





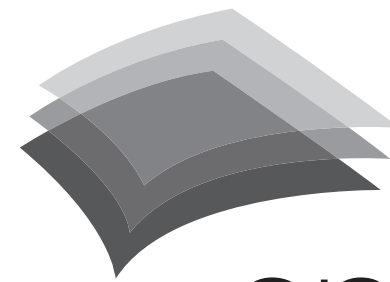
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Engro's investments in agriculture, foods, energy and petrochemicals are designed to take advantage of Pakistan's economic needs.

About Us

Engro Corporation Limited is one of Pakistan's largest conglomerates with the company's business portfolio spanning across sectors including chemical fertilizers, PVC resin, a bulk liquid chemical terminal, foods, power generation and commodity trade. At Engro, our ambition is to become the premier Pakistani enterprise with a global reach.

The management team at Engro is responsible for conceptualizing and articulating goals that bring our people together in pursuit of our objectives. It leads the company with a firm commitment to the values and spirit of Engro. In our journey to become a profitable, growth-oriented and sustainable company, our management structure has evolved to create a more transparent and accessible organization.

Our growth is driven by our people. Our culture is dynamic and energetic, with emphasis on our core values and loyalty of our employees. Our work environment promotes leadership, integrity, teamwork, diversity and excellence.

Our History

Today, Engro is one of Pakistan's most progressive, growth oriented organizations, managed under a holding structure that works towards better managing and oversight of subsidiaries and affiliates that are part of Engro's capital investments in Pakistan.

The company is also defined by its history, which reflects a rich legacy of innovation and growth. The seeds for the company were sown following the discovery of the Mari gas field by Esso / Mobil in 1957. Esso proposed the establishment of a urea plant, and the Esso Pakistan Fertilizer Company Limited was established in 1965 and began production in 1968. At US \$43 million with an annual production capacity of 173,000 tons, this was the single largest foreign investment by a multinational corporation in Pakistan at the time. As the nation's first fertilizer brand, the company also pioneered the education of farmers in Pakistan, helping to modernize traditional farming practices to boost farm yields, directly impacting the quality of life for farmers and the nation.

In 1978, Esso was renamed Exxon globally, and the company became Exxon Chemical Pakistan Limited. The business continued to prosper as it relentlessly pursued productivity gains and strived to attain professional excellence.

In 1991, following a decision by Exxon to divest its fertilizer business on a global basis, the employees of Exxon Chemical Pakistan Limited decided to buy out Exxon's share. This was, and perhaps still is, the most successful employee buy-out in the corporate history of Pakistan. Renamed Engro Chemical Pakistan Limited, the company continued to go from strength to strength, reflected in its consistent financial performance, growth and diversification.

In 2009 a decision was made to demerge the fertilizer business into an independent operating company to ensure undivided focus on the business's expansion and growth. In the best interests of a multi category business, expansion strategy and growth vision, the management decided that the various businesses would be better served if the company was converted to a holding company; Engro Corporation Limited.

From its inception as Esso Pakistan Fertilizer Company Limited in 1965 to Engro Corporation Limited in 2010, Engro has come a long way and will continue working towards its vision of becoming a premier Pakistani company with a global reach.

Engro Corporation Limited

Engro Corporation Limited is a holding company, created following the conversion of Engro Chemical Pakistan Limited on January 1, 2010. Engro Corp is one of Pakistan's largest conglomerates with the company's business portfolio spanning across sectors including chemical fertilizers, PVC resin, bulk liquid terminal, LNG terminal, foods processing and power generation.

Engro Fertilizers Limited

Engro Fertilizers Limited-a 56% owned subsidiary of Engro Corporation – is a premier fertilizer manufacturing and marketing company having a portfolio of fertilizer products with significant focus on balanced crop nutrition and increased yield. As one of the 50 largest fertilizer manufacturers of the world we have close to 5 decades of operations as a world class facility with a wide range of fertilizer brands, besides urea, which include some of the most trusted brand names by Pakistani farmers. These include brands like Engro Zarkhez, Zingro and Engro DAP amongst others.

Engro Polymer & Chemicals Limited

Engro Polymer & Chemicals Limited-a 56% owned subsidiary of Engro – is the only fully integrated chlor-vinyl chemical complex in Pakistan and produces poly-vinyl chloride, caustic soda, sodium hypochlorite, hydrochloric acid and other chlorine by-products. The business was setup as a state-of-the-art plant in 1997, as a 50:50 joint venture, with Mitsubishi and Asahi Glass with Asahi subsequently divesting its shareholding in 2006.

Engro Energy Limited

Engro Energy Limited is a wholly owned subsidiary of Engro Corporation and it owns and operates Engro Powergen Qadirpur Limited, a 224 megawatt power plant and the group's first initiative in the power sector of Pakistan. Engro Powergen Qadirpur Limited was listed on the Karachi Stock Exchange in October 2014 where 25% of the shares were offered to the public. As of now Engro Powergen Qadirpur Limited is 69% owned by Engro Energy Limited.

Engro Energy Limited is also involved in the Thar Coal project. The project operates a coal mine under Sindh Engro Coal Mining Company (SECMC) and development of two 330 MW mine mouth power plants under Engro Powergen Thar Limited (EPTL) in the first phase. SECMC is a joint venture company formed in 2009 between the Government of Sindh (GoS) and Engro Energy Limited & Affiliates. SECMC's shareholders include Government of Sindh, Engro Energy Limited, Thal Limited, Habib Bank Ltd, CMEC Thar Mining Investment Limited, Huolinhe Open Pit Coal Investment Company Limited and Hub Power Company Limited (HUBCO). The Sindh Coal Authority has awarded a 95.5 square kilometer area of the coalfield, known as Block II, to SECMC for exploration and development of coal deposits. Within this block, there is an estimated amount of exploitable lignite coal reserves of 1.57 billion tons. In 2010, SECMC completed the Bankable Feasibility Study (BFS) for Thar Block II Coal Mining Project by engaging internationally renowned Consultants such as RWE-Germany, Sinocoal-China, SRK-UK and HBP Pakistan, meeting all national / international standards. The first phase of the Project has started.

Elengy Terminal Pakistan Limited

Elengy Terminal Pakistan Limited (ETPL) is a 56% owned subsidiary of Engro Corporation. The company won the contract to handle liquefied natural gas (LNG) and thereafter

acquired FSRU vessel on lease from a US-based company - Excelerate Energy. Engro Elengy Terminal Limited, a wholly owned subsidiary of ETPL, set up a state of the art LNG terminal, at Port Qasim. The terminal – which is also one of the most cost efficient terminals in the region – has the capacity for regasification of up to 600 mmcf/d.

Engro Vopak Terminal Limited

Engro Vopak is a joint venture with Royal Vopak of the Netherlands – the world's largest bulk liquid chemical handling company. The business is engaged in handling, storage and regasification of liquid & gaseous chemicals, Liquefied Petroleum Gas (LPG), petrochemicals and bio-fuels. Engro Vopak's terminal is Pakistan's first cryogenic facility that handles 70% of all liquid chemical imports into Pakistan including Paraxylene (PX), Acetic Acid (AA), Vinyl Chloride Monomer (VCM), Ethylene Dichloride (EDC), Mono Ethylene Glycol (MEG), Ethylene along with Phosphoric Acid (PA) imports, which are pumped directly to customer's facilities.

Engro Foods Limited

Engro Foods Limited is an 40% owned associated company engaged in the manufacturing, processing and marketing of dairy products, frozen desserts and fruit drinks. The business owns two milk processing plants in Sukkur and Sahiwal and operates a dairy farm in Nara, Sindh. In its continued efforts to 'elevate consumer delight worldwide', the business has established several brands that have already become household names in Pakistan such as Olper's (UHT milk, low-fat milk, cream, desi ghee, lassi and flavored drinks), Omoré (frozen desserts), Tarang (tea whitener) and Dairy Omung (UHT dairy liquid and dessert cream).

Engro Eximp Agri Products (Private) Limited

Engro Eximp Agriproducts is a wholly owned subsidiary of the holding company and it manages the procurement, processing and marketing of rice. The company owns and operates a state-of-the-art paddy processing plant near Muridke and has an installed capacity of 144KT.

directors' report

The Directors of Engro Corporation Limited are pleased to submit their report along with the condensed interim un-audited financial statements of the Company for the nine months ended September 30, 2019.

Financial Performance

On a consolidated basis, the turnover for 9M 2019 was PKR 149,401 million, witnessing a growth of 30% arising from improved fertilizers and petrochemicals revenues and augmented by energy projects coming online during 3Q 2019. The consolidated Profit-After-Tax (PAT) for 9M 2019 was PKR 21,887 million – up by 23%, while PAT attributable to the shareholders increased to PKR 13,026 million from PKR 9,949 million during comparative period last year. On a standalone basis, the Company posted a PAT of PKR 9,424 million against PKR 7,046 million for the similar period last year, translating into an EPS of PKR 16.36 per share. Higher PAT is mainly on account of interest income and dividend. The Board is pleased to announce 3rd interim cash dividend of PKR 8.00 per share for FY 2019, bringing the cumulative payout for 9M 2019 to PKR 23.00 per share. The Board has endeavored to maximize dividends on a quarterly basis. The final dividend for the year ending December 31, 2019 would be declared based upon final earnings for the year.

A brief review of significant business segments is as follows:

Fertilizers

Fertilizer business revenues for 9M 2019 grew by 12% over comparative period, however, the business witnessed significant increase in cost on account of rise in gas prices, escalation in price of dollar denominated gas streams, logistics cost arising from changes in axle load regulations and rising financial charges. The business also booked a one-off deferred tax charge arising out of the Finance Act 2019, whereby corporate tax rate has been fixed at 29% as compared to phased reduction from 30% to 25% announced through Finance Act 2018. Resultantly, PAT for the current period stood at PKR 10,511 million as compared to PKR 12,249 million for 9M 2018.

Petrochemicals

The business recorded revenue growth of 9% over similar period last year, however, PAT for the 9M 2019 was PKR 2,814 million against PKR 3,865 million for the comparative period. Profitability was impacted on account of inflation, higher energy costs and higher interest rates .

Energy

Thar Coal Mining & Power Generation Projects: Development of the 3.8 Mt per annum mine at Thar culminated with the successful 'Test on Completion' on 3 June 2019. Thereafter, Commercial Operations Date (COD) was declared on 10 July 2019 for both mining and power projects. Till 30 September 2019, over 786 thousand tons of coal has been supplied by the mine, while the Thar power plant has also been running smoothly since COD and dispatched 904 GwH to the national grid. With this accomplishment, Engro is using indigenous resources to help alleviate the energy crisis and has, once again, proven its ability to deliver on mega projects that enable development for the people of Pakistan.

Qadirpur Power Plant: The Plant dispatched a Net Electrical Output of 970 GwH to the national grid with a load factor of 69.6% compared to 83% during similar period last year. Decline in load factor was primarily on account of lower demand and gas curtailment due to depletion of Qadirpur gas field. The business posted a PAT of PKR 2,610 million in 9M 2019 as compared to PKR 1,923 million in the comparative period. Increase in profitability was mainly due to higher USD indexation.

Terminal Operations

Since the commencement of our LNG project, the terminal has handled over 15 million tons of LNG and currently fulfills more than 13% of the country's gas requirements. The country has saved nearly USD 2 billion to date, replacing the import of more expensive furnace oil and diesel with LNG and not accounting for efficiency in terms of fuel. The project has also revived the fertilizer and CNG sectors, and 500+ industrial units by ensuring consistent supply of gas via LNG import.

Near-Term Outlook

Engro Corporation is committed to working towards delivering on projects, to focus on future investments and to maintain the strength of its balance sheet, while maintaining optimal debt levels.

Fertilizers

Going forward, local urea demand is expected to remain stable, while the demand for phosphates and other imported fertilizers is expected to remain restricted owing to higher prices caused by devaluation and recent budgetary measures. The fertilizer industry continues to

face challenges in the recovery of long outstanding subsidy and settlement of GIDC. The resolution of these matters is anticipated soon as the Supreme Court of Pakistan is expected to rule on GIDC issue in the near term.

Petrochemicals

International PVC and ethylene prices shall remain dependent on global economic sentiments and regional demand supply dynamics. Domestic market is currently under flux and will take firmer direction once local economic policies, macroeconomic indicators and other key variables settle. The business is well underway with the execution of the expansion projects and is hopeful that the completion of those projects will be achieved within the stated timelines and the business will lead Pakistan in the petrochemical and allied chemicals space.

Energy

Engro remains on the forefront to help alleviate the energy crisis in the country. In partnership with the government and other stakeholders, our Energy business segment continues to explore opportunities in the renewable energy sector. Circular debt is expected to remain a

challenge for the energy sector in the future unless concrete policy measures are taken to address the underlying causes.

Terminal Operations

Chemical industry is expected to remain stable and the Chemical terminal looks forward to retaining its market share. The LNG terminal is positively playing its role in alleviating some of the energy shortage faced by the country. We are pleased to continue our long-standing relationship of over twenty years with industry leader Royal Vopak, which continues to pave the way for Engro and Vopak to collaborate in further ventures at home and abroad using their combined resources and expertise.

Acknowledgement

The Directors would like to express their deep appreciation to our shareholders who have always shown their confidence in the Company. We would also like to place on record our sincere appreciation for the commitment, dedication and innovative thinking put in by each member of the Engro family and are confident that they will continue to do so in the future.



Hussain Dawood
Chairman



Ghias Khan
President and Chief Executive



**condensed interim statement
of financial position (unaudited)**

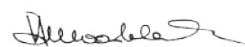
condensed interim statement of financial position (unaudited)
as at september 30, 2019

(Amounts in thousand)	Note	(Unaudited) September 30, 2019	(Audited) December 31, 2018
------(Rupees)-----			
ASSETS			
Non-current assets			
Property, plant and equipment	4	583,611	514,837
Right-of-use assets	3.2.3	995,528	-
Intangible assets	5	189,546	58,248
Long term investments	5	26,663,181	24,652,289
Long term loans and advances	6	381,749	49,796
Deferred taxation		4,713	-
		<u>28,818,328</u>	<u>25,275,170</u>
Current assets			
Loans, advances and prepayments	7	3,517,132	350,121
Receivables	8	4,577,515	499,462
Short term investments	9	60,451,203	64,842,059
Cash and bank balances		87,703	1,609,160
		<u>68,633,554</u>	<u>67,300,802</u>
		<u><u>97,451,882</u></u>	<u><u>92,575,972</u></u>
TOTAL ASSETS			
EQUITY & LIABILITIES			
Equity			
Share capital	10	5,761,633	5,237,848
Share premium		13,068,232	13,068,232
General reserve		4,429,240	4,429,240
Remeasurement of post employment benefits - Actuarial loss		(12,721)	(12,721)
Unappropriated profit		61,590,489	62,380,565
Total equity		<u>84,836,873</u>	<u>85,103,164</u>
Liabilities			
Non-current liabilities			
Retirement and other service benefit obligations		57,701	50,366
Lease liabilities	3.2.3	835,600	-
Deferred taxation		-	249
		<u>893,301</u>	<u>50,615</u>
Current liabilities			
Trade and other payables		1,358,678	1,386,693
Provision		3,243,130	3,243,130
Taxes payable		2,219,003	1,431,589
Borrowings	11	-	998,164
Accrued interest / mark-up		-	64,357
Dividend payable		4,609,307	-
Unclaimed dividends		291,591	298,260
		<u>11,721,708</u>	<u>7,422,193</u>
Total liabilities		<u>12,615,009</u>	<u>7,472,808</u>
Contingencies and Commitments			
	12		
		<u><u>97,451,882</u></u>	<u><u>92,575,972</u></u>

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



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

condensed interim statement of
profit or loss and other comprehensive income (unaudited)
for the nine months ended september 30, 2019

[Amounts in thousand except for earnings per share]

Note	Quarter ended		Nine months ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
------(Rupees)-----				
Dividend income	4,026,560	3,638,835	7,673,973	6,808,450
Royalty income	270,368	243,254	779,657	679,893
	<u>4,296,928</u>	<u>3,882,089</u>	<u>8,453,630</u>	<u>7,488,342</u>
Administrative expenses	(790,190)	(562,659)	(1,731,812)	(908,272)
	<u>3,506,738</u>	<u>3,319,431</u>	<u>6,721,818</u>	<u>6,580,070</u>
Other income	2,117,565	1,125,707	5,620,036	3,398,311
Other operating expenses	(359,479)	(340,756)	(611,015)	(510,802)
Operating profit	<u>5,264,824</u>	<u>4,104,382</u>	<u>11,730,839</u>	<u>9,467,579</u>
Finance cost	(37,171)	(45,969)	(164,783)	(114,979)
Profit before taxation	<u>5,227,653</u>	<u>4,058,414</u>	<u>11,566,056</u>	<u>9,352,600</u>
Taxation	13 (966,613)	(785,196)	(2,142,327)	(2,307,057)
Profit for the period	<u>4,261,040</u>	<u>3,273,217</u>	<u>9,423,729</u>	<u>7,045,542</u>
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>4,261,040</u>	<u>3,273,217</u>	<u>9,423,729</u>	<u>7,045,542</u>
		(Restated)		(Restated)
Earnings per share - basic and diluted	14 7.40	5.68	16.36	12.23

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



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

condensed interim statement of changes in equity (unaudited) for the nine months ended september 30, 2019

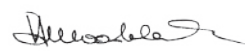
(Amounts in thousand)

	Share capital	Capital Reserve		Revenue Reserves		Total
		Share premium	General reserve	Remeasurement of post employment benefits - Actuarial loss	Unappropriated profit	
Balance as at January 01, 2018 (Audited)	5,237,848	13,068,232	4,429,240	(12,656)	60,660,171	83,382,835
Total comprehensive income for the nine months ended September 30, 2018	-	-	-	-	7,045,542	7,045,542
Transactions with owners						
Final cash dividend for the year ended December 31, 2017 @ Rs. 2.00 per share	-	-	-	-	(1,047,570)	(1,047,570)
First interim cash dividend for the year ended December 31, 2018 @ Rs. 5.00 per share	-	-	-	-	(2,618,924)	(2,618,924)
Second interim cash dividend for the year ended December 31, 2018 @ Rs.7.00 per share	-	-	-	-	(3,666,494)	(3,666,494)
	-	-	-	-	(7,332,988)	(7,332,988)
Balance as at September 30, 2018 (Unaudited)	5,237,848	13,068,232	4,429,240	(12,656)	60,372,725	83,095,390
Total comprehensive income for the three months ended December 31, 2018	-	-	-	(65)	5,674,335	5,674,270
Transactions with owners						
Third interim cash dividend for the year ended December 31, 2018 @ Rs.7.00 per share	-	-	-	-	(3,666,495)	(3,666,495)
	-	-	-	-	(3,666,495)	(3,666,495)
Balance as at December 31, 2018 (Audited)	5,237,848	13,068,232	4,429,240	(12,721)	62,380,565	85,103,164
Total comprehensive income for the nine months ended September 30, 2019	-	-	-	-	9,423,729	9,423,729
Transactions with owners						
Final cash dividend for the year ended December 31, 2018 @ Rs. 2.00 per share	-	-	-	-	(1,047,570)	(1,047,570)
Bonus shares issued during the period in the ratio of 1 share for every 10 shares held	523,785	-	-	-	(523,785)	-
First interim cash dividend for the year ending December 31, 2019 @ Rs. 7.00 per share	-	-	-	-	(4,033,143)	(4,033,143)
Second interim cash dividend for the year ending December 31, 2019 @ Rs. 8.00 per share	-	-	-	-	(4,609,307)	(4,609,307)
	523,785	-	-	-	(10,213,805)	(9,690,020)
Balance as at September 30, 2019 (Unaudited)	5,761,633	13,068,232	4,429,240	(12,721)	61,590,489	84,836,873

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



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

condensed interim statement of cash flows (unaudited) for the nine months ended september 30, 2019

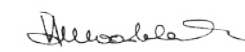
(Amounts in thousand)

Note	Nine months ended	
	September 30, 2019	September 30, 2018
	------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash utilized in operations	15 (2,762,925)	(1,922,883)
Royalty received	856,964	598,233
Taxes paid	(1,359,875)	(1,078,211)
Retirement and other service benefits paid	(93,040)	(72,405)
Long term loans and advances - net	2,723	(17,649)
Net cash utilized in operating activities	(3,356,153)	(2,492,914)
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends received	3,917,413	3,754,555
Income on deposits / other financial assets including income earned on subordinated loan to subsidiaries	5,131,161	3,025,960
Investment in shares of subsidiary companies	(184,600)	(3,566,716)
Acquisition of subsidiary company	(1,972,505)	-
Loan disbursed to subsidiary companies	(3,334,676)	-
Repayment of loan by subsidiary companies	-	896,542
Purchase of Pakistan Investment Bonds (PIBs), Treasury bills and units of mutual funds	(48,070,566)	(6,732,400)
Proceeds from sale of PIBs, Treasury bills and units of mutual funds	20,348,868	31,600,919
Purchases of property, plant and equipment (PPE)	(134,388)	(160,667)
Sale proceeds on disposal of PPE	98	484
Net cash (invested in) / generated from investing activities	(24,299,196)	28,818,678
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of financial charges	(138,242)	(146,543)
Repayment against Engro Islamic Rupiya Certificates	(1,000,000)	-
Lease rentals paid	(251,331)	-
Dividends paid	(5,087,382)	(3,583,793)
Net cash utilized in financing activities	(6,476,955)	(3,730,336)
Net (decrease) / increase in cash and cash equivalents	(34,132,304)	22,595,428
Cash and cash equivalents at beginning of the period	54,539,531	35,986,713
Cash and cash equivalents at end of the period	16 20,407,227	58,582,141

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



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

notes to the condensed interim financial statements (unaudited) for the nine months ended september 30, 2019

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

1.1 Engro Corporation Limited (the Company), is a public listed company incorporated in Pakistan. Its shares are quoted on Pakistan Stock Exchange Limited. The Company is a subsidiary of Dawood Hercules Corporation Limited (the Parent Company). The principal activity of the Company, is to manage investments in subsidiary companies, associated companies and joint venture, engaged in fertilizers, PVC resin manufacturing and marketing, food, energy, LNG and chemical terminal and storage businesses. The Company's registered office is situated at 7th & 8th floors, The Harbour Front Building, HC # 3, Block 4, Marine Drive, Clifton, Karachi.

1.2 SUMMARY OF SIGNIFICANT EVENTS AND TRANSACTIONS

Significant events and transactions affecting the Company's financial position and performance during the period are disclosed in the notes 6, 7 and 8.

2. BASIS OF PREPARATION

2.1 These unconsolidated 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 comprises of:

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

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

2.2 These unconsolidated condensed interim financial statements represents the condensed interim financial statements of the Company on a standalone basis. The consolidated condensed interim financial statements of the Company and its subsidiary companies are presented separately. These condensed interim financial statements do not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2018.

2.3 The preparation of these unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

(Amounts in thousand)

During the preparation of these unconsolidated condensed interim financial statements, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that were applied to audited annual financial statements of the Company for the year ended December 31, 2018.

3. ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual financial statements of the Company for the year ended December 31, 2018 except as detailed in note 3.2.

3.2 The Company has applied the following standards for the first time for its annual reporting period commencing January 1, 2019:

3.2.1 IFRS 9 'Financial instruments' (effective for annual periods beginning on or after January 1, 2019)

IFRS 9 - 'Financial Instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities and replaces the related guidance in IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income (OCI) and fair value through profit and loss (FVTPL). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI, without recycling of fair value changes to profit or loss.

There is now a new expected credit losses model that replaces the incurred loss impairment model of IAS 39. For financial liabilities there are no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

The following is the summary of the Company's assessment of impacts on unconsolidated condensed interim financial statements as at January 1, 2019 due to application of IFRS 9:

Particulars	As at January 1, 2019				
	Classification & Measurement category		Carrying amount		
	Original (Under IAS 39)	New (Under IFRS 9)	Original (Under IAS 39)	New (Under IFRS 9)	Difference
Non - Current financial assets					
Long term loans and advances	Loans and Receivables	Amortized Cost	49,796	49,796	-
Current financial assets					
Loans and advances	Loans and Receivables	Amortized Cost	43,792	43,792	-
Receivables	Loans and Receivables	Amortized Cost	499,462	499,462	-
Short term investments:					
- Treasury bills	Fair value through profit or loss	Fair value through profit or loss	52,896,953	52,896,953	-
- Pakistan Investment Bonds	Fair value through profit or loss	Fair value through profit or loss	7,699,778	7,699,778	-
- Fixed income placement	Held to maturity	Amortised cost	33,418	33,418	-
- Term Finance Certificates	Available for sale	Amortised cost	4,211,910	4,211,910	-
Cash and bank balances	Loans and Receivables	Amortized Cost	1,609,160	1,609,160	-
Current financial liabilities					
Trade and other payables	Amortized Cost	Amortized Cost	1,386,693	1,386,693	-
Borrowings	Amortized Cost	Amortized Cost	998,164	998,164	-
Accrued interest / mark-up	Amortized Cost	Amortized Cost	64,357	64,357	-

(Amounts in thousand)

In light of the above requirements, certain changes have been made to the accounting policies of the Company. However, based on aforementioned assessment, there is no material current financial impact of these changes on the Company other than classification changes as disclosed above.

3.2.2 IFRS 15 'Revenue from contracts with customers' (effective from accounting period beginning on or after July 1, 2018)

IFRS 15 - 'Revenue from Contracts with Customers', supersedes IAS 11 'Construction Contracts', IAS 18 'Revenue' and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, the company is required to assess performance obligations in the contract. Revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard does not have any impact on the Company's unconsolidated condensed interim financial statements.

3.2.3 IFRS 16 'Leases' (effective for accounting periods beginning on or after January 1, 2019)

Effective January 1, 2019, the Company has adopted IFRS 16, "Leases" which replaces existing guidance on accounting for leases, including IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC-15 "Operating Leases - Incentive" and SIC-27 "Evaluating the substance of transactions involving the legal form of a Lease". IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right-of-use of the underlying asset and a lease liability representing its obligations to make lease payments. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The accounting policies relating to Company's right-of-use assets and lease liabilities are as follows:

Lease liabilities and right-of-use assets

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

From January 1, 2019, leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company.

The lease liabilities are initially measured at the present value of the remaining lease payments at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

(Amounts in thousand)

The lease liabilities are subsequently measured at amortised cost using the effective interest rate method. They are remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the respective right-of-use asset, or is recorded in profit or loss if the carrying amount of that right-of-use asset has been reduced to zero.

Right-of-use assets are initially measured based on the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use assets are depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The carrying amount of the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liability.

The Company has adopted IFRS 16 retrospectively from January 1, 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard.

On adoption of IFRS 16, the Company recognised lease liabilities which had previously been classified as 'operating leases' under the principles of IAS 17 "Leases". These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of January 1, 2019. The lessee's incremental borrowing rate applied to the lease liabilities on January 1, 2019 was 11.8%.

The right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of prepaid lease payments recognised in the unconsolidated condensed interim statement of financial position immediately before the date of initial application, accordingly, there is no impact on the opening balances of unappropriated profit as on January 1, 2019. The recognised right-of-use assets relates to the office space acquired on rental basis.

Impact on Statement of Financial Position

	September 30, 2019	January 1, 2019
	------(Rupees)-----	
Right of Use assets - increased by	995,528	1,222,538
Lease liabilities - increased by	1,069,688	1,222,538
Current portion of lease liability	(234,088)	(208,847)
Long term portion of lease liability	835,600	1,013,691

(Amounts in thousand)

Impact on Statement of Profit or Loss account and other comprehensive income

Nine months
ended
September 30,
2019
-----Rupees-----

Increase in finance cost	(97,104)
(Increase) / decrease in administrative expenses:	
- Depreciation on right-of-use	(227,011)
- Rent expense	251,331
Decrease in profit before tax	(72,784)
Decrease in tax	21,107
Decrease in profit after tax	(51,676)

Earnings per share for the nine months ended September 30, 2019 are Rs. 0.09 per share lower as a result of the adoption of IFRS 16.

Practical expedients applied

In applying IFRS 16 for the first time, the Company has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- the exclusion of operating leases with a remaining lease term of less than 12 months as at 1 January 2019;
- the exclusion of initial direct costs for the measurement of the right-of-use assets at the date of initial application; and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

There are number of other standards, amendments and interpretations to the published standards that are not yet effective and are also not relevant to the Company and therefore, have not been presented in these unconsolidated condensed interim financial statements.

- 3.2.4 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss of the Company.

	(Unaudited) September 30, 2019	(Audited) December 31, 2018
	-----Rupees-----	

4. PROPERTY, PLANT AND EQUIPMENT

Operating assets (note 4.1)	302,258	337,501
Capital work in progress (note 4.2)	281,352	177,336
	<u>583,611</u>	<u>514,837</u>

(Amounts in thousand)

- 4.1 Additions to operating assets during the period / year amounted to Rs. 30,071 (December 31, 2018: Rs. 224,490). Operating assets costing Rs. 11,977 (December 31, 2018: Rs. 874) having a net book value of Rs. 2,254 (December 31, 2018: Rs. 310), were disposed off during the period / year for Rs. 98 (December 31, 2018: Rs. 484).

- 4.2 This mainly represents advance paid to suppliers for purchase of operating assets and internally generated intangible assets.

5. LONG TERM INVESTMENTS

During the period:

- the Company has made investment in Engro Infiniti (Private) Limited, a wholly owned subsidiary, through subscription of 18,460,000 ordinary shares of Rs. 10 each at par; and
- the shareholders of the Company in its Extraordinary General Meeting held on May 28, 2019, authorised the Company to acquire 100% of the issued and paid-up share capital of Engro Eximp FZE (UAE) from Engro Fertilizers Limited, a subsidiary Company, against an amount of Rs. 1,757,280 (subject to adjustments at the date of closing of the transaction). On July 17, 2019, the Company acquired Engro Eximp FZE for a consideration of Rs. 1,972,505. A goodwill of Rs. 146,212 has been recognized on this acquisition.

6. LONG TERM LOANS AND ADVANCES

- 6.1 Includes an amount of Rs. 334,676 (December 31, 2018: Rs. nil) in respect of subordinated loan agreement entered by the Company with Engro Energy Limited, a wholly-owned subsidiary company. The total facility under this agreement amounts to USD 21,400 (PKR equivalent). The loan carries mark-up at the rate of 6 months KIBOR plus 2.00% per annum, payable quarterly.

7. LOANS, ADVANCES AND PREPAYMENTS

- 7.1 Includes an amount of Rs. 3,000,000 (December 31, 2018: nil) in respect of subordinated loan agreement entered by the Company with Engro Infiniti (Private) Limited, a wholly-owned subsidiary company. The total facility under this agreement amounts to Rs 3,500,000. The loan carries mark-up at the rate of 6 months KIBOR plus 2.00% per annum, payable monthly.

8. RECEIVABLES

- 8.1 These include an amount of Rs. 3,756,560 (December 31, 2018: nil) on account of dividend receivable from Engro Fertilizers Limited (a subsidiary company).

(Amounts in thousand)

	(Unaudited) September 30, 2019	(Audited) December 31, 2018
	------(Rupees)-----	
9. SHORT TERM INVESTMENTS		
Fair value through profit or loss		
- Treasury bills (note 12.1)	37,155,858	52,896,953
- Pakistan Investment Bonds	501,589	7,699,778
- Mutual fund units	18,266,628	-
Amortised cost		
- Fixed income placement	41,068	33,418
- Term Finance Certificates (note 9.1)	4,486,059	4,211,910
	<u>60,451,203</u>	<u>64,842,059</u>

9.1 The Company subscribed to privately placed, unsecured and non-convertible zero-coupon Term Finance Certificates (TFCs) issued by Engro Energy Limited, a wholly owned subsidiary company. These TFCs were issued at a discounted value of Rs. 3,560,000 and have a tenure of one year, extendable annually upon mutual consent upto a maximum of 48 months. Under the terms of TFCs, the Company is entitled to redeem these TFC's at any time during the term at a price to be computed using an effective interest rate of 8.77% per annum.

10. SHARE CAPITAL

During the period, the Company:

- increased its authorised share capital from Rs. 5,500,000 to Rs 7,000,000; and
- issued bonus shares in the ratio of 1 share for every 10 shares held, totaling the number of issued, subscribed and paid-up shares to 576,163,230 (December 31, 2018: 523,784,754).

11. BORROWINGS

During the period, the entire amount raised from general public against the issuance of Engro Islamic Rupiya Certificates - II was repaid to the certificate holders on maturity along with markup thereon.

12. CONTINGENCIES AND COMMITMENTS

Significant changes in the status of contingencies and commitments reported in the audited annual financial statements for the year ended December 31, 2018 are as follows:

(Amounts in thousand)

12.1 Contingencies

During the period:

- pledged shares of Engro Fertilizers Limited and Engro Foods Limited against the Standby Letter of Credit (SBL) provided by Engro Energy Limited, a wholly owned subsidiary, have been replaced by Treasury Bills amounting to Rs 7,250,000; and
- the amount of Equity SBL provided in connection with Engro Powergen Thar (Private) Limited has been reduced to USD 138 (December 31, 2018: USD 17,827) (in PKR equivalent).

	(Unaudited) September 30, 2019	(Audited) December 31, 2018
	------(Rupees)-----	
12.2 Commitments		
Commitments in respect of capital expenditure	<u>380,894</u>	<u>230,687</u>

Note	Quarter ended		Nine months ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	------(Rupees)-----			

13. TAXATION

Current

- for the period	966,660	782,766	2,147,289	1,791,951
- for prior years	-	-	-	512,857
	<u>966,660</u>	<u>782,766</u>	<u>2,147,289</u>	<u>2,304,808</u>

Deferred

	(47)	2,430	(4,962)	2,249
	<u>966,613</u>	<u>785,196</u>	<u>2,142,327</u>	<u>2,307,057</u>

14. EARNINGS PER SHARE

There is no dilutive effect on the basic earnings per share on the Company, which is based on the following:

Profit for the period	<u>4,261,040</u>	<u>3,273,217</u>	<u>9,423,729</u>	<u>7,045,542</u>
	------(Number of shares)-----			
	(Restated)		(Restated)	
Weighted average number of ordinary shares (in thousand)	<u>576,163</u>	<u>576,163</u>	<u>576,163</u>	<u>576,163</u>

(Amounts in thousand)

15. CASH UTILIZED IN OPERATIONS

	Nine months ended	
	September 30, 2019	September 30, 2018
	------(Rupees)-----	
Profit before taxation	11,566,056	9,352,600
Adjustment for non-cash charges and other items:		
Depreciation	272,012	39,874
Amortization	15,302	6,217
Loss / (gain) on disposal of property, plant and equipment	2,403	(174)
Provision for retirement and other service benefits	100,375	78,128
Income on deposits / other financial assets	(5,620,036)	(3,194,082)
Reversal of provision of Workers Welfare Fund	-	(204,229)
Dividend income	(7,673,973)	(6,808,450)
Royalty income	(779,657)	(679,893)
Financial charges	164,783	114,979
Working capital changes (note 15.1)	(810,189)	(627,854)
	<u>(2,762,925)</u>	<u>(1,922,884)</u>
15.1 Working capital changes		
(Increase) / Decrease in current assets		
- Loans, advances, deposits and prepayments	(149,287)	6,494
- Other receivables (net)	(398,799)	(64,689)
	<u>(548,086)</u>	<u>(58,195)</u>
Decrease in current liabilities		
- Trade and other payables including other service benefits (net)	(262,104)	(569,659)
	<u>(810,189)</u>	<u>(627,854)</u>
16. CASH AND CASH EQUIVALENTS		
Short term investments	20,319,524	58,269,462
Cash and bank balances	87,703	312,679
	<u>20,407,227</u>	<u>58,582,141</u>

(Amounts in thousand)

17. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

17.1 Financial risk factors

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

There have been no changes in the risk management policies of the Company 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.

17.2 Fair value estimation

The carrying value of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values.

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
Assets				
Financial assets at fair value through profit or loss				
- Treasury Bills	-	37,155,858	-	37,155,858
- Pakistan Investment Bonds	-	501,589	-	501,589
- Units of mutual funds	18,266,628	-	-	18,266,628

Level 2 fair valued instruments have been valued using discounted cash flow model.

There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

(Amounts in thousand)

18. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise subsidiaries, joint venture companies, associated companies, retirement benefit funds, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

	Nine months ended	
	September 30, 2019	September 30, 2018
	------(Rupees)-----	
Parent Company		
Dividend paid	3,606,992	2,524,895
Reimbursements of expenses	130,629	12,214
Subsidiary companies		
Purchases and services	1,045,818	752,025
Mark-up from subsidiaries	187,092	17,334
Disbursement of loan to subsidiary	3,334,676	-
Repayment of loan by subsidiaries	-	896,542
Unwinding of discount on term finance certificates	274,149	252,042
Dividend received	6,863,973	5,966,019
Royalty income	779,657	679,893
Reimbursements	360,732	362,734
Investment made in subsidiary	2,157,105	532,400
Associated companies		
Purchases and services	245,318	306,899
Dividend received	-	122,430
Contribution for Corporate Social Responsibility	15,000	12,000
Reimbursements	14,166	24,423
Dividend paid	928,960	468,460
Joint venture		
Services rendered	37,888	37,561
Dividend received	810,000	720,000
Reimbursements	2,422	9,010
Others		
Remuneration of key management personnel	381,327	247,350
Reimbursements to key management personnel	39,765	16,211
Profit on Engro Islamic Rupiya Certificates	19,504	18,118
Contribution to staff retirement benefit funds	76,372	61,011
Dividend paid	175,618	97,202
Directors' Fee	168,253	85,589
Directors' Emoluments	-	310,500

(Amounts in thousand)

19. NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE


- 19.1 The Board of Directors of Engro Vopak Terminal Limited, a joint venture company, in its meeting held on October 10, 2019 has declared dividend of Rs 6.00 per share for the year ending December 31, 2019. These unconsolidated condensed interim financial statements do not reflect the effect of dividend receivable by the Company amounting to Rs. 270,000.
- 19.2 The Board of Directors of Engro Polymer and Chemicals Limited in its meeting held on October 15, 2019 has declared an interim cash dividend of Rs. 0.6 per share for the year ending December 31, 2019. These unconsolidated condensed interim financial statements do not reflect the effect of dividend receivable by the Company amounting to Rs. 306,440.
- 19.3 The Board of Directors of Engro Fertilizers Limited in its meeting held on October 18, 2019 has declared an interim cash dividend of Rs. 6.00 per share for the year ending December 31, 2019. These unconsolidated condensed interim financial statements do not reflect the effect of dividend receivable by the Company amounting to Rs.4,507,872.
- 19.4 The Board of Directors of the Company in its meeting held on October 24, 2019 has approved an interim cash dividend of Rs. 8.00 per share for the year ending December 31, 2019. These unconsolidated condensed interim financial statements do not reflect the effect of dividend payable.

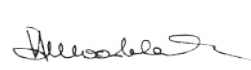
20. CORRESPONDING FIGURES

- 20.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary, the effect of which is not material.
- 20.2 In order to comply with the requirements of International Accounting Standards 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of the preceding financial year, whereas the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows has been compared with the balances of comparable period of immediately preceding financial year.

21. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on October 24, 2019 by the Board of Directors of the Company.


Abdul Samad Dawood
Vice Chairman


Hasnain Moochhala
Chief Financial Officer


Ghias Khan
President and Chief Executive



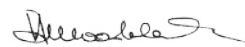
**consolidated condensed interim
statement of financial position**

consolidated condensed interim statement of
financial position (unaudited)
as at september 30, 2019

(Amounts in thousand)	Note	(Unaudited) September 30, 2019	(Audited) December 31, 2018
------(Rupees)-----			
ASSETS			
Non-current assets			
Property, plant and equipment	5	253,826,711	204,408,878
Right-of-use asset	3.5.3	3,558,717	-
Intangible assets		535,547	317,539
Long term investments	6	32,360,180	31,590,380
Deferred taxation		100,463	384,612
Long term loans, advances and other receivables		3,711,590	4,092,566
		<u>294,093,208</u>	<u>240,793,975</u>
Current assets			
Stores, spares and loose tools		7,346,149	7,687,869
Stock-in-trade		16,187,599	17,228,278
Trade debts	7	39,547,231	18,449,563
Loans, advances, deposits and prepayments		8,962,301	3,170,670
Other receivables		11,256,355	11,447,568
Accrued income		326,963	171,306
Contract asset		122,265	179,905
Derivative financial asset	8	70,874	-
Short term investments		88,551,849	82,144,823
Cash and bank balances		15,258,324	11,880,811
		<u>187,629,910</u>	<u>152,360,793</u>
TOTAL ASSETS		<u><u>481,723,118</u></u>	<u><u>393,154,768</u></u>



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

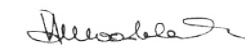
consolidated condensed interim statement of
financial position (unaudited)
as at september 30, 2019

(Amounts in thousand)	Note	(Unaudited) September 30, 2019	(Audited) December 31, 2018
------(Rupees)-----			
EQUITY & LIABILITIES			
Equity			
Share capital	9	5,761,632	5,237,848
Share premium		13,068,232	13,068,232
Revaluation reserve on business combination		15,430	23,082
Maintenance reserve		156,301	156,301
Exchange revaluation reserve		670,601	395,605
Hedging reserve		2,789	(24,969)
General reserve		4,429,240	4,429,240
Unappropriated profit		114,830,624	113,100,747
Remeasurement of post-employment benefits		(71,092)	(71,092)
		<u>133,102,125</u>	<u>131,077,146</u>
		<u>138,863,757</u>	<u>136,314,994</u>
Non-Controlling Interest	10	56,204,190	49,272,245
Total Equity		<u>195,067,947</u>	<u>185,587,239</u>
Liabilities			
Non-Current liabilities			
Borrowings	11	130,715,768	121,110,471
Deferred taxation		9,161,668	8,428,363
Deferred liabilities		286,144	259,786
Lease liabilities	3.5.3	5,468,217	-
		<u>145,631,797</u>	<u>129,798,620</u>
Current Liabilities			
Trade and other payables		92,801,472	50,371,278
Accrued interest / mark-up		3,236,276	2,242,686
Current portion of:			
- borrowings		17,448,184	10,315,924
- lease liabilities	3.5.3	872,170	-
- deferred liabilities		113,970	113,852
Taxes payable		8,334,534	7,642,916
Short term borrowings		9,703,033	6,641,207
Dividend payable	12	8,107,955	25,683
Unclaimed dividends		405,780	415,363
		<u>141,023,374</u>	<u>77,768,909</u>
		<u>286,655,171</u>	<u>207,567,529</u>
Total Liabilities		<u>286,655,171</u>	<u>207,567,529</u>
Contingencies and Commitments	13		
TOTAL EQUITY AND LIABILITIES		<u><u>481,723,118</u></u>	<u><u>393,154,768</u></u>

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



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

consolidated condensed interim statement of
profit or loss (unaudited)
for the nine months ended september 30, 2019

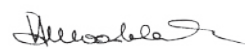
(Amounts in thousand except for earnings per share)

Note	Quarter ended		Nine months ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
----- (Rupees) -----				
Net revenue	63,411,459	42,910,678	149,400,575	114,643,755
Cost of revenue	(43,901,199)	(29,501,603)	(104,911,349)	(79,886,615)
Gross profit	19,510,260	13,409,075	44,489,226	34,757,140
Selling and distribution expenses	(1,911,804)	(1,825,870)	(5,009,066)	(5,064,516)
Administrative expenses	(2,108,502)	(1,354,736)	(4,511,971)	(4,032,221)
	15,489,954	10,228,469	34,968,189	25,660,403
Other income	3,888,324	1,455,989	10,304,335	6,427,608
Other operating expenses	(948,106)	(813,298)	(3,690,976)	(2,024,975)
Finance cost	(4,717,738)	(1,203,719)	(9,361,659)	(3,647,871)
Share of income / (loss) from joint ventures and associates	472,437	305,233	1,162,624	(196,372)
Profit for the period before taxation	14,184,871	9,972,674	33,382,513	26,218,793
Taxation	(3,780,447)	(3,174,313)	(11,495,650)	(8,365,511)
Profit for the period	10,404,424	6,798,361	21,886,863	17,853,282
Profit for the period attributable to:				
- Owners of the Holding Company	6,150,032	3,857,365	13,025,623	9,948,782
- Non-controlling interest	4,254,392	2,940,996	8,861,240	7,904,500
	10,404,424	6,798,361	21,886,863	17,853,282
		(Restated)		(Restated)
Earnings per share - basic and diluted	14	10.67	6.69	22.61
				17.27

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



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

consolidated condensed interim statement of
comprehensive income (unaudited)
for the nine months ended september 30, 2019

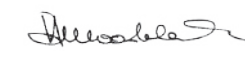
(Amounts in thousand)

Note	Quarter ended		Nine months ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
----- (Rupees) -----				
Profit for the period	10,404,424	6,798,361	21,886,863	17,853,282
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Hedging reserve - cash flow hedges				
Profit / (loss) arising during the period	(282,176)	(221)	70,874	64,679
Reclassification adjustments for profit included in profit or loss	(220)	-	(653)	(653)
	(282,396)	(221)	70,221	64,026
Revaluation reserve on business combination	(5,252)	(5,251)	(15,753)	(15,753)
Exchange differences on translation of foreign operations	(97,245)	58,381	274,996	235,339
	(384,893)	52,909	329,464	283,612
Income tax relating to:				
- Hedging reserve - cash flow hedges	81,833	-	(20,552)	-
- Revaluation reserve on business combination	1,681	1,681	5,041	5,041
	83,514	1,681	(15,511)	5,041
Items that will not be reclassified to profit or loss				
Deferred tax charge relating to revaluation of equity related items - share issuance cost	-	-	-	(1,651)
Other comprehensive income / (loss) for the period, net of tax	(301,379)	54,590	313,953	287,002
Total comprehensive income for the period	10,103,045	6,852,950	22,200,816	18,140,284
Total comprehensive income attributable to:				
- Owners of the Holding Company	6,058,043	3,898,739	13,320,725	10,149,378
- Non-controlling interest	4,045,002	2,954,211	8,880,091	7,990,906
	10,103,045	6,852,950	22,200,816	18,140,284

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



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

consolidated condensed interim
statement of changes in equity (unaudited)
for the nine months ended september 30, 2019

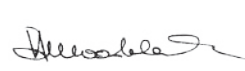
(Amounts in thousand)

	Attributable to owners of the Holding Company										Non-controlling interest	Total
	Capital reserves					Revenue reserves						
	Share capital	Share premium	Revaluation reserve on business combination	Maintenance reserve	Exchange revaluation reserve	Hedging reserve	General reserve	Un-appropriated profit	Remeasurement of post employment benefits - Actuarial loss	Sub total		
	Rupees											
Balance as at January 1, 2018 (audited)	5,237,848	13,068,232	33,284	156,301	82,112	(88,921)	4,429,240	108,586,694	(69,056)	131,455,734	39,618,743	171,074,477
Total comprehensive income / (loss) for the nine months ended September 30, 2018 (unaudited)	-	-	-	-	-	-	-	9,948,782	-	9,948,782	7,904,500	17,853,282
Profit for the period	-	-	-	-	-	-	-	200,596	(928)	199,668	86,406	287,002
Other comprehensive income / (loss) / income	-	-	(7,651)	-	165,071	44,104	-	9,947,854	(7,651)	10,149,378	7,990,906	18,140,284
Transactions with owners	-	-	(7,651)	-	165,071	44,104	-	9,947,854	(7,651)	10,149,378	7,990,906	18,140,284
Dividend by subsidiaries allocable to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	(4,941,242)	(4,941,242)
Advance against issue of share capital issuance of right shares of subsidiary company	-	-	-	-	-	-	-	142,560	-	142,560	2,017,964	2,017,964
Reclassification of actuarial gain on withdrawal / curtailment of gratuity scheme	-	-	-	-	-	-	-	4,557	-	(4,557)	2,188,593	2,331,153
Share issuance cost	-	-	-	-	-	-	-	(10,980)	-	(10,980)	(20,241)	(31,221)
Final cash dividend for the year ended December 31, 2017 @ Rs. 2.00 per share	-	-	-	-	-	-	-	(1,047,570)	-	(1,047,570)	-	(1,047,570)
First Interim cash dividend for the year ended December 31, 2018 @ Rs.5.00 per share	-	-	-	-	-	-	-	(2,618,924)	-	(2,618,924)	-	(2,618,924)
Second Interim cash dividend @ Rs.7.00 per share for the year ended December 31, 2018	-	-	-	-	-	-	-	(3,666,494)	-	(3,666,494)	-	(3,666,494)
Balance as at September 30, 2018 (Unaudited)	5,237,848	13,068,232	25,633	156,301	247,183	(24,817)	4,429,240	111,337,697	(4,557)	134,403,704	46,854,723	181,258,427
Total comprehensive income / (loss) for the three months ended December 31, 2018	-	-	-	-	-	-	-	2,758,744	-	2,758,744	3,019,707	5,778,451
Profit for the period	-	-	-	-	148,422	(159)	-	148,263	2,521	148,242	71,058	219,299
Other comprehensive income / (loss)	-	-	(2,551)	-	148,422	(159)	-	2,758,744	2,521	2,906,984	3,080,765	5,997,749
Transactions with owners	-	-	(2,551)	-	148,422	(159)	-	2,758,744	2,521	2,906,984	3,080,765	5,997,749
Dividend by subsidiaries allocable to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	(2,335,955)	(2,335,955)
Advance against issue of share capital issuance of right shares of subsidiary company	-	-	-	-	-	-	-	(142,560)	-	(142,560)	142,560	-
Share issuance cost	-	-	-	-	-	-	-	(2,194)	-	(2,194)	20,241	18,047
Disposal of subsidiary company	-	-	-	-	-	-	-	2,815,554	-	2,815,554	1,520,229	4,335,783
3rd Interim cash dividend @ Rs.7.00 per share for the year ended December 31, 2018	-	-	-	-	-	-	-	(3,666,494)	-	(3,666,494)	-	(3,666,494)
Effect of change in accounting policies	-	-	-	-	-	-	-	(995,694)	-	(995,694)	(673,243)	(1,668,937)
Balance as at December 31, 2018 (Audited)	5,237,848	13,068,232	23,082	156,301	395,605	(24,969)	4,429,240	113,100,747	(71,092)	136,314,994	49,272,245	185,587,239
Effect of change in accounting policies	-	-	-	-	-	-	-	(1,066,505)	-	(1,066,505)	(831,529)	(1,898,034)
Adjusted balance as at January 1, 2019	5,237,848	13,068,232	23,082	156,301	395,605	(24,969)	4,429,240	112,034,242	(71,092)	135,248,489	48,440,716	183,689,205
Total comprehensive income / (loss) for the nine months ended September 30, 2019 (Unaudited)	-	-	-	-	-	-	-	13,025,623	-	13,025,623	8,861,240	21,886,863
Profit for the period	-	-	-	-	274,996	27,758	-	295,102	-	295,102	18,851	313,953
Other comprehensive income / (loss)	-	-	(7,652)	-	274,996	27,758	-	13,025,623	-	13,320,725	8,880,091	22,200,816
Transactions with owners	-	-	(7,652)	-	274,996	27,758	-	13,025,623	-	13,320,725	8,880,091	22,200,816
Dividend by subsidiaries allocable to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	(5,920,301)	(5,920,301)
Shares issued during the period - net of transaction cost	-	-	-	-	-	-	-	(15,437)	-	(15,437)	2,542,495	2,527,058
Preference shares issued during the period - net of transaction cost	-	-	-	-	-	-	-	-	-	-	1,229,759	1,229,759
Advance against issue of share capital	-	-	-	-	-	-	-	-	-	-	1,031,430	1,031,430
Bonus shares issued during the period in the ratio of 1 shares for every 10 shares held	523,784	-	-	-	-	-	-	(523,784)	-	-	-	-
Final cash dividend for the year ended December 31, 2018 @ Rs. 2.00 per share	-	-	-	-	-	-	-	(1,047,570)	-	(1,047,570)	-	(1,047,570)
First Interim cash dividend for the year ending December 31, 2019 @ Rs. 7.00 per share	-	-	-	-	-	-	-	(4,033,143)	-	(4,033,143)	-	(4,033,143)
Second Interim cash dividend for the year ending December 31, 2019 @ Rs. 8.00 per share	-	-	-	-	-	-	-	(4,609,307)	-	(4,609,307)	-	(4,609,307)
Balance as at September 30, 2019 (Unaudited)	5,761,632	13,068,232	15,430	156,301	670,601	2,789	4,429,240	114,830,624	(71,092)	138,863,757	56,204,190	195,067,947

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



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

consolidated condensed interim
statement of cash flows (unaudited)
for the nine months ended september 30, 2019

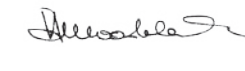
(Amounts in thousand)

Note	Nine months ended	
	September 30, 2019	September 30, 2018
	------(Rupees)-----	
Cash flows from operating activities		
Cash generated from operations	57,232,012	25,100,820
Retirement and other service benefits paid	(190,625)	(167,776)
Finance cost paid	(12,965,448)	(4,894,478)
Taxes paid	(9,152,628)	(6,270,824)
Long term loans and advances - net	(10,346)	(69,348)
Net cash generated from operating activities	34,912,965	13,698,394
Cash flows from investing activities		
Purchase of property, plant and equipments (PPE)	(41,389,567)	(25,574,516)
Proceeds from disposal of PPE	58,424	20,741
(Purchase of) / proceeds from sale of short term investments - net	(21,651,340)	25,472,019
Income on deposits / other financial assets	8,054,371	3,801,562
Investments made during the period	(417,176)	(180,746)
Dividends received	810,000	842,430
Net cash (utilized in) / generated from investing activities	(54,535,288)	4,381,490
Cash flows from financing activities		
Proceeds from borrowings - net	7,617,200	20,082,692
Repayment against Engro Islamic Rupiya Certificates	(1,000,000)	-
Proceeds from issuance of shares - net	3,793,809	3,816,717
Advance against issuance of shares	1,031,430	-
Share issuance costs	(36,992)	(31,220)
Lease rentals paid	(1,140,615)	-
Dividends paid	(7,579,881)	(6,810,847)
Net cash generated from financing activities	2,684,951	17,057,342
Net (decrease) / increase in cash and cash equivalents	(16,937,372)	35,137,226
Cash and cash equivalents at beginning of the period	71,639,638	43,876,320
Cash and cash equivalents at end of the period	54,702,266	79,013,546

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



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

notes to the consolidated condensed interim financial statements (unaudited) for the nine months ended september 30, 2019

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

Engro Corporation Limited (the Holding Company), is a public listed company incorporated in Pakistan and its shares are quoted on Pakistan Stock Exchange Limited. The Holding Company is a subsidiary of Dawood Hercules Corporation Limited (the Parent Company). The principal activity of the Holding Company, is to manage investments in subsidiary companies, associated companies and joint venture, engaged in fertilizers, PVC resin manufacturing and marketing, food, energy, LNG and chemical terminal and storage businesses. The Holding Company's registered office is situated at 7th & 8th floors, The Harbour Front Building, HC # 3, Block 4, Marine Drive, Clifton, Karachi.

1.1 The "Group" consists of:

Holding Company - Engro Corporation Limited

Associated Companies: Associated companies are entities over which the Group has significant influence but not control.

Subsidiary Companies: Companies in which the Holding Company owns over 50% of voting rights, or companies directly controlled by the Holding Company:

	%age of direct share holding	
	September 30, 2019	December 31, 2018
- Engro Energy Limited	100	100
- Engro Eximp Agriproducts (Private) Limited	100	100
- Engro Infiniti (Private) Limited (note 1.1.1)	100	100
- Engro Fertilizers Limited	56.27	56.27
- Engro Polymer and Chemicals Limited	56.19	56.19
- Elengy Terminal Pakistan Limited	56	56
Joint Venture Company:		
- Engro Vopak Terminal Limited	50	50
Associated Company:		
- Engro Foods Limited	39.9	39.9

1.1.1 During the period, the Holding Company has made investment in Engro Infiniti (Private) Limited, a wholly owned subsidiary, through subscription of 18,460,000 ordinary shares of Rs. 10 each at par.

1.1.2 During the period, the shareholders of the Holding Company in its Extraordinary General Meeting held on May 28, 2019, authorised the Holding Company to acquire 100% of the issued and paid-up share capital of Engro Eximp FZE (UAE) from Engro Fertilizers Limited (EFert), a subsidiary company, against an amount of Rs. 1,757,280 (subject to adjustments at the date of closing of the transaction). On July 10, 2019, the Holding Company acquired Engro Eximp FZE for a consideration of Rs. 1,972,505.

(Amounts in thousand)

2. SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE GROUP'S FINANCIAL POSITION AND PERFORMANCE DURING THE PERIOD

Following is the summary of significant transactions and events affecting the Group's financial position and performance during the period:

- 2.1 Through Finance Act 2019, the corporate tax rate for companies have been fixed at 29% for TY 2019 and onwards, thereby deleting the previous 1% successive reduction in corporate tax rate up till TY 2023 enacted through Finance Act 2018. The consequent increase in deferred tax liability has been recognised in these consolidated condensed interim financial statements.
- 2.2 In 2017, Engro Polymer and Chemicals Limited (EPCL), a subsidiary company, had announced Caustic Flake production plan as a part of its expansion plan. During the period, the commercial production of the product has been commenced.
- 2.3 EPCL has approved the incorporation of two wholly owned subsidiaries by name Engro Peroxide (Private) Limited and Engro Plasticizer (Private) Limited for manufacturing Hydrogen Per-oxide and Chlorinated Paraffin Wax, respectively.
- 2.4 In 2014, Engro Powergen Thar (Private) Limited (EPTL), a subsidiary company of Engro Energy Limited, a wholly owned subsidiary company, was formed for the purpose of the development of 2 x 330 MW mine mouth power plants at Thar Block II, Islamkot District, Sindh. On July 10, 2019, EPTL has declared its Commercial Operations Date (COD) and initiated supply of electricity into the national grid.

3. BASIS FOR PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

- 3.1 These consolidated condensed interim financial statements are unaudited and 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 comprises of:
 - International Accounting Standards (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.

- 3.2 The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. During the preparation of these consolidated condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that apply to the consolidated financial statements of the Group for the year ended December 31, 2018.
- 3.3 These consolidated condensed interim financial statements do not include all the information required for consolidated annual financial statements and therefore should be read in conjunction with the audited consolidated annual financial statements of the Group for the year ended December 31, 2018.

(Amounts in thousand)

3.4 The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of audited annual consolidated financial statements of the Group for the year ended December 31, 2018 except for changes specified in note 3.5.

3.5 New accounting standards, interpretations and amendments to approved accounting standards

a) Standards, interpretations and amendments to approved accounting standards that are effective for the period and are relevant to the Group.

There are certain new standards, interpretations and amendments to approved accounting standards which are applicable for the first time on the Group's accounting periods beginning on or after January 1, 2019 but are considered not to be relevant or have any significant effect on the Group's financial reporting, except as follows:

3.5.1 - IFRS 15 - 'Revenue from Contracts with Customers' supersedes IAS 11 'Construction Contracts', IAS 18 'Revenue' and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards.

The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Group has assessed that significant performance obligation in contracts with customers are discharged at a single point of time and therefore there is no significant financial impact of IFRS 15 on the Group. However, certain transportation and handling expenses previously included in selling and distribution expenses have now been reclassified to cost of revenue.

3.5.2 - IFRS 9 - 'Financial Instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities and replaces the related guidance in IAS 39. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through other comprehensive income (OCI) and fair value through profit and loss (FVTPL). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI, without recycling of fair value changes to profit or loss.

There is now a new expected credit losses model that replaces the incurred loss impairment model of IAS 39. For financial liabilities there are no changes to classification and measurement except for the recognition of changes in own credit risk in OCI, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

The adoption of IFRS 9 from January 1, 2019 by the Group has resulted in change in accounting policies. The Group has applied IFRS 9 retrospectively in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". However, it has elected not to restate comparative information as permitted under the transitional provisions of the standard considering there being no material impact of the same.

(Amounts in thousand)

Loans, deposits, and other receivables, accrued interest and cash and cash equivalents, which were previously classified as "loans and receivables" under IAS 39, will now be classified as amortised cost under IFRS 9. Further, short-term investments which were previously classified as held-for-trading under IAS 39 will now be classified as fair value through profit or loss. There have been no changes to the classification of financial liabilities. Furthermore, there were no changes to the carrying values of the Group's financial assets and liabilities for current and prior year balances from adopting the new classification model under IFRS 9.

During the period, the Securities and Exchange Commission of Pakistan (SECP) through its SRO 985(l)/2019 dated September 2, 2019 has granted exemption of the said standard upto June 30, 2021 to the companies holding financial assets from the Government of Pakistan.

In light of the above, certain changes have been made in the accounting policies of the Group. However, based on Group's assessment, there is no material impact of these changes on these consolidated condensed interim financial statements.

3.5.3 "Effective January 1, 2019, the Group has adopted IFRS 16, "Leases" which replaces existing guidance on accounting for leases, including IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease", SIC-15 "Operating Leases - Incentive" and SIC-27 "Evaluating the substance of transactions involving the legal form of a Lease". IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right-of-use of the underlying asset and a lease liability representing its obligations to make lease payments. The only exceptions are short term and low value leases. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases.

The SECP through its SRO 986(l)/2019 dated September 2, 2019 extended its exemption from requirements of IFRS 16 to all companies that have executed their power purchase agreements before January 1, 2019. Accordingly, in this respect, the Group has prepared these consolidated condensed interim financial statements consistent with prior years.

The accounting policies relating to Group's right-of-use assets and lease liabilities are as follows:

Lease liabilities and right-of-use assets

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

From January 1, 2019, leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Group.

The lease liabilities are initially measured at the present value of the remaining lease payments at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Group is reasonably certain to exercise these options.

(Amounts in thousand)

4.3 The Group's interest in jointly controlled and associated entities i.e. Engro Vopak Terminal Limited, Engro Foods Limited, Sindh Engro Coal Mining Company Limited, GEL Utility Limited and Siddiqsons Energy Limited has been accounted for using the equity method.

4.4 These consolidated condensed interim financial statements are presented in Pakistan Rupees, which is the Holding Company's functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income, except where such gains and losses are directly attributable to the acquisition, construction or production of a qualifying asset, in which case, such gains and losses are capitalized as part of the cost of that asset.

	(Unaudited) September 30, 2019	(Audited) December 31, 2018
	------(Rupees)-----	
5. PROPERTY, PLANT AND EQUIPMENT		
Operating assets, at net book value (notes 5.1 and 5.2)	231,816,095	105,138,798
Capital work in progress - Expansion and other projects (note 5.3)	18,216,817	98,326,481
Capital spares and standby equipments	3,793,799	943,599
	<u>253,826,711</u>	<u>204,408,878</u>

5.1 Following additions including transfers from CWIP to operating assets during the period / year:

Land	329,296	26,938
Plant and machinery	132,412,623	6,284,288
Building and civil works including pipelines	91,806	153,748
Furniture, fixture and equipment	710,468	620,112
Catalyst	371,195	213,900
Vehicles	162,976	251,104
Jetty	-	6,133
Dredging	-	116,758
	<u>134,078,364</u>	<u>7,672,981</u>

5.2 During the period, assets costing Rs. 910,272 (December 31, 2018: Rs. 102,833), having net book value of Rs. 43,531 (December 31, 2018: Rs. 18,183) were disposed / written-off for Rs. 58,397 (December 31, 2018: 40,830).

	(Unaudited) September 30, 2019	(Audited) December 31, 2018
	------(Rupees)-----	
5.3 Capital work in progress - Expansion and other projects		
Balance at beginning of the period / year	98,326,481	52,994,469
Additions during the period / year	54,029,193	53,072,911
Transferred to:		
- operating assets	(134,078,364)	(7,603,696)
- intangible assets	(60,493)	(134,505)
- capital spares	-	(2,698)
Balance at end of the period / year	<u>18,216,817</u>	<u>98,326,481</u>

(Amounts in thousand)

6. LONG TERM INVESTMENTS

	(Unaudited) September 30, 2019	(Audited) December 31, 2018
	------(Rupees)-----	
Balance at beginning of the period / year	31,590,380	32,195,681
Add:		
- Investment in associates (note 6.1)	417,176	713,042
- Share of profit for the period / year	1,162,624	1,484,326
Less:		
- Dividend received during the period / year	(810,000)	(1,292,430)
- Provision against tax contingency	-	(1,355,679)
- Provision for impairment	-	(154,560)
Balance at end of the period / year	<u>32,360,180</u>	<u>31,590,380</u>

6.1 This represents investment made during the period by Engro Energy Limited (EEL), a wholly owned subsidiary, in Sindh Engro Coal Mining Company Limited and Siddiqsons Energy Limited.

7. TRADE DEBTS

This includes Rs. 32,157,795 receivable from Central Power Purchasing Authority (Guarantee) Limited on account of sale of electricity. The balance, along with delayed payment charges, are secured by guarantees from the Government of Pakistan under the Implementation Agreements and as such are considered good.

8. DERIVATIVE FINANCIAL ASSET

During the period, Engro Polymer & Chemicals Limited, a subsidiary company, has entered into Forward Exchange agreement on Import Letter of Credit to manage exchange rate exposure on foreign currency payments amounting to CNY 152,000 due on account of purchase of machinery for expansion projects.

9. SHARE CAPITAL

During the period, the Holding Company:

- increased its authorised share capital from Rs. 5,500,000 to Rs 7,000,000; and
- issued bonus shares in the ratio of 1 share for every 10 shares held, totaling the number of issued, subscribed and paid-up shares to 576,163,230 (December 31, 2018: 523,784,754).

10. NON CONTROLLING INTEREST

During the period, Engro Powergen Thar (Private) Limited (EPTL), subsidiary of EEL, has issued 123,593,943 fully paid preference shares of Rs. 10 each as fully paid right shares. These preference shares are cumulative, non-redeemable, non-convertible, non-participatory, non-voting and carry dividend at the rate of 11% US Dollars Internal Rate of Return (IRR). These preference shares have been classified in equity as per the requirements of the Companies Act, 2017.

Under the Articles of Association of EPTL, the dividend in respect of preference shares shall be paid, only if in any half financial year;

- EPTL has made a profit after tax;
- any and all losses incurred by EPTL have been fully recouped; and

(Amounts in thousand)

- the Board of Directors has made a good faith determination setting aside out of the available profits for distribution, a sum for EPTL's investment and other cash needs over the next two financial half-years.

As per the arrangement with preference shareholder, there will be one time revision in coupon rate which will be applicable thereafter for payment of all future dividends to the preference shareholder, such that the preference shareholder gets 11% IRR in US Dollar terms over the entire term of investment. Accordingly, preference dividend payable for the period subsequent to the Commercial Operations Date (COD) has been recorded.

11. BORROWINGS

11.1 Engro Corporation Limited

During the period, the entire amount raised from general public against the issuance of Engro Islamic Rupiya Certificates - II was repaid to the certificate holders on maturity along with markup thereon.

11.2 Engro Polymer and Chemicals Limited (EPCL)

During the period, EPCL, a subsidiary company:

- has reprofiled its debt structure through issuance of sukuk bonds of Rs. 8,750,000. These bonds carry a quarterly rental rate of 3 months KIBOR + 0.9% and are repayable over a period of 7.5 years with the first repayment commencing in June 2024.
- made an early repayment of the long term loans outstanding as at December 31, 2018.

11.3 Engro Powergen Thar (Private) Limited (EPTL)

- As at September 30, 2019, under the USD Facility Agreement with foreign banks, EPTL has made draw down of USD 545,462 (December 31, 2018: USD 504,731), while the undrawn amount is USD 75,538 (December 31, 2018: USD 116,269).
- As at September 30, 2019, EPTL has made the entire draw down of its local currency long term financing facilities of Rs. 24,150,000 (December 31, 2018: Rs. 18,846,597) while the undrawn amount is nil (December 31, 2018: Rs. 5,303,403).

11.4 Engro Fertilizers Limited (EFert)

During the period, principal repayments of long term loan from various banks and subordinated sukuk aggregating to Rs. 3,092,042 were made by EFert.

12. DIVIDEND PAYABLE

This represents interim dividend declared by the Holding Company and the dividends declared by subsidiary companies allocable to Non-controlling interest.

(Amounts in thousand)

13. CONTINGENCIES AND COMMITMENTS

Significant changes in the status of contingencies and commitments reported in the audited annual consolidated financial statements for the year ended December 31, 2018 are as follows :

13.1 Contingencies

13.1.1 During the period:

- the Holding Company pledged shares of Engro Fertilizers Limited and Engro Foods Limited against the Standby Letter of Credit (SBLC) provided by Engro Energy Limited, a wholly owned subsidiary, have been replaced by Treasury Bills amounting to Rs 7,250,000; and
- the amount of Equity SBLC provided in connection with Engro Powergen Thar (Private) Limited has been reduced to USD 138 (December 31, 2018: USD 17,827) (in PKR equivalent).

13.1.2 In the year 2017, the High Court of Islamabad in its order dated June 8, 2017 declared that the income derived by M/s Snamprogetti Engineering (the Contractor) from its contract with EFert, is subject to tax as per Clause 4 of Article 5 of Double Taxation Treaty between Pakistan and the Netherlands. As per the terms of the contract, EFert is liable to reimburse the Contractor for any taxes applied to the income of the Contractor under the contract by the taxation authorities. In respect thereof, the Contractor preferred an appeal in the Supreme Court of Pakistan (SCP). During the period, the SCP decided the case on ex-parte basis against the Contractor. A review application for case restoration has been filed with SCP. The management of EFert based on the opinion of its legal counsel feels that the chances of restoration application being allowed by SCP are good. Hence, no provision has been made in this respect.

13.1.3 During the period, EEL furnished 10 bank guarantees amounting to USD 50 each, to Baluchistan Power Development Board to acquire Letter of Intents / development rights for 50MW x 10 project sites located in Chagai corridor (area of Baluchistan). These guarantees shall expire in February 2021.

13.1.4 On June 27, 2019, EEL furnished a bank guarantee amounting to Rs. 100,000 expiring on October 4, 2019, to Frontier Works Organization (FWO) along with a proposal for participation as equity partner for the white oil pipeline project being developed by FWO.

13.2 Commitments

13.2.1 Commitments in respect of capital expenditure contracted but not incurred amount to Rs. 15,576,503 (2018: Rs. 23,026,122).

(Amounts in thousand)

14. EARNINGS PER SHARE - BASIC AND DILUTED

----- (Unaudited) -----			
Quarter ended		Nine months ended	
September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
----- (Rupees) -----			

There is no dilutive effect on the basic earnings per share on the Holding Company, which is based on the following:

Profit for the period, attributable to the owners of the Holding Company:

6,150,032	3,857,365	13,025,623	9,948,782
-----------	-----------	------------	-----------

Weighted average number of ordinary shares (in thousand)

Number of shares			
(Restated)		(Restated)	
September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
----- (Rupees) -----			

15. CASH GENERATED FROM OPERATIONS

Profit for the period before taxation 33,382,513 26,218,793

Adjustment for non-cash charges and other items:

Depreciation and amortization	8,190,223	5,922,018
Gain on disposal of property, plant and equipment	(14,747)	(8,834)
Provision for retirement and other service benefits	371,588	174,970
Income on deposits / other financial assets	(8,279,573)	(3,601,380)
Share of loss / (income) from joint venture and associates	(1,162,624)	196,373
Finance cost	7,832,495	3,392,622
Loss on foreign currency translations	1,593,510	707,887
Working capital changes (note 15.1)	15,318,627	(7,901,629)
	<u>57,232,012</u>	<u>25,100,820</u>

15.1 Working capital changes

(Increase) / Decrease in current assets

- Stores, spares and loose tools	(169,219)	(284,112)
- Stock-in-trade	1,513,212	(12,495,125)
- Trade debts	(21,142,729)	(1,437,773)
- Loans, advances, deposits and prepayments	(6,335,713)	(1,426,837)
- Other receivables - net	(1,974,354)	222,748
	<u>(28,108,803)</u>	<u>(15,421,099)</u>

Increase in current liabilities

- Trade and other payables, including other service benefits - net	43,427,430	7,519,470
	<u>15,318,627</u>	<u>(7,901,629)</u>

(Amounts in thousand)

16. CASH AND CASH EQUIVALENTS

	September 30, 2019	September 30, 2018
----- (Rupees) -----		
Cash and bank balances	15,258,324	14,894,565
Short term investments	46,481,651	70,756,676
Short term borrowings	(7,037,709)	(6,637,695)
	<u>54,702,266</u>	<u>79,013,546</u>

17. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

17.1 Financial risk factors

The Group'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 consolidated condensed interim financial statements does not include all the financial risk management information and disclosures required in the annual financial statements.

17.2 Fair value estimation

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

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

	Level 1	Level 2	Level 3
----- (Rupees) -----			
Assets			
Financial assets at fair value through profit and loss			
- Short term investments	18,266,628	70,037,944	-
- Derivative financial asset	-	70,874	-

- There were no transfers between Levels during the period. Further, there were no changes in valuation techniques during the period.

Level 2 fair valued instruments comprise of fixed income placements and treasury bills which have been valued using discounted cash flow model.

17.3 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in these consolidated condensed interim financial statements approximate their fair value.

(Amounts in thousand)

18. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of parent company, joint venture companies, associates, retirement benefit funds, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

	------(Unaudited)-----	
	Nine months ended	
	September 30, 2019	September 30, 2018
	------(Rupees)-----	
Parent Company		
Dividend paid	3,606,992	2,524,895
Reimbursements to Parent Company	130,629	12,214
Associated companies and joint ventures		
Purchases and services	17,304,752	4,250,883
Dividends received	810,000	842,430
Dividends paid	1,479,196	1,138,853
Contribution for Corporate Social Responsibility	74,500	61,000
Payment against EPC contract	18,925,494	16,455,196
Reimbursements from	196,542	125,324
Reimbursements to	157,257	126,300
Loan received	384,304	847,065
Loan paid	-	165,915
Finance cost paid	182,428	252,668
Share capital issued	4,560,488	3,884,053
Key Management Personnel		
Remuneration paid to key management personnel / Directors	1,020,521	796,647
Reimbursement of expenses	40,302	16,805
Directors fees	168,253	89,189
Directors' Emoluments	-	310,500
Dividend paid	175,618	97,758
Profit on Engro Islamic Rupiya Certificates	19,504	18,118
Contribution for retirement benefits	594,416	468,709

(Amounts in thousand)

19. SEGMENT REPORTING

19.1 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.

Type of segments	Nature of business
Fertilizer	Manufacture, purchase and market fertilizers.
Polymer	Manufacture, market and sell Poly Vinyl Chloride (PVC), PVC compounds, Caustic Soda and related chemicals.
Food	Manufacture, process and trade all kinds of raw and processed agricultural products.
Power and mining	Includes Independent Power Projects (IPP).
Other operations	Includes chemical terminal and storage services.

19.2 Liabilities are reported segment-wise to the Board of Directors on an annual basis. Hence, segment-wise details of liabilities have not been presented in these consolidated condensed interim financial statements.

19.3 Information regarding the Group's operating segments is as follows:

	------(Unaudited)-----			
	Quarter ended		Nine year ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	------(Rupees)-----			
Revenue				
Fertilizer	27,106,188	28,098,690	77,749,136	69,215,104
Polymer	9,233,901	8,422,094	27,834,222	25,523,707
Food	1,300,771	755,575	3,047,840	2,404,594
Power and mining	21,738,987	2,388,428	29,160,824	8,451,792
Other operations	8,371,325	7,149,725	20,156,214	16,611,009
Elimination - net	(4,339,713)	(3,903,834)	(8,547,661)	(7,562,451)
Consolidated	<u>63,411,459</u>	<u>42,910,678</u>	<u>149,400,575</u>	<u>114,643,755</u>
Profit / (Loss) for the period				
Fertilizer	3,372,970	5,099,712	10,557,145	12,249,088
Polymer	1,270,089	1,081,765	2,814,483	3,865,436
Food	(212,100)	24,493	(296,584)	251,384
Power and mining	4,867,794	102,828	5,447,761	1,417,999
Other operations	4,940,799	3,958,745	10,967,404	8,328,080
Elimination - net	(3,835,128)	(3,469,182)	(7,603,346)	(8,258,705)
Consolidated	<u>10,404,424</u>	<u>6,798,361</u>	<u>21,886,863</u>	<u>17,853,282</u>

(Amounts in thousand)

	(Unaudited) September 30, 2019	(Audited) December 31, 2018
	------(Rupees)-----	
Assets		
Fertilizer	130,361,644	117,721,049
Polymer	47,385,678	36,023,287
Food	30,898,320	31,554,174
Power and mining	199,843,675	133,172,457
Other operations	117,851,574	108,912,608
Elimination - net	(44,617,773)	(34,228,807)
Consolidated	<u>481,723,118</u>	<u>393,154,768</u>

20. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE

- 20.1 The Board of Directors of the Holding Company in its meeting held on October 24, 2019 has approved an interim cash dividend of Rs. 8.00 per share for the year ending December 31, 2019. These consolidated condensed interim financial statements does not include the effect of the said interim dividend.
- 20.2 The Board of Directors of Engro Vopak Terminal Limited, a joint venture company, in its meeting held on October 10, 2019 has declared an interim cash dividend of Rs. 6.00 per share for the year ending December 31, 2019. These consolidated condensed interim financial statements does not include the effect of the said interim dividend.

21. SEASONALITY

- 21.1 The Group's fertilizer business is subject to seasonal fluctuations as a result of two different farming seasons viz, Rabi (from October to March) and Kharif (from April to September). On an average fertilizer sales are more tilted towards Rabi season. The Group manages seasonality in the business through appropriate inventory management.
- 21.2 "The Group's agri business is subject to seasonal fluctuation as majority of paddy / unprocessed rice is procured during the last quarter of the year which is the harvesting period for all rice varieties grown in Pakistan. However, rice is sold evenly throughout the year. The Group manages seasonality in the business through appropriate inventory management.

22. CORRESPONDING FIGURES

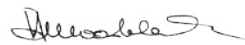
- 22.1 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the consolidated condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, the consolidated condensed interim statement of comprehensive income, the consolidated condensed interim statement of changes in equity and the consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.
- 22.2 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison, the effects of which are not material.

23. DATE OF AUTHORIZATION

These consolidated condensed interim financial statements were authorized for issue on October 24, 2019 by the Board of Directors of the Holding Company.



Abdul Samad Dawood
Vice Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

ڈائریکٹرز رپورٹ

اینگرو کارپوریشن لمیٹڈ کے ڈائریکٹرز اپنی رپورٹ پیش کرنے پر انتہائی مسرت کا اظہار کرتے ہیں، جس کے ساتھ 30 ستمبر، 2019 کو ختم ہونے والی تیسری سہ ماہی کے لئے کمپنی کا عبوری غیر آڈٹ شدہ مالیاتی بیانیہ بھی موجود ہے۔

مالیاتی کارکردگی

مجموعی طور پر، 2019 کی نو ماہی کیلئے آمدن 149,401 ملین پاکستانی روپے تھی، جس کی بنیاد پر بہتر فریٹلائزرز اور پیٹرو کیمیکلز کی آمدن میں 30 فیصد اضافہ ہوا اور جو 2019 کی تیسری سہ ماہی کے دوران توانائی پروڈیونگس کی وجہ سے بڑھا۔ 2019 کی تیسری سہ ماہی کیلئے بعد از ٹیکس منافع (PAT) 21,887 ملین پاکستانی روپے تھا، جو 23 فیصد تک بڑھ گیا، جبکہ PAT بعد از ٹیکس منافع کے بعد حصص یافتگان سے منسوب رقم گزشتہ برس کے اسی عرصے کے دوران 9,949 ملین پاکستانی روپے سے بڑھ کر 13,026 ملین پاکستانی روپے رہی۔ انفرادی طور پر، کمپنی کا بعد از ٹیکس منافع گزشتہ مالی سال کے اسی عرصے کے دوران 7,046 ملین پاکستانی روپے کے مقابلے میں 9,424 ملین پاکستانی روپے رہا جس کے مطابق فی حصص آمدنی 16.36 پاکستانی روپے ہے۔ منافع بعد از ٹیکس میں اضافہ بنیادی طور پر ڈیویڈنڈ اور سود پر مبنی آمدن کے باعث ہے۔ بورڈ انتہائی مسرت کے ساتھ مالی سال 2019 کے لئے 8.00 روپے فی حصص کے تیسرے عبوری نقد منافع منظمہ کا اعلان کرتا ہے۔ جس سے 2019 کی تیسری سہ ماہی میں فی حصص 23.00 پاکستانی روپے کی ادائیگی ممکن ہوئی۔ بورڈ نے سہ ماہی کی بنیاد پر زیادہ سے زیادہ منافع حاصل کرنے کی کوشش کی۔ 31 دسمبر 2019 کو ختم ہونے والے سال کیلئے حتیٰ ڈیویڈنڈ کا اعلان سال کی مجموعی آمدنی کی بنیاد پر کیا جائے گا۔

اہم کاروباری شعبوں کا ایک مختصر جائزہ مندرجہ ذیل ہے:

فریٹلائزرز

فریٹلائزرز کے کاروبار میں 2019 کی تیسری سہ ماہی کیلئے آمدنی میں گزشتہ سال اسی مدت کے مقابلے میں 12 فیصد اضافہ دیکھنے میں آیا، تاہم، گیس کی قیمتوں میں اضافے، ڈالر کی قیمت میں اضافے سے گیس کی قیمت میں اضافہ، انسٹیل بوجھ کے قواعد و ضوابط میں تبدیلیوں سے پیدا ہونے والی لاجسٹک لاگت اور بڑھتے ہوئے مالی چارجز کی وجہ سے اس کاروبار کی لاگت میں نمایاں اضافہ دیکھنے میں آیا۔ فنانس ایکٹ 2019 کے نتیجے میں ایک مرتبہ موخر ٹیکس محصول وصول کیا۔ جس کے تحت کارپوریٹ ٹیکس کی شرح 29 فیصد مقرر کی گئی ہے جبکہ اس کے مقابلے میں فنانس ایکٹ 2018 کے ذریعے اعلان کردہ 30 فیصد سے 25 فیصد تک کی واقع ہوئی تھی۔ نتیجتاً موجودہ مدت کیلئے بعد از ٹیکس منافع 10,511 ملین پاکستانی روپے ہے جو کہ 2018 کی نو ماہی کیلئے 12,249 ملین پاکستانی روپے تھی۔

پیٹرو کیمیکلز

پیٹرو کیمیکلز کے کاروبار میں گزشتہ سال کی اسی مدت کے مقابلے میں آمدنی میں 9 فیصد اضافہ ریکارڈ کیا گیا تھا، تاہم، 2019 کی تیسری سہ ماہی کے لئے بعد از ٹیکس منافع 2,814 ملین پاکستانی روپے ہے جو تقابلی مدت کے لئے 3,865 ملین پاکستانی روپے تھا۔ مہنگائی، توانائی کے بڑھتے ہوئے اخراجات اور سود کی شرح میں اضافے کے ساتھ ساتھ پاکستانی روپے کی قدر میں کمی کی وجہ سے منافع پر اثر پڑا۔

توانائی

تھر کول مائننگ اینڈ پاور جنریشن پروڈیونگس: تھر مائن میں 3.8 میٹرک ٹن سالانہ کان کی کھدائی کا کام 3 جون 2019 کو کامیاب سمجھیل کے ٹیسٹ کے ساتھ ہوا۔ اس کے بعد، کان کئی اور بجلی دونوں منصوبوں کے لئے 10 جولائی 2019 کو کمرشل آپریشنز ڈیٹ (سی او ڈی) کا اعلان کیا گیا۔ 30 ستمبر 2019 تک، کان سے 786 ہزار ٹن کوئلہ سپلائی کیا گیا، جبکہ تھر پاور پلانٹ بھی کمرشل آپریشنز ڈیٹ کے بعد سے آسانی سے چل رہا ہے اور 904 میگا واٹ فی گھنٹہ قومی گرڈ کو فراہم کیا گیا ہے۔ اس کامیابی کے ساتھ، اینگرو توانائی کے بحران کے خاتمے کے لئے مقامی وسائل کا استعمال کر رہی ہے اور ایک بار پھر، اس نے میگا پروڈیونگس کی فراہمی کی اپنی صلاحیت کو ثابت کیا ہے جو پاکستانی عوام کی ترقی ممکن بناتے ہیں۔

قادر پور پاور پلانٹ: اس پلانٹ سے قومی گرڈ کو مجموعی طور پر 69.6 فیصد لوڈ فیکٹر کے ساتھ 970 میگا واٹ فی گھنٹہ بجلی فراہم کی گئی، پچھلے سال اسی عرصہ کے دوران یہ 83 فیصد تھا۔ لوڈ فیکٹر میں کمی بنیادی طور پر کم طلب اور گیس کی قلت کی وجہ سے تھی، جو قادر پور گیس فیلڈ میں گیس کی کمی کے باعث تھی۔ 2019 کی تیسری سہ ماہی میں منافع 2,610 ملین پاکستانی روپے ہے جو کہ گزشتہ سال کی تقابلی مدت میں 1,923 ملین پاکستانی روپے تھا۔ منافع میں اضافہ امریکی ڈالر کی قیمت میں اضافے کے باعث ہے۔

ٹرینٹل آپریشنز

ہمارے اہل این جی پروڈیکٹ کے آغاز کے بعد سے، ٹرینٹل نے 15 ملین ٹن اہل این جی کا انتظام کیا اور اس وقت ملک میں گیس کی 13 فیصد سے زیادہ ضرورت پوری کر رہا ہے۔ اس وقت تک ملک کو تقریباً 2 بلین امریکی ڈالر کی بچت ہوئی ہے اور اس سے زیادہ منجگہ فرنس آئل اور ڈیزل کی درآمد کو اہل این جی سے تبدیل کیا گیا ہے اور ایندھن کے حوالے سے کارکردگی میں فرق نہیں آیا ہے۔ اہل این جی درآمد کے ذریعے گیس کی مستقل فراہمی کو یقینی بناتے ہوئے اس منصوبے نے فریٹلائزر اور سی این جی سیکٹرز اور +500 صنعتی یونٹوں کو بھی دوبارہ کار آمد بنایا ہے۔

مستقبل قریب کا منظر نامہ

اینگرو کارپوریشن قرضوں کی زیادہ سے زیادہ سطح کو برقرار رکھتے ہوئے منصوبوں کی فراہمی، مستقبل کی سرمایہ کاری پر توجہ دینے اور اپنی بیلنس شیٹ کی مضبوطی کو برقرار رکھتے ہوئے کام کرنے کے لئے پرعزم ہے۔

فریٹلائزرز

آگے بڑھتے ہوئے، مقامی یوریا کی طلب مستحکم رہنے کی توقع ہے، قیمتوں کی قدر میں کمی اور حالیہ بجٹ کے اقدامات کی وجہ سے جبکہ فاسفیٹس اور دیگر درآمد شدہ فریٹلائزرز کی مانگ میں کمی کی توقع ہے۔ فریٹلائزر کی صنعت کو طویل عرصے سے بقایا سبسڈی کی وصولی اور جی آئی ڈی سی کے تصفیہ میں چینلنچوں کا سامنا ہے۔ ان معاملات کے حل کی جلد ہی توقع کی جارہی ہے کیونکہ توقع ہے کہ سپریم کورٹ آف پاکستان بہت جلد جی آئی ڈی سی معاملے پر فیصلہ سنائے گی۔

پیٹرو کیمیکلز

بین الاقوامی PVC اور انتھیلین کی قیمتوں کا انحصار عالمی معاشی صورتحال اور طلب و رسد پر ہو گا۔ مقامی مارکیٹ میں اس وقت تیزی ہے اور ایک مرتبہ معاشی پالیسیوں، اقتصادی اشاروں اور دیگر اہم معاملات حل ہونے پر اس کی ترقی کی توقع ہے۔ توسیعی منصوبوں پر عمل درآمد کے ساتھ کاروبار تیزی سے جاری ہے اور امید ہے کہ ان منصوبوں کی تکمیل مقررہ وقت پر ہو جائے گی اور پاکستان میں پیٹرو کیمیکل اور دیگر کیمیکلز میں کاروبار کو ترقی ملے گی۔

توانائی

اینگرو ملک میں توانائی کے بحران کو ختم کرنے میں مدد کے لئے پیش پیش ہے۔ حکومت اور دیگر اسٹیک ہولڈرز کے ساتھ شراکت میں، ہمارا انرجی بزنس طبقہ قابل تجدید توانائی کے شعبے میں مواقع تلاش کرتا رہتا ہے۔ توقع کی جاتی ہے کہ سرکلر قرضہ مستقبل میں توانائی کے شعبے کے لئے اس وقت تک ایک چیلنج بنا رہے گا، جب تک کہ بنیادی وجوہات کو حل کرنے کے لئے ٹھوس پالیسی اقدامات نہ کیے جائیں۔

ٹرینٹل آپریشنز

کیمیائی صنعت مستحکم رہنے کی امید ہے اور کیمیکل ٹرینٹل اپنے مارکیٹ شیئر کو برقرار رکھنے کے منتظر ہے۔ اہل این جی ٹرینٹل ملک کو درپیش توانائی کی کمی کو دور کرنے میں مثبت طور پر اپنا کردار ادا کر رہا ہے۔ ہمیں مارکیٹ لیڈر رائل ووپاک کے ساتھ بیس سال سے زائد عرصے سے اپنے دیرینہ تعلقات کو جاری رکھنے پر خوشی ہے، جو اینگرو اور ووپاک کے لئے اپنے مشترکہ وسائل اور مہارت کا استعمال کرتے ہوئے اندرون و بیرون ملک مزید کاموں میں تعاون کرنے کی راہ ہموار کرتا ہے۔

اعتراف

ڈائریکٹرز کمپنی پر بھرپور اعتماد کرنے پر حصص یافتگان کے انتہائی مشکور ہیں۔ ہم اس بات کا بھی اقرار کرنا چاہتے ہیں کہ اینگرو فیملی کے ہر ایک رکن کا عزم اور تخلیقی سوچ قابل ستائش ہے اور ہمیں پورا بھروسہ ہے کہ وہ مستقبل میں بھی ایسا ہی کریں گے۔



حمین داؤد
چیئرمین



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