



**FFC**

یورپا

**FAUJI FERTILIZER  
COMPANY LIMITED**



THIRD QUARTER  
**FINANCIAL  
STATEMENTS**

SEPTEMBER 30, 2024 (Un- Audited)



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**SAY NO TO CORRUPTION**

## Company Information

### BOARD OF DIRECTORS

Lt Gen Anwar Ali Hyder, HI(M) (Retd)

#### Chairman

Mr. Jahangir Piracha

#### Managing Director & Chief Executive Officer

Mr. Saad Amanullah Khan

Ms. Maryam Aziz

Syed Bakhtiyar Kazmi

Mr. Shoaib Javed Hussain

Mr. Yassir Ghiyati Ibn Ziyad

Mr. Qamar Haris Manzoor

Mr. Saif Anjum

Mr. Mazhar Abbas Hasnani

Maj Gen Muhammad Aneeq Ur Rehman Malik, HI(M) (Retd)

Dr. Shamshad Akhtar

Mr. Farhad Shaikh Mohammad

### CHIEF FINANCIAL OFFICER

Syed Atif Ali

Tel No. +92-51-8456101, Fax No. +92-51-8459961

E-mail: Atif\_ali@ffc.com.pk

### COMPANY SECRETARY

Brig Zulfqar Ali Haider, SI(M) (Retd)

Tel No. +92-51-8453101, Fax No. +92-51-8459931

E-mail: secretary@ffc.com.pk

### REGISTERED OFFICE

156 The Mall, Rawalpindi Cantt, Pakistan

Website: www.ffc.com.pk

Tel No. +92-51-111-332-111, +92-51-8450001

Fax No. +92-51-8459925, E-mail: ffcryp@ffc.com.pk



### PLANTSITES

#### Goth Machhi, Sadiqabad

(Distt: Rahim Yar Khan), Pakistan

Tel No. +92-68-5954550-64, Fax No. +92-68-5954510-11

#### Mirpur Mathelo

(Distt: Ghotki), Pakistan

Tel No. +92-723-661500-09, Fax No. +92-723-661462

### MARKETING DIVISION

Lahore Trade Centre, 11 Shahrah-e-Aiwan-e-Tijarat,

Lahore, Pakistan

Tel No. +92-42-36369137-40, Fax No. +92-42-36366324

### KARACHI OFFICE

B-35, KDA Scheme No. 1, Karachi, Pakistan

Tel No. +92-21-34390115-16, Fax No. +92-21-34390117 & 34390122

### AUDITORS

A.F.Ferguson & Co

Chartered Accountants

74-East, Blue Area, Jinnah Avenue, Islamabad

Tel No. +92-51-2273457-9, 2870045-85, Fax No. +92-51-2206473

### SHARES REGISTRAR

CDC Share Registrar Services Limited

CDC House, 99 - B, Block - B, S.M.C.H.S., Main Shakra-e-Faisal, Karachi – 74400

Tel: +92-0800-23275, Fax: +92-21-34326053

## **DIRECTORS' REVIEW**

**For the nine months ended September 30, 2024**

### **Dear Shareholders**

We are pleased to present our review of the Company's operating and financial performance for the nine months ended September 30, 2024, with a profit of Rs 42.6 billion.

### **Operational Performance**

Our plants produced 1,900 thousand tonnes of Sona Urea, operating at optimum capacity. The Goth Machhi plant has achieved a new benchmark of 26.6 million man-hours of safe operation, while the Mirpur Mathelo production facility recorded 14.90 million man-hours without loss work injury. In recognition of an outstanding contribution to environmental protection and sustainable development, FFC Goth Machhi has also been awarded 21<sup>st</sup> Annual Environment Excellence Award by National Forum for Environment & Health.

Sona Urea sales were recorded at 1,864 thousand tonnes, along with marketing of 94 thousand tonnes of urea imported by the Government. The Company's total urea sales stood at 1,958 thousand tonnes, reflecting an improved market share of 43%, compared to 39% during the same period last year.

### **Financial Performance**

The Company sold Sona Urea at much lower rates compared to international prices, leading to estimated benefit of USD 320 million for local farmers and preventing a significant outflow of the Country's foreign currency reserves.

Higher gas prices, and inflation besides additional cost of imported urea, caused the cost of sales to climb by 28% to around Rs 91 billion. Distribution cost also surged by 84% to around Rs 16 billion, mainly due to the implementation of axle weight regulations and inflation.

The major contributor to our strong performance is the exceptional return on investments which combined with dividend income stood at around Rs 25 billion. As a result, the Company achieved a net profit of Rs 42.6 billion, translating to earnings per share of Rs 33.45, up from Rs 17.46 per share during the same period last year.

In view of the ongoing merger and to ensure equitable distribution of dividends to all the shareholders of the merged entity, no interim dividend has been announced by the Board. The Board, however, remains committed to resume its payout trend upon successful completion of the amalgamation process.

The Board of Directors has approved the scheme of arrangement for amalgamation of Fauji Fertilizer Bin Qasim Ltd (FFBL) with and in to FFC. The Board has further approved a swap ratio of one ordinary share of FFC for every 4.29 ordinary shares of FFBL. Approval of the regulators has been obtained and a petition has been filed with the Lahore High Court Rawalpindi Bench for approval of the Scheme of Arrangement for the amalgamation. Pursuant to the direction of the Honourable Court, an extraordinary general meeting has been scheduled on November 4, 2024 for obtaining the consent of the Shareholders.

To further strengthen the Company's position in the fertilizer sector, the Board has also recently approved the acquisition of shareholding and control of Agritech Limited (AGL). In this regard, the Company has publicly announced its intention to acquire shareholding

and control of AGL and has appointed a Manager to the Public Offer. Agritech operates two fertilizer plants including a Urea plant with the capacity of 433 thousand tonnes and a SSP plant with the capacity of 81 thousand tonnes. The Company is currently evaluating the terms of acquiring shareholding and other stake of existing stakeholders which mostly comprise of financial institutions. The acquisition shall be subject to regulatory approvals and legal compliances.

## FUTURE OUTLOOK


Our initiative to provide farmers with easier access to our products at Company's specified rates has demonstrated strong potential. We have successfully achieved opening of 70 Company owned sales outlets across the Country, and have registered approximately 50,000 farmers across Pakistan, covering a total land area of around 600 thousand acres to date.

With the amalgamation of FFBL and potential acquisition of AGL, the Board aims to bring in synergies, besides increasing indigenous fertilizer production to provide an affordable substitute of the heavily priced international products. The Board also remain committed to offer attractive returns to our shareholders while ensuring food security in the Country.

On behalf of the Board,



Lt Gen Anwar Ali Hyder, HI(M), (Retd)  
Chairman



Jahangir Piracha  
Managing Director & Chief Executive Officer

Rawalpindi  
October 28, 2024

کھاد کے شعبے میں کمپنی کی پوزیشن کو مزید مستحکم کرنے کے لیے، بورڈ نے حال ہی میں ایگری ٹیک لمیٹڈ (AGL) کی شیئر ہولڈنگ اور کنٹرول کے حصول کی بھی منظوری دی ہے۔ اس سلسلے میں، کمپنی نے AGL کی شیئر ہولڈنگ اور کنٹرول حاصل کرنے کے اپنے ارادے کا عوامی طور پر اعلان کیا ہے اور عوامی پیشکش کے لیے ایک مینجرج کا تقرر کیا ہے۔ ایگری ٹیک کھاد کے دو کارخانے چلاتا ہے جس میں 433 ہزار ٹن کی صلاحیت والا یوریا پلانٹ اور 81 ہزار ٹن کی صلاحیت والا ایس ایس پی پلانٹ شامل ہیں۔ فی الوقت کمپنی موجودہ شراکت داران کے واجبات اور دیگر شیئر ہولڈنگ کے حصول کی شرائط کا جائزہ لے رہی ہے جو زیادہ تر مالیاتی اداروں پر مشتمل ہیں۔ تاہم، یہ حصول ریگولیٹری منظوریوں اور قانونی تعمیل سے مشروط ہوگا۔

### متوقع مستقبل

کسانوں کو کمپنی کے مقرر کردہ نرخوں پر کمپنی کی مصنوعات تک آسان رسائی فراہم کرنے کے ہمارے اقدام نے قومی امکانات کا مظاہرہ کیا ہے۔ ہم نے ملک بھر میں کمپنی کے ملکیتی 70 سیلز آؤٹ لیٹس کو کھولنے میں کامیابی حاصل کی ہے، اور پاکستان بھر میں تقریباً 50,000 کسانوں کو رجسٹر کیا ہے، جس کا کل رقبہ تقریباً 6 لاکھ ایکڑ ہے۔

ایف ایف بی ایل کے ساتھ انضمام اور AGL کے متوقع حصول کے ساتھ، بورڈ کا مقصد باہمی تعاون پیدا کرنے کے ساتھ ساتھ انتہائی مہنگی عالمی مصنوعات کے ارزاں متبادل کے طور پر کھاد کی مقامی سطح پر پیداوار میں اضافہ ہے۔ بورڈ قومی غذائی تحفظ کو یقینی بنانے کے علاوہ حصد داران کو پرکشش منافع فراہم کرنے کے لیے بھی پرعزم ہے۔

بورڈ کی جانب سے

*Jalangi Pinach*

جہانگیر پراچہ  
میجنگ ڈائریکٹر و چیف ایگزیکٹو آفیسر

*Ameer Ali Haidar*

ایف ایف بی ایل جنرل انور علی حیدر  
چیئر مین  
ہلال امتیاز (ملٹری) ریٹائرڈ

راولپنڈی

28 اکتوبر 2024

## ڈائریکٹرز کا تجزیہ

## معزز حصہ داران!

30 ستمبر 2024 کو ختم ہونے والی نو ماہ کی مدت کے لیے 42.6 ارب روپے کے منافع کے ساتھ کمپنی کے عملیاتی اور مالیاتی نتائج کا جائزہ پیش کرتے ہوئے ہمیں خوشی ہو رہی ہے

## عملیاتی کارکردگی

ہمارے کارخانوں نے، انتہائی استعداد پر کام کرتے ہوئے، 1,900 ہزار ٹن سونا یوریا کی پیداوار حاصل کی۔ گوٹھ ماچھی پلانٹ نے 26.6 ملین Man-hours کے محفوظ آپریشنز کا ایک نیا معیار حاصل کر لیا ہے، جبکہ میر پور ماٹھیلو کے کارخانے نے بھی بغیر کسی نقصان کے 14.9 ملین Man-hours ریکارڈ کیے ہیں۔ ماحولیاتی تحفظ اور پائیدار ترقی میں شاندار خدمات کے اعتراف کے طور پر، ایف ایف سی گوٹھ ماچھی کو National Forum for Environment کی جانب سے 2021 ویں سالانہ Environment Excellence Award سے بھی نوازا گیا ہے۔

سونا یوریا کی فروخت 1,864 ہزار ٹن ریکارڈ کی گئی جبکہ کمپنی نے حکومت کی جانب سے درآمد کی گئی 94 ہزار ٹن یوریا بھی فروخت کی اس طرح مجموعی یوریا فروخت 1,958 ہزار ٹن رہی۔ نتیجتاً، ایف ایف سی کا یوریا مارکیٹ شیئر بہتر ہو کر 43 فیصد ہو گیا جو گزشتہ برس کی اسی مدت کے دوران 39 فیصد تھا۔

## مالیاتی کارکردگی

کمپنی نے یوریا کی عالمی قیمتوں کے مقابلے میں واضح طور پر ارزوں نزخوں پر سونا یوریا فروخت کی اور اس طرح کمپنی کا شکار برادری کو 320 ملین امریکی ڈالر کی بچت فراہم کرنے کے علاوہ ملک کے ذمہ داروں کے ذمہ داروں کو بچانے کا بھی سبب بنی۔

گیس کی زائد قیمتوں اور افراط زر کے ساتھ ساتھ درآمدی یوریا کی اضافی لاگت، لاگت فروخت (Cost of Sales) میں 28 فیصد اضافہ کا سبب بنی جو کہ تقریباً 91 ارب روپے رہی۔ لاگت ترسیل (Distribution Cost) بھی 84 فیصد اضافے کے ساتھ تقریباً 16 ارب روپے رہی جس کا بنیادی سبب Axle Weight Regulation کا نفاذ اور افراط زر ہیں۔

سرمایہ کاریوں پر غیر معمولی آمدن کے ساتھ ساتھ منافع منقسمہ آمدن (Dividend Income) نے ہماری عمدہ کارکردگی میں نمایاں کردار ادا کیا جو کہ تقریباً 25 ارب روپے رہی۔ نتیجتاً، کمپنی کا خالص منافع 42.6 ارب روپے رہا جبکہ فی حصہ آمدن 33.45 روپے رہی جو کہ گزشتہ سال کی اسی مدت کے دوران 17.46 روپے فی حصہ تھی۔

انضمام کے عمل کے پیش نظر اور انضمام شدہ ادارے کے تمام حصہ داران کو منافع منقسمہ کی منصفانہ تقسیم کو یقینی بنانے کے لیے، بورڈ کی جانب سے کسی عبوری منافع منقسمہ کا اعلان نہیں کیا گیا ہے۔ تاہم، انضمام کے عمل کی کامیابی سے تکمیل کے بعد بورڈ ادائیگی کے رجحان کو دوبارہ شروع کرنے کے لیے پرعزم ہے۔

بورڈ آف ڈائریکٹرز نے فوجی فریلائزرز بین قائم لمیٹڈ (ایف ایف بی ایل) کو ایف ایف سی کے ساتھ اور اس کے اندر ضم کرنے کے اختیارات کی اسکیم کی منظوری دے دی ہے۔ مزید برآں، بورڈ نے ٹھص کی شرح متبادل (Swap Ratio) کی بھی منظوری دے دی ہے جس کے تحت ایف ایف بی ایل کے ہر 4.29 عام ٹھص کے بدلے FFC کا ایک عام ٹھص دیا جائے گا۔ ریگولیشنز کی منظوری حاصل کر لی گئی ہے اور انضمام کے لیے اختیارات کی اسکیم کی منظوری کے لیے لاہور ہائی کورٹ راولپنڈی بیج میں درخواست دائر کر دی گئی ہے۔ معزز عدالت کی ہدایت کے مطابق، حصہ داران کی منظوری حاصل کرنے کے لیے ایک غیر معمولی اجلاس عام 4 نومبر 2024 کو شیڈول کیا گیا ہے۔





# **Condensed Interim Financial Statements**

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

As at September 30, 2024

	Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY AND RESERVES</b>			
Share capital	4	12,722,382	12,722,382
Capital reserves		160,000	160,000
Revenue reserves			
General reserves		8,802,360	8,802,360
Unappropriated profit		57,888,495	40,272,228
		<b>66,690,855</b>	49,074,588
Surplus/ (deficit) on remeasurement of investments to fair value - net		58,847	(104,460)
		<b>79,632,084</b>	61,852,510
<b>NON - CURRENT LIABILITIES</b>			
Long term borrowings - secured	5	12,925,000	18,200,000
Deferred liabilities			
- Deferred taxation		5,440,732	2,275,925
- Compensated leave absences		1,949,559	1,735,749
		<b>20,315,291</b>	22,211,674
<b>CURRENT LIABILITIES</b>			
Current portion of long term borrowings - secured	5	6,497,500	6,095,000
Current portion of lease liabilities		-	17,437
Trade and other payables	6	103,950,381	108,256,161
Mark-up and profit accrued		1,039,064	1,304,263
Short term borrowings - secured	7	3,883,801	13,737,746
Unclaimed dividend		538,964	516,867
Provision for taxation		12,796,230	9,289,030
		<b>128,705,940</b>	139,216,504
<b>TOTAL LIABILITIES</b>		<b>149,021,231</b>	161,428,178
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>228,653,315</b>	223,280,688

**CONTINGENCIES AND COMMITMENTS**


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

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2024

	Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)			
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	9	44,196,428	40,223,171
Intangible assets		1,572,168	1,571,908
Long term investments	10	52,236,587	48,720,461
Long term loans and advances - secured		3,266,387	2,629,638
Long term deposits and prepayments		14,297	12,378
		<b>101,285,867</b>	<b>93,157,556</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		9,582,255	7,784,354
Stock in trade		16,955,451	2,067,922
Trade debts		336,280	48,503
Loans and advances - secured		5,325,726	3,415,379
Deposits and prepayments		698,056	711,006
Other receivables	11	14,258,032	20,500,720
Short term investments	12	79,929,587	94,736,901
Cash and bank balances		282,061	858,347
		<b>127,367,448</b>	<b>130,123,132</b>
<b>TOTAL ASSETS</b>		<b>228,653,315</b>	<b>223,280,688</b>



**Chairman**



**Chief Executive Officer**



**Director**



**Chief Financial Officer**

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

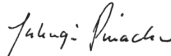
For the nine month period ended September 30, 2024

	Note	Three month period ended		Nine month period ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		(Rupees '000)		(Rupees '000)	
Turnover - net	13	50,339,437	44,135,176	165,913,635	116,093,225
Cost of sales		(24,243,754)	(30,482,254)	(91,398,028)	(71,212,769)
<b>GROSS PROFIT</b>		<b>26,095,683</b>	<b>13,652,922</b>	<b>74,515,607</b>	<b>44,880,456</b>
Distribution cost		(5,340,744)	(2,988,327)	(16,077,228)	(8,726,626)
		<b>20,754,939</b>	<b>10,664,595</b>	<b>58,438,279</b>	<b>36,153,830</b>
Finance cost		(1,303,719)	(1,347,814)	(4,189,415)	(4,004,797)
Other losses					
Unwinding of GIDC liability		(7,453)	(259,615)	(206,200)	(963,897)
Loss allowance on subsidy receivable from GoP and others		(648,000)	(100,000)	(1,603,000)	(600,000)
		<b>(655,453)</b>	<b>(359,615)</b>	<b>(1,809,200)</b>	<b>(1,563,897)</b>
Other expenses		(2,093,515)	(1,313,516)	(6,327,806)	(3,571,626)
		<b>16,702,252</b>	<b>7,643,650</b>	<b>46,111,958</b>	<b>27,013,510</b>
Other income		9,071,344	6,231,264	24,841,482	12,525,883
<b>PROFIT BEFORE INCOME TAX AND FINAL TAX</b>		<b>25,773,596</b>	<b>13,874,914</b>	<b>70,953,440</b>	<b>39,539,393</b>
Final taxes - levies		(15,222)	(986,849)	(1,986,700)	(2,000,489)
<b>PROFIT BEFORE INCOME TAX</b>		<b>25,758,374</b>	<b>12,888,065</b>	<b>68,966,740</b>	<b>37,538,904</b>
Provision for taxation		(9,276,882)	(3,753,213)	(26,414,604)	(15,325,054)
<b>PROFIT FOR THE PERIOD</b>		<b>16,481,492</b>	<b>9,134,852</b>	<b>42,552,136</b>	<b>22,213,850</b>
Earnings per share - basic and diluted (Rupees)		<b>12.95</b>	<b>7.18</b>	<b>33.45</b>	<b>17.46</b>

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



Chairman



Chief Executive Officer



Director




Chief Financial Officer

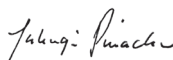
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)**  
 For the nine month period ended September 30, 2024

	Three month period ended		Nine month period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees '000)		(Rupees '000)	
<b>PROFIT FOR THE PERIOD</b>	<b>16,481,492</b>	9,134,852	<b>42,552,136</b>	22,213,850
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>				
Items that may be subsequently reclassified to profit or loss:				
Surplus / (deficit) on remeasurement of investments to fair value - net of tax	<b>27,819</b>	(8,461)	<b>163,307</b>	(98,703)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>16,509,311</b>	9,126,391	<b>42,715,443</b>	22,115,147

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



**Chairman**



**Chief Executive Officer**



**Director**



**Chief Financial Officer**

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

For the nine month period ended September 30, 2024

	Share capital	Capital reserves	Revenue reserves		Surplus / (deficit) on remeasurement of investments to fair value - net	Total
			General reserves	Unappropriated profit		
			(Rupees '000)			
<b>Balance as at January 1, 2023 (Audited)</b>	12,722,382	160,000	8,802,360	29,265,107	(114,888)	50,834,961
<b>Total comprehensive income</b>						
Profit for the period	-	-	-	22,213,850	-	22,213,850
Other comprehensive (loss) - net of tax	-	-	-	-	(98,703)	(98,703)
	-	-	-	22,213,850	(98,703)	22,115,147
<b>Transactions with owners of the Company</b>						
<b>Distributions:</b>						
Final dividend 2022: Rs 3.15 per share	-	-	-	(4,007,550)	-	(4,007,550)
First interim dividend 2023: Rs 4.26 per share	-	-	-	(5,419,735)	-	(5,419,735)
Second interim dividend 2023: Rs 3.15 per share	-	-	-	(4,007,550)	-	(4,007,550)
	-	-	-	(13,434,835)	-	(13,434,835)
<b>Balance as at September 30, 2023 (Un-audited)</b>	12,722,382	160,000	8,802,360	38,044,122	(213,591)	59,515,273
<b>Balance as at January 1, 2024 (Audited)</b>	12,722,382	160,000	8,802,360	40,272,228	(104,460)	61,852,510
<b>Total comprehensive income</b>						
Profit for the period	-	-	-	42,552,136	-	42,552,136
Other comprehensive income - net of tax	-	-	-	-	163,307	163,307
	-	-	-	42,552,136	163,307	42,715,443
<b>Transactions with owners of the Company</b>						
<b>Distributions:</b>						
Final dividend 2023: Rs 4.10 per share	-	-	-	(5,216,177)	-	(5,216,177)
First interim dividend 2024: Rs 5.50 per share	-	-	-	(6,997,310)	-	(6,997,310)
Second interim dividend 2024: Rs 10 per share	-	-	-	(12,722,382)	-	(12,722,382)
	-	-	-	(24,935,869)	-	(24,935,869)
<b>Balance as at September 30, 2024 (Un-audited)</b>	12,722,382	160,000	8,802,360	57,888,495	58,847	79,632,084

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

**Chairman**

**Chief Executive Officer**

**Director**

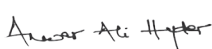
**Chief Financial Officer**

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

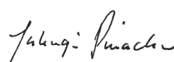
For the nine month period ended September 30, 2024

Note	September 30, 2024	September 30, 2023
(Rupees '000)		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from operations	15 42,020,325	64,396,184
Finance cost paid	(4,454,614)	(3,981,811)
Income taxes and levies paid	(20,992,246)	(12,346,292)
	(25,446,860)	(16,328,103)
Net cash generated from operating activities	16,573,465	48,068,081
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(6,185,098)	(9,887,185)
Proceeds from sales of operating fixed assets	41,608	80,426
Investment in Fauji Fresh n Freeze Limited	(5,000,000)	-
Advance against issue of shares to:		
OLIVE Technical Services (Private) Limited	(80,000)	-
Thar Energy Limited	-	(226,908)
Other investments - net	6,939,108	816,063
Interest and profit received	1,329,580	1,162,532
Dividend received	10,591,526	1,800,000
Net cash generated from / (used in) investing activities	7,636,724	(6,255,072)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term financing:		
Repayments	(4,872,500)	(3,672,500)
Repayment of lease liabilities	(17,437)	(12,973)
Dividend paid	(24,913,772)	(13,368,326)
Net cash (used in) financing activities	(29,803,709)	(17,053,799)
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(5,593,520)</b>	<b>24,759,210</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>79,766,068</b>	<b>39,784,483</b>
Effect of exchange rate changes	(75,111)	990,370
<b>Cash and cash equivalents at end of the period</b>	<b>74,097,437</b>	<b>65,534,063</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	282,061	1,052,808
Short term borrowings - secured	(3,883,801)	(5,199,509)
Short term highly liquid investments	77,699,177	69,680,764
	74,097,437	65,534,063

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



**Chairman**



**Chief Executive Officer**



**Director**



**Chief Financial Officer**

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2024

### 1. THE COMPANY AND ITS OPERATIONS

Fauji Fertilizer Company Limited (the Company) is a public company incorporated in Pakistan under the Companies Act, 1913, (now the Companies Act, 2017) and its shares are quoted on the Pakistan Stock Exchange. The registered office of the Company is situated at 156 - The Mall, Rawalpindi, Pakistan. The Company is domiciled in Rawalpindi. The principal activity of the Company is manufacturing, purchasing and marketing of fertilizers and chemicals, including investment in other fertilizer, chemical, cement, energy generation, food processing, technical and engineering services and banking operations. The Company is a subsidiary of Fauji Foundation (FF), which is also its ultimate parent entity.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

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

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

2.2 The disclosures in these condensed interim financial statements do not include the information reported for full annual financial statements and should therefore be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2023. Comparative condensed interim statement of financial position is extracted from annual financial statements as at December 31, 2023, whereas comparative condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from un-audited condensed interim financial statements of the Company for the nine month period ended September 30, 2023.

2.3 These condensed interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER ACCOUNTING POLICIES

The material and other accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim financial statements and financial risk management policy are the same as those applied in preparation of annual financial statements of the Company for the year ended December 31, 2023, except for change as mentioned below.

#### 3.1 Accounting guidance issued by ICAP on accounting for minimum taxes and final taxes

Institute of Chartered Accountants of Pakistan (ICAP) issued a guidance "Application Guidance on Accounting for Minimum Taxes and Final Taxes" through circular No. 07/2024 dated May 15, 2024. In light of the said guidance, as the minimum taxes and final taxes are not calculated on the 'taxable profit' as defined in IAS - 12 but calculated on turnover or other basis (as per relevant sections of the Income Tax Ordinance, 2001 (ITO, 2001)), accordingly minimum taxes and final taxes should be accounted for under IAS 37/ IFRIC 21 as levies (though these are charged under tax law) and not under IAS - 12 as income taxes. Based on the guidance, the minimum taxes under ITO, 2001 are hybrid taxes which comprise of a component within the scope of IAS 12 (Income Tax) and a component within the scope of IFRIC 21 (Levies) and final taxes fall under levy within the scope of IAS 37/ IFRIC 21.

The aforesaid guidance has been applied retrospectively by the Company and the comparative information has been reclassified, which has not affected current period or prior years' net turnover, profit for the period, equity and cash flows. Impact as of January 1, 2023 is not material to these condensed interim financial statements. The effects of the amounts reclassified are as follows:



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2024

	Balance before reclassification	Impact	Balance after reclassification
	(Rupees '000)		
<b>Statement of financial position</b>			
<b>December 31, 2023</b>			
Current liabilities			
Provision for taxation	10,678,645	(1,389,615)	9,289,030
Trade and other payables	106,866,546	1,389,615	108,256,161

### Statement of profit or loss

In the statement of profit or loss, the final taxes previously presented as income taxes have now been reclassified as "final taxes - levies" under IAS 37/ IFRIC 21, amounting to Rs 986,849 thousand and Rs 2,000,489 thousand for the three month period ended and six month period ended September 30, 2023, respectively.

Accordingly, reclassification have also been made in the condensed interim statement of cash flows to conform to the current year's presentation.

## 4. SHARE CAPITAL

### AUTHORISED SHARE CAPITAL

This represents 1,500,000,000 (December 31, 2023: 1,500,000,000) ordinary shares of Rs 10 each amounting to Rs 15,000,000 thousand (December 31, 2023: Rs 15,000,000 thousand).

### ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un-audited September 30, 2024	Audited December 31, 2023		Un-audited September 30, 2024	Audited December 31, 2023
(Number of shares)			(Rupees '000)	
256,495,902	256,495,902	Ordinary shares of Rs 10 each, issued for consideration in cash	2,564,959	2,564,959
1,015,742,345	1,015,742,345	Ordinary shares of Rs 10 each, issued as fully paid bonus shares	10,157,423	10,157,423
<u>1,272,238,247</u>	<u>1,272,238,247</u>		<u>12,722,382</u>	<u>12,722,382</u>

- 4.1 Fauji Foundation holds 44.35% (December 31, 2023: 44.35%) ordinary shares of the Company as at the period end.

Note	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	

## 5. LONG TERM BORROWINGS - SECURED

From conventional banks	5.1	8,922,500	11,295,000
From Islamic banks	5.2	10,500,000	13,000,000
		<u>19,422,500</u>	<u>24,295,000</u>
Less: Current portion shown under current liabilities			
From conventional banks		3,372,500	3,595,000
From Islamic banks		3,125,000	2,500,000
		<u>6,497,500</u>	<u>6,095,000</u>
		<u>12,925,000</u>	<u>18,200,000</u>

### 5.1 Movement during the period / year is as follows:

Opening balance		11,295,000	11,740,000
Draw-downs during the period / year		-	3,000,000
Repayments during the period / year		(2,372,500)	(3,445,000)
Closing balance	5.1.1	<u>8,922,500</u>	<u>11,295,000</u>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the nine month period ended September 30, 2024

- 5.1.1 The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other moveable properties, ranking pari passu with each other with 25% margin.

These carry mark-up ranging between 6 month KIBOR + 0.03% to 0.15% per annum (2023: 6 month KIBOR + 0.03% to 0.15% per annum) and are repayable up to December 2028 (2023: December 2028).

Note	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	
<b>5.2 Movement during the period / year is as follows:</b>		
Opening balance	13,000,000	10,000,000
Draw-downs during the period / year	-	5,000,000
Repayments during the period / year	(2,500,000)	(2,000,000)
Closing balance	<b>10,500,000</b>	<b>13,000,000</b>

- 5.2.1 The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other moveable properties, ranking pari passu with each other with 25% margin.

These carry profit rates ranging between 6 month KIBOR + 0% to 0.10% per annum (2023: 6 month KIBOR + 0% to 0.10% per annum) and are repayable up to November 2028.

**6. TRADE AND OTHER PAYABLES**

This includes Gas Infrastructure Development Cess (GIDC) payable as follows:

Note	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	
Balance at the beginning	62,437,223	61,276,887
Unwinding of GIDC liability - charge to profit or loss	206,200	1,160,336
	<b>62,643,423</b>	<b>62,437,223</b>

- 6.1 Supreme Court of Pakistan (SCP) through its judgement dated August 13, 2020 declared GIDC Act, 2015 a valid legislation. Under the judgement, all gas consumers including the Company were ordered to pay the outstanding GIDC liability as at July 31, 2020 to the Government in 24 equal monthly installments.

GIDC was declared payable on the presumption that burden of same has been passed to the customers. In this regard, the Company, along with other industries, filed a review petition before the SCP on the grounds that a factual determination may be carried out to determine how much of the GIDC burden has actually been passed on, amongst other grounds. Later on SCP while deciding the review petition on November 2, 2020, disposed off the review petition against the gas consumers including the Company and stated that the Government of Pakistan (GoP) is agreeable to recover the arrears in 48 monthly installments instead of 24 monthly installments.

The Company also filed a Suit with the Sindh High Court in September 2020 against collection of GIDC installments, before a factual determination of GIDC pass on is carried out, and the Sindh High Court granted a stay in September 2020 against recovery of GIDC payable from the Company till the finalisation of matter by Sindh High Court. The matter is currently pending in the Sindh High Court.

Pursuant to the above decisions of the SCP and without prejudice to the suit filed in Sindh High Court, the Company, on prudent basis had re-measured its GIDC liability payable to Mari Petroleum Company Limited (MPCL) (on behalf of the Government of Pakistan) in 48 monthly installments commencing from August 2020 in prior period. This modification in timing of settlement of GIDC liability reflected substantially different terms from the original liability recognized upto July 2020. The current and non-current portion of the GIDC liability had been segregated in the statement of financial position in accordance with the 48 months recovery of installments.

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2024

On September 9, 2021, Ministry of Energy (MoE), GoP had written a letter to gas suppliers including Mari Petroleum Company Limited (MPCL), the supplier of gas to the Company, stating that they have sought clarification in respect of 48 monthly installments. Therefore, pending stated clarification, the instructions earlier conveyed as in letter dated August 19, 2020 (i.e. 24 month installments) shall remain in the field. On May 30, 2023, MoE, GoP had again written a letter to gas companies including MPCL, advising them to recover GIDC arrears in 48 monthly installments instead of 24 monthly installments. As the Company had already been accounting for GIDC liability based on 48 monthly installments, hence, no adjustments in this respect was required in the condensed interim financial statements.

During the period, no payments were made by the Company on account of GIDC on account of stay granted by Sindh High Court. Further, the Company has also contested and not accounted for late payment surcharge in these condensed interim financial statements, on GIDC payments against recovery stay granted by Sindh High Court.

Note	Un-audited	Audited	
	September 30, 2024	December 31, 2023	
(Rupees '000)			
<b>7. SHORT TERM BORROWINGS - SECURED</b>			
From conventional banks	7.1	138,755	8,828,089
From Islamic banks	7.2	3,745,046	4,909,657
		<b>3,883,801</b>	<b>13,737,746</b>

7.1 Short term borrowings are available from various banking companies under mark-up arrangements against facilities amounting to Rs. 21,237,000 thousands (December 2023: Rs. 21,018,000 thousands) which represent the aggregate of all facility agreements between the Company and respective banks. The facilities have various maturity dates upto December, 2026.

The facilities are secured by pari passu / ranking hypothecation charges on assets of the Company besides lien over Mutual Funds /PIBs in certain cases. The per annum rates of mark-up are 1 Month KIBOR plus 0.05% to 0.25% and 3 month KIBOR plus 0% to 0.35% (December 2023: The per annum rates of mark-up are 1 month KIBOR + 0% to 0.25% and 3 month KIBOR + 0.10% to 0.35%).

7.2 Shariah compliant short term borrowings are available from various banking companies under profit arrangements against facilities amounting to Rs. 6,037,000 thousands (December 2023: Rs. 7,000,000 thousands) which represent the aggregate of all facility agreements between the Company and respective banks. The facilities have various maturity dates upto June 30, 2025.

The facilities are secured by ranking hypothecation charges on assets of the Company besides lien over PIBs in certain cases. The per annum rate of profit is 1 month KIBOR minus 0.15% and 3 month KIBOR minus 0.05% to plus 0.05% (December 2023: 1 month KIBOR minus 0.10%).

	Un-audited	Audited
	September 30, 2024	December 31, 2023
(Rupees '000)		

## 8. CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies:

- |   |            |            |
|---|------------|------------|
| (i) Guarantees issued by banks on behalf of the Company   | 10,642,122 | 10,828,877 |
| (ii) Claims against the Company and / or potential exposure not acknowledged as debt  | 50,696     | 50,696     |
| (iii) The Company has issued corporate bank guarantee and letters of comfort in favour of its subsidiary i.e. Fauji Fresh n Freeze Limited amounting to Rs 4,280,000 thousand (December 31, 2023: Rs 4,101,304 thousand).   |            |            |
| (iv) Penalty of Rs 5,500,000 thousand imposed by the Competition Commission of Pakistan (CCP) in 2013, for alleged unreasonable increase in urea prices, which was set aside by the Competition Appellate Tribunal, in appeal filed by the Company, who also remanded the case back to CCP to decide the case afresh under guidelines provided by the Tribunal. CCP did not challenge this order before the Supreme Court of Pakistan in appeal within the stipulated time, thus making the appeal time barred. However, in prior years, CCP under the said Tribunal guidelines resumed the proceedings and the Company duly joined these proceedings through counsel. The Company filed writ petition before Islamabad High Court which was disposed of, directing CCP to proceed with regular hearings. CCP is yet to initiate its proceedings and the Company is awaiting hearing notice. The Company remains confident of successfully defending these unreasonable claims. |            |            |

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the nine month period ended September 30, 2024

	Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)			
<b>8.2 Commitments in respect of:</b>			
(i) Capital expenditure commitments (including share of commitments amounting to Rs 1,215,681 thousand (December 31, 2023: Rs 1,330,224 thousand) relating to PEF joint operations.		9,832,495	10,954,052
(ii) Purchase of fertilizer, stores, spares and other operational items		8,921,991	4,387,767
(iii) Investment in Thar Energy Limited		88,976	90,423
(iv) Contracted out services		415,769	723,753
(v) Revolving credit facilities to:			
- Foundation Wind Energy Limited - I		1,500,000	1,500,000
- FFC Energy Limited		1,700,000	1,700,000
- Fauji Fresh n Freeze Limited		1,570,000	-
<b>9. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	9.1	33,395,882	28,794,420
Capital work in progress	9.2	10,800,546	11,422,748
Right of use assets	9.3	-	6,003
		<u>44,196,428</u>	<u>40,223,171</u>
<b>9.1 Operating fixed assets</b>			
Opening written down value		28,794,420	25,316,719
Additions during the period / year		6,805,804	5,991,825
Written down value of disposals		(5,101)	(2,813)
Depreciation during the period / year		(2,199,241)	(2,511,311)
		<u>33,395,882</u>	<u>28,794,420</u>
<b>9.1.1 Additions in and depreciation on operating fixed assets during the nine month period ended September 30, 2023 were Rs 3,451,587 thousand and Rs 1,834,377 thousand, respectively.</b>			
		Un-audited September 30, 2024	Audited December 31, 2023
<b>9.2 Capital work in progress</b>			
Opening value		11,422,748	2,297,168
Additions during the period / year		2,986,190	9,631,738
Transfers during the period / year		(3,608,392)	(506,158)
		<u>10,800,546</u>	<u>11,422,748</u>
<b>9.2.1 Capital work in progress include Rs 1,767,268 thousand (December 31, 2023: Rs 1,618,248 thousand) being Company's share in Joint Operation related to Gas Pressure Enhancement Facility (PEF).</b>			
		Un-audited September 30, 2024	Audited December 31, 2023
<b>9.3 Right of use assets</b>			
Opening value		6,003	17,164
Depreciation during the period / year		(6,003)	(11,161)
		<u>-</u>	<u>6,003</u>

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2024

	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	
<b>9.4 Depreciation charge has been allocated as follows:</b>		
Cost of sales	2,106,376	2,426,562
Distribution cost	84,191	80,597
Other expenses	1,615	1,286
Charged to FFBL under the Inter Company Services Agreement	13,062	14,027
	<b>2,205,244</b>	<b>2,522,472</b>
<b>10. LONG TERM INVESTMENTS</b>		
<b>Investments held at cost</b>		
<b>In associated companies (Quoted)</b>		
Fauji Cement Company Limited	1,500,000	1,500,000
Fauji Fertilizer Bin Qasim Limited	7,152,693	7,152,693
Askari Bank Limited	10,461,921	10,461,921
	<b>19,114,614</b>	<b>19,114,614</b>
<b>In associated company (Unquoted)</b>		
Thar Energy Limited	5,986,908	5,986,908
<b>In joint venture (Unquoted)</b>		
Pakistan Maroc Phosphore S.A., Morocco	705,925	705,925
<b>In subsidiary companies (Unquoted)</b>		
FFC Energy Limited	2,438,250	2,438,250
Foundation Wind Energy - I Limited	7,493,051	7,493,051
Foundation Wind Energy - II Limited	6,019,288	6,019,288
OLIVE Technical Services (Private) Limited	20,000	20,000
Advance against issue of shares	80,000	-
	<b>100,000</b>	<b>20,000</b>
Fauji Fresh n Freeze Limited		
Investment at cost	11,335,500	6,335,500
Less: Impairment loss	(2,100,000)	(2,100,000)
	<b>9,235,500</b>	<b>4,235,500</b>
	<b>25,286,089</b>	<b>20,206,089</b>
	<b>51,093,536</b>	<b>46,013,536</b>
<b>Investments measured at fair value through other comprehensive income</b>		
Agritech Limited - quoted 12,000,000 (2023: Nil) fully paid ordinary shares of Rs. 10 each	403,920	-
Term Deposit Receipts - from conventional bank	-	32,899
Bank Alfalah Term Finance Certificates	300,000	498,865
Pakistan Investment Bonds	2,669,541	4,266,595
	<b>3,373,461</b>	<b>4,798,359</b>
	<b>54,466,997</b>	<b>50,811,895</b>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**

For the nine month period ended September 30, 2024

	Note	Un-audited September 30, 2024	Audited December 31, 2023
		(Rupees '000)	
<b>Less: current portion shown under short term investments - fair value through other comprehensive income</b>			
Term Deposit Receipts - from conventional bank		-	32,899
Bank Alfalah Term Finance Certificates		-	198,865
Pakistan Investment Bonds		2,230,410	1,859,670
	12	2,230,410	2,091,434
		<u>52,236,587</u>	<u>48,720,461</u>

**11. OTHER RECEIVABLES**

Other receivables includes Rs 6,961,878 thousand (December 31, 2023: Rs 6,961,878 thousand) on account of subsidy receivable against which provision for loss allowance amounting to Rs 6,961,878 thousand (December 31, 2023: Rs 5,719,404 thousand) has been recognised. This also includes Rs 22,415,546 thousand (December 31, 2023: Rs 21,198,940 thousand) on account of sales tax receivable against which provision for input tax disallowance amounting to Rs 10,043,620 thousand (December 31, 2023: Rs 4,332,620 thousand) has been recognised.

	Note	Un-audited September 30, 2024	Audited December 31, 2023
		(Rupees '000)	
<b>Amortised cost - conventional investments</b>			
Term deposits with banks and financial institutions			
Foreign currency		5,147,793	4,956,685
		5,147,793	4,956,685
<b>Investments at fair value through profit or loss</b>			
Conventional investments		56,142,035	59,203,333
Shariah compliant investments		16,409,349	28,485,449
		72,551,384	87,688,782
<b>Current maturity of long term investments</b>			
Fair value through other comprehensive income	10	2,230,410	2,091,434
		<u>79,929,587</u>	<u>94,736,901</u>

**12. SHORT TERM INVESTMENTS**

	Three month period ended		Nine month period ended	
	Un-audited September 30,2024	Un-audited September 30,2023	Un-audited September 30,2024	Un-audited September 30,2023
	(Rupees '000)		(Rupees '000)	

**13. TURNOVER - NET**

Manufactured urea	50,400,207	38,537,520	150,502,948	97,891,100
Purchased and packaged fertilizers	2,584,681	8,221,319	24,123,699	20,884,499
	52,984,888	46,758,839	174,626,647	118,775,599
Less: Sales tax and excise duty	(2,645,451)	(2,623,663)	(8,713,012)	(2,682,374)
	<u>50,339,437</u>	<u>44,135,176</u>	<u>165,913,635</u>	<u>116,093,225</u>

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine month period ended September 30, 2024

### 14. FINAL TAXES - LEVIES

This represents final taxes paid under section 5 and section 8 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IAS 37/ IFRIC 21.

#### 14.1 Reconciliation between current tax and levy:

Reconciliation of current tax charged as per tax laws for the period, with current tax recognized in the profit and loss accounts is as follows:

	Three month period ended		Nine month period ended	
	Un-audited September 30,2024	Un-audited September 30,2023	Un-audited September 30,2024	Un-audited September 30,2023
	(Rupees '000)		(Rupees '000)	
Current tax liability for the period as per applicable tax laws	8,638,186	4,848,062	25,294,126	17,205,543
Less:				
Portion of current tax liability as per tax laws, representing income tax under IAS 12	(8,622,964)	(3,861,213)	(23,307,426)	(15,205,054)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IAS 37/ IFRIC 21	(15,222)	(986,849)	(1,986,700)	(2,000,489)
	-	-	-	-

14.2 The aggregate of final tax and income tax amounting to Rs 25,294,126 thousand (September 30, 2023: Rs 17,205,543 thousand) represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)**

For the nine month period ended September 30, 2024

	September 30, 2024	September 30, 2023
	(Rupees '000)	
<b>15. CASH GENERATED FROM OPERATIONS</b>		
<b>Profit before income tax</b>	<b>68,966,740</b>	37,538,904
<b>Adjustments for:</b>		
Unwinding of GIDC liability	206,200	963,897
Loss allowance on subsidy receivable from GoP and others	1,603,000	600,000
Depreciation	2,192,182	1,830,113
Amortization	1,236	3,292
Finance cost	4,189,415	4,004,797
Provision for slow moving spares	14,383	26,062
Reversal of provision for stock in trade - net	-	(1,764,596)
Gain on disposal of operating fixed assets	(36,507)	(80,395)
Interest and profit on loans, deposits and investments	(1,135,751)	(1,236,740)
Final taxes - levies	1,986,700	2,000,489
Exchange loss / (gain) - net	75,111	(990,370)
(Gain) on re-measurement of investments at fair value through profit or loss	(5,293,274)	(1,840,823)
Dividend income	(10,591,525)	(1,800,000)
	<b>(6,788,830)</b>	1,715,726
	<b>62,177,910</b>	39,254,630
<b>Changes in:</b>		
Stores, spares and loose tools	(1,812,284)	(1,265,904)
Stock in trade	(14,887,529)	19,463,825
Trade debts	(287,777)	(1,319,540)
Loans and advances	(1,910,347)	(2,364,207)
Deposits and prepayments	12,950	(24,532)
Other receivables	4,458,920	2,020,263
Trade and other payables	(5,306,660)	9,191,729
	<b>(19,732,727)</b>	25,701,634
Changes in long term loans and advances	(636,749)	(560,080)
Changes in long term deposits and prepayments	(1,919)	-
Changes in compensated leave absences	213,810	-
	<b>42,020,325</b>	64,396,184
<b>16. FINANCIAL RISK MANAGEMENT AND FAIR VALUES</b>		

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2023. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2023.

The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)**

For the nine month period ended September 30, 2024

	September 30, 2024	September 30, 2023
	(Rupees '000)	
<b>17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES</b>		
Significant transactions and balances with the related parties are as follows:		
<b>HOLDING COMPANY</b>		
<b>Transactions</b>		
Dividend paid	11,059,058	5,958,350
Cost recharge	750,677	764,445
Sale of fertilizer	-	4,364
Others	82,884	1,278
<b>Balances</b>		
Balance payable - unsecured *	-	-
<b>SUBSIDIARY COMPANIES</b>		
<b>Transactions</b>		
Equity investment	5,000,000	-
Advance against issue of shares	80,000	-
Advance disbursed under revolving credit facility	1,135,000	1,800,000
Payment received under revolving credit facility	2,705,000	-
Interest income	59,913	223,411
Rental income	28,869	27,771
Dividend income	7,579,121	1,800,000
Expenses incurred on behalf of subsidiary companies	145,032	86,306
Receipt against expenses on behalf of subsidiary companies	3,226	91,745
Sale of fertilizer	-	9,998
<b>Balances</b>		
Balance receivable - unsecured *	916,528	2,402,074
<b>ASSOCIATED UNDERTAKINGS / COMPANIES DUE TO COMMON DIRECTORSHIP</b>		
<b>Transactions</b>		
Expenses charged on account of marketing of fertilizer on behalf of associated company	1,200,547	1,024,902
Commission on sale of products	18,631	17,905
Sale of fertilizer	142,372	405,535
Payments under consignment account - net	148,463,981	159,450,527
Payments against purchase of gas and PEF project	43,358,776	24,669,273
Equity investment	-	1,158,208
Services and materials provided	24,928	41,361

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)**

For the nine month period ended September 30, 2024

	September 30, 2024	September 30, 2023
	(Rupees '000)	
Donations	622,962	823,609
Interest expense	173,402	296,248
Interest income	3,935	4,986
Dividend income	3,012,404	-
<b>Balances</b>		
Long term investments *	-	32,899
Short term borrowings *	137,470	8,092,980
Balances receivable - unsecured *	822,484	607,914
Balances payable - unsecured *	70,082,488	72,444,064
<b>KEY MANAGEMENT PERSONNEL</b>		
Remuneration including benefits and perquisites of chief executive and other executives. No. of persons 2024: 2 and 639 (2023: 1 and 580) respectively	6,289,987	5,374,409
<b>STAFF RETIREMENT BENEFITS</b>		
<b>Contributions</b>		
Employees' Provident Fund Trust	483,680	453,097
Employees' Gratuity Fund Trust	385,115	266,333
Employees' Pension Fund Trust	43,448	-
Employees' Funds as dividend on equity holding of 0.25% (2023: 0.25%)	62,579	28,344
<b>Balances</b>		
Payable to Gratuity Fund Trust *	901,283	997,592
Receivable from Pension Fund Trust *	376,544	365,682
<b>OTHERS</b>		
<b>Transactions</b>		
Remuneration and benefits of key management personnel (No. of person(s): 25 (2023: 20))	647,814	467,848
<b>Balances</b>		
Loans and advances *	193,196	108,049

\* Comparative audited figures of receivable / payable balances are as at December 31, 2023.

**18. OPERATING SEGMENTS**

These condensed interim financial statements have been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company is disclosed in note 13 to these condensed interim financial statements.

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)

For the nine month period ended September 30, 2024

### 19. INTEREST IN JOINT ARRANGEMENTS

In 2022, the Company, Engro Fertilizer Company Limited (EFERT) and Fatima Fertilizer Company Limited (FATIMA) entered into a Framework Agreement (the Agreement) for Gas Pressure Enhancement Facilities (PEF) project dated November 30, 2022. Under the Agreement, the Company, EFERT and FATIMA have decided to jointly develop and install pressure enhancement facilities at the MPCL's delivery node to sustain the current level of pressure of gas supply from HRL reservoir of Mari Petroleum Company Limited (MPCL). The Company has classified this arrangement as a joint operation. Current cost sharing percentages in PEF of the Company, EFERT and FATIMA are 47.7%, 33.9% and 18.4%, respectively. The Company has recognised its share of jointly held assets and liabilities of the joint operation under the appropriate heads and disclosed the same in the related notes to these condensed interim financial statements.

### 20. NON ADJUSTING EVENTS AFTER REPORTING DATE

20.1 Subsequent to the period end, the Company acquired further shareholding in voting shares of Agritech Limited.

### 21. GENERAL

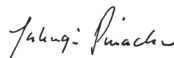
21.1 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

21.2 Corresponding figures have been reclassified wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of better presentation in accordance with the accounting and reporting standards as applicable in Pakistan.

21.3 These condensed interim financial statements have been authorized for issue by the Board of Directors of the Company on October 28, 2024.



**Chairman**



**Chief Executive Officer**



**Director**



**Chief Financial Officer**



**Condensed  
Interim Consolidated  
Financial Statements**

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at September 30, 2024

	Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	4	12,722,382	12,722,382
Capital reserves		12,946,989	13,702,705
Revenue reserves			
General reserves		8,802,360	8,802,360
Unappropriated profit		147,188,772	114,118,741
		155,991,132	122,921,101
Deficit on remeasurement of investments to fair value - net		(641,261)	(4,314,604)
Non-controlling interest		3,619,007	3,589,019
		184,638,249	148,620,603
Share in revaluation reserve of associates - net		371,628	1,462,850
<b>NON - CURRENT LIABILITIES</b>			
Long term borrowings - secured	5	14,288,635	19,565,210
Lease liabilities		63,529	64,049
Deferred government grant		78,668	101,665
Deferred liabilities			
- Deferred taxation		20,763,606	12,157,948
- Compensated leave absences		2,050,216	1,771,393
		37,244,654	33,660,265
<b>CURRENT LIABILITIES</b>			
Current portion of long term borrowings - secured	5	7,015,460	6,544,201
Current portion of lease liabilities		11,351	33,708
Current portion of deferred government grant		31,296	35,186
Trade and other payables	6	106,161,634	110,175,061
Mark-up and profit accrued		1,128,061	1,392,334
Short term borrowings - secured	7	3,883,801	15,133,161
Unclaimed dividend		538,964	516,867
Provision for taxation		12,869,038	9,347,678
		131,639,605	143,178,196
<b>TOTAL LIABILITIES</b>		<b>168,884,259</b>	<b>176,838,461</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>353,894,136</b>	<b>326,921,914</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>8</b>		

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

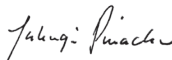
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at September 30, 2024

	Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)			
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	9	72,122,954	69,293,945
Intangible assets		1,959,937	1,935,235
Long term investments	10	116,464,518	97,800,805
Long term loans and advances - secured		3,266,387	2,629,638
Long term deposits and prepayments		34,268	30,638
		<b>193,848,064</b>	<b>171,690,261</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		10,137,130	8,203,179
Stock in trade		20,864,018	3,991,849
Trade debts		16,110,451	13,544,418
Loans and advances		5,253,750	2,607,359
Deposits and prepayments		890,537	716,482
Other receivables	11	15,476,447	22,628,651
Short term investments	12	89,783,179	101,743,497
Cash and bank balances		1,530,560	1,796,218
		<b>160,046,072</b>	<b>155,231,653</b>
<b>TOTAL ASSETS</b>		<b>353,894,136</b>	<b>326,921,914</b>



Chairman



Chief Executive Officer



Director



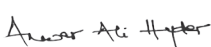
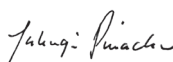
Chief Financial Officer

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

For the nine month period ended September 30, 2024

	Note	Three month period ended		Nine month period ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		(Rupees '000)		(Rupees '000)	
Turnover - net	13	57,716,158	52,199,122	184,556,844	134,717,469
Cost of sales		(27,038,358)	(32,615,004)	(99,032,082)	(77,176,578)
<b>GROSS PROFIT</b>		<b>30,677,800</b>	<b>19,584,118</b>	<b>85,524,762</b>	<b>57,540,891</b>
Administrative and distribution expenses		(5,681,293)	(3,429,683)	(17,133,904)	(9,886,331)
		24,996,507	16,154,435	68,390,858	47,654,560
Finance cost		(1,404,896)	(1,661,078)	(4,515,372)	(4,955,124)
Other losses					
Unwinding of GIDC liability		(7,453)	(259,615)	(206,200)	(963,897)
Loss allowance on subsidy receivable from GoP and others		(648,000)	(100,000)	(1,603,000)	(600,000)
		(655,453)	(359,615)	(1,809,200)	(1,563,897)
Other expenses		(2,095,327)	(1,313,396)	(6,329,618)	(3,571,626)
		20,840,831	12,820,346	55,736,668	37,563,913
Other income		5,630,378	4,737,820	15,732,266	11,574,592
Share of profit of associates and joint venture		7,450,329	3,788,069	22,474,529	6,362,306
<b>PROFIT BEFORE INCOME TAX AND FINAL TAX</b>		<b>33,921,538</b>	<b>21,346,235</b>	<b>93,943,463</b>	<b>55,500,811</b>
Final taxes - levies		(45,433)	(1,017,821)	(2,102,441)	(2,085,523)
<b>PROFIT BEFORE INCOME TAX</b>		<b>33,876,105</b>	<b>20,328,414</b>	<b>91,841,022</b>	<b>53,415,288</b>
Provision for taxation		(11,289,827)	(4,706,796)	(31,567,548)	(17,024,215)
<b>PROFIT FOR THE PERIOD</b>		<b>22,586,278</b>	<b>15,621,618</b>	<b>60,273,474</b>	<b>36,391,073</b>
<b>ATTRIBUTABLE TO:</b>					
Equity Holders of Fauji Fertilizer Limited		22,280,671	15,164,497	59,432,116	35,480,312
Non - Controlling Interest		305,607	457,121	841,358	910,761
		22,586,278	15,621,618	60,273,474	36,391,073
Earnings per share - basic and diluted (Rupees)		17.51	11.92	46.71	27.89

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


**Chairman**

**Chief Executive Officer**

**Director**

**Chief Financial Officer**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
For the nine month period ended September 30, 2024

	Three month period ended		Nine month period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees '000)		(Rupees '000)	
<b>PROFIT FOR THE PERIOD</b>	<b>22,586,278</b>	15,621,618	<b>60,273,474</b>	36,391,073
<b>OTHER COMPREHENSIVE INCOME</b>				
Items that may be subsequently reclassified to profit or loss				
Surplus / (deficit) on re-measurement of investments to fair value - net of tax	27,819	(8,461)	163,307	(98,703)
Share of equity accounted investees - share of OCI, net of tax	880,270	(941,922)	2,478,734	(1,528,031)
	908,089	(950,383)	2,642,041	(1,626,734)
Items that will not be subsequently reclassified to profit or loss				
Equity accounted investees - share of OCI, net of tax	375,584	1,735,395	393,411	1,756,078
<b>Comprehensive income taken to equity</b>	<b>23,869,951</b>	16,406,630	<b>63,308,926</b>	36,520,417
<b>Comprehensive income not recognised in equity</b>				
Items that may be subsequently reclassified to profit or loss				
Share in revaluation reserve of associates - net of tax	133,095	-	51,233	2,118,712
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>24,003,046</b>	16,406,630	<b>63,360,159</b>	38,639,129

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

Chairman

Chief Executive Officer

Director

Chief Financial Officer





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

For the nine month period ended September 30, 2024

	Capital reserves				Revenue reserves			Deficit on remeasurements to fair value - net	Non - Controlling Interest	Total	
	Share capital	Share premium	Capital redemption reserve	Translation reserve	Statutory reserve	Acquisition reserve	General reserve				Unappropriated profit
<b>Balance at January 1, 2023 (Audited)</b>	12,722,382	40,000	120,000	4,532,385	5,712,045	-	8,802,360	87,129,413	(1,791,255)	2,848,187	120,115,517
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	35,480,312	-	910,761	36,391,073
Profit for the period	-	-	-	1,853,479	-	-	-	1,756,078	(3,480,213)	-	129,344
Other comprehensive income / (loss) - net of tax	-	-	-	1,853,479	-	-	-	37,236,390	(3,480,213)	910,761	36,520,417
<b>Transactions with owners of the Company</b>	-	-	-	-	-	-	-	(4,007,550)	-	-	(4,007,550)
Distributions:	-	-	-	-	-	-	-	(5,419,735)	-	-	(5,419,735)
First interim dividend 2023: Rs 3.15 per share	-	-	-	-	-	-	-	(4,007,550)	-	-	(4,007,550)
Second interim dividend 2023: Rs 3.15 per share	-	-	-	-	-	-	-	(13,434,835)	-	-	(13,434,835)
<b>FWEL-II dividend to non-controlling interest holders:</b>	-	-	-	-	-	-	-	-	-	(200,000)	(200,000)
First interim dividend 2023: Rs 2.83 per share	-	-	-	-	-	-	-	-	-	-	-
<b>Other changes in equity</b>	-	-	-	-	650,006	-	-	(650,006)	-	-	-
Transfer to statutory reserve	-	-	-	-	650,006	-	-	-	-	-	-
<b>Balance as at September 30, 2023 (Un-Audited)</b>	12,722,382	40,000	120,000	6,385,864	6,362,051	-	8,802,360	110,280,962	(5,271,468)	3,556,948	143,001,099
<b>Balance at January 1, 2024 (Audited)</b>	12,722,382	40,000	120,000	6,871,041	6,671,664	-	8,802,360	114,118,741	(4,314,604)	3,589,019	148,620,603
<b>Total comprehensive income</b>	-	-	-	-	-	-	-	59,432,116	-	841,358	60,273,474
Profit for the period	-	-	-	(214,053)	-	-	-	194,227	3,055,883	-	3,036,057
Other comprehensive income / (loss) - net of tax	-	-	-	(214,053)	-	-	-	59,626,343	3,055,883	841,358	63,309,531
<b>Transactions with owners of the Company</b>	-	-	-	-	-	-	-	-	-	-	-
Distributions:	-	-	-	-	-	-	-	-	-	-	-
FFC dividends:	-	-	-	-	-	-	-	(5,216,177)	-	-	(5,216,177)
Final dividend 2023: Rs 4.10 per share	-	-	-	-	-	-	-	(6,907,310)	-	-	(6,907,310)
First interim dividend 2024: Rs 50 per share	-	-	-	-	-	-	-	(12,722,382)	-	-	(12,722,382)
Second interim dividend 2024: Rs 10 per share	-	-	-	-	-	-	-	(24,935,869)	-	-	(24,935,869)
Effect of reclassification on adoption of IFRS - 9 by equity accounted investees - net of tax	-	-	-	-	-	-	-	160,161	678,706	-	838,867
Effect of adoption of IFRS - 9 - ECL by equity accounted investees - net of tax	-	-	-	-	-	-	-	(2,174,698)	-	-	(2,174,698)
Transfer from share in revaluation reserve of associates - net of tax	-	-	-	-	-	-	-	1,142,455	-	-	1,142,455
Acquisition reserve created by equity accounted investees - net of tax	-	-	-	-	-	-	-	61,246	(61,246)	-	-
Gain on disposal of equity securities measured at FVTOCI by equity accounted investees - net of tax	-	-	-	-	-	-	(1,351,270)	-	-	-	(1,351,270)
<b>FWEL-II dividends to non-controlling interest holders:</b>	-	-	-	-	-	-	-	-	-	-	-
First interim dividend 2023: Rs 4.50 per share	-	-	-	-	-	-	-	-	-	-	-
First interim dividend 2024: Rs 7.00 per share	-	-	-	-	-	-	-	-	-	(317,493)	(317,493)
<b>Other changes in equity</b>	-	-	-	-	-	-	-	-	-	(493,877)	(493,877)
Transfer to statutory reserve	-	-	-	-	-	-	-	(809,607)	-	(811,370)	(811,370)
<b>Balance as at September 30, 2024 (Un-Audited)</b>	12,722,382	40,000	120,000	6,656,988	7,481,271	(1,351,270)	8,802,360	147,186,772	(641,261)	3,619,007	184,638,249

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

**Chairman**

**Chief Executive Officer**

**Director**


**Chief Financial Officer**

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

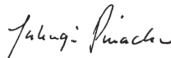
For the nine month period ended September 30, 2024

Note	September 30, 2024	September 30, 2023
(Rupees '000)		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from operations	15 50,956,574	70,633,107
Finance cost paid	(4,779,645)	(4,504,243)
Income taxes and levies paid	(21,253,498)	(12,615,917)
	(26,033,143)	(17,120,160)
Net cash generated from operating activities	24,923,431	53,512,947
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(7,200,185)	(10,151,327)
Proceeds from sale of property, plant and equipment	74,795	84,714
Investment in Thar Energy Limited	-	(4,876,908)
Other investments - net	7,287,782	(2,042,888)
Interest and profit received	1,415,257	2,008,507
Dividend received	3,012,404	-
Net cash generated from / (used in) investing activities	4,590,053	(14,977,902)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term financing:		
Drawdowns	338,756	-
Repayments	(5,144,072)	(4,310,891)
Repayment of lease liabilities	(22,877)	(2,246,804)
Dividend paid	(25,725,142)	(13,568,326)
Net cash used in financing activities	(30,553,335)	(20,126,021)
Net (decrease) / increase in cash and cash equivalents	(1,039,851)	18,409,024
<b>Cash and cash equivalents at beginning of the period</b>	<b>86,315,120</b>	<b>46,933,653</b>
Effect of exchange rate changes	(75,741)	989,068
<b>Cash and cash equivalents at end of the period</b>	<b>85,199,528</b>	<b>66,331,745</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	1,530,560	1,528,841
Short term borrowings - secured	(3,883,801)	(6,337,857)
Short term highly liquid investments	87,552,769	71,140,761
	85,199,528	66,331,745

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



Chairman



Chief Executive Officer



Director



Chief Financial Officer

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2024

### 1. THE GROUP AND ITS OPERATIONS

- 1.1 Fauji Fertilizer Company Limited (the Group) comprises of Fauji Fertilizer Company Limited (FFC) and its subsidiaries, FFC Energy Limited (FFCEL), Fauji Fresh n Freeze Limited (FFF), Foundation Wind Energy - I Limited (FWEL-I) and Foundation Wind Energy - II Limited (FWEL-II) and OLIVE Technical Services (Private) Limited. The shares of FFC are quoted on Pakistan Stock Exchange.

The principal activity of FFC is manufacturing, purchasing and marketing of fertilizers and chemicals, including investment in other fertilizers, chemical, cement, energy generation, food processing, banking operations and technical services. FFCEL has setup a 49.5 MW wind energy power project. FFF is principally engaged in the business of processing fresh, frozen fruits, vegetables, fresh meat, frozen cooked and semi cooked food. FWEL-I and FWEL-II individually operate setups of 50MW wind energy power projects. OLIVE Technical Services (Private) Limited is engaged in provision of technical, operation, maintenance, inspection and IT services.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of compliance

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 provisions of and directives issued under the Companies Act, 2017 have been followed.
- The applicable framework for banks also includes the Banking Companies Ordinance 1962 and the provisions of and directives issued by the State Bank of Pakistan.

- 2.2 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 of the Group for the year ended December 31, 2023. Comparative figures of condensed interim statement of financial position is extracted from audited consolidated financial statements as at December 31, 2023 whereas comparative figures of condensed interim statement of profit or loss account, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from unaudited condensed interim consolidated financial information of the Group for the nine month period ended September 30, 2023.

- 2.3 These condensed interim consolidated financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER ACCOUNTING POLICIES

The material and other accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim consolidated financial statements and financial risk management policy are the same as those applied in preparation of financial statements of the Group for the year ended December 31, 2023.

#### 3.1 Accounting guidance issued by ICAP on accounting for minimum taxes and final taxes

Institute of Chartered Accountants of Pakistan (ICAP) issued a guidance "Application Guidance on Accounting for Minimum Taxes and Final Taxes" through circular No. 07/2024 dated May 15, 2024. In light of the said guidance, as the minimum taxes and final taxes are not calculated on the 'taxable profit' as defined in IAS - 12 but calculated on turnover or other basis (as per relevant sections of the Income Tax Ordinance, 2001 (ITO, 2001)), accordingly minimum taxes and final taxes should be accounted for under IAS 37/ IFRIC 21 as levies (though these are charged under tax law) and not under IAS - 12 as income taxes. Based on the guidance, the minimum taxes under ITO, 2001 are hybrid taxes which comprise of a component within the scope of IAS 12 (Income Tax) and a component within the scope of IFRIC 21 (Levies) and final taxes fall under levy within the scope of IAS 37/ IFRIC 21.

The aforesaid guidance has been applied retrospectively by the Company and the comparative information has been reclassified, which has not affected current period or prior years' net turnover, profit after taxes and levies, equity and cash flows. Impact as of January 1, 2023 is not material to the financial statements. The effects of the amounts reclassified are as follows:

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine month period ended September 30, 2024

	Balance before reclassification	Impact	Balance after reclassification
	(Rupees '000)		
<b>Statement of financial position</b>			
<b>December 31, 2023</b>			
Current liabilities			
Provision for taxation	10,737,293	(1,389,615)	9,347,678
Trade and other payables	108,785,446	1,389,615	110,175,061

**Statement of profit or loss**

In the statement of profit or loss, the final taxes previously presented as income taxes have now been reclassified as "final taxes - levies" under IAS 37/ IFRIC 21, amounting to Rs 1,017,821 thousand and Rs 2,085,523 thousand for the three month period ended and nine month period ended September 30, 2023, respectively.

Accordingly, reclassification have also been made in the condensed interim statement of cash flows to conform to the current year's presentation.

**4. SHARE CAPITAL****AUTHORISED SHARE CAPITAL**

This represents 1,500,000,000 (2023: 1,500,000,000) ordinary shares of Rs 10 each amounting to Rs 15,000,000 thousand (2023: Rs 15,000,000 thousand).

**ISSUED, SUBSCRIBED AND PAID UP CAPITAL**

Un-audited September 30, 2024	Audited December 31, 2023		Un-audited September 30, 2024	Audited December 31, 2023
(Number of shares)			(Rupees '000)	
256,495,902	256,495,902	Ordinary shares of Rs 10 each, issued for consideration in cash	2,564,959	2,564,959
1,015,742,345	1,015,742,345	Ordinary shares of Rs 10 each, issued as fully paid bonus shares	10,157,423	10,157,423
<u>1,272,238,247</u>	<u>1,272,238,247</u>		<u>12,722,382</u>	<u>12,722,382</u>

- 4.1 Fauji Foundation holds 44.35% (December 31, 2023: 44.35%) ordinary shares of the Company as at the period end.

Note	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	

**5. LONG TERM BORROWINGS - SECURED****From conventional banks**

Fauji Fertilizer Company Limited	5.1	8,922,500	11,295,000
Fauji Fresh n Freeze Limited	5.2	1,881,595	1,814,411

**From Islamic banks**

Fauji Fertilizer Company Limited	5.3	10,500,000	13,000,000
		<u>21,304,095</u>	<u>26,109,411</u>

**Less: Current portion shown under current liabilities**

From conventional banks		3,890,460	4,044,201
From Islamic banks		3,125,000	2,500,000
		<u>7,015,460</u>	<u>6,544,201</u>
		<u>14,288,635</u>	<u>19,565,210</u>

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2024

	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	
<b>5.1 Movement during the period / year is as follows:</b>		
Opening balance	11,295,000	11,740,000
Draw-downs during the period / year	-	3,000,000
Repayments during the period / year	(2,372,500)	(3,445,000)
Closing balance	<u>8,922,500</u>	<u>11,295,000</u>

- 5.1.1** The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other moveable properties, ranking pari passu with each other with 25% margin.

These carry mark-up ranging between 6 month KIBOR + 0.03% to 0.15% per annum (2023: 6 month KIBOR + 0.03% to 0.15% per annum) and are repayable up to December 2028 (2023: December 2028).

	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	

- 5.2 Movement during the period / year is as follows:**

Opening balance	1,814,411	1,888,322
Draw-downs during the period / year	338,756	286,089
Repayments during the period / year	(271,572)	(360,000)
Closing balance	<u>1,881,595</u>	<u>1,814,411</u>

- 5.2.1** The borrowings are secured by way of hypothecation of FFC's present and future fixed assets (excluding land and building), ranking pari passu charge, certain FFC's corporate guarantees etc.

These carry mark-up ranging between 3 month + 0.05% to 6 month KIBOR + 0.05% (2023: 3 month + 0.05% to 6 month KIBOR + 0.05%), additionally TERF facilities included have markup ranging between 2.5% to 3.5%. (2023: 2.5% to 3.5%) and are repayable up to September 2031 (2023: September 2031).

	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	

- 5.3 Movement during the period / year is as follows:**

Opening balance	13,000,000	10,000,000
Draw-downs during the period / year	-	5,000,000
Repayments during the period / year	(2,500,000)	(2,000,000)
Closing balance	<u>10,500,000</u>	<u>13,000,000</u>

- 5.3.1** The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other moveable properties, ranking pari passu with each other with 25% margin.

These carry profit rates ranging between 6 month KIBOR + 0% to 0.10% per annum (2023: 6 month KIBOR + 0% to 0.10% per annum) and are repayable up to November 2028.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine month period ended September 30, 2024

**6. TRADE AND OTHER PAYABLES**

This includes Gas Infrastructure Development Cess (GIDC) payable as follows:

Note	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	
Balance at the beginning	62,437,223	61,276,887
Unwinding of GIDC liability - charge to profit or loss	198,747	1,160,336
<b>6.1</b>	<b>62,635,970</b>	<b>62,437,223</b>

- 6.1** Supreme Court of Pakistan (SCP) through its judgement dated August 13, 2020 declared GIDC Act, 2015 a valid legislation. Under the judgement, all gas consumers including the Company were ordered to pay the outstanding GIDC liability as at July 31, 2020 to the Government in 24 equal monthly installments.

GIDC was declared payable on the presumption that burden of same has been passed to the customers. In this regard, the Company, along with other industries, filed a review petition before the SCP on the grounds that a factual determination may be carried out to determine how much of the GIDC burden has actually been passed on, amongst other grounds. Later on SCP while deciding the review petition on November 2, 2020, disposed off the review petition against the gas consumers including the Company and stated that the Government of Pakistan (GoP) is agreeable to recover the arrears in 48 monthly installments instead of 24 monthly installments.

The Company also filed a Suit with the Sindh High Court in September 2020 against collection of GIDC installments, before a factual determination of GIDC pass on is carried out, and the Sindh High Court granted a stay in September 2020 against recovery of GIDC payable from the Company till the finalisation of matter by Sindh High Court. The matter is currently pending in the Sindh High Court.

Pursuant to the above decisions of the SCP and without prejudice to the suit filed in Sindh High Court, the Company, on prudent basis had re-measured its GIDC liability payable to Mari Petroleum Company Limited (MPCL) (on behalf of the Government of Pakistan) in 48 monthly installments commencing from August 2020 in prior period. This modification in timing of settlement of GIDC liability reflected substantially different terms from the original liability recognized upto July 2020. The current and non-current portion of the GIDC liability had been segregated in the statement of financial position in accordance with the 48 months recovery of installments.

On September 9, 2021, Ministry of Energy (MoE), GoP had written a letter to gas suppliers including Mari Petroleum Company Limited (MPCL), the supplier of gas to the Company, stating that they have sought clarification in respect of 48 monthly installments. Therefore, pending stated clarification, the instructions earlier conveyed as in letter dated August 19, 2020 (i.e. 24 month installments) shall remain in the field. On May 30, 2023, MoE, GoP had again written a letter to gas companies including MPCL, advising them to recover GIDC arrears in 48 monthly installments instead of 24 monthly installments. As the Company had already been accounting for GIDC liability based on 48 monthly installments, hence, no adjustments in this respect was required in the condensed interim financial statements.

During the period, no payments were made by the Company on account of GIDC on account of stay granted by Sindh High Court. Further, the Company has also contested and not accounted for late payment surcharge in these condensed interim financial statements, on GIDC payments against recovery stay granted by Sindh High Court.

	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	
<b>7. SHORT TERM BORROWINGS - SECURED</b>		
From conventional banks	138,755	10,223,504
From Islamic banks	3,745,046	4,909,657
	<b>3,883,801</b>	<b>15,133,161</b>

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2024

	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	
<b>8. CONTINGENCIES AND COMMITMENTS</b>		
<b>8.1 Contingencies:</b>		
(i) Guarantees issued by banks on behalf of the Group companies	10,642,122	10,828,877
(ii) Claims against the Company and / or potential exposure not acknowledged as debt	50,696	50,696
(iii) Group's share of contingencies in Fauji Fertilizer Bin Qasim Limited	34,369,092	38,633,928
(iv) Group's share of contingencies in Fauji Cement Company Limited as at June 30, 2024 (2023: September 30, 2023)	237,336	383,616
(v) Group's share of contingencies in Askari Bank Limited as at June 30, 2024 (2023: September 30, 2023)	136,566,204	153,362,382
(vi) Group's share of contingencies in Thar Energy Limited as at June 30, 2024 (2023: September 30, 2023)	449,820	7,320
(vii) Group's share of contingencies in Fauji Foods Limited	142,321	121,460
(viii) FFC has issued corporate bank guarantee and letters of comfort in favour of FFF amounting to Rs 4,280,000 thousand (December 31, 2023: Rs 4,101,304 thousand).		
(ix) Penalty of Rs 5,500,000 thousand imposed by the Competition Commission of Pakistan (CCP) in 2013, for alleged unreasonable increase in urea prices, which was set aside by the Competition Appellate Tribunal, in appeal filed by the Company, who also remanded the case back to CCP to decide the case afresh under guidelines provided by the Tribunal. CCP did not challenge this order before the Supreme Court of Pakistan in appeal within the stipulated time, thus making the appeal time barred. However, in prior years, CCP under the said Tribunal guidelines resumed the proceedings and the Company duly joined these proceedings through counsel. The Company filed writ petition before Islamabad High Court which was disposed of, directing CCP to proceed with regular hearings. CCP is yet to initiate its proceedings and the Company is awaiting hearing notice. The Company remains confident of successfully defending these unreasonable claims.		
	Un-audited September 30, 2024	Audited December 31, 2023
	(Rupees '000)	
<b>8.2 Commitments in respect of:</b>		
(i) Capital expenditure commitments (including share of commitments amounting to Rs 1,215,681 thousand (December 31, 2023: Rs 1,330,224 thousand) relating to PEF joint operations.	10,571,464	11,294,273
(ii) Purchase of fertilizer, stores, spares and other operational items	9,242,742	4,809,221
(iii) Investment in Thar Energy Limited	88,976	90,423
(iv) Contracted out services	680,679	723,753
(v) Commitments in respect of land sub-lease agreement	33,467	36,033
(vi) Group's share of commitments of Fauji Fertilizer Bin Qasim Limited	9,278,949	8,775,623
(vii) Group's share of commitments of Fauji Cement Company Limited as at June 30, 2024 (2023: September 30, 2023)	138,824	302,102
(viii) Group's share of commitments of Askari Bank Limited as at June 30, 2024 (2023: September 30, 2023)	241,181,404	176,615,201
(ix) Group's share of commitments of PMP as at June 30, 2024 (2023: September 30, 2023)	11,252	10,000
(x) Group's share of commitments of TEL as at June 30, 2024 (2023: September 30, 2023)	2,115,458	1,818,349
(xi) Group's share of commitments of Fauji Foods Limited	63,689	38,751

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine month period ended September 30, 2023

	Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)			
<b>9. PROPERTY PLANT AND EQUIPMENT</b>			
Operating fixed assets	9.1	47,220,680	43,676,178
Capital work in progress	9.2	12,087,444	11,901,414
Right of use assets	9.3	12,814,830	13,716,353
		<u>72,122,954</u>	<u>69,293,945</u>
<b>9.1 Operating fixed assets</b>			
Opening written down value		43,676,178	41,473,957
Additions during the period / year		6,987,860	6,337,722
Written down value of disposals / adjustments		(6,919)	(11,718)
Depreciation during the period / year		(3,436,439)	(4,125,011)
Reversal of Impairment		-	1,228
		<u>47,220,680</u>	<u>43,676,178</u>
<b>9.1.1</b>	Additions in and depreciation on operating fixed assets during the nine month period ended September 30, 2023 were Rs 3,708,789 thousand and Rs 2,689,438 thousand respectively.		
	Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)			
<b>9.2 Capital work in progress</b>			
Opening value		11,901,414	2,461,172
Additions during the period / year		3,847,570	10,234,653
Transfers during the period / year		(3,661,540)	(794,411)
		<u>12,087,444</u>	<u>11,901,414</u>
<b>9.3 Right of use assets</b>			
Opening balance		13,716,353	13,987,206
Exchange loss - net		-	939,686
Depreciation during the period / year		(901,523)	(1,210,539)
		<u>12,814,830</u>	<u>13,716,353</u>
<b>9.4 Depreciation charge has been allocated as follows:</b>			
Cost of sales		4,204,317	5,199,211
Administrative and distribution expenses		118,968	121,026
Other expenses		1,615	1,286
Charged to FFBL under the Company Services Agreement		13,062	14,027
		<u>4,337,962</u>	<u>5,335,550</u>
<b>10. LONG TERM INVESTMENTS</b>			
Equity accounted investments	10.1	115,321,467	95,093,880
Other long term investments	10.2	1,143,051	2,706,925
		<u>116,464,518</u>	<u>97,800,805</u>



## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the nine month period ended September 30, 2023

	Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)			
<b>10.1 Equity accounted investments</b>			
<b>Investment in associated companies - under equity method</b>			
<b>Fauji Cement Company Limited</b>			
Balance at the beginning		3,417,302	3,085,305
Share of profit for the period / year		240,631	-
Gain on dilution of interest		-	331,997
		<b>3,657,933</b>	<b>3,417,302</b>
<b>Fauji Fertilizer Bin Qasim Limited</b>			
Balance at the beginning		35,008,094	32,621,347
Share of impact of adoption of IFRS - 9 by an associate		(280,623)	-
Share of acquisition reserve created during the period		(849,431)	-
Share of profit for the period / year		12,337,971	1,515,120
Share of OCI for the period / year		717,319	871,627
Dividend		(644,019)	-
		<b>46,289,311</b>	<b>35,008,094</b>
<b>Fauji Foods Limited</b>			
Balance at the beginning		4,787,277	-
Investment during the period / year	10.3	-	4,650,000
Share of acquisition reserve created during the period		(501,839)	-
Share of Profit for the period / year		103,364	137,369
Share of OCI for the period / year		(807)	(92)
		<b>4,387,995</b>	<b>4,787,277</b>
<b>Askari Bank Limited</b>			
Balance at the beginning		36,947,033	31,594,433
Share of impact of adoption of IFRS - 9		(1,500,484)	-
Share of profit for the period / year		6,506,718	7,709,072
Share of OCI for the period / year		3,263,652	(2,356,472)
Dividend		(1,563,333)	-
		<b>43,653,586</b>	<b>36,947,033</b>
<b>Thar Energy Limited</b>			
Balance at the beginning		8,662,870	5,730,558
Investment during the period / year		-	226,908
Share of Profit for the period / year		1,729,308	2,705,214
Share of OCI for the period / year		(4,244)	190
		<b>10,387,934</b>	<b>8,662,870</b>
<b>Investment in joint venture - under equity method</b>			
<b>Pakistan Maroc Phosphore S.A., Morocco</b>			
Balance at the beginning		6,271,304	6,017,700
Share of profit / (loss) for the period / year		1,556,537	(1,161,830)
Gain/ (loss) on translation of net assets		(78,081)	1,415,434
Dividend		(805,052)	-
		<b>6,944,708</b>	<b>6,271,304</b>
		<b>115,321,467</b>	<b>95,093,880</b>

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the nine month period ended September 30, 2024

Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)		
<b>10.2 Other long term investments</b>		
<b>Investment at fair value through other comprehensive income</b>		
Agritech Limited - quoted 12,000,000 (2023: Nil) fully paid ordinary shares of Rs. 10 each	403,920	-
Term Deposit Receipts - from conventional bank	-	32,899
Term Finance Certificates - from conventional bank	300,000	498,865
Pakistan Investment Bonds	2,669,541	4,266,595
	<b>3,373,461</b>	<b>4,798,359</b>
<b>Less: Current portion shown under short term investments investment at fair value through other comprehensive income</b>		
Term Deposit Receipts - from conventional bank	-	32,899
Bank Alfalah Term Finance Certificates	-	198,865
Pakistan Investment Bonds	2,230,410	1,859,670
12	<b>2,230,410</b>	<b>2,091,434</b>
	<b>1,143,051</b>	<b>2,706,925</b>

**10.3** In the year 2023, FFC Energy Limited (FFCEL) made an investment in 465,000 thousand fully paid ordinary shares of Rs 10 each in the share capital of Fauji Foods Limited (FFL).

**11. OTHER RECEIVABLES**

Other receivables includes Rs 6,961,878 thousand (December 31, 2023: Rs 6,961,878 thousand) on account of subsidy receivable against which provision for loss allowance amounting to Rs 6,961,878 thousand (December 31, 2023: Rs 5,719,404 thousand) has been recognised. This also includes Rs 22,415,546 thousand (December 31, 2023: Rs 21,198,940 thousand) on account of sales tax receivable against which provision for input tax disallowance amounting to Rs 10,043,620 thousand (December 31, 2023: Rs 4,332,620 thousand) has been recognised.

Note	Un-audited September 30, 2024	Audited December 31, 2023
(Rupees '000)		
<b>12. SHORT TERM INVESTMENTS</b>		
<b>Amortized cost - conventional instruments</b>		
Foreign currency	5,147,793	4,956,685
	<b>5,147,793</b>	<b>4,956,685</b>
<b>Investments at fair value through profit or loss</b>		
Conventional investments	65,836,694	65,869,092
Shariah compliant investments	16,568,282	28,826,286
	<b>82,404,976</b>	<b>94,695,378</b>
<b>Current maturity of long term investments</b>		
Investments measured at fair value through other comprehensive income	2,230,410	2,091,434
10	<b>2,230,410</b>	<b>2,091,434</b>
	<b>89,783,179</b>	<b>101,743,497</b>

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

For the nine month period ended September 30, 2024

	Three month period ended		Nine month period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees '000)		(Rupees '000)	
<b>13. TURNOVER - NET</b>				
Fertilizer	52,984,888	46,758,839	174,626,647	118,775,599
Power	5,843,654	7,095,425	14,849,652	15,838,550
Food	2,239,244	2,213,259	5,836,360	5,372,002
Technical Services	215,365	93,445	470,567	191,061
	61,283,151	56,160,968	195,783,226	140,177,212
Sales tax	(3,552,229)	(3,786,794)	(10,938,351)	(5,086,180)
Trade discount	(14,764)	(175,052)	(288,031)	(373,563)
	(3,566,993)	(3,961,846)	(11,226,382)	(5,459,743)
	57,716,158	52,199,122	184,556,844	134,717,469

**14. SEGMENT INFORMATION**

The detail of utilization of the Group assets by the segments as well as related liabilities is as follows:

	Reportable segments				Total
	Fertilizers*	Power	Food	Technical Services	
	(Rupees '000)				
<b>September 30, 2024 (Un-audited)</b>					
<b>Assets</b>					
Segment assets (Total)	173,089,752	54,956,683	9,771,438	754,796	238,572,669
Equity accounted investees	115,321,467	-	-	-	115,321,467
<b>Liabilities</b>					
Segment liabilities (Total)	163,345,616	1,511,580	3,811,394	215,669	168,884,259
<b>Capital expenditure</b>	6,183,602	12,141	977,242	905	7,173,890
<b>Depreciation</b>	2,205,244	1,795,907	336,466	345	4,337,962
<b>December 31, 2023 (Audited)</b>					
<b>Assets</b>					
Segment assets (Total)	170,911,158	53,178,358	7,413,930	324,588	231,828,034
Equity accounted investees	95,093,880	-	-	-	95,093,880
<b>Liabilities</b>					
Segment liabilities (Total)	168,871,573	1,494,429	6,376,734	95,725	176,838,461
<b>Capital expenditure</b>	15,117,405	56,853	277,337	874	15,452,469
<b>Depreciation</b>	2,549,006	2,355,923	430,364	257	5,335,550

\* net of consolidated adjustments / eliminations

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)**

For the nine month period ended September 30, 2024

	September 30, 2024	September 30, 2023
	(Rupees '000)	
<b>15. CASH GENERATED FROM OPERATIONS</b>		
<b>Profit before tax</b>	<b>91,841,022</b>	53,415,288
<b>Adjustments for:</b>		
Unwinding of GIDC liability	206,200	963,897
Loss allowance on subsidy receivable from GoP	1,603,000	600,000
Depreciation	4,324,900	3,731,126
Amortization	2,199	3,261
Amortization of transaction cost	-	184
Finance cost	4,515,372	4,955,124
Provision for slow moving spares	14,383	26,062
Reversal of provision for stock in trade - net	-	(1,764,596)
Gain on disposal of operating fixed assets	(67,876)	(81,929)
Interest and profit on loans, deposits and investments	(1,297,736)	(1,837,229)
Final taxes - levies	2,102,441	2,085,523
Amortization of Government grant	(26,887)	(28,908)
Exchange loss / (gain) - net	75,741	(989,068)
Share of profit of associated companies and joint venture	(22,474,529)	(6,362,306)
Gain on remeasurement of investments at fair value through profit or loss	(5,699,577)	(1,840,823)
	<u>(16,722,369)</u>	<u>(539,682)</u>
	75,118,653	52,875,606
<b>Changes in:</b>		
Stores and spares	(1,948,334)	(1,389,416)
Stock in trade	(16,872,169)	17,282,157
Trade debts	(2,566,033)	(7,216,848)
Loans and advances	(2,646,391)	(329,854)
Deposits and prepayments	(174,055)	(82,921)
Other receivables	5,444,744	1,620,783
Trade and other payables	(5,038,285)	8,433,730
	<u>(23,800,523)</u>	18,317,631
Changes in long term loans and advances	(636,749)	(560,080)
Changes in long term deposits and prepayments	(3,630)	(50)
Changes in compensated leave absences	278,823	-
	<u>50,956,574</u>	<u>70,633,107</u>

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)**

For the nine month period ended September 30, 2024

**16. FINANCIAL RISK MANAGEMENT AND FAIR VALUES**

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2023. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2023.

The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.

September 30, 2024	September 30, 2023
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(Rupees '000)

**17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Significant transactions and balances with the related parties are as follows:

**HOLDING COMPANY**
**Transactions**

Dividend paid	11,059,058	5,958,350
Cost recharge	750,677	764,445
Sale of fertilizer	-	4,364
Others	82,884	1,278

**Balances**

Balance payable - unsecured *	-	-
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**ASSOCIATED UNDERTAKINGS / COMPANIES DUE TO COMMON DIRECTORSHIP**
**Transactions**

Expenses charged on account of marketing of fertilizer on behalf of associated company	1,200,547	1,024,902
Commission on sale of products	18,631	17,905
Sale of fertilizer	142,372	405,535
Payment under consignment account - net	148,463,981	159,450,527
Payments against purchase of gas and PEF project	43,358,776	24,669,273
Equity investment	-	5,808,208
Services and materials provided	24,928	41,361
Donation	794,862	925,319
Interest expense	173,402	296,248
Interest income	76,456	33,733
Dividend income	3,012,404	-

**Balances**

Long term investments *	-	32,899
Short term investments *	137,470	-
Long term borrowings *	384,163	413,612
Short term borrowings *	-	8,392,980
Bank Balance *	80,644	124,603
Balances receivable - unsecured *	822,484	609,998
Balances payable - unsecured *	70,082,488	72,444,064

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)**  
For the nine month period ended September 30, 2024

	September 30, 2024	September 30, 2023
	(Rupees '000)	
<b>KEY MANAGEMENT PERSONNEL</b>		
Remuneration including benefits and perquisites of chief executive and other executives. No. of persons 2024: 2 and 650 (2023: 2 and 595) respectively.	6,416,297	5,521,231
<b>STAFF RETIREMENT BENEFITS</b>		
<b>Contributions</b>		
Employees' Provident Fund Trust	499,670	467,725
Employees' Gratuity Fund Trust	391,787	268,337
Employees' Pension Fund Trust	43,448	-
Employees' Funds as Dividend on equity holding of 0.25% (2023: 0.25%)	62,579	28,344
<b>Balances</b>		
Balance payable - Gratuity Fund Trust *	904,623	1,004,264
Balance payable - Provident Fund *	850	750
Balance receivable - Pension Fund Trust *	376,544	365,682
<b>OTHERS</b>		
<b>Transactions</b>		
Remuneration and benefits of key management personnel (No. of person(s): 25 (2023: 20))	647,814	467,848
<b>Balances</b>		
Loans and advances *	193,196	108,049

\* Comparative figures of receivable / payable balances are as of December 31, 2023.

**18. INTEREST IN JOINT ARRANGEMENTS**

In 2022, the Company, Engro Fertilizer Company Limited (EFERT) and Fatima Fertilizer Company Limited (FATIMA) entered into a Framework Agreement (the Agreement) for Gas Pressure Enhancement Facilities (PEF) project dated November 30, 2022. Under the Agreement, the Company, EFERT and FATIMA have decided to jointly develop and install pressure enhancement facilities at the MPCL's delivery node to sustain the current level of pressure of gas supply from HRL reservoir of Mari Petroleum Company Limited (MPCL). The Company has classified this arrangement as a joint operation. Current cost sharing percentages in PEF of the Company, EFERT and FATIMA are 47.7%, 33.9% and 18.4%, respectively. The Company has recognised its share of jointly held assets and liabilities of the joint operation under the appropriate heads and disclosed the same in the related notes to these condensed interim financial statements.

**19. NON ADJUSTING EVENTS AFTER REPORTING DATE**

19.1 Subsequent to the period end, FFC acquired further shareholding in voting shares of Agritech Limited.

**20. GENERAL**

20.1 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

20.2 These condensed interim consolidated financial statements have been authorized for issue by the Board of Directors of FFC on October 28, 2024.

**Chairman**

**Chief Executive Officer**

**Director**

**Chief Financial Officer**



If Undelivered please return to:  
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Askari Bank Ltd



Fauji Cement Company Ltd

