



engro fertilizers

# A PROMISE OF GROWTH

First Quarter Accounts 2021





engro fertilizers

# company information

## BOARD OF DIRECTORS

Mr. Ghias Khan (Chairman)  
Mr. Nadir Salar Qureshi (Chief Executive)  
Mr. Abdul Samad Dawood  
Mr. Asad Said Jafar  
Mr. Asim Murtaza Khan  
Mr. Javed Akbar  
Mr. Mazhar Hasnani  
Casual Vacancy\*

## CHIEF FINANCIAL OFFICER

Mr. Imran Ahmed

## COMPANY SECRETARY

Mr. Sunaib Barkat

## BANKERS

### Conventional Banks

Allied Bank Limited  
Askari Bank Limited  
Bank Al Habib Limited  
Bank Alfalah Limited  
Citi Bank N.A  
Deutsche Investitions und  
Entwicklungsgesellschaft (DEG)  
Faysal Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
Silk Bank Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Summit Bank Limited  
The Bank of Punjab  
United Bank Limited

### Shariah Compliant Banks

Bank Islami Pakistan Limited  
Al Baraka Islamic Bank (Pakistan) Limited  
Dubai Islamic Bank (Pakistan) Limited  
Meezan Bank Limited  
MCB Islamic Bank Limited

### Microfinance Banks

Mobilink Microfinance Bank  
Telenor Microfinance Bank

## AUDITORS

A. F. Ferguson & Co.  
Chartered Accountants  
State Life Building No. 1-C,  
I. I. Chundrigar Road Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6 / 32426711-5  
Fax: +92 (21) 32415007 / 32427938

## REGISTERED OFFICE

7th & 8th Floor, The Harbor Front Building,  
HC # 3, Marine Drive, Block 4, Clifton,  
Karachi-75600, Pakistan  
Tel: +92 (21) 35297501-10  
PABX: +92 (21) 111 211 211  
Fax: +92 (21) 35810669  
Website: [www.engrofertilizers.com](http://www.engrofertilizers.com)  
[www.engro.com](http://www.engro.com)

## PLANT SITES

### Daharki

Daharki, District Ghotki, Sindh  
PABX: +92 723 641001 - 10  
Fax: +92 723 641028 - 9

### Zarkhez

EZ-1 P-II Eastern Industrial Zone Port Qasim, Karachi  
PABX: 021-34740044-49  
Fax: +9221-34740051

## DISTRIBUTION HEAD OFFICE

Engro Fertilizers Limited  
Plant Site Daharki

## SALES & MARKETING HEAD OFFICE

7th Floor, The Harbor Front Building,  
HC # 3, Marine Drive, Block 4, Clifton,  
Karachi-75600, Pakistan

## SHARE REGISTRAR

M/s. FAMCO Associates (Pvt) Limited  
8-F, Near Hotel Faran, Block-6, PECHS,  
Shahrah-e-Faisal, Karachi, Pakistan  
Tel: +92 (21) 34380104-5, 34384621-3  
Fax: +92 (21) 34380106

## SPEAK-OUT, WHISTLEBLOWER HOTLINE

For complaints or concerns in relation to business  
ethics and Compliance

### Engro Fertilizers Limited

Tel: +9221-35296012  
Email: [speakout.fertilizers@engro.com](mailto:speakout.fertilizers@engro.com)  
PO Box 3851, Clifton, Karachi

\*Subsequently filled through appointment of a female director on April 7, 2021.

# directors' report to the shareholders for the three months ended march 31, 2021

On behalf of the Board of Directors of Engro Fertilizers Limited (the Company), we are pleased to present the unaudited financial statements for the three months ended March 31, 2021.

## Business Continuity Strategy during COVID 19

The Company remains committed to strict adherence with COVID-19 SOPs whilst ensuring uninterrupted operations as Pakistan tackles the third wave of the pandemic. Health and safety of our employees has always been our utmost priority. During these challenging times, Head office employees are working from home and coming to office only when absolutely necessary. Special medical help desk facility continues to operate to ensure wellbeing of the employees. We are also in the process of a group wide effort to procure vaccines for our employees and their eligible family members.

## CSR Initiatives

The Company recognizes its role in supporting the community it operates in and thus has taken multiple steps to improve the lives of people around the surrounding community. The following initiatives were taken during the quarter:

- Education: Support provided to establish a science lab & face uplift of Girls' Degree College Ubaro and to install water coolers at government Boys' Degree College & government primary schools at Daharki
- Renewable Energy: Support extended for replacement of solar lights at Jung village and solar batteries at Daharki railway station
- Community Engagement: CSR drive involving the entire Daharki community. The program comprises of 6 different verticals including Kafalat, Tameer, Sahara, Saaf Pakistan, Healthcare and Community Service.

## Market Review

International urea prices have increased to USD 377/T (landed equivalent PKR 3,417/bag) by the end of Q1 2021 from USD 289/T (landed equivalent of PKR 2,775/bag) prevailing at the end of 2020. Domestic urea prices are at a discount of approximately 50% to international prices, as they are currently hovering around PKR 1,717/bag, significantly lower than PKR 2,040/bag at the start of 2020.

DAP international prices have also witnessed rapid increase during the period with prices being quoted as high as USD 570/T by end of Q1 amidst product supply challenges and resurging demand especially from Latin and North America.

On the domestic front, 2021 witnessed strong agri sector performance. Following the momentum built over last year, farm economics continued to improve driven by better farm output prices and improving support pricing. Urea dealer transfer pricing at current level of PKR 1,679/bag also helped farm economics as these prices are at the level they used to be in 2012.

Local urea market demand stood at 1,377 KT vs 1,021 KT in Q1 2020, translating into an increase of 35% versus same period last year. This was mainly due to lower sales last year resulting from higher opening channel inventory. Domestic production decreased by 2% standing at 1,403 KT vs 1,428 KT last year.

## Other Key Developments

During the quarter, certain anomalies in tax laws have been resolved which were previously a deterrent to sales tax registration of fertilizer dealers. In our efforts to support the government for improving transparency in the fertilizer downstream value chain, we initiated an extensive drive to enable sales tax registration of our dealers through effective communication and by announcing restrictions on transactions with dealers not registered under the sales tax regime.

In March 2021, the ECC approved a subsidy of PKR 13.6 Bn to operate RLNG based urea plants for a 9-month period from March 2021 to November 2021 (operations may continue in December 2021 subject to gas availability). This will add an estimated 600-700 KT urea production in the market.

On the GIDC front, no significant progress has been made during the quarter.

## Awards & Recognitions

During the quarter, the Company has received the following awards:

1. **3 awards** at the 10th Annual International Corporate Social Responsibility Summit Awards in the categories of **CSR Event, Community Impact & Employee Volunteer Program**
2. Recognition in multiple categories (**Employee Engagement, Green Energy Initiative, Livelihood & COVID'19 Crisis Management**) at the 13th International Annual CSR Summit and Awards 2021
3. Daharki Plant has been awarded with **distinction at International Safety Awards 2021** by British Safety Council

## Company's Operating Performance:

The Company's urea production stood at 523 KT vs 572 KT in Q1 FY20 because of a turnaround in one of our plants. The Company delivered quarterly urea sales of 582 KT in Q1 2021.

The Company phosphates sales during Q1 stood at 74 KT vs 36 KT during the same period last year.

Gross Profit of the Company was recorded at PKR 11.6 Bn for Q1 2021 as compared to PKR 3.6 Bn in the same period last year, an increase of 3.2x mainly on the back of higher offtakes.

On a standalone basis, net profit for Q1 2021 stood at PKR 6.4 Bn compared to PKR 1.4 Bn last year. Company's consolidated profit stood at PKR 5.7 Bn vs PKR 0.6 Bn in the corresponding period last year, resulting in an EPS of PKR 4.30 vs. PKR 0.43 in the same period last year.

The Board is pleased to announce a cash dividend of PKR 4 per share for the period ended March 31, 2021. In line with the Company policy, we endeavor to pay quarterly dividends and this dividend has been announced after considering the cash position of the Company.

## Near Term Outlook

The rural economy continues to strengthen on that back of higher crop support prices, favorable weather conditions and lower urea prices. Thus, positive momentum in farm economics is expected to continue this year.

In the fertilizer industry, the decision of the government to operate RLNG based urea plants for a 9-month period may result in an oversupplied market in view of opening inventory of 270 KT and indigenous gasbased urea production of approximately 5.8 Mn tons in 2021.

Lack of clarity around end of concessionary gas would be the most notable challenge for the year. The Company has been in discussion with the government and Sui Northern Gas Pipeline Limited ("SNGPL") to extend the concessionary gas period for the number of days for which Minimum Contract Quantity of gas under the GSA was not supplied to the Company.

The Company remains committed to continue to play its role in transforming the agricultural landscape of Pakistan. On behalf of the Board, the Company would like to thank all stakeholders for their continued trust and support.



Ghias Khan  
Chairman



Nadir Salar Qureshi  
Chief Executive Officer



engro fertilizers

consolidated condensed  
interim financial statements  
(unaudited)  
for the quarter ended  
march 31, 2021

# consolidated condensed interim statement of financial position as at march 31, 2021

(Amounts in thousand)

	Note	Unaudited March 31, 2021	Audited December 31, 2020
-----Rupees-----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	64,540,739	65,645,796
Intangible assets		5,135,666	5,164,817
Long-term loans and advances		18,109	81,872
		69,694,514	70,892,485
<b>Current assets</b>			
Stores, spares and loose tools		6,738,758	6,499,113
Stock-in-trade	4	5,696,232	7,533,174
Trade debts		3,461,658	2,906,353
Loans, advances, deposits and prepayments		2,194,871	2,188,549
Other receivables		9,069,850	8,303,566
Short-term investments	5	28,057,479	26,762,992
Accrued income		96,134	157,805
Taxation - net		-	2,857,897
Cash and bank balances		900,333	3,611,441
		56,215,315	60,820,890
<b>TOTAL ASSETS</b>		<b>125,909,829</b>	<b>131,713,375</b>


(Amounts in thousand)

	Note	Unaudited March 31, 2021	Audited December 31, 2020
-----Rupees-----			
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Share capital		13,352,993	13,352,993
<b>Reserves</b>			
Share premium		3,384,904	3,384,904
Remeasurement of post employment benefits		(50,411)	(50,411)
Unappropriated profit		30,443,487	30,043,254
		33,777,980	33,377,747
<b>TOTAL EQUITY</b>		47,130,973	46,730,740
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	6	12,293,270	13,514,080
Deferred taxation		11,473,676	11,677,783
Provision for Gas Infrastructure Development Cess (GIDC)		9,585,070	10,510,379
Deferred liabilities		212,976	273,034
		33,564,992	35,975,276
<b>Current liabilities</b>			
Trade and other payables		21,535,061	30,218,988
Current portion of:			
- borrowings	6	8,303,420	10,061,614
- provision for GIDC		8,149,174	6,926,824
- deferred liabilities		64,796	54,439
Unpaid dividend		5,341,195	-
Short-term borrowings	7	435,891	425,120
Loan from Parent Company		1,000,000	1,000,000
Accrued interest / mark-up		273,109	263,054
Taxation - net		56,366	-
Unclaimed dividend		54,852	57,320
		45,213,864	49,007,359
<b>TOTAL LIABILITIES</b>		78,778,856	84,982,635
<b>Contingencies and Commitments</b>	8		
<b>TOTAL EQUITY AND LIABILITIES</b>		125,909,829	131,713,375

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman



# consolidated condensed interim statement of profit or loss (unaudited) for the quarter ended march 31, 2021

(Amounts in thousand except for earnings per share)

	Note	Quarter ended	
		March 31, 2021	March 31, 2020
-----Rupees-----			
Net sales	9	29,443,723	10,791,539
Cost of sales		(17,885,979)	(7,156,467)
<b>Gross profit</b>		11,557,744	3,635,072
Selling and distribution expenses		(1,827,495)	(1,056,192)
Administrative expenses		(411,516)	(358,337)
		9,318,733	2,220,543
Other income	10	479,069	261,213
Other operating expenses		(672,245)	(148,228)
Finance cost		(269,092)	(1,211,917)
Other gains / (losses):			
- Unwinding of remeasurement gain on provision for GIDC		(297,056)	-
- Unwinding of loss allowance on subsidy receivable from GoP		100,784	-
		(196,272)	-
<b>Profit before taxation</b>		8,660,193	1,121,611
Taxation	11	(2,918,766)	(550,847)
<b>Profit for the period</b>		5,741,427	570,764
<b>Earnings per share</b> - basic and diluted		4.30	0.43

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

# consolidated condensed interim statement of comprehensive income (unaudited) for the quarter ended march 31, 2021

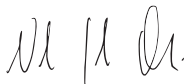
(Amounts in thousand)

	Quarter ended	
	March 31, 2021	March 31, 2020
Profit for the period	5,741,427	570,764
<b>Other comprehensive income:</b>		
Items potentially re-classifiable to profit or loss	-	-
Items not potentially re-classifiable to profit or loss	-	-
<b>Total comprehensive income for the period</b>	<b>5,741,427</b>	<b>570,764</b>

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

# consolidated condensed interim statement of changes in equity for the quarter ended march 31, 2021

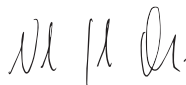
(Amounts in thousand)

	RESERVES				Total
	CAPITAL		REVENUE		
	Share capital	Share premium	Remeasurement of post employment benefits	Unappropriated profit	
	-----Rupees-----				
<b>Balance as at January 1, 2021 (Audited)</b>	13,352,993	3,384,904	(50,411)	30,043,255	46,730,741
<b>Transactions with owners</b>					
Dividends					
- Final 2020: Rs. 4.00 per share	-	-	-	(5,341,195)	(5,341,195)
<b>Total comprehensive income for the quarter ended March 31, 2021</b>					
Profit for the period	-	-	-	5,741,427	5,741,427
Other comprehensive income for the period	-	-	-	-	-
	-	-	-	5,741,427	5,741,427
<b>Balance as at March 31, 2021 (Unaudited)</b>	<b>13,352,993</b>	<b>3,384,904</b>	<b>(50,411)</b>	<b>30,443,487</b>	<b>47,130,973</b>
<b>Balance as at January 1, 2020 (Audited)</b>	13,352,993	3,384,904	(56,639)	26,598,202	43,279,460
<b>Total comprehensive income for the quarter ended March 31, 2020</b>					
Profit for the period	-	-	-	570,764	570,764
Other comprehensive income for the period:	-	-	-	-	-
	-	-	-	570,764	570,764
<b>Balance as at March 31, 2020 (Unaudited)</b>	<b>13,352,993</b>	<b>3,384,904</b>	<b>(56,639)</b>	<b>27,168,966</b>	<b>43,850,224</b>

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

# consolidated condensed interim statement of cash flows (unaudited) for the quarter ended march 31, 2021

(Amounts in thousand)

	Note	Quarter ended	
		March 31, 2021	March 31, 2020
-----Rupees-----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	12	6,944,342	4,108,836
Retirement and other service benefits paid		(68,743)	(51,077)
Taxes paid		(197,234)	(583,548)
Long-term loans and advances		63,763	59,581
Net cash generated from operating activities		6,742,128	3,533,792
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of property, plant and equipment and intangibles		(193,330)	(303,009)
Proceeds from disposal of property, plant and equipment		5,470	-
Purchase of short-term investments		(1,020,998)	(38,926,012)
Proceeds from sale of short-term investments		19,364,314	38,486,786
Income on government securities, term deposit certificates and bank deposits		498,293	166,673
Net cash generated from / (utilised in) investing activities		18,653,749	(575,562)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid		(2,468)	(2,539)
Finance cost paid		(153,467)	(927,859)
Repayments of long-term borrowings		(2,875,000)	(2,500,000)
Net cash utilised in financing activities		(3,030,935)	(3,430,398)
Net increase / (decrease) in cash and cash equivalents		22,364,942	(472,168)
Cash and cash equivalents at beginning of the period		5,126,379	4,029,957
Cash and cash equivalents at end of the period	13	27,491,321	3,557,789

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

# notes to the consolidated condensed interim financial statements (unaudited) for the quarter ended march 31, 2021

(Amounts in thousand)

## 1. LEGAL STATUS AND OPERATIONS

- 1.1 Engro Fertilizers Limited ('the Holding Company') is a public company incorporated in Pakistan on June 29, 2009 as a wholly owned subsidiary of Engro Corporation Limited (the Parent Company), which is a subsidiary of Dawood Hercules Corporation (the Ultimate Parent Company). The Holding Company is listed on Pakistan Stock Exchange Limited (PSX).

The Holding Company is engaged in the manufacturing, purchasing and marketing of fertilizers, seeds and pesticides and providing logistics services. The registered head office of the Holding Company is situated at 7th and 8th floors, The Harbour Front Building, Plot Number HC-3, Block 4, Scheme Number 5, Clifton, Karachi.

- 1.2 **The 'Group' consists of:**

**Holding Company:** Engro Fertilizers Limited

**Subsidiary Company:** EFert Agritrade (Private) Limited (EAPL) which is a wholly owned subsidiary of the Holding Company (1.2.1).

- 1.2.1 EAPL was incorporated on July 04, 2017 to carry out trading and distribution of imported fertilizer as part of the business reorganization. The Holding Company has transferred its business of trading and distribution of imported fertilizer to the new subsidiary and holds 10,000 ordinary shares of Rs. 10 each in EAPL.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

- 2.1 **Statement of compliance**

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise 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 (the Act); and
- provisions of and directives issued under the Act.

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

- 2.2 These consolidated 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 financial statements of the Group for the year ended December 31, 2020.
- 2.3 The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are same as those applied in the preparation of the audited financial statements of the Group for the year ended December 31, 2020.
- 2.4 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 judgement 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.

(Amounts in thousand)

During the preparation of these consolidated condensed interim financial statements, the significant judgements and estimates made by the management are the same as those that were applied to audited financial statements of the Group for the year ended December 31, 2020.

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

	Unaudited March 31, 2021	Audited December 31, 2020
-----Rupees-----		
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating assets at net book value (note 3.1)	58,328,251	59,578,633
Capital work-in-progress (note 3.2)	5,353,935	5,171,126
Major spare parts and stand-by equipment	858,553	896,037
	<u>64,540,739</u>	<u>65,645,796</u>

- 3.1 Additions to and disposals from operating assets during the period are as follows:

	Unaudited (Additions at cost)		Unaudited (Disposals at net book value)	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
-----Rupees-----				
Building on freehold land	-	29,959	-	-
Plant and machinery	19,826	160,117	-	-
Office equipment	25,335	69,059	129	-
Vehicles	750	-	6,667	-
	<u>45,911</u>	<u>259,135</u>	<u>6,796</u>	<u>-</u>

The above disposals represent assets having a cost of Rs. 8,076 and net book value of Rs. 6,796, which were disposed off for Rs. 5,470.

	Unaudited March 31, 2021	Audited December 31, 2020
-----Rupees-----		
<b>3.2 Capital work-in-progress</b>		
Balance at beginning of the period / year	5,171,126	2,588,146
Add: Additions during the period / year	230,685	5,045,288
Transferred to:		
- Operating assets	(45,911)	(2,261,237)
- Intangible assets	(1,965)	(201,071)
Balance at end of the period / year	<u>5,353,935</u>	<u>5,171,126</u>

(Amounts in thousand)

	Unaudited March 31, 2021	Audited December 31, 2020
-----Rupees-----		
<b>4. STOCK-IN-TRADE</b>		
Raw materials	1,087,775	1,138,434
Packing materials	278,086	273,143
Work-in-process	141,257	107,333
	<u>1,507,118</u>	<u>1,518,910</u>
Finished goods:		
- manufactured products	3,235,630	5,020,255
- purchased and packaged products	1,245,347	1,225,670
	<u>4,480,977</u>	<u>6,245,925</u>
Less: Provision for impairment against stock-in-trade (note 4.1)	291,863	231,661
	<u>5,696,232</u>	<u>7,533,174</u>
<b>4.1 Provision for impairment against stock-in-trade</b>		
Balance at beginning of the period / year	231,661	28,785
Charge for the period / year	60,202	403,276
Written-off during the period / year	-	(200,400)
Balance at end of the period / year	<u>291,863</u>	<u>231,661</u>
<b>5. SHORT-TERM INVESTMENTS</b>		
Treasury Bills	21,682,440	2,588,970
Pakistan Investment Bonds	6,117,325	23,916,308
Term Deposit Certificates	257,714	257,714
	<u>28,057,479</u>	<u>26,762,992</u>
<b>6. BORROWINGS - Secured</b>		
Long term finance utilised under mark-up arrangements (notes 6.1 and 6.2)	20,596,690	23,575,694
Less: Current portion shown under current liabilities	8,303,420	10,061,614
Balance at end of the period / year	<u>12,293,270</u>	<u>13,514,080</u>
6.1	All senior debts are secured by an equitable mortgage upon immovable property of the Holding Company and equitable charge over present and future fixed assets excluding immovable property of the Holding Company.	
6.2	During the period, principal repayments of long-term finances were made to MCB Bank Limited, United Bank Limited and Allied Bank Limited amounting to Rs. 1,375,000, Rs. 1,000,000 and Rs. 500,000 respectively.	

(Amounts in thousand)

## 7. SHORT-TERM BORROWINGS

### Holding Company

The Holding Company has funded facilities for short-term finances available from various banks and institutional investors amounting to Rs. 15,125,000 (December 31, 2020: Rs. 15,125,000) along with non-funded facilities of Rs. 3,827,000 (December 31, 2020: Rs. 3,827,000) for bank guarantees. The rates of markup on funded bank overdraft facilities ranged from 0.2% to 0.5% per annum over 1-month & 3-month KIBOR and all facilities are secured by floating charge upon all present and future stocks including raw and packaging materials, finished goods, stores and spares and other merchandise and on all present and future book debts, outstanding monies, receivable claims and bills of the Holding Company. The Holding Company has utilised Rs. 247,498 (December 31, 2020: Rs. 250,331) from funded facilities and Rs. 3,569,428 (December 31, 2020: Rs. 3,569,428) from the non-funded facilities as at the reporting date.

### Subsidiary Company

The facilities for short term running finances, available from various banks, aggregate to Rs. 12,725,000 (December 31, 2020: Rs. 12,725,000). The rates of markup on the funded bank overdraft facilities ranged from 0.2% to 0.5% per annum over 1-month KIBOR and 3-months KIBOR. These facilities are secured by floating charge upon all present and future stocks including raw and packaging materials, finished goods, stores and spares and other merchandise and on all present and future book debts, outstanding monies, receivable claims and bills of the Holding Company. The Company has utilised Rs. 188,393 (December 31, 2020: Rs. 174,789) out of the aforementioned facilities as at the reporting date.

## 8. CONTINGENCIES AND COMMITMENTS

### Contingencies

- 8.1 As at March 31, 2021, bank guarantees of Rs. 4,490,598 (2020: Rs. 4,474,555) have been issued in favour of third parties.
- 8.2 As at March 31, 2021, claims, including pending lawsuits, against the Group not acknowledged as debts amount to Rs. 61,914 (December 31, 2020: Rs. 61,914).
- 8.3 As at March 31, 2021, there is no material change in the status of matters reported as contingencies in the audited financial statements of the Group for the year ended December 31, 2020.

### 8.4 Commitments

Commitments in respect of capital expenditure and other operational items

Unaudited March 31, 2021	Audited December 31, 2020
-----Rupees-----	
<u>5,647,711</u>	<u>7,364,808</u>



(Amounts in thousand)

		<b>Unaudited</b>	
		<b>Quarter ended</b>	
		<b>March 31,</b>	<b>March 31,</b>
		<b>2021</b>	<b>2020</b>
		-----Rupees-----	
<b>9. NET SALES</b>			
Gross sales:			
- manufactured product		23,055,963	7,938,121
- purchased and packaged product		6,931,822	2,947,297
- services		177,762	194,246
		<u>30,165,547</u>	<u>11,079,664</u>
Less: Trade discount		124,102	71,769
Less: Sales tax		597,722	216,356
		<u>29,443,723</u>	<u>10,791,539</u>
<b>10. OTHER INCOME</b>			
<b>On financial assets</b>			
Income on government securities, term deposit certificates and bank deposits		436,622	260,742
<b>On non-financial assets</b>			
Vessel shortages recovery		37,000	-
Others		5,447	471
		<u>42,447</u>	<u>471</u>
		<u>479,069</u>	<u>261,213</u>
<b>11. TAXATION</b>			

As at March 31, 2021, there is no material change in the tax related matters reported in note 32 of the audited consolidated financial statements of the Group for the year ended December 31, 2020.

(Amounts in thousand)

	<b>Unaudited</b>	
	<b>Quarter ended</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	-----Rupees-----	
<b>12. CASH GENERATED FROM OPERATIONS</b>		
<b>Profit before taxation</b>	8,660,193	1,121,611
Adjustment for non-cash charges and other items:		
Depreciation	1,289,624	1,298,683
Amortisation of intangibles	31,118	26,352
Amortisation deferred income	(966)	(966)
Loss on disposal of property, plant and equipment	1,326	-
Amortisation of transaction cost	782	1,585
(Exchange gain) / loss on revaluation of long-term borrowings	(104,788)	171,000
Provision for retirement and other service benefits	19,041	17,798
Income on government securities, term deposit certificates and bank deposits	(436,622)	(260,742)
Finance cost	373,098	1,039,332
Unwinding of discount on GIDC provision	297,056	-
Unwinding of loss allowance on subsidy receivable from GoP	(100,784)	-
Provision for impairment against stock-in-trade	60,202	-
Provision for slow moving stores and spares	-	12,689
Working capital changes (note 12.1)	(3,144,938)	681,494
	<b>6,944,342</b>	<b>4,108,836</b>
<b>12.1 Working capital changes</b>		
(Increase) / decrease in current assets		
- Stores, spares and loose tools	(239,645)	(464,592)
- Stock-in-trade	1,776,740	(6,081,288)
- Trade debts	(555,305)	7,985,310
- Loans, advances, deposits and prepayments	(17,697)	(29,782)
- Other receivables	(766,284)	(807,277)
	197,809	602,371
Increase / (decrease) in current liabilities		
- Trade and other payables	(3,342,747)	79,123
	<b>(3,144,938)</b>	<b>681,494</b>
<b>13. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	2,886,241	1,352,360
Short-term investments	27,026,880	3,630,511
Short-term borrowings	(2,421,800)	(1,425,082)
	<b>27,491,321</b>	<b>3,557,789</b>

(Amounts in thousand)

## 14. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 14.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: 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 do not include all the financial risk management information and disclosures required in the annual financial statements.

### 14.2 Fair value estimation

The table below analyses 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); and
- Inputs for the asset or liability that are not based on observable market data (level 3)

<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	----- Rupees -----			
<b>Short-term investments</b>				
through profit and loss				
Fair value through other comprehensive income	-	27,799,765	-	27,799,765
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

Represents Government Securities which are measured at fair value using yield to maturity of similar government securities traded in the secondary market. There were no transfers amongst the levels during the period.

### 14.3 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)

## 15. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Parent Company, 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 consolidated condensed interim financial statements, are as follows:

	<b>Unaudited</b>	
	<b>Quarter ended</b>	
	<b>March 31,</b>	<b>March 31,</b>
	<b>2021</b>	<b>2020</b>
	-----Rupees-----	
<b>Parent Company</b>		
Royalty charged to the Company	328,419	112,852
Reimbursements made:		
- to the Company	272,038	141,666
- by the Company	79,365	19,321
Mark-up on sub-ordinated loan	18,370	-
Dividend Payable	3,005,248	-
<b>Associated companies</b>		
Purchases and services received	45,011	31,409
Services provided by the Company	27,724	21,591
Reimbursements		
- by the Company	6,234	4,210
- to the Company	606	-
Dividend Payable to Trustees of Engro Foods Limited Gratuity Fund	290	-
<b>Contribution to staff retirement benefits</b>		
Pension fund	1,754	1,985
Gratuity fund	36,121	35,578
Provident fund	40,070	39,167
<b>Others</b>		
Remuneration of key management personnel	43,495	67,089
Director's fee	3,873	2,853

(Amounts in thousand)

## 16. OPERATING SEGMENT RESULTS

	Urea		Phosphates		Specialty Fertilizers Business		Others		Total	
	Unaudited		Unaudited		Unaudited		Unaudited		Unaudited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	Rupees									
Sales	19,142,466	6,368,289	5,741,515	2,170,492	4,150,156	2,204,848	1,078,263	339,690	30,112,400	11,083,319
Intersegment sales	855,239	198,038	-	-	-	-	333,001	144,165	1,188,240	342,203
Sales tax	(380,078)	(125,071)	(114,740)	(44,400)	(88,644)	(46,166)	(14,260)	(719)	(597,722)	(216,356)
	19,617,627	6,441,256	5,626,775	2,126,092	4,061,512	2,158,682	1,397,004	483,136	30,702,918	11,209,166
<b>Profit before tax / (Loss before tax)</b>	6,534,664	1,523,896	1,474,212	(380,891)	683,135	90,547	(31,818)	(111,941)	8,660,193	1,121,611
<b>Depreciation &amp; Amortization</b>	1,222,609	1,236,393	-	-	10,478	8,516	87,655	80,126	1,320,742	1,325,035
<b>Capital Expenditure</b>	79,981	96,494	-	-	16,833	5,461	133,871	142,731	230,685	244,686

	Urea		Phosphates		Specialty Fertilizers Business		Others		Total	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
	Rupees									
<b>Segment Assets</b>	81,531,318	87,262,840	2,834,331	1,532,525	2,580,158	4,025,018	9,910,076	8,360,754	96,855,883	101,181,137
<b>Unallocated assets</b>									29,053,946	30,532,238
<b>Total Assets</b>	81,531,318	87,262,840	2,834,331	1,532,525	2,580,158	4,025,018	9,910,076	8,360,754	125,909,829	131,713,375

	Unaudited	
	March 31, 2021	March 31, 2020
<b>Reconciliation of reportable segment net sales</b>	Rupees	
<b>Net Sales</b>		
Total net sales for reportable segment	30,702,918	11,209,166
Elimination of intersegment net sales	(1,188,240)	(342,203)
Elimination of net sales to subsidiary	(70,955)	(75,424)
<b>Total net sales</b>	29,443,723	10,791,539

	Unaudited		Audited	
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
<b>Reconciliation of reportable segment total assets</b>	Rupees			
- Accrued income	96,134	157,805		
- Short term investments	28,057,479	26,762,992		
- Cash and Bank balances	900,333	3,611,441		
	29,053,946	30,532,238		

(Amounts in thousand)

**17. SEASONALITY**

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.

**18. CORRESPONDING FIGURES**

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 financial statements of preceding financial year, whereas the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures and balances have been rearranged and reclassified, wherever necessary, for the purpose of comparison, the effects of which are not material.

**19. NON-ADJUSTING EVENT AFTER THE REPORTING DATE**

The Board of Directors in its meeting held on April 19, 2021 has approved an interim cash dividend of Rs. 4 per share for the quarter ended March 31, 2021, amounting to Rs. 5,341,197. These consolidated condensed interim financial statements do not include the effect of the said interim dividend.

**20. DATE OF AUTHORISATION FOR ISSUE**

These consolidated condensed interim financial statements were authorised for issue on April 19, 2021 by the Board of Directors of the Holding Company.



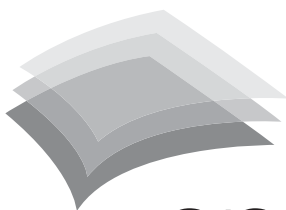
Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman



# engro fertilizers

condensed interim financial  
statements (unaudited)  
for the quarter ended  
march 31, 2021

# condensed interim statement of financial position as at march 31, 2021

(Amounts in thousand)

	Note	Unaudited March 31, 2021	Audited December 31, 2020
-----Rupees-----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	64,540,739	65,645,796
Intangible assets		5,135,666	5,164,817
Long-term loans and advances		17,632	80,129
Investment in subsidiary		100	100
		69,694,137	70,890,842
<b>Current assets</b>			
Stores, spares and loose tools		6,738,758	6,499,113
Stock-in-trade	4	4,943,418	6,720,201
Trade debts		2,098,029	2,028,071
Short-term investments	5	27,026,881	25,074,560
Other receivables		9,364,911	8,586,014
Loans, advances, deposits and prepayments		1,898,213	1,761,817
Taxation - net		530,352	3,118,949
Cash and bank balances		678,728	3,382,228
Accrued income		95,008	203,437
		53,374,298	57,374,390
<b>TOTAL ASSETS</b>		<b>123,068,435</b>	<b>128,265,232</b>




(Amounts in thousand)

		Unaudited March 31, 2021	Audited December 31, 2020
		-----Rupees-----	
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Share capital		13,352,993	13,352,993
<b>Reserves</b>			
Share premium		3,384,904	3,384,904
Reserve on amalgamation		(304,027)	(304,027)
Re-measurement of post employment benefits		(50,765)	(50,765)
Unappropriated profit		29,699,954	28,602,702
		<u>32,730,066</u>	<u>31,632,814</u>
<b>TOTAL EQUITY</b>		46,083,059	44,985,807
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	6	12,293,270	13,514,080
Deferred taxation		11,473,676	11,677,783
Provision for Gas Infrastructure Development Cess (GIDC)		9,585,070	10,510,379
Deferred liabilities		209,525	270,296
		<u>33,561,541</u>	<u>35,972,538</u>
<b>Current liabilities</b>			
Trade and other payables		19,992,816	28,696,843
Current portion of:			
- borrowings	6	8,303,420	10,061,614
- provision for GIDC		8,149,174	6,926,824
- deferred liabilities		64,083	53,726
Unpaid dividend		5,341,195	-
Short-term borrowings	7	247,498	250,331
Loan from Holding Company		1,000,000	1,000,000
Accrued interest / mark-up		270,799	260,229
Unclaimed dividend		54,850	57,320
		<u>43,423,835</u>	<u>47,306,887</u>
<b>TOTAL LIABILITIES</b>		76,985,376	83,279,425
Contingencies and Commitments	8		
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u>123,068,435</u>	<u>128,265,232</u>

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

# condensed interim statement of profit or loss (unaudited) for the quarter ended march 31, 2021


(Amounts in thousand except for earnings per share)

	Note	Quarter ended	
		March 31, 2021	March 31, 2020
-----Rupees-----			
Net sales	9	22,944,114	8,058,258
Cost of sales		(13,115,723)	(4,750,666)
<b>Gross profit</b>		<b>9,828,391</b>	<b>3,307,592</b>
Selling and distribution expenses		(1,643,569)	(900,360)
Administrative expenses		(404,204)	(348,671)
		7,780,618	2,058,561
Other income	10	2,321,729	1,127,800
Other operating expenses		(672,244)	(148,221)
Finance cost		(307,838)	(1,223,650)
Other gains / (losses):			
- Unwinding of discount on GIDC provision		(297,056)	-
- Unwinding of loss allowance on subsidy receivable from GoP		100,784	-
		(196,272)	-
<b>Profit before taxation</b>		<b>8,925,993</b>	<b>1,814,490</b>
Taxation	11	(2,487,546)	(426,746)
<b>Profit for the period</b>		<b>6,438,447</b>	<b>1,387,744</b>
<b>Earnings per share - basic and diluted</b>		<b>4.82</b>	<b>1.04</b>

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

# condensed interim statement of comprehensive income (unaudited) for the quarter ended march 31, 2021


(Amounts in thousand)

	Quarter ended	
	March 31, 2021	March 31, 2020
	-----Rupees-----	
<b>Profit for the period</b>	6,438,447	1,387,744
<b>Other comprehensive income:</b>		
Items potentially re-classifiable to profit or loss	-	-
Items not re-classifiable to profit or loss	-	-
<b>Total comprehensive income for the period</b>	<b>6,438,447</b>	<b>1,387,744</b>

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

# condensed interim statement of changes in equity for the quarter ended march 31, 2021

(Amounts in thousand)

	RESERVES					Total
	CAPITAL		REVENUE			
	Share capital	Share premium	Reserve on amalgamation	Re-measurement of post employment benefits	Unappropriated profit	
-----Rupees-----						
<b>Balance as at January 1, 2021 (Audited)</b>	13,352,993	3,384,904	(304,027)	(50,765)	28,602,702	44,985,807
<b>Transaction with owners:</b>						
Dividends:						
- Final 2020: Rs. 4.00 per share	-	-	-	-	(5,341,195)	(5,341,195)
<b>Total comprehensive income for the quarter ended March 31, 2021</b>						
Profit for the period	-	-	-	-	6,438,447	6,438,447
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	-	-	6,438,447	6,438,447
<b>Balance as at March 31, 2021 (Unaudited)</b>	<b>13,352,993</b>	<b>3,384,904</b>	<b>(304,027)</b>	<b>(50,765)</b>	<b>29,699,954</b>	<b>46,083,059</b>
<b>Balance as at January 1, 2020 (Audited)</b>	13,352,993	3,384,904	(304,027)	(56,993)	26,475,684	42,852,561
<b>Total comprehensive income for the quarter ended March 31, 2020</b>						
Profit for the period	-	-	-	-	1,387,744	1,387,744
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	-	-	1,387,744	1,387,744
<b>Balance as at March 31, 2020 (Unaudited)</b>	<b>13,352,993</b>	<b>3,384,904</b>	<b>(304,027)</b>	<b>(56,993)</b>	<b>27,863,428</b>	<b>44,240,305</b>

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

# condensed interim statement of cash flows (unaudited) for the quarter ended march 31, 2021

(Amounts in thousand)

Note	Quarter ended	
	March 31, 2021	March 31, 2020
-----Rupees-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	12	
Cash generated from operations	5,781,876	(5,225,755)
Retirement and other service benefits paid	(66,411)	(50,626)
Taxes paid	(103,056)	(548,290)
Long-term loans, advances and deposits - net	62,497	59,278
Net cash generated from / (utilised in) operating activities	5,674,906	(5,765,393)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment and intangibles	(193,330)	(303,009)
Proceeds from disposal of property, plant and equipment	5,470	-
Disbursement of working capital loan to subsidiary	-	(1,325,970)
Payment received against working capital loan to subsidiary	-	9,553,127
Purchase of short-term investments	-	(38,926,012)
Proceeds from sale of short-term investments	19,638,479	38,486,786
Dividend received	-	426,470
Income on government securities, term deposit certificates and bank deposits	539,374	445,345
Net cash generated from investing activities	19,989,993	8,356,737
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(2,470)	(2,539)
Finance cost paid	(401,273)	(909,664)
Repayments of long-term borrowings	(2,874,999)	(2,500,000)
Net cash utilised in financing activities	(3,278,742)	(3,412,203)
Net increase / (decrease) in cash and cash equivalents	22,386,157	(820,859)
Cash and cash equivalents at beginning of the period	5,071,955	4,465,383
Cash and cash equivalents at end of the period	13 27,458,112	3,644,524

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



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

# notes to the condensed interim financial statements (unaudited) for the quarter ended march 31, 2021

(Amounts in thousand)

## 1. LEGAL STATUS AND OPERATIONS

Engro Fertilizers Limited ('the Company') is a public company incorporated in Pakistan on June 29, 2009 as a wholly owned subsidiary of Engro Corporation Limited (the Holding Company), which is a subsidiary of Dawood Hercules Corporation (the Ultimate Parent Company). The Company is listed on Pakistan Stock Exchange Limited (PSX).

The Company is engaged in the manufacturing, purchasing and marketing of fertilizers, seeds and pesticides and providing logistics services. The registered head office of the Company is situated at 7th and 8th floors, The Harbour Front Building, Plot Number HC-3, Block 4, Scheme Number 5, Clifton, Karachi.

## 2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise 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 (the Act); and
- Provisions of and directives issued under the Act

Where the provisions of or directives issued under the Act differ from the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

2.2 These condensed interim financial statements represent the condensed interim financial statements of the Company on a standalone basis. The consolidated condensed interim financial statements of the Company and its subsidiary i.e. EFERT Agritrade Private Limited (EAPL) 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 financial statements of the Company for the year ended December 31, 2020.

2.3 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the audited financial statements of the Company for the year ended December 31, 2020.

2.4 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards 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.

During the preparation of these condensed interim financial statements, the significant judgements and estimates made by the management are the same as those that were applied to audited financial statements of the Company for the year ended December 31, 2020.

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

(Amounts in thousand)

	<b>Unaudited March 31, 2021</b>	<b>Audited December 31, 2020</b>
	-----Rupees-----	
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating assets at net book value (note 3.1)	58,328,251	59,578,633
Capital work-in-progress (note 3.2)	5,353,935	5,171,126
Major spare parts and stand-by equipment	858,553	896,037
	<u>64,540,739</u>	<u>65,645,796</u>

3.1 Additions to and disposals from operating assets during the period are as follows:

	<b>Unaudited (Additions at cost)</b>		<b>Unaudited Disposals at net book value</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	-----Rupees-----			
Building on freehold land	-	29,959	-	-
Plant and machinery	19,826	160,117	-	-
Office equipment	25,335	69,059	129	-
Vehicles	750	-	6,667	-
	<u>45,911</u>	<u>259,135</u>	<u>6,796</u>	<u>-</u>

The above disposals represent assets having a cost of Rs. 8,076 and net book value of Rs. 6,796, which were disposed off for Rs. 5,470.

	<b>Unaudited March 31, 2021</b>	<b>Audited December 31, 2020</b>
	-----Rupees-----	
<b>3.2 Capital work-in-progress</b>		
Balance at beginning of the period / year	5,171,126	2,588,146
Add: Additions during the period / year	230,685	5,045,288
Transferred to:		
- operating assets	(45,911)	(2,261,237)
- intangible assets	(1,965)	(201,071)
Balance at end of the period / year	<u>5,353,935</u>	<u>5,171,126</u>

(Amounts in thousand)

	Unaudited March 31, 2021	Audited December 31, 2020
	-----Rupees-----	
<b>4. STOCK-IN-TRADE</b>		
Raw materials	1,087,775	1,138,434
Packing materials	143,399	136,553
Work-in-process	141,257	107,333
	<u>1,372,431</u>	<u>1,382,320</u>
Finished goods:		
- manufactured products	3,235,630	5,020,255
- purchased and packaged products	627,220	549,287
	<u>3,862,850</u>	<u>5,569,542</u>
Less: Provision for impairment against stock-in-trade (note 4.1)	291,863	231,661
	<u>4,943,418</u>	<u>6,720,201</u>
<b>4.1 Provision for impairment against stock-in-trade</b>		
Balance at beginning of the period / year	231,661	28,785
Charge for the period / year	60,202	403,276
Written-off during the period / year	-	(200,400)
Balance at end of the period / year	<u>291,863</u>	<u>231,661</u>
<b>5. SHORT-TERM INVESTMENTS</b>		
Treasury Bills	20,661,442	2,588,970
Pakistan Investment Bonds	6,117,325	22,237,476
Term Deposit Certificates	248,114	248,114
	<u>27,026,881</u>	<u>25,074,560</u>
<b>6. BORROWINGS - Secured</b>		
Long-term finance utilised under mark-up arrangements (notes 6.1 and 6.2)	20,596,690	23,575,694
Less: Current portion shown under current liabilities	8,303,420	10,061,614
Balance at end of the period / year	<u>12,293,270</u>	<u>13,514,080</u>
6.1	All senior debts are secured by an equitable mortgage upon immovable property of the Company and equitable charge over present and future operating assets excluding immovable property of the Company.	
6.2	During the period, principal repayments of long-term finances were made to MCB Bank Limited, United Bank Limited and Allied Bank Limited amounting to Rs. 1,375,000, Rs. 1,000,000 and Rs. 500,000 respectively.	



(Amounts in thousand)

## 7. SHORT-TERM BORROWINGS

The Company has funded facilities for short-term finances available from various banks and institutional investors amounting to Rs. 15,125,000 (December 31, 2020: Rs. 15,125,000) along with non-funded facilities of Rs. 3,827,000 (December 31, 2020: Rs. 3,827,000) for bank guarantees. The rates of markup on funded bank overdraft facilities ranged from 0.2% to 0.5% per annum over 1-month & 3-month KIBOR and all facilities are secured by floating charge upon all present and future stocks including raw and packaging materials, finished goods, stores and spares and other merchandise and on all present and future book debts, outstanding monies, receivable claims and bills of the Company. The Company has utilised Rs. 247,498 (December 31, 2020: Rs. 250,331) from funded facilities and Rs. 3,569,428 (December 31, 2020: Rs. 3,569,428) from the non-funded facilities as at the reporting date.

## 8. CONTINGENCIES AND COMMITMENTS

### Contingencies

- 8.1 As at March 31, 2021, bank guarantees of Rs. 3,569,428 (December 31, 2020: Rs. 3,569,428) have been issued in favour of third parties.
- 8.2 As at March 31, 2021, claims, including pending lawsuits, against the Company, not acknowledged as debts amount to Rs. 61,914 (December 31, 2020: Rs. 61,914).
- 8.3 As at March 31, 2021, there is no material change in the status of matters reported as contingencies in note 25 of the audited financial statements of the Company for the year ended December 31, 2020.

### 8.4 Commitments

Commitments in respect of capital expenditure and other operational items

	Unaudited March 31, 2021	Audited December 31, 2020
	-----Rupees-----	
	5,288,740	8,222,098

(Amounts in thousand)

	<b>Unaudited</b>	
	<b>Quarter ended</b>	
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	-----Rupees-----	
<b>9. NET SALES</b>		
Gross sales:		
- manufactured product	23,055,963	7,938,122
- purchased and packaged product	292,983	139,851
- services	177,762	194,246
	<b>23,526,708</b>	<b>8,272,219</b>
Less: Trade discount	123,370	56,322
Less: Sales tax	459,224	157,639
	<b>22,944,114</b>	<b>8,058,258</b>

**10. OTHER INCOME**

**On financial assets**

Dividend income from EAPL	1,744,500	426,470
Income on government securities, term deposit certificates and bank deposits	430,945	260,730
Income from working capital loan to EAPL	-	395,823
	<b>2,175,445</b>	<b>1,083,023</b>

**On non-financial assets**

Commission income from EAPL	92,201	37,448
Vessel shortages recovery	37,000	-
Sub-licensing income from EAPL	11,979	6,858
Others	5,104	471
	<b>146,284</b>	<b>44,777</b>
	<b>2,321,729</b>	<b>1,127,800</b>

**11. TAXATION**

As at March 31, 2021, there is no material change in the tax related matters reported in note 34 of the audited financial statements of the Company for the year ended December 31, 2020.

(Amounts in thousand)

	<b>Unaudited</b>	
	<b>Quarter ended</b>	
	<b>March 31,</b>	<b>March 31,</b>
	<b>2021</b>	<b>2020</b>
	-----Rupees-----	
<b>12. CASH GENERATED FROM OPERATIONS</b>		
<b>Profit before taxation</b>	8,925,993	1,814,490
Adjustment for non-cash charges and other items:		
Depreciation	1,289,624	1,298,683
Amortisation of intangibles	31,117	26,352
Amortisation of deferred income	(966)	(966)
Loss on disposal of property, plant and equipment	1,326	-
Provision for retirement and other service benefits	16,963	17,648
Income on government securities, term deposit certificates and bank deposits	(430,945)	(260,730)
Finance cost	411,843	1,051,065
(Exchange gain) / loss on revaluation of long-term borrowings	(104,787)	171,000
Amortisation of transaction cost	782	1,585
Dividend income	(1,744,500)	(426,470)
Unwinding of discount on GIDC provision	297,056	-
Unwinding of loss allowance on subsidy receivable from GoP	(100,784)	-
Provision for impairment against stock-in-trade	60,202	-
Provision for surplus and slow moving stores and spares	-	12,689
Working capital changes (note 12.1)	(2,871,048)	(8,931,101)
	<b>5,781,876</b>	<b>(5,225,755)</b>
<b>12.1 Working capital changes</b>		
Decrease / (Increase) in current assets		
- Stores, spares and loose tools	(239,645)	(464,592)
- Stock-in-trade	1,716,581	(7,362,925)
- Trade debts	(69,958)	5,035,430
- Loans, advances, deposits and prepayments	(136,396)	(150,397)
- Other receivables	(778,797)	(1,355,381)
	491,785	(4,297,865)
Decrease in current liabilities		
- Trade and other payables	(3,362,833)	(4,633,236)
	<b>(2,871,048)</b>	<b>(8,931,101)</b>

(Amounts in thousand)

	<b>Unaudited</b>	
	<b>Quarter ended</b>	
	<b>March 31,</b>	<b>March 31,</b>
	<b>2021</b>	<b>2020</b>
	-----Rupees-----	
<b>13. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	678,728	1,339,480
Short-term investments	27,026,882	3,630,511
Short-term borrowings	(247,498)	(1,325,467)
	<u>27,458,112</u>	<u>3,644,524</u>

#### 14. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

##### 14.1 Financial risk factors

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

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

##### 14.2 Fair value estimation

The table below analyses financial instruments carried at fair value using the fair value measurement method in accordance with IFRS 13. The different levels 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).

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	-----Rupees-----			
<b>Assets</b>				
<b>Short-term investments</b>				
Fair value through other comprehensive income	-	26,778,767	-	26,778,767

Represents Government Securities which are measured at fair value using yield to maturity of similar government securities traded in the secondary market. There were no transfers amongst the levels during the period.

##### 14.3 Fair value of financial assets and liabilities

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

(Amounts in thousand)

## 15. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Holding Company, 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 condensed interim financial statements, are as follows:

	<b>Unaudited</b>	
	<b>Quarter ended</b>	
	<b>March 31,</b>	<b>March 31,</b>
	<b>2021</b>	<b>2020</b>
	-----Rupees-----	
<b>Holding Company</b>		
Reimbursements made:		
- to the Company	272,038	141,666
- by the Company	79,365	19,321
Royalty charged to the Company	328,419	112,852
Mark-up on sub-ordinated loan	18,370	-
Dividend Payable	3,005,248	-
<b>Subsidiary company</b>		
Payment of funds collected against sales made on behalf of subsidiary	4,400,339	10,723,874
Disbursements of working capital loan to subsidiary	-	1,325,970
Repayment received against working capital loan to subsidiary	-	9,553,127
Services provided by the Company	70,955	24,599
Reimbursements made:		
- by the Company	2,082	13,250
- to the Company	472	47
Dividend income from subsidiary	1,744,500	426,470
Commission income from subsidiary	92,201	37,448
Sub-licensing income from subsidiary	11,979	6,858
Income from working capital loan to subsidiary	-	395,823
Purchase of product from subsidiary	19	-
<b>Associated companies</b>		
Purchases and services received	45,011	31,409
Services provided by the Company	27,724	21,591
Reimbursements made:		
- by the Company	4,333	4,210
- to the Company	606	-
Dividend Payable to Trustees of Engro Foods Limited Gratuity Fund	290	-
<b>Contribution to staff retirement benefits</b>		
Pension fund	1,754	1,985
Gratuity fund	35,832	35,219
Provident fund	39,724	38,736
<b>Dividend Payable to staff retirement benefits</b>		
Pension fund	26	-
Gratuity fund	675	-
Provident fund	-	-
<b>Others</b>		
Remuneration of key management personnel	42,368	60,712
Director's fee	3,823	2,853

(Amounts in thousand)

## 16. OPERATING SEGMENT RESULTS

	Urea		Specialty Fertilizers Business		Others		Total	
	Unaudited		Unaudited		Unaudited		Unaudited	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- Rupees -----							
Sales	19,142,466	6,368,289	3,182,609	1,558,743	1,078,263	288,865	23,403,338	8,215,897
Intersegment sales	855,239	198,038	-	-	262,046	122,395	1,117,285	320,433
Sales tax	(380,078)	(125,071)	(64,886)	(31,849)	(14,260)	(719)	(459,224)	(157,639)
	<u>19,617,627</u>	<u>6,441,256</u>	<u>3,117,723</u>	<u>1,526,894</u>	<u>1,326,049</u>	<u>410,541</u>	<u>24,061,399</u>	<u>8,378,691</u>
<b>Profit before tax</b>	<u>8,279,164</u>	<u>1,920,513</u>	<u>551,592</u>	<u>34,464</u>	<u>95,237</u>	<u>(140,487)</u>	<u>8,925,993</u>	<u>1,814,490</u>
<b>Depreciation &amp; Amortization</b>	<u>1,222,609</u>	<u>1,236,393</u>	<u>10,478</u>	<u>8,516</u>	<u>87,655</u>	<u>80,126</u>	<u>1,320,742</u>	<u>1,325,035</u>
<b>Capital Expenditure</b>	<u>79,981</u>	<u>96,494</u>	<u>16,833</u>	<u>5,461</u>	<u>133,871</u>	<u>142,731</u>	<u>230,685</u>	<u>244,686</u>

	Urea		Specialty Fertilizers		Others		Total	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
<b>Segment Assets</b>	82,875,007	87,262,840	1,749,078	3,024,004	10,643,733	9,318,163	95,267,818	99,605,007
<b>Unallocated assets</b>							27,800,617	28,660,225
<b>Total Assets</b>	<u>82,875,007</u>	<u>87,262,840</u>	<u>1,749,078</u>	<u>3,024,004</u>	<u>10,643,733</u>	<u>9,318,163</u>	<u>123,068,435</u>	<u>128,265,232</u>

	Unaudited	
	March 31, 2021	March 31, 2020
<b>Reconciliation of reportable segment net sales</b>	----- Rupees -----	
<b>Net Sales</b>		
Total net sales for reportable segment	24,061,399	8,378,691
Elimination of intersegment net sales	(1,117,285)	(320,433)
<b>Total net sales</b>	<u>22,944,114</u>	<u>8,058,258</u>

	Unaudited	Audited
	March 31, 2021	December 31, 2020
<b>Reconciliation of reportable segment total assets</b>	----- Rupees -----	
<b>Total Assets</b>		
- Accrued income	95,008	203,437
- Short term investments	27,026,881	25,074,560
- Cash and Bank balances	678,728	3,382,228
	<u>27,800,617</u>	<u>28,660,225</u>

(Amounts in thousand)

**17. SEASONALITY**

The Company'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 Company manages seasonality in the business through appropriate inventory management.

**18. CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual financial statements of preceding financial year, whereas the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures and balances have been rearranged and reclassified, wherever necessary, for the purpose of comparison, the effects of which are not material.

**19. NON-ADJUSTING EVENT AFTER THE REPORTING DATE**


The Board of Directors in its meeting held on April 19, 2021 has approved an interim cash dividend of Rs.4 per share for the quarter ending March 31, 2021 amounting to Rs. 5,341,197. These condensed interim financial statements do not include the effect of the said interim dividend.

**20. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on April 19, 2021 by the Board of Directors of the Company.



Imran Ahmed  
Chief Financial Officer



Nadir Salar Qureshi  
Chief Executive Officer



Ghias Khan  
Chairman

## مستقبل قریب کا جائزہ

دیہی معیشت میں اجناس کی بہتر قیمتوں، اچھے موسمی حالات، اور یوریا کی کم قیمتوں کی بدولت ترقی اور بہتری دیکھی جا رہی ہے۔ اسی طرح حالیہ سال میں بھی زرعی معیشت میں مثبت رجحان کا امکان پایا جاتا ہے۔

فرٹیلائزر کے شعبے میں، حکومت کی جانب سے RLNG پر چلنے والے یوریا پلانٹس کو 9 ماہ تک چلانے کے حکومتی فیصلے سے 270 KT کے ابتدائی انویسٹری اور خالصتا گیس پر چلنے والے پلانٹس سے تقریباً 5.8 ملین ٹن یوریا کی پیداوار کے پیش نظر مارکیٹ میں اضافی سپلائی کا امکان ہے۔

رعایتی گیس کی فراہمی کے خاتمے سے متعلق شکوک و شبہات حالیہ سال کا ایک اہم مسئلہ بن سکتے ہیں۔ کمپنی نے حکومت اور سوئی ناردرن گیس پائپ لائن لمیٹڈ (SNGPL) کے ساتھ ان دنوں کے لیے رعایتی گیس کی فراہمی سے متعلق بات چیت کی ہے جن میں کمپنی کو GSA کے تحت کم از کم کنٹریکٹ کو اینٹی فراہم نہیں کی گئی۔

کمپنی پاکستان کے زرعی شعبے میں بہتری لانے میں اپنا کردار ادا کرنے کے لیے پرعزم ہے۔ بورڈ کی جانب سے، کمپنی اپنے تمام اسٹیک ہولڈرز کا ان کے اعتماد اور تعاون کے لیے شکریہ ادا کرتی ہے۔



نادر سالار قریشی  
چیف ایگزیکٹو آفیسر



غیاث خان  
چیرمین



## اعزازات اور انعامات

سہ ماہی کے دوران، کمپنی نے درج ذیل ایوارڈز حاصل کئے:

- 1- 10 ویں سالانہ انٹرنیشنل کارپوریٹ سوشل ریسپانسیبلٹی سمٹ ایوارڈز میں سی ایس آر ایونٹ، کمیونٹی امپیکٹ اینڈ ایمپلائمنٹ ڈیپارٹمنٹ کی ایوارڈز جیتنے میں کامیاب رہے۔
- 2- 13 ویں انٹرنیشنل سالانہ سی ایس آر سمٹ ایوارڈز 2021 میں مختلف کیٹیگریز (ایمپلائمنٹ، گریڈنگ، ایڈیوٹیو، لائیو ایڈیوٹیو COVID-19 کرائسٹس منیجمنٹ) میں اعزازات حاصل کرنے میں کامیاب رہے۔
- 3- ڈی ہری پلانٹ کو برٹش سیفٹی کونسل کی جانب سے انٹرنیشنل سیفٹی ایوارڈز 2021 میں امتیاز کے ساتھ اعزاز سے نوازا گیا۔

## کمپنی کی کاروباری کارکردگی

کمپنی کی یوریا پیداوار گزشتہ سال کی پہلی سہ ماہی کے 572 KT مقابلے میں 523 KT رہی کیونکہ ہمارے پلانٹس میں سے ایک میں ٹرن اراؤنڈ رہا۔ کمپنی نے 2021 کی پہلی سہ ماہی کے دوران 582 KT کی سہ ماہانہ یوریا سائز حاصل کی۔

2021 کی پہلی سہ ماہی کے دوران کمپنی کے فاسفٹس کے کاروبار کی سائز گزشتہ سال کے 36 KT کے مقابلے میں 74 KT رہی۔

کمپنی کا مجموعی منافع 2021 کی پہلی سہ ماہی کے لیے 11.6 بلین روپے رہا جو کہ گزشتہ سال کی اسی مدت کے دوران 3.6 بلین روپے تھا، یہ اضافہ 3.2 گنا ہے جس کی اہم وجہ زائد آف ٹیکس ہے۔

2021 کی پہلی سہ ماہی کے اختتام پر انفرادی خالص منافع گزشتہ سال کے 1.4 بلین روپے کے مقابلے میں 6.4 بلین روپے رہا۔ کمپنی کا مجموعی خالص منافع گزشتہ سال کے 0.6 بلین روپے کے مقابلے میں 5.7 بلین روپے رہا، نتیجے میں ہر ایک شیئر پر منافع 4.30 روپے بنتا ہے، گزشتہ سال کا ہر ایک شیئر پر منافع 0.43 روپے تھا۔

بورڈ 31 مارچ 2021 کو ختم ہونے والی مدت کے لیے فی شیئر 4 روپے کے نقد منافع منقسمہ (ڈیویڈنڈ) کا اعلان کرتے ہوئے خوشی محسوس کرتا ہے۔ کمپنی کی پالیسی کے مطابق، ہم سہ ماہی بنیادوں پر ڈیویڈنڈ کی ادائیگی کو ترجیح دیتے ہیں اور کمپنی کی کیش پوزیشن کو مد نظر رکھتے ہوئے اس ڈیویڈنڈ کا اعلان کیا گیا ہے۔

## مارکیٹ کا جائزہ

یوریا کی عالمی قیمتوں میں 2021 کی پہلی سہ ماہی کے اختتام تک امریکی ڈالر 289/T (2,775 روپے فی بوری کے مساوی پہنچ) سے امریکی ڈالر 377/T (3,417 روپے فی بوری کے مساوی پہنچ) تک اضافہ دیکھنے میں آیا۔ یوریا کی مقامی قیمتوں میں عالمی قیمتوں سے تقریباً 50 فیصد تک رعایت دیکھی جارہی ہے، اس وقت یوریا کی قیمت 1,717 روپے فی بوری کے قریب ہے جو کہ 2020 کے آغاز پر 2,040 روپے فی بوری کے مقابلے میں کافی کم ہے۔

زیر جائزہ مدت کے دوران ڈی۔ اے۔ پی کی عالمی قیمت میں پہلی سہ ماہی کے اختتام تک امریکی ڈالر 570/T تک اضافہ دیکھا گیا کیونکہ لاطینی اور تاتھ امریکہ سے طلب میں اضافے اور پروڈکٹ کی سپلائی میں مسائل کا سامنا رہا۔

مقامی سطح پر، 2021 میں پاکستان کے زرعی شعبے میں ترقی دیکھی گئی۔ گزشتہ سال سے بہتری کے پیش نظر، زرعی معیشت میں زرعی اجناس کی بہتر قیمت اور متعلقہ پروڈکٹس کی قیمتوں میں بہتری کے سبب ترقی دیکھی گئی۔ اس ضمن میں یوریا ڈیلر ٹرانزیکشن کی موجودہ قیمت 1,679 فی بوری نے بھی زرعی معیشت کی بہتری میں مدد دی ہے کیونکہ کسانوں سے یہ قیمتیں 2012 میں وصول کی جاتی تھیں۔

مقامی یوریا کی طلب گزشتہ سال کے مقابلے میں 35 فیصد اضافے کے ساتھ، 2020 کی پہلی سہ ماہی میں 1,021 KT کے مقابلے میں 1,377 KT رہی۔ اس کی اہم وجہ گزشتہ سال کی کم ہیلز کے نتیجے میں چینل انویسٹری کا زیادہ ہونا ہے۔ یوریا کی مقامی پیداوار گزشتہ سال کی اسی مدت کے 1,428 KT کے مقابلے میں 2 فیصد کمی کے ساتھ 1,403 KT رہی۔

## دیگر نمایاں امور

سہ ماہی کے دوران، ٹیکس قوانین میں مختلف بے ضابطگیوں کو درست کیا گیا جو ماضی میں فریٹلائزر ڈیلرز کی سیلز ٹیکس رجسٹریشن میں رکاوٹ بنی ہوئی تھیں۔ فریٹلائزر کی ڈاؤن اسٹریم ویلیو چین میں شفافیت لانے کے لیے حکومت کی معاونت کی اپنی کوششوں کے ضمن میں، ہم نے اپنے ڈیلرز کی سیلز ٹیکس رجسٹریشن کے لیے ایک منظم مہم چلائی، جس کے تحت ڈیلرز کے ساتھ موثر رابطہ جاری رکھا گیا اور سیلز ٹیکس میں غیر رجسٹرڈ ڈیلرز کو پابندیوں کے بارے میں آگاہ کیا گیا۔

مارچ 2021 میں ای سی سی (ECC) نے RLNG پر چلنے والے یوریا پلانٹس کو چلانے کے لیے 13.6 بلین روپے کی سبسڈی کی منظوری دی۔ یہ رعایت مارچ 2021 سے نومبر 2021 پر مشتمل (گیس موجودگی کی صورت میں دسمبر 2021 میں بھی آپریشن جاری رکھے جاسکتے ہیں) 9 ماہ کی مدت کے لیے ہوگی۔ اس کی بدولت مارکیٹ میں یوریا کی پیداوار تقریباً 600KT سے 700KT تک بڑھے گی۔

سہ ماہی کے دوران GIDC کے حوالے سے کسی بھی قسم کی پیش رفت نہیں ہوئی۔

## اینگروفرفٹیلائزرز لمیٹڈ

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

برائے اختتام سہ ماہی 31 مارچ، 2021

ہم، اینگروفرفٹیلائزرز لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی طرف سے غیر آڈٹ شدہ مالی گوشوارے برائے اختتام سہ ماہی 31 مارچ، 2021 پیش کرنے پر مسرت محسوس کر رہے ہیں۔

### COVID-19 کے دوران کاروباری تسلسل کی منصوبہ بندی

پاکستان میں COVID-19 کی تیسری لہر کے دوران کمپنی SOPs پر سخت عمل درآمد کے ساتھ اپنے آپریشنز جاری رکھنے کے لیے پرعزم ہے۔ اپنے ملازمین کی صحت اور حفاظت ہماری اولین ترجیح رہی ہے۔ ان مشکل حالات میں، ہیڈ آفس کے ملازمین گھر سے اپنے امور انجام دے رہے ہیں اور صرف ضرورت کے وقت ہی انہیں آفس بلا یا جاتا ہے۔ اپنے ملازمین کی صحت کو یقینی بنانے کے لیے اسپیشل میڈیکل ہیلمپ ڈیسک کی سہولت جاری رکھی ہوئی ہے۔ ہم اپنے گروپ کے ملازمین اور ان کے اہل فیملی ممبران کے لیے ویکسین کی خریداری کی کوششیں بھی جاری رکھے ہوئے ہیں۔

### کاروباری سماجی بہبود (سی ایس آر) کے اقدامات

کمپنی اپنے متعلقہ علاقوں میں کمیونٹی کی فلاح کے اپنے کردار سے واقف ہے اور ان علاقوں میں افراد کی بہبود اور زندگیوں میں بہتری لانے کے لیے مختلف اقدامات اٹھائے گئے ہیں۔ مذکورہ سہ ماہی کے دوران درج ذیل اقدامات اٹھائے گئے ہیں:

- **تعلیم:** گرلز ڈگری کالج اوباوڈو کی سائنس لیب کے قیام اور کالج کی خوبصورتی بڑھانے کے لیے تعاون کیا گیا اور ڈہری میں گورنمنٹ بوائز ڈگری کالج اور پرائمری اسکولوں میں وائٹ کولر لگانے کے لیے تعاون کیا۔
- **قابل تجدید توانائی:** جنگ گاؤں میں سولر لائٹس کی تبدیلی اور ڈہری ریلوے اسٹیشن پر سولر بیڑ کی تبدیلی کے لیے تعاون کیا۔
- **کمیونٹی کی شمولیت اور بہبود:** ڈہری کی سی ایس آر پروگرام جاری ہے، جس میں پوری ڈہری کمیونٹی کو شامل کیا گیا ہے اس پروگرام کے تحت کفالت، تعمیر، سہارا، صاف پاکستان، ہیلمتھ کیئر اور کمیونٹی سروسز کے 6 مختلف شعبہ جات میں کام کیا جا رہا ہے۔





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