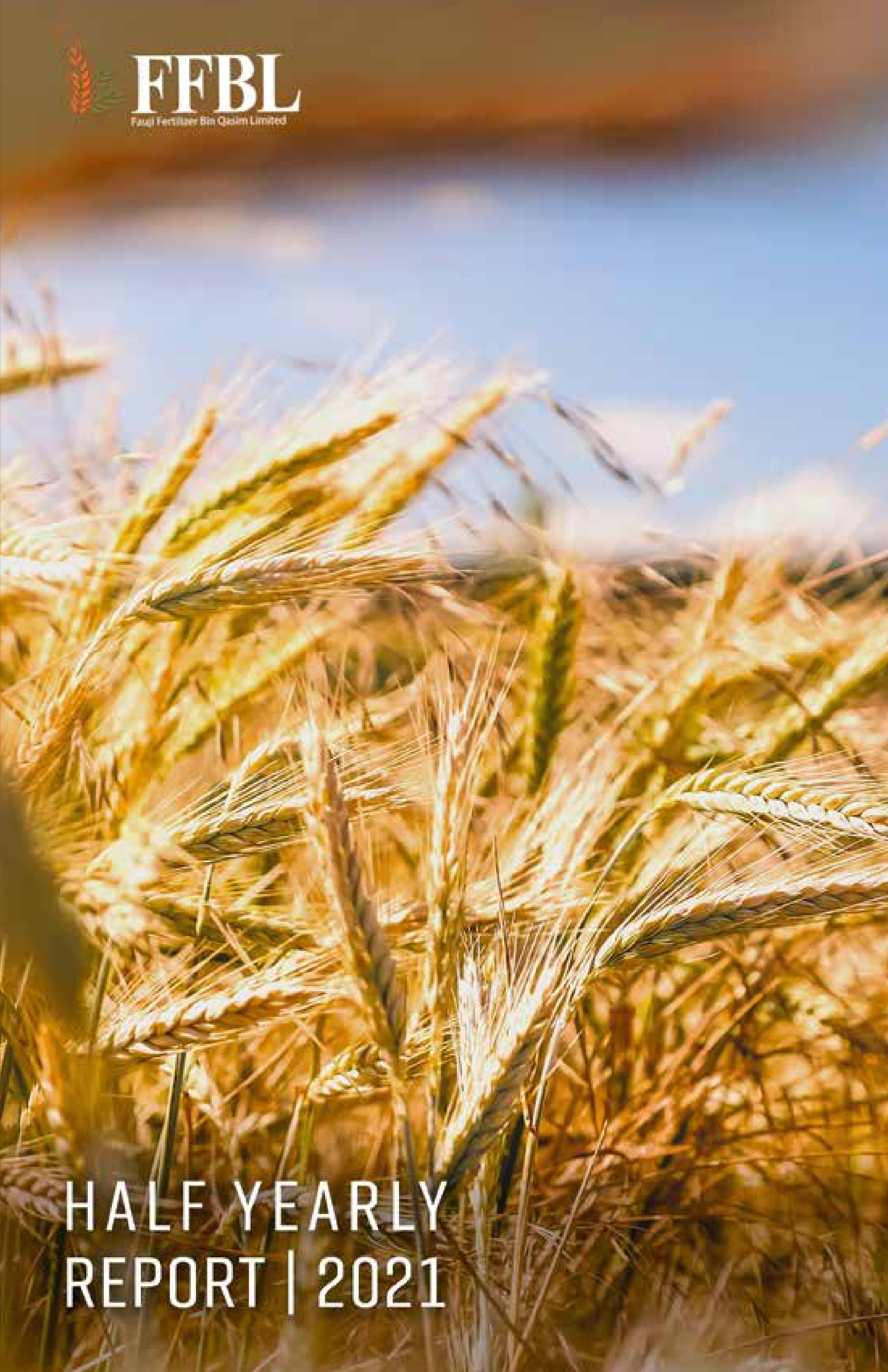
FFBL

Fauji Fertilizer Bin Qasim Limited



HALF YEARLY REPORT | 2021

DIRECTORS

Mr Waqar Ahmed Malik
Chairman

Mr Sarfaraz Ahmed Rehman
Managing Director & Chief Executive Officer

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

Dr Nadeem Inayat

Mr Qamar Haris Manzoor

Mr Mohammad Munir Malik

Mr Rehan Ahmed

Syed Bakhtiyar Kazmi

Syed Khalid Siraj Subhani

Mr Moeez ur Rehman

Ms Pouruchisty Sidhwa

Ms Saira Nasir

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

CHIEF FINANCIAL OFFICER
Mr Muhammad Javed Akhtar

REGISTERED OFFICE
FFBL Tower, C1 / C2, Sector B, Jinnah Boulevard,
Phase II, DHA Islamabad.
Tel: +92 51 8763325, Fax: +92 51 8763304-05
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
Samba Bank Limited
Zarai Taraqiati Bank Limited
Industrial Bank of China
The Bank of Khyber
Al-Baraka Bank (Pakistan) Limited
Dubai Islamic Bank Pakistan Limited
Bank Islami Pakistan Limited
Meezan Bank Limited
MCB Islamic Bank Limited
Bank Al-Falah Limited
Bank Al-Habib Limited
Silk Bank Limited
The Bank of Punjab

LEGAL ADVISORS

Orr Dignam & Co,
Advocates Marina Heights,
2nd floor, 109 East, Jinnah Avenue,
Blue Area, Islamabad, Pakistan
Tel: (051) 2348645-9

AUDITORS

EY Ford Rhodes,
Eagle Plaza, 75 West,
Fazal-e-Haq Road,
Blue Area, Islamabad .

SHARES REGISTRAR

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

The Board of Directors is pleased to present a brief overview of the operational and financial performance of the Company for the half year ended June 30, 2021.

COVID 19 update

Latest estimates suggest a surge in the cases. Positivity rate which stood at less than 2 per cent in June, has crossed 7 per cent in July and the situation seems challenging. FFBL remains committed to ensure uninterrupted operations while following strict adherence to the COVID-19 SOPs. Protecting the health of its employees has always been among FFBL's top most priority.

Plant Performance

By the grace of Almighty, overall plant performance remained satisfactory and your Company achieved 21.8 million safe-man-hours as of June 30, 2021 with 11.5 years of safe operation without any loss time injury and excursions with respect to liquid and gaseous emissions. In 2020, Ammonia was diverted for production of Urea, instead of DAP, in order to manage inventories. Therefore, Sona DAP production during the period is recorded at 343 Kt, 17% higher than 293 Kt last year, whereas Urea production during the period is recorded at 231 Kt, 13% lower than 266 Kt last year.

Company's financial performance

In the first half of 2021, the Company posted highest ever net profit of Rs. 3,876 million (EPS of Rs. 3.01), after 5 years of consecutive losses, demonstrating a growth of 192% from a loss of Rs. 4,208 million (LPS of Rs. 4.06) in the corresponding period. Better performance is mainly due to increased DAP sale price, giving Rs 5,135 mn more vs 2020 same period. Owing to lower mark-up rates; better working capital management; and lower utilization of running finance facilities, the Company incurred significantly lower finance cost of Rs. 1,260 million as against Rs. 2,726 million in the corresponding period. The Company has recorded significantly higher dividend from its associated companies during the period amounting to Rs. 2,932 million as compared to Rs. 1,058 million in the corresponding period.

Consolidated Financial performance

The Company has achieved a consolidated net turnover of Rs. 38,607 million which is 23% higher as compared to the same period last year's turnover of Rs. 31,483 million. Consolidated net profit of the Company during the period was Rs. 1,879 million, against the net loss of Rs. 3,222 million in corresponding period. The consolidated net profit attributable to owners of the Holding Company translates into an EPS of Rs. 1.29 during the current period ended June 30, 2021 as compared to LPS of Rs. 2.78 during the same period last year.

Our subsidiaries have also shown better results during the period. FFL continued the momentum of 1st quarter with the right focus and capability. Operational results of FFL improved significantly with a sales growth of 39% in first half of 2021, returning to post a gross profit growth of 600% of Rs. 545 million against a gross loss of Rs. 109 million in 2020. FFL's net loss reduced by 57% for the period amounting to Rs. 758 million compared with a corresponding period loss of Rs. 1,779 million. FPCL operations were relatively stable resulting in a net profit of Rs. 2,047 million as compared to Rs. 2,054 million earned during corresponding period.

Divestment of Wind projects

The Shareholders approved to dispose-off Company's shareholding in Foundation Wind Energy - I Limited (FWE - I) and Foundation Wind Energy - II Limited (FWE - II) to Fauji Fertilizer Company Limited, subject to requisite regulatory and third-party approvals.

Outlook, Future Prospects and Strategic Direction

Despite possibility of COVID fourth wave, for the rest of the year, based on forecasts of DAP demand and sale price, FFBL should continue to perform well in its core operations. Similarly, the subsidiaries and investments should continue the positive trends shown in the first half of the year. Macroeconomic conditions and COVID-19 notwithstanding, the Company is striving to further improve the performance and profitability by focusing on the core business and contemplating various options regarding some of its non-core businesses. Going forward, FFBL expects better results for its stakeholders, through improved sales and margins for the remainder of the year.

Acknowledgment

Directors of the Company take pleasure in expressing their sincere gratitude and appreciation for the outstanding commitment and contribution of all the employees and continued trust and reliance placed in the Company by all the stakeholders.

For and on behalf of the Board

Sarfaraz Ahmed Rehman
Managing Director & Chief Executive Officer

Waqar Ahmed Malik
Chairman

Place: Islamabad
Date: 29 July, 2021

اسٹیک ہولڈرز کے لیے سال کے باقی حصوں میں بہتر فروخت اور مارجن کے ذریعے بہتر نتائج کی توقع ہے۔

اعتراف

کمپنی کے ڈائریکٹرز تمام ملازمین کی شاندار وابستگی اور شراکت اور تمام اسٹیک ہولڈرز کی جانب سے کمپنی پر جاری اعتماد اور بھروسے کے لیے ان کا مخلصانہ شکریہ اور تعریف کا اظہار کرتے ہوئے خوشی محسوس کرتے ہیں۔

منجانب بورڈ

وقار احمد ملک	**سرفراز احمد رحمٰن**
چیئرمین	مینیجنگ ڈائریکٹر و چیف ایگزیکٹو آفیسر

اسلام آباد: 29 جولائی 2021

ڈائریکٹرز کا جائزہ

30 جون 2021 کو ختم ہونے والی ششماہی۔

بورڈ آف ڈائریکٹرز کی جانب سے 30 جون 2021 کو ختم ہونے والی ششماہی کے لیے کمپنی کی پیداواری اور مالی کارکردگی کا ایک مختصر جائزہ پیش کیا جا رہا ہے۔

COVID-19 کی موجودہ صورت حال۔

تازہ ترین اندازے، کیسوں میں اضافے کی طرف اشارہ دیتے ہیں۔ مثبت شرح جو جون میں 2 فیصد سے کم تھی، جولائی میں 7 فیصد سے تجاوز کر چکی ہے اور صورتحال گھمبیر دکھائی دیتی ہے۔ ایف ایف بی ایل COVID-19 ایس او پیز پر سختی سے عمل کرتے ہوئے بلاتعطل پیداوار کو یقینی بنانے کے لیے پرعزم ہے۔ اپنے ملازمین کی صحت کا تحفظ ہمیشہ ایف ایف بی ایل کی اولین ترجیح رہا ہے۔

پلانٹ کی کارکردگی

اللہ کے فضل سے، پلانٹ کی مجموعی کارکردگی تسلی بخش رہی اور آپ کی کمپنی نے 30 جون 2021 تک 11.5 سال کی محفوظ پیدوار کے ساتھ بغیر کسی گہرے زخم اور مائع اور گیسوں کے اخراج کے نقصان کے 21.8 ملین سیف مین آور حاصل کیے۔ 2020 میں امونیا کو ڈی اے پی کے بجائے یوریا کی پیداوار کے لیے استعمال کیا گیا تاکہ انوینٹریوں کے نظام کو بہتر کیا جا سکے۔ لہذا اس مدت کے دوران سونا ڈی اے پی کی پیداوار 343Kt ریکارڈ کی گئی ہے جو گزشتہ سال کے 293Kt سے 17 فیصد زیادہ ہے جبکہ اس عرصے کے دوران یوریا کی پیداوار 231Kt ریکارڈ کی گئی ہے جو گزشتہ سال کے 266Kt سے 13 فیصد کم ہے۔

کمپنی کی مالی کارکردگی

2021 کی پہلی ششماہی میں کمپنی کا، مسلسل 5 سال کے نقصانات کے بعد، اب تک کا سب سے زیادہ خالص منافع 3,876 ملین روپے (فی شیئر آمدن: 3.01 روپے) رہا جو گزشتہ اسی مدت کے نقصان 4,208 ملین روپے (فی شیئر نقصان: 4.06 روپے) کے مقابلے میں 192 فیصد زیادہ ہے۔ بہتر کارکردگی بنیادی طور پر ڈی اے پی کی بڑھی ہوئی قیمتِ فروخت کی وجہ سے ہے، جس سے 2020 کی اسی مدت کے مقابلے میں 5,135 ملین روپے زیادہ حاصل ہوئے۔ کم مارک اپ ریٹ، بہتر ورکنگ کیپیٹل مینجمنٹ اور جاری مالی سہولیات کے کم استعمال کی وجہ سے کمپنی کو گزشتہ اسی مدت کے 2,726 ملین روپے کے مقابلے میں 1,260 ملین روپے کی نمایاں طور پر کم مالیاتی لاگت آئی۔ کمپنی نے اس عرصے کے دوران اپنی ایسوسی ایٹڈ کمپنیوں سے گزشتہ اسی مدت کے 1,058 ملین روپے کے مقابلے میں 2,932 ملین روپے کا نمایاں طور پر زیادہ منافع حاصل کیا ہے۔

مجموعی مالی کارکردگی

کمپنی نے مجموعی طور پر 38,607 ملین روپے کا Turnover حاصل کیا جو گزشتہ سال کی اسی مدت کے 31,483 ملین روپے کے مقابلے میں 23 فیصد زیادہ ہے۔ اس عرصے کے دوران کمپنی کا مجموعی خالص منافع، گزشتہ سال کی اسی مدت کے 3,222 ملین روپے کے خالص نقصان کے مقابلے میں 1,879 ملین روپے رہا۔ 30 جون 2021 کو ختم ہونے والی موجودہ مدت کے لئے ہولڈنگ کمپنی کے مالکان کو منسوب ہونیوالا مجموعی خالص منافع، پچھلے سال کی اسی مدت کے فی شیئر نقصان: 2.78 روپے کے مقابلے میں فی شیئر آمدن: 1.29 روپے کو ظاہر کرتا ہے۔ ہماری ماتحت کمپنیوں نے بھی اس مدت کے دوران بہتر نتائج دکھائے ہیں۔ ایف ایف ایل نے صحیح توجہ اور صلاحیت کے ساتھ پہلی سہ ماہی کی رفتار جاری رکھی۔ ایف ایف ایل کے پیداواری نتائج 2021 کی پہلی ششماہی میں 39 فیصد اضافی فروخت کے ساتھ نمایاں رہے۔ نتیجتاً 2020 کے 109 ملین روپے مجموعی نقصان کے مقابلے میں 600 فیصد اضافے کے ساتھ مجموعی منافع 545 ملین روپے رہا۔ ایف ایف ایل کا خالص نقصان 57 فیصد کم ہو کر 758 ملین روپے ہو گیا جبکہ گزشتہ سال اسی عرصے کا خالص نقصان 1,779 ملین روپے تھا۔ ایف پی سی ایل کی پیداوار نسبتاً مستحکم رہی جس کے نتیجے میں خالص منافع 2,047 ملین روپے رہا جبکہ گزشتہ اسی مدت کے دوران خالص منافع 2,054 ملین روپے تھا۔

ونڈ پروجیکٹ کی فروخت

شیئر ہولڈرز نے فاؤنڈیشن ونڈ انرجی-I لمیٹڈ (FWE-I) اور فاؤنڈیشن ونڈ انرجی-II لمیٹڈ (FWE-II) میں کمپنی کی شیئر ہولڈنگ کو فوجی فرٹیلائزر کمپنی لمیٹڈ کو فروخت کرنے کی منظوری دے دی، جو ضروری ریگولیٹری اور تھرڈ پارٹی کی منظوری سے مشروط ہے۔

مستقبل کے امکانات اور اسٹریٹجک سمت۔

COVID کی چوتھی لہر کے امکان کے باوجود، سال کے باقی حصوں میں، ڈی اے پی کی مانگ اور قیمتِ فروخت کے اندازوں کی بنیاد پر، ایف ایف بی ایل کو اپنے بنیادی پیداوار میں اچھی کارکردگی کا مظاہرہ جاری رکھنا چاہئے۔ اسی طرح، ماتحت کمپنیوں اور سرمایہ کاری کو سال کے پہلے ششماہی میں دکھائے گئے مثبت رجحانات کو جاری رکھنا چاہیے۔ میکرو اکنامک حالات اور COVID-19 کے باوجود، کمپنی بنیادی کاروبار پر توجہ مرکوز کر کے اور اپنے کچھ غیر بنیادی کاروباروں کے حوالے سے مختلف آپشنز پر غور کر کے کارکردگی اور منافع کو مزید بہتر بنانے کی کوشش کر رہی ہے۔ آگے بڑھتے ہوئے، ایف ایف بی ایل کو اپنے

CONDENSED INTERIM FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF FAUJI FERTILIZER BIN QASIM LIMITED

REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Fauji Fertilizer Bin Qasim Limited as at 30 June 2021, and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

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

Conclusion

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

Other matters

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three-month period ended 30 June 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended 30 June 2021.

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

EY Ford Rhodes

Chartered Accountants
Place: Islamabad
Date: 11 August 2021

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	5	**12,912,529**	9,341,100
Advance against issue of shares		**-**	4,885,787
Capital reserve			
Share premium		**1,632,729**	228,350
Revenue reserve			
Accumulated profit / (loss)		**3,404,070**	(495,832)
		17,949,328	13,959,405
NON-CURRENT LIABILITIES			
Long-term loans	6	**15,245,843**	15,425,006
Deferred liabilities	7	**11,993,078**	14,530,380
		27,238,921	29,955,386
CURRENT LIABILITIES			
Trade and other payables	8	**31,974,873**	21,637,647
Advances from customers		**1,436,303**	2,204,000
Unpaid dividend		**10,954**	10,954
Unclaimed dividend		**117,160**	117,007
Accrued interest		**309,075**	445,326
Short-term borrowings		**14,895,181**	15,822,065
Current portion of long-term loans	6	**5,566,661**	6,816,662
		54,310,207	47,053,661
		99,498,456	90,968,452
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes, from 1 to 23, form an integral part of these condensed interim financial statements.

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	**10**	**10,946,716**	11,224,900
Long-term investments	**11**	**22,085,838**	24,546,403
Long-term loans	**12**	**9,305,516**	6,990,318
Long-term advances		**41,058**	3,210
Long-term deposits		**78,643**	78,643
		42,457,771	42,843,474
CURRENT ASSETS			
Stores and spares		**1,664,889**	1,862,363
Stock-in-trade	**13**	**14,887,014**	2,861,568
Trade debts		**1,495,530**	1,656,387
Advances		**640,960**	772,702
Trade deposits and short-term prepayments		**23,607**	99,899
Interest accrued		**822,190**	473,503
Other receivables	**14**	**4,364,678**	5,170,133
Income tax refundable - net		**1,943,931**	1,744,650
Sales tax refundable - net		**10,035,362**	8,435,341
Cash and bank balances		**18,701,959**	25,048,432
		54,580,120	48,124,978
Non-current assets held for sale	**15**	**2,460,565**	-
		99,498,456	90,968,452

CHAIRMAN CHIEF EXECUTIVE DIRECTOR CHIEF FINANCIAL OFFICER

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

FOR THE HALF YEAR ENDED JUNE 30, 2021

		Quarter ended June 30,		Half year ended June 30,	
		2021	2020	2021	2020
	Note	(Rupees '000)		(Rupees '000)	
Sales - net	16	**16,912,106**	15,223,506	**29,917,238**	24,781,703
Cost of sales	17	**(13,416,725)**	(13,293,376)	**(23,944,561)**	(23,409,809)
Gross profit		**3,495,381**	1,930,130	**5,972,677**	1,371,894
Selling and distribution expenses		**(1,460,792)**	(1,247,822)	**(2,372,417)**	(1,961,513)
Administrative expenses		**(331,379)**	(300,970)	**(621,333)**	(587,913)
		1,703,210	381,338	**2,978,927**	(1,177,532)
Finance costs		**(609,200)**	(1,207,591)	**(1,260,052)**	(2,726,312)
Unwinding of GIDC payable	7	**(322,872)**	-	**(668,758)**	-
Other expenses		**(290,024)**	(1,390,924)	**(417,872)**	(1,584,068)
		481,114	(2,217,177)	**632,245**	(5,487,912)
Other income	18	**2,483,162**	1,371,590	**4,038,163**	1,687,924
Profit / (loss) before taxation		**2,964,276**	(845,587)	**4,670,408**	(3,799,988)
Taxation - net	19	**(354,882)**	(314,237)	**(794,610)**	(407,900)
Profit / (loss) after taxation		**2,609,394**	(1,159,824)	**3,875,798**	(4,207,888)
			Restated		*Restated*
Earnings / (loss) per share - basic and diluted (Rupees)		**2.03**	(1.12)	**3.01**	(4.06)

The annexed notes, from 1 to 23, 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 HALF YEAR ENDED JUNE 30, 2021

	Quarter ended June 30,		Half year ended June 30,	
	2021	2020	2021	2020
	(Rupees '000)		(Rupees '000)	
Profit / (loss) after taxation	**2,609,394**	(1,159,824)	**3,875,798**	(4,207,888)
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of post employment benefits obligation	**24,104**	-	**24,104**	-
Total comprehensive income / (loss)	**2,633,498**	(1,159,824)	**3,899,902**	(4,207,888)

The annexed notes, from 1 to 23, 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 HALF YEAR ENDED JUNE 30, 2021

	Share capital	Advance against issue of shares	Share premium	Accumulated (loss) / profit	Total
			(Rupees ' 000)		
Balance as at January 01, 2020 - audited	9,341,100	-	228,350	(2,735,489)	6,833,961
Total comprehensive income					
Loss after taxation for the period	-	-	-	(4,207,888)	(4,207,888)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(4,207,888)	(4,207,888)
Balance as at June 30, 2020	9,341,100	-	228,350	(6,943,377)	2,626,073
Balance as at January 01, 2021 - audited	**9,341,100**	**4,885,787**	**228,350**	**(495,832)**	**13,959,405**
Total comprehensive income					
Profit after taxation for the period	**-**	**-**	**-**	**3,875,798**	**3,875,798**
Other comprehensive income for the period	**-**	**-**	**-**	**24,104**	**24,104**
Total comprehensive income for the period	**-**	**-**	**-**	**3,899,902**	**3,899,902**
Advance against issue of shares	**-**	**114,213**	**-**	**-**	**114,213**
Issue of share capital	**3,571,429**	**(5,000,000)**	**1,428,571**	**-**	**-**
Transaction costs	**-**	**-**	**(24,192)**	**-**	**(24,192)**
Balance as at June 30, 2021	**12,912,529**	**-**	**1,632,729**	**3,404,070**	**17,949,328**

The annexed notes, from 1 to 23, 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 HALF YEAR ENDED JUNE 30, 2021

	Note	Half year ended June 30, 2021	Half year ended June 30, 2020
		(Rupees '000)	(Rupees '000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operating activities	20	**(1,755,670)**	9,563,616
Income tax paid		**(1,333,124)**	(318,347)
Finance costs paid		**(1,394,269)**	(2,975,500)
Payment to gratuity fund		**-**	(57,805)
Compensated absences paid		**(102,134)**	(23,713)
Payment to Workers' (Profit) Participation Fund		**(261,665)**	-
Net cash (used in) / generated from operating activities		**(4,846,862)**	6,188,251
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures and advances		**(250,780)**	(499,294)
Sale proceeds from disposal of property, plant and equipment		**21,316**	5,096
Dividend received		**2,826,248**	407,826
Short-term investments		**-**	9,212
Long-term loans disbursed		**(2,315,198)**	(964,000)
Profit received on bank balances and sub-ordinated loans		**484,677**	281,550
Net cash generated from / (used in) investing activities		**766,263**	(759,610)
CASH FLOWS FROM FINANCING ACTIVITIES			
Advance against issue of shares - net of transaction costs		**90,021**	-
Long-term financing receipt		**2,000,000**	2,450,000
Long-term financing payment		**(3,429,164)**	(1,916,667)
Short-term borrowings - net		**(2,360,516)**	(6,250,000)
Dividend returned / paid		**153**	(1,357)
Net cash used in financing activities		**(3,699,506)**	(5,718,024)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(7,780,105)**	(289,383)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**13,676,354**	(8,982,750)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**5,896,249**	(9,272,133)
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:			
- Cash and bank balances		**18,701,959**	5,012,354
- Short-term running finance		**(12,805,710)**	(14,284,487)
		5,896,249	(9,272,133)

The annexed notes, from 1 to 23, form an integral part of these condensed interim financial statements.

CHAIRMAN

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

1 THE COMPANY AND ITS OPERATIONS

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

1.1 The Company's Gas Supply Agreement (GSA) with Sui Southern Gas Company Limited (SSGCL) expired on December 31, 2020. The Economic Coordination Committee (ECC) in its meeting dated February 03, 2021, as ratified by Federal Cabinet on February 09, 2021, approved renewal of GSA between FFBL and SSGCL for next five years on "as and when available basis". The Company's gas supply was resumed effective February 10, 2021 and a side letter was signed between FFBL and SSGCL to formalize arrangement till the signing of renewal of GSA. The total quantity / volume of gas and the related indigenous natural gas rates are currently on terms and conditions agreed under the expired GSA.

Under the ECC's decision, the Company's gas supply, at existing gas prices, is assured on "as and when available basis" till December 31, 2021. Management is working in close coordination with Ministry of Energy, Government of Pakistan, and SSGCL to minimize chances of disruption of gas supply beyond this date. Management of the Company remains confident that the formal addendum to GSA will be signed within due course.

Management is confident that the renewal will also be on existing terms and conditions, including supply of gas at indigenous natural gas rates.

1.2 One of the Company's subsidiary, namely FFBL Foods Limited has not commenced its business and is dormant since its incorporation. Accordingly, the Board of Directors, in their meeting held on April 26, 2021, has decided to amalgamate FFBL Foods Limited with the Company; subject to preparation and approval of scheme of amalgamation by the Board of Directors of both companies and such other approvals as may be required.

2 BASIS OF PREPARATION

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

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

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

The disclosures in these condensed interim financial statements do not include the information reported for complete annual financial statements and should therefore be read in conjunction with the financial statements for the year ended December 31, 2020. The comparative Statement of Financial Position is extracted from the annual financial statements, as of December 31, 2020, whereas the Statement of Profit or Loss, the Statement of Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity are extracted from the un-audited condensed interim financial statements, for the half year ended June 30, 2020.

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

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

3 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are similar to those applied in the preparation of the financial statements for the preceding year, ended December 31, 2020.

4 IMPACT OF COVID-19

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

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

5 SHARE CAPITAL

5.1 Pursuant to the decision of the Board of Directors in their meeting held on October 06, 2020, the Company commenced the process for a right issue of shares in the aggregate amount of Rs. 4,999,999,998 divided into 357,142,857 ordinary shares (i.e. 38.3325% of existing ordinary shares of Rs. 10 per share) at Rs. 14 per share. As at December 31, 2020, the Company had received an amount of Rs. 4,885,787,494, whilst the balance amount of Rs. 114,212,504 remained unsubscribed (i.e. amounting to 8,158,036 shares), which have been allotted to the underwriters in respective proportion, pursuant to the Board of Directors decision in their meeting held on January 04, 2021. During the period, the Company has issued the respective shares upon fulfilling all regulatory requirements.

5.2 The status of significant shareholdings, as at June 30, 2021, are given below:

	No. of Shares	Percentage (%)
Fauji Fertilizer Company Limited	**644,018,629**	**49.88**
Fauji Foundation	**236,161,393**	**18.29**

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
6 LONG-TERM LOANS			
Loans from banking companies-secured		**20,812,504**	22,241,668
Less: Current portion shown under current liabilities		**5,566,661**	6,816,662
		15,245,843	15,425,006
7 DEFERRED LIABILITIES			
Compensated leave absences		**402,088**	477,186
Deferred taxation	7.1	**1,565,588**	1,904,820
Payable against Gas Infrastructure Development Cess (GIDC)	7.2	**10,025,402**	12,148,374
		11,993,078	14,530,380
7.1 The balance of deferred tax is in respect of the following taxable / (deductible) temporary differences:			
Accelerated tax depreciation		**1,519,529**	1,500,102
Unwinding / remeasurement gain on GIDC		**600,909**	794,848
Provision for inventory obsolescence		**(69,245)**	(58,805)
Allowance of expected credit loss against other receivables		**(162,676)**	(124,396)
Provision against allowance		**(322,929)**	(206,929)
		1,565,588	1,904,820

		Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
			(Rupees '000)	
7.2	**Payable against GIDC**			
	Opening balance		**19,592,989**	-
	Gas Infrastructure Development Cess (transfer from Trade and other payables)		**-**	22,333,844
	Remeasurement gain on GIDC		**-**	(3,300,548)
	Unwinding of GIDC		**668,758**	559,693
			20,261,747	19,592,989
	Current portion of GIDC	8	**(10,236,345)**	(7,444,615)
	Closing balance		**10,025,402**	12,148,374

On September 22, 2020, the Company obtained stay from the Honorable Sindh High Court (SHC) against payment of GIDC.

		Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
			(Rupees '000)	
8	**TRADE AND OTHER PAYABLES**			
	Creditors	8.1	**16,554,521**	9,425,016
	Payable against GIDC	7.2	**10,236,345**	7,444,615
	Accrued liabilities		**3,179,926**	3,287,426
	Workers' (Profit) Participation Fund		**252,083**	259,631
	Workers' Welfare Fund		**720,967**	601,799
	Payable to Gratuity Fund		**194,405**	188,615
	Payable to Provident Fund		**70**	56
	Security deposits		**7,514**	13,419
	Other payables		**829,042**	417,070
			31,974,873	21,637,647

8.1 Creditors include payables to related parties amounting to Rs. 15,569,895 thousands (December 31, 2020: Rs. 7,076,278 thousands) against purchase of raw material, steam and power.

9 CONTINGENCIES AND COMMITMENTS

Contingencies

i) During the period, Federal Board of Revenue has issued orders for Tax Years 2015 to 2020, creating accumulated demand of Rs. 13.49 billion, by disallowing expenses relating to GIDC, finance cost and offering subsidy income to tax with consequential tax impact. The Company has filed appeals with Commissioner Inland Revenue (Appeals) in respect of Tax Years 2015, 2016 and 2020 and also obtained stay order against recovery proceedings, whereas, the Company is in the process of filing appeals against orders relating to Tax Years 2017, 2018 and 2019. Management of the Company is confident of eventual favorable outcome in these cases as adequate provision for income tax, in accordance with income tax law, has been recognized in the condensed interim financial statements.

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
ii) Guarantees issued by banks on behalf of the Company	9.1	**60,199**	89,706
Commitments			
i) Capital expenditure - contracted		**204,124**	227,111
ii) Letters of credit for purchase of stores, spares and raw materials		**1,339,292**	797,643

For further commitments refer note 21.

9.1 In addition, the Company has provided financial guarantees, obtained from commercial banks, in the name of Excise and Taxation Department, Government of Sindh, amounting to Rs. 2,411 million (December 31, 2020: Rs. 2,275 million), representing unpaid levy due under the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 (Sindh Cess Act); deposited pursuant to instructions of the Honorable Sindh High Court (SHC) under a petition filed by the Company (along with various other importers of goods) challenging the constitutionality of the power exercised by the provincial legislature to levy the Cess. The Company has also deposited the 50% levy, in cash, on monthly basis since June 2011. During the period, on June 04, 2021, SHC has upheld the Sindh Cess Act as valid legislation, retrospectively with effect from July, 01, 1994.

As a matter of prudence, the Company is recognizing the provision at the time of the activity that triggers the payment of the levy in accordance with the Sindh Cess Act; amounting to Rs. 2,411 million as of June 30, 2021 (December 31, 2020: Rs. 2,275 million). During the period, the Company has recognized the levy amounting to Rs. 272 million (June 30, 2020: Rs. 165 million) along with payment of Rs. 136 million (June 30, 2020: Rs. 82 million). On the advice of its legal counsel, the Company intends to file an appeal against the decision, with the Honorable Supreme Court of Pakistan (SCP). SHC had granted a grace period for 90 days from date of its judgment. Management is confident, based on advice of the Company's legal counsel, the Company's appeal will be accepted by SCP for hearing.

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
10 PROPERTY, PLANT AND EQUIPMENT			
Opening written down value		**11,224,900**	11,414,653
Additions during the period / year		**212,932**	756,692
Cost of disposals during the period / year		**(53,984)**	(506,824)
Depreciation charged during the period / year		**(472,718)**	(926,336)
Accumulated depreciation on disposals during the period / year		**35,586**	486,715
		10,946,716	11,224,900

		Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
			(Rupees '000)	
11	**LONG-TERM INVESTMENTS**			
	Joint venture	**11.1**	**1,411,150**	1,411,150
	Associated companies	**11.2**	**5,230,991**	7,691,556
	Subsidiary companies	**11.3**	**15,443,697**	15,443,697
	Other long term investments	**11.4**	**-**	-
			22,085,838	24,546,403
11.1	**Investment in joint venture - at cost**			
	Pakistan Maroc Phosphore S.A, Morocco		**1,411,150**	1,411,150
11.2	**Investments in associates - at cost**			
	Quoted			
	Askari Bank Limited		**5,230,991**	5,230,991
	Un-quoted			
	Foundation Wind Energy - I Limited	**15**	**-**	1,225,873
	Foundation Wind Energy - II Limited	**15**	**-**	1,234,692
			-	2,460,565
			5,230,991	7,691,556
11.3	**Investments in subsidiaries - at cost**			
	Quoted			
	Fauji Foods Limited			
	Gross value		**7,421,766**	7,421,766
	Impairment in value of investment		**(820,000)**	(820,000)
			6,601,766	6,601,766
	Un-quoted			
	Fauji Meat Limited			
	Gross value		**6,885,000**	6,885,000
	Impairment in value of investment		**(4,782,212)**	(4,782,212)
			2,102,788	2,102,788
	FFBL Foods Limited	**1.2**	**298,518**	298,518
	FFBL Power Company Limited		**6,440,625**	6,440,625
			15,443,697	15,443,697
11.4	**Investment - available for sale - unquoted**			
	Arabian Sea Country Club Limited (ASCCL)			
	300,000 ordinary shares of Rs.10 each		**3,000**	3,000
	Less: Impairment in value of investment		**3,000**	3,000
			-	-

		Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
			(Rupees '000)	
12	**LONG-TERM LOANS**			
	Related parties - unsecured			
	Fauji Meat Limited (FML)	**12.1**	**3,380,516**	1,065,318
	Fauji Foods Limited (FFL)	**12.2**	**5,925,000**	5,925,000
			9,305,516	6,990,318

12.1 The outstanding amount of Subordinated loan consists of:

- Rs. 2,000 million, out of which Rs. 1,435 million (December 31, 2020: Rs. 565 million), were disbursed during the period, is payable within 1 year from date of disbursement of each respective tranche, commencing from March 29, 2022. The total limit of loan to FML, approved in the Company's Annual General Meeting, on March 30, 2020, is Rs. 3,000 million (unless otherwise utilized). The tenure of the loan has been extended for a further period of 1 year in the Company's Annual General Meeting held on March 29, 2021. The loan carries mark-up at the rate which is higher of the Company's borrowing cost or KIBOR for the relevant period plus 1.5%, per annum, on the terms set out in the agreement and in compliance with the requirements of section 199 of Companies Act, 2017;
- Rs. 881 million disbursed during the period, is payable within 1 year from date of disbursement of each respective tranche, commencing from May 27, 2022. The total limit of loan to FML, approved in the Company's Annual General Meeting, on March 29, 2021, is Rs. 3,500 million (unless otherwise utilized). The loan carries mark-up at the rate which is higher of the Company's borrowing cost or KIBOR for the relevant period plus 1.5%, per annum, on the terms set out in the agreement and in compliance with the requirements of section 199 of Companies Act, 2017; and
- Rs. 500 million, payable within 5 years from date of disbursement of each respective tranche, commencing from March 20, 2024. The loan carries mark-up at the rate which is higher of the Company's borrowing cost or KIBOR for the relevant period plus 0.5%, per annum, on the terms set out in the agreement and in compliance with the requirements of section 199 of Companies Act, 2017.

The Company has the right, as and when desired by the Board of Directors, to convert all or part of these outstanding loans (including markup accrued thereon) into the ordinary shares of FML by written notice to FML, subject to approval of Securities and Exchange Commission of Pakistan and fulfillment of other regulatory requirements. The Company expects to either renew the sub-ordinated loans or convert them into equity. Accordingly, all loans due within 12 months have been classified as non-current.

12.2 The outstanding amount of Subordinated loan consists of:

- Rs. 2,500 million, payable within 1 year from date of disbursement of each respective tranche, commencing from March 29, 2022. The total limit of cash loan to FFL, approved in the Company's Annual General Meeting, on March 30, 2020, is Rs. 2,500 million. The tenure of the loan has been extended for a further period of 1 year in the Company's Annual General Meeting held on March 29, 2021. The loan carries mark-up at the rate which is higher of the Company's borrowing cost or KIBOR for the relevant period plus 1.5%, per annum, on the terms set out in the agreement and in compliance with the requirements of section 199 of Companies Act, 2017; and
- Rs. 3,425 million, payable within 1 year from date of disbursement of each respective tranche, commencing from November 25, 2021. The total limit of cash loan to FFL, approved in the Company's Extra Ordinary General Meeting, on November 25, 2020, is Rs. 3,500 million. The loan carries mark-up at the rate which is higher of the Company's borrowing cost or KIBOR for the relevant period plus 1.5%, on the terms set out in the agreement and in compliance with the requirements of section 199 of Companies Act, 2017.

The Company has the right, as and when desired by the Board of Directors, to convert all or part of the outstanding loan (including markup accrued thereon) into the ordinary shares of FFL by written notice to FFL, subject to approval of Securities and Exchange Commission of Pakistan and fulfillment of other regulatory requirements. The Company expects to either renew the sub-ordinated loans or convert them into equity. Accordingly, all loans due within 12 months have been classified as non-current.

13 STOCK-IN-TRADE

This includes finished goods stock amounting to Rs. 9,275,737 thousands (December 31, 2020: Rs. 221,132) and raw material in transit amounting to Rs. 4,001,574 thousands (December 31, 2020: Rs. 1,348,173 thousands).

14 OTHER RECEIVABLES

This includes an amount of Rs. 1,008,601 thousands (December 31, 2020: Rs. 1,827,496 thousands) receivable from Fauji Fertilizer Company Limited (FFCL), a related party, on account of amounts received from customers against sales of the Company's products by FFCL under an inter-company services agreement.

15 NON-CURRENT ASSETS HELD FOR SALE

On June 29, 2021, the Board of Directors announced its decision to dispose-off all of its shareholding in associated companies - Foundation Wind Energy - I Limited (FWEL - I) and Foundation Wind Energy - II Limited (FWEL - II) (representing 35% each of their share capital) to one of the Company's shareholder, FFCL, a related party, subject to approval via special resolution of the shareholders at an Extraordinary General Meeting of the Company, requisite regulatory approvals and agreement.

The offer consist of Rs. 2,728 million (@ Rs. 22.25 / share) and Rs. 2,747 million (@ Rs. 22.25 / share), respectively; subject to adjustments including dividend paid by FWEL - I and FWEL - II after December 31, 2020, and consideration contingent on recovery of Late Payment Surcharge by FWEL - I and FWEL - II, under Letter of Intent, dated April 01, 2020, signed between the Company and FFCL.

Accordingly, the Company has classified these investments as assets held for sale, as of June 29, 2021. The classification did not result in recognition of any loss, as the carrying values, amounting to Rs. 1,225 million and Rs. 1,235 million, respectively, are less than the above-mentioned offer. The sale of the shareholding is expected to be completed within a year from the reporting date. As these investments in associated companies do not qualify as major line of business or geographical area of operations, the related dividend income (refer to note 18) continue to be presented as part of other income under continued operations, in the condensed interim statement of profit or loss.

Subsequent to the reporting date, the shareholders of the Company in their meeting held on July 27, 2021 have approved the disposal of the Company's shareholding in FWEL - I and FWEL - II to FFCL.

		Quarter ended June 30,		Half year ended June 30,	
		2021	2020	2021	2020
	Note	(Rupees '000)		(Rupees '000)	
16 SALES - NET					
Gross sales		**17,260,959**	15,661,251	**30,517,695**	25,421,417
Less:					
Sales tax		**343,591**	316,450	**591,465**	508,807
Trade discount		**-**	114,625	**-**	120,573
Commission	16.1	**5,262**	6,670	**8,992**	10,334
		348,853	437,745	**600,457**	639,714
		16,912,106	15,223,506	**29,917,238**	24,781,703

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

	Quarter ended June 30,		Half year ended June 30,	
	2021	2020	2021	2020
	(Rupees '000)		(Rupees '000)	
17 COST OF SALES				
Raw materials consumed	**16,512,781**	10,485,305	**24,301,642**	16,266,625
Packing materials consumed	**320,734**	216,719	**454,347**	339,638
Fuel and power	**3,189,669**	2,921,915	**5,313,601**	5,566,929
Chemicals and supplies consumed	**49,055**	56,810	**88,810**	109,703
Salaries, wages and benefits	**803,067**	428,845	**1,110,891**	842,635
Rent, rates and taxes	**75,907**	14,568	**90,806**	79,459
Insurance	**29,829**	54,338	**66,661**	107,083
Travel and conveyance	**29,427**	16,859	**56,998**	51,176
Repairs and maintenance	**202,484**	139,174	**539,967**	601,201
Communication, establishment and other expenses	**77,792**	74,550	**121,981**	119,199
Provision for obsolete stores and spares	**18,000**	21,000	**36,000**	35,000
Allowance for input tax	**400,000**	304,684	**400,000**	304,684
Depreciation	**204,271**	194,479	**402,564**	387,466
Opening stock - work in process	**84,552**	86,883	**100,364**	194,733
Closing stock - work in process	**(85,466)**	(61,730)	**(85,466)**	(61,730)
Cost of goods manufactured	**21,912,102**	14,954,399	**32,999,166**	24,943,801
Opening stock - finished goods	**780,360**	11,585,332	**221,132**	11,712,363
Closing stock - finished goods	**(9,275,737)**	(13,246,355)	**(9,275,737)**	(13,246,355)
	13,416,725	13,293,376	**23,944,561**	23,409,809

		Quarter ended June 30,		Half year ended June 30,	
		2021	2020	2021	2020
		(Rupees '000)		(Rupees '000)	
18	**OTHER INCOME**				
	Dividend from FPCL	**1,350,000**	-	**1,350,000**	-
	Dividend from AKBL	**-**	407,826	**815,652**	407,826
	Dividend from PMP	**547,511**	649,796	**547,511**	649,796
	Dividend from FWEL - I and FWEL - II	**-**	-	**218,750**	-
	Profit on bank balances and term deposits	**204,873**	116,053	**484,679**	263,392
	Mark-up on sub-ordinated loans - FFL	**133,582**	84,056	**262,384**	183,003
	Mark-up on sub-ordinated loans - FML	**47,429**	14,516	**71,425**	34,289
	Income from subsidiaries	**138,977**	20,821	**199,486**	41,473
	Guarantee Fee - FML	**3,739**	3,822	**7,438**	3,822
	Guarantee Fee - FFL	**3,739**	9,452	**7,438**	9,452
	Scrap sale and other receipts	**51,040**	65,248	**70,482**	94,871
	Gain on disposal of property, plant and equipment	**2,272**	-	**2,918**	-
		2,483,162	1,371,590	**4,038,163**	1,687,924
19	**TAXATION - NET**				
	Current tax	**629,400**	387,023	**1,133,843**	530,396
	Deferred tax	**(274,518)**	(72,786)	**(339,233)**	(122,496)
		354,882	314,237	**794,610**	407,900

		Half year ended June 30,	
		2021	2020
	Note	(Rupees '000)	
20 CASH (USED IN) / GENERATED FROM OPERATIONS			
Profit / (loss) before taxation		**4,670,408**	(3,799,988)
Adjustment for non-cash charges and other items:			
Provision for gratuity		**29,894**	33,810
Exchange losses		**45,609**	360,570
Provision for compensated absences		**27,037**	36,877
Allowance for input tax		**400,000**	304,684
Provision for subsidy		**132,000**	-
Provision for obsolete stores and spares		**36,000**	35,000
Impairment charge on investment		**-**	1,222,257
Provision for Workers' (Profit) Participation Fund		**252,083**	-
Provision for Workers Welfare Fund		**119,168**	-
Unwinding of GIDC	7.2	**668,758**	-
Depreciation		**472,718**	464,369
Finance costs		**1,260,052**	2,726,312
Dividend from joint venture		**(547,511)**	(649,796)
Dividend from associates		**(1,034,402)**	(407,826)
Dividend from subsidiary		**(1,350,000)**	-
Profit on bank balances and term deposits		**(484,679)**	(263,772)
(Gain) / loss on disposal of property, plant and equipment		**(2,918)**	1,948
Mark-up on sub-ordinated loans		**(333,809)**	(217,292)
Guarantee fee		**(14,876)**	(13,274)
Operating profit / (loss) before working capital changes		**4,345,532**	(166,121)
Changes in working capital			
Stores and spares		**161,474**	223,244
Stock-in-trade		**(12,025,446)**	(3,179,976)
Trade debts		**160,857**	5,591,144
Advances		**131,742**	(15,016)
Trade deposits and short-term prepayments		**76,292**	112,917
Other receivables		**779,119**	(1,595,570)
Sales tax refundable		**(2,000,021)**	1,012,576
Trade and other payables		**7,382,478**	6,860,643
Advances from customers		**(767,697)**	719,775
		(6,101,202)	9,729,737
Cash (used in) / generated from operations		**(1,755,670)**	9,563,616

21 RELATED PARTY TRANSACTIONS

The Company has related parties which comprise of subsidiaries, a joint venture, entities under common directorship, directors, key management personnel, share holders and employees funds. Fauji Fertilizer Company Limited (FFCL) has a 49.88% share holding in the Company (2020: 49.88%), while Fauji Foundation (FF) holds 18.29% shares (2020: 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, subordinated loans and balance receivable from related parties are disclosed in note 11, 12, 14 and 15 to these condensed interim financial statements.

	Half year ended June 30, 2021	2020	
	(Rupees '000)		
Transactions with Fauji Foundation:			
Services received	**60,140**	-	
Services provided	**-**	119	
Payments against services	**20,240**	-	
Donation	**12,400**	-	
Balance payable	**61,132**	33,632	*
Transactions with subsidiary companies:			
Fauji Meat Limited			
Balance receivable	**51,830**	33,682	*
Expenses incurred	**14,548**	10,168	
Material / services provided	**3,600**	3,600	
Receipts against material / services	**-**	911	
Guarantee fee	**7,438**	3,822	
Mark-up on sub-ordinated loan	**71,425**	34,289	
Guarantee fee and mark-up receivables on sub-ordinated loan	**259,280**	180,417	*
FFBL Power Company Limited			
Expenses incurred	**147,048**	315,808	
Material / services provided	**192,886**	34,873	
Material / services received	**4,916,362**	5,232,876	
Balance payable	**1,659,517**	1,185,407	*
Balance receivable	**135,655**	102,722	*
Receipts against material / services	**307,001**	334,657	
Payments against material / services	**5,449,125**	4,195,218	
Dividend received	**1,350,000**	-	
Fauji Foods Limited			
Expenses incurred	**3,655**	353	
Material / services provided	**3,000**	3,000	
Material / services received	**98**	-	
Receipts against material / services	**7,579**	1,791	
Receivable against material / services	**505**	1,527	*
Guarantee fee	**7,438**	9,452	
Mark-up on sub-ordinated loan	**262,384**	183,003	
Guarantee fee and mark-up receivables on sub-ordinated loan	**562,895**	293,073	*
FFBL Foods Limited			
Expenses incurred	**3,306**	499	
Receipts during period	**5,157**	499	
Receivables against material / services	**40**	1,891	*

	Half year ended June 30,		
	2021	**2020**	
	(Rupees '000)		
Transactions with associates:			
Fauji Fertilizer Company Limited			
Material / services received	**527,722**	550,652	
Material / services provided	**1,017**	1,022	
Receipts under consignment account	**30,107,408**	29,739,412	
Commission charged	**8,992**	10,334	
Balance receivable	**1,008,601**	1,827,495	*
Askari Bank Limited			
Balances at bank	**3,421,440**	1,014,123	*
Profit on bank balances	**206,782**	102,062	
Long-term loans	**333,334**	416,667	*
Mark-up on long-term loan	**14,589**	32,406	
Mark-up payable on long-term loan	**7,270**	8,448	*
Dividend received	**815,652**	407,826	
Foundation Wind Energy - I Limited & Foundation Wind Energy - II Limited			
Dividend received	**218,750**	-	
Transactions with joint venture:			
Pakistan Maroc Phosphore S.A, Morocco			
Purchase of raw materials	**21,970,342**	12,832,964	
Expenses incurred on behalf of joint venture	**485**	3,644	
Balance payable at the period end - secured	**13,910,378**	5,890,871	*
Balance receivable at the period end - unsecured	**4,122**	5,622	*
Dividend received	**441,847**	649,796	
Dividend receivable at the period end	**553,095**	447,430	*
Other related parties:			
Contribution to Provident Fund	**33,408**	36,754	
Payment to Gratuity Fund	**-**	57,805	
Payment to Workers' (Profit) Participation Fund	**261,665**	-	
Meeting fee to directors	**15,850**	3,825	
Balance payable at the period end - unsecured (WPPF & WWF)	**973,050**	861,430	*
Payable to Gratuity Fund	**194,405**	188,615	*
Remuneration of key management personnel			
Short-term benefits	**85,615**	66,737	
Post employment benefits	**16,279**	19,729	

* These balance of accounts, appearing as comparatives, are as at December 31, 2020 (audited).

In addition to the above:

- a security charge amounting to US$ 91,456,667 and Rs. 4,000 million (2020: US$ 91,456,667 and Rs. 4,000 million) has been registered on the assets of the Company, in respect of project financing arranged by Foundation Wind Energy-I Limited.
- a security charge amounting to US$ 89,146,667 and Rs. 4,000 million (2020: US$ 89,146,667 and Rs. 4,000 million) has been registered on the assets of the Company, in respect of project financing arranged by Foundation Wind Energy-II Limited.
- the Company has 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 (2020: Rs. 29,150 million) and all cost over runs, till technical completion date; and
  (ii) up to Rs. 8,000 million after project completion date.
- the Company has issued standby letter of credit amounting to Rs. 934 million in favor of the FML under the Diminishing Musharaka Agreement.
- the Company has committed to provide collateral or other sponsor support to FML, the total limit of such facility approved in the Company's Annual General Meeting, on March 29, 2021, is disclosed in note 12.1. The Company provided sponsor support in the form of corporate guarantee amounting to Rs. 1,000 million.
- the Company has issued standby letter of credit amounting to Rs. 1,000 million in favor of the FFL under the Master Facility Agreement.
- the Company has also provided a revolving guarantee amounting to Rs. 6,067 million in favor of the FFL under the Master Facility Agreement.

22 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

22.1 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 GENERAL

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

23.2 Corresponding figures have been re-arranged / reclassified, wherever necessary, for the purpose of comparison. Significant reclassification consists of following:

From	To	(Rupees '000)
Stores and spares	Property, plant and equipment	**1,032,119**

The impact of above reclassification on the comparative amounts in the condensed interim statement of profit or loss is not significant; accordingly, the related amounts have not been restated.

23.3 These condensed interim financial statements were authorized for issue on July 29, 2021 by the Board of Directors of the Company.

CHAIRMAN | CHIEF EXECUTIVE | DIRECTOR | CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	5	**12,912,529**	9,341,100
Advance against issue of shares		**-**	4,885,787
Capital reserve			
Share premium		**1,632,729**	228,350
Statutory reserve		**2,104,888**	1,880,710
Revenue reserves			
Translation reserve		**3,213,849**	3,575,458
Revaluation reserve on available for sale investments, net of tax		**(507,635)**	(32,845)
Accumulated profit		**1,664,535**	208,226
		21,020,895	20,086,786
Non-Controlling Interest		**2,133,729**	2,361,285
		23,154,624	22,448,071
NON-CURRENT LIABILITIES			
Long-term loans	6	**33,741,172**	35,085,279
Lease liabilities		**352,184**	379,289
Deferred liabilities	7	**14,912,689**	17,395,369
		49,006,045	52,859,937
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables	8	**33,154,292**	23,797,774
Advances from customers		**1,544,852**	2,419,855
Unpaid dividend		**10,954**	10,954
Unclaimed dividend		**118,126**	117,973
Accrued interest		**875,825**	759,305
Short-term borrowings		**21,353,792**	22,682,389
Current portion of long-term loans	6	**7,985,697**	9,949,340
Current portion of lease liabilities		**71,869**	76,490
		65,115,407	59,814,080
		137,276,076	135,122,088
CONTINGENCIES AND COMMITMENTS	9		

The annexed notes, from 1 to 24, form an integral part of these condensed interim consolidated financial statements.

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	**49,440,021**	50,259,772
Intangible assets		**427,581**	443,202
Long-term investments	11	**16,753,456**	24,287,166
Long-term advances		**41,058**	3,210
Long-term deposits		**85,249**	85,249
		66,747,365	75,078,599
CURRENT ASSETS			
Stores and spares		**2,445,750**	2,651,954
Stock-in-trade	12	**17,384,607**	4,334,005
Trade debts		**4,458,217**	3,161,372
Advances		**926,010**	1,265,010
Trade deposits and short-term prepayments		**114,174**	273,873
Interest accrued		**319**	851
Other receivables	13	**4,221,430**	5,069,025
Income tax refundable - net		**3,792,389**	3,548,830
Sales tax refundable - net		**11,251,489**	9,561,645
Short-term investments	14	**21,487**	1,560,936
Cash and bank balances		**20,656,831**	28,345,266
		65,272,703	59,772,767
Non-current assets held for sale	15	**5,256,008**	270,722
		137,276,076	135,122,088

CHAIRMAN　　CHIEF EXECUTIVE　　DIRECTOR　　CHIEF FINANCIAL OFFICER

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

FOR THE HALF YEAR ENDED JUNE 30, 2021

	Note	Quarter ended June 30,		Half year ended June 30,	
		2021	2020	2021	2020
		(Rupees '000)		(Rupees '000)	
Sales - net	16	**21,151,387**	18,603,509	**38,607,295**	31,483,496
Cost of sales	17	**(15,682,548)**	(14,819,382)	**(28,983,443)**	(26,641,132)
Gross profit		**5,468,839**	3,784,127	**9,623,852**	4,842,364
Selling and distribution expenses		**(1,776,168)**	(1,510,581)	**(2,967,434)**	(2,499,488)
Administrative expenses		**(531,200)**	(459,245)	**(980,771)**	(918,424)
		3,161,471	1,814,301	**5,675,647**	1,424,452
Finance costs		**(1,238,450)**	(2,319,597)	**(2,535,496)**	(5,144,155)
Unwinding of GIDC payable	7	**(322,872)**	-	**(668,758)**	-
Other operating expenses		**(2,046,661)**	(179,737)	**(2,214,533)**	(452,374)
		(446,512)	(685,033)	**256,860**	(4,172,077)
Other income	18				
Share of profit of associates and joint venture - net		**1,134,563**	241,732	**1,889,885**	1,049,284
Others		**361,505**	247,181	**786,398**	482,595
		1,496,068	488,913	**2,676,283**	1,531,879
Profit / (loss) before taxation		**1,049,556**	(196,120)	**2,933,143**	(2,640,198)
Taxation - net	19	**(393,028)**	(125,703)	**(1,054,316)**	(581,974)
Profit / (loss) after taxation		**656,528**	(321,823)	**1,878,827**	(3,222,172)
Attributable to:					
- Owners of the Holding Company		**534,395**	(257,407)	**1,656,383**	(2,879,249)
- Non-controlling interest		**122,133**	(64,416)	**222,444**	(342,923)
		656,528	(321,823)	**1,878,827**	(3,222,172)
			Restated		*Restated*
Earnings / (loss) per share - basic and diluted (Rupees)		**0.41**	(0.25)	**1.29**	(2.78)

The annexed notes, from 1 to 24, 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 HALF YEAR ENDED JUNE 30, 2021

	Quarter ended June 30,		Half year ended June 30,	
	2021	2020	2021	2020
	(Rupees '000)		(Rupees '000)	
Profit / (loss) after taxation	**656,528**	(321,823)	**1,878,827**	(3,222,172)
Other comprehensive income / (loss)				
Exchange difference on translating a joint venture	**(351,569)**	130,496	**(320,076)**	156,460
Effect of translation - share of associate	**(20,709)**	24,423	**(41,533)**	21,468
Revaluation reserve on available for sale investments	**(401,119)**	464,079	**(558,576)**	794,616
Related deferred tax	**60,167**	(69,611)	**83,786**	(119,192)
	(340,952)	394,468	**(474,790)**	675,424
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligation	**24,104**	-	**24,104**	-
Total comprehensive income / (loss)	**(32,598)**	227,564	**1,066,532**	(2,368,820)
Attributable to:				
- Owners of the Holding Company	**(154,731)**	291,980	**844,088**	(2,025,897)
- Non-controlling interest	**122,133**	(64,416)	**222,444**	(342,923)
	(32,598)	227,564	**1,066,532**	(2,368,820)

The annexed notes, from 1 to 24, 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 HALF YEAR ENDED JUNE 30, 2021

	Share capital	Advance against issue of shares	Reserves: Share Premium	Reserves: Revaluation reserve on available for sale investments	Reserves: Statutory reserve	Reserves: Translation reserve	Reserves: Accumulated (loss) / Profit	Non-controlling interest	Total
					(Rupees '000)				
Balance as at January 01, 2020 - audited	9,341,100	-	228,350	(744,310)	1,329,299	2,866,785	(3,875,066)	1,582,983	10,729,141
Total comprehensive income									
Loss for the period after taxation	-	-	-	-	-	-	(2,879,249)	(342,923)	(3,222,172)
Other comprehensive income for the period	-	-	-	675,424	-	177,928	-	-	853,352
Total comprehensive loss for the period	-	-	-	675,424	-	177,928	(2,879,249)	(342,923)	(2,368,820)
Transfer to statutory reserve	-	-	-	-	197,125	-	(197,125)	-	-
Balance as at June 30, 2020	9,341,100	-	228,350	(68,886)	1,526,424	3,044,713	(6,951,440)	1,240,060	8,360,321
Balance as at January 01, 2021 - audited	**9,341,100**	**4,885,787**	**228,350**	**(32,845)**	**1,880,710**	**3,575,458**	**208,226**	**2,361,285**	**22,448,071**
Total comprehensive income									
Profit for the period after taxation	**-**	**-**	**-**	**-**	**-**	**-**	**1,656,383**	**222,444**	**1,878,827**
Other comprehensive loss for the period	**-**	**-**	**-**	**(474,790)**	**-**	**(361,609)**	**24,104**	**-**	**(812,295)**
Total comprehensive income for the period	**-**	**-**	**-**	**(474,790)**	**-**	**(361,609)**	**1,680,487**	**222,444**	**1,066,532**
Transfer to statutory reserve	**-**	**-**	**-**	**-**	**224,178**	**-**	**(224,178)**	**-**	**-**
Advance against issue of shares	**-**	**114,213**	**-**	**-**	**-**	**-**	**-**	**-**	**114,213**
Issue of share capital	**3,571,429**	**(5,000,000)**	**1,428,571**	**-**	**-**	**-**	**-**	**-**	**-**
Transaction costs	**-**	**-**	**(24,192)**	**-**	**-**	**-**	**-**	**-**	**(24,192)**
Transactions with owners recorded directly in equity									
FPCL - Interim dividend for half year ended June 30, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(450,000)**	**(450,000)**
Balance as at June 30, 2021	**12,912,529**	**-**	**1,632,729**	**(507,635)**	**2,104,888**	**3,213,849**	**1,664,535**	**2,133,729**	**23,154,624**

The annexed notes, from 1 to 24, 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 HALF YEAR ENDED JUNE 30, 2021

	Note	Half year ended June 30, 2021	2020
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operating activities	20	(1,587,584)	11,154,604
Income tax paid		(1,511,297)	(426,075)
Payment to Gratuity Fund		(24,688)	(59,382)
Finance cost paid		(2,383,188)	(5,386,700)
Compensated absences paid		(113,079)	(24,925)
Payment to Workers Welfare Fund		(5,876)	(5,626)
Payment to Workers' (Profit) Participation Fund		(280,400)	(19,421)
Net cash (used in) / generated from operating activities		(5,906,112)	5,232,475
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditures and advances		(416,999)	(1,179,776)
Intangibles		(1,133)	(2,043)
Dividend received		1,476,248	407,826
Sale proceeds of property, plant and equipment		136,541	17,000
Investment at fair value through profit or loss - net		-	9,212
Profit received on bank balances and term deposits		547,257	354,505
Net cash generated from / (used in) investing activities		1,741,914	(393,276)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short-term borrowings - net		(2,137,861)	(7,799,998)
Long-term loans		(3,327,183)	(284,341)
Receipt against issue of share capital - net		90,021	-
Finance lease liability		(48,080)	(64,721)
Dividend paid		(449,847)	(1,357)
Net cash used in financing activities		(5,872,950)	(8,150,417)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(10,037,148)	(3,311,218)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		11,673,800	(15,903,799)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		1,636,652	(19,215,017)
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		20,656,831	5,816,998
- Short-term highly liquid investments	14	21,487	20,260
- Short-term running finance		(19,041,666)	(25,052,275)
		1,636,652	(19,215,017)

The annexed notes, from 1 to 24, form an integral part of these condensed interim consolidated financial statements.

CHAIRMAN	CHIEF EXECUTIVE	DIRECTOR	CHIEF FINANCIAL OFFICER

1 THE GROUP AND ITS OPERATIONS

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

1.1 The Holding Company's Gas Supply Agreement (GSA) with Sui Southern Gas Company Limited (SSGCL) expired on December 31, 2020. The Economic Coordination Committee (ECC) in its meeting dated February 03, 2021, as ratified by Federal Cabinet on February 09, 2021, approved renewal of GSA between FFBL and SSGCL for next five years on "as and when available basis". The Holding Company's gas supply was resumed effective February 10, 2021 and a side letter was signed between FFBL and SSGCL to formalize arrangement till the signing of renewal of GSA. The total quantity / volume of gas and the related indigenous natural gas rates are currently on terms and conditions agreed under the expired GSA.

Under the ECC's decision, the Holding Company's gas supply, at existing gas prices, is assured on "as and when available basis" till December 31, 2021. Management is working in close coordination with Ministry of Energy, Government of Pakistan, and SSGCL to minimize chances of disruption of gas supply beyond this date. Management of the Holding Company remains confident that the formal addendum to GSA will be signed within due course.

Management is confident that the renewal will also be on existing terms and conditions, including supply of gas at indigenous natural gas rates.

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

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

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

FFBL Foods Limited has not commenced its business and is dormant since its incorporation. Accordingly, the Board of Directors, in their meeting held on April 26, 2021, has decided to amalgamate FFBL Foods Limited with the Holding Company; subject to preparation and approval of scheme of amalgamation by the Board of Directors of both companies and such other approvals as may be required.

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

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

2 BASIS OF PREPARATION

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

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

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

The disclosures in these condensed interim consolidated financial statements do not include the information reported for full annual consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the year ended December 31, 2020. The comparative Consolidated Statement of Financial Position is extracted from the annual consolidated financial statements, as of December 31, 2020, whereas the Consolidated Statement of Profit or Loss and the Consolidated Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity are extracted from the unaudited condensed interim consolidated financial statements, for the period ended June 30, 2020.

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, 2020.

4 IMPACT OF COVID-19

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

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

5 SHARE CAPITAL

5.1 Pursuant to the decision of the Board of Directors in their meeting held on October 06, 2020, FFBL commenced the process for a right issue of shares in the aggregate amount of Rs. 4,999,999,998 divided into 357,142,857 ordinary shares (i.e. 38.3325% of existing ordinary shares of Rs. 10 per share) at Rs. 14 per share. As at December 31, 2020, the Holding Company had received an amount of Rs. 4,885,787,494, whilst the balance amount of Rs. 114,212,504 remained unsubscribed (i.e. amounting to 8,158,036 shares), which have been allotted to the underwriters in respective proportion, pursuant to the Board of Directors decision in their meeting held on January 04, 2021. During the period, FFBL has issued the respective shares upon fulfilling all regulatory requirements.

5.2 Group consists of following subsidiary companies:

	Ownership in 2021	Ownership in 2020
Fauji Meat Limited (FML)	**90.18%**	90.18%
FFBL Power Company Limited (FPCL)	**75.00%**	75.00%
FFBL Foods Limited	**100.00%**	100.00%
Fauji Foods Limited (FFL)	**67.50%**	67.50%

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 inter-company balances and transactions have been eliminated.

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
6 LONG-TERM LOANS			
Loans from banking companies-secured		**41,726,869**	45,034,619
Less: Current portion shown under current liabilities		**7,985,697**	9,949,340
		33,741,172	35,085,279
7 DEFERRED LIABILITIES			
Compensated leave absences		**579,875**	642,377
Deferred taxation	7.1	**4,307,412**	4,604,618
Payable against Gas Infrastructure Development Cess (GIDC)	7.2	**10,025,402**	12,148,374
		14,912,689	17,395,369

		Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
			(Rupees '000)	
7.1	**DEFERRED TAXATION - NET**			
	The balance of deferred tax is in respect of the following major taxable / (deductible) temporary differences:			
	Accelerated depreciation		**3,002,370**	2,968,050
	Share of profit of joint venture and associates - net		**1,523,450**	1,468,072
	Share of profit of subsidiary		**946,644**	909,640
	Unwinding / remeasurement gain on GIDC		**600,908**	794,848
	Provision for inventory obsolescence		**(112,303)**	(158,012)
	Provision for doubtful other receivables		**(162,676)**	(124,396)
	Deferred tax on revaluation of available for sale investments		**(100,563)**	(16,777)
	Provision against allowance		**(322,929)**	(206,929)
	Unabsorbed losses, tax credits and others		**(1,067,489)**	(1,029,878)
			4,307,412	4,604,618
7.2	**Payable against GIDC**			
	Opening balance		**19,592,989**	-
	Gas Infrastructure Development Cess (transfer from Trade and other payables)		**-**	22,333,844
	Remeasurement gain on GIDC		**-**	(3,300,548)
	Unwinding of GIDC		**668,758**	559,693
			20,261,747	19,592,989
	Current portion of GIDC	8	**(10,236,345)**	(7,444,615)
	Closing balance		**10,025,402**	12,148,374

On September 22, 2020, the Holding Company obtained stay from the Honorable Sindh High Court (SHC) against payment of GIDC.

		Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
			(Rupees '000)	
8	**TRADE AND OTHER PAYABLES**			
	Creditors	8.1	**16,533,754**	10,278,020
	Payable against GIDC	7.2	**10,236,345**	7,444,615
	Accrued liabilities		**3,922,693**	4,035,824
	Workers' (Profit) Participation Fund		**360,854**	280,830
	Workers' Welfare Fund		**724,718**	607,675
	Payable to Gratuity Fund		**263,607**	263,360
	Payable to Provident Fund		**22,508**	8,446
	Security deposits		**144,674**	55,546
	Withholding tax payable		**85,310**	67,526
	Sales tax payable		**8,156**	240,488
	Other payables		**851,673**	515,444
			33,154,292	23,797,774

8.1 Creditors include payables to a related party amounting to Rs. 13,910,378 thousands (December 31, 2020: Rs. 5,890,871 thousands) against purchase of raw material.

		Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
			(Rupees '000)	
9	**CONTINGENCIES AND COMMITMENTS**			
	Contingencies			
i)	Guarantees issued by banks on behalf of FFBL	**9.1.2**	**60,199**	89,706
ii)	Group's share of contingent liabilities of Foundation Wind Energy - I Limited as at March 31, 2021 (September 30, 2020)		**64,690**	64,690
iii)	Group's share of contingent liabilities of Foundation Wind Energy - II Limited as at March 31, 2021 (September 30, 2020)		**257,950**	257,950
iv)	Group's share of contingent liabilities of Askari Bank Limited as at March 31, 2021 (September 30, 2020)		**47,353,759**	47,084,838
v)	Contingent liabilities of FML		**308,223**	308,223
vi)	Contingent liabilities of FFL		**1,793,203**	1,793,203

9.1 Fauji Fertilizer Bin Qasim Limited - contingencies

9.1.1 During the period, Federal Board of Revenue has issued orders for Tax Years 2015 to 2020, creating accumulated demand of Rs. 13.49 billion, by disallowing expenses relating to GIDC, finance cost and offering subsidy income to tax with consequential tax impact. FFBL has filed appeals with Commissioner Inland Revenue (Appeals) in respect of Tax Years 2015, 2016 and 2020 and also obtained stay order against recovery proceedings, whereas, the Holding Company is in the process of filing appeals against orders relating to Tax Years 2017, 2018 and 2019. Management is confident of eventual favorable outcome in these cases as adequate provision for income tax, in accordance with income tax law, has been recognized in the condensed interim financial statements.

9.1.2 In addition, the Holding Company has provided financial guarantees, obtained from commercial banks, in the name of Excise and Taxation Department, Government of Sindh, amounting to Rs. 2,411 million (December 31, 2020: Rs. 2,275 million), representing unpaid levy due under the Sindh Development and Maintenance of Infrastructure Cess Act, 2017 (Sindh Cess Act); deposited pursuant to instructions of the Honorable Sindh High Court (SHC) under a petition filed by the Holding Company (along with various other importers of goods) challenging the constitutionality of the power exercised by the provincial legislature to levy the Cess. The Holding Company has also deposited the 50% levy, in cash, on monthly basis since June 2011. During the period, on June 04, 2021, SHC has upheld the Sindh Cess Act as valid legislation, retrospectively with effect from July, 01, 1994.

As a matter of prudence, the Holding Company is recognizing the provision at the time of the activity that triggers the payment of the levy in accordance with the Sindh Cess Act; amounting to Rs. 2,411 million as of June 30, 2021 (December 31, 2020: Rs. 2,275 million). During the period, the Holding Company has recognized the levy amounting to Rs. 272 million (June 30, 2020: Rs. 165 million) along with payment of Rs. 136 million (June 30, 2020: Rs. 82 million). On the advice of its legal counsel, the Holding Company intends to file an appeal against the decision, with the Honorable Supreme Court of Pakistan (SCP). SHC had granted a grace period for 90 days from date of its judgment. Management is confident, based on advice of the Holding Company's legal counsel, the Holding Company's appeal will be accepted by SCP for hearing.

		Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
			(Rupees '000)	
	Commitments			
i)	Capital expenditures - FFBL		**204,124**	227,111
ii)	Letters of credit - FFBL		**1,339,292**	797,643
iii)	Group's share of commitments of FWEL- I & FWEL- II as at March 31, 2021 (September 30, 2020)		**1,047,217**	1,112,318
iv)	Group's share of commitments of PMP as at March 31, 2021 (September 30, 2020)		**16,453**	12,463
v)	Commitments of FPCL		**2,210,555**	2,626,630
vi)	Group's share of commitments of Askari Bank Limited as at March 31, 2021 (September 30, 2020)		**90,383,632**	93,056,938
vii)	Commitments of FFL		**21,950**	-

10 PROPERTY, PLANT AND EQUIPMENT

Opening written down value		**50,259,772**	51,946,880
Additions during the period / year		**413,441**	1,538,014
Assets held for sale		**270,752**	(270,752)
Disposals during the period / year		**(220,731)**	(763,249)
Depreciation during the period / year		**(1,377,745)**	(2,719,162)
Depreciation charged on disposals during the period / year		**128,852**	564,350
Adjustments during the period / year		**(34,320)**	(36,309)
Closing written down value		**49,440,021**	50,259,772

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
11 LONG-TERM INVESTMENTS			
Investment in joint venture - equity method			
Pakistan Maroc Phosphore S.A, Morocco			
Opening balance		**6,400,564**	5,991,039
Share of profit		**624,380**	839,491
Translation difference / dividend received		**(547,512)**	(1,118,720)
Effect of translation		**(320,076)**	688,754
Closing balance		**6,157,356**	6,400,564
Investment in associates - equity method			
Fauji Cement Company Limited			
Opening balance		**-**	422,373
Share of profit		**-**	3,357
Disposal of investment		**-**	(425,730)
Closing balance		**-**	-
Foundation Wind Energy - I Limited			
Opening balance		**3,557,413**	2,899,002
Share of profit		**50,872**	658,411
Dividend		**(105,000)**	-
Investment held for sale	**15.2**	**(3,503,285)**	-
Closing balance		**-**	3,557,413
Foundation Wind Energy - II Limited			
Opening balance		**3,486,480**	2,874,539
Share of profit		**45,482**	611,941
Dividend		**(113,750)**	-
Investment held for sale	**15.2**	**(3,418,212)**	-
Closing balance		**-**	3,486,480
Askari Bank Limited			
Opening balance		**10,842,709**	8,051,916
Share of profit		**1,169,151**	2,341,681
Dividend		**(815,652)**	(407,825)
Revaluation reserve of available for sale investments		**(558,575)**	837,018
Effect of translation		**(41,533)**	19,919
Closing balance		**10,596,100**	10,842,709
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
		-	-
		16,753,456	24,287,166

12 STOCK-IN-TRADE

This includes finished goods stock amounting to Rs. 10,046,490 thousands (December 31, 2020: Rs. 369,644) and raw material in transit amounting to Rs. 4,020,009 thousands (December 31, 2020: Rs. 1,348,173 thousands).

13 OTHER RECEIVABLES

This includes an amount of Rs. 1,008,601 thousands (December 31, 2020: Rs. 1,827,496 thousands) 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.

	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
	(Rupees '000)	
14 SHORT-TERM INVESTMENTS		
Amortized cost		
Term deposits with banks and financial institutions	**21,487**	1,560,936

14.1 The balance at the period end includes investment in term deposits receipt, having maturity periods up to 1 month, and carrying mark-up at 6.75% per annum (December 31, 2020: 6.75% to 7.20% per annum).

	Note	June 30, 2021 (Un - audited)	December 31, 2020 (Audited)
		(Rupees '000)	
15 NON-CURRENT ASSETS HELD FOR SALE			
Property, plant and equipment	**15.1**	-	270,722
Investment in associate - FWEL - I and FWEL - II	**15.2**	**5,256,008**	-
		5,256,008	270,722

15.1 In October 2020, the Board of FFBL Foods Limited committed to a plan to sell its land located in Pindi Bhattian along with building and other equipment present on that land. Accordingly, these assets were presented as held for sale, stated at lower of carrying amount and fair value less cost to sell.

The Board of Directors of FFBL Foods Limited, in their meeting held on April 23, 2021, reassessed their earlier decision to sell the land; considering the current economic conditions and market dynamics. Accordingly, the Holding Company has reclassified the land to property, plant and equipment, with effect from the date of this decision.

15.2 On June 29, 2021, the Board of Directors announced its decision to dispose-off all of its shareholding in associated companies - Foundation Wind Energy - I Limited (FWEL - I) and Foundation Wind Energy - II Limited (FWEL - II) (representing 35% each of their share capital) to one of the Holding Company's shareholder, FFCL, a related party, subject to approval via special resolution of the shareholders at an Extraordinary General Meeting of the Holding Company, requisite regulatory approvals and agreement.

The offer consist of Rs. 2,728 million (@ Rs. 22.25 / share) and Rs. 2,747 million (@ Rs. 22.25 / share), respectively; subject to adjustments including dividend paid by FWEL - I and FWEL - II after December 31, 2020, and consideration contingent on recovery of Late Payment Surcharge by FWEL - I and FWEL - II, under Letter of Intent, dated April 01, 2020, signed between the Holding Company and FFCL.

Accordingly, the Holding Company has classified these investments as assets held for sale, as of June 29, 2021, resulting in loss on shareholding in FWEL - I and FWEL - II; being the difference between the carrying amount of investment and fair value less cost to sell, amounting to Rs. 880 million and Rs. 785 million, respectively. The sale of the shareholding is expected to be completed within a year from the reporting date. As these investments in associated companies do not qualify as major line of business or geographical area of operations, the related share of profit (refer to note 18) continue to be presented as part of other income under continued operations, in the condensed interim consolidated statement of profit or loss.

Subsequent to the reporting date, the shareholders of the Holding Company in their meeting held on July 27, 2021 have approved the disposal of the Holding Company's shareholding in FWEL - I and FWEL - II to FFCL.

			Quarter ended June 30,		Half year ended June 30,	
			2021	2020	2021	2020
		Note	(Rupees '000)		(Rupees '000)	
16	**SALES - NET**					
	Gross sales		**22,574,610**	20,110,861	**41,233,682**	34,158,527
	Less:					
	Sales tax		**1,210,703**	1,180,530	**2,195,132**	2,119,266
	Trade discount		**147,786**	227,605	**289,855**	365,322
	Advance tax u/s 235		**59,472**	92,693	**132,408**	180,109
	Commission	**16.1**	**5,262**	6,524	**8,992**	10,334
			1,423,223	1,507,352	**2,626,387**	2,675,031
			21,151,387	18,603,509	**38,607,295**	31,483,496

16.1 It includes 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.

		Quarter ended June 30,		Half year ended June 30,	
		2021	2020	2021	2020
		(Rupees '000)		(Rupees '000)	
17	**COST OF SALES**				
	Raw materials consumed	**20,238,517**	13,478,456	**31,668,224**	21,879,716
	Packing materials consumed	**699,984**	604,563	**1,426,632**	1,161,561
	Fuel and power	**344,733**	218,758	**624,833**	510,708
	Ash dumping	**4,790**	7,710	**8,219**	10,079
	Stores and supplies consumed	**116,981**	112,614	**241,903**	311,283
	Salaries, wages and benefits	**1,041,351**	676,265	**1,604,879**	1,366,051
	Repairs and maintenance	**317,920**	209,202	**749,322**	764,486
	Travel and conveyance	**43,091**	27,735	**82,193**	80,079
	Rent, rates and taxes	**76,198**	15,816	**91,097**	80,978
	Insurance	**75,050**	97,976	**151,993**	197,507
	Utilities	**36,631**	4,173	**115,367**	52,399
	Provision for obsolete stores & spares	**18,000**	21,000	**36,000**	35,000
	Allowance for input tax	**400,000**	304,684	**400,000**	304,684
	Communication, establishment and other expenses	**102,932**	78,793	**173,575**	137,739
	Depreciation and amortization	**630,285**	623,279	**1,254,939**	1,222,283
	Opening stock - work in process	**261,107**	312,120	**273,371**	341,189
	Closing stock - work in process	**(242,257)**	(259,143)	**(242,257)**	(259,143)
	Cost of goods manufactured	**24,165,313**	16,534,001	**38,660,290**	28,196,599
	Opening stock - finished goods	**1,528,778**	11,863,143	**334,696**	12,022,295
	Closing stock - finished goods	**(10,011,543)**	(13,577,762)	**(10,011,543)**	(13,577,762)
	Cost of sales	**15,682,548**	14,819,382	**28,983,443**	26,641,132

	Quarter ended June 30,		Half year ended June 30,	
	2021	**2020**	**2021**	**2020**
	(Rupees '000)		(Rupees '000)	
18 OTHER INCOME				
Share of profit from joint venture and associates				
Pakistan Maroc Phosphore S.A	**384,414**	(248,227)	**624,380**	68,205
Foundation Wind Energy - I Limited	**78,518**	45,189	**50,872**	1,696
Foundation Wind Energy - II Limited	**74,264**	45,507	**45,482**	6,279
Fauji Cement Company Limited	**-**	(3,202)	**-**	(972)
Askari Bank Limited	**597,367**	402,465	**1,169,151**	974,076
	1,134,563	241,732	**1,889,885**	1,049,284
Profit on bank balances & term deposits	**219,410**	143,001	**546,725**	338,821
Scrap sale and other receipts	**60,070**	81,104	**97,891**	114,691
Gain on disposal of property, plant and equipment	**20,174**	(2,568)	**44,662**	(2,128)
Miscellaneous income	**61,851**	25,644	**97,120**	31,211
	361,505	247,181	**786,398**	482,595
	1,496,068	488,913	**2,676,283**	1,531,879
19 TAXATION - NET				
Current tax	**698,387**	438,365	**1,267,738**	600,015
Deferred tax	**(305,359)**	(312,662)	**(213,422)**	(18,041)
	393,028	125,703	**1,054,316**	581,974

	Half year ended June 30, 2021	Half year ended June 30, 2020
	(Rupees '000)	(Rupees '000)
20 CASH (USED IN) / GENERATED FROM OPERATIONS		
Profit / (loss) before taxation	**2,933,143**	(2,640,198)
Adjustment for non-cash charges and other items:		
Provision for gratuity	**49,038**	44,722
Exchange loss	**64,240**	340,478
Provision for compensated absences	**50,578**	42,424
Provision for Workers' Welfare Fund	**122,919**	2,771
Provision for Workers' (Profit) Participation Fund	**360,424**	107,506
Unwinding of GIDC	**668,758**	-
Allowance for input tax	**400,000**	304,684
Loss on investment held for sale	**1,665,489**	-
Provision for subsidy	**132,000**	-
Amortization of transaction cost of long-term finance	**19,433**	21,819
Depreciation	**1,377,745**	1,342,452
Amortization	**16,752**	10,695
Provision for obsolete stores & spares	**36,000**	35,000
Lease charges	**16,355**	-
Finance cost	**2,499,709**	5,122,337
Profit on bank balances and term deposits	**(546,725)**	(339,018)
Income on mutual funds	**-**	(183)
Profit from joint venture and associates - net	**(1,889,885)**	(1,049,284)
(Gain) / loss on disposal of property, plant and equipment	**(44,662)**	2,128
Operating profit before working capital changes	**7,931,311**	3,348,333
Changes in working capital		
Stores and spares	**170,204**	238,609
Stock-in-trade	**(13,050,602)**	(2,953,006)
Trade debts	**(1,296,844)**	5,142,704
Advances	**339,000**	(133,533)
Trade deposits and short term prepayments	**159,700**	196,451
Other receivables	**821,260**	(1,491,293)
Sales tax receivable	**(2,089,844)**	983,908
Trade and other payables	**5,428,231**	5,822,431
	(9,518,895)	7,806,271
Cash (used in) / generated from operations	**(1,587,584)**	11,154,604

21 RELATED PARTY TRANSACTIONS

Fauji Fertilizer Company Limited (FFCL) has 49.88% share holding in FFBL (2020: 49.88%), while Fauji Foundation (FF) holds 18.29% shares (2020: 18.29%) in the Holding Company. The Group has related parties which comprise of a joint venture, entities under common directorship, directors, key management personnel and employees' funds. Transactions with related parties and the balances outstanding at the period end are given below. The carrying value of investment in associates and joint venture are disclosed in note 11 and note 15 to the condensed interim consolidated financial statements.

	Half year ended June 30,		
	2021	**2020**	
	(Rupees '000)		
Transactions with Fauji Foundation (FF):			
Services received	**67,088**	-	
Services provided	**-**	119	
Payment against services	**20,240**	-	
Donation paid	**36,020**	-	
Balance payable	**61,132**	33,632	*
Dividend paid	**450,000**	-	
Transactions with associated undertakings due to common directorship			
Fauji Fertilizer Company Limited			
Services and material acquired	**527,722**	550,652	
Services and material provided	**1,017**	1,022	
Receipts under consignment account	**30,107,408**	29,739,412	
Commission charged	**8,992**	10,334	
Askari Bank Limited			
Balances at bank	**4,421,692**	1,818,823	*
Profit on bank balances	**213,347**	103,228	
Long-term loans	**333,334**	813,211	*
Mark-up on long-term loans	**14,589**	32,406	
Mark-up payable on long-term loans	**7,270**	24,148	*
Finance cost charged	**13,417**	54,439	
Running finance	**-**	830,830	*
Dividend received	**815,652**	407,826	
Foundation Wind Energy - I Limited & Foundation Wind Energy - II Limited			
Dividend received	**218,750**	-	
Transactions with joint venture:			
Purchase of raw materials	**21,970,342**	12,832,964	
Expenses incurred on behalf of joint venture	**485**	3,647	
Balance payable	**13,910,378**	5,890,871	*
Balance receivable - unsecured	**4,122**	5,622	*
Dividend received	**441,847**	-	
Dividend receivable	**553,095**	447,430	*

	Half year ended June 30, 2021	2020	
	(Rupees '000)		
Other related parties:			
Contribution to Provident Fund	**82,929**	62,502	
Payment to Gratuity Fund	**24,688**	59,382	
Payment to WPPF and WWF	**286,276**	25,047	
Meeting fee to directors	**21,590**	11,255	
Balance payable- unsecured (WPPF and WWF)	**1,085,572**	888,505	*
Payable to Gratuity Fund	**263,607**	263,360	*
Payable to Provident Fund	**22,508**	8,446	*
Expenses on behalf of Fauji Cereals	**5,381**	-	
Payment to Fauji Security Services (Private) Limited	**232**	521	
Noon sugar Mills for purchase of white sugar	**14,139**	19,386	
Remuneration of key management personnel			
Short-term benefits	**187,521**	143,794	
Post employment benefits	**22,093**	20,890	

In addition to above:

Security charge amounting to US$ 91,456,667 and Rs. 4,000 million (2020: US$ 91,456,667 and Rs. 4,000 million) has been registered on assets of FFBL in respect of project financing arranged by Foundation Wind Energy-I Limited (FWEL-I).

Security charge amounting to US$ 89,146,667 and Rs. 4,000 million (2020: US$ 89,146,667 and Rs. 4,000 million) has been registered on assets of FFBL in respect of project financing arranged by Foundation Wind Energy-II Limited (FWEL-II).

* Balance of accounts appearing as comparatives are as at December 31, 2020 (audited).

22 SEGMENT REPORTING

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

	Fertilizer	Food	Meat	Power	Elimination-net	Consolidated
	(Rupees' 000)					
June 30, 2021						
Revenue	**29,917,238**	**4,492,567**	**62,349**	**9,043,055**	**(4,907,914)**	**38,607,295**
Profit / (loss) after tax	**3,875,798**	**(721,429)**	**(546,261)**	**2,046,697**	**(2,775,978)**	**1,878,827**
June 30, 2020						
Revenue	24,781,703	3,228,576	287,345	8,393,723	(5,207,851)	31,483,496
(Loss) / profit after tax	(4,207,888)	(1,598,577)	(662,567)	2,053,636	1,193,224	(3,222,172)
June 30, 2021						
Assets	**99,498,456**	**11,726,204**	**6,630,971**	**34,152,278**	**(14,731,833)**	**137,276,076**
Liabilities	**81,549,128**	**16,304,270**	**6,616,364**	**19,253,815**	**(9,602,125)**	**114,121,452**
December 31, 2020						
Assets	90,968,452	11,945,684	6,790,018	34,586,728	(9,168,794)	135,122,088
Liabilities	77,009,047	15,802,321	6,229,152	19,934,962	(6,301,465)	112,674,017

23 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

23.1 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.

24 GENERAL

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

24.2 Corresponding figures have been re-arranged / reclassified, wherever necessary, for the purpose of comparison. Significant reclassification consists of following:

From	To	(Rupees '000)
Stores and spares	Property, plant and equipment	**1,032,119**

The impact of above reclassification on the comparative amounts in the condensed interim consolidated statement of profit or loss is not significant; accordingly, the related amounts have not been restated.

24.3 These condensed interim financial statements were authorized for issue on July 29, 2021 by the Board of Directors of the Holding Company.

CHAIRMAN | CHIEF EXECUTIVE | DIRECTOR | CHIEF FINANCIAL OFFICER

NOTES

Fauji Fertilizer Bin Qasim Limited

FFBL Tower, C1/C2, Sector B,
Jinnah Boulevard, Phase II, DHA, Islamabad.

Tel: +92 51 8763325
Fax: +92 51 8763304-05
Web: www.ffbl.com

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