

COMPANY INFORMATION

DIRECTORS

Mr Wagar Ahmed Malik

Chairman

Mr Sarfaraz Ahmed Rehman

Chief Executive & Managing Director

Lt Gen Tariq Khan, HI(M), (Retd)

Dr Nadeem Inayat

Maj Gen Abid Rafique, HI(M), (Retd)

Mr Rehan Laiq

Brig Hamad Qadir, SI(M), (Retd)

Mr Qamar Haris Mazoor

Syed Khalid Siraj Subhani

Ms Naz Khan

Mr Moeez ur Rehman

Ms Pouruchisty Sidhwa

COMPANY SECRETARY

Brig Aamir Hussain Mirza, SI(M), (Retd)

CHIEF FINANCIAL OFFICER

Mr Muhammad Javed Akhtar

REGISTERED OFFICE

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WEB PRESENCE

www.ffbl.com

BANKERS

Habib Bank Limited MCB Bank Limited

United Bank Limited

National Bank of Pakistan

Allied Bank Limited

Askari Bank Limited

Faysal Bank Limited

Standard Chartered Bank (Pakistan) Limited

Habib Metropolitan Bank Limited

The First Micro Finance Bank Limited

Soneri Bank Limited

Summit Bank Limited

IS Bank Limited

Samba Bank Limited

Zarai Taragiati Bank Limited

Industrial Bank of China

The Bank of Khyber

Al-Baraka Bank (Pakistan) Limited

Dubai Islamic Bank Pakistan Limited

Bank Islami Pakistan Limited

Meezan Bank Limited

MCB Islamic Bank Limited

Bank Al-Falah Limited

Bank Al-Habib Limited

Silk Bank Limited

The Bank of Punjab

LEGAL ADVISORS

Orr Dignam & Co,

Advocates, Marina Heights,

2nd floor, 109 East, Jinnah Avenue, Blue Area, Islamabad, Pakistan

Tel: (051) 348645-9

AUDITORS

EY Ford Rhodes.

Eagle Plaza, 75 West,

Fazal-e-Haq Road,

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SHARES REGISTRAR

M/s Corplink (Pvt) Limited,

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DIRECTORS' REVIEW

FOR THE HALF YEAR ENDED JUNE 30, 2020

The Board of Directors is pleased to present a brief overview of the operational and financial performance of the Company for the half year ended June 30, 2020.

The COVID-19 pandemic has played havoc with human life. World economies have been severely affected by lockdowns. Pakistan has also been making earnest efforts to minimise threat to human life and control the financial implication for the economy. Implementation of lockdown by the Government in March 2020 disrupted fertilizer supply chain initially. It took three weeks for sales network to return to functional levels after communication of an exemption by the government. The situation also aggravated due to locust swarm attacks, especially in Western and Southern parts of the country.

Substantial reduction in discount rates by the regulator was a good omen for capital markets and business environment in the country. Its impact on the economy is to be seen in future months, but, will have a positive impact on FFBL.

GoP announced a package of Rs. 37 Billion for subsidy on fertilizers. However, delay in the implementation and lack of clarity on disbursement mechanism was detrimental for fertilizer market, resulting in depressed sales and fertilizer non-application at the right time.

By the grace of Almighty, the Company's overall production performance remained satisfactory with 20.26 million safe-manhours achieved as of June 30, 2020. The Company received 9,039 MMSCF of gas during the period, 9% higher compared to last year's corresponding period number of 8,329 MMSCF. Extra supply was due to shut down of some industries in the lockdown. Provision of power and steam by FFBL Power Company Ltd to FFBL was as per requirement. Production of Ammonia (216 kt) and Urea (266 kt) is higher by 3% and 24% respectively, whereas production of DAP (293 kt) is lower by 24% compared with the corresponding period of last year. Production of Urea during the second quarter is higher by 3%, whereas Ammonia and DAP production is lower by 3% and 14% respectively, as compared with corresponding quarter of last year. Ammonia was used for production of Urea, instead of DAP, in order to manage inventories. Primary margin in DAP contracted in 2020, bringing the Company's profitability under pressure.

DAP market and sales

Year 2020 started with higher industry inventory level of 550 kt. Price reduction, due to decline in international market prices, brought stability in DAP sales volume in first quarter. However, the market contracted by 26% in the second quarter due to delay in subsidy implementation, threat of locust attack and cash crunch with farmers. For the first half of 2020, industry sales declined by 16% i.e. from 645 kt to 545 kt in comparison to the same period of 2019. As a result, the industry is expected to carry heavy inventory of 540 kt into second half of 2020.

In contrast, FFBL's first half of 2020 DAP sales of 251 kt is higher by 24% against 202 kt during the same period of last year. Resultantly, market share of Sona DAP grew to 46% as compared to the share of 31% during corresponding period of last year.

UREA market and sales

The year started with inventory level of 200 kt. GoP decision to waive GIDC and consequent urea price reduction by the industry caused a boost. After reasonable sales level during February and March 2020, the off-take was depressed upto May 2020. GoP's decision to exclude Urea from Kharif subsidy provided much needed clarity, coupled with the expectation of gas price hike, resulting in large scale buying in June.

During the period, industry's domestic sales are estimated at 2,665 kt, 8% lower than 2,895 kt sales for the corresponding period of last year. Estimated industry production of 2,925 kt during the period is 1% higher than 2,905 kt during the corresponding period of last year. Estimated industry inventory on June 30, 2020 is 425 kt.

However, Urea sales for FFBL were 265 kt compared to 215 kt of corresponding period of last year, an increase of 24%, due to higher production during the period.

Financial results

FFBL's operational results for the half year ended June 30, 2020 show gross profit of Rs. 1,372 million, a 6% increase, as compared to gross profit of Rs.1,294 million in the corresponding period. The main reason is increased sales volume of Urea and DAP, despite contraction in industry sales. However, decline in sales price of Urea and DAP, reduced the margins for the period.

The Company incurred finance cost amounting to Rs. 2,726 million against Rs. 2,125 million in the corresponding period, owing to higher average mark-up rates and higher inventory, leading to higher borrowing. Other income mainly includes dividends received from associate and joint venture (AKBL and PMP) amounting to Rs 1,058 million. Provision for impairment loss of Rs. 1,222 million on investment in FML and increased taxation expense of Rs. 891 million on application of minimum/turnover tax contributed to increase in loss as compared to 2019. Net loss after tax stood at Rs 4,208 million (LPS Rs. 4.50) at June 30, 2020 against loss of Rs. 1,951 million (LPS Rs. 2.09) in the corresponding period.

An earlier amendment in Sales Tax Act disallowed input GST for sales made to dealers who are not registered under the Sales Tax Act 1990. Recently, a similar amendment in the Income Tax Ordinance 2001 disallows proportionate business expenditure up to a maximum of 10%, in addition to input GST disallowance. These amendments will have significant financial implications on the Company, though these implications are on account of the decision of dealers not to register themselves, for reasons of their own.

Future prospects

A relief from Covid-19 and locust swarm attacks may bring some improvement for the industry and economy at large. Declining primary margin of DAP in the international market has been a concern, but should commence improving in the next few periods, as this is a cyclical product. Further, reduction in discount rates will reduce cost of doing business and have a positive impact. Given the encouraging sales during the first half of 2020, and seasonal 60% of annual sales being concentrated during second half of the year, Management is confident to achieve the planned results for the year. It is to be noted that the inherent base of the business is fine, but lately, depressed margins and higher finance charges have had a negative impact on financial performance.

The Company remains in close coordination with Ministry of Petroleum, SSGCL and all other suppliers for continuous supplies. It is also committed to provide quality products to its customers and expects better results for its stakeholders, through improved sales during second half of the year.

For and on behalf of the Board

Waqar Ahmed Malik

Chairman

Sarfaraz Ahmed Rehman

Chief Executive & Managing Director

Islamabad July 24, 2020 تاہم، ایف ایف بی ایل کے لئے یوریا کی فروخت گذشتہ سال کے اسی عرصے کی 215kt کے مقابلے میں 265kt تھی ، اس مدت کے دوران زیادہ پیداوار کی وجہ سے اس میں 24 فیصد اضافہ ہوا۔

مالياتي نتائج

30 جون 2020 کو ختم ہونے والی ششماہی کے لئے FFBL کے آپریشنل نتائج میں مجموعی منافع 1،372 ملین روپے ہے جو کہ گزشتہ سال کے اسی عرصے میں 1،294 ملین روپے کے مجموعی منافع کے مقابلے میں 6 فیصد زیادہ ہے ۔ بنیادی وجہ صنعتی فروخت میں کمی کے باوجود یوریا اور ڈی اے پی کی فروخت کےحجم میں اضافہ ہے۔ تاہم ، یوریا اور ڈی اے پی کی قیمتِ فروخت میں کمی سے اس مدت کا منافع کم رہا۔

کمپنی کو گزشتہ سال اسی مدت کے 2،125 ملین روپے کے مقابلے میں 2،726 ملین روپے مالی لاگت رہی جسکی وجہ اوسط مارک آپ کی بلند شرح اور زیادہ انوینٹڑی کی وجہ سےقلیل مدتی قرضےکا زیادہ استعمال ہے۔

دیگر آمدنی کی مد میں بنیادی طور پر ایسوسی ایٹ کمپنی اور جواننٹ وینچر (اے کے بی ایل اور پی ایم پی) کی طرف سے موصولہ منافع شامل ہے جس کی رقم 1،058 ملین روپے ہے۔ ایف ایم ایل میں سرمایہ کاری پر 1،222 ملین روپےکے امپنیرمینٹ کے نقصان اوراضافی ٹیکس کو turnover tax /minimum tax کی سطح پر پر لانے کی وجہ سے مجموعی ٹیکس اخراجات میں 891 ملین روپے کا اضافہ ہوا جس سےمجموعی خسارے میں بھی اضافہ ہوا۔ 30 جون 2020 کو بعد ازٹیکس خالص خسارہ گزشتہ اسی عرصے کے1،1،951 ملین روپے (2.09 روپے:LPS) کے مقابلے میں 4،208 ملین روپے (4.50 روپے:LPS) ہوا۔

سیلز ٹیکس ایکٹ میں پہلے کی گئی ترامیم کے تحت ایسے ڈیلرز جو سیلز ٹیکس ایکٹ کے تحت رجسٹرڈ نہیں ہیں ان کو کی گئی فروخت سے جڑے Input سیلز ٹیکس کو منہا کر نے کی اجازت نہیں تھی، حال ہی میں انکم ٹیکس آرڈیننس 2001 میں اسی طرح کی ترمیم میں Input جی ایس ٹی کی اجازت نہ ہونے کے علاوہ ، متناسب کاروباری اخراجات کے 10فیصد کو منہا کرنے کی اجازت نہیں دی گئی۔ ان ترامیم کا کمپنی پر نمایاں مالی مضمرات کا اثر پڑے گا ، حالانکہ یہ مضمرات اپنی وجوہات کی بناء پر ، ڈیلروں کو اپنا اندراج نہ کرنے کے فیصلے کی وجہ سے ہیں۔

مستقبل کے امکانات

COVID-19 اور تذی دل کے حملوں میں کمی سے صنعت اور معیشت میں بہتری متوقع ہے۔ بین الاقوامی مارکیٹ میں ڈی اے پی کے بنیادی مارجن میں کمی پریشانی کی وجہ رہی ہے ، لیکن آنے والے دور میں اس میں بہتری آنا چاہئے ، کیونکہ یہ مخصوص کے بنیادی مارجن میں کمی پریشانی کی وجہ رہی ہے ، ٹیکاؤنٹ ریٹ میں کمی سے کاروبار کرنے میں لاگت کم ہوگی اور اس کا مثبت اثر ہوگا۔ سال 2020 کی پہلی ششماہی کے دوران حوصلہ افزا فروخت ، اور سالانہ فروخت کا 60 فیصد سال کی دوسری ششماہی میں مرتکز ہونے کے پیش نظر ، انتظامیہ سال کے منصوبہ بند نتائج کو حاصل کرنے کے لئے پر اعتماد ہے۔ واضح رہے کہ کاروبار کی بنیادی اساس ٹھیک ہے ، لیکن حال ہی میں کم ہوتے ہوئے مارجن اور اخر اجات کی زیادتی نے مالی کارکردگی پر منفی اثر ڈالا۔

کمپنی مسلسل فراہمی کے لئے وزارت پٹرولیم ، ایس ایس جی سی ایل اور دیگر تمام سپلائرز کے ساتھ قریبی رابطے میں ہے. یہ اپنے صارفین کو معیاری مصنوعات کی فراہمی کے لئے بھی پر عزم ہے اور سال کی دوسری ششماہی کے دوران بہتر فروخت کے ذریعے اپنے اسٹیک بولڈرز کے لئے بہتر نتائج کی خواہاں ہے۔

منجانب بورڈ

المسلك المالك ا

چيئرمين

اسلام آباد: 24 جولائي 2020

ڈائریکٹرز کا جائزہ 30 جون 2020 کو ختم ہونے والی ششماہی

بورڈ آف ڈائریکٹرزکی جانب سے 30 جون 2020 کو ختم ہونے والی ششماہی کے لئے کمپنی کی پیداواری اور مالی کارکردگی کا ایک مختصر جائزہ پیش کیا جارہا ہے۔

10-COVID کے وہائی مرض نے انسانی زندگی کو بری طرح متائٹر کیا ہے۔ عالمی معیشت لاک ڈاؤن کے باعث شدید دہاؤ کا شکار ہے۔ انسانی جان کو لاحق خطرے کو کم سے کم کرنے اور معیشت کو درپیش صنفی مضمرات پر قابو پانے کے لئے پاکستان کو بھی ہے۔ انسانی جان کو لاحق خطرے کو کم سے کم کرنے اور معیشت کو درپیش صنفی مضمرات پر قابو پائے۔ مارچ 2020 میں حکومت کی جانب سے لاک ڈاؤن کے نفاذ کے نتیجے میں ابتدائی طور پر کھاد کی فراہمی کا سلسلہ متائثر ہوا۔ تاہم حکومت کی طرف سے کھاد کی فراہمی کو مثنثلی قرار دینے کے بعد سیلز نیٹ ورک تین ہفتے کے بعد معمول کی سطح پر واپس آگیا۔ ملک کے مغربی اور جنوبی علاقوں میں ثلثی دل کے حملے سے زراعت کی صور تحال مزید بگڑ گئی۔

ریگولیٹر کی جانب سے ٹسکاؤنٹ ریٹ کی شرح میں خاطرخواہ کمی ملک میں کیپٹل مارکیٹ اور کاروباری ماحول کے لئے اچھا شگون تھا۔ معیشت پر اس کے اثرات آنندہ چند مہینوں میں نظر آنا شروع ہوں گے لیکن ایف ایف بی ایل پر اس کے اثرات مثبت ہوں گے۔

حکوتِ پاکستان نے کھاد پر سبسڈی کے لئے 37 ارب کے پیکیج کا اعلان کیا۔ تاہم،عمل درآمد میں تاخیر اور اسکی ادائیگی کے طریقہ کار کا واضح نہ ہونا کھاد مارکیٹ کے لئے نقصان دہ ٹُھرا، جسکے نتیجے میں فروخت میں کمی دیکھنے میں آئی اور کھاد کا ہروقت استعمال نہ ہوپایا۔

الله تعالى كے فضل و كرم سے كمپنى كى مجموعى پيداوارى كاركردگى 30 جون 2020 تك 20.26 ملين سيف مين آور كے ساتھ اطمينان بخش رہى۔ كمپنى نے اس عرصے كے دوران 9،039 ايم ايم ايس سى ايف گيس حاصل كى ، جو گذشتہ سال كى اسى مدت كے اطمينان بخش رہى۔ كمپنى نے اس عرصے كے دوران 9،039 ايم ايس سى ايف كي جو مقابلے ميں 9 فيصد زيادہ ہے۔ اضافى فر اہمى لاك ڈاؤن ميں كچھ صنعتوں كے بند ہو نے كى وجہ سے تھى۔ ايف ايف ہى ايل پاور كمپنى لميئڈ كى جانب سے بجلى اور بھاپ كى فراہمى ضرورت كے مطابق رہى۔ امونيا(126 kt) اور يوريا كى فراہمى ضرورت كے مطابق رہى۔ امونيا (126 kt) اور يوريا كى فيداد اس كے اسى عرصے كے مقابلے ميں الروز ل 126 فيصد اور 24 فيصد اضافہ ہوا جبكہ افونيا اور 293kt) كى پيداوار ميں 3 فيصد اضافہ ہوا جبكہ امونيا اور 293kt) كى پيداوار ميں 3 فيصد اضافہ ہوا جبكہ امونيا اور استعمال كے لئے، امونيا كى تي ہوئى۔ انوينٹرى كے منظم استعمال كے لئے، امونيا كو دقى اے پى پر مجموعى استعمال كے لئے استعمال كيا گيا۔ 2020 ميں دُى اے پى پر مجموعى مارجن ميں كمى آئى، جس كى وجہ سےكمپنى كى منافع كمانے كى صلاحيت دباؤ ميں رہى۔

ڈی اے پی مارکیٹ اور فروخت

سال 2020 کی ابتداء انڈسٹری انوینٹری 550kt کی بلند سطح کے ساتھ ہوئی۔ بین الاقوامی مارکیٹ میں قیمتوں میں کمی کے رجحان کے باعث مقامی سطح پربھی قیمتوں میں کمی دیکھنے میں آئی۔ پہلی سہ ماہی میں ڈی اے پی کی فروخت کے حجم میں استحکام رہا۔ تاہم، دوسری سہ ماہی میں سبسٹری کے نفاذ میں تاخیر ، ٹڈی دل کے حملے کے خطرے اور کاشتکاروں کے مالی بحران کی وجہ سے مارکیٹ 26 فیصد سکڑگئی۔ 2020 کی پہلی ششماہی میں، 2019 کی اسی مدت کے مقابلے میں انڈسٹری کی فروخت 645kt سے 16 فیصد کم ہوکر 545kt کی بھاری انوینٹری لے کر جانا پڑے گئی۔ نتیجتاً اس انڈسٹری کو 2020 کے دوسری ششماہی میں انداز أ 540kt کی بھاری انوینٹری لے کر جانا پڑے گئی۔

اس کے برعکس ، ایف ایف بی ایل کی 2020 کی پہلی ششمابی میں ڈی اے پی کی 251kt کی فروخت میں پچھلے سال کی اسی مدت کے دوران 202kt کے مقابلے میں 24 فیصد اضافہ ہوا۔ نتیجہ کے طور پر، سونا ڈی اے پی کا مارکیٹ شیئر گزشتہ سال کی اسی مدت کے دوران 31 فیصد کے مقابلے میں 46 فیصد تک بڑھ گیا۔

يوريا ماركيث اور فروخت

سال کا آغاز £200k کی انوینٹری کی سطح سے ہوا۔ حکومت کی جانب سے جی آئی ڈی سی میں چھوٹ اور اس کے نتیجے میں انڈسٹری کی طرف سے یوریا کی قیمتوں میں کمی فروخت میں اضافے کا سبب بنی۔ فروری اور مارچ 2020 کے دوران فروخت کی مناسب سطح کے بعد، مئی 2020 تک فروخت میں کمی ہوئی۔ یوریا کو خریف سبسڈی سے خارج کرنے کے حکومتی فیصلے اور گیس کی قیمتوں میں متوقع اضافے کے سبب جون میں بڑے پیمانے پر خریداری ہوئی۔

اس عرصے کے دوران، انڈسٹری کی ملکی فروخت کا تخمینہ کا عنمینہ 2،665kt ہے ، جو گذشتہ سال کے اسی عرصے کی 2،895kt فروخت سے 8 فیصد کم ہے۔ انڈسٹری کی تخمینہ شدہ پیداوار 2،925kt گذشتہ سال کے اسی عرصے کے دوران 2،905kt سے افیصد زیادہ ہے۔ 30 جون ، 2020 کو انڈسٹری کی تخمینہ شدہ انوینٹری 425kt ہے۔

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF FAUJI FERTILIZER BIN OASIM LIMITED

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Fauji Fertilizer Bin Qasim Limited as at 30 June 2020, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

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

Conclusion

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

Other matters

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months period ended 30 June 2020 and 2019 have not been reviewed, as we are required to review only the cumulative figures for the six-months period ended 30 June 2020.

The engagement partner on the audit resulting in this independent auditor' report is Faroog Hameed.

Ex 60-0 Pro-

Ernst & Young Ford Rhodes
Chartered Accountants

Place: Islamabad

Date: 05 August 2020

CONDENSED INTERIM FINANCIAL STATEMENTS

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2020

		June 30, 2020	December 31, 2019
		(Un - audited)	(Audited)
	Note		es '000)
EQUITY AND LIABILITIES		•	•
SHARE CAPITAL AND RESERVES			
Share capital		9,341,100	9,341,100
Capital reserve		228,350	228,350
Revenue reserve			
Accumulated loss		(6,943,377)	(2,735,489)
		2,626,073	6,833,961
NON-CURRENT LIABILITIES			
Long-term loans	6	12,812,503	13,791,667
Deferred liabilities	7	1,469,319	1,578,651
		14,281,822	15,370,318
CURRENT LIABILITIES			
Trade and other payables		42,190,603	34,993,385
Advances from customers		803,084	83,309
Unpaid dividend		10,954	10,954
Unclaimed dividend		117,283	118,640
Accrued interest		713,063	962,251
Short-term borrowings		20,984,480	28,227,084
Current portion of long-term loans	6	6,079,164	4,566,667
		70,898,631	68,962,290
		87,806,526	91,166,569

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CONTINGENCIES AND COMMITMENTS

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

ASSETS	Note	June 30, 2020 (Un - audited) (Rupee	December 31, 2019 (Audited) es '000)
NON-CURRENT ASSETS			
Property, plant and equipment	9	10,422,766	10,427,911
Long-term investments	10	24,957,494	26,179,751
Long-term loans	11	3,130,000	3,130,000
Long-term advances		6,034	18,385
Long-term deposits		78,643	78,643
		38,594,937	39,834,690
CURRENT ASSETS Stores and spares		2,775,717	2,988,584
Stock-in-trade		17,936,030	14,756,054
Trade debts		3,015,741	8,606,885
Advances		938,247	923,231
Current portion of long-term loans	11	964,000	-
Trade deposits and short-term prepayments		19,771	132,688
Interest accrued		460,472	247,867
Other receivables	12	8,250,232	6,004,866
Income tax refundable - net		2,439,317	2,651,366
Sales tax refundable		7,399,708	8,716,968
Short-term investments	13	-	1,009,029
Cash and bank balances		5,012,354	5,294,341
		49,211,589	51,331,879
		87,806,526	91,166,569

VM-M-

CHAIRMAN

CHIEF EXECUTIVE

Soyway Honed Elman

DIRECTOR



CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2020

		Quarter ended June 30,		Half year ei	nded June 30,
		2020	2019	2020	2019
	Note	(Rupe	es '000)	(Rupe	es '000)
Sales - net	14	15,223,506	17,998,140	24,781,703	21,497,499
Cost of sales	15	(13,293,376)	(16,021,128)	(23,409,809)	(20,203,237)
Gross profit		1,930,130	1,977,012	1,371,894	1,294,262
Selling and distribution expenses		(1,247,822)	(1,210,663)	(1,961,513)	(1,890,134)
Administrative expenses		(300,970)	(330,210)	(587,913)	(622,610)
		381,338	436,139	(1,177,532)	(1,218,482)
Finance costs		(1,207,591)	(1,213,374)	(2,726,312)	(2,125,451)
Other expenses		(1,390,924)	(970,015)	(1,584,068)	(1,020,523)
		(2,217,177)	(1,747,250)	(5,487,912)	(4,364,456)
Other income	16	1,371,590	1,130,039	1,687,924	1,930,781
Loss before taxation		(845,587)	(617,211)	(3,799,988)	(2,433,675)
Taxation - net	17	(314,237)	533,345	(407,900)	482,554
Loss after taxation		(1,159,824)	(83,866)	(4,207,888)	(1,951,121)
Loss per share - basic and diluted (Rupees)		(1.24)	(0.09)	(4.50)	(2.09)

 $The \ annexed \ notes \ from \ 1 \ to \ 21 \ form \ an \ integral \ part \ of \ these \ condensed \ interim \ financial \ statements.$

CHIEF EXECUTIVE

CHIEF FINANCIAL OFFICER

CHAIRMAN

DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2020

	Quarter ended June 30,		Half year ended June 30,						
	2020	2019	2020	2019					
	(Rupees '000)		(Rupees '000)		(Rupees '000)		(Rupe	Rupees '000)	
Loss after taxation	(1,159,824)	(83,866)	(4,207,888)	(1,951,121)					
Other comprehensive income	-	-	-	-					
Total comprehensive loss	(1,159,824)	(83,866)	(4,207,888)	(1,951,121)					

 $The \ annexed \ notes \ from \ 1 \ to \ 21 \ form \ an \ integral \ part \ of \ these \ condensed \ interim \ financial \ statements.$

V

CHAIRMAN CHIEF EXECUTIVE

DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2020

	Share capital	Capital reserve	Accumulated profit / (loss)	Total
		(Rupees	'000)	
Balance as at January 01, 2019 - audited	9,341,100	228,350	4,328,006	13,897,456
Total comprehensive income				
Loss after taxation for the period	-	-	(1,951,121)	(1,951,121)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(1,951,121)	(1,951,121)
Transactions with owners, recorded directly in equity				
Distributions to owners				
Final dividend 2018 (Rs. 1 per ordinary share)			(934,110)	(934,110)
Total transactions with owners	-		(934,110)	(934,110)
Balance as at June 30, 2019	9,341,100	228,350	1,442,775	11,012,225
Balance as at January 01, 2020 - audited	9,341,100	228,350	(2,735,489)	6,833,961
Total comprehensive income	2,311,100		(2)//35/105/	
Loss after taxation for the period	-	-	(4,207,888)	(4,207,888)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(4,207,888)	(4,207,888)
Balance as at June 30, 2020	9,341,100	228,350	(6,943,377)	2,626,073

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

CHAIRMAN

CHIEF EXECUTIVE

Soyeron Honed Rehman

DIRECTOR

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2020

		2020	2019
No	te	(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operating activities	8	9,518,239	(14,842,126)
Income tax paid		(318,347)	(756,226)
Finance costs paid		(2,975,500)	(1,590,155)
Payment to gratuity fund		(57,805)	-
Compensated absences paid		(23,713)	(10,960)
Payment to Workers' (Profit) Participation Fund		-	(10,954)
Net cash generated from / (used in) operating activities		6,142,874	(17,210,421)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures		(466,268)	(882,660)
Long-term advances		12,351	(74,413)
Sale proceeds from disposal of property, plant and equipment		5,096	25,417
Dividend received		407,826	752,015
Short-term investments		9,212	5,150,925
Long-term loans disbursed		(964,000)	(1,900,000)
Profit received on bank balances, term deposits and sub-ordinated loans		281,550	371,002
Net cash (used in) / generated from investing activities		(714,233)	3,442,286
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term financing receipt		2,450,000	4,275,000
Long-term financing payment		(1,916,667)	(2,708,332)
Short-term borrowings - net		(6,250,000)	4,400,000
Dividend paid		(1,357)	(925,744)
Net cash (used in) / generated from financing activities		(5,718,024)	5,040,924
NET DECREASE IN CASH AND CASH EQUIVALENTS		(289,383)	(8,727,211)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		(8,982,750)	366,092
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		(9,272,133)	(8,361,119)
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents included in the condensed interim statement of cash flows comprise the following condensed interim statement of financial position amounts:			
- Cash and bank balances		5,012,354	6,585,766
- Short-term highly liquid investments		-	1,100,000
- Short-term running finance		(14,284,487)	(16,046,885)
		(9,272,133)	(8,361,119)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

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CHAIRMAN

CHIEF EXECUTIVE

DIRECTOR

FOR THE HALF YEAR ENDED JUNE 30, 2020

1 THE COMPANY AND ITS OPERATIONS

Fauji Fertilizer Bin Qasim Limited ("the Company") is a public limited company incorporated in Pakistan under the Companies Ordinance,1984 (now replaced by the Companies Act, 2017 with effect from May 31, 2017). The shares of the Company are quoted on the Pakistan Stock Exchange. The registered office of the Company is situated at FFBL Tower, C1/C2, Sector B, Jinnah Boulevard, DHA II, Islamabad. The principal objective of the Company is manufacturing, purchasing and marketing of fertilizers. The Company commenced its commercial production on January 1, 2000.

2 BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

The disclosures in these condensed interim financial statements do not include the information reported for complete annual financial statements and should therefore be read in conjunction with the financial statements for the year ended December 31, 2019. The comparative Statement of Financial Position is extracted from the annual financial statements, as of December 31, 2019, whereas the Statement of Profit or Loss, the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity are extracted from the un-audited condensed interim financial statements, for the half year ended June 30, 2019.

These condensed interim financial statements are unaudited and are being submitted to the members, as required under Section 237 of the Companies Act, 2017, and the Listed Companies (Code of Corporate Governance) Regulations, 2019. The condensed interim consolidated financial statements of the Company are prepared separately.

In these condensed interim financial statements, the investments in subsidiaries and associates are accounted for on the basis of direct equity interest at cost, rather than on the basis of reported results.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are similar to those applied in the preparation of the financial statements for the preceding year, ended December 31, 2019.

4 IMPACT OF COVID-19

On January 31, 2020, the World Health Organization (WHO) announced a global health emergency due to Corona virus. Because of the rapid increase in exposure globally, on March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic.

The Government of Pakistan imposed restrictions on movement temporarily. The Company has adopted the required regulations. The plant operations remained broadly unaffected and there has been no effect on sales. Accordingly, till date there has been no effects on Company's financial as well as operational results. Management is also not expecting any significant disruptions in the future. Management of the Company, however, continue to evaluate it's effect at the date of authorization of these financial statements for current and next year.

5 The status of significant shareholdings, as at June 30, 2020, are given below:

	No. of Shares	Percentage (%)
Fauji Fertilizer Company Limited	465,891,896	49.88
Fauji Foundation	170,842,386	18.29

FOR THE HALF YEAR ENDED JUNE 30, 2020

		Note	June 30, 2020 (Un - audited) (Rupee	December 31, 2019 (Audited) es '000)
6	LONG-TERM LOANS			
	Loans from banking companies-secured		18,891,667	18,358,334
	Less: Current portion shown under current liabilities		6,079,164	4,566,667
			12,812,503	13,791,667
7	DEFERRED LIABILITIES			
	Compensated leave absences		569,901	556,737
	Deferred taxation	7.1	899,418	1,021,914
			1,469,319	1,578,651
7.1	The balance of deferred tax is in respect of the following taxable / (deductible) temporary differences:			
	Accelerated tax depreciation		1,529,833	1,511,560
	Provision for inventory obsolescence		(48,153)	(38,003)
	Allowance of expected credit loss against other receivables		(57,116)	(57,116)
	Unabsorbed depreciation		(525,146)	(394,527)
			899,418	1,021,914
8	CONTINGENCIES AND COMMITMENTS			
	Contingencies			
	i) Guarantees issued by banks on behalf of the Company		26,087	53,409
	Commitments			
	i) Capital expenditure - contracted		245,480	400,541
	ii) Letters of credit for purchase of stores, spares and raw materials		809,079	763,244
9	PROPERTY, PLANT AND EQUIPMENT			
	Opening written down value		10,427,911	9,747,537
	Additions during the period / year		466,268	2,359,566
	Cost of disposals during the period / year		(18,159)	(122,592)
	Depreciation charged during the period / year		(464,369)	(1,667,495)
	Accumulated depreciation on disposals during the period / year		11,115	110,895
			10,422,766	10,427,911
10	LONG-TERM INVESTMENTS			
	Joint venture	10.1	1,411,150	1,411,150
	Associated companies	10.2	7,991,556	7,991,556
	Subsidiary companies	10.3	15,554,788	16,777,045
	Other long term investments	10.4	-	
			24,957,494	26,179,751

FOR THE HALF YEAR ENDED JUNE 30, 2020

			June 30, 2020 (Un - audited)	December 31, 2019 (Audited)
		Note	(Rupee	s '000)
10.1	Investment in joint venture - at cost			
	Pakistan Maroc Phosphore S.A, Morocco		1,411,150	1,411,150
10.2	Investments in associates - at cost			
	Quoted			
	Fauji Cement Company Limited		300,000	300,000
	Askari Bank Limited		5,230,991	5,230,991
	Un-quoted			
	Foundation Wind Energy - I Limited		1,225,873	1,225,873
	Foundation Wind Energy - II Limited		1,234,692	1,234,692
			7,991,556	7,991,556
10.3	Investments in subsidiaries - at cost			
	Quoted			
	Fauji Foods Limited			
	Gross value		4,672,902	4,672,902
	Impairment in value of investment		(420,000)	(420,000)
			4,252,902	4,252,902
	Un-quoted			
	Fauji Meat Limited			
	Gross value		6,885,000	6,885,000
	Impairment in value of investment	10.5	(2,322,257)	(1,100,000)
			4,562,743	5,785,000
	FFBL Foods Limited		298,518	298,518
	FFBL Power Company Limited		6,440,625	6,440,625
			15,554,788	16,777,045
10.4	Investment - available for sale - unquoted			
	Arabian Sea Country Club Limited (ASCCL)			
	300,000 ordinary shares of Rs.10 each		3,000	3,000
	Less: Impairment in value of investment		3,000	3,000
			-	

10.5 Impairment charge on investment in Fauji Meat Limited (FML)

As at the reporting date, the Company performed an impairment test for it's investment in FML. The Company has determined recoverable amount of FML, based on a value-in-use calculation, which was lower than the carrying amount of the investment in the Company's financial statements due to challenging trading and economic conditions, affecting FML's domestic and exports markets. Accordingly, an impairment charge of Rs. 1,222 million has been recognized in the statement of profit or loss, as "Other Expenses". Value-in-use was estimated using probability weighted cash flow projections, covering a six-year period. The pre-tax risk adjusted discount rate and the long-term market growth-rate applied to cash flow projections is 11% (2019: 15.76%) and 3% (2019: 2.75%), respectively, both of which are inherently uncertain. The cash flow projections are sensitive to assumptions regarding the sales growth rate, operating margin, long-term market growth-rate and discount rate. These assumptions are based upon the Company's past experience and plans for the future periods, and are consistent with the external sources of information.

FOR THE HALF YEAR ENDED JUNE 30, 2020

1

			June 30,	December 31, 2019	
			2020		
			(Un - audited)	(Audited)	
		Note	(Rupe	es '000)	
11	LONG-TERM LOANS				
	Related parties				
	Fauji Meat Limited	11.1	750,000	500,000	
	Fauji Foods Limited	11.2	3,344,000	2,630,000	
			4,094,000	3,130,000	
	Less: Current portion shown under current assets		964,000	-	
			3,130,000	3,130,000	

11.1 The outstanding amount of Subordinated loan consists of:

- Rs. 250 million disbursed during the period, payable within 1 year from date of disbursement of each respective tranche, commencing from June 22, 2021. The total limit of loan to FML, approved in the Company's annual general meeting, on March 30, 2020, is Rs. 3,000 million (unless otherwise utilized). The loan carries mark-up at the rate which is higher of the Company's borrowing cost or KIBOR for the relevant period plus 1.5%, per annum, on the terms set out in the agreement and in compliance with the requirements of section 199 of Companies Act, 2017; and
- Rs. 500 million, payable within 5 year from date of disbursement of each respective tranche, commencing from March 20, 2024. The loan carries mark-up at the rate which is higher of the Company's borrowing cost or KIBOR for the relevant period plus 0.5% per annum.

The Company has the right, as and when desired by the Board of Directors, to convert all or part of these outstanding loans (including mark-up accrued thereon) into the ordinary shares of FML by written notice to FML, subject to approval of Securities and Exchange Commission of Pakistan and fulfillment of other regulatory requirements.

11.2 The outstanding amount of Subordinated loan consists of:

- Rs. 714 million disbursed during the period, payable within 1 year from date of disbursement of each respective tranche, commencing April 22, 2021. The total limit of cash loan to FFL, approved in the Company's annual general meeting, on March 30, 2020, is Rs. 2,500 million (unless otherwise utilized), out of total financial support of Rs. 4,500 million. The loan carries mark-up at the rate which is higher of the Company's borrowing cost or KIBOR for the relevant period plus 1.5%, per annum, on the terms set out in the agreement and in compliance with the requirements of section 199 of Companies Act, 2017. The Company has the right, as and when desired by the Board of Directors, to convert all or part of these outstanding loans (including mark-up accrued thereon) into the ordinary shares of FFL by written notice to FFL, subject to approval of Securities and Exchange Commission of Pakistan and fulfillment of other regulatory requirements; and
- Rs. 2,630 million, payable within 1 year of disbursement of each respective tranch, commencing from April 15, 2020. The loan carries mark-up at the rate which is higher of the Company's borrowing cost or KIBOR for the relevant period plus 1.5% per annum. An amount of Rs. 800 million was due before June 30, 2020. The Company has, however, obtained consent of its shareholders under section 199 of Companies Act, 2017 to convert the amount of Rs. 2,630 million, and the related accrued mark-up of Rs. 119 million into equity. The related clarifications on the regulatory approval have been received subsequent to reporting date and the share certificates have been on July 15, 2020. Accordingly, as of reporting date the loan has been classified as non-current.

12 OTHER RECEIVABLES

13

This includes an amount of Rs. 4,436 million (December 31, 2019: Rs. 2,886 million) receivable from Fauji Fertilizer Company Limited (FFCL), an associated company, on account of amounts received from customers against sales of the Company's products by FFCL under an inter-company services agreement.

	June 30,	December 31, 2019	
	2020		
	(Un - audited)	(Audited)	
	(Rupe	es '000)	
SHORT-TERM INVESTMENTS			
Loans and receivables			
Term deposits with banks and financial institutions	-	1,000,000	
Investments at fair value through profit or loss			
Mutual funds	-	9,029	
	-	1,009,029	

FOR THE HALF YEAR ENDED JUNE 30, 2020

			Quarter en	ded June 30,	Half year er	nded June 30,
		Note	2020	2019	2020	2019
			(Rupe	es '000)	(Rupe	es '000)
14	SALES - NET					
	Gross sales		15,661,251	18,587,733	25,421,417	22,144,125
	Less:					
	Sales tax		316,450	367,466	508,807	423,259
	Trade discount		114,625	215,045	120,573	215,045
	Commission	14.1	6,670	7,082	10,334	8,322
			437,745	589,593	639,714	646,626
			15,223,506	17,998,140	24,781,703	21,497,499

14.1 Commission is paid at the rate of Rs. 1 per bag sold by Fauji Fertilizer Company Limited, based on an inter-company services agreement.

	Quarter ended June 30,		Half year er	nded June 30,
	2020	2019	2020	2019
	(Rupe	es '000)	(Rupe	es '000)
15 COST OF SALES				
Raw materials consumed	10,485,305	14,056,512	16,266,625	23,737,417
Packing materials consumed	216,719	237,997	339,638	371,824
Fuel and power	2,921,915	2,913,877	5,566,929	5,258,031
Chemicals and supplies consumed	56,810	61,607	109,703	98,870
Salaries, wages and benefits	428,845	424,970	842,635	630,806
Rent, rates and taxes	14,568	20,650	79,459	41,344
Insurance	54,338	16,250	107,083	33,062
Travel and conveyance	16,859	38,238	51,176	68,434
Repairs and maintenance	139,174	183,317	601,201	791,306
Communication, establishment and other expenses	74,550	21,321	119,199	43,236
Provision for slow moving stores	21,000	-	35,000	-
Provision for sales tax	304,684	-	304,684	-
Depreciation	194,479	364,919	387,466	724,069
Opening stock - work in process	86,883	78,518	194,733	95,760
Closing stock - work in process	(61,730)	(45,665)	(61,730)	(45,665)
Cost of goods manufactured	14,954,399	18,372,511	24,943,801	31,848,494
Opening stock - finished goods	11,585,332	12,110,049	11,712,363	2,816,175
Closing stock - finished goods	(13,246,355)	(14,461,432)	(13,246,355)	(14,461,432)
Cost of sales	13,293,376	16,021,128	23,409,809	20,203,237

FOR THE HALF YEAR ENDED JUNE 30, 2020

		Quarter ended June 30,		Half year ended June 30,	
		2020	2019	2020	2019
		(Rupe	es '000)	(Rupe	es '000)
16	OTHER INCOME				
	Profit on bank balances and term deposits	116,053	120,717	263,392	244,481
	Gain / Dividend from mutual funds	380	18,778	380	130,114
	Dividend from FCCL	-	-	-	14,063
	Dividend from PMP	649,796	761,076	649,796	764,022
	Dividend from FWEL- I & FWEL- II	-	-	-	175,000
	Dividend from AKBL	407,826	-	407,826	271,884
	Mark-up on sub-ordinated loans-FFL	84,056	16,272	183,003	16,272
	Mark-up on sub-ordinated loans-FML	14,516	103,502	34,289	175,708
	Guarantee Fee FML	3,822	-	3,822	-
	Guarantee Fee FFL	9,452	-	9,452	-
	Scrap sale and other receipts	64,868	70,728	94,491	83,313
	Gain on disposal of property, plant & equipment	-	23,036	-	22,957
	Others	20,821	15,930	41,473	32,967
		1,371,590	1,130,039	1,687,924	1,930,781
17	TAXATION - NET				
	Current tax	387,023	394,334	530,396	502,653
	Deferred tax	(72,786)	(927,679)	(122,496)	(985,207)
		314,237	(533,345)	407,900	(482,554)

FOR THE HALF YEAR ENDED JUNE 30, 2020

18

	2020	2019
	(Rupee	s '000)
CASH GENERATED FROM / (USED IN) OPERATIONS		
Loss before taxation	(3,799,988)	(2,433,675)
Adjustment for non-cash charges and other items:		
Provision for gratuity	33,810	32,606
Exchange losses	360,570	1,019,513
Provision for compensated absences	36,877	48,108
Provision for sales tax	304,684	-
Provision for slow moving stores	35,000	-
Impairment charge on investment	1,222,257	-
Depreciation	464,369	826,622
Finance costs	2,726,312	2,125,451
Dividend from joint venture	(649,796)	(764,022)
Profit on bank balances and term deposits	(263,772)	(374,595)
Dividend from associates	(407,826)	(460,947)
Loss / (gain) on disposal of property, plant and equipment	1,948	(22,957)
Mark-up on sub-ordinated loans	(217,292)	(191,980)
Guarantee fee	(13,274)	-
Operating loss before working capital changes	(166,121)	(195,876)
Changes in working capital		
Stores and spares	177,867	16,191
Stock-in-trade	(3,179,976)	(14,334,198)
Trade debts	5,591,144	(1,553,347)
Advances	(15,016)	8,440
Trade deposits and short-term prepayments	112,917	15,145
Other receivables	(1,595,570)	(284,314)
Sales tax refundable	1,012,576	(2,131,732)
Trade and other payables	7,580,418	3,617,565
	9,684,360	(14,646,250)
Cash generated from / (used in) operations	9,518,239	(14,842,126)

Half year ended June 30,

FOR THE HALF YEAR ENDED JUNE 30, 2020

19 RELATED PARTY TRANSACTIONS

The Company has related parties which comprise of subsidiaries, a joint venture, entities under common directorship, directors, key management personnel, share holders and employees funds. Fauji Fertilizer Company Limited (FFCL) has a 49.88% share holding in the Company (2019: 49.88%), while Fauji Foundation (FF) holds 18.29% shares (2019: 18.29%) in the Company. Transactions with related parties and balance outstanding, other than those have been disclosed elsewhere in these condensed interim financial statements are given below. The carrying values of investments, balance receivable and loans to related parties are disclosed in note 10, 11 and 12 to these condensed interim financial statements.

	Half year ende	d June 30,
	2020	2019
	(Rupees '	000)
Transactions with Fauji Foundation:		
Dividend paid	-	170,842
Services provided	119	3,738
ransactions with subsidiary companies:		
Fauji Meat Limited		
Balance receivable	18,030	5,173
Material / services provided	13,768	5,767
Receipts against material / services	911	5,767
Guarantee fee	3,822	-
Mark-up on sub-ordinated loan	34,289	175,708
Mark-up receivables on sub-ordinated loan	131,956	97,667
Receipts against mark-up on sub-ordinated loan	-	62,129
FFBL Power Company Limited		
Material / services provided	350,681	258,685
Material / services received	5,232,876	4,803,283
Balance payable	2,995,601	874,912
Balance receivable	146,513	108,781
Receipts against material / services	334,657	241,221
Payments against material / services	4,195,218	5,787,833
Fauji Foods Limited		
Material / services provided	3,353	7,475
Receipts against material / services	1,791	7,475
Receivable against material / services	1,562	-
Guarantee fee	9,452	-
Mark-up on sub-ordinated loan	183,003	16,272
Mark-up receivables on sub-ordinated loan	301,867	118,864
FFBL Foods Limited		
Expenses incurred	499	500
Receipts during period	499	500

Transactions with associates:

Fauji Fertilizer Company Limited

, , ,			
Services and material acquired	550,652	462,459	
Services and material provided	1,022	-	
Receipts under consignment account	29,739,412	19,456,829	
Commission charged	10,334	8,322	
Balance receivable	4,436,427	2,885,789	*
Dividend paid	-	465,892	
Askari Bank Limited			
Balances at bank	1,040,766	337,116	*
Profit on bank balances	102,062	38,991	
Long-term loans	500,000	500,000	*
Mark-up on long-term loans	32,406	25,688	
Mark-up payable on long-term loans	15,291	18,740	×
Dividend received	407,826	271,884	
Fauji Cement Company Limited			
Dividend received	-	14,063	
Foundation Wind Energy - I Limited & Foundation Wind Energy - II Limited			
Dividend received	-	175,000	
Transactions with joint venture:			
Pakistan Maroc Phosphore S.A, Morocco			
Purchase of raw materials	12,832,964	19,005,452	
Expenses incurred on behalf of joint venture	3,644	5,122	
Balance payable at the period end - secured	10,757,383	6,593,346	*
Balance receivable at the period end - unsecured	9,547	9,231	*
Dividend received	649,796	-	
Other related parties:			
Contribution to Provident Fund	36,754	37,123	
Payment to gratuity fund	57,805	-	
Payment to Workers' (Profit) Participation Fund	-	10,954	
Remuneration of key management personnel	86,466	138,008	
Meeting fee to directors	3,825	3,300	
Balance payable to Workers' Welfare Fund	561,622	561,622	*
Payable to Gratuity Fund	254,418	278,413	*

 $^{{\}color{blue}*} \quad \text{These balance of accounts, appearing as comparatives, are as at December 31, 2019 (audited)}.$

FOR THE HALF YEAR ENDED JUNE 30, 2020

In addition to the above:

- a ranking charge amounting to US\$ 91,456,667 and Rs. 4,000 million (2019: US\$ 91,456,667 and Rs. 4,000 million) has been registered on
 the assets of the Company, in respect of project financing arranged by Foundation Wind Energy-I Limited.
- a ranking charge amounting to US\$ 89,146,667 and Rs. 4,000 million (2019: US\$ 89,146,667 and Rs. 4,000 million) has been registered on the assets of the Company, in respect of project financing arranged by Foundation Wind Energy-II Limited.
- the Company has issued standby letter of credit amounting to Rs. 934 million in favor of the FML under the Diminishing Musharaka Agreement.
- the Company has provided sponsor support, to lenders of project financing arranged by FPCL, to fund any shortfall, to the extent FPCL is unable to fulfill its financial obligations:
 - (i) up to Rs. 29,150 million (2019: Rs. 29,150 million) and all cost over runs, till technical completion date; and (ii) up to Rs. 8.000 million after project completion date.
- the Company has committed to provide collateral or other sponsor support to FML, the total limit of such facility approved in the Company's
 annual general meeting, on March 30, 2020, is disclosed in note 11.1. During the period, the Company provided sponsor support in the
 form of corporate guarantee support in the form of cash deposit with Banking institutions of Rs. 1,000 million.
- the Company has committed to provide collateral or other sponsor support to FFL, the total limit of such facility approved in the Company's
 annual general meeting, on March 30, 2020, is disclosed in note 11.2. During the period, the Company provided sponsor support in the
 form of cash collateral for FFL with various banking institutions, aggregating to Rs. 2.500 million.

20 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

20.1 Financial risk factors

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

There have been no changes in the risk management policies during the period; consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

20.2 Fair value estimation

The table below analyzes financial instruments carried at fair value by the valuation method. The different levels have been defined as follows:

- Ouoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (level 3)

	Level 1	Level 2	Level 3
	·	(Rupees' 000)	
June 2020 - un-audited			
ASSETS			
Financial assets at fair value through profit or loss			
- Short-term investments	-	-	
December 2019 - audited			
ASSETS			
Financial assets at fair value through profit or loss			
- Short-term investments	9,029	-	

FOR THE HALF YEAR ENDED JUNE 30, 2020

- 21 GENERAL
- **21.1** Figures have been rounded off to the nearest thousand rupees.
- 21.2 These condensed interim financial statements were authorized for issue on July 24, 2020 by the Board of Directors of the Company.

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N CHIEF EVECUTIV

DIRECTOR

CHIEF FINANCIAL OFFICER

CHAIRMAN

CHIEF EXECUTIVE

Sozeron Hrond Rehman

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2020

		June 30, 2020 (Un - audited)	December 31, 2019 (Audited)
	Note	(Rupe	es '000)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		9,341,100	9,341,100
Capital reserve		228,350	228,350
Statutory reserve		1,526,424	1,329,299
Revenue reserves			
Translation reserve		3,044,713	2,866,785
Revaluation reserve on available for sale investments, net of tax		(68,886)	(744,310)
Accumulated loss		(6,951,440)	(3,875,066)
		7,120,261	9,146,158
Non-Controlling Interest		1,240,060	1,582,983
•		8,360,321	10,729,141
NON-CURRENT LIABILITIES			
Long-term loans	5	29,394,641	31,899,500
Finance lease liability		514,776	541,905
Deferred liabilities	6	3,759,903	3,641,252
		33,669,320	36,082,657
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables		42,096,975	36,638,874
Advances from customers		969,188	193,815
Unpaid dividend		10,954	10,954
Unclaimed dividend		118,249	119,606
Accrued interest		1,256,025	1,520,388
Short-term borrowings		31,752,268	39,598,125
Current portion of long-term loans	5	11,193,682	8,951,344
Current portion of finance lease liability		146,406	183,998
		87,543,747	87,217,104
		129,573,388	134,028,902

7

The annexed notes, from 1 to 20, form an integral part of these condensed interim consolidated financial statements.

CONTINGENCIES AND COMMITMENTS

<u>ASSETS</u>	Note	June 30, 2020 (Un - audited) (Rupee	December 31, 2019 (Audited) s '000)
NON-CURRENT ASSETS			
Property, plant and equipment	8	50,745,308	50,960,138
Intangible assets		410,878	419,534
Long-term investments	9	21,203,076	20,238,869
Long-term advances		6,034	18,385
Long-term deposits		85,249 72,450,545	85,249 71,722,175
CURRENT ASSETS			
Stores and spares		3,479,014	3,707,246
Stock-in-trade		20,090,925	17,137,919
Trade debts		5,268,509	10,411,213
Advances		1,398,539	1,265,006
Trade deposits and short-term prepayments		99,668	296,119
Interest accrued		26,941	42,428
Other receivables	10	8,230,212	6,089,123
Income tax refundable - net	10	4,186,619	4,360,559
Sales tax refundable		8,505,158	9,793,750
Short-term investments	11	20,260	1,409,029
Cash and bank balances		5,816,998	7,794,335
		57,122,843	62,306,727
		129,573,388	134,028,902

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CHAIRMAN

CHIEF EXECUTIVE

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CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2020

		Quarter ended June 30,		Half year ended June 30,		
		2020	2019	2020	2019	
	Note	(Rupe	es '000)	(Rupe	es '000)	
Sales - net	12	18,603,509	21,603,264	31,483,496	28,480,667	
Cost of sales	13	(14,819,382)	(18,140,993)	(26,641,132)	(24,195,089)	
Gross profit		3,784,127	3,462,271	4,842,364	4,285,578	
Selling and distribution expenses		(1,510,581)	(1,906,665)	(2,499,488)	(2,980,943)	
Administrative expenses		(459,245)	(497,095)	(918,424)	(984,941)	
		1,814,301	1,058,511	1,424,452	319,694	
Finance costs		(2,319,597)	(2,342,880)	(5,144,155)	(4,267,449)	
Other operating expenses		(179,737)	(953,112)	(452,374)	(1,036,714)	
		(685,033)	(2,237,481)	(4,172,077)	(4,984,469)	
Other income	14					
Share of profit of associates and joint venture - net		241,732	591,510	1,049,284	706,170	
Others		247,181	294,510	482,595	589,358	
		488,913	886,020	1,531,879	1,295,528	
Loss before taxation		(196,120)	(1,351,461)	(2,640,198)	(3,688,941)	
Taxation - net	15	(125,703)	263,156	(581,974)	184,490	
Loss after taxation		(321,823)	(1,088,305)	(3,222,172)	(3,504,451)	
Attributable to:						
- Owners of the Holding Company		(257,407)	(516,750)	(2,879,249)	(2,751,915)	
- Non-controlling interest		(64,416)	(571,555)	(342,923)	(752,536)	
		(321,823)	(1,088,305)	(3,222,172)	(3,504,451)	
Loss per share - basic and diluted (Rupees)		(0.27)	(0.56)	(3.08)	(2.95)	

The annexed notes, from 1 to 20 form an integral part of these condensed interim consolidated financial statements.

CHAIRMAN

CHIEF EXECUTIVE

Soyeron Honed Elman

DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2020

	Quarter ended June 30,		Half year ei	nded June 30,
	2020	2019	2020	2019
	(Rupe	es '000)	(Rupe	es '000)
Loss after taxation	(321,823)	(1,088,305)	(3,222,172)	(3,504,451)
Other comprehensive income / (loss)				
Exchange difference on translating a joint venture	130,496	8,152	156,460	508,404
Effect of translation - share of associate	24,423	(15,060)	21,468	3,980
Revaluation reserve on available for sale investments	464,079	94,999	794,616	(436,547)
Related deferred tax	(69,611)	(14,250)	(119,192)	65,482
	394,468	80,749	675,424	(371,065)
Total comprehensive income / (loss)	227,564	(1,014,464)	(2,368,820)	(3,363,132)
Attributable to:				
- Owners of the Holding Company	291,980	(442,909)	(2,025,897)	(2,610,596)
- Non-controlling interest	(64,416)	(571,555)	(342,923)	(752,536)
	227,564	(1,014,464)	(2,368,820)	(3,363,132)

The annexed notes, from 1 to 20 form an integral part of these condensed interim consolidated financial statements.

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CHAIRMAN

CHIEF EXECUTIVE

Topper Hynd Rehman

DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2020

				Reserves				
	Share capital	Capital reserve	Revaluation reserve on available for sale investments	Statutory reserve	Translation reserve	Accumulated Profit / (loss)	Non- controlling interest	Total
				(Rupee:	s'000)			
Balance as at January 01, 2019 - audited	9,341,100	228,350	(481,495)	1,050,097	1,688,216	4,383,873	3,826,318	20,036,459
Total comprehensive income								
Loss for the period after taxation	-	-	-	-	-	(2,751,915)	(752,536)	(3,504,451)
Other comprehensive income for the period	-	-	(371,065)	-	512,384	-	-	141,319
Total comprehensive loss for the period	-	-	(371,065)	-	512,384	(2,751,915)	(752,536)	(3,363,132)
Transfer to statutory reserve	-	-	-	114,067	-	(114,067)	-	-
Transactions with owners, recorded directly in equity								
Distributions to owners								
Final dividend 2018								
(Re. 1 per ordinary share)						(934,110)		(934,110)
Balance as at June 30, 2019	9,341,100	228,350	(852,560)	1,164,164	2,200,600	583,781	3,073,782	15,739,217
Balance as at January 01, 2020 - audited	9,341,100	228,350	(744,310)	1,329,299	2,866,785	(3,875,066)	1,582,983	10,729,141
Total comprehensive income								
Loss for the period after taxation	-	-	-	-	-	(2,879,249)	(342,923)	(3,222,172)
Other comprehensive income for the period	-	-	675,424	-	177,928	-	-	853,352
Total comprehensive loss for the period	-		675,424	-	177,928	(2,879,249)	(342,923)	(2,368,820)
Transfer to statutory reserve	-			197,125		(197,125)		
Balance as at June 30, 2020	9,341,100	228,350	(68,886)	1,526,424	3,044,713	(6,951,440)	1,240,060	8,360,321

The annexed notes, from 1 to 20 form an integral part of these condensed interim consolidated financial statements.

CHAIRMAN

CHIEF EXECUTIVE

DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2020

		2020	2019
	Note	(Rupe	es '000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operating activities	16	11,109,227	(13,502,650)
Income tax paid		(426,075)	(898,306)
Payment to gratuity fund		(59,382)	(4,778)
Finance cost paid		(5,386,700)	(3,618,849)
Compensated absences paid		(24,925)	(10,283)
Payment to Workers Welfare Fund		(5,626)	-
Payment to Workers' (Profit) Participation Fund		(19,421)	(139,502)
Net cash generated from / (used in) operating activities		5,187,098	(18,174,368)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures		(1,146,750)	(1,408,971)
Intangibles		(2,043)	-
Long-term advances		12,351	(74,413)
Dividend received		407,826	752,015
Sale proceeds of property, plant and equipment		17,000	66,266
Long-term deposit		-	(9,920)
Investment at fair value through profit or loss - net		9,212	5,150,925
Profit received on bank balances and term deposits		354,505	399,373
Net cash (used in) / generated from investing activities		(347,899)	4,875,275
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term borrowings - net		(7,799,998)	5,549,620
Long-term loans		(284,341)	2,717
Finance lease liability		(64,721)	(89,122)
Dividend paid		(1,357)	(925,744)
Net cash (used in) / generated from financing activities		(8,150,417)	4,537,471
NET DECREASE IN CASH AND CASH EQUIVALENTS		(3,311,218)	(8,761,622)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		(15,903,799)	(4,564,653)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		(19,215,017)	(13,326,275)
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents included in the condensed interim consolidated statement of cash flows comprises the following condensed interim consolidated statement of financial position amounts:			
- Cash and bank balances		5,816,998	8,750,437
- Short-term highly liquid investments	11	20,260	1,850,000
- Short-term running finance		(25,052,275)	(23,926,712)
		(19,215,017)	(13,326,275)

The annexed notes, from 1 to 20 form an integral part of these condensed interim consolidated financial statements.

CHAIRMAN

CHIEF EXECUTIVE

DIRECTOR

FOR THE HALF YEAR ENDED JUNE 30, 2020

1 THE GROUP AND ITS OPERATIONS

Fauji Fertilizer Bin Qasim Limited is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 (now replaced by the Companies Act, 2017 with effect from May 31, 2017). The shares of the Company are quoted on Pakistan Stock Exchange (PSX). The registered office of FFBL is situated at FFBL Tower, C1/C2, Sector B, Jinnah Boulevard, DHA Phase II, Islamabad, Pakistan. The principal objective of FFBL is manufacturing, purchasing and marketing of fertilizers. FFBL commenced its commercial production effective January 01, 2000.

Fauji Fertilizer Bin Qasim Limited group comprises of Fauji Fertilizer Bin Qasim Limited (FFBL / the Holding Company) and its subsidiaries, Fauji
Meat Limited (FML). FFBL Foods Limited. FFBL Power Company Limited (FPCL) and Fauji Foods Limited (FFL) collectively referred as ("Group").

Fauji Meat Limited is a public limited company incorporated on September 05, 2013 in Pakistan under the Companies Ordinance, 1984 (now replaced by the Companies Act, 2017 with effect from May 31, 2017). The principal objectives of FML are to establish a meat abattoir unit for halal slaughtering of animals to obtain meat for local and export sale purposes.

FFBL Foods Limited is a public limited company incorporated on July 04, 2013 in Pakistan under the Companies Ordinance, 1984 (now replaced by the Companies Act, 2017 with effect from May 31, 2017). The principal objective is to produce multi brand dairy products.

FFBL Power Company Limited is a public limited company incorporated on June 27, 2014 in Pakistan under the Companies Ordinance, 1984 (now replaced by the Companies Act, 2017 with effect from May 31, 2017). The principal activity is generation and supply of electricity and all other forms of energy.

Fauji Foods Limited (FFL) was incorporated in Pakistan on September 26, 1966 as a public company and its shares are quoted on PSX. It is principally engaged in processing and sale of toned milk, milk powder, fruit juices, allied dairy and food products.

2 BASIS OF PREPARATION

These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

The disclosures in these condensed interim consolidated financial statements do not include the information reported for full annual consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the year ended December 31, 2019. The comparative Consolidated Statement of Financial Position is extracted from the annual consolidated financial statements, as of December 31, 2019, whereas the Consolidated Statement of Profit or Loss and the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity are extracted from the unaudited condensed interim consolidated financial statements, for the period ended June 30, 2019.

These condensed interim consolidated financial statements are unaudited and is being submitted to the members, as required under Section 237 of the Companies Act, 2017, and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim consolidated financial statements are similar to those applied in the preparation of the consolidated financial statements for the preceding year, ended December 31, 2019.

4 Group consists of following subsidiary companies:

	Ownership in 2020	Ownership in 2019
Fauji Meat Limited	90.18%	90.18%
FFBL Power Company Limited	75.00%	75.00%
FFBL Foods Limited	100.00%	100.00%
Fauji Foods Limited	50.59%	50.59%

FOR THE HALF YEAR ENDED JUNE 30, 2020

The condensed interim financial statements of subsidiary companies have been consolidated on line by line basis. The carrying value of investments held by the Holding Company is eliminated against the subsidiaries' share capital and pre-acquisition reserves. All material intercompany balances and transactions have been eliminated.

Contingencial contingent liabilities of Faul forms Contingent liabilities of Faul faul faul forms Contingent liabilities of Faul faul faul faul faul faul faul faul f					June 30, 2020	December 31, 2019
Loans from banking companies-secured 40,588,323 40,850,848 Less: Current portion shown under current liabilities 11,193,682 8,951,344 29,394,641 31,899,500 6				Note	(Rupees '000)	
Less: Current portion shown under current liabilities 11,193,682 29,394,641 31,899,500	5	LON	G-TERM LOANS			
Less: Current portion shown under current liabilities 11,193,682 29,394,641 31,899,500		Loan	s from banking companies-secured		40,588,323	40,850,844
Compensated leave absences 699,323 681,824 Deferred taxation 6.1 3,060,580 2,959,428 3,759,903 3,641,252 Contingencies 2,971,098 2,885,948 Share of profit of joint venture and associates - net 1,141,111 1,142,960 Share of profit of subsidiary 784,749 738,287 Provision for inventory obsolescence (99,193) (38,003) Provision for doubtful other receivables (57,116) (57,116) Deferred tax on revaluation of available for sale investments (1,656,931) (1,570,318) Unabsorbed losses, tax credits and others (1,656,931) (1,570,318) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 240,800 240,800 V) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 Vi) Contingent liabilities of Fauji Meat Limited as at March 31, 2020 41,004,841 41,498,101 Vi) Contingent liabilities of Fauji Meat Limited as at March 31, 2020 41,004,841 41,498,101 Vi) Contingent liabilities of Fauji Meat Limited as at March 31, 2020 308,223 308,223 308,223						
Compensated leave absences Deferred taxation 6.1 3,060,580 2,959,428 3,759,903 3,641,252 6.1 DEFERRED TAXATION - NET The balance of deferred tax is in respect of the following major taxable / (deductible) temporary differences: Accelerated depreciation Share of profit of joint venture and associates - net 1,141,111 1,142,960 Share of profit of subsidiary 784,749 738,287 Provision for odoubtful other receivables Provision for inventory obsolescence 199,193 103,003) Provision for doubtful other receivables 101 Deferred tax on revaluation of available for sale investments 102,3138 103,003,300 104,2330 104,2330 105,580 105,793,428 7 CONTINGENCIES AND COMMITMENTS Contingencies 1) Guarantees issued by banks on behalf of FFBL 1) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 103 104,202 105 105 Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 105 Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 107 108 109 109 109 109 109 109 109 109 109 109					29,394,641	31,899,500
Deferred taxation 6.1 3,060,580 2,959,428 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3	6	DEF	ERRED LIABILITIES			
Deferred taxation 6.1 3,060,580 2,959,428 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3,641,252 3,759,903 3		Com	pensated leave absences		699,323	681.824
6.1 DEFERRED TAXATION - NET The balance of deferred tax is in respect of the following major taxable / (deductible) temporary differences: Accelerated depreciation Share of profit of joint venture and associates - net 1,141,111 1,142,960 Share of profit of subsidiary 784,749 738,287 Provision for inventory obsolescence (99,193) (38,003) Provision for doubtful other receivables (57,116) Deferred tax on revaluation of available for sale investments (23,138) Unabsorbed losses, tax credits and others (1,656,931) Unabsorbed losses, tax credits and others (1,656,931) ONINGENCIES AND COMMITMENTS Contingencies i) Guarantees issued by banks on behalf of FFBL as at March 31, 2020 iii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 iv) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 v) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 308,223 308,223				6.1		
The balance of deferred tax is in respect of the following major taxable / (deductible) temporary differences: Accelerated depreciation Share of profit of joint venture and associates - net 1,141,111 1,142,960 Share of profit of subsidiary 784,749 738,287 Provision for inventory obsolescence (99,193) (38,003) Provision for doubtful other receivables (57,116) Deferred tax on revaluation of available for sale investments (1,656,931) Unabsorbed losses, tax credits and others (1,656,931) Unabsorbed losses, tax credits and others (1,656,931) ONTINGENCIES AND COMMITMENTS Contingencies i) Guarantees issued by banks on behalf of FFBL as at March 31, 2020 25,610 Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 V) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 V) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 V) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 V) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 V) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 V) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 V) Group's share of contingent liabilities of Sakari Bank Limited as at March 31, 2020 308,223 308,223					3,759,903	3,641,252
Accelerated depreciation 2,971,098 2,885,948 Share of profit of joint venture and associates - net 1,141,111 1,142,960 Share of profit of subsidiary 784,749 738,287 Provision for inventory obsolescence (99,193) (38,003) (57,116) (57,116) (57,116) (57,116) (57,116) (57,116) (57,116) (57,116) (1,656,931) (1,570,318) (1,656,931) (1,570,318) (1,5	6.1	DEF	ERRED TAXATION - NET			
Share of profit of joint venture and associates - net Share of profit of subsidiary Share of profit of subsidiary Provision for inventory obsolescence Provision for inventory obsolescence Provision for doubtful other receivables (57,116) Deferred tax on revaluation of available for sale investments (23,138) Unabsorbed losses, tax credits and others (1,656,931) Unabsorbed losses, tax credits and others (1,656,931) Contingencies i) Guarantees issued by banks on behalf of FFBL ii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 24,222 iii) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 240,800 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,048,41 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 38,223 308,223						
Share of profit of subsidiary Provision for inventory obsolescence Provision for inventory obsolescence Provision for doubtful other receivables (57,116) Deferred tax on revaluation of available for sale investments (1,656,931) Provision for doubtful other receivables (1,570,116) Provision for doubtful other receivables (1,656,931) Provision for doubtful		Acce	lerated depreciation		2,971,098	2,885,948
Provision for inventory obsolescence Provision for doubtful other receivables Provision for doubtful other receivables Deferred tax on revaluation of available for sale investments Unabsorbed losses, tax credits and others (1,656,931) Unabsorbed losses, tax credits and others (1,656,931) (1,570,318) 3,060,580 7 CONTINGENCIES AND COMMITMENTS Contingencies i) Guarantees issued by banks on behalf of FFBL ii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 25,610 24,222 iii) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 20 iv) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 40,800 V) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 308,223 308,223		Shar	e of profit of joint venture and associates - net		1,141,111	1,142,960
Provision for doubtful other receivables Deferred tax on revaluation of available for sale investments Unabsorbed losses, tax credits and others (1,656,931) Unabsorbed losses, tax credits and others (1,656,931) (1,570,318) 3,060,580 2,959,428 7 CONTINGENCIES AND COMMITMENTS Contingencies i) Guarantees issued by banks on behalf of FFBL ii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 iii) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 iv) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223 308,223		Shar	e of profit of subsidiary		784,749	738,287
Deferred tax on revaluation of available for sale investments Unabsorbed losses, tax credits and others (1,656,931) (1,570,318) (1,570,318) (1,570,318) (1,570,318) (1,570,318) (1,570,318) (1,656,931) (1,570,318) (1,656,931) (1,570,318) (1,656,931) (1,570,318) (1,656,931) (1,570,318) (1,656,931) (1,66,931) (1,66		Prov	ision for inventory obsolescence		(99,193)	(38,003)
Unabsorbed losses, tax credits and others (1,656,931) (1,570,318) 3,060,580 2,959,428 7 CONTINGENCIES AND COMMITMENTS Contingencies i) Guarantees issued by banks on behalf of FFBL 26,087 53,409 ii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 25,610 24,222 iii) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 64,296 iv) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 240,800 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223 308,223					(57,116)	(57,116)
7 CONTINGENCIES AND COMMITMENTS Contingencies i) Guarantees issued by banks on behalf of FFBL ii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 iii) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 iv) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 v) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 240,800 240,800 240,800 241,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223 308,223						
7 CONTINGENCIES AND COMMITMENTS Contingencies i) Guarantees issued by banks on behalf of FFBL ii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 25,610 24,222 iii) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 64,296 iv) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 240,800 240,800 240,800 V) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223		Unal	osorbed losses, tax credits and others			
Contingencies i) Guarantees issued by banks on behalf of FFBL 26,087 53,409 ii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 25,610 24,222 iii) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 64,296 iv) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 240,800 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223					3,060,580	2,959,428
ii) Guarantees issued by banks on behalf of FFBL 26,087 53,409 iii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 25,610 24,222 iii) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 64,296 64,296 iv) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 240,800 240,800 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223 308,223	7	CON	TINGENCIES AND COMMITMENTS			
ii) Group's share of contingent liabilities of Fauji Cement Company Limited as at March 31, 2020 25,610 24,222 iii) Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2020 64,296 64,296 iv) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 240,800 240,800 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223 308,223		Cont	tingencies			
as at March 31, 2020 24,222 25,610 24,222 26,610 25,610 24,222 27,610 28,222 28,610 29,222 29,610 20,222 20,202 20,202 20,202 20,202 20,202 20,202 20,202 20,202 20,202 20,203 20		i)	Guarantees issued by banks on behalf of FFBL		26,087	53,409
as at March 31, 2020 64,296 iv) Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2020 240,800 v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223 308,223		ii)			25,610	24,222
as at March 31, 2020 240,800 y) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223 308,223		iii)			64,296	64,296
v) Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2020 41,004,841 41,498,101 vi) Contingent liabilities of Fauji Meat Limited 308,223 308,223		iv)			240,800	240,800
vi) Contingent liabilities of Fauji Meat Limited 308,223 308,223		v)			41,004,841	41,498,101
vii) Contingent liabilities of Fauji Foods Limited 2,878,450 2,878,680		vi)				
		vii)	Contingent liabilities of Fauji Foods Limited		2,878,450	2,878,680

		June 30, 2020 (Un - audited)	December 31, 2019 (Audited)
	Commitments	(Rupe	es '000)
	i) Capital expenditures - FFBL	245,480	400,541
	ii) Letters of credit - FFBL	809,079	763,244
	iii) Group's share of commitments of FWEL- I & FWEL- II as at March 31, 2020	229,327	222,534
	iv) Group's share of commitments of PMP as at March 31, 2020	70,129	65,710
	v) Commitments of FML	-	4,040
	vi) Commitments of FPCL	1,035,840	1,697,660
	vii) Group's share of commitments of FCCL as at March 31, 2020	1,890	4,882
	viii) Commitments of FFL	2,060	29,930
8	PROPERTY, PLANT AND EQUIPMENT		
	Opening written down value	50,960,138	50,217,763
	Additions during the period / year	1,146,750	4,240,851
	Disposals during the period / year	(56,092)	(250,179)
	Depreciation during the period / year	(1,342,452)	(3,315,801)
	Depreciation charged on disposals during the period / year	36,964	154,511
	Adjustments during the period / year	-	(87,007)
	Closing written down value	50,745,308	50,960,138
9	LONG-TERM INVESTMENTS		
	Investment in joint venture - equity method		
	Pakistan Maroc Phosphore S.A, Morocco		
	Balance brought forward	5,991,039	4,770,687
	Share of profit	68,205	803,230
	Dividend	(649,796)	(746,784)
	Gain on translation of net assets	156,460	1,163,906
	Closing balance	5,565,908	5,991,039
	Investment in associates - equity method		
	Fauji Cement Company Limited		
	Balance brought forward	422,373	420,371
	Share of (loss) / profit	(972)	30,127
	Dividend	-	(28,125)
	Closing balance	421,401	422,373
	Foundation Wind Energy - I Limited		
	Opening balance	2,899,002	2,388,392
	Share of profit	1,696	563,110
	Dividend	-	(52,500)
	Closing balance	2,900,698	2,899,002

FOR THE HALF YEAR ENDED JUNE 30, 2020

	June 30,	December 31,
	2020	2019
	(Un - audited)	(Audited)
	(Rupee	s '000)
Foundation Wind Energy - II Limited		
Opening balance	2,874,539	2,430,853
Share of profit	6,279	566,186
Dividend	-	(122,500)
Closing balance	2,880,818	2,874,539
Askari Bank Limited		
Opening balance	8,051,916	7,498,015
Share of profit	974,076	1,120,316
Dividend	(407,825)	(271,884)
Revaluation reserve of available for sale investment	794,616	(309,194)
Effect of translation	21,468	14,663
Closing balance	9,434,251	8,051,916
Investment - available for sale - unquoted		
Arabian Sea Country Club Limited (ASCCL)		
300,000 ordinary shares of Rs. 10 each	3,000	3,000
Less: Impairment in value of investment	3,000	3,000
	-	-
	21,203,076	20,238,869

10 OTHER RECEIVABLES

11

This includes an amount of Rs. 4,436 million (December 31, 2019: Rs. 2,886 million) receivable from Fauji Fertilizer Company Limited, an associated company on account of amount recovered from customers, against sales of the Holding Company's products under an inter-company services agreement.

	June 30,	December 31,
	2020	2019
	(Un - audited)	(Audited)
	(Rupe	es '000)
SHORT-TERM INVESTMENTS		
Loans and receivables		
Term deposits with banks and financial institutions	20,260	1,400,000
Investments at fair value through profit or loss		
Mutual funds	-	9,029
	20,260	1,409,029

11.1 The balance at the period end includes investment in term deposits receipt, having maturity periods up to 01 month, and carrying mark-up at 8.25% per annum (December 31, 2019: 12.80% to 14.50% per annum).

FOR THE HALF YEAR ENDED JUNE 30, 2020

			Quarter en	ded June 30,	Half year e	nded June 30,
			2020	2019	2020	2019
		Note	(Rupe	es '000)	(Rupe	es '000)
12	SALES - NET					
	Gross sales		20,110,861	23,272,880	34,158,527	31,014,174
	Less:					
	Sales tax		1,180,530	1,124,192	2,119,266	1,800,283
	Trade discount		227,605	450,552	365,322	559,491
	Advance tax u/s 235		92,693	86,582	180,109	163,653
	Commission	12.1	6,524	8,290	10,334	10,080
			1,507,352	1,669,616	2,675,031	2,533,507
			18.603.509	21.603.264	31.483.496	28.480.667

12.1 It includes commission paid at the rate of Re.1 per bag to Fauji Fertilizer Company Limited, based on an inter-company services agreement

12.1	2.1 It includes commission paid at the rate of Re.1 per bag to Fauji Fertilizer Company Limited, based on an inter-company services agreement.					
		Quarter en	ided June 30,	Half year en	ded June 30,	
		2020	2019	2020	2019	
		(Rupe	es '000)	(Rupe	es '000)	
13	COST OF SALES					
	Raw materials consumed	13,478,456	17,539,102	21,879,716	29,719,580	
	Packing materials consumed	604,563	664,058	1,161,561	1,310,476	
	Fuel and power	218,758	318,243	510,708	639,380	
	Ash dumping	7,710	9,516	10,079	13,198	
	Stores and supplies consumed	112,614	111,629	311,283	279,681	
	Salaries, wages and benefits	676,265	698,173	1,366,051	1,250,379	
	Repairs and maintenance	209,202	223,025	764,486	931,905	
	Travel and conveyance	27,735	54,549	80,079	104,553	
	Rent, rates and taxes	15,816	30,449	80,978	50,956	
	Insurance	97,976	48,380	197,507	92,061	
	Utilities	4,173	1,981	52,399	14,546	
	Provision for slow moving stores	21,000	-	35,000	-	
	Provision for sales tax	304,684	-	304,684	-	
	Communication, establishment and other expenses	78,793	38,156	137,739	80,352	
	Depreciation	623,279	757,390	1,222,283	1,494,382	
	Opening stock - work in process	312,120	148,751	341,189	133,055	
	Closing stock - work in process	(259,143)	(95,212)	(259,143)	(95,212)	
	Cost of goods manufactured	16,534,001	20,548,190	28,196,599	36,019,292	
	Opening stock - finished goods	11,863,143	12,572,520	12,022,295	3,155,514	
	Closing stock - finished goods	(13,577,762)	(14,979,717)	(13,577,762)	(14,979,717)	
	Cost of sales	14,819,382	18,140,993	26,641,132	24,195,089	

FOR THE HALF YEAR ENDED JUNE 30, 2020

		Quarter ended June 30,		Half year en	Half year ended June 30,	
		2020	2019	2020	2019	
		(Rupe	es '000)	(Rupe	es '000)	
14	OTHER INCOME					
	Share of (loss)/profit from joint venture and associates					
	Pakistan Maroc Phosphore S.A	(248,227)	209,859	68,205	242,573	
	Foundation Wind Energy - I Limited	45,189	(12,384)	1,696	(66,088)	
	Foundation Wind Energy - II Limited	45,507	(10,637)	6,279	(63,550)	
	Fauji Cement Company Limited	(3,202)	8,047	(972)	21,609	
	Askari Bank Limited	402,465	396,625	974,076	571,626	
		241,732	591,510	1,049,284	706,170	
	Profit on bank balances & term deposits	143,001	172,667	338,821	326,963	
	Gain / Dividend from mutual funds	380	18,778	380	130,114	
	Scrap sale and other receipts	81,104	83,446	114,691	104,975	
	(Loss) / Gain on disposal of property, plant and equipment	(2,568)	15,456	(2,128)	20,473	
	Miscellaneous income	25,264	4,163	30,831	6,833	
		247,181	294,510	482,595	589,358	
		488,913	886,020	1,531,879	1,295,528	
15	TAXATION - NET					
	Current tax	438,365	442,954	600,015	575,770	
	Deferred tax	(312,662)	(706,110)	(18,041)	(760,260)	

F	Half year ended June 30,					
20	20	2019				
(Rupees '000)						

(184,490)

581,974

(263,156)

16 CASH GENERATED FROM / (USED IN) OPERATIONS

Loss before taxation	(2,640,198)	(3,688,941)
Adjustment for non-cash charges and other items:		
Provision for gratuity	44,722	46,668
Exchange loss	340,478	932,967
Provision for compensated absences	42,424	55,028
Provision for Workers' Welfare Fund	2,771	-
Provision for Workers' Profit Participation Fund	107,506	94,965
Provision for debtors		70,498
Provision for sales tax refundable	304,684	-
Amortization of transaction cost of long-term finance	21,819	21,113
Depreciation	1,342,452	1,654,365
Amortization	10,695	-
Provision for slow moving stores	35,000	-
Finance cost	5,122,337	4,246,336
Profit on bank balances and term deposits	(339,018)	(393,281)
Income on mutual funds	(183)	(63,796)
Profit from joint venture and associates - net	(1,049,284)	(706,170)
Loss / (gain) on sale of property, plant and equipment	2,128	(20,473)
Operating profit before working capital changes	3,348,333	2,249,279

125,703

	Half year e	Half year ended June 30,		
	2020	2019		
	(Rup	ees '000)		
Changes in working capital				
Stores and spares	193,232	(97,465)		
Stock-in-trade	(2,953,006)	(14,172,592)		
Trade debts	5,142,704	(2,889,554)		
Advances	(133,533)	583,472		
Trade deposits and short term prepayments	196,451	35,614		
Other receivables	(1,491,293)	169,703		
Sales tax receivable	983,908	(2,146,581)		
Trade and other payables	5,822,431	2,765,474		
	7,760,894	(15,751,929)		
Cash generated from / (used in) operations	11,109,227	(13,502,650)		

17 RELATED PARTY TRANSACTIONS

Fauji Fertilizer Company Limited (FFCL) has 49.88% share holding in FFBL (2019: 49.88%), while Fauji Foundation (FF) holds 18.29% shares (2019: 18.29%) in the Holding Company. The Group has related parties which comprise of a joint venture, entities under common directorship, directors, key management personnel and employees' funds. Transactions with related parties and the balances outstanding at the period end are given below. The carrying value of investment in associates and joint venture are disclosed in note 9 to the condensed interim consolidated financial statements.

Half year ended June 30,

2019

2020

(Rupees '000)		(000)	
ransactions with Fauji Foundation (FF):			
Dividend paid	-	170,842	
Expenses incurred	119	3,738	
ransactions with associated undertakings due to common directorship:			
Fauji Fertilizer Company Limited			
Services and material acquired	550,652	462,459	
Services and material provided	1,022	-	
Receipts under consignment account	29,739,412	19,456,829	
Commission charged	10,334	8,322	
Dividend paid	-	465,892	
Askari Bank Limited			
Balances at bank	1,051,218	337,116	*
Profit on bank balances	103,228	50,073	
Long-term loans	500,000	500,000	*
Short term borrowings	952,443	-	*
Mark-up on long-term loans	32,406	25,688	
Finance cost charged	54,439	36,478	
Mark-up payable on long-term loans	15,291	18,740	*
Running finance	-	1,235,880	
Lease liability against asset subject to finance lease	-	65,630	
Dividend received	407,826	271,884	
Fauji Cement Company Limited			
Dividend received	•	14,063	

	Half year ended June 30,		
	2020	2019	
	(Rupees '000)		
Foundation Wind Energy - I Limited & Foundation Wind Energy - II Limited			
Dividend received	-	175,000	
Transactions with joint venture:			
Purchase of raw materials	12,832,964	19,005,452	
Expenses incurred on behalf of joint venture	3,647	5,122	
Balance payable	10,757,383	6,593,346	*
Balance receivable	9,547	9,231	*
Dividend receivable	649,796	-	*
Other related parties:			
Contribution to Provident Fund	62,502	66,152	
Payment to WWF & WPPF	25,047	139,502	
Payment to Gratuity Fund	59,382	-	
Remuneration of key management personnel	164,684	215,071	
Meeting fee to directors	11,255	7,910	
Noon Sugar Mills - purchase of sugar	19,386	-	
Balance payable to WWF and WPPF	672,330	587,100	*
Payable to Provident Fund	8,880	9,560	*
Payable to Gratuity Fund	323,572	338,282	*
Fauji Security Services (Private) Limited	521	1,796	

^{*} These balance of accounts, appearing as comparatives, are as at December 31, 2019 (audited).

In addition to above:

Ranking charge amounting to US\$ 91,456,667 and Rs. 4,000 million (2019: US\$ 91,456,667 and Rs. 4,000 million) has been registered on assets of FFBL in respect of project financing arranged by Foundation Wind Energy-I Limited (FWEL-I).

Ranking charge amounting to US\$ 89,146,667 and Rs. 4,000 million (2019: US\$ 89,146,667 and Rs. 4,000 million) has been registered on assets of FFBL in respect of project financing arranged by Foundation Wind Energy-II Limited (FWEL-II).

18 SEGMENT REPORTING

A business segment is a group of assets and operations engaged in providing products that are subject to risk and returns that are different from those of other business segments.

	Fertilizer	Food	Meat	Power	Elimination- net	Consolidated
			(Rupee:	s' 000)		
June 30, 2020						
Revenue	24,781,703	3,228,576	287,345	8,393,723	(5,207,851)	31,483,496
(Loss) / Profit after tax	(4,207,888)	(1,598,577)	(662,567)	2,053,636	1,193,224	(3,222,172)
June 30, 2019						
Revenue	21,497,499	2,534,803	1,125,385	8,126,264	(4,803,284)	28,480,667
(Loss) / Profit after tax	(1,951,121)	(2,177,114)	(682,894)	1,754,116	(447,438)	(3,504,451)

	Fertilizer	Food	Meat	Power	Elimination- net	Consolidated
	(Rupees' 000)					
June 30, 2020						
Assets	87,806,526	11,976,117	7,543,643	33,938,207	(11,691,105)	129,573,388
Liabilities	85,180,453	17,306,119	6,115,160	18,375,158	(5,763,823)	121,213,067
December 31, 2019						
Assets	91,166,569	12,099,369	7,901,327	33,408,997	(10,547,360)	134,028,902
Liabilities	84,332,608	15,830,792	5,810,275	19,899,583	(2,573,497)	123,299,761

19 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

19.1 Financial risk factors

The group's activities expose it to a variety of financial risk including market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

There have been no changes in the risk management policies during the period, consequently these condensed interim consolidated financial statements do not include all the financial risk management information and disclosures required in the annual consolidated financial statements.

19.2 Fair Value estimation

The table below analyzes financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices level 2)
- Inputs for the asset or liability that are no based on observable market data (level 3)

	Level 1	Level 2	Level 3	
		(Rupees' 000)		
June 2020 - unaudited				
ASSETS				
Financial assets at fair value through profit and loss				
- Short-term investments	-	-		
December 2019 - audited				
ASSETS				
Financial assets at fair value through profit and loss				
- Short-term investments	9,029	-		
GENERAL				
Figures have been rounded off to the nearest thousand rupees.				

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- 20.1 Figures have been rounded off to the nearest thousand rupees.
- 20.2 Corresponding figures have been reclassified / re-arranged, wherever necessary, for the purpose of comparison.
- 20.3 These condensed interim consolidated financial statements were authorized for issue on July 24, 2020 by the Board of Directors of the Company.

CHIEF EXECUTIVE

Topics Hynd Felman

DIRECTOR



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