovations in the chemical industry.

Nimir has built a reputation in the market for being affordable without sacrificing on quality. Our consumers associate our name with excellence in both value and service. We are very proud of our achievements to date and hope to continue our mission to bring the most advanced chemical solutions to customers and provide incomparable value to our stakeholders. This remarkable progress and milestone Nimir has achieved in a very short span of time is the result of unwavering confidence and support from our valued customers and all our stakeholders. With this support, our journey towards superiority and excellence will persist with the same strength and energy. We look forward to building a better future.

Abdul Jalil Jamil
Chairman

CEO's MESSAGE



I take great pride in saying that with the grace of Almighty, we have completed the expansion of the Oleo Chemicals plant which is now fully functioning and yielding optimum production from the last quarter of the year. In January 2015 we also commissioned a state-of-the-art soap finishing facility. With this facility we are now offering a “total solution” from noodles to finished soap bar to our respected customers, comprising mainly of large multinational FMCGs operating in Pakistan. Thus, we have added to our existing list of soap noodles, stearic acid, while simultaneously being the leading producer of prime quality glycerin, caustic soda and other related products.

This was an ambitious expansion plan which I hope will pay rich dividends to all our shareholders in the future. Unfortunately, due to the prevailing political and economic conditions in the country, coupled with the now constant energy crises, there was an initial slowdown in growth. However, with a determined focus of the team to overcome all challenges, and constantly looking at new ways

to overcome hurdles, Nimir Industrial Chemicals Limited overcame these negative trading conditions with flying colors. Revenue figures for the current year have been higher and positive despite the escalated borrowing and administration costs. Our focus has also been to try and mitigate the energy crises.

At NIMIR our first priority is to become a leader in our field. We will continue to aspire for bigger and better results and constant innovation and change.

Zafar Mahmood
Chief Executive Officer



PROFILE OF DIRECTORS



Abdul Jalil Jamil
Chairman

Abdul Jalil Jamil played an instrumental role in the establishment of Nimir group in Pakistan. He has thorough and in-depth knowledge of Pakistan's chemical market. He worked as CEO of Nimir's petrochemical unit and business heads of alkyd resin, oleo chemicals and chlor alkali business. Prior to Nimir, he worked as Director Operations for a global shipping company. He carries over forty years experience in commercial and management.



Zafar Mahmood
Chief Executive Officer

Zafar Mahmood is highly experienced professional engaged with Nimir since the Company started its operations. His track record suggests him as a result oriented professional with strong management, business and financial skills. Today, he stands with twenty five years of quality experience throughout in MNCs. He is a fellow of the Institute of Cost & Management Accountants of Pakistan since 1991. Zafar's association with Nimir group is well over 21 years old. He is serving as the Chief Executive Officer of the company since 2007. Since then, under his leadership, the Company's top line has been raised by five times with a healthier net profit.



Khalid Mumtaz Qazi
Director Finance

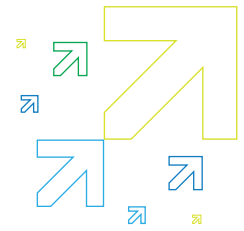
Khalid Mumtaz Qazi is engaged with the Company since its inception. He holds master degree in Business Administration. During his over twenty years stay with the company, he worked in various areas of finance, supply chain and administration of the company. Khalid played pivotal role in the financial restructuring and turnaround of the company. He is also responsible for supply chain of the company. He is well-connected person and has strong relationships with international and local banks.



Umar Iqbal
Director Technical

Umar Iqbal is also engaged with the Company since its inception. He is a chemical engineer with master degree in business administration. He has vast techno commercial experience. During his stay with the group, Umar worked in different areas of operations including Chief Operation Officer of Nimir Industrial Chemicals Limited. As Technical Director he is responsible for overall plant operations, quality control, research and development of the company. He also worked as Global HSE Advisor for the Nimir group.





Imran Afzal
Working Director (Sales & Marketing)

Imran Afzal, a business graduate and a lateral thinker, joined Nimir group in 2006. He has over twenty five years of experience in the field of sales and marketing and has a considerable exposure of working with leading brands. Imran has held various senior management positions in ICI Pakistan Limited and Monsanto Pakistan prior to joining Nimir. As Director Marketing of the company, he is responsible for developing the marketing strategy, delivering profit and building the distribution network.



Aamir Jamil
Working Director / Chief Financial Officer

Aamir Jamil holds professional degree in Accountancy and Finance. He has diversified experience of working in various disciplines of accountancy, financial planning and budgeting, financial forecasting and analysis, taxation, corporate affairs and information technology. His stay with the group lasts over twenty years. Aamir played an active role in his different assignments during association with group companies. Before joining Nimir Industrial Chemicals Limited, he worked for Siemens Pakistan.



Amar Hameed
Non-executive Director

Amar Hameed is pioneer in establishing Nimir group in Pakistan. He served as chief executive officer of all group companies in Pakistan before he was moved to group's head office. Based in Dubai Amar was leading the group chemicals business as group CEO. He left the group in 2011. Before joining Nimir group in 1989, he spent over ten years in banking, first with Fidelity Bank in London and then with National Commercial Bank in Saudi Arabia. After receiving a B.Sc. from the London school of economics he spent his early career with a Touché Ross and Whitbread London Ltd.



Saeed uz Zaman
Non-executive Director

Saeed-uz-Zaman holds a degree in Electrical Engineering from University of Engineering and Technology Lahore. He has extensive experience in senior management positions both in public and private sectors. Saeed served as CEO in different Nimir group companies for more than ten years. He retired from Nimir group in 2007. Before joining Nimir, he held various senior positions in SNGPL and his last position was Senior General Manager. He is well versed with chemical and energy sector.





Muhammad Sarwar Khawaja
Independent Director

Muhammad Sarwar Khawaja has over 45 years of accounting, law and tax administration experience. Sarwar has worked with Government of Pakistan in the revenue division for a period of thirty five years, during which he has held positions of acting chairman & member direct taxes FBR, member appellate tribunal (in-land revenue), director general inspection and audit FBR, regional / Chief commissioner in-land revenue and various other senior positions spanning from 1967 to 2001. He is presently working as consultant to various micro finance institutions and banks.



Muhammad Yahya Khan
Independent Director

Muhammad Yahya Khan is a businessman having sound experience of commodities trading and import/export. He has also experience of indenting. He is the Chief Executive of MYK (Pvt.) Limited, a Company engaged in the general commodities and other products trading, adding to his credentials is a hands on experience of the corporate agro farming and capital markets as investor. He is representing minority interest on the board of directors of the company.



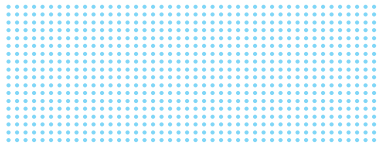
Khalid Siddiq Tirmizey
Nominee Director

Khalid Siddiq Tirmizey is associated with The Bank of Punjab (BOP) since 2008 and working as Deputy Chief Executive Officer. He completed his MBA degree in 1972 from IBA Karachi. He also holds a Masters degree in Economics from the University of Punjab. Khalid worked for PICIC from 1973 till 1979. He held various managerial positions in Pakistan and abroad with ANZ Grindlays Bank. He remained with Faysal Bank Limited from 2000 till 2008. He is a Chairman of Board of Directors of First Punjab Modaraba and a regular member of all BOD meetings of BOP. He is representing BOP on the boards of Pak Elektron Limited and Gharibwal Cement Limited.

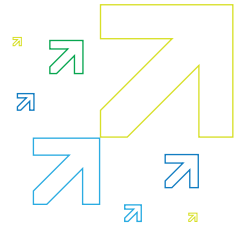


Abdul Jaleel Shaikh
Nominee Director

Abdul Jaleel Shaikh is Group Head with Pak Brunei Investment Company Karachi. He carries diversified experience in project management & civil engineering, corporate finance, credit administration, human resource management and general administration. Jaleel worked for ten years in Saudi Arabia before joining Saudi Pak Industrial & Agricultural Investment Company (SAPICO) where he remained twenty years and was a key member of the senior management team involved in all strategic business decisions. He represented SAPICO on the boards of Saudi Pak Commercial Bank, Saudi Pak Insurance Company, Fecto Cement Co. Ltd. and Japan Power Generation Co. Ltd.



ACCREDITATIONS



Sedex is a not for profit membership organisation dedicated to driving improvements in ethical and responsible business practices in global supply chains.



The Roundtable on Sustainable Palm Oil (RSPO) was established in 2004 with the objective of promoting the growth and use of sustainable oil palm products through credible global standards and engagement of stakeholders.



Good Manufacturing Practices (GMP) in accordance with ISO 22716 : 2007 - Guidelines for Cosmetics



ISO 9001:2008 Certification (Quality Management System)

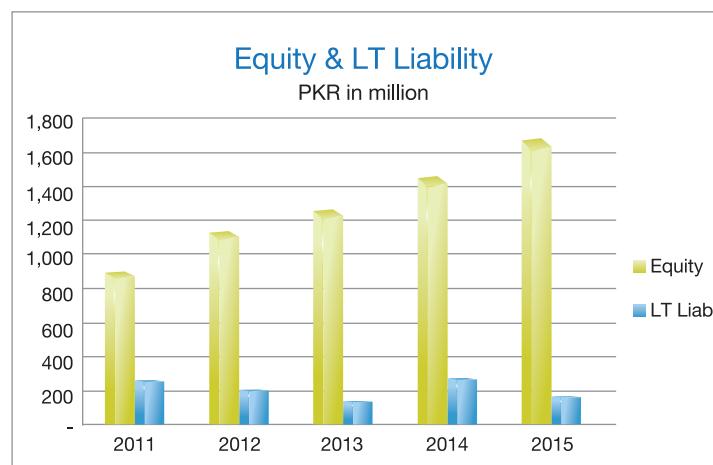
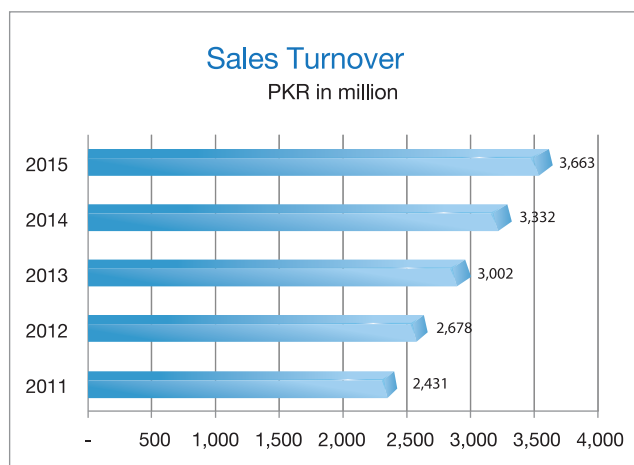
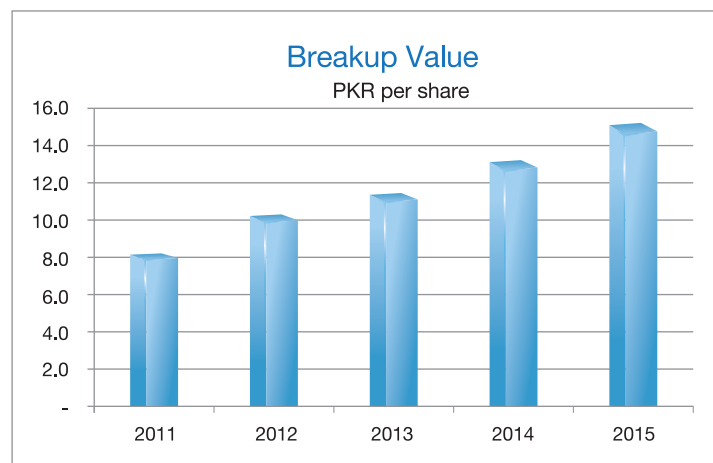
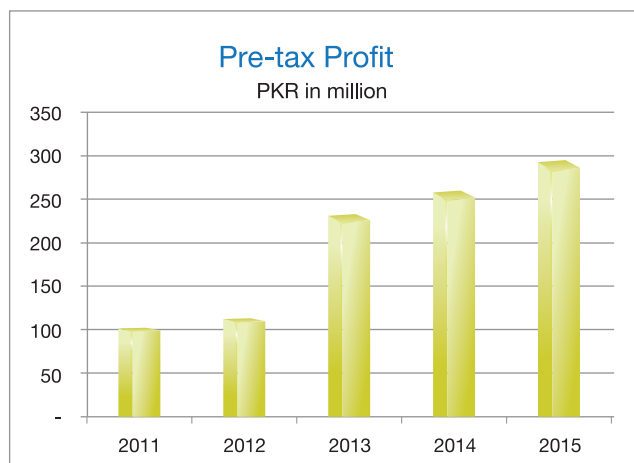


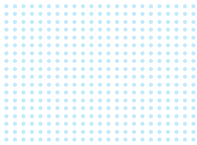
Certificate of Halal Authentication
شهادة المصادقة الحلال
مجلس البحوث الحلال



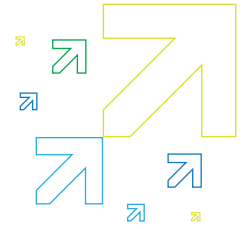
OUR PERFORMANCE

	2011	2012	2013	2014	2015
Rupees in millions					
Sales Turnover	2,431	2,678	3,002	3,332	3,663
Gross Profit	312	347	503	513	561
Pre-tax Profit	102	113	233	259	294
LT Liab	262	201	139	276	166
Equity	906	1,137	1,264	1,459	1,681
Number of Shares	111	111	111	111	111
Breakup value per share	8.2	10.3	11.4	13.2	15.2





WEALTH GENERATED AND DISTRIBUTED FOR THE YEAR ENDED JUNE 2015

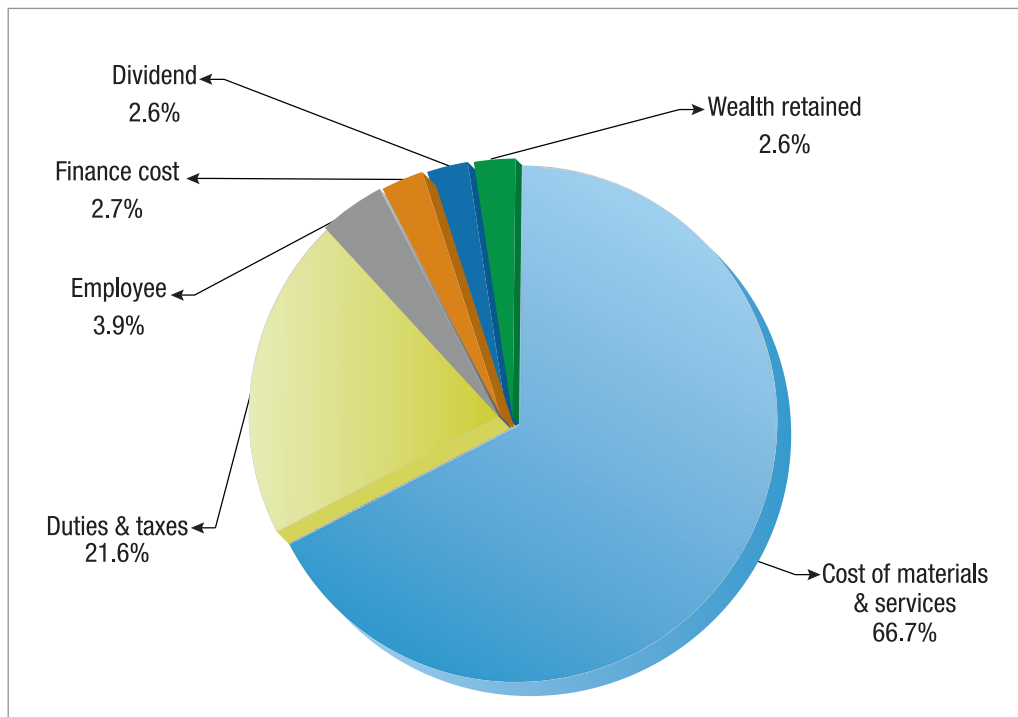


Wealth Generated

	Rs (million)	Percentage
Sales with sales tax	4,285	100%
Other operating profit	20	0%
	<hr/> 4,305	<hr/> 100%

Distribution of Wealth

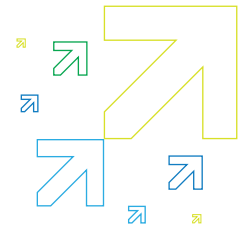
Cost of materials and services	2,872	66.7%
Duties and taxes	929	21.6%
Employee	168	3.9%
Finance cost	114	2.7%
Dividend	111	2.6%
Wealth retained	111	2.6%
	<hr/> 4,305	<hr/> 100.0%



HORIZONTAL & VERTICAL ANALYSIS

	2011	2012	2013	2014	2015
	Rupees in million				
BALANCE SHEET					
Non Current Assets	1,073	1,213	1,143	1,583	1,659
Current Assets	705	752	1,043	1,040	1,494
TOTAL ASSETS	1,778	1,965	2,186	2,623	3,153
Share Capital and Reserves	906	1,137	1,265	1,459	1,681
Non Current Liabilities	292	231	174	318	273
Current Liabilities	580	597	747	846	1,199
TOTAL EQUITY AND LIABILITIES	1,778	1,965	2,186	2,623	3,153
PROFIT & LOSS ACCOUNT					
Sales- Net	2,431	2,678	3,002	3,332	3,663
Cost of Sales	2,119	2,330	2,499	2,819	3,102
Gross Profit	312	348	503	513	561
Distribution & Administration Cost	111	106	137	145	149
Operating Profit	201	242	366	368	412
Other Expenses/ (Income)	0	0	26	25	4
Finance Cost	97	114	97	81	106
Foreign Exchange Loss	2	14	11	3	8
Remission of subordinated loan	711	-	-	-	-
Profit before Taxation	813	114	232	259	294
Taxation	26	(119)	105	65	72
Other Comprehensive Loss	-	-	1	0	0
Net Comprehensive income for the Year	787	233	126	194	222





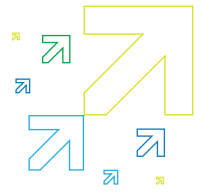
Horizontal Analysis					Vertical Analysis				
2011	2012	2013	2014	2015	2011	2012	2013	2014	2015
percentage change from last year					percentage				
(5.51)	13.00	(5.78)	38.52	4.79	60.36	61.72	52.30	60.36	52.61
26.20	6.68	38.61	(0.27)	43.69	39.64	38.28	47.70	39.64	47.39
4.95	10.49	11.21	20.01	20.21	100.00	100.00	100.00	100.00	100.00
661.79	25.55	11.19	15.37	15.19	50.94	57.88	57.87	55.63	53.31
(72.48)	(20.83)	(24.72)	82.72	(13.88)	16.40	11.75	7.95	12.11	8.67
12.58	2.73	25.15	13.29	41.66	32.67	30.37	34.18	32.26	38.02
4.95	10.49	11.21	20.01	20.21	100.00	100.00	100.00	100.00	100.00
39.50	10.14	12.13	10.97	9.96	100.00	100.00	100.00	100.00	100.00
35.66	9.96	7.26	12.79	10.07	87.16	87.02	83.24	84.61	84.69
72.68	11.35	44.78	1.94	9.35	12.84	12.98	16.76	15.39	15.31
20.42	(4.41)	29.24	5.86	2.65	4.56	3.96	4.56	4.35	4.06
126.92	20.03	51.60	0.48	11.99	8.28	9.02	12.20	11.04	11.25
(122.17)	77.78	32,542.50	(5.29)	(85.11)	0.00	0.00	0.87	0.74	0.10
87.51	17.95	(15.31)	(16.82)	31.98	3.99	4.27	3.23	2.42	2.90
(90.41)	523.70	(24.59)	(68.55)	131.24	0.09	0.53	0.36	0.10	0.21
-	(100.00)	-	-	-	29.25	-	-	-	-
5,941.37	(86.11)	105.92	11.50	13.49	33.44	4.22	7.74	7.78	8.04
193.48	(554.50)	(188.64)	(38.48)	12.13	1.07	(4.43)	3.50	1.94	1.98
-	-	-	(76.83)	(22.54)	-	-	0.04	0.01	0.01
17,123.90	(70.58)	(45.40)	53.81	13.99	32.37	8.65	4.20	5.83	6.05

KEY OPERATING & FINANCIAL DATA FOR LAST SIX YEARS

	2010	2011	2012	2013	2014	2015
	Rupees in million					
Net Sales	1,743	2,431	2,678	3,002	3,332	3,663
Gross Profit	181	312	348	503	513	561
Operating Profit	89	201	242	366	368	412
Profit / (Loss) before tax	13	813	113	233	259	294
Net Profit / (Loss) for the year	5	787	231	126	194	222
Paid-up Capital	1,106	1,106	1,106	1,106	1,106	1,106
Net Worth	119	906	1,137	1,265	1,459	1,681
Long Term Loans, Leases	1,060	262	201	139	276	166
Current Liabilities	516	607	597	747	846	1,199
Current Assets	559	731	752	1,043	1,040	1,494
Total Assets	1,695	1,778	1,965	2,185	2,623	3,153
Breakup value per share - Rupees	1.1	8.2	10.3	11.4	13.2	15.2
Earnings per share - Rupees	0.0	7.1	2.1	1.1	1.8	2.0
Current Ratio	1.08 : 1	1.2 : 1	1.26 : 1	1.4 : 1	1.23 : 1	1.25 : 1
Long Terms Debt to Equity Ratio	90 : 10	22 : 78	15 : 85	10 : 90	16 : 84	9 : 91
Interest Coverage Ratio	1.99	2.05	1.99	3.40	4.22	3.77



CORE BUSINESS AT A GLANCE



Distilled Fatty Acid / Oleo Chemicals

- Soap noodles
- Stearic Acid
- Glycerine



Soap Noodles (Palm Bright)

- Toilet soap



Stearic Acid (Double & Triple Press)

- Tyre and Rubber
- Textile Softener
- Metal Polishing
- Plastic
- Cosmetics
- Soap



Glycerine

- Pharmaceutical
- Alkyd Resin
- Tobacco
- Cosmetics



Caustic Soda

Sodium Hypochlorite

Hydrochloric Acid

- Textile Sector
- Cleaning & Bleaching
- Steel



Soap Bars

- Third party toilet soap finishing and packing facility

DIRECTORS' REPORT

The Board of Directors of the company is pleased to submit 22nd its Annual Report along with the audited financial statements for the year ended June 30th, 2015.

The first three quarters of the FY 2014-15 posed difficult trading conditions as well as energy shortages during the winter months. The situation, however improved in the last quarter of the year and positive growth was witnessed in the economic activities. Resultantly, the consumer off-take also improved. The sale turnover of Nimir Industrial Chemicals Limited followed the same trend and posted promising growth in revenue in the last quarter of the year ended June 30, 2015.

By the grace of Almighty, we completed the expansion of Oleo Chemicals plant. The plant was successfully commissioned in Sep 2014. However after addressing the initial teething problems, the new Oleo Chemicals plant was streamlined by the end of the third quarter and started yielding optimum production from the last quarter of the year.

The company also commissioned a new state of the art soap finishing facility in January 2015. With the facility, we are now offering total solution from noodles to finished toilet soap bar to our customers.

All the new additions in the production facilities are now fully compliant with Good Manufacturing Practices (GMP), and fulfill the stringent requirements of our customers; most of which are multinational FMCGs.

The results for the year are summarized as follows:

	2015	2014	Increase
	PKR Million		% age
Sales Revenue	3,663	3,332	10%
Gross Profit	561	513	9%
Pre-Tax Profit	294	259	14%
Profit after Tax	222	195	14%
Earnings per share (Rs.)	2.00	1.76	14%

Net sales revenue for the year was higher by 10% mainly on the back of higher Oleo chemicals volumes after expansion. With

this growth in sales the company posted gross profit of Rs. 561 million, pre-tax profit of Rs. 294 million, and after tax profit of Rs. 222 million showing an increase of 9%, 14% and 14% respectively year on year. Administration, selling and distribution expenditures remained under control. Financial cost however increased due to interest on additional borrowing for the expansion of the new plants. This helped the company to strengthen the breakup value of its share to Rs. 15.20 per share as of the year ended June 30, 2015 against Rs. 13.19 as of June 30, 2014, representing an increase of 14% year on year.

Besides expanding production facilities, your company is also focusing on ways to mitigate the energy crisis. During the year the company commissioned a coal fire boiler to cater to a major part of its steam requirement.

Future Outlook

To further mitigate the energy crisis and ensure the smooth operations, your company has decided to make further investments on alternate energy sources in the next financial year.

After expansion of the oleo chemicals plant and setting up new soap finishing facility, we are now focused on marketing and customer development. We will strive to utilize maximum plant capacities and are hopeful to post better financial results in the coming year, Insha Allah.

Summary of Key operating and financial data of last six financial years

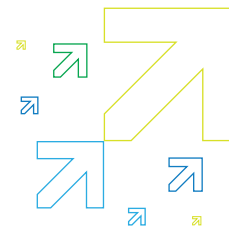
Summary of key operating and financial data of last six years is annexed.

Outstanding statutory payments

All outstanding payments are of nominal and routine nature.

Gratuity Scheme

The company operates an unfunded gratuity scheme for its employee as referred in Note 4.11 to the accounts.



Corporate Governance

As required under Code of Corporate Governance incorporated in the Listing Rules of the stock Exchanges in the country, the board of Directors are pleased to state as follows:

- The Financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no significant doubt upon the company ability to continue as a going concern.
- There has been no material departure from the best practices of the corporate governance, as detailed in the listing regulations.
- Key operating and financial data for the last 6 years is annexed.
- Outstanding taxes and levies are given in the notes to the financial statements

Directors' Attendance

During the year 2015, four board, four Audit Committee and one Remuneration Committee meetings were held. Attendance by each director was as follow:

Name of Director	Board of Directors Attendance	Audit Committee Attendance	HR & R Committee Attendance
Abdul Jalil Jamil	3		
Zafar Mahmood	4		1
Khalid Mumtaz Qazi	4		
Umar Iqbal	4		
Amar Hameed	3		1
Saeed-uz-Zaman	4	4	1
M. Sarwar Khawaja	4	4	
M. Yahya Khan	2		
Abdul Jaleel Shaikh	4	4	
Khalid SiddiqTirmizey	3		

Leaves of absence were granted to directors who could not attend some of the meetings.

Remuneration of CEO & Executive Directors

The board of director had approved the increase in remunerations of Chief Executive Officer and Executive Directors on the recommendations of Human Resource and Remuneration Committee. The discloser pursuant to Section 218 of the Companies Ordinance, 1984 is annexed.

The management of the Company is committed to good corporate governance, and appropriate steps are taken to comply with best practices.





Corporate Social Responsibilities

The Company recognizes its social responsibilities as a key member of the community. It is committed to contribute its resources for the better environment with an unprejudiced approach. Its safety, health and environmental (SHE) policies are geared towards unbiased betterment of employees and community.

The Company ensures environment friendly operations, products and services and promotes environmental awareness among its employee and the community. It inducts employees from the surrounding community and offer internships and apprenticeship opportunities to technical institutes. It also encourages visits by the students of different educational institutions and support needy children of the employees for studies to promote education in the country.

External Auditors

The present auditors M/s Ernst & Young Ford Rhodes Sidat Hyder and Company, Chartered Accountant, retiring this year, being eligible, have offered themselves for re-appointment. The audit committee has recommended the re-appointment of M/s Ernst & Young Ford Rhodes Sidat Hyder and Company, Chartered Accountant as external auditor of the Company for the year ending June 30, 2016.

Dividend / Bonus Shares

In the light of current year operating results and cash flow of the company the management has decided to declare a cash dividend of Rs. 1 per share for the year ended June 30, 2015 (2014: Nil).

This shall be subject to the approval of shareholders in their meeting scheduled on October 8, 2015.

Pattern of Shareholding

A pattern of shareholding of the Company is annexed. There was no trading in the shares of the Company by the Directors, Chief Executive, Chief Financial Officer, Company Secretary, Company Executive and their spouses and minor children during the year except those who are mentioned in the annexed statement required under code of Code of Corporate Governance (CCG)

Necessary returns in this respect filed with the regulatory authorities besides informing the Board and the stock exchanges of the said transactions as required under the Code of Corporate Governance.

Acknowledgment

We are thankful to our valued stakeholders including customers, banks, suppliers, contractors and shareholders, for their excellent support and confidence. We also thank to our employees for their focused dedication and hard work throughout this period.

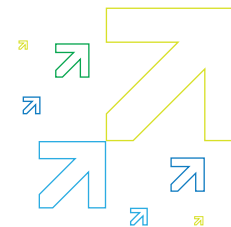
For and on behalf of the Board

**Lahore,
August 27, 2015**

**Zafar Mahmood
Chief Executive Officer**



STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2015



This statement is being presented to comply with the Code of Corporate Governance 2012 (CCG) contained in Regulation No.35 of listing regulations of Karachi Stock Exchange Limited and Lahore Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed Company is managed in compliance with the best practices of corporate governance.

Nimir Industrial Chemicals Limited (the “Company”) has applied the principles contained in the Code of Corporate Governance 2012 in the following manner:

1. The Company encourages representation of independent directors, non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Name	Category
Zafar Mahmood	Executive Director
Khalid Mumtaz Qazi	Executive Director
Umar Iqbal	Executive Director
Abdul Jalil Jamil	Non-Executive Director
Sh. Amar Hameed	Non-Executive Director
Saeed-uz-Zaman	Non-Executive Director
M. Sarwar Khawaja	Independent Director
M. Yahya Khan	Independent Director
Abdul Jaleel Shaikh	Nominee Director
Khalid Siddiq Trimizey	Nominee Director

The independent directors meets the criteria of independence under clause i (b) of the CCG

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of

any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy occurred during the year.
5. The Company has prepared a “Code of Conduct” and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
6. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer (CEO), other executive and non-executive directors, have been taken by the board/shareholders.
8. The meetings of the board were presided over by the Chairman and the board met at least once in every quarter. Written notices of the board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. No appointment of CFO, Company Secretary and Head of Internal Audit has been made during the year.
10. During the year, one executive director has completed his “Directors Training Program” in compliance with clause (xi) of the CCG.
11. The directors’ report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.

12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an Audit Committee. It comprises of 3 (Three) members, of whom 1 (One) is independent director, 1 (One) is non-executive director and 1 (One) is nominee director. The chairman of the committee is an independent director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company and as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.
17. The Board has formed a Human Resource and Remuneration Committee. It comprises of 3 (Three) members, of whom 2 (Two) are non-executive directors and 1 (One) is executive director. The chairman of the committee is a non-executive director.
18. The Board has set up an effective internal audit function, which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The "Closed Period", prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of Company's securities, was determined and intimated to directors, employees and stock exchange(s).
22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).
23. We confirm that other material principles enshrined in the CCG have been complied.

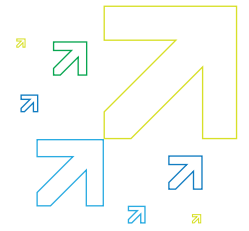
For and on behalf of the Board



Zafar Mahmood
Chief Executive Officer

Lahore,
August 27, 2015





FINANCIAL STATEMENTS



REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) for the year ended June 30, 2015 prepared by the Board of Directors of Nimir Industrial Chemicals Limited to comply with the Listing Regulation No. 35 of the Karachi Stock Exchange Limited and Lahore Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Director's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the board of directors for their review and approval of its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are

only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2015.



Chartered Accountants

Audit Engagement Partner: Mohammed Junaid

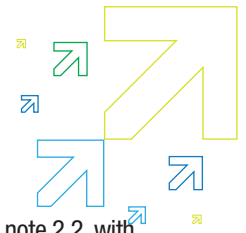
Lahore

August 27, 2015



AUDITORS' REPORT TO THE MEMBERS

FOR THE YEAR ENDED JUNE 30, 2015



We have audited the annexed balance sheet of Nimir Industrial Chemicals Limited (the Company) as at June 30, 2015 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - i. the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with accounting policies consistently

applied, except for changes referred to in note 2.2, with which we concur;

- ii. the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii. the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2015 and of the profit, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Chartered Accountants
Audit Engagement Partner: Mohammed Junaid

Lahore
August 27, 2015

BALANCE SHEET

	Note	2015 (Rupees)	2014 (Rupees)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital 145,000,000 (2014: 145,000,000) Ordinary shares of Rs. 10 each (2014: Rs. 10 each)	6	1,450,000,000	1,450,000,000
Issued, subscribed and paid up capital	7	1,105,905,460	1,105,905,460
Unappropriated profit		574,711,100	353,121,555
		1,680,616,560	1,459,027,015
NON CURRENT LIABILITIES			
Long term loans	8	93,750,000	196,583,310
Liabilities against assets subject to finance lease	9	72,005,702	79,754,084
Deferred liabilities - Employee benefits	10	48,493,178	41,194,711
Deferred Tax Liability	17	59,207,398	-
		273,456,278	317,532,105
CURRENT LIABILITIES			
Trade and other payables	11	213,202,119	238,174,455
Mark up accrued		11,989,038	12,757,047
Unclaimed dividend		687,266	687,266
Short term borrowings	12	850,438,784	452,098,206
Current maturity of long term loans	8	102,833,310	84,083,340
Current maturity of liabilities against assets subject to finance lease	9	17,937,506	16,429,985
Provision for taxation		1,657,258	41,961,123
		1,198,745,281	846,191,422
CONTINGENCIES AND COMMITMENTS	13	-	-
TOTAL EQUITY AND LIABILITIES		3,152,818,119	2,622,750,542

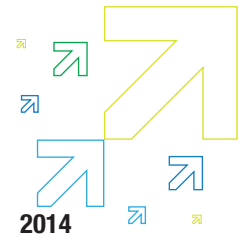
The annexed notes from 1 to 41 form an integral part of these financial statements.



Chief Executive Officer



AS AT JUNE 30, 2015



	Note	2015 (Rupees)	2014 (Rupees)
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	14	1,628,872,220	1,529,444,282
Intangible assets	15	995,445	1,408,462
Long term deposits	16	28,953,928	25,929,616
Deferred tax asset	17	—	26,259,196
		1,658,821,593	1,583,041,556
CURRENT ASSETS			
Stores, spares and loose tools	18	71,830,717	54,447,675
Stock in trade	19	758,413,596	517,668,865
Trade debts	20	482,312,500	240,294,157
Loans and advances	21	34,881,194	27,355,586
Trade deposits and short term prepayments	22	8,910,026	8,142,808
Other receivables	23	11,716,515	12,061,888
Tax refund due from government	24	111,971,081	117,551,082
Cash and bank balances	25	13,960,897	62,186,925
		1,493,996,526	1,039,708,986
TOTAL ASSETS		3,152,818,119	2,622,750,542


Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2015

	Note	2015 (Rupees)	2014 (Rupees)
Sales - net	26	3,663,499,323	3,331,794,080
Cost of sales	27	(3,102,622,031)	(2,818,865,839)
Gross profit		560,877,292	512,928,241
Distribution costs	28	(76,565,413)	(74,197,305)
Administrative expenses	29	(72,252,354)	(70,783,975)
Operating profit		412,059,525	367,946,961
Other expenses	30	(23,322,981)	(37,113,381)
Other income	31	19,640,754	12,381,448
Finance costs	32	(106,330,524)	(80,566,752)
Foreign exchange loss	33	(7,778,704)	(3,364,029)
Profit before taxation		294,268,070	259,284,247
Taxation	34	(72,488,860)	(64,649,400)
Profit after taxation		221,779,210	194,634,847
Other comprehensive loss			
Re-measurement losses on defined benefit plan	10	(189,665)	(243,995)
Total comprehensive income for the year		221,589,545	194,390,852
Earnings per share - basic and diluted	35	2.00	1.76

The annexed notes from 1 to 41 form an integral part of these financial statements.

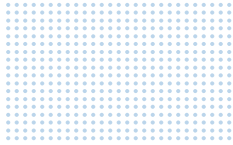


Chief Executive Officer

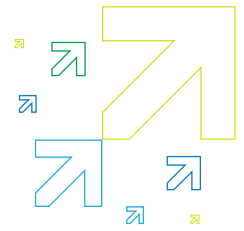


Director





STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2015



	Issued, Subscribed and Paid up Share Capital	Unappropriated Profit	Total
	(Rupees)	(Rupees)	(Rupees)
Balance as on July 1, 2013	1,105,905,465	158,730,698	1,264,636,163
Total comprehensive income for the year	–	194,390,852	194,390,852
Cancellation of one share arising due to consolidation	(5)	5	–
Balance as on June 30, 2014	1,105,905,460	353,121,555	1,459,027,015
Total comprehensive income for the year	–	221,589,545	221,589,545
Balance as on June 30, 2015	1,105,905,460	574,711,100	1,680,616,560

The annexed notes from 1 to 41 form an integral part of these financial statements.

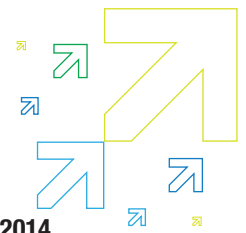
Chief Executive Officer

Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2015

	Note	2015 (Rupees)	2014 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before taxation		294,268,070	259,284,247
Adjustment for:			
Depreciation	14.4	118,732,028	114,684,857
Amortization	15	413,017	433,063
Finance cost	32	106,330,524	80,566,752
Provision for gratuity	10	9,860,682	7,407,514
Provision against stock written down to net realizable value	19	(37,891,724)	36,546,995
Provision against others	30	–	16,370,514
Reversal of provision against others	31	(13,598,057)	–
Charge / (reversal) of Impairment on property, plant and equipment	31	–	(9,302,449)
(Gain) / Loss on disposal of property, plant and equipment	31	(1,968,178)	147,795
		181,878,292	246,855,041
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES			
		476,146,362	506,139,288
(Increase) / decrease in current assets			
Stores, spares and loose tools		(17,383,042)	(9,215,858)
Stock in trade		(202,853,007)	(241,927,367)
Trade debts		(242,018,343)	269,944,551
Loans and advances		(7,525,608)	(8,886,632)
Trade deposits and short term prepayments		(767,218)	(2,637,877)
Other receivables		345,373	(3,111,613)
Tax refund due from government		42,083,354	(50,958,536)
		(428,118,491)	(46,793,332)
Increase/(decrease) in current liabilities			
Trade and other payables		(24,972,336)	70,506,038
		(453,090,827)	23,712,706
CASH GENERATED FROM OPERATIONS			
		23,055,535	529,851,994
Gratuity paid		(2,751,880)	(1,334,622)
Finance cost paid		(107,098,533)	(73,600,004)
Tax paid		(50,231,427)	(4,776,816)
		(160,081,840)	(79,711,442)
NET CASH (UTILIZED) / GENERATED FROM OPERATING ACTIVITIES - carried forward		(137,026,305)	450,140,552



	2015 (Rupees)	2014 (Rupees)
BALANCE BROUGHT FORWARD	(137,026,305)	450,140,552
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(220,133,346)	(571,427,011)
Sale proceeds from disposal of property, plant and equipment	3,941,558	3,816,554
Long term deposits	(3,024,312)	(10,092,074)
NET CASH USED IN INVESTING ACTIVITIES	(219,216,100)	(577,702,531)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan obtained	-	150,000,000
Long term loan repaid	(84,083,340)	(65,333,355)
Dividend paid	-	(450)
Repayment of liabilities against assets subject to finance lease	(16,896,571)	(5,731,049)
New leases acquired during the year	10,655,710	89,557,095
Short term borrowings	398,340,578	(34,879,210)
NET CASH GENERATED FROM FINANCING ACTIVITIES	308,016,377	133,613,031
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(48,226,028)	6,051,052
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	62,186,925	56,135,873
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	13,960,897	62,186,925

A

A Cash and cash equivalents include cash and bank balances as stated in Note 25.

The annexed notes from 1 to 41 form an integral part of these financial statements.

Chief Executive Officer

Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2015

1. THE COMPANY AND ITS OPERATIONS

Nimir Industrial Chemicals Limited (“the Company”) was incorporated in Pakistan on February 6, 1994 as a public limited Company under the Companies Ordinance, 1984 in Karachi and Lahore Stock Exchanges. The registered office of the Company is situated at 14.8 K.m., Sheikhupura- Faisalabad Road, Mouza Bhikhi, District Sheikhupura, Pakistan. The Company is engaged in manufacturing and sale of industrial chemical products.

2. STATEMENT OF COMPLIANCE

2.1 These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. Wherever, the requirement of the Companies Ordinance, 1984 or directive issued by the Securities and Exchange Commission of Pakistan (SECP) differ with the requirements of these standards, the requirements of Companies Ordinance, 1984 or the requirements of the said directives take precedence.

2.2 Standards, interpretations and amendments to published approved accounting standards effective in 2012

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as describe below:

New/Revised Standards, Interpretations and Amendments

The Company has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current year:

IAS 19 – Employee Benefits – (Amendment) - Defined Benefit Plans: Employee Contributions

IAS 32 – Financial Instruments: Presentation - (Amendment) - Offsetting Financial Assets and Financial Liabilities

IAS 36 – Impairment of Assets – (Amendment) - Recoverable Amount Disclosures for Non-Financial Assets

IAS 39 – Financial Instruments: Recognition and Measurement – (Amendment) (note 3 below)- Novation of Derivatives and Continuation of Hedge Accounting

IFRIC 21 – Levies Improvements to Accounting Standards Issued by the IASB

IFRS 2 – Share-based Payment - Definitions of vesting conditions

IFRS 3 – Business Combinations – Accounting for contingent consideration in a business combination

IFRS 3 – Business Combinations - Scope exceptions for joint ventures

IFRS 8 – Operating Segments – Aggregation of operating segments

IFRS 8 – Operating Segments - Reconciliation of the total of the reportable segments’ assets to the entity’s assets

IFRS 13 – Fair Value Measurement - Scope of paragraph 52 (portfolio exception)

IAS16 – Property, Plant and Equipment and IAS 38 Intangible Assets – Revaluation method – proportionate restatement of accumulated depreciation / amortisation

IAS 24 – Related Party Disclosures - Key management personnel

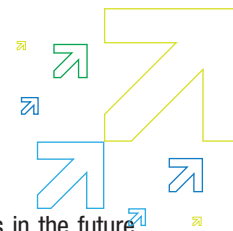
IAS40 – Investment Property - Interrelationship between IFRS 3 and IAS 40 (ancillary services)

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the financial statements.

3. BASIS OF PREPARATION

3.1 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost conversion except that certain employee benefits are recognized on the basis mention in note 5.10.



3.2 PRESENTATION CURRENCY

These financial statements are presented in Pak Rupee, which is the Company's functional currency. Figures have been rounded off to nearest of thousands of Rupees, unless otherwise stated

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on the historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

4.1 Defined benefit plans

The cost of defined benefit plan is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases and mortality rates. Due to the long term nature of this plan, such estimates are subject to significant uncertainty.

4.2 Provision for doubtful receivables

A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. These estimates and underlying assumptions are reviewed on an ongoing basis.

4.3 Useful life and residual values of property, plant and equipment

Estimates with respect to residual values, depreciable lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of the assets for possible impairments on an annual

basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment.

Other areas where estimates and judgments involved are disclosed in respective notes to the financial statements.

4.4 Provision for taxation

In making the estimates for income tax payable, the Company takes into account the applicable laws and the decisions by appellate authorities on certain issues in the past.

A deferred tax liability is recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax liabilities and assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied are consistent with prior year except as stated otherwise.

5.1 Property, plant and equipment

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any except land which stated at cost. Cost of property, plant and equipment consists of historical cost and directly attributable cost of bringing the assets to their present location and condition.

Depreciation is calculated using the straight line method at rates disclosed in note 14.1 which are considered appropriate to write off the cost of the assets over their useful lives.

Depreciation on additions is charged from the month in which an asset is acquired or capitalized while no depreciation is charged for the month in which the asset is disposed of.

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment is recognized in the income currently. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted for the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to income during the period in which they are incurred.

The gain or loss on disposal or retirement of an asset represents the difference between the sale proceeds and the carrying amount of the asset and is recognized as an income or expense in the period it relates.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal.

Capital work in progress

These are stated at cost less impairment loss, if any, including capitalization of borrowing costs. It consists of expenditures incurred and advances made in respect of fixed assets in the course of their construction and installation.

Leased Asset

Leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. At inception, finance leases are capitalized at the lower of present value of minimum lease payments under the lease agreements and the fair value of the assets.

The related rental obligations, net of finance cost,

are included in liabilities against assets subject to finance lease as referred to in note 9. The liabilities are classified as current and non-current depending upon the timing of the payment.

Each lease payment is allocated between the liability and finance cost so as to achieve a constant rate on the balance outstanding. The interest element of the rental is charged to profit over the lease term. The financial charges are calculated at the interest rates implicit in the lease and are charged to the profit and loss account.

Assets held under finance lease are stated at cost less accumulated depreciation and impairment loss, if any, at the rates and basis applicable to the Company owned assets.

5.2 Intangibles

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. The useful lives of intangible assets are measured to be finite. Intangible assets with finite lives are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and amortization method for an intangible asset with a finite life is reviewed at each financial period end. The amortization expense on intangible assets with finite lives is recognized in profit or loss in the expense category consistent with the function of the intangible asset.

Amortization on additions is charged from the month in which an asset is acquired or capitalized while no amortization is charged for the month in which the asset is disposed of.

5.3 Stocks

Stock in trade, stores, spares and loose tools are valued at lower of cost or net realizable value except those in transit, which are valued at invoice value including other charges, if any, incurred thereon. Basis of determining cost is as follows:

Raw and packing material	-	Weighted Average
Material in transit	-	Cost
Work in process	-	Cost
Finished goods	-	Weighted Average
Stores, spares and loose tools	-	Weighted Average





Items considered obsolete are carried at nil value.

Provision for obsolete and slow moving inventory is based on management estimates.

Net realizable value is determined on the basis of estimated selling price of the product in the ordinary course of business less costs of completion and costs necessary to be incurred in order to make the sale.

5.4 Trade debts

Trade debts are carried at invoice amount on transaction date less any estimate for doubtful receivable. Known bad debts are written off as and when identified.

5.5 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost.

For the purpose of cash flow statement, cash and cash equivalents comprise of cheques in hand, cash and bank balances.

5.6 Financial instruments

All the financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instruments. The Company derecognizes a financial asset or a portion of financial asset when, and only when, the Company loses control of the contractual rights that comprise the financial asset or portion of financial asset. While a financial liability or part of financial liability is derecognized from the balance sheet when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

All financial assets and financial liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently measured at fair value, amortised cost or cost, as the case may be.

Financial assets are investments, trade deposits, trade debts, loans and advances, other receivables, cash and bank balances. These are stated at their nominal values as reduced by the appropriate allowances for estimating irrecoverable amount.

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities are long term loans, short term running finance utilized under mark-up arrangements, creditors, liabilities against assets subject to finance lease, accrued and other liabilities. Mark-up bearing finances are recorded at the gross proceeds received. Other liabilities are stated at their nominal value.

5.7 Offsetting of financial assets and financial liabilities

A financial asset and financial liability is offset and the net amount is reported in the balance sheet if the Company has a legal enforceable right to set off the recognized amounts and intends either to settle on net basis or to realize the assets and settle the liabilities simultaneously.

5.8 Taxation

Current

Provision for the current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is provided in full using the balance sheet liability method on all temporary differences arising at the balance sheet date, between the tax bases of the assets and liabilities and their carrying values. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The carrying amounts of all deferred tax assets are reviewed at each balance sheet date and reduced to the extent, if it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized.

Deferred tax is calculated at the rates that are

expected to apply to the year when the differences reverse based on tax rates that have been enacted or substantially enacted by the balance sheet date.

5.9 Revenue recognition

Sale of goods - local

Revenue is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer.

Sale of goods - export

Revenue from export of goods is recognized at the time of issuance of bill of lading.

Profit on bank deposit

Profit earned on saving and deposit accounts is accrued on time proportion basis by reference to the principal outstanding at the applicable rate of return.

5.10 Staff retirement and termination benefits

The Company operates an unfunded gratuity benefits plan for all its employees. Under this plan, gratuity is paid to the retiring employees on the basis of their last drawn gross salary for each completed year of service

Projected unit credit method, based on the following significant assumptions, is used for valuation of the plan:

	2015	2014
Discount rate for interest cost in profit & loss charge	9.75%	12.25%
Discount rate for obligation	9.75%	13.25%
Expected rates of salary increase in future years	8.75%	12.25%
Retirement assumption	Age 60	Age 60

All actuarial gains and losses are recognized in 'Other Comprehensive Income' as they occur. The date of latest actuarial valuation is June 30, 2015.

5.11 Foreign currency translation

Foreign currency transactions are converted into rupees at the rates prevailing on the date of transactions. Monetary assets and liabilities in foreign currencies are translated into Pak rupees at the rates of exchange prevailing at the date of balance sheet.

Profits or losses arising on translation are recognized in the profit and loss account.

5.12 Borrowing costs

Borrowing costs are recognized as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use. Such borrowing costs are capitalized as part of the cost of the qualifying asset.

5.13 Pricing for related party transactions

All transactions with related parties and associated undertakings are entered into arm's length determined in accordance with comparable uncontrolled price method.

Parties are said to be related if they are able to influence the operating and financial decisions of the Company and vice versa.

5.14 Provisions

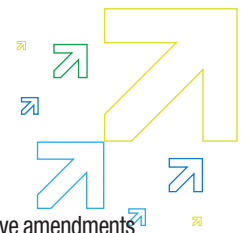
A provision is recognized in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation.

5.15 Trade and other payables

Creditors relating to trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

5.16 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decision. The management has determined that the Company has a single reportable segment as Board of Directors views the Company's operations as one reportable segment.



5.17 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning or after)
IFRS 10 – Consolidated Financial Statements	January 1, 2015
IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities (Amendment)	January 1, 2015
IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities: Applying the Consolidation Exception (Amendment)	January 1, 2016
IFRS 10 – Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	January 1, 2016
IFRS 11 – Joint Arrangements	January 1, 2015
IFRS 11 – Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)	January 1, 2016
IFRS 12 – Disclosure of Interests in Other Entities	January 1, 2015
IFRS 13 – Fair Value Measurement	January 1, 2015
IAS 1 – Presentation of Financial Statements - Disclosure Initiative (Amendment)	January 1, 2016
IAS 16 – Property, Plant and Equipment and IAS 38 – Intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)	January 1, 2016
IAS 16 – Property, Plant and Equipment IAS 41 – Agriculture - Agriculture: Bearer Plants (Amendment)	January 1, 2016
IAS 27 – Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment)	January 1, 2016

The Company expects that the adoption of the above amendments and interpretation of the standards will not affect the Company's financial statements in the period of initial application.

In addition to the above standards and interpretations, amendments to various accounting standards have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after January 1, 2016. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	IASB Effective date (annual periods Beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	January 1, 2018
IFRS 14 – Regulatory Deferral Accounts	January 1, 2016
IFRS 15 – Revenue from Contracts with Customers	January 1, 2018

6. AUTHORISED CAPITAL

The authorized share capital of the Company is 145,000,000 shares of Rs. 10 per share. (2014: 145,000,000 of face value Rs. 10 per share).

7. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2015	2014		2015	2014
No. of shares			(Rupees)	(Rupees)
18,875,000	18,875,000	Ordinary shares of Rs. 10 (2014 : Rs.10) each fully paid in cash	188,750,000	188,750,000
39,468,999	39,468,999	Ordinary shares of Rs.10 (2014: Rs. 10 each) originally of Rs.10 at a discount of Rs. 6 per share - paid in cash	394,689,990	394,689,990
12,433,950	12,433,950	Ordinary shares of Rs. 10 each (2014: Rs. 10 each) originally of Rs.10/- at a discount of Rs. 6 per share issued to the leasing companies and a bank to convert part of their finances into fully paid up shares.	124,339,500	124,339,500
39,812,597	39,812,597	Right issue of shares of Rs.10 (2014: Rs. 10) each offered at par	398,125,970	398,125,970
<u>110,590,546</u>	<u>110,590,546</u>		<u>1,105,905,460</u>	<u>1,105,905,460</u>

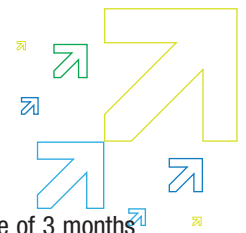
Nimir Resources (Private) Limited holds 62,670,647 ordinary shares of Rs.10 each, representing 56.7% (2014: 62,670,647 ordinary shares of Rs. 10 each, representing 56.7%) of the issued capital.

8. LONG TERM LOANS

	Note	2015	2014
		(Rupees)	(Rupees)
Syndicated term finance - secured	8.1	65,333,310	130,666,650
Term finance - secured	8.2	131,250,000	150,000,000
Less: Current maturity shown under current liabilities		(102,833,310)	(84,083,340)
		<u>93,750,000</u>	<u>196,583,310</u>

8.1 This represents syndicated term finance facility obtained from financial institutions carrying mark-up at the rate of 6 months KIBOR plus 250 bps per annum with no floor and no cap (2014: 6 months KIBOR plus 250 bps per annum with no floor and cap) and repayable over a period of five years. These facilities are secured against first pari - passu charge on the fixed assets of the Company for Rs. 268 million including land.





8.2 This represents term finance facility obtained from financial institution carrying mark-up at the rate of 3 months KIBOR plus 200 bps per annum (2014: 3 months KIBOR plus 225 bps per annum), to finance the expansion of manufacturing plant. The loan is repayable in 48 equal monthly installments and are secured against first pari - passu and mortgage charge over present & future moveable and immovable fixed assets of the Company with 25% margin.

9. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

The interest rates used as the discounting factor (i.e. implicit in the lease) is 3 months KIBOR plus 200 bps and 6 months KIBOR plus 275 bps (2014: 3 months KIBOR plus 225 bps and 6 months KIBOR plus 285 bps). The amount of future payments and the period during which they will become due are:

		2015	2014
		(Rupees)	(Rupees)
Year ending 30 June:	2015	–	25,928,425
	2016	25,313,736	23,953,471
	2017	26,597,448	25,066,422
	2018	24,454,865	22,398,543
	2019	27,009,218	24,914,290
		<u>103,375,267</u>	<u>122,261,151</u>
Less:	Future finance charges	(13,432,059)	(26,077,082)
		<u>89,943,208</u>	<u>96,184,069</u>
Less:	Current maturity shown under current liabilities	(17,937,506)	(16,429,985)
		<u>72,005,702</u>	<u>79,754,084</u>

9.1 The lease agreement has the option for purchase of asset at the end of the lease period. There are no financial restrictions in the lease agreement.

9.2 Minimum Lease Payments (MLP) and their Present Value (PV) are regrouped below:

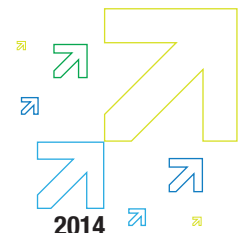
	2015		2014	
	MLP	PV of MLP	MLP	PV of MLP
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Due not later than 1 year	25,313,736	17,937,506	25,928,425	16,429,985
Due later than 1 year but not later than 5 years	78,061,531	72,005,702	96,332,726	79,754,084
	<u>103,375,267</u>	<u>89,943,208</u>	<u>122,261,151</u>	<u>96,184,069</u>

	<u>Note</u>	<u>2015</u> <u>(Rupees)</u>	<u>2014</u> <u>(Rupees)</u>
10. DEFERRED LIABILITIES			
Staff retirement benefits - gratuity	10.1	48,493,178	41,194,711
10.1	The amounts recognized in the balance sheet are as follows:		
	Present value of defined benefits obligation	48,493,178	40,994,681
	Add: Benefits due but not paid	–	200,030
		<u>48,493,178</u>	<u>41,194,711</u>
10.2	The amounts recognized in the profit & loss account are as follows:		
	Current service cost	4,397,917	3,745,342
	Interest cost on defined benefit obligation	5,262,735	3,662,172
	Expense recognized in the profit and loss account	<u>9,660,652</u>	<u>7,407,514</u>
10.3	The charge for the year has been allocated as follows:		
	Cost of sales	27.2 7,840,588	5,467,906
	Distribution costs	28.1 526,081	489,890
	Administrative expenses	29.1 1,293,983	1,449,718
		<u>9,660,652</u>	<u>7,407,514</u>
10.4	Movements in the net liability recognized in the balance sheet are as follows:		
	Net liabilities at the beginning of the year	41,194,711	34,877,824
	Expense recognized during the year	9,660,652	7,407,514
	Benefits paid	(2,751,880)	(1,334,622)
	Remeasurements charged to other comprehensive income	389,695	243,995
	Net liabilities at the end of the year	<u>48,493,178</u>	<u>41,194,711</u>
10.5	Movements in the present value of defined benefit obligation:		
	Present value of defined benefits obligation at the beginning of the year	40,994,681	34,877,824
	Current service cost	4,397,917	3,745,342
	Interest cost on defined benefit obligation	5,262,735	3,662,172
	Benefit due but not paid	–	(200,030)
	Benefits paid	(2,551,850)	(1,334,622)
	Remeasurement:		
	Experience adjustments	389,695	243,995
	Present value of defined benefits obligation as at 30 June	<u>48,493,178</u>	<u>40,994,681</u>

A quantitative sensitivity analysis for significant assumption as at June 30, 2015 on defined benefit obligation is as shown below:

<u>Sensitivity level</u>	<u>Assumption</u>	<u>Impact on defined benefit obligation</u>
+100 bps	Discount rate	44,807,855
–100 bps		52,752,387
+100 bps	Expected increase in salary	52,810,745
–100 bps		44,692,095

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.



11. TRADE AND OTHER PAYABLES

	Note	2015 (Rupees)	2014 (Rupees)
Creditors		113,003,143	136,819,746
Accrued liabilities		51,194,172	54,823,903
Security deposits	11.1	400,000	400,000
Advances from customers		11,312,779	16,295,322
Workers profit participation fund	11.2	15,803,946	14,628,751
Workers welfare fund		20,445,331	14,439,832
Withholding tax payable		660,047	380,215
Others		382,701	386,686
		213,202,119	238,174,455

11.1 These represents security deposits from distributors and transporters which, by virtue of agreement, are interest free, repayable on demand and are used in the normal course of business.

	2015 (Rupees)	2014 (Rupees)
11.2 Balance as at 1 July	14,628,751	12,480,422
Add: Provision for the year	15,803,946	13,925,040
Less: Payments made during the year	(14,628,751)	(11,776,711)
Balance as at 30 June	15,803,946	14,628,751

12. SHORT TERM BORROWINGS - SECURED

The aggregate facility of short term finances from commercial banks available at year end is Rs. 1,825 million (2014: Rs. 1,695 million). The rate of mark up ranges from 1 month KIBOR plus 5 bps per annum to 3 months and 6 months KIBOR plus 150 bps per annum with no floor and no cap (2014: 1 months KIBOR plus 30 bps per annum to 3 months and 6 months KIBOR plus 175 bps per annum with no floor and no cap) and is recoverable quarterly for utilized facility. The facilities are secured against 1st pari passu charge on the present and future, current and fixed assets of the Company, including land along with construction thereon and easements, amenities therewith.

The unutilized facility for opening letters of credit and bank guarantees as at June 30, 2015 amounts to Rs. 445 million (2014: Rs. 303 million) and Rs. 115 million (2014: Rs. 40.6 million), respectively.

13. CONTINGENCIES AND COMMITMENTS

13.1 CONTINGENCIES

The income tax authorities raised a tax demand of Rs. 206 million by treating the remission of loan as taxable income of Rs. 711 million for the tax year 2011. Appellate Tribunal Inland Revenue (ATIR) decided the case in favor of the Company. The Income Tax Department has filed an appeal in Honorable Lahore High Court against the decision. Pending the outcome of the department's appeal, no provision has been made in the financial statements for the demand raised by the Income Tax authorities, since the management of the Company based on the consultant opinion, is confident that the outcome of the appeal will be in the favor of the Company.

During the current year, the Income Tax Department has amended the Company's assessment relating to tax year 2009 under section 122(5A) of the Ordinance, disallowing certain expenses and a rejecting a refund amounting to Rs. 20 million against prior periods. The Company has filed an appeal before Commissioner Inland Revenue (Appeals) which is pending adjudication.

13.2 COMMITMENTS

Commitments in respect of letters of credit established for the import of plant and machinery, raw materials and spare parts amounting to Rs. 73 million (2014: Rs. 369 million) and commitments in respect of letter of guarantee given to SNGPL amounting to Rs. 95.9 million (2014: Rs. 95.9 million), letter of guarantees given to Customs amounting to Rs. Nil (2014: Rs. 69.5 million) and guarantees given to PSO is Rs. 5 million (2014: Nil).

	Note	2015 (Rupees)	2014 (Rupees)
14. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	14.1	1,503,129,843	918,797,268
Capital work in progress	14.5	125,742,377	610,647,014
		<u>1,628,872,220</u>	<u>1,529,444,282</u>

14.3 No asset were sold to the Chief Executive, Directors, Executives or Shareholders holding more than 10% of total paid-up capital.

14.4 Depreciation for the year has been allocated as under:

	Note	2015 (Rupees)	2014 (Rupees)
Cost of sales	27	111,236,439	107,125,273
Distribution costs	28	2,807,344	2,872,470
Administrative expenses	29	4,688,245	4,687,114
		<u>118,732,028</u>	<u>114,684,857</u>

	Note	2015			2014	
		OWNED		LEASED	Total (Rupees)	
		Building (Rupees)	Plant and machinery (Rupees)	Plant and machinery (Rupees)		
14.5 Capital work in progress				Total (Rupees)		
Opening balance		71,911,986	452,994,933	85,740,095	610,647,014	102,256,948
Additions during the year	14.5.1	22,790,926	170,049,305	8,810,210	201,650,441	548,117,559
		<u>94,702,912</u>	<u>623,044,238</u>	<u>94,550,305</u>	<u>812,297,455</u>	<u>650,374,507</u>
Transferred to fixed assets		(94,702,912)	(497,301,861)	(94,550,305)	(686,555,078)	(49,029,943)
Charge of impairment		-	-	-	-	9,302,450
		<u>-</u>	<u>125,742,377</u>	<u>-</u>	<u>125,742,377</u>	<u>610,647,014</u>

14.5.1 Plant and machinery includes borrowing cost capitalized during the year amounts to Rs. 4,695,781 (2014: Rs. 5,783,904). The Company mostly completed its process of expansion in December 2014. The expansion has been financed by a term finance and lease facility from the financial institutions.

14.1 Operating fixed assets

Particulars	C O S T			Rate %	D E P R E C I A T I O N			Net Book value As at June 30, 2015 (Rupees)
	As At July 1, 2014	Additions / (Disposals)	Transfer / Adjustment		As At June 30, 2015	Charge for the year	(Disposals)	
Owned		(Rupees)				(Rupees)		
Free hold land	23,390,420	4,862,817	-	-	-	-	-	28,253,237
Building on free hold Land	123,189,151	94,702,912	-	4-5	8,325,601	-	-	159,966,992
Plant and machinery	1,539,431,428	497,301,861	-	4-50	755,908,106	-	-	1,189,266,664
Furniture and fittings	3,825,006	328,759	-	10-33	2,776,725	-	-	921,216
		(13,800)	-		(5,995)	-	-	
Office and factory equipments	33,001,464	9,253,680	-	10-50	17,190,473	-	-	17,259,584
		(555,095)	-		(493,250)	-	-	
Vehicles	20,992,451	346,648	-	20	12,534,831	-	-	6,203,355
		(2,486,682)	-		(2,364,779)	-	-	
LEASED	1,743,829,920	606,796,677	-		838,019,605	-	-	1,400,861,048
		(3,055,577)	-		(2,864,024)	-	-	
Vehicles	20,924,600	3,691,000	-	20	7,937,647	-	-	10,567,045
		(1,845,500)	-		(63,673)	-	-	
Plant and machinery	20,924,600	94,550,306	-	4-5	7,937,647	-	-	102,268,795
		(1,845,500)	-		(63,673)	-	-	
2015	1,764,754,520	705,037,983	-		845,957,252	-	-	1,503,129,843
		(4,901,077)	-		(2,927,697)	-	-	

Particulars	C O S T			Rate %	D E P R E C I A T I O N			Net Book value As at June 30, 2014 (Rupees)
	As At July 1, 2013	Additions / (Disposals)	Transfer / Adjustment		As At June 30, 2014	Charge for the year	(Disposals)	
Owned		(Rupees)				(Rupees)		
Free hold land	13,686,516	9,703,904	-	-	-	-	-	23,390,420
Building on free hold Land	109,898,107	13,291,044	-	4-5	44,252,224	-	-	73,579,681
Plant and machinery	1,512,314,532	34,790,742	-	4-50	662,643,421	-	-	783,523,322
		(7,673,846)	-		(3,748,003)	-	-	
Furniture and fittings	3,674,793	275,763	-	10-33	2,482,249	-	-	1,046,281
		(125,550)	-		(119,746)	-	-	
Office and factory equipments	26,994,699	6,835,088	-	10-50	12,272,975	-	-	15,810,991
		(828,323)	-		(795,621)	-	-	
Vehicles	15,617,797	3,625,852	-	20	8,517,900	-	-	8,457,620
		(1,510,258)	-		(1,510,258)	-	-	
LEASED	1,682,186,444	68,522,393	-		730,168,769	-	-	905,810,315
		(10,137,977)	-		(6,173,628)	-	-	
Vehicles	20,366,660	3,817,000	-	20	7,277,254	-	-	12,986,953
		(3,259,060)	-		(3,259,059)	-	-	
2014	20,366,660	3,817,000	-		7,277,254	-	-	12,986,953
	1,702,553,104	72,339,393	-		737,446,023	-	-	918,797,268
		(10,137,977)	-		(6,173,628)	-	-	

14.2 Disposal of operating fixed assets:

Particulars	Cost	Accumulated Depreciation	Book Value	Sale Proceeds	Gain/(Loss)	Mode of Disposal	Particulars of Purchasers
Furniture and fittings	13,800	5,995	7,805	300	(7,505)	Negotiation	Piya scrape dealer
Office and factory equipment	555,095	493,250	*61,845	73,650	11,805	Negotiation	Various
Vehicles: Honda City LWP-8026	947,108	947,107	1	947,108	947,107	Insurance claim	Jubilee General Insurance
Honda City LWP- 1681	918,689	918,689	1	725,000	193,689	Tender	Mr. Mohsin Farooq, CNIC 35202-5457265-9, 192-D, Punjab Govt. Housing Society-Lhr.
Suzuki Bolan LED-8446	494,902	494,901	1	350,000	144,901	Tender	Mr. M. Akram, CNIC 35404-1550281-1, House# 2, Nabipura Street# 3, Hiran Minar-Skp.
Corolla Gill LE-14-897	1,971,482	67,755	1,903,727	1,845,500	(58,227)	Insurance claim	Jubilee General Insurance
Total	4,901,077	2,927,697	1,973,380	3,941,558	1,968,178		

* The net book value of individual asset within this class is below fifty thousand rupees.

15. INTANGIBLE ASSETS	Note	2015 (Rupees)	2014 (Rupees)
Software and licenses			
Cost:			
As at 1 July		2,166,500	2,166,500
Additions during the year		–	–
As at 30 June		<u>2,166,500</u>	<u>2,166,500</u>
Accumulated amortization:			
As at 1 July		(758,038)	(324,975)
Amortization during the year	29	(413,017)	(433,063)
As at 30 June		<u>(1,171,055)</u>	<u>(758,038)</u>
Net book value		<u>995,445</u>	<u>1,408,462</u>
Percentage of amortization		20%	20%

16. LONG TERM DEPOSITS

Security deposits			
Leasing companies and banks		14,538,086	13,417,974
Others	16.1	14,415,842	13,427,842
		<u>28,953,928</u>	<u>26,845,816</u>
Less: Current maturity	22	–	(916,200)
		<u>28,953,928</u>	<u>25,929,616</u>

16.1 It includes deposit amounting to Rs. 12.24 million (2014: Rs. 12.24 million) given to WAPDA for dedicated line.

17. DEFERRED TAX (LIABILITY) / ASSET	Note	2015 (Rupees)	2014 (Rupees)
This comprises of:			
Deferred tax liabilities on taxable temporary differences			
Accelerated tax depreciation		(247,820,611)	(196,321,583)
Deferred tax assets on deductible temporary differences			
Trade debts - provision for doubtful debts		6,391,389	6,473,888
Provision against stock		141,231	12,645,500
Provision against advance		461,560	461,561
Provision against other		2,151,917	6,639,274
Deferred and unpaid liabilities		22,749,708	18,591,624
Tax losses and minimum tax credit carried forward		156,717,408	177,768,932
		<u>(59,207,398)</u>	<u>26,259,196</u>

18. STORES, SPARES AND LOOSE TOOLS

Stores		11,620,576	7,309,647
Spares and loose tools		60,210,141	47,138,028
	18.1	<u>71,830,717</u>	<u>54,447,675</u>

18.1 Stores, spares and loose tools include in transit amounting Rs. 928,863 (2014: Rs. 3,425,050).





19. STOCK IN TRADE	Note	2015 (Rupees)	2014 (Rupees)
Raw and packing material			
In hand		108,000,870	154,129,062
In transit		383,814,519	276,275,049
		491,815,389	430,404,111
Finished goods		267,026,180	125,584,451
Provision for packing material		(427,973)	(1,772,702)
Provision against stock written down to net realizable value		–	(36,546,995)
		(427,973)	(38,319,697)
		<u>758,413,596</u>	<u>517,668,865</u>

20. TRADE DEBTS	Note	2015 (Rupees)	2014 (Rupees)
Unsecured- considered good		482,312,500	240,294,157
Considered doubtful		19,367,842	19,617,842
Provision for doubtful debtors	20.1	(19,367,842)	(19,617,842)
		–	–
		<u>482,312,500</u>	<u>240,294,157</u>

20.1 As at June 30, 2015, trade receivables amounting to Rs. 19.36 million (2014: Rs. 19.62 million) were impaired and fully provided for.

21. LOANS AND ADVANCES	Note	2015 (Rupees)	2014 (Rupees)
Considered good - unsecured			
Suppliers		28,762,238	23,668,442
Employees against business expenses		1,278,702	850,511
Employees against salary	21.1	4,840,254	2,836,633
		<u>34,881,194</u>	<u>27,355,586</u>

21.1 This includes advance given to executives amounting to Rs. 3.42 million (2014 : Rs 1.97 million).

22. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS	Note	2015 (Rupees)	2014 (Rupees)
Current maturity of security deposit	16	–	916,200
Security deposit		168,950	1,873,500
Prepayments		8,741,076	5,353,108
		<u>8,910,026</u>	<u>8,142,808</u>

23. OTHER RECEIVABLES	Note	2015 (Rupees)	2014 (Rupees)
Margin against bank guarantee		11,716,515	11,716,515
Markup accrued		–	345,373
		<u>11,716,515</u>	<u>12,061,888</u>

24. TAX REFUND DUE FROM GOVERNMENT	Note	2015 (Rupees)	2014 (Rupees)
Advance income tax		91,757,549	68,852,253
Sales tax	24.1	16,465,032	44,950,329
Federal excise duty refundable		3,748,500	3,748,500
		<u>111,971,081</u>	<u>117,551,082</u>

24.1 During the year, a special sales tax audit was conducted in which an amount of Rs. 13.59 million, provided in prior years has been reversed owing to the refunds orders issued by the department.

25. CASH AND BANK BALANCES	Note	2015 (Rupees)	2014 (Rupees)
Cash in hand		389,048	598,503
Cash at bank:			
Current accounts		13,518,186	46,718,024
Savings account	25.1	53,663	5,706,398
Term Deposit Certificate		-	9,164,000
		<u>13,960,897</u>	<u>62,186,925</u>

25.1 The balance in savings account bear mark-up at rate of 4.75% (2014: 7%) per annum.

26. SALES	Note	2015 (Rupees)	2014 (Rupees)
Gross sales			
Local sales		4,284,995,883	3,917,516,701
Less: Sales tax		(621,495,417)	(570,773,353)
		<u>3,663,500,466</u>	<u>3,346,743,348</u>
Less: Discount		(1,143)	(14,949,268)
Net sales		<u>3,663,499,323</u>	<u>3,331,794,080</u>

27. COST OF SALES	Note	2015	2014
Raw and packing material consumed	27.1	2,657,662,060	2,388,411,317
Salaries, wages and benefits	27.2	127,240,009	109,874,139
Depreciation	14.4	111,236,439	107,125,273
Fuel and power		259,634,704	143,677,931
Stores, spares and loose tools consumed		39,713,733	55,760,705
Repairs and maintenance		16,071,037	17,727,346
Traveling, conveyance and entertainment		15,510,003	16,555,186
Communications		919,770	845,155
Insurance		6,249,518	5,459,275
Printing and stationery		1,777,107	1,329,424
Provision against stock written down to net realizable value		-	36,546,995
Other expenses		8,049,380	6,296,839
		<u>3,244,063,760</u>	<u>2,889,609,585</u>
Add: Opening stock-finished goods		125,584,451	54,840,705
Less: Closing stock-finished goods		(267,026,180)	(125,584,451)
		<u>3,102,622,031</u>	<u>2,818,865,839</u>





	Note	2015 (Rupees)	2014 (Rupees)
27.1			
Raw and packing material consumed			
Opening Balance		428,631,409	257,447,788
Purchases		<u>2,720,418,067</u>	<u>2,559,594,938</u>
		3,149,049,476	2,817,042,726
Less: Closing Balance		<u>(491,387,416)</u>	<u>(428,631,409)</u>
Raw and packing material consumed		<u>2,657,662,060</u>	<u>2,388,411,317</u>

27.2 This includes Rs. 7.8 million (2014: Rs. 5.47 million) in respect of staff retirement benefits - gratuity scheme.

	Note	2015 (Rupees)	2014 (Rupees)
28. DISTRIBUTION COSTS			
Salaries, wages and benefits	28.1	11,584,210	11,296,382
Repairs and maintenance		42,940	53,172
Traveling, conveyance and entertainment		2,506,225	2,187,750
Communications		225,723	269,291
Insurance		1,641,806	1,596,933
Freight outward		28,109,892	28,005,815
Distribution commission and reimbursement of expenses		29,009,837	27,338,135
Packing, carriage and forwarding		183,960	179,410
Printing and stationery		257,860	235,277
Depreciation	14.4	2,807,344	2,872,470
Other expenses		195,616	162,670
		<u>76,565,413</u>	<u>74,197,305</u>

28.1 This includes Rs. 0.5 million (2014: Rs. 0.4 million) in respect of staff retirement benefits - gratuity scheme.

	Note	2015 (Rupees)	2014 (Rupees)
29. ADMINISTRATIVE EXPENSES			
Salaries, wages and benefits	29.1	38,769,002	39,490,697
Fuel and power		912,206	954,645
Repairs and maintenance		916,826	1,887,704
Traveling, conveyance and entertainment		8,253,538	7,387,855
Communications		2,517,303	2,550,776
Insurance		952,178	875,381
Rent, rates and taxes		1,307,135	1,123,664
Printing and stationery		1,230,007	1,260,601
Advertising and sale promotion		544,452	597,814
Legal, professional and consultancy charge		3,271,211	4,200,950
Auditors' remuneration	29.2	1,225,000	1,100,000
Depreciation	14.4	4,688,245	4,687,114
Amortization	15	413,017	433,063
Other expenses		7,252,234	4,233,711
		<u>72,252,354</u>	<u>70,783,975</u>

29.1 This includes Rs. 1.29 million (2014: Rs. 1.45 million) in respect of staff retirement benefits - gratuity scheme.

	<u>Note</u>	<u>2015</u> <u>(Rupees)</u>	<u>2014</u> <u>(Rupees)</u>
29.2 Auditors' remuneration			
Audit fee		725,000	650,000
Certifications and reviews		430,000	385,000
Out of pocket expenses		70,000	65,000
		<u>1,225,000</u>	<u>1,100,000</u>
30. OTHER EXPENSES			
Workers profit participation fund	11.2	15,803,946	13,925,040
Workers welfare fund		6,005,499	5,291,515
Loss on disposal of property, plant and equipment		–	147,795
Loss on sale of damaged packing material - scrap		1,513,536	1,378,517
Other provision		–	16,370,514
		<u>23,322,981</u>	<u>37,113,381</u>
31. OTHER INCOME			
Non financial assets			
Gain on disposal of property, plant and equipment	14.2	1,968,178	–
Reversal of impairment on property, plant and equipment		–	9,302,449
Reversal of provision on sales tax refundable	31.1	13,598,057	–
Miscellaneous income		1,546,229	192,588
Financial assets			
Profit on savings account		2,170,751	2,197,022
Profit on term deposit receipt		357,539	689,389
		<u>19,640,754</u>	<u>12,381,448</u>

31.1 This represents reversal of provision against sales tax refundable relating to prior years as explained in note 24.1.

	<u>Note</u>	<u>2015</u> <u>(Rupees)</u>	<u>2014</u> <u>(Rupees)</u>
32. FINANCE COST			
Mark-up on			
Long term loans		25,364,071	20,512,874
Short term borrowings		70,831,754	52,342,620
Financial charges on lease		5,910,232	1,189,470
Bank charges, fee and commission		4,224,467	6,521,788
		<u>106,330,524</u>	<u>80,566,752</u>
33. FOREIGN EXCHANGE LOSS			
Foreign liabilities	33.1	7,778,704	3,364,029

33.1 This represents exchange loss on payment of liabilities in foreign currency.





34. TAXATION

	Note	2015 (Rupees)	2014 (Rupees)
Current tax:			
Current year	34.1	295,386	40,599,248
Prior year		(13,273,122)	(6,587,000)
		(12,977,736)	34,012,248
Deferred tax:			
Relating to the reversal and origination of temporary differences		85,204,004	28,963,730
Expense resulting from reduction in tax rate		262,592	1,673,422
		85,466,596	30,637,152
		<u>72,488,860</u>	<u>64,649,400</u>

34.1 Keeping in view the accumulated tax losses, tax provision for the year has been calculated as higher of corporate tax or 17% of the accounting income or 1% of minimum tax as required under Section 113C of Income Tax Ordinance, 2001 after taking account of tax credit available under section 65B of the aforesaid Ordinance. Accordingly, numerical reconciliation between effective tax rate and applicable tax rate is not reported for the year.

35. EARNINGS PER ORDINARY SHARE - BASIC AND DILUTED

	2015 (Rupees)	2014 (Rupees)
35.1 Basic		
Profit attributable to ordinary shareholders (Rupees)	221,589,545	194,390,852
Weighted average number of ordinary shares	110,590,546	110,590,546
Earnings per ordinary share (Rupees)	2.00	1.76

The weighted average number of shares has been reduced as explained in note 7.

35.2 Diluted

No figure for diluted earning per share has been presented as the Company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

36. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, foreign currency risk, interest rate risk and equity price risk. The management reviews and agrees policies for managing each of these risks which are summarized below.

36.1 Credit Risk

Credit risk is the risk which arises with the possibility that one party to a financial instrument will fail to discharge its obligation and cause the other party to incur a financial loss. The Company attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. The Company does not believe it is exposed to major concentration of credit risk, however to manage any possible exposure the Company applies approved credit limits to its customers.

The management monitors and limits the Company's exposure to credit risk through monitoring of client's credit exposure review and conservative estimates of provisions for doubtful receivables, if any, and through the prudent use of collateral policy.



The Company is exposed to credit risk on long-term deposits, trade debts, short term deposits, advances, other receivables and bank balances. The Company seeks to minimize the credit risk exposure through having exposures only to customers considered credit worthy and obtaining securities where applicable. The maximum exposure to credit risk at the reporting date is:

	Carrying values	
	2015 (Rupees)	2014 (Rupees)
Long-term deposits	28,953,928	25,929,616
Short-term deposits	168,950	2,789,700
Trade debts – unsecured	482,154,102	240,294,157
Advances	4,840,254	2,836,633
Other receivables	11,716,515	12,061,888
Bank balances	13,571,849	61,588,422

The credit quality of financial assets can be assessed by reference to external credit ratings or the historical information about counter party defaults as shown below:

36.1.1 Trade Debts	2015	2014
	(Rupees)	(Rupees)
Neither past due nor impaired	482,154,102	240,294,157
Past due but not impaired	–	–
	<u>482,154,102</u>	<u>240,294,157</u>

The sale to one major customer amounts to Rs. 674,251,186 (2014: Rs. 731,927,303) which represents more than 10% of the total revenue.

As at June 30, 2015, trade debts of Rs. 19.37 million (2014: Rs. 19.62 million) were impaired and provided for.

36.1.2 Bank	Financial institution	Ratings		2015 (Rupees)	2014 (Rupees)	
		Agency	Short Term			Long term
	Bank of Punjab	PACRA	A1+	AA-	12,873,291	44,862,649
	Deutsche Bank	Moody's	P2	A3	7,531	7,531
	Habib Bank Limited	JCR-VIS	A1+	AAA	614,003	31,572
	MCB Bank	PACRA	A1+	AAA	53,663	5,722,216
	National Bank of Pakistan	PACRA	A1+	AAA	(248,078)	10,712,352
	Silk Bank	JCR-VIS	A -2	A-	5,248	248
	Standard Chartered Bank	PACRA	A1+	AAA	266,191	251,853
				<u>13,571,849</u>	<u>61,588,422</u>	

36.2 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its commitments associated with financial liabilities when they fall due. Liquidity requirements are monitored regularly and management ensures that sufficient liquid funds are available to meet any commitments as they arise.

Financial liabilities are analyzed below, with regard to their remaining contractual maturities.



For the year ended June 30, 2015

	Maturity Upto One Year	Maturity After One Year	Total
	(Rupees)		
Long term loans	102,833,310	93,750,000	196,583,310
Liabilities against assets subject to finance lease	25,313,736	78,061,531	103,375,267
Short term borrowings	850,438,784	–	850,438,784
Unclaimed dividend	687,266	–	687,266
Trade and other payables	164,980,016	–	164,980,016
Total financial liabilities	<u>1,144,253,112</u>	<u>171,811,531</u>	<u>1,316,064,643</u>

For the year ended June 30, 2014

Long term loans	114,713,386	229,524,859	344,238,245
Liabilities against assets subject to finance lease	25,928,425	96,332,726	122,261,151
Short term borrowings	452,098,206	–	452,098,206
Unclaimed dividend	687,266	–	687,266
Trade and other payables	192,430,335	–	192,430,335
Total financial liabilities	<u>785,857,618</u>	<u>325,857,585</u>	<u>1,111,715,203</u>

36.3 Market Risk

36.3.1 Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign trade payables. However at the year end, there are no material foreign currency balances.

36.3.2 Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rate will affect the fair value or future cash flows of financial instruments. The Company is exposed to interest rate risk for loans obtained from the financial institutions and liabilities against assets subject to finance lease, which have been disclosed in the relevant note to the financial statements.

If interest rates at the year end, fluctuate by 1% higher / lower, profit for the year would have been Rs. 11.3 million (2014: Rs. 8.28 million) higher / lower. This analysis is prepared assuming that all other variables held constant and the amounts of liabilities outstanding at the balance sheet dates were outstanding for the whole year.

36.4 Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholders' value. The Company manages



its capital structure and makes adjustments to it in the light of changes in economic conditions. Capital includes ordinary share capital, reserves and subordinated loan. The gearing ratio of the Company is 10% (2014: 19%).

36.5 Fair value of financial assets and financial liabilities

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. As at the balance sheet date, carrying value of all the financial instruments in the financial statements approximates their fair value. Further, all financial assets and financial liabilities at balance sheet date are categorized into loans and advances.

37. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Chief Executive		Directors		Executives	
	2015	2014	2015	2014	2015	2014
Number of persons	1	1	2	2	19	15
	(R u p e e s)					
Remuneration	4,064,516	3,406,452	6,193,548	5,109,672	21,220,852	16,071,466
Housing	1,829,033	1,532,904	2,787,098	2,299,368	9,549,401	7,232,180
Utilities	406,451	340,644	619,352	510,960	2,122,067	1,607,154
ICP / bonus	1,536,647	1,200,000	2,304,970	1,800,000	9,301,301	6,025,289
	7,836,647	6,480,000	11,904,968	9,720,000	42,193,621	30,936,089

37.1 The Chief Executive Officer, Directors and some executives have been provided with Company maintained cars and generator sets, further they are also entitled to club membership and reimbursement of medical and entertainment expenses.

37.2 An amount of Rs. 617,777 (2014: Rs. 289,578) was paid to non-executive and nominee directors on attending the board meetings.

38. NUMBER OF EMPLOYEES

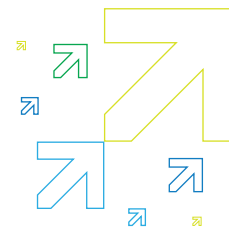
	2015	2014
Number of employees as at June 30	134	130
Average number of employees during the year	132	129

39. PRODUCTION CAPACITY IN METRIC TONS

	2015		2014	
	*Maximum Capacity (MT)	Actual Production (MT)	Maximum Capacity (MT)	Actual Production (MT)
Oleo Chemicals (Metric Tons)	36,000	29,001	25,000	24,770
Chlor Alkali Products (Metric Tons)	37,000	33,134	37,000	35,235

* Determined on weighted average basis.

39.1 The variance between maximum capacity and actual utilization is due to market conditions.



40. POST BALANCE SHEET EVENTS

The Board of Directors at its meeting held on August 27, 2015 has approved a final dividend @ Rs. 1 per share for the year ended June 30, 2015 (2014: Rs. Nil) amounting to Rs. 110,590,546 (2014: Rs. Nil)

41. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors on August 27, 2015.

Chief Executive Officer

Director



PATTERN OF SHAREHOLDING

AS AT JUNE 30, 2015

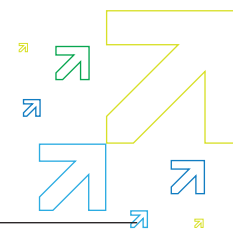
SHAREHOLDING

No. of Shareholders	From	To	Total Shares Held
196	1	100	7,698
1,098	101	500	338,057
312	501	1,000	281,614
540	1,001	5,000	1,534,838
146	5,001	10,000	1,157,290
72	10,001	15,000	926,622
29	15,001	20,000	532,379
22	20,001	25,000	517,385
7	25,001	30,000	197,406
12	30,001	35,000	405,226
4	35,001	40,000	152,812
4	40,001	45,000	170,750
9	45,001	50,000	447,750
2	50,001	55,000	105,312
3	55,001	60,000	175,692
3	60,001	65,000	191,349
2	65,001	70,000	139,000
2	70,001	75,000	146,000
1	75,001	80,000	80,000
3	80,001	85,000	248,316
2	85,001	90,000	173,281
3	95,001	100,000	300,000
2	105,001	110,000	215,500
1	115,001	120,000	117,500
1	125,001	130,000	128,000
3	130,001	135,000	396,250
1	145,001	150,000	150,000
1	150,001	155,000	151,000
2	165,001	170,000	340,000
3	170,001	175,000	525,000
1	190,001	195,000	195,000
2	195,001	200,000	399,750
2	245,001	250,000	500,000
2	270,001	275,000	546,698
1	300,001	305,000	300,750
1	400,001	405,000	400,500
1	420,001	425,000	423,250
1	425,001	430,000	426,750
1	545,001	550,000	550,000
1	670,001	675,000	672,500
1	685,001	690,000	685,925
1	995,001	1,000,000	1,000,000
1	1,035,001	1,040,000	1,040,000
1	1,805,001	1,810,000	1,808,500
1	3,455,001	3,460,000	3,458,000
1	3,995,001	4,000,000	4,000,000
1	5,245,001	5,250,000	5,246,500
1	7,505,001	7,510,000	7,509,999
1	8,510,001	8,515,000	8,511,750
1	62,660,001	62,665,000	62,662,647
2,509			110,590,546



CATEGORIES OF SHAREHOLDERS

AS AT JUNE 30, 2015



Sr. No.	Categories of shareholders	Shares held	Percentage
1.	Directors, Chief Executive Officers, and their spouse and minor children	5,499,519	4.9729
2.	Associated Companies, Undertaking and related parties. (Parent Company)	62,670,647	56.6691
3.	NIT and ICP	1,500	0.0014
4.	Banks, Development Financial Institutions, Non-Banking Financial Institutions.	2,300	0.0021
5.	Insurance Companies	39,500	0.0357
6.	Modarabas and Mutual Funds	673,624	0.6091
7.	General Public	40,537,055	36.6551
8.	Others (to be specified)		
	i Joint Stock Companies	1,100,029	0.9947
	ii Foreign Companies	30,600	0.0277
	iii Leasing Companies	24,010	0.0217
	iv Investment Companies	11,762	0.0106
	Total	110,590,546	100.0000

SHARE HOLDERS HOLDING 10% OR MORE

Sr. No.	Categories of shareholders	Shares held	Percentage
1.	Nimir Resources (Pvt) Limited	62,670,647	56.6691

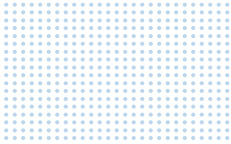
CATEGORIES OF SHAREHOLDERS (CCG)

AS AT JUNE 30, 2015

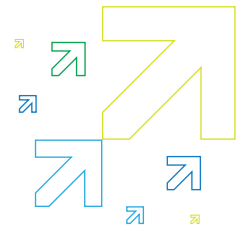
Sr. No.	Name	No. of Shares held	Percentage
1.	ASSOCIATED COMPANIES, UNDERTAKINGS & RELATED PARTIES :		
i	Nimir Resources (Pvt) Limited	62,670,647	56.6691
2.	MUTUAL FUNDS :		
i	CDC - Trustee Akd Opportunity Fund	124	0.0001
ii	Golden Arrow Selected Stocks Fund Limited	672,500	0.6081
3.	DIRECTORS AND THEIR SPOUSE AND MINOR CHILDREN :		
i	Mr. Abdul Jalil Jamil	13,688	0.0124
ii	Sh. Amar Hameed	1,500	0.0014
iii	Mr. Saeed Uz Zaman	250,781	0.2268
iv	Mr. Zafar Mahmood	145,125	0.1312
v	Mr. Umar Iqbal	500	0.0005
vi	Mr. Muhammad Sarwar Khawaja	750	0.0007
vii	Mr. Muhammad Yahya Khan	4,000,000	3.6169
viii	Mr. Khalid Mumtaz Qazi	750	0.0007
ix	Mr. Abdul Jaleel Shaikh (Nominee of PBIC)	–	0.0000
x	Mr. Khalid Siddiq Tirmizey (Nominee of BOP)	–	0.0000
xi	Mr. Imran Afzal (Alternate Director)	423,250	0.3827
xii	Mrs. Nusrat Jamil W/o A. Jalil Jamil	1,086,425	0.9824
4.	EXECUTIVES :	–	–
5.	PUBLIC SECTOR COMPANIES & CORPORATIONS :	–	–
6.	BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON BANKING FINANCE COMPANIES, INSURANCE COMPANIES, TAKAFUL, MODARABAS & PENSION FUNDS:	66,810	0.0302
7.	SHAREHOLDERS HOLDING FIVE PERCENT OR MORE VOTING INTREST IN THE LISTED COMPANY		
	Nimir Resources (Private) Limited	62,670,647	56.6691
8.	ALL TRADES IN THE SHARES OF THE COMPANY, CARRIED OUT BY ITS DIRECTORS, EXECUTIVES AND THEIR SPOUSE AND MINOR CHILDREN ARE AS FOLLOWS:		

Sr. No.	Name	Sale	Purchase
i	Mr. Abdul Jalil Jamil	15,000	–
ii	Mr. Imran Afzal	–	147,000





STATEMENT PURSUANT TO SECTION 218 COMPANIES ORDINANCE, 1984



TO ALL MEMBERS OF THE COMPANY

Dear Sir / Madam,

This is to inform you that the Board of Directors in their meeting held on August 27, 2015 has increased the remuneration of Chief Executive Officer (CEO) and working Directors of the Company. In pursuant of Section 218 of the Companies Ordinance, 1984, this is to inform you that the terms and conditions of Chief Executive Officer (CEO) and working Directors of the Company are in accordance with their terms of service with the Company policy.

The Board of Directors had decided the remuneration of CEO and Executive Directors for which the following resolutions were passed:

Resolved that “subject to approval of shareholder, the annual remuneration of each Executive Directors of the Company be and is hereby increased to Rs. 7.20 million per annum exclusive of perquisites, bonus, company maintained cars, genset, reimbursement of actual medical expenses, travelling, entertainment and other incidentals relating to their office in accordance with the Company policy.”

The working Directors being interested did not participate in this resolution.

Further Resolved that “subject to the approval of shareholders, the annual remuneration of Chief Executive Officer of the Company be and is hereby increased to Rs. 9.60 million per annum exclusive of perquisites, bonus, company maintained cars, genset, reimbursement of actual medical expenses, travelling, entertainment and other incidentals relating to his office with the Company policy.”

The Chief Executive Officer, being interested did not participate in this resolution.

Yours faithfully,

For Nimir Industrial Chemicals Limited

Sheikhupura
August 27, 2015

Muhammad Inam-ur-Rahim
Company Secretary



NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR ENDED JUNE 30, 2015

Notice is hereby given that the 22nd Annual General Meeting of Nimir Industrial Chemicals Limited (the "Company") shall be held on Friday, October 30, 2015 at 11:00 a.m. at Qasr-e-Sultan, Lahore-Faisalabad By-pass, near Housing Colony, Sheikhpura to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting (AGM) of the Company held on October 30, 2014.
2. To receive, consider and adopt the audited accounts of the Company for the year ended June 30, 2015 together with the reports of the Directors' and Auditors' thereon.
3. To approve the final cash dividend of Rs. 1/- (Rupee One Only) per share i.e. 10% for the year ended June 30, 2015 already approved by the Board of Directors.
4. To appoint Auditors for the year ended June 30, 2016 and fix their remuneration. The retiring auditors M/s Ernst & Young Ford Rhodes Sidat Hyder—Chartered Accountants have offered themselves for re-appointment.

SPECIAL BUSINESS :

5. To consider and approve the remuneration of Chief Executive Officer and Executive Directors.

OTHER BUSINESS:

6. To transact any other business with the permission of the chair.

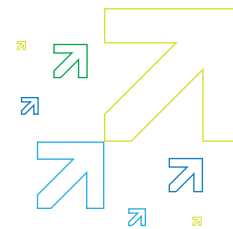
By Order of the Board

**Sheikhpura
September 12, 2015**

**Muhammad Inam-ur-Rahim
(Company Secretary)**

Notes:

- i. The share transfer books of the Company shall remain closed from October 23, 2015 to October 30, 2015 (both days inclusive). Transfers received in order at the office of the Company's shares registrar at the close of business on October 22, 2015 will be treated in time for purpose of entitlement of final cash dividend @ Rs. 1/- (Rupee One Only) per share i.e. 10% and attend and vote at the AGM.
- ii. A member eligible to attend and vote at this meeting is entitled to appoint another member as his/her proxy to attend and vote instead of him/her. A proxy must be a member of the Company and shall produce his/her original Computerized National Identity Card (CNIC) or passport at the time of meeting. Proxies in order to be effective must be received at the registered office of the Company not later than forty eight (48) hours before the time of holding the meeting.
- iii. The corporate shareholders shall nominate someone to represent them at the AGM. The nominations, in order to be effective must be received by the Company not later than forty eight (48) hours before time of holding the meeting.



- iv. Any individual beneficial owner of Central Depository Company of Pakistan Limited (CDC), entitled to attend and vote at this meeting, must bring his/her original CNIC or passport, Account and participants' I.D numbers to prove his/her identity, and in case of proxy must enclose an attested copy of his / her CNIC or passport. Representatives of corporate members should bring the, Board resolution/power of attorney with specimen signature (unless it had been provided earlier) along with the proxy form to the Company.
- v. All shareholders who had not yet submitted the valid copies of CNIC and NTN Certificate(s) are requested to send the copies of the same to the Shares Registrar. Shareholders of the Company who holds shares in scrip-less form on CDC are requested to submit/send valid copies of CNIC and NTN Certificate(s) directly to their CDC participant (brokers)/CDC Investor Account Services.
- vi. Shareholders are requested to immediately notify change in address, if any, to the Company's Share Registrar, at the following address :

M/s Corplink (Pvt.) Limited
Wings Arcade, 1-K (Commercial), Model Town, Lahore.
Tel : 042 35916714, 35916719, 35839182. Fax : 042 35869037.
www.corplink.com.pk

Submission Of CNIC - (Mandatory)

With reference to the notification of Securities and Exchange Commission of Pakistan (SECP), SRO 779(I)/2011, dated August 18, 2011, the Members/Shareholders who have not yet submitted photocopy of their valid Computerized National Identity Card (CNIC) to the Company are required to send the same at the earliest directly of the Company's Share Registrar, M/s Corplink (Pvt.) Limited.

Kindly comply with the request, as the CNIC number would be printed on all future dividend warrants. In case of non-receipt of the copy of valid CNIC and non-compliance of the above mentioned SRO of SECP, the Company may be constrained to withhold dispatch of dividend warrant in the future.

Deduction Of Withholding Tax On The Amount Of Dividend - (Mandatory)

The Government of Pakistan through Finance Act, 2015 has made certain amendments in the section 150 of the Income Tax Ordinance, 2001 whereby different dates are prescribed for deduction of withholding tax on the amount of dividend paid by the Companies. Tax rates are as under:

- i) For filers of income tax returns : 12.5%
- ii) For Non-filers of income tax returns : 17.5%

To enable of the Company to make tax deduction on the amount of the cash dividend @ 12.5% instead of 17.5%, all the shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL otherwise tax on their cash dividend will be deducted @ 17.5% instead of 12.5%.

For shareholders holding their shares jointly, as per the clarification issued by the Federal Board of Revenue, with-holding tax will be determined separately on 'Filer/Non-Filer' status of Principle shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of Principle

shareholder and joint-holder(s) in respect of shares held by them to our share registrar, in writing as follows:

Company Name	Folion/CDC Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

Payment Of Dividend Electronically (E-Mandate) – (Optional)

The SECP through its Circular No. 8(4) SM/CDC 2008 of April 5, 2013, has announced an e-dividend mechanism where shareholders can get their dividend credited directly into their respective bank accounts electronically by authorizing the Company to electronically credit their dividend to their accounts. Accordingly, all non CDC shareholders are requested to send their bank account details to the Company's Share Registrar - M/s Corplink (Pvt.) Limited. Shareholders who hold shares with CDC or Participants / Stock Brokers, are advised to provide the mandate to CDC or their Participants / Stock Brokers.

Consent For Dividend Bank Mandate:

Name of Member / Shareholder	
Folio / CDC Account Number	
Shareholder's CNIC Number	
Title of Bank Account	
Bank Account Number	
Bank's Names	
Branch Name & Address	
Member's Telephone & Cell Number	
Member's Signature	

The statement of material facts under section 160 (1) (b) of the Companies Ordinance, 1984 concerning the special business contained in item No. 5 of the Notice of Annual General Meeting.

ITEM No. 5

- i. To consider and approve the increase in the annual remuneration of Chief Executive Officer of the Company to Rs. 9.6 million per annum exclusive of perquisites, bonus, company maintained cars, genset, reimbursement of actual medical expenses, travelling, entertainment and other incidentals relating to their office in accordance with the company policy.
- ii. To consider and approve the increase in the annual remuneration of each Executive Director of the Company to Rs. 7.2 million per annum exclusive of perquisites, bonus, company maintained cars, genset, reimbursement of actual medical expenses, travelling, entertainment and other incidentals relating to their office in accordance with the company policy.

FORM OF PROXY 22nd ANNUAL GENERAL MEETING

The Company Secretary
Nimir Industrial Chemicals Limited
14.8 Km., Sheikhpura-Faisalabad Road,
Bhikhi, District Sheikhpura, Pakistan.

Ledger Folio/CDC A/C No.

Shares Held

I / We of
..... being
member(s) of Nimir Industrial Chemicals Limited hereby appoint of
..... as my/our proxy to vote for me / us on my / our behalf at
the 22nd Annual General Meeting of the Company to be held on the Friday, 30th day of October, 2015 at 11:00 a.m and / or at any
adjournment thereof.

Signed this day of 2015.

Five Rupees
Revenue Stamp

Signature of Shareholder

(The signature should agree with the specimen
registered with the Company)

Notes:

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NIMIR INDUSTRIAL CHEMICALS LTD.

14.8 Km., Sheikhpura-Faisalabad Road,
Bhikhi, District Sheikhpura, Pakistan.
Ph: +92 56 3883001-7 • Fax: +92 56 3883010
Cell: +92 301 8221151, 301 8483950
www.nimir.com.pk

Posted Stamp



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