



FFBL
Fauji Fertilizer Bin Qasim Limited

**THIRD QUARTER
REPORT | 2024**

COMPANY INFORMATION

DIRECTORS

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

Mr Arif-ur-Rehman
Chief Executive Officer

Mr Jahangir Piracha

Maj Gen (Retd) Muhammad Ihsanullah, HI(M)

Mr Qamar Haris Manzoor

Syed Bakhtiyar Kazmi

Ms Pourchisty Sidhwा

Ms Saira Nasir

Mr Bahauddin Khan

COMPANY SECRETARY

Brig (Retd) Khurram Shahzada, SI(M)

CHIEF FINANCIAL OFFICER

Mr Muhammad Javed Akhtar

REGISTERED OFFICE

156-The Mall, Rawalpindi

Tel: +92 51 111332111, Fax: +92 51 8459925

E-mail: secretary@ffbl.com

PLANTSITE

Plot No. EZ/I/P-1 Eastern Zone, Port Qasim, Karachi 75020.

Tel: +92 21 34724500-29, Fax : +92 21 34750704

Email: information@ffbl.com

WEB PRESENCE

www.ffbl.com

BANKERS

Habib Bank Limited

MCB Bank Limited

United Bank Limited

National Bank of Pakistan

Allied Bank Limited

Askari Bank Limited

Faysal Bank Limited

Standard Chartered Bank (Pakistan) Limited

Habib Metropolitan Bank Limited

The First Micro Finance Bank Limited

Soneri Bank Limited

Summit Bank Limited

JS Bank Limited

HBL Microfinance Bank

Samba Bank Limited

Zarai Taraqiat Bank Limited

Industrial & Commercial Bank of China

The Bank of Khyber

Al-Baraka Bank (Pakistan) Limited

Dubai Islamic Bank Pakistan Limited

Bank Islami Pakistan Limited

Meezan Bank Limited

MCB Islamic Bank Limited

Bank Al-Falah Limited

Bank Al-Habib Limited

Silk Bank Limited

The Bank of Punjab

LEGAL ADVISORS

Orr Dignam & Co,
Advocates, Marina Heights,
2nd floor, 109 East, Jinnah Avenue,
Blue Area, Islamabad.

AUDITORS

A.F. Ferguson & Co.
74- East, 2nd Floor,
Blue Area, Jinnah Avenue,
P.O Box 3021, Islamabad -44000

SHARES REGISTRAR

Corplink (Pvt) Limited
Wings Arcade, 1-K,
Commercial, Model Town, Lahore.
Tel: (042) 35839182, 35916719

Directors' Review

For the period ended September 30, 2024

Dear Shareholders,

We are pleased to inform our stakeholders that the Company has achieved profit after tax (PAT), amounting to Rs. 18.6 Bn. During the nine-months period, a remarkable increase compared to Rs. 0.4 Bn. in the same period last year (SPLY). The exceptional performance during this period was driven by several key factors, including a stable foreign exchange rate and higher international DAP margins. With the support of GoP gas supply to FFBL improved, which facilitated in increased production of Urea and DAP. Additionally, the Company's continued focus on cost optimization as part of its operational strategy resulted in enhanced operational efficiency during the period.

PLANT OPERATIONS

The Company successfully achieved 26.7 Mn. safe man hours of plant operations by the end of this period under review. The Company received 13,617 MMSCF of natural gas supply during the nine months period which is 77% of the allocated level of 17,612 MMSCF. This is a significant improvement from SPLY where the Company received only 56% of its allocation. Resultantly the plant's efficiency improved significantly, reducing production cost. Urea production increased by 51% to 383 KT (SPLY: 253 KT) and DAP production increased by 39% to 618 KT (SPLY: 444 KT) as the DAP plant underwent an additional 33 day shutdown for inventory management in SPLY.

MARKET PERFORMANCE

Domestic DAP market size is estimated at 943 KT, representing a decrease of 5% as compared to 993 KT in SPLY. FFBL's DAP sales decreased by 8% to 571 KT (including 32 KT of Boron DAP and 27 KT of imported DAP) (SPLY: 619 KT). As a result, FFBL's market share decreased to 61% (SPLY: 62%).

Domestic Urea market size is estimated at 4,573 KT, representing a decrease of 8% from 4,945 KT in SPLY. FFBL's Urea sales increased by 42% to 361 KT (SPLY: 254 KT) with a market share of 8% (SPLY: 5%).

FINANCIAL PERFORMANCE

During the period, the Company's revenue surged to Rs. 154 Bn., reflecting a 13% growth compared to Rs. 137 Bn. in SPLY. The gross profit of Rs. 34 Bn., operating profit of Rs. 26 Bn., and PBT of Rs. 31 Bn., significantly increased by 103%, 124%, and 706%, respectively as compared to SPLY. Notably, the Company posted PAT of Rs. 18.6 Bn., as compared to Rs. 0.4 Bn. in SPLY.

Finance cost decreased by Rs. 4.8 Bn. during the nine months period (2024: Rs. 2.9 Bn.; 2023: Rs. 7.7 Bn.) and by Rs. 1.6 Bn. in Q3 (2024: Rs. 0.8 Bn.; 2023: Rs. 2.4 Bn.) as compared to SPLY. Meanwhile, bank deposit income underwent a sharp rise by Rs. 5.3 Bn. during the nine months period (2024: Rs. 8.2 Bn.; 2023: Rs. 2.9 Bn.) and by Rs. 1.4 Bn. in Q3 (2024: Rs. 2.6 Bn.; 2023: Rs. 1.2 Bn.) as compared to SPLY. Importantly, the Company did not incur significant exchange loss during the period, in stark contrast to the Rs. 4.7 Bn. exchange loss that adversely impacted the SPLY's results.

On a consolidated basis, the Group is reporting a profit after tax of Rs. 26.4 Bn., as against Rs. 0.2 Bn. in SPLY. This upswing is primarily attributed to improved profitability of the Parent Company (FFBL). The improved financial performance of our joint venture (PMP) and associate (AKBL) has also contributed a PAT of Rs. 3.1 Bn. (2023: loss after tax of Rs. 1.2 Bn.) and Rs 3.2 Bn. (2023: Rs. 2.6 Bn.) respectively in the consolidated results during the period under review.

SUBSIDIARIES

Fauji Foods Limited achieved PAT of Rs. 599 Mn during the nine months period, a highest ever nine-month period profit (since acquisition in 2016), in comparison to loss after tax of Rs. 109 Mn in SPLY. This performance is driven by growth in revenue and improvement in margins. The operations of FFBL Power Company Limited were consistently safe, efficient, and profitable.

OUTLOOK

As part of our strategic outlook, we are constantly exploring synergies to enhance operational efficiencies and create greater value for stakeholders. The proposed merger between FFBL and FFC is an initiative towards optimizing resource utilization. We expect the merger to unlock further growth opportunities, improve cost management, and enhance shareholder returns. We remain committed to pursuing initiatives that will strengthen the financial performance and long-term sustainability of the business.

The Company expresses its gratitude to the Government of Pakistan for ensuring consistent gas supply throughout the

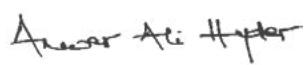
Kharif season. This support has been instrumental in maintaining the availability of urea in the market. We anticipate similar measures during the Rabi season to continue this support for the farming community. The sustainability of the fertilizer sector is heavily dependent on consistent supply of gas. To ensure this, the allocation of indigenous gas should be optimized to capitalize the natural resource. This strategy not only mitigates the risk to food security but also saves substantial foreign exchange by reducing the need for imports.

For and on behalf of the Board



Arif ur Rehman

Chief Executive Officer



Anwar Ali Hyder

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

Chairman

23 October 2024
Rawalpindi

سے فائدہ اٹھانے کے لیے مقامی گیس کی تقسیم کو بہتر بنایا جانا چاہیے۔ یہ حکمت عملی نہ صرف غذائی عدم دستیابی کے خطرے کو کم کرتی ہے بلکہ درآمدات کی ضرورت کو کم کر کے خاطر خواہ زر مبادلہ کی بچت بھی کرتی ہے۔

منجانب بورڈ

Ameer Ali Haider

Arshad Munir

لیٹنینگ جزل (ریٹائرڈ)
انور علی حیدر، ائچ آئی (ایم)
چیئرمین

عارف الرحمن
چیف ایگزیکٹو آفیسر

23 اکتوبر 2024
راولپنڈی

از ٹیکس منافع 31 ارب روپے میں گزشتہ سال کے مقابلے میں بالترتیب 103 فیصد، 124 فیصد، اور 706 فیصد نمایاں اضافہ ہوا۔ خاص طور پر، کمپنی نے گزشتہ سال کی اسی مدت کے 0.4 ارب روپے کے مقابلے میں 18.6 ارب روپے کا بعد از ٹیکس نمایاں منافع حاصل کیا۔

نوماہ کی مدت کے دوران، گزشتہ سال کی اسی مدت کے مقابلے میں، مالیاتی لاغت میں 4.8 ارب روپے کی کمی ہوئی (2.9:2024) ارب روپے؛ 7.7:2023 ارب روپے) اور تیسری سہ ماہی میں 1.6 ارب روپے (0.8:2024) ارب روپے؛ 2.4:2023 ارب روپے۔ دریں اتنا، نوماہ کی مدت کے دوران، گزشتہ سال کی اسی مدت کے مقابلے میں بینک ڈپارٹ کی آمدنی میں 5.3 ارب روپے کا زبردست اضافہ ہوا (8.2:2024) ارب روپے؛ 1.4 ارب روپے (2.6:2024) ارب روپے اور تیسری سہ ماہی میں 1.4 ارب روپے (2.6:2023) ارب روپے۔ اہم بات یہ ہے کہ کمپنی کو اس مدت کے دوران زر مبادله کا کوئی قابل ذکر نقصان نہیں ہوا، جبکہ گزشتہ سال کی اسی مدت کے 4.7 ارب روپے تباہی کے نقصان نے نتائج کو بری طرح متاثر کیا تھا۔

مجموعی طور پر گروپ کو گزشتہ سال کی اسی مدت کے 0.2 ارب روپے کے مقابلے میں 26.4 ارب روپے کا بعد از ٹیکس منافع حاصل ہوا۔ یہ اضافہ بینادی طور پر بیرونی کمپنی (FFBL) کے بہتر منافع سے منسوب ہے۔ ہمارے مشترک کے منصوبے (PMP) اور ایسوی ایٹ (AKBL) کی بہتر مالی کارکردگی نے بھی زیر جائزہ مدت کے دوران بالترتیب 3.1 ارب روپے (1.2:2023) ارب روپے کا بعد ٹیکس نقصان (3.2 ارب روپے (2.6:2023) ارب روپے) کے بعد از ٹیکس منافع کے ساتھ مجموعی نتائج میں حصہ ڈالا ہے۔

نیلی ادارے

فوچی فوز لمیڈیٹ (FFL) نے (2016 میں حصول کے بعد) نوماہ کی مدت کے دوران اب تک کا سب سے زیادہ 599 ملین روپے بعد از ٹیکس منافع حاصل کیا جبکہ گزشتہ سال اسی مدت کے دوران 109 ملین روپے کا بعد از ٹیکس نقصان تھا۔ یہ کارکردگی آمدنی میں اضافے اور مارجن میں بہتری سے کارفرما ہے۔ FFL پاور کمپنی لمیڈیٹ کے آپریشنز اس مدت کے دوران محفوظ، موثر اور منافع بخش رہے۔

مستقبل کا منظر نامہ

اپنے اسٹریجیک مستقبل کی حکمت عملی کے طور پر، ہم آپریشنل صلاحیتوں کو بڑھانے اور اسٹریک ہولڈرز کے لیے زیادہ قدر پیدا کرنے کے لیے وسائل کے بہتر استعمال کیلئے مسلسل کوششیں ہیں۔ FFC اور FFBL کے درمیان مجوزہ انعام وسائل کے استعمال کو بہتر بنانے کی جانب ایک قدم ہے۔ ہم تو قوع کرتے ہیں کہ انعام سے ترقی کے مزید موقع ٹھہریں گے، لاغت کے نظام کو بہتر بنایا جائے گا، اور شیئر ہولڈر کے منافع میں اضافہ ہو گا۔ ہم ایسے اقدامات کو آگے بڑھانے کے لیے پر عزم ہیں جو مالیاتی کارکردگی اور کاروبار کی طویل مدتی پائیداری کو مضبوط بنائیں گے۔

کمپنی خریف کے پورے موسم میں گیس کی مسلسل فراہمی کو یقینی بنانے پر حکومت پاکستان کا شکریہ ادا کرتی ہے۔ یہ تعاون مارکیٹ میں یورپی کی دستیابی کو برقرار رکھنے میں مددگار ثابت ہوا ہے۔ ہم رجع کے موسم کے دوران اسی طرح کے اقدامات کی تو قوع کرتے ہیں تاکہ کاشنکار برادری کے لیے اس تعاون کو جاری رکھا جاسکے۔

کھاد کے شعبے کی پائیداری کا بہت زیادہ انحصار گیس کی مسلسل فراہمی پر ہے۔ اس کو یقینی بنانے اور قدرتی وسائل

30 ستمبر 2024 کو ختم ہونے والی مدت کے لیے

محترم شیخر ہولڈرز

ہم اپنے اسٹیک ہولڈرز کو پہ باتتے ہوئے خوشی محسوس کر رہے ہیں کہ کمپنی نے رواں سال نوماہ کی مدت کے دوران 18.6 ارب روپے کا بعد از گیس منافع حاصل کیا ہے جو کہ گزشتہ سال کی اسی مدت کے 0.4 ارب روپے کے مقابلے میں ایک غیر معمولی اضافہ ہے۔

اس مدت کے دوران غیر معمولی کارکردگی کئی اہم عوامل، بیشول مستحکم زر مبادلہ کی شرح اور بہترین الاقوامی DAP مار جن کی وجہ سے ہوئی۔ حکومت کے تعاون سے FFBL کو گیس کی فراہمی میں بہتری آئی جس سے UREA اور DAP کی پیداوار میں اضافہ ہوا۔ مزید برآں، اپنی آپریشنل حکمت عملی کے سلسلے میں پیداواری لاغت میں بہتری پر مسلسل توجہ کے نتیجے میں اس مدت کے دوران آپریشنل کارکردگی بھی بہتر ہی۔

پلانٹ آپریشن

کمپنی نے زیر جائزہ مدت کے اختتام تک پلانٹ آپریشنر کے 26.7 ملین سیف میں آورز کامیابی سے حاصل کئے۔ کمپنی کو نوماہ کی مدت کے دوران MMSCF 13,617 قدرتی گیس حاصل ہوئی جو کہ مختص شدہ 56 فیصد کے مقابلے میں ایک نمایاں بہتری ہے۔ یہ گزشتہ سال کی اسی مدت میں حاصل ہونے والی مختص سطح کے صرف 17,612 کا 77 فیصد ہے۔ تیجباً پلانٹ کی کارکردگی میں نمایاں بہتری آئی، جس سے پیداواری لاغت کم ہوئی۔ یوریا کی پیداوار میں 51 فیصد سے 383KT (گزشتہ سال کی اسی مدت میں 253KT) اور DAP کی پیداوار میں 39 فیصد سے 618 KT (گزشتہ سال کی اسی مدت میں 444KT) اضافہ ہوا۔ DAP پلانٹ کو گزشتہ سال کی اسی مدت کی انوینٹری میٹنگنٹ کے لیے 33 اضافی دن کے لئے بند کرنا پڑا۔

مارکیٹ کی کارکردگی

ملکی DAP مارکیٹ کے حجم کا تخمینہ 943 KT ہے جو گزشتہ سال کی اسی مدت میں 993KT کے مقابلے میں 5 فیصد کی کو ظاہر کرتا ہے۔ FFBL کی DAP کی فروخت میں 8 فیصد سے 571 KT (بیشول بوران 32 KT DAP اور درآمد شدہ 27 KT DAP) (گزشتہ سال کی اسی مدت میں 619 KT) کی ہوئی۔ تیجے کے طور پر، FFBL کا مارکیٹ شیئر کم ہو کر 61 فیصد (گزشتہ سال کی اسی مدت میں 62 فیصد) ہو گیا۔

ملکی یوریا مارکیٹ کے حجم کا تخمینہ 4,573 KT ہے، جو گزشتہ سال کی اسی مدت میں 4,945 KT سے 8 فیصد کی کو ظاہر کرتا ہے۔ FFBL کی یوریا کی فروخت میں 42 فیصد سے 361 KT (گزشتہ سال کی اسی مدت میں 254 KT) 8 فیصد مارکیٹ شیئر (گزشتہ سال کی اسی مدت میں 5 فیصد) کے ساتھ اضافہ ہوا۔

مالیاتی کارکردگی

اس مدت کے دوران، کمپنی کی آمدنی 154 ارب روپے تک بڑھ گئی جو گزشتہ سال کی اسی مدت کے 137 ارب روپے کے مقابلے میں 13 فیصد نمو کی عکاسی کرتا ہے۔ مجموعی منافع 34 ارب روپے، آپریشنل منافع 26 ارب روپے اور قبل

Condensed Interim Financial Statements

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2024

	Note	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)		
		(Rupees in thousand)			
EQUITY AND LIABILITIES					
SHARE CAPITAL AND RESERVES					
Authorised capital		15,000,000	15,000,000		
Issued, subscribed and paid-up capital	4	12,912,529	12,912,529		
Capital reserve					
Share premium		1,632,729	1,632,729		
Revenue reserve		29,970,309	12,546,061		
Unappropriated profits		44,515,567	27,091,319		
NON CURRENT LIABILITIES					
Long term loans - secured	5	6,065,476	13,458,334		
Deferred liabilities	6				
- Deferred tax liabilities		1,641,630	1,736,064		
- Provision for compensated leave absences		555,066	505,051		
		2,196,696	2,241,115		
		8,262,172	15,699,449		
CURRENT LIABILITIES					
Trade and other payables	7	67,153,161	55,581,217		
Contract liabilities		4,122,706	25,257,715		
Unpaid dividend		11,120	10,954		
Unclaimed dividend		126,604	114,695		
Provision for income tax - net		6,265,587	3,217,187		
Accrued interest		387,610	513,960		
Short-term borrowings - secured	8	884,443	13,385,291		
Current portion of long term loans	5	6,309,524	5,000,000		
		85,260,755	103,081,019		
		138,038,494	145,871,787		

CONTINGENCIES AND COMMITMENTS

9

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

		September 30, 2024 (Un-audited)	December 31, 2023 (Audited)		
	Note	(Rupees in thousand)			
<u>ASSETS</u>					
NON CURRENT ASSETS					
Property, plant and equipment	10	9,335,675	9,616,371		
Investment property		-	270,242		
Long term investments	11	25,139,282	25,139,282		
Long term advances		400,294	62,398		
Long term deposits		78,643	78,643		
		34,953,894	35,166,936		
CURRENT ASSETS					
Stores and spares		3,005,578	2,441,627		
Stock in trade	12	30,426,952	13,786,594		
Trade debts		1,093,223	378,685		
Advances		1,625,303	941,341		
Trade deposits and short term prepayments		422,481	250,460		
Interest accrued		5,958	32,712		
Other receivables	13	3,151,920	8,443,847		
Sales tax refundable - net		7,335,221	10,780,047		
Short-term investments	15	34,786,307	33,685,524		
Cash and bank balances	14	21,231,657	39,964,014		
		103,084,600	110,704,851		
		138,038,494	145,871,787		

CHAIRMAN

CHIEF EXECUTIVE

DIRECTOR

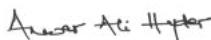
CHIEF FINANCIAL OFFICER

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Note	Quarter ended		Nine months ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
			(Rupees in thousand)		(Rupees in thousand)
Sales - net	16	57,609,706	70,069,746	154,465,281	136,827,250
Cost of sales	17	(43,467,313)	(59,785,100)	(120,214,976)	(119,927,758)
Gross profit		14,142,393	10,284,646	34,250,305	16,899,492
Selling and distribution expenses		(2,872,799)	(2,434,327)	(7,477,796)	(4,687,849)
Administrative expenses		(338,886)	(339,087)	(1,112,659)	(760,455)
Operating profit		10,930,708	7,511,232	25,659,850	11,451,188
Finance cost		(767,305)	(2,359,946)	(2,889,338)	(7,684,997)
Exchange loss - net		(51,950)	12,106	(243,157)	(4,672,850)
Other expenses		(909,980)	(330,551)	(2,459,169)	(422,783)
Other income	18	3,605,102	2,847,855	12,288,620	6,286,717
Unwinding cost of GIDC payable	7	(6,206)	(112,163)	(97,635)	(411,704)
Provision on subsidy receivable from GoP		-	(394,000)	-	(450,000)
		(6,206)	(506,163)	(97,635)	(861,704)
Profit before levies and taxation		12,800,369	7,174,533	32,259,171	4,095,571
Final taxes - levies	19	(374,537)	(197,144)	(1,138,319)	(234,972)
Profit before taxation		12,425,832	6,977,389	31,120,852	3,860,599
Taxation	20	(4,417,258)	(1,672,727)	(12,552,123)	(3,506,110)
Profit after taxation		8,008,574	5,304,662	18,568,729	354,489
Earnings per share - basic and diluted (Rupees)		6.20	4.10	14.38	0.27

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)		(Rupees in thousand)	
Profit after taxation	8,008,574	5,304,662	18,568,729	354,489
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Remeasurement of post employment benefit obligation - net of tax	146,772	-	146,772	-
Total comprehensive income	8,155,346	5,304,662	18,715,501	354,489

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

CHAIRMAN

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Share capital	General reserve	Unappropriated profits	Total
(Rupees in thousand)				
Balance as at January 1, 2023 - audited	12,912,529	1,632,729	8,177,107	22,722,365
Total comprehensive income				
Profit for the period	-	-	354,489	354,489
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	354,489	354,489
Balance as at September 30, 2023 - unaudited	12,912,529	1,632,729	8,531,596	23,076,854
Balance as at January 1, 2024 - audited				
Total comprehensive income				
Profit for the period	-	-	18,568,729	18,568,729
Other comprehensive income for the period	-	-	146,772	146,772
Total comprehensive loss for the period	-	-	18,715,501	18,715,501
Transactions with owners of the Company				
Distributions to owners				
Final dividend 2023 (Rs. 1 per ordinary share)	-	-	(1,291,253)	(1,291,253)
Balance as at September 30, 2024 - unaudited	12,912,529	1,632,729	29,970,309	44,515,567

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.

CHAIRMAN

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Note	Nine months ended	
		September 30, 2024	September 30, 2023
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operating activities	21	(475,599)	37,993,104
Taxes paid		(9,598,159)	(3,289,466)
Levies paid		(682,991)	(118,286)
Finance costs paid		(3,014,627)	(7,483,111)
Compensated absences paid		(21,967)	(28,989)
Payment to Gratuity Fund		(93,435)	(304,231)
Payment to Workers' Welfare Fund		(337,854)	(168,194)
Payment to Workers' (Profit) Participation Fund		(67,577)	(161,543)
Net cash (used in) / generated from operating activities		(14,292,209)	26,439,284
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures and advances		(529,316)	(232,838)
Sale proceeds from disposal of property, plant and equipment		883,848	10,839
Investment at fair value through profit and loss - net		359,387	730,910
Long term advances		(337,896)	-
Dividend received from related party		2,573,086	2,250,000
Proceed from sale of equity investment		-	4,300,000
Profit received on bank balances and term deposits		6,821,364	2,882,426
Net cash generated from investing activities		9,770,473	9,941,337
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loan - received		2,000,000	-
Long term loans - repaid		(8,083,333)	(3,597,917)
Short term borrowings - net		(700,000)	(6,000,000)
Dividend paid		(1,279,178)	(900)
Net cash used in financing activities		(8,062,511)	(9,598,817)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS			
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		(12,584,247)	26,781,804
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		27,278,723	(2,455,267)
		14,694,476	24,326,537

CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the condensed interim statement of cash flows comprise of the following condensed interim statement of financial position amounts:

		Nine months ended	
		September 30, 2024	September 30, 2023
		(Rupees in thousand)	
- Cash and bank balances		21,231,657	34,597,973
- Short term running finance		(884,443)	(4,907,900)
Less: Bank balances held under lien		(5,652,738)	(5,363,536)
		14,694,476	24,326,537

The annexed notes 1 to 26 form an integral part of these condensed interim financial statements.



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

1. THE COMPANY AND ITS OPERATIONS

Fauji Fertilizer Bin Qasim Limited ("the Company") is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 (repealed by the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange. The registered office of the Company is situated at Sona Tower, 156 - The Mall, Rawalpindi, Pakistan. The principal objective of the Company is manufacturing, purchasing and marketing of fertilizers. The Company commenced its commercial production effective January 1, 2000.

2. BASIS OF PREPARATION

2.1 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 complete annual financial statements and should therefore be read in conjunction with the financial statements for the year ended December 31, 2023. The comparative statement of financial position is extracted from the annual financial statements, as of December 31, 2023, whereas the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity are extracted from the un-audited condensed interim financial statements, for the nine month period ended September 30, 2023.

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

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

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the financial statements for the year ended December 31, 2023.

The significant estimates and judgements adopted for the preparation of these condensed interim financial statements are similar to those applied in the preparation of the financial statements for the year ended December 31, 2023.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

4. SHARE CAPITAL

4.1 Authorised share capital

Un-audited September 30, 2024	Audited December 31, 2023	Un-audited September 30, 2024	Audited December 31, 2023
(No. of shares)		(Rupees in thousand)	
1,500,000,000	1,500,000,000	Ordinary shares of Rs. 10 each	15,000,000

4.2 Issued, subscribed and paid up capital:

Un-audited September 30, 2024	Audited December 31, 2023	Un-audited September 30, 2024	Audited December 31, 2023
(No. of shares)		(Rupees in thousand)	
1,291,252,857	1,291,252,857	Ordinary shares of Rs 10 each issued for cash	12,912,529

4.3 Fauji Fertilizer Company Limited (FFCL) and Fauji Foundation (FF) holds 49.88% and 18.29% (December 31, 2023: 49.88% and 18.29%) ordinary shares, respectively, of the Company as at the period end.

(Un-audited) September 30, 2024	(Audited) December 31, 2023
(Rupees in thousand)	

5. LONG TERM LOANS

Financing through conventional banks	11,531,250	16,208,334
Financing under Islamic mode	843,750	2,250,000
	<hr/> 12,375,000	<hr/> 18,458,334
Less: current portion shown under current liabilities		
Financing through conventional banks	5,267,857	4,562,500
Financing under Islamic mode	1,041,667	437,500
	<hr/> 6,309,524	<hr/> 5,000,000
	<hr/> 6,065,476	<hr/> 13,458,334

5.1 There has been no material change in long term loan as disclosed in note 7 to the audited financial statements for the year ended December 31, 2023.

(Un-audited) September 30, 2024	(Audited) December 31, 2023
Note	(Rupees in thousand)

6. DEFERRED LIABILITIES

Deferred tax liabilities	6.1	1,641,630	1,736,064
Provision for compensated leave absences		555,066	505,051
		<hr/> 2,196,696	<hr/> 2,241,115
6.1 The balance of deferred tax is in respect of the following major taxable / (deductible) temporary differences:			
Accelerated tax depreciation		1,754,483	1,810,839
Provision for inventory obsolescence		(112,853)	(112,853)
Remeasurement gain on GIDC		-	38,078
		<hr/> 1,641,630	<hr/> 1,736,064

6.2 Consistent with the annual financial statements for the year ended December 31, 2023, deferred tax asset has not been recognised on stated balances for the reason outlined therein.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Note	(Un-audited) September 30, 2024	(Audited) December 31, 2023
		(Rupees in thousand)	
7. TRADE AND OTHER PAYABLES			
Creditors	7.1	27,583,762	20,560,604
Payable against GIDC	7.2	22,333,844	22,236,209
Accrued liabilities		13,118,873	10,981,381
Provision for levies - net		652,168	196,841
Workers' (Profit) Participation Fund		1,730,336	66,516
Workers' Welfare Fund		1,638,955	1,359,596
Payable to Gratuity Fund		-	94,566
Security deposits		95,223	85,504
		67,153,161	55,581,217

- 7.1** Creditors include Rs 21,244 million (December 31, 2023: Rs 14,188 million) payable to Pakistan Maroc Phosphore S.A. Morocco (PMP) and Rs 1,641 million (December 31, 2023: Rs 2,462 million) to FFBL Power Company Limited (FPCL) against purchase of raw material and the steam and power respectively. The Company purchases raw material for use in production of fertilizer from Pakistan Maroc Phosphore S.A. Morocco (PMP) at discounted price, with a credit limit of 75 days.

		(Un-audited) September 30, 2024	(Audited) December 31, 2023
		(Rupees in thousand)	
7.2 Payable against GIDC			
Balance as at beginning of period		22,236,209	21,738,026
Unwinding cost on GIDC payable		97,635	498,183
		22,333,844	22,236,209

8. SHORT TERM BORROWINGS - SECURED

From conventional banks	569,334	10,440,291
From Islamic banks		
- Running finance	315,109	2,245,000
- Demand finance	-	700,000
	884,443	13,385,291

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

- 9.1.1** During the period, there has been no significant update in status of tax contingencies as were outlined in the audited financial statements of the Company for the year ended December 31, 2023, except for the matter of Company's appeal in relation to tax year 2019, involving tax demand of Rs 5,841 million. The matters in the said appeal have been remanded back by the Commissioner Inland Revenue - Appeal [CIR(A)] vide appellate order dated January 25, 2024 to assessing officer. The Company has preferred an appeal before the Appellate Tribunal (ATIR) in this case, which is pending for adjudication.
- 9.1.2** During the period, the Assistant Commissioner Inland Revenue (ACIR), vide assessment order dated January 31, 2024 has amended the Company's assessment for tax year 2023 by making disallowance to various expenses claimed by the Company including finance cost, selling and distribution expense and exchange loss and creating a demand of Rs 6,700 million. The Company has filed an appeal before the CIR(A) which is pending for adjudication.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

		(Un-audited) September 30, 2024	(Audited) December 31, 2023
	Note	(Rupees in thousand)	
9.2	Guarantees issued by banks on behalf of the Company	123,405	109,227
9.3	Commitments		
	i) Capital expenditure	1,267,308	245,667
	ii) Letters of credit for purchase of stores, spares, and others	13,965,957	14,935,594
	Other commitments are outlined in note 22 to the financial statements.		
10	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	9,140,560	9,521,119
	Capital work in progress	195,115	95,252
		9,335,675	9,616,371
10.1	Operating fixed assets		
	Balance at beginning of the period / year	9,521,119	9,605,907
	Additions during the period / year	429,453	912,341
	Written down value of disposals	(16,398)	(10,198)
	Depreciation charge during the period / year	(793,614)	(986,931)
	Balance at end of the period / year	9,140,560	9,521,119
10.1.1	Additions in and depreciation on operating fixed assets during the six month period ended September 30, 2023 were Rs 239 million and Rs 738 million respectively.		
		(Un-audited) September 30, 2024	(Audited) December 31, 2023
		(Rupees in thousand)	
10.2	Capital work in progress		
	Balance at beginning of the period / year	95,252	125,946
	Additions during the period / year	86,815	10,510
	Transfers / adjustments during the period / year	13,048	(41,204)
	Balance at end of the period / year	195,115	95,252
10.3	Depreciation charge has been allocated as follows:		
	Cost of sales	687,336	874,380
	Administrative expenses	106,278	112,551
		793,614	986,931

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Note	(Un-audited) September 30, 2024	(Audited) December 31, 2023
		(Rupees in thousand)	
11. LONG TERM INVESTMENTS			
Joint venture	11.1	1,411,150	1,411,150
Associated company	11.2	5,230,991	5,230,991
Subsidiary companies	11.3	18,497,141	18,497,141
Other long term investments	11.4	-	-
		<u>25,139,282</u>	<u>25,139,282</u>
11.1 Investment in joint venture - at cost			
Pakistan Maroc Phosphore S.A, Morocco (PMP)		1,411,150	1,411,150
		<u>1,411,150</u>	<u>1,411,150</u>
11.2 Investments in associates - at cost			
Quoted			
Askari Bank Limited (AKBL)		5,230,991	5,230,991
		<u>5,230,991</u>	<u>5,230,991</u>
11.3 Investments in subsidiaries - at cost			
Quoted			
Fauji Foods Limited (FFL)			
Cost of investment	11.5	14,055,516	14,055,516
Impairment in value of investment		(1,999,000)	(1,999,000)
		<u>12,056,516</u>	<u>12,056,516</u>
FFBL Power Company Limited (FPCL)		6,440,625	6,440,625
		<u>18,497,141</u>	<u>18,497,141</u>
11.4 Unquoted			
Arabian Sea Country Club Limited (ASCCL)			
300,000 ordinary shares of Rs.10 each		3,000	3,000
Impairment in value of investment		(3,000)	(3,000)
		<u>-</u>	<u>-</u>
11.5 As at the reporting date, the Company performed impairment testing for its investment in Fauji Foods Limited (FFL). The Company has determined recoverable amount of FFL, based on a value-in-use calculation, which is higher than the carrying amount of the investment in the Company's condensed interim financial statements, accordingly, no further impairment has been recognized.			

12. STOCK IN TRADE

This includes finished goods stock which amounts to Rs. 13,587 million (December 31, 2023: Rs. 154 million) and raw material in transit amounting to Rs. 12,648 million (December 31, 2023: Rs. 9,234 million).

13. OTHER RECEIVABLES

These include an amount of Rs. 2,236 million (December 31, 2023: Rs. 4,487 million) receivable from FFCL, an associated company, on account of amounts received from customers against sales of the Company's products by FFCL under an inter-company services agreement.

14. CASH AND BANK BALANCES

These include balances of Rs. 5,653 million (December 31, 2023: Rs. 4,605 million) held under lien.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

(Un-audited)	(Audited)
September 30,	December 31,
2024	2023
(Rupees in thousand)	

15. SHORT TERM INVESTMENTS

Investments at fair value through profit or loss

Mutual Funds

34,786,307 33,685,524

Note	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)		(Rupees in thousand)	
16. SALES - NET				
Gross sales				
Manufactured fertilizers	61,529,085	77,032,196	161,252,553	143,798,856
Purchased and packaged fertilizer	1,630,278	-	7,775,429	-
	63,159,363	77,032,196	169,027,982	143,798,856
Less:				
Sales tax	2,608,657	3,449,610	6,762,667	3,449,610
Federal Excise Duty	2,933,706	3,504,089	7,781,403	3,504,089
Commission	7,294	8,751	18,631	17,907
	5,549,657	6,962,450	14,562,701	6,971,606
	57,609,706	70,069,746	154,465,281	136,827,250

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

Note	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)		(Rupees in thousand)	
17. COST OF SALES				
Raw materials consumed	33,985,475	28,763,423	99,997,009	66,228,290
Packing materials consumed	462,888	426,131	1,249,748	1,044,074
Fuel and power	5,896,687	5,416,956	17,449,530	16,187,916
Chemicals and supplies consumed	109,266	93,762	302,818	274,538
Salaries, wages and benefits	609,129	1,329,614	2,480,482	2,352,822
Rent, rates and taxes	56,943	35,471	88,052	63,341
Insurance	104,977	159,801	320,521	321,528
Travel and conveyance	132,403	74,067	269,783	214,865
Repairs and maintenance	450,572	274,108	1,603,366	1,343,876
Communication, establishment and other expenses	(266,445)	299,921	242,880	444,634
Provision for sales tax	3,436,971	-	3,436,971	-
Depreciation	232,479	218,467	687,336	653,399
Opening stock - work in process	337,626	203,300	426,396	140,442
Closing stock - work in process	(341,672)	(157,715)	(341,672)	(157,715)
Cost of goods manufactured	45,207,299	37,137,306	128,213,220	89,112,010
Opening stock - finished goods	11,847,004	24,243,228	153,980	32,411,182
Closing stock - finished goods	(13,586,990)	(1,595,434)	(13,586,990)	(1,595,434)
Cost of sales - manufactured fertilizers	43,467,313	59,785,100	114,780,210	119,927,758
Cost of sales - purchased fertilizer for sale	-	-	5,434,766	-
	43,467,313	59,785,100	120,214,976	119,927,758

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)		(Rupees in thousand)	
18. OTHER INCOME				
Dividend from PMP	131,755	-	1,791,419	-
Dividend from AKBL	-	-	781,667	-
Dividend from FPCL	-	1,125,000	-	2,250,000
Profit on saving accounts and term deposits	1,062,802	922,299	3,701,503	2,126,633
Fair value gain and related income on mutual funds	1,498,150	283,718	4,553,276	788,576
Income from subsidiaries	251,839	389,424	611,859	603,128
Scrap sale and other receipts	75,676	127,386	251,688	514,814
Gain on disposal of property, plant and equipment	584,880	28	597,208	3,566
	3,605,102	2,847,855	12,288,620	6,286,717

19. FINAL TAXES - LEVIES

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

	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)		(Rupees in thousand)	
20. TAXATION				
Current tax				
-Current period	4,458,986	1,749,561	12,646,560	2,828,508
-Prior period	-	-	-	801,276
Deferred tax	(41,728)	(76,834)	(94,437)	(123,674)
	4,417,258	1,672,727	12,552,123	3,506,110

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

21. CASH (USED IN) / GENERATED FROM OPERATIONS	Note	Nine months ended	
		September 30, 2024	September 30, 2023
		(Rupees in thousand)	
Profit before taxation		31,120,852	3,860,599
Adjustment for non-cash charges and other items:			
Provision for gratuity		41,323	61,920
Provision against levies		1,138,319	234,972
Exchange loss		243,157	4,672,850
Provision for compensated absences		71,985	44,854
Provision against sales tax refundable		3,436,971	-
Allowance for expected credit loss on other receivables		-	450,000
Provision for Workers' (Profit) Participation Fund		1,730,336	221,123
Provision for Workers' Welfare Fund		617,213	105,773
Unwinding cost on GIDC payable	7.2	97,635	411,704
Depreciation		793,614	737,653
Finance costs		2,889,338	7,684,997
Dividend from joint venture		(1,791,419)	-
Dividend from associated company		(781,667)	-
Dividend from subsidiary		-	(2,250,000)
Gain on disposal of equity investment		-	(268,039)
Profit on saving accounts and term deposits		(8,254,779)	(2,126,633)
Fair value gain and related income on mutual funds		-	(788,576)
Gain on disposal of property, plant and equipment		(597,208)	(3,566)
Guarantee fee		-	(2,712)
Operating profit before working capital changes		30,755,670	13,046,919
Changes in working capital:			
Stores and spares		(563,951)	(324,491)
Stock in trade		(16,640,358)	28,747,117
Trade debts		(714,538)	4,105,752
Advances		(683,962)	(348,016)
Trade deposits and short term prepayments		(172,021)	136,492
Other receivables		5,410,686	(4,739,258)
Sales tax refundable		7,855	1,758,141
Trade and other payables		8,912,767	(19,109,741)
Bank balances held under lien		(5,652,738)	(1,916,448)
Contract liability		(21,135,009)	16,636,637
Cash (used in) / generated from operations		(31,231,269)	24,946,185
		(475,599)	37,993,104

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

22. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Company has related parties which comprise of subsidiaries, a joint venture, entities under common directorship, directors, key management personnel, share holders and employees funds. Fauji Fertilizer Company Limited (FFCL) has a 49.88% share holding in the Company (2023: 49.88%), while Fauji Foundation (FF) holds 18.29% shares (2023: 18.29%) in the Company. Transactions with related parties and balances outstanding, other than those have been disclosed elsewhere in these condensed interim financial statements are given below. The carrying values of investments and balance receivable from related parties are disclosed in note 11 and note 13, respectively, to these condensed interim financial statements.

	Nine months ended	
	September 30, 2024	September 30, 2023
	(Rupees in thousand)	
Transactions with Fauji Foundation:		
Services received	266,666	152,562
Payments against services	60,424	61,268
Donation paid	360,835	89,600
Receipt against sale of FML	-	4,300,000
Receipt against sale of Pindi Bhattian land	856,458	-
Transactions with subsidiary companies:		
FFBL Power Company Limited		
Material / services provided	882,101	636,935
Material / services received	17,108,684	13,566,242
Receipts against material / services	796,522	650,959
Payments against material / services	17,929,832	17,170,692
Late payment surcharge during the period	-	572,464
Dividend received	-	2,250,000
Fauji Foods Limited		
Material / services provided	25,505	8,718
Receipts against material / services	21,722	7,613
Share deposit money converted into ordinary share capital	-	708,750
Guarantee fee	32,712	2,712
Transactions with associates:		
Fauji Fertilizer Company Limited		
Services and material received	1,545,202	1,175,403
Receipts under consignment account	148,421,938	159,413,800
Commission charged	18,631	17,907
Fauji Meat Limited		
Material / services provided	26,545	31,071
Receipt against material / services	32,787	35,396

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Nine months ended	
	September 30, 2024	September 30, 2023
	(Rupees in thousand)	
Askari Bank Limited		
Profit on bank balances	1,610,956	1,095,786
Pakistan Maroc Phosphore S.A, Morocco		
Purchase of raw materials	58,396,447	52,575,196
Expenses incurred on behalf of joint venture	6,349	10,269
Receipts against material / services	7,018	-
Late payment surcharge during the period	-	93,470
Dividend received	1,791,419	-
Other related parties:		
Contribution to Provident Fund	62,720	56,546
Payment to Gratuity Fund	93,435	304,231
Payment to Workers' (Profit) Participation Fund	67,577	161,543
Meeting fee to directors	13,950	13,300
Remuneration of key management personnel		
Short term benefits	263,153	204,534
Post employment benefits	50,428	23,697
	September 30, 2024	December 31, 2023
	(Rupees in thousand)	
Balances with related parties:		
Fauji Foundation		
Balance payable	311,595	356,428
Balances with subsidiary companies:		
FFBL Power Company Limited		
Balance payable	1,641,259	2,462,406
Balance receivable	230,979	145,400
Fauji Foods Limited		
Balance receivable	19,237	15,454
Guarantee fee and mark-up receivable	-	32,712
Balances with associates:		
Fauji Fertilizer Company Limited		
Balance receivable	2,236,282	4,486,638
Fauji Meat Limited		
Balance receivable	17,943	24,184

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	September 30, 2024	December 31, 2023
	(Rupees in thousand)	
Askari Bank Limited		
Balances at bank	4,556,666	3,325,649
Pakistan Maroc Phosphore S.A, Morocco		
Balance payable - secured	21,243,570	14,188,385
Balance receivable - unsecured	2,668	3,337
Other related parties:		
Balance payable - unsecured (WPPF)	1,730,336	66,516
Payable to Gratuity Fund	-	94,566

In addition to the above:

- the Company has provided sponsor support, to lenders of project financing arranged by FPCL, to fund any shortfall, to the extent FPCL is unable to fulfill its financial obligations:
 - (i) up to Rs. 29,150 million (2023: Rs. 29,150 million) and all cost over runs, till technical completion date; and
 - (ii) up to Rs. 8,000 million after project completion date.

23. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

23.1 Financial risk factors

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

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

23.2 Fair value hierarchy

Certain property, plant and equipment of the Company was valued by independent valuer to determine the fair value of property, plant and equipment as at September 30, 2023. The revaluation surplus was credited to other comprehensive income and is shown as 'surplus on revaluation of property, plant and equipment'. The different levels have been defined as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

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

	Level 1 (Rupees in thousand)	Level 2	Level 3
September 2024 - un-audited			
ASSETS			
Financial assets at fair value through profit or loss			
- Short term investments	34,786,307	-	-
December 2023 - audited			
ASSETS			
Financial assets at fair value through profit or loss			
- Short term investments	33,685,524	-	-

24. CORRESPONDING FIGURES

- 24.1 The corresponding figures have been reclassified and restated to reflect more appropriate presentation of events and transactions in accordance with the accounting and reporting standards as applicable in Pakistan, wherever necessary including the bank balances held under lien for an aggregate amount of Rs. 5,364 million in the statement of cashflows.
- 24.2 In the interim statement of financial position and interim statement of profit or loss, the final taxes previously presented as "provision for income taxes" and "taxation" have now been reclassified as "provision for levies - net" in trade and other payables and "final taxes - levies" under IAS 37 / IFRIC 21 respectively.

Accordingly, figures in condensed interim statement of cashflows have also been reclassified to conform to the current year's presentation.

25. GENERAL

- 25.1 Figures have been rounded off to the nearest thousand rupees.

26. DATE OF AUTHORIZATION OF ISSUE

These condensed interim financial statements were authorised for circulation to the shareholders by the Board of Directors of the Company on October 23, 2024.

CHAIRMAN

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

Condensed Interim Consolidated Financial Statements

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2024**

	Note	(Un-audited) September 30, 2024	(Audited) December 31, 2023		
		(Rupees in thousand)			
EQUITY AND LIABILITIES					
SHARE CAPITAL AND RESERVES					
Issued, subscribed and paid-up capital	4	12,912,529	12,912,529		
Capital reserves					
Share premium		1,632,729	1,632,729		
Acquisition reserve		(1,702,949)	-		
Statutory reserve		3,703,905	3,385,259		
Revenue reserves					
Translation reserve		8,219,467	8,396,166		
Revaluation reserve on available for sale investments, net of tax		(377,071)	(2,095,428)		
Unappropriated profits		40,838,838	18,409,797		
		<hr/>	<hr/>		
		65,227,448	42,641,052		
Non-Controlling Interest					
		<hr/>	<hr/>		
		8,542,593	10,301,373		
		<hr/>	<hr/>		
		73,770,041	52,942,425		
NON-CURRENT LIABILITIES					
Long term loans - secured	5	9,445,554	22,297,987		
Lease liabilities		239,616	-		
Deferred liabilities	6				
- Deferred tax liabilities		12,708,774	10,181,113		
- Provision for compensated leave absences		790,988	722,867		
		<hr/>	<hr/>		
		13,499,762	10,903,980		
		<hr/>	<hr/>		
		23,184,932	33,201,967		
CURRENT LIABILITIES					
Trade and other payables	7	74,591,677	55,838,838		
Contract liability		4,346,903	25,677,617		
Unpaid dividend		11,120	10,954		
Unclaimed dividend		127,570	115,661		
Provision for income tax		6,917,755	3,030,014		
Accrued interest		533,817	519,736		
Short term borrowings		3,830,263	18,922,131		
Current portion of long term loans	5	9,804,880	8,341,949		
Current portion of lease liabilities		44,831	52,636		
		<hr/>	<hr/>		
		100,208,816	112,509,536		
		<hr/>	<hr/>		
		197,163,789	198,653,928		
CONTINGENCIES AND COMMITMENTS					
	8				

The annexed notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.

(Un-audited) September 30, 2024	(Audited) December 31, 2023
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Note	(Rupees in thousand)
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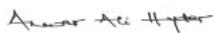
ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	9	40,151,591	40,348,135
Intangible assets		393,700	384,788
Long term investments	10	35,203,933	30,465,208
Investment property		-	270,242
Long term advances		400,294	62,398
Long term deposits		101,443	88,962
		76,250,961	71,619,733

CURRENT ASSETS

Stores and spares		4,400,761	3,784,588
Stock in trade	11	32,121,163	18,406,766
Trade debts		6,356,548	3,027,723
Advances		2,398,011	1,314,733
Trade deposits and short-term prepayments		905,896	531,372
Interest accrued		200,272	62,215
Other receivables	12	3,902,757	8,327,237
Income tax refundable - net		700,459	1,151,690
Sales tax refundable - net		8,053,311	12,448,934
Short term investments	13	37,486,307	34,685,524
Cash and bank balances		24,387,343	43,134,845
		120,912,828	126,875,627
Asset held for sale		-	158,568
		197,163,789	198,653,928



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

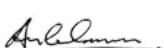
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

Note	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)		(Rupees in thousand)	
Sales - net	14	67,115,563	77,038,952	178,519,268
Cost of sales	15	(49,494,731)	(64,541,127)	(134,382,224)
Gross profit		17,620,832	12,497,825	44,137,044
Selling and distribution expenses		(3,326,259)	(2,574,149)	(8,745,574)
Administrative expenses		(636,599)	(626,288)	(1,891,797)
		13,657,974	9,297,388	33,499,673
Finance costs		(1,300,745)	(3,260,449)	(4,992,409)
Exchange loss - net		(54,000)	(4,857)	(256,343)
Other operating expenses		(1,059,491)	(388,306)	(3,414,921)
Other losses				
Unwinding of GIDC payable	7	(6,206)	(112,163)	(97,635)
Provision on subsidy receivable from GoP		-	(394,000)	-
		(6,206)	(506,163)	(97,635)
		11,237,532	5,137,613	24,738,365
Other income	16			
Share of profit of associate and joint venture - net		1,547,092	478,532	6,367,569
Others		3,525,968	1,386,877	12,035,799
		5,073,060	1,865,409	18,403,368
Profit before levies and taxation		16,310,592	7,003,022	43,141,733
Final taxes - levies	17	(374,537)	(197,144)	(1,138,319)
Profit before taxation		15,936,055	6,805,878	42,003,414
Taxation	18	(5,365,901)	(1,897,806)	(15,532,365)
Profit after taxation from continuing operations		10,570,154	4,908,072	26,471,049
Loss from discontinued operations - FML		-	(1,501,184)	-
Profit for the period		10,570,154	3,406,888	26,471,049
Profit / (loss) attributable to:				
- Owners of the Holding Company		10,054,495	3,294,649	24,735,306
- Non-controlling interest		515,659	112,239	1,735,743
		10,570,154	3,406,888	26,471,049
Earnings / (loss) per share - basic and diluted (Rupees)		7.79	2.55	19.16
				(0.42)

The annexed notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)		(Rupees in thousand)	
Profit for the period	10,570,154	3,406,888	26,471,049	163,447
Other comprehensive income / (loss)				
Exchange difference on translating a joint venture	119,497	608,390	(117,121)	4,389,855
Effect of translation - share of associate	1,507	7,847	(59,578)	110,584
	121,004	616,237	(176,699)	4,500,439
Revaluation reserve on available for sale investments	574,403	122,082	1,910,049	(1,864,011)
Related deferred tax	(143,600)	(18,312)	(477,512)	279,602
	430,803	103,770	1,432,537	(1,584,409)
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of post employment benefits obligation - net of tax	154,919	-	154,919	-
Total comprehensive income from continuing operations	11,276,880	4,126,895	27,881,806	4,690,431
Total comprehensive loss from discontinuing operations - FML	-	-	-	(1,610,954)
Total comprehensive income for the period	11,276,880	4,126,895	27,881,806	3,079,477
Total comprehensive income attributable to:				
- Owners of the Holding Company	10,759,184	4,014,656	26,144,026	2,379,616
- Non-controlling interest	517,696	112,239	1,737,780	699,861
	11,276,880	4,126,895	27,881,806	3,079,477

The annexed notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.

CHAIRMAN

CHIEF EXECUTIVE

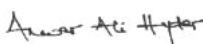
DIRECTOR

CHIEF FINANCIAL OFFICER

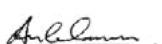
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Capital Reserves					Revenue Reserve				Total
	Share capital	Share Premium	Acquisition reserve	Statutory reserve	Translation reserve	Revaluation reserve on available for sale investments	Unappropriated profits	Non-controlling Interest		
	(Rupees in thousand)									
Balance as at January 01, 2023 - audited	12,912,529	1,632,729	-	2,855,162	5,317,939	(1,179,693)	14,810,495	7,167,343	43,516,504	
Total comprehensive income										
Profit for the period after taxation	-	-	-	-	-	-	(536,414)	699,861	163,447	
Other comprehensive income for the period	-	-	-	-	4,500,439	(1,584,409)	(536,414)	-	2,916,030	
Total comprehensive income for the period	-	-	-	-	4,500,439	(1,584,409)	(536,414)	699,861	3,079,477	
Transfer to statutory reserve	-	-	-	422,054	-	-	(422,054)	-	-	
Transactions with owners recorded directly in equity										
Advance against equity	-	-	-	-	-	-	-	350,000	350,000	
Change in ownership interest										
Cash injection by NCI of FFL	-	-	-	-	-	-	-	4,650,000	4,650,000	
Transaction cost - FFL	-	-	-	-	-	-	-	(13,710)	(13,710)	
Gain by NCI acquisition	-	-	-	-	-	-	1,920,246	(1,920,246)	-	
Derecognition of NCI upon disposal of FML	-	-	-	-	-	-	-	(301,269)	(301,269)	
Distribution to owners										
FPCL interim dividend 2023 (Rs. 3.494 per ordinary share)	-	-	-	-	-	-	-	(750,000)	(750,000)	
Balance as at September 30, 2023	12,912,529	1,632,729	-	3,277,216	9,818,378	(2,764,102)	15,772,273	9,881,979	50,531,002	
Balance as at January 01, 2024	12,912,529	1,632,729	-	3,385,259	8,265,137	(2,365,483)	19,207,320	10,301,373	53,338,864	
Impact of deferred tax related to equity accounting	-	-	-	-	131,029	270,055	(797,523)	-	(396,439)	
Impact of IFRS 9 Transition	-	-	-	-	-	285,820	(848,371)	-	(562,551)	
Balance as at January 01, 2024 - restated	12,912,529	1,632,729	-	3,385,259	8,396,166	(1,809,608)	17,561,426	10,301,373	52,379,874	
Total comprehensive income										
Profit for the period after taxation	-	-	-	-	-	-	24,735,306	1,735,743	26,471,049	
Other comprehensive income for the period	-	-	-	-	(176,699)	1,432,537	152,882	2,037	1,410,757	
Total comprehensive income for the period	-	-	-	-	(176,699)	1,432,537	24,888,188	1,737,780	27,881,806	
Transfer to statutory reserve	-	-	-	318,646	-	-	(318,646)	-	-	
Transactions with owners, recorded directly in equity										
Advance against equity reclassified to loan	-	-	-	-	-	-	-	(2,350,001)	(2,350,001)	
Change in ownership interest										
Transaction cost adjustment	-	-	-	-	-	-	(877)	809	(68)	
Acquisition reserve recognized by FFL	-	-	(1,702,949)	-	-	-	-	(1,147,368)	(2,850,317)	
Distribution to owners										
FFBL final dividend 2023 (Rs 1 per ordinary share)	-	-	-	-	-	-	(1,291,253)	-	(1,291,253)	
Balance as at September 30, 2024	12,912,529	1,632,729	(1,702,949)	3,703,905	8,219,467	(377,071)	40,838,838	8,542,593	73,770,041	

The annexed notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Note	Nine months ended	
		September 30, 2024	September 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES			(Rupees in thousand)
Cash generated from operations	19	11,546,206	46,084,817
Taxes paid		(9,782,508)	(3,401,515)
Levies paid		(682,991)	(158,492)
Finance cost paid		(4,915,521)	(10,408,378)
Payment to Gratuity Fund		(13,862)	(333,780)
Compensated absences paid		(46,223)	(47,175)
Payment to Workers Welfare Fund		(332,198)	(170,676)
Payment to Workers' (Profit) Participation Fund		(279,219)	(333,921)
Net cash (used in) / generated from operating activities		(4,506,316)	31,230,880
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures and advances		(1,737,946)	(1,264,072)
Sale proceeds from disposal of property, plant and equipment		1,164,909	99,073
Aggregate cash flows arising from losing control of FML		-	3,718,441
Decrease in long term deposits - net		(12,481)	-
Dividend received		2,573,086	-
Investment at fair value through profit or loss - net		359,387	730,910
Profit received on bank balances and term deposits		7,049,600	3,096,374
Net cash generated from investing activities		9,396,555	6,380,726
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		(700,000)	(5,999,980)
Long term loans - received		2,000,000	4,000,000
Long term loans - repaid		(13,416,654)	(11,963,025)
Issue of shares - net of transaction costs		-	4,615,934
Advance against issue of shares		-	350,000
Finance lease liability		197,221	(64,052)
Dividend paid		(1,279,178)	(750,900)
Net cash used in financing activities		(13,198,611)	(9,812,023)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		(8,308,372)	27,799,583
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		25,912,714	(8,090,142)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		17,604,342	19,709,441

CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the condensed interim consolidated statement of cash flows comprise the following condensed interim consolidated statement of financial position amounts:

- Cash and bank balances	13	24,387,343	34,868,094
- Short term highly liquid investments		2,700,000	600,000
- Short-term running finance		(3,830,263)	(10,395,117)
Less: Bank balances held under lien		(5,652,738)	(5,363,536)
		17,604,342	19,709,441

The annexed notes 1 to 25 form an integral part of these condensed interim consolidated financial statements.



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

1. THE GROUP AND ITS OPERATIONS

Fauji Fertilizer Bin Qasim Limited is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 (now replaced by the Companies Act, 2017 with effect from May 31, 2017). The shares of the Company are quoted on Pakistan Stock Exchange (PSX). The registered office of FFBL is situated at Sona Tower, 156 - The Mall, Rawalpindi, Pakistan. The principal objective of FFBL is manufacturing, purchasing and marketing of fertilizers. FFBL commenced its commercial production effective January 01, 2000.

- 1.1** Fauji Fertilizer Bin Qasim Limited group comprises of Fauji Fertilizer Bin Qasim Limited (FFBL / the Holding Company) and its subsidiaries, FFBL Power Company Limited (FPCL) and Fauji Foods Limited (FFL) collectively referred as ("Group"). The Holding Company disposed-off its entire (95.07%) shareholding in Fauji Meat Limited (FML) with effect from September 28, 2023. Accordingly, the Holding Company has derecognized assets and liabilities (along with the related Non-controlling Interest) of FML from its consolidated statements of financial position on that date, whereas, its operations for nine months ended September 30, 2023 have been consolidated as discontinued operations.

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

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

- 1.2** During the period, pursuant to the regulatory approvals, Fauji Foods Limited finalised the transactions of acquisitions of Fauji Foundation's shares in Fauji Infraavest Foods Limited on February 20, 2024 and Fauji Foundation's Cereals business operating under the name of Fauji Cereals on February 19, 2024 respectively. These financial statements have taken the impacts of both transactions. FFL adopted the predecessor accounting method for acquisition of Fauji Cereals as per the S.R.O 53 (i)/2022 issued by Securities and Exchange Commission of Pakistan to cater for common control transactions. Regarding the acquisition of FIFL, it was assessed that FIFL did not qualify as a business under IFRS 3. Consequently, FIFL has been recognized as an 'Asset Acquisition' by the Group.

- 1.3** The purchase consideration determined for both transactions amounting to PKR 3.3 billion for Fauji Cereals (Project of Fauji Foundation) and PKR 210 million for Fauji Infraavest Foods Limited respectively. The amount is payable to Fauji Foundation (Ultimate Parent). The consideration is payable on demand, with an all-time option to convert it into shares in a manner other than right at a price per share, which will be equal to the lower of par value or the average price per share on the stock exchange during the nine months preceding the date on which the Fauji Foundation exercises its option to acquire shares. It has an interest-free grace period of two years, with an extension of time as mutually agreed upon by the parties. After two years, a markup of six months KIBOR plus spread of 50 basis points will be charged.

2. BASIS OF PREPARATION

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

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

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

- 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 for the year ended December 31, 2023. The comparative Consolidated Statement of Financial Position is extracted from the annual consolidated financial statements, as of December 31, 2023, whereas the Consolidated Statement of Profit or Loss and the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity are extracted from the unaudited condensed interim consolidated financial statements, for the 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 Listed Companies (Code of Corporate Governance) Regulations, 2019.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim consolidated financial statements are similar to those applied in the preparation of the consolidated financial statements for the preceding year, ended December 31, 2023.

The significant estimates and judgements adopted for the preparation of these condensed interim consolidated financial statements are similar to those applied in the preparation of the consolidated financial statements for the preceding year, ended December 31, 2023.

4. SHARE CAPITAL

4.1 Group consists of following subsidiary companies:

	Ownership in 2024	Ownership in 2023
FFBL Power Company Limited	75.00%	75.00%
Fauji Foods Limited	59.75%	59.75%

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

	(Un-audited) September 30, 2024	(Audited) December 31, 2023
(Rupees in thousand)		

5. LONG-TERM LOANS

From conventional banks	10,363,555	23,923,064
From Islamic banks	8,886,879	6,716,872
	19,250,434	30,639,936
Less:		
Current portion shown under current liabilities	9,804,880	8,341,949
	9,445,554	22,297,987

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

		(Un-Audited) September 30, 2024	(Audited) December 31, 2023
	Note	(Rupees in thousand)	
6. DEFERRED LIABILITIES			
Deferred taxation	6.1	12,708,774	10,181,113
Provision for compensated leave absences		790,988	722,867
		13,499,762	10,903,980
6.1 DEFERRED TAXATION - NET			
The balance of deferred tax is in respect of the following major taxable / (deductible) temporary differences:			
Accelerated depreciation		2,557,680	2,577,544
Share of profit of joint venture and associates - net		6,401,301	5,491,721
Share of profit of subsidiary		4,390,155	2,985,210
IFRS 9 Transition - AKBL		(187,517)	-
Remeasurement gain on GIDC		-	38,078
Provision for inventory obsolescence		(112,853)	(112,853)
Deferred tax on revaluation of available for sale investments		(220,963)	(698,476)
Deferred tax on minimum tax		(119,029)	(31,581)
Deferred tax on alternative corporate tax		-	(68,530)
		12,708,774	10,181,113

6.2 As outlined in the note 10 to the annual consolidated financial statements, deferred tax asset has not been recognised on certain balances.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
	Note	(Rupees in thousand)
7. TRADE AND OTHER PAYABLES		
Creditors	7.1	18,945,941
Payable to Fauji Foundation		-
Payable against GIDC	7.2	22,236,203
Accrued liabilities		22,236,209
Workers' (Profit) Participation Fund		14,739,750
Workers' Welfare Fund		2,098,113
Payable to Gratuity Fund		1,687,600
Payable to Provident Fund		51,335
Security deposits		12,161,004
Withholding tax payable		290,887
Sales tax payable		11,509
Provision for tax levies		85,506
Other payables		138,897
	234,548	114,038
	74,591,677	86,324
	74,591,677	55,838,838

7.1 Creditors include payables to a related party amounting to Rs. 21,244 million (December 31, 2023: Rs. 14,188 million) against purchase of raw material. The Holding Company purchases raw material for use in production of fertilizer from PMP at discounted price, with a credit limit of 75 days.

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
	(Rupees in thousand)	
7.2 Payable against GIDC		
Balance as at beginning of period	22,236,209	21,738,026
Unwinding cost on GIDC payable	97,635	498,183
	22,333,844	22,236,209

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There has been no material update in status of tax contingencies as disclosed in note 14 to the audited consolidated financial statements of the Group for the year ended December 31, 2023, except for the appeal in relation to tax year 2019, against a demand of Rs 5,841 million raised by tax authorities on account of power expenses, filed before CIR(A) who has passed an appellate order dated January 25, 2024. The Group has filed an appeal before the Appellate Tribunal (ATIR) which is pending for adjudication.

Moreover, during the period, the Assistant Commissioner Inland Revenue (ACIR), vide assessment order u/s 122 dated January 31, 2024 has amended the return for tax year 2023 thereby disallowing expenses primarily on account of finance cost, selling and distribution expense and exchange loss amounting to Rs 13,573 million. The Group has filed an appeal before the CIR(A) which is pending for adjudication.

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
	(Rupees in thousand)	
8.2 Guarantees issued by banks on behalf of FFBL	123,405	109,227
8.3 Group's share of contingent liabilities of Askari Bank Limited as at June 30, 2024 (September 30, 2023)	68,267,278	76,663,420
8.4 Contingent liabilities of FML	512,870	681,098
8.5 Commitments		
i) Capital expenditures	1,267,308	245,667
ii) Letters of credit for purchase of raw materials and stores and spares	13,965,957	14,935,594
iii) Commitments of FPCL		
-Capital expenditure	250,250	74,740
-Outstanding against Letter of Credits out of total facility of Rs. 13,300 million (2023: Rs. 11,250 million), secured by lien on valid import documents	2,554,330	2,337,470
iv) Commitments of FFL	564,700	210,030
v) Group's share of commitments of PMP as at June 30, 2024 (September 30, 2023)	22,503	19,999
vi) Group's share of commitments of Askari Bank Limited as at June 30, 2024 (September 30, 2023)	120,562,755	88,287,135

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
	(Rupees in thousand)	
9. PROPERTY, PLANT AND EQUIPMENT		
Opening written down value	40,348,135	45,892,685
Additions during the period / year	1,389,172	2,187,224
Acquisition by group / adjustment	552,971	-
Disposals during the period / year	(358,492)	(257,377)
Depreciation during the period / year	(1,949,058)	(2,654,237)
Depreciation charged on disposals during the period / year	168,863	163,978
Discontinued operations - FML	-	(4,984,138)
Closing written down value	<u>40,151,591</u>	<u>40,348,135</u>
10. LONG-TERM INVESTMENTS		
Investment in joint venture - equity method		
Pakistan Maroc Phosphore S.A, Morocco		
Opening balance	13,956,140	12,247,700
Share of profit / (loss)	3,113,074	(2,323,660)
Dividend	(1,791,419)	-
Effect of translation	(156,161)	4,032,100
Closing balance	<u>15,121,634</u>	<u>13,956,140</u>
Investment in associates - equity method		
Askari Bank Limited		
Opening balance	16,509,068	13,925,757
Share of profit	3,254,495	3,862,027
Dividend	(781,667)	-
Impact of IFRS 9 transition	(750,068)	-
Revaluation reserve of available for sale investments	1,910,049	(1,395,047)
Effect of translation	(59,578)	116,331
Closing balance	<u>20,082,299</u>	<u>16,509,068</u>
Investment - available for sale - unquoted		
Arabian Sea Country Club Limited (ASCCL)		
300,000 ordinary shares of Rs. 10 each	3,000	3,000
Less: Impairment in value of investment	3,000	3,000
	-	-
	<u>35,203,933</u>	<u>30,465,208</u>

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

11. STOCK-IN-TRADE

This includes finished goods stock amounting to Rs. 13,998 million (December 31, 2023: Rs. 958 million) and raw material in transit amounting to Rs. 12,679 million (December 31, 2023: Rs. 9,248 million).

12. OTHER RECEIVABLES

This includes an amount of Rs. 2,236 million (December 31, 2023: Rs. 4,487 million) receivable from Fauji Fertilizer Company Limited (FFCL), a related party, on account of amounts received from customers, against sales of the Holding Company's products under an inter-company services agreement.

	September 30, 2024 (Un-audited)	December 31, 2023 (Audited)
Note	(Rupees in thousand)	

13. SHORT TERM INVESTMENTS

Amortized cost

Term deposits with banks and financial institutions	13.1	2,700,000	1,000,000
Investments at fair value through profit or loss			
Mutual funds		34,786,307	33,685,524

37,486,307

34,685,524

13.1 These deposits carry interest at rates ranging from 16.2% to 22.5% (2023: 17% to 22.5%) per annum maturing on various dates.

Note	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)			

14. SALES - NET

Fertilizer	63,159,363	77,032,196	169,027,982	143,798,856
Power	4,413,827	2,881,722	10,193,151	9,557,609
Food	7,949,461	5,561,502	20,627,753	16,263,327
	75,522,651	85,475,420	199,848,886	169,619,792
Sales tax	(4,832,294)	(4,551,737)	(11,697,641)	(6,958,347)
Federal Excise Duty	(2,933,706)	(3,504,089)	(7,781,403)	(3,504,089)
Trade discount	(507,846)	(299,746)	(1,403,753)	(859,126)
Advance tax u/s 235	(125,948)	(18,296)	(428,190)	(259,048)
Commission to FFC	14.1	(7,294)	(62,600)	(18,631)
	(8,407,088)	(8,436,468)	(21,329,618)	(11,652,366)
	67,115,563	77,038,952	178,519,268	157,967,426

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

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Quarter ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees in thousand)		(Rupees in thousand)	
15. COST OF SALES				
Raw materials consumed	45,782,154	35,640,412	125,640,020	86,481,755
Packing materials consumed	1,356,056	1,069,193	3,643,618	2,907,641
Fuel and power	825,369	1,077,390	1,903,575	2,982,104
Ash dumping	1,343	4,047	11,077	12,400
Stores and supplies consumed	223,159	194,787	719,983	592,184
Salaries, wages and benefits	1,061,605	1,680,663	3,733,012	3,436,585
Repairs and maintenance	649,593	378,885	2,324,160	1,864,755
Travel and conveyance	159,080	89,867	361,332	256,813
Rent, rates and taxes	57,026	35,478	88,314	63,594
Insurance	183,800	266,688	570,453	516,479
Utilities	57,152	61,160	223,782	287,933
Communication, establishment and other expenses	9,984	598,223	798,522	812,405
Depreciation and amortization	615,536	558,501	1,786,460	1,694,310
Opening stock - work in process	412,915	342,041	514,772	297,490
Closing stock - work in process	(422,578)	(262,718)	(422,578)	(262,718)
Cost of goods manufactured	50,972,194	41,734,617	141,896,502	101,943,730
Opening stock - finished goods	12,490,138	25,236,418	1,018,557	32,954,946
Closing stock - finished goods	(13,967,601)	(2,429,908)	(13,967,601)	(2,429,908)
Cost of sales - manufactured goods	49,494,731	64,541,127	128,947,458	132,468,768
Cost of sales - purchased fertilizer for sale	-	-	5,434,766	-
	49,494,731	64,541,127	134,382,224	132,468,768

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

Quarter ended		Nine months ended	
September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
(Rupees in thousand)		(Rupees in thousand)	

16. OTHER INCOME

*Share of profit / (loss) from joint venture
and associate*

Pakistan Maroc Phosphore S.A

Askari Bank Limited

598,625	(413,198)	3,113,074	(1,272,554)
948,467	891,730	3,254,495	2,622,257
1,547,092	478,532	6,367,569	1,349,703
1,265,068	1,011,693	4,094,551	2,339,338
1,498,150	237,980	4,553,276	742,838
69,005	-	2,355,892	-
95,290	136,081	299,425	538,857
585,856	(6,928)	705,038	11,659
12,599	8,051	27,617	30,362
3,525,968	1,386,877	12,035,799	3,663,054
5,073,060	1,865,409	18,403,368	5,012,757

17. FINAL TAXES - LEVY

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

Quarter ended		Nine months ended	
September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
(Rupees in thousand)		(Rupees in thousand)	

18. TAXATION - NET

Current tax

- Current period
- Prior period

Deferred tax

4,652,573	1,142,988	13,187,302	3,296,783
-	801,276	94,837	801,276
713,328	(46,458)	2,250,226	265,856
5,365,901	1,897,806	15,532,365	4,363,915

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Nine months ended September 30	
	2024	2023
	(Rupees in thousand)	
19. CASH GENERATED FROM OPERATIONS		
Profit before taxation	42,003,414	4,527,362
Adjustment for non-cash charges and other items:		
Provision for gratuity	81,218	94,103
Provision against levies	1,138,319	234,972
Exchange loss	256,343	4,956,423
Provision for compensated absences	114,345	85,258
Provision for Workers' (Profit) Participation Fund	2,085,384	383,771
Provision for Workers' Welfare Fund	650,598	118,475
Unwinding of GIDC	97,635	411,704
Amortization of transaction cost of long-term finance	27,153	27,238
Transaction Cost	-	20,353
Depreciation	1,947,989	2,046,332
Amortization	3,035	11,769
Provision for other receivable	-	20,000
Provision for Sales tax refundable	3,436,971	-
Provision for ECL on subsidy	-	450,000
Lease charges	34,593	9,610
Finance cost	4,930,663	10,340,980
Profit on bank balances and term deposits	(5,554,721)	(2,404,533)
Fair value gain and related income on mutual funds	(3,093,106)	(742,838)
Loss on disposal of investment	-	1,495,760
Profit from joint venture and associates - net	(6,367,569)	(597,254)
Gain on disposal of property, plant and equipment	(705,038)	(11,658)
Operating profit before working capital changes	41,087,226	21,477,827
Changes in working capital:		
Stores and spares	(616,173)	(619,009)
Stock-in-trade	(13,408,021)	27,914,841
Trade debts	(3,204,358)	5,616,697
Advances	(1,083,278)	28,688
Trade deposits and short term prepayments	(374,524)	204,919
Other receivables	4,424,480	(5,985,055)
Sales tax receivable	958,652	1,481,233
Trade and other payables	10,745,654	(18,664,590)
Bank balance held under lien	(5,652,738)	(1,916,448)
Contract liability	(21,330,714)	16,545,714
	(29,541,020)	24,606,990
Cash generated from operations	11,546,206	46,084,817

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

20. RELATED PARTY TRANSACTIONS

Fauji Fertilizer Company Limited (FFCL) has 49.88% share holding in FFBL (2023: 49.88%), while Fauji Foundation (FF) holds 18.29% shares (2023: 18.29%) in the Holding Company. The Group has related parties which comprise of a joint venture, entities under common directorship, directors, key management personnel and employees' funds. Transactions with related parties and the balances outstanding at the year end are given below. The carrying value of investment in associates and joint venture are disclosed in note 10 to the consolidated financial statements.

	Nine months ended September 30,	
	2024	2023
	(Rupees in thousand)	
Transactions with Fauji Foundation (FF)		
Services received	284,419	177,437
Services provided	91	309
Payment against services	80,840	61,589
Receipts against services	-	4,300,000
Donations paid	430,495	337,160
Receipt against sale of Pindi Bhattian land	856,458	-
Advance against equity	-	2,350,000
Accrued finance cost	-	4,000
Dividend paid to Fauji Foundation	-	750,000
Balance payable	311,595	356,428 *
Balance receivable	-	11,816 *
Lease liability expense against right of use of asset	26,496	-
Transactions with associated undertakings due to common directorship		
Fauji Fertilizer Company Limited		
Services and material acquired	1,638,766	1,175,403
Receipts under consignment account	148,421,938	159,413,800
Commission charged	18,631	17,907
Services and material provided	2,720	-
Balance receivable at period end	2,236,282	4,487,084 *
Askari Bank Limited		
Balances at Bank and TDR	6,629,673	5,088,265 *
Profit on bank balances	1,951,909	1,156,005
Mark-up on long term loans	-	91,461
Income earned from TDRs	-	93,332
Finance cost charged	3,659	101,811
Running Finance	-	500,000
Fauji Meat Limited		
Material / services provided	26,545	31,071
Receipt against material / services	32,787	35,396
Balance receivable	17,943	24,184 *

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Nine months ended September 30,	
	2024	2023
	(Rupees in thousand)	
Transactions with joint venture		
Purchase of raw materials	58,396,447	52,575,196
Expenses incurred on behalf of joint venture	6,349	10,269
Late payment surcharge during the period	-	93,470
Receipt against material / services	7,018	-
Balance payable	21,243,570	14,188,385 *
Balance receivable - unsecured	2,668	3,337 *
Dividend received	1,791,419	-
Other related parties		
Contribution to Provident Fund	147,058	100,426
Contribution to gratuity fund	37,107	-
Payment to Gratuity Fund	4,915,521	333,780
Payment to Workers' (Profit) Participation Fund	279,219	333,921
Meeting fee to directors	22,090	22,470
Balance payable to WPPF - unsecured	2,098,113	290,887 *
Payable to Gratuity Fund	-	138,898 *
Payable to Provident Fund	12,869	11,509 *
Share issuance to FFC Energy	-	4,650,000 *
Balance receivables from Fauji Trans Terminal Limited	314	8
Balance receivable - Fauji Cement Company Limited	19	-
Expenses on behalf of Fauji Cement Company Limited	138	-
Consultancy fee for fair valuation of intangible by FFC Energy Limited	2,676	-
Expenses on behalf of Fauji Trans Terminal Limited	596	-
Sale of cheese to Fauji Fresh and Freeze Limited	10,416	-
Expenses on behalf of Foundation Gas for purchase of LPG	10,014	-
Foundation Solar Energy (Private) Limited for purchase of solar panel	-	-
Remuneration of key management personnel		
Short-term benefits	498,633	337,001
Post employment benefits	94,272	34,723

*Balance of accounts appearing as comparatives are as at December 31, 2023 (audited).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2024

21. SEGMENT REPORTING

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

	Fertilizer	Power	Meat	Food	Elimination-net	Consolidated
	(Rupees in thousand)					
September 30, 2024						
Revenue	154,465,281	22,245,225	-	17,848,603	(16,039,841)	178,519,268
External Customer	154,465,281	6,205,384	-	17,848,603	-	178,519,268
Inter-Segment	-	16,039,841	-	-	(16,039,841)	-
Total Revenue	154,465,281	22,245,225	-	17,848,603	(16,039,841)	178,519,268
Profit after tax	18,568,729	5,611,634	-	826,833	1,463,853	26,471,049
September 30, 2023						
Revenue	136,827,250	20,590,786	489,955	14,754,446	(14,695,011)	157,967,426
External Customer	136,827,250	8,800,205	489,955	14,754,446	-	160,871,856
Inter-Segment	-	11,790,581	-	-	(14,695,011)	(2,904,430)
Total Revenue	136,827,250	20,590,786	489,955	14,754,446	(14,695,011)	157,967,426
Profit / (Loss) after tax	354,489	2,731,934	(115,193)	3,034	(2,810,817)	163,447
September 30, 2024						
Assets	138,038,494	38,826,641	-	16,336,200	3,962,454	197,163,789
Liabilities	93,522,927	12,678,521	-	8,845,798	8,346,502	123,393,748
December 31, 2023						
Assets	145,871,787	41,839,240	-	12,703,658	(1,760,757)	198,653,928
Liabilities	118,780,468	22,243,159	-	10,107,134	(5,419,258)	145,711,503

22. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

22.1 Financial risk factors

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

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

22.2 Fair Value estimation

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

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

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

	Level 1	Level 2	Level 3
	(Rupees in thousand)		

September 2024 - unaudited

ASSETS

Financial assets at fair value through profit and loss

- Short term investments

34,786,307

December 2023 - audited

ASSETS

Financial assets at fair value through profit and loss

- Short term investments

33,685,524

23. CORRESPONDING FIGURES

23.1 The corresponding figures have been reclassified and restated to reflect more appropriate presentation of events and transactions in accordance with the accounting and reporting standards as applicable in Pakistan, wherever necessary including the bank balances held under lien for an aggregate amount of Rs. 5,364 million in the consolidated statement of cashflows.

24. GENERAL

24.1 Figures have been rounded off to the nearest thousand rupees.

25. DATE OF AUTHORIZATION OF ISSUE

These condensed interim consolidated financial statements have been authorized for issue on October 23, 2024 by the Board of Directors of the Holding Company.

CHAIRMAN

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER



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