



(Unaudited)
**Quarterly
Accounts
March 2011**

NIMIR INDUSTRIAL CHEMICALS LIMITED

Company Information

Board of Directors	Mr. Louis Tucker Link (Chairman) Alternate: Mr. Kamal Nasir-ud-Din Mr. Zafar Mahmood (Chief Executive Officer) Mr. Eric Tucker Link Alternate: Mr. Aamir Jamil Mr. Abdul Jalil Jamil Sh. Amar Hameed Alternate: Mr. Muhammad Ashraf Mr. Saeed-uz-Zaman Mr. Umar Iqbal Mr. Imran Afzal
Chief Financial Officer	Mr. Khalid Mumtaz Qazi
Audit Committee	Mr. Abdul Jalil Jamil (Chairman) Mr. Louis Tucker Link Mr. Saeed-uz-Zaman
Company Secretary	Mr. Shamshad A. Naushahi
Auditors	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants
Legal Advisor	KMS Law Associates Advocates
Bankers	The Bank of Punjab MCB Bank Limited National Bank of Pakistan Deutsche Bank
Shares' Registrar	Corplink (Pvt.) Limited Wings Arcade, 1-K (Commercial), Model Town, Lahore.
Registered / Head Office	51-N, Industrial Area, Gulberg-II, Lahore Ph : 92 42 35718001-9 Fax : 92 42 35718013 Email : contact@nimir.com.pk
Factory	14.8 km., Sheikhpura-Faisalabad Road, Mouza Bhikki, District Sheikhpura. Ph : 056 3882198-99 Fax : 056 3882198
Web Site	www.nimir.com.pk

Directors' Review

The directors are pleased to present interim financial information of the Company for the nine months ended March 31, 2011.

Financial Results

	Nine Months year ended	
	March 31, 2011	March 31, 2010
	(Rupees in thousands)	
Net Sales	1,677,234	1,222,998
Gross Profit	188,846	130,613
Net Income	37,293	(2,674)

Overview

The sales revenue recorded an increase of 37% and stood at Rs.1.7 billion during the nine months ended March 31, 2011 as compared to Rs.1.2 billion in the corresponding period of the last year.

As a result of the increasing revenue and better product mix, the bottom line of the company turned from net loss of Rs.2.7 million in nine months of the last year into net profit of Rs.37.3 million in the nine months of the current year.

The management of the company is confident that existing trend of improvement will continue in the last quarter of this financial year, Insha Allah.

For and on behalf of the Board

Lahore
April 25, 2011


Chief Executive

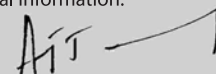
Condensed Interim Balance Sheet

As At 31 March 2011

	Note	Unaudited 31 March 2011 (Rupees in thousands)	Audited 30 June 2010
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	982,852	1,030,470
Capital work in progress		89,840	78,294
		1,072,692	1,108,764
Long term deposits		12,977	27,213
CURRENT ASSETS			
Stores and spares		27,458	30,777
Stock in trade		310,897	202,372
Trade debts- Considered good -unsecured		294,798	196,423
Advances, deposits, prepayments and other receivables		138,075	125,199
Cash and bank balances		7,085	3,892
		778,313	558,663
TOTAL ASSETS		1,863,982	1,694,640
EQUITY AND LIABILITIES			
Authorized Capital 290,000,000 (30 June 2010: 290,000,000) Ordinary Shares of Rs. 5/- each (30 June 2010: Rs. 5/- each)		1,450,000	1,450,000
Issued, subscribed and paid up capital 221,181,093 (30 June 2010: 221,181,093) Ordinary Shares of Rs. 5/- each (30 June 2010: Rs. 5/- each)		1,105,905	1,105,905
Accumulated losses		(949,699)	(986,992)
		156,206	118,913
NON CURRENT LIABILITIES			
Subordinated loans-parent company	6	1,006,624	1,005,085
Liabilities against assets subject to finance lease		8,005	29,772
Deferred Liabilities - Employee benefits-gratuity scheme		27,817	24,811
CURRENT LIABILITIES			
Trade and other payables		163,520	98,210
Mark up accrued		13,569	12,723
Unclaimed dividend		688	688
Short term borrowings - secured	7	451,759	347,220
Current maturity of long term loans		8,960	31,184
Current maturity of liabilities against assets subject to finance lease		26,834	26,034
		665,330	516,059
Contingencies and commitments	8	-	-
TOTAL EQUITY AND LIABILITIES		1,863,982	1,694,640

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


Chief Executive


Director

Condensed Interim Profit & Loss Account

For The Period Ended 31 March 2011

	Note	Nine months ended		Three months ended	
		31 March 2011	31 March 2010	31 March 2011	31 March 2010
		(Rupees in thousands)		(Rupees in thousands)	
Sales	9	1,677,234	1,222,998	603,887	387,226
Cost of sales	10	(1,489,136)	(1,092,385)	(524,635)	(357,536)
Gross profit		188,098	130,613	79,252	29,690
Distribution costs		(42,234)	(35,826)	(13,569)	(11,956)
Administrative expenses		(37,464)	(29,760)	(13,270)	(13,451)
Operating profit		108,400	65,027	52,413	4,283
Other expenses		(1,904)	(7,659)	(230)	–
Other income		4,066	1,106	135	462
Finance cost		(54,199)	(38,688)	(20,968)	(10,677)
Foreign exchange (loss)/gain		(1,890)	(16,288)	533	(492)
Profit/(loss) before taxation		54,473	3,498	31,883	(6,424)
Provision for taxation		(17,180)	(6,172)	(6,365)	(1,993)
Profit/(loss) after taxation		37,293	(2,674)	25,518	(8,417)
Other comprehensive income - net of taxation		–	–	–	–
Total comprehensive income/(loss) for the period		37,293	(2,674)	25,518	(8,417)
Earnings per share - Basic (Rs.)		0.17	(0.01)	0.12	(0.04)

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


Chief Executive


Director

Condensed Interim Statement of Cash Flow

For The Period Ended 31 March 2011

	Nine months ended	
	31 March 2011 Rs.'000	31 March 2010 Rs.'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	54,473	3,498
Adjustment for :		
Depreciation	51,314	50,756
Gain on disposal of property, plant and equipment	(478)	(256)
Finance cost	54,199	38,688
Foreign exchange loss on foreign liabilities	351	1,411
Foreign exchange loss on parent company loan	1,539	14,877
Provision for doubtful debts	250	5,316
Provision for gratuity	5,310	4,365
	112,485	115,157
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	166,958	118,655
(Increase) / decrease in current assets		
Stores and spares	3,319	(21,725)
Stock in trade	(108,525)	29,655
Trade debts	(98,625)	19,546
Advances, deposits, prepayments and other receivables	22,079	6,181
	(181,752)	33,657
(Decrease) in current liabilities		
Trade and other payable	64,959	6,704
	(116,793)	40,361
CASH GENERATED FROM OPERATIONS	50,165	159,016
Gratuity paid	(2,304)	(475)
Finance cost paid	(53,353)	(38,910)
Tax Paid	(37,899)	(26,139)
	(93,556)	(65,524)
NET CASH GENERATED FROM OPERATING ACTIVITIES	(43,391)	93,492
CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property, plant & equipment and capital work in progress	(16,127)	(9,154)
Sale proceeds of property, plant and equipment	1,363	489
Long term deposits paid	-	(12,240)
NET CASH USED IN INVESTING ACTIVITIES	(14,764)	(20,905)
CASH FLOW FROM FINANCING ACTIVITIES		
Short term finances	104,539	1,992
Repayment of long term loans	(22,224)	(48,893)
Dividend paid	-	(27)
Liabilities against assets subject to finance lease	(20,967)	(17,704)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES	61,348	(64,632)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,193	7,955
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,892	2,722
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7,085	10,677

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


Chief Executive


Director

Condensed Interim Statement of Changes in Equity

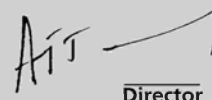
For The Period Ended 31 March 2011

	Share Capital	Accumulated Loss	Total
	(Rupees In thousands)		
Balance as on 30 June 2009	1,105,905	(991,561)	114,344
Loss for the nine months ended 31 March 2010	–	(2,674)	(2,674)
Balance as on 31 March 2010	1,105,905	(994,235)	111,670
Balance as on 30 June 2010	1,105,905	(986,992)	118,913
Profit for the nine months ended 31 March 2011	–	37,293	37,293
Balance as on 31 March 2011	1,105,905	(949,699)	156,206

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



Chief Executive



Director

Notes to the Condensed Interim Financial Information (Unaudited)

For The Period Ended 31 March 2011

1. THE COMPANY AND ITS OPERATIONS

The company was incorporated in Pakistan as public listed company and its shares are listed on Karachi and Lahore Stock exchanges. The registered office of the company is situated at 51 - N, Gulberg II, Lahore, Pakistan. The principal activity of the company is to manufacture Oleo Chemicals (fatty acids & soap noodles) and Chlor Alkali products (caustic soda and related by products).

2. BASIS OF PREPARATION

2.1 This condensed interim financial report of the company for the period ended 31 March 2011 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

2.2 The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2010.

3. ACCOUNTING POLICIES

The accounting policies and the method of computation adopted in the preparation of this interim financial report are the same as those applied in the preparation of the financial statements for the year ended 30 June 2010.

The company has adopted the following amended IFRS and related interpretations which became effective during the period:

IAS 32 - Financial Instruments: Presentation - Classification of Rights Issues (Amendment)
IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments

In April 2009, International Accounting Standards Board issued amendments to various standards primarily with a view to removing inconsistencies and clarifying wording. These improvements are listed below:

IFRS 5 - Non-Current Assets Held for Sale and Discontinued Operations

IFRS 8 - Operating Segments

IAS 1 - Presentation of Financial Statements

IAS 7 - Statement of Cash Flows

IAS 17 - Leases

IAS 36 - Impairment of Assets

IAS 39 - Financial Instruments: Recognition and measurement

The adoption of the above standards, amendments / improvements and interpretations did not have any material effect on the condensed interim financial statements of the company.

4. TAXATION

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

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

Followings are the additions / (disposals) in the fixed assets made during the nine months ended 31 March 2011.

	Additions	Disposals
	Rupees in thousands	
Plant and machinery - Own	3,113	1,503
Office equipments	1,018	111
Vehicles	450	-
	4,581	1,614

6. SUBORDINATED LOANS - PARENT COMPANY

	US \$ in '000	Rupees in '000
Balance as at 01 July 2010	14,516	1,005,085
Exchange loss	-	1,539
Balance as at 31 March 2011	14,516	1,006,624

7. SHORT TERM LOANS -Secured

The aggregate facility of short term finances from commercial bank available at period end is Rs. 670 million (30 June 2010: Rs. 540 million). The rate of mark up is 6 months KIBOR + 250 bps per annum with 12% floor and no cap (30 June 2010: 3 months KIBOR + 250 bps per annum with 11% floor and no cap. The facility is secured against first charge on the present and future current assets of the Company.

The unutilized facility for opening letters of credit and for guarantees as at 31 March 2011 amounts to Rs. 60 million (30 June 2010: Rs. 446 million) and Rs. 4 million (30 June 2010: 19 million), respectively.

8. CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies since the last audited published financial statements, however the Company has made commitments in respect of letters of credit established for the import of raw materials amounting to Rs. 51 million (30 June 2010: Rs. 119 million) and commitments in respect of letter of guarantee given to SNGPL amounting to Rs. 67 million (30 June 2010: Rs. 52.8 million).

9. SALES

	Nine months ended		Three months ended	
	31 March 2011	31 March 2010	31 March 2011	31 March 2010
	(Rupees in thousands)		(Rupees in thousands)	
Gross sales	1,983,271	1,432,727	714,457	453,055
Less: Discount	2,559	2,666	-	1
Sales tax	303,478	207,063	110,570	65,828
	306,037	209,729	110,570	65,829
Net Sales	1,677,234	1,222,998	603,887	387,226

10. COST OF SALES

Opening stock of finished goods	45,034	7,088	84,324	39,772
Cost of goods manufactured	1,504,226	1,115,645	500,435	348,112
	1,549,260	1,122,733	584,759	387,884
Less: closing stock of finished goods	60,124	30,348	60,124	30,348
	1,489,136	1,092,385	524,635	357,536

11. TRANSACTIONS WITH RELATED PARTIES


	Nine months ended	
	31 March 2011	31 March 2010
	(Rupees in thousands)	
Associated companies		
Sales of goods	1,601	111
Purchases of goods	21	881
Premises rent shared	1,694	853
Services received	4,579	8,947
Services rendered	2,343	1,753
Utility bills shared	676	492
Assets purchased	450	-
Consultancy fee paid to director Parent Company	1800	900
Exchange loss on parent company loans	1,539	14,877
Management fee	12,606	5,521

12. GENERAL

12.1 This condensed interim financial information was authorized for issue on 25 April 2011 by the Board of Directors of the Company.

12.2 The figures have been rounded off to the nearest thousand of rupees.


 Chief Executive


 Director



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