



Interim Financial Report  
for the nine months ended

September 30, 2022

(Un-audited)

The Future is **Brighter**  
with Agritech **Fertilizers**

A vertical zipper runs down the center of the image, separating the top half from the bottom half. The top half shows cracked, brown soil, while the bottom half shows vibrant green grass. The zipper pull is visible on the left side, and the teeth of the zipper are clearly defined.

**VISION**

**MISSION**



To become a major  
regional diversified  
fertilizer company

To become a diversified  
manufacturer of both  
nitrogenous and  
phosphatic fertilizers,  
significantly contributing  
to the development of  
the agricultural sector  
of Pakistan.



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# Company Information

## Board of Directors

Mr. Shahid Iqbal Choudhri  
*Chairman*

Mr. Hassan Raza

Mr. Osman Malik

Mr. Asim Murtaza Khan

Mr. Asim Jilani

Mr. Ghazanfar Ahsan

Ms. Sarwat Salahuddin Khan

Mr. Muhammad Faisal Muzammil  
*Chief Executive Officer*

## Audit Committee

Mr. Asim Murtaza Khan  
*Chairman*

Mr. Osman Malik

Mr. Hassan Raza

Mr. Asim Jilani

Mr. Ghazanfar Ahsan

## HR & Remuneration Committee

Ms. Sarwat Salahuddin Khan  
*Chairperson*

Mr. Asim Jilani

Mr. Osman Malik

Mr. Ghazanfar Ahsan

## Chief Financial Officer

Syed Taneem Haider

## Legal Advisor

Mr. Wasif Majeed

## Shares Registrar

Corplink Pvt Ltd

## Auditors

Grant Thornton Anjum Rahman  
*Chartered Accountants, Lahore*

## Bankers

National Bank of Pakistan

Faysal Bank Limited

Standard Chartered Bank (Pakistan) Limited

Albaraka Bank Pakistan Limited

Dubai Islamic Bank Pakistan Limited

Summit Bank Limited

Silk Bank Limited

Allied Bank Limited

Bank Alfalah Limited

The Bank of Punjab

Bank Islami Pakistan Limited

Askari Bank Limited

Pak Libya Holding Company (Pvt.) Limited

Soneri Bank Limited

Citi Bank N.A.

Meezan Bank Limited

United Bank Limited

JS Bank Limited

Habib Bank Limited

MCB Bank Limited

## Registered Office

2<sup>nd</sup> Floor, Asia Centre, 8-Babar Block,  
New Garden Town, Lahore.

Ph: +92 (0) 42 35860341-44

Fax: +92 (0) 42 35860339-40

Email: corporate@pafll.com.pk

## Project Locations

### Unit-I

Urea Plant

Iskanderabad, District Mianwali.

Ph: +92 (0) 459 392346-49

### Unit-II

GSSP Plant

Hattar Road, Haripur.

Ph: +92 (0) 995 353544 -353641

# Directors' Review

The Board of Directors of Agritech Limited, henceforth called the Company, along with the Management Team are pleased to present the Company's Quarterly Report accompanied by the Un-Audited Financial Statements for the Nine months ended September 30, 2022.

These Financial Statements have been endorsed by the Chief Executive Officer and one of the Directors in accordance with the Code of Corporate Governance, having been recommended for approval by the Audit Committee of the Board and approved by the Board of Directors for presentation.

## Business Review

### Principal Activities

The main business of the Company is the manufacturing and marketing of fertilizers. The Company owns and operates the country's one of the newest and most efficient urea manufacturing plant at Mianwali, Punjab Province. The Company also operates the manufacturing facility of GSSP (Granular Single Super Phosphate) at Haripur Hazara, Khyber Pakhtunkhwa (KPK) Province. The Company markets its fertilizers from these plants under one of the most trusted brand name "TARA" in the fertilizer industry.

### Nine Months in Review

	Nine Months ended September 30, 2022	Nine Months ended September 30, 2021
Sales - Net	12,010,916,970	5,315,423,555
Operating (Loss)	566,051,506	(946,742,152)
Finance cost	(3,186,583,304)	(2,036,275,763)
(Loss) before Tax	(2,620,531,798)	(2,983,017,915)
(Loss) after Tax	(2,422,682,809)	(2,741,233,401)
(Loss) per share	(6.17)	(6.99)

### Overview of Fertilizer Industry:

During the period ending Sep 30, 2022 the Production of Urea registered a healthy increase of 7.2% to 4,837K Tonne in 2022 vs 4,512 K Tonne in 2021. Improved Gas/RLNG supply to SNGPL based versus last year contributed to the Urea production increase. Urea offtakes for the period under review were recorded at 4,770K Tonne increasing by 2.4% vs 4656K Tonne during the same period last year.

During the period ending September 30, 2022 the Company managed to produce 263 K Tonne of urea (126 K Tonne: 2021) against installed capacity of 324K Tonne for the period. The Company sold 258 K Tonne Urea (123 K Tonne: 2021).

Consumption of Phosphates, during the period under review saw a massive decline of 35% to 449K Tonne of Nutrients vs 693K Tonne last year. Exceptionally high phosphate prices due to global price increases caused the demand reduction by the farming community due the affordability factor. Production of Phosphates registered an increase of 11% (469K Tonne Nutrients in 2022 vs 423K Tonne Nutrients in 2021). Imports of DAP, the main phosphate fertilizer, saw an increase of 56% to reach 869K product tonnes during the period under review vs 556K product tonnes same period in 2020. The Company, being a major SSP player, produced 43 K Tonne SSP in during the period (54 K Tonne: 2021) and sold 33 K Tonne during the period (45K Tonne: 2021).

### Capital Restructuring & Implementation of Scheme

Gas curtailment to the Company's Urea plant during the past few years was the major cause of non-servicing of the debt of the Company and the accumulation of mark-ups further increased its debt burden. In addition to this, few banks and financial institutions have filed cases for recovery of loans extended by them along with accrued markup and other related charges against the Company.

## Directors' Review

The Company, in order to streamline and to restructure its existing over-due long-term debts towards creditors (i.e. Rs. 19.447 billion) and related markup (i.e. 6.075 billion) as of 31 December 2013, developed a Comprehensive Rehabilitation Scheme in the form of Scheme of Arrangement ("the Scheme") under Section 284 to 288 of the Companies Ordinance 1984. Subsequent to the approvals of the lenders and shareholders, the Scheme was filed with Honorable Lahore High Court (LHC) in June, 2016. LHC has sanctioned the Scheme on July 1, 2022 with effect from December 31, 2013.

The Company is in the process of implementing the sanctioned scheme and has already initiated the engagement with the lenders in line with the Scheme. After the sanctioning of the Scheme by LHC, key milestones carried out are submission of Certified Sanctioned Scheme by LHC before CRO SECP, Lahore to effectuate the Completion Date of the Scheme; initiation of the process to effectuate the amendment in Memorandum of Articles and Association to increase authorized capital upto Rs. 35,000 million and disbursement of first tranche of cash payments of Rs 398 million to the lenders. The reconciliation with Lenders is ongoing and when it is completed it will be disclosed accordingly.

The scheme envisaged the payment of CFADs of Rs. 1.65 Billion to the lenders as per the chosen options; issuance of Preference Shares in lieu of outstanding Long Term Debts; waiver of certain Markups as at 31 December 2013; and issuance of Zero Coupon PPTFCs in lieu of accrued markups outstanding as at 31 December 2013 as per chosen options. These are being reconciled with Lenders and shall be certified by the statutory auditors.

### Future Outlook

Future prospect of the Company is relied on the expectations of continuous availability of gas/RLNG supplies to its Urea plant. Renewed focus of GOP requires to increase the yields of the key staple crops for the long-term Food Security of more than 220 million population of the country. Fertilizer, especially Urea plays a critical role in the production and yield of the crops. Growing Urea demand in the country clearly indicates the requirement of local urea production to increase key crops output than expensive imports by GOP, hence, there is strong likelihood that the urea plant of the Company likely to be operated on regular basis. Provision of system gas supplies under uniform gas price will further improve the margins versus the present RLNG based supplies. The Company is expected to streamline the implementation of the sanctioned Scheme of Arrangement in coordination with the lenders.

### Acknowledgement

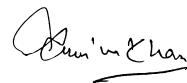
The Board takes this opportunity to thank the Company's valued customers and the financial institutions whose faith and support over the years has cultivated a mutually beneficial relationship, playing a key role in the growth of the businesses.

The Board also wishes to place on record its appreciation for the employees of the Company. The sustainability of business in the difficult business environment was possible due to their hard work and commitment.

On behalf of the Board



**Muhammad Faisal Muzammil**  
Chief Executive Officer



**Mr. Asim Murtaza Khan**  
Director

Lahore

Date : 28 October 2022



## ڈائریکٹرز رپورٹ

انگریجیک لیٹمز "کھیتی" کے بورڈ آف ڈائریکٹرز، ہیمنٹ ٹیم کے ساتھ 30 ستمبر 2022 کو ختم ہونے والی نو ماہی کے لیے غیر جانزدہ شدہ مالیاتی گوشواروں کے ہمراہ کھیتی کی سماہی رپورٹ پیش کرنے پر مسرت محسوس کرتے ہیں۔

کوڈ آف کارپورٹ گورننس کے مطابق، ان مالیاتی گوشواروں کی توثیق چیف ایگزیکٹو آفیسر اور ایک ڈائریکٹر نے کی ہے، بورڈ کی آڈٹ کمیٹی کی طرف سے منظوری کی سفارش کے بعد بورڈ آف ڈائریکٹرز نے رپورٹیشن کے لیے منظوری دی۔

کاروباری جائزہ

بنیادی سرگرمیاں

کھیتی بنیادی طور پر کھادی تیاری اور مارکیٹنگ کا کاروبار کرتی ہے۔ کھیتی کے پاس صوبہ پنجاب کے شہر میانوالی میں جدید اور مؤثر ترین یوریا مینوفیکچرنگ پلانٹ موجود ہے۔ کھیتی صوبہ پنجاب کے صنعتی علاقہ کے شہر ہری پور ہزارہ میں GSSP (گرینولر سٹیکل سیرفا سٹیفٹ) کی مینوفیکچرنگ کی سہولت بھی رکھتی ہے۔

کھادی صنعت کے سب سے قابل اعتماد برانڈ "TARA" کے تحت کھیتی ان پلائس سے اپنی کھادی مارکیٹنگ کرتی ہے۔

نو ماہی کا جائزہ

30 ستمبر 2021	30 ستمبر 2022	
5,315,423,555	12,010,916,970	نیٹ سیلز
(946,742,152)	566,051,506	آپریٹنگ (نقصان)
(2,036,275,763)	(3,186,583,304)	مالیاتی لاگت
(2,983,017,915)	(2,620,531,798)	قبل از ٹیکس (نقصان)
(2,741,233,401)	(2,422,682,809)	بعد از ٹیکس (نقصان)
(6.99)	(6.17)	ٹی شیئر (نقصان)

کھادی صنعت کا جائزہ:

30 ستمبر 2022 کو ختم ہونے والی مدت کے دوران یوریا کی پیداوار نے 2021 میں 4,512 ہزار ٹن کے مقابلے میں 2022 میں 7.2 فیصد کے تخمینہ اضافے سے 4,837 ہزار ٹن درج کی گئی۔ ایس این بی ٹی ایل نیٹ ورک کھاد کے پلائس گولڈ سٹینٹ سال کے مقابلے میں بیٹریگس رلنگ کی فراہمی نے یوریا کے پیداواری اضافے میں حصہ شامل کیا۔ زیر جانزدہ مدت کے لیے یوریا کی آف ٹیکس 2.4 فیصد زیادہ 4,770 ہزار ٹن ریکارڈ کی گئی جو کہ پچھلے سال کی اسی مدت میں 4656 ہزار ٹن تھی۔

30 ستمبر 2022 کو ختم ہونے والی مدت کے دوران کھیتی، مدت کے لئے 324 ہزار ٹن کی نصب شدہ صلاحیت کے پلائس سے 263 ہزار ٹن یوریا (126 ہزار ٹن: 2021) پیداوار حاصل کرنے میں کامیاب رہی۔ کھیتی نے 258 ہزار ٹن یوریا (123 ہزار ٹن: 2021) فروخت کیا۔

فاسٹیفٹ کی کھپت، زیر جانزدہ مدت کے دوران، پچھلے سال 693 ہزار ٹن کے مقابلے میں غذائی اجزاء کی 35 فیصد کمی سے 449 ہزار ٹن ہو گئی۔ عالمی سطح پر قیمتوں میں اضافے کی وجہ سے فاسٹیفٹ کی غیر معمولی زیادہ قیمتیں قابل برداشت عنصر کی وجہ سے کا شکار برادری کی طلب میں کمی کا سبب بنیں۔ فاسٹیفٹس کی پیداوار میں 11 فیصد اضافہ ہوا (2022 میں 469 ہزار ٹن غذائی اجزاء، بمقابلہ 2021 میں 423 ہزار ٹن غذائی اجزاء)۔ ڈی اے بی، اہم فاسٹیفٹ کھادی درآمدات میں 56 فیصد کا اضافہ دیکھا گیا جو کہ 2020 میں اسی عرصے کے دوران 556 ہزار پروڈکٹ ٹن کے مقابلے میں 869 ہزار پروڈکٹ ٹن تک پہنچ گئی۔ اہم SSP پیپر ہونے کے ناطے، کھیتی نے اس مدت میں 43 ہزار ٹن SSP (2021: 54 ہزار ٹن) پیداوار اس مدت کے دوران 33 ہزار ٹن (2021: 45 ہزار ٹن) فروخت کی گئی۔

سرمایہ کی تنظیم نو اور بیٹیکوں کے ساتھ مقدمات

گزر گزشتہ چند سالوں کے دوران کھیتی کے یوریا پلائس میں گیس کی قلت کھیتی کے قرضہ کی عدم ادائیگی کی بڑی وجہ تھی اور مارک اپ کے بڑھنے سے اس کے قرضوں کے بوجھ میں مزید اضافہ ہوا۔ اس کے علاوہ، چند بیٹیکوں اور مالیاتی اداروں نے کھیتی کے خلاف بیٹیکوں مارک اپ اور دیگر متعلقہ چارجز کے ساتھ اس کی طرف سے اضافی قرضوں کی وصولی کے لیے کیس دائر کئے ہیں۔

قرضوں کے اس بوجھ کو ہموار کرنے کے لیے قرض دہندگان (یعنی 19,447 ملین روپے) اور متعلقہ مارک اپ (یعنی 6.075 بلین)، 31 ستمبر 2013 تک (جوڑو مؤثر تاریخ) کھیتی کی طرف سے اپنے

## ڈائریکٹرز رپورٹ

قرض دہندگان کی مدد سے تیار کردہ ترجیحی حصص کے اجراء کے ذریعے اپنے موجودہ زائد واجبات الادا طویل مدتی قرضوں کی تنظیم کے لیے جامع بحالی (اکیسم آف اربٹمنٹ ("اکیسم") کی شکل میں ترتیب دی ہے۔ مذکورہ اکیسم ضروری منظوری اور آڈر کے لیے جون 2016 تک تیار آڈٹس 1984 کو دفعات 284 و 288 کے تحت معزز لاہور ہائی کورٹ میں دائر کی گئی تھی۔ LHC نے مذکورہ اکیسم کی منظوری 1 جولائی 2022 کو دی جو کہ 31 دسمبر 2013 سے نافذ کر دی ہے۔

کمپنی منظور شدہ اکیسم کو نافذ کرنے کے عمل میں ہے اور اس نے پہلے ہی منظور شدہ اکیسم کے مطابق قرض دہندگان کے ساتھ گنجت شروع کر دی ہے۔ LHC کی طرف سے اکیسم کی منظوری کے بعد کلیدی سنگ میلوں میں LHC کی طرف سے تصدیق شدہ اکیسم کو CRO، SECP اور کے سامنے جمع کروا دیا گیا ہے تاکہ اکیسم کی تکمیل کی تاریخ کو نافذ کیا جاسکے۔ میوریئم ایڈز آرٹیکلز آف ایسٹین میں ترامیم کے ساتھ مجاز سرمایہ 35000 ملین روپے تک اضافہ کرنے کو عملی جامہ اور قرض دہندگان کو 398 ملین روپے کو نافذ ادائیگیوں کی پہلی قسط کی تقسیم کے عمل کا آغاز کیا ہے۔ اس سلسلے میں قرض دہندگان کے ساتھ مفاہمت جاری ہے اور مکمل ہونے کو صورت میں اسکو disclose کر دیا جائے گا۔

اکیسم میں قرض دہندگان کو ان کے منتخب کردہ اختیارات کے مطابق 1.65 ملین روپے کے CFAFs، بقایا طویل مدتی قرضوں کے عوض ترجیحی حصص کے اجراء کے ذریعے 31 دسمبر 2013 تک مارک اپ کی چھوٹ اور بقایا شدہ مارک اپ کے بدلے زیر کو پین PPTFCs کے اجراء کا تصور پیش کیا گیا ہے۔ قرض دہندگان کے ساتھ معاملات کی تکمیلی کے مراحل کو طے کیا جا رہا ہے اور پرونی آڈٹران کی تصدیق کے بعد پیش کے جائیں گے۔

LHC کی طرف سے اکیسم کی منظوری کے بعد، کمپنی کو یقین ہے کہ بینکوں/قرض دہندگان کی طرف سے دائر کیے گئے مقدموں کا متعلقہ عدالتوں میں بہتر طریقے سے دفاع کیا جاسکتا ہے اور کمپنی مثبت نتائج کے لیے پُر اعتماد ہے۔

### مستقبل کا نقطہ نظر

کمپنی کا مستقبل اس کے یوریا پلانٹ کو گیس/RLNG سپلائی کی مسلسل دستیابی کی توقعات پر منحصر ہے۔ GOP کی بھرپور توجہ کے لیے ملک کی 220 ملین سے زائد آبادی کی طویل مدتی خوراک کی حفاظت کے لیے کلیدی اہم ضلوعوں کی پیداوار کو بڑھانے کی ضرورت ہے۔ کھاد خصوصاً یوریا ضلوعوں کی پیداوار اور نمونوں میں اہم کردار ادا کرتی ہے۔ ملک میں یوریا کی بڑھتی ہوئی طلب GOP کی جانب سے منگنی درآمدات کے مقابلے کلیدی ضلوعوں کی پیداوار بڑھانے کے لیے مقامی یوریا کی پیداوار کی ضرورت کو واضح طور پر ظاہر کرتی ہے، اس لیے اس بات کا قوی امکان ہے کہ کمپنی کا یوریا پلانٹ مستقل بنیادوں پر چلا یا جائیگا۔ گیس کی یکساں قیمت کے تحت سسٹم گیس سپلائی کی فراہمی موجودہ RLNG پر مبنی سپلائی کے مقابلے مارجن کو مزید بہتر کرے گی۔ کمپنی سے توقع کی جاتی ہے کہ وہ قرض دہندگان کے ساتھ تعاون میں منظور شدہ اکیسم آف اربٹمنٹ کے نافذ ہونے اور کرے گی۔

### اعتراف

یورڈ اس موقع سے کمپنی کے قابل قدر صارفین اور اہلیاتی اداروں کا شکریہ ادا کرتا ہے جن کے تعاون نے کئی سالوں کے تعلقات کو فروغ دیا ہے، جو کاروبار کی ترقی میں کلیدی کردار ادا کر رہے ہیں۔ یورڈ کمپنی کے ملازمین کے لیے اپنی تعریف کو بیکارڈ پر لانا چاہتا ہے۔ مشکل کاروباری ماحول میں کاروبار کی پائیداری ان کی محنت اور عزم کی وجہ سے ممکن ہوئی۔

منجانب یورڈ

*Muhammad Hanif*

محمد عاصم مرتضیٰ خان  
ڈائریکٹر

*Nazim*

محمد فیصل منزل  
چیف ایگزیکٹو آفیسر

لاہور: 28 اکتوبر 2022ء

# Condensed Interim Statement of Financial Position

As at 30 September 2022

		(Un-audited) 30 September 2022	(Audited) 31 December 2021
	Note	Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized share Capital</b>		<b>15,000,000,000</b>	<b>15,000,000,000</b>
<b>Share capital and reserves</b>			
Issued, subscribed and paid-up ordinary share capital	4	3,924,300,000	3,924,300,000
Reserves		9,000,000	9,000,000
Accumulated Losses		(25,510,088,575)	(23,613,277,966)
Surplus on revaluation of property, plant and equipment - net of tax		<u>22,909,898,199</u>	<u>23,435,770,400</u>
		<b>1,333,109,624</b>	<b>3,755,792,434</b>
<b>Non-current liabilities</b>			
Redeemable capital - Secured	5	-	-
Long term finances - Secured	6	-	-
Convertible, redeemable preference shares	7	1,593,342,690	1,593,342,690
Long term payables - Unsecured		651,372,879	1,157,874,632
Deferred Liabilities		<u>8,087,803,503</u>	<u>8,436,099,563</u>
		<b>10,332,519,072</b>	<b>11,187,316,885</b>
<b>Current liabilities</b>			
Current maturity of long term liabilities		18,880,197,554	19,269,126,210
Preference dividend payable		1,862,461,021	1,731,370,386
Short term borrowings -secured	8	3,650,699,414	3,518,449,435
Trade and other payables		5,527,339,331	4,022,968,445
Interest/mark-up accrued on borrowings		<u>26,218,525,824</u>	<u>23,731,549,868</u>
		<b>56,139,223,146</b>	<b>52,273,464,344</b>
<b>Contingencies and commitments</b>	9	<u>67,804,851,842</u>	<u>67,216,573,663</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	55,852,905,991	56,965,406,647
Intangible asset		2,568,102,392	2,568,318,275
Long term loans and advances - considered good		16,166,380	14,024,136
Long term deposits - unsecured, considered good		<u>54,601,537</u>	<u>57,677,251</u>
		<b>58,491,776,300</b>	<b>59,605,426,309</b>
<b>Current assets</b>			
Stores, spares and loose tools		2,111,375,935	2,053,911,764
Stock-in-trade		976,184,108	362,453,998
Trade debts		405,518	88,592,108
Advances, deposits, prepayments and other receivables		5,288,084,237	3,771,231,436
Tax refunds due from Government - net		93,810,641	146,922,765
Short term investment		-	104,200,000
Cash and bank balances	11	<u>843,215,103</u>	<u>1,083,835,283</u>
		<b>9,313,075,542</b>	<b>7,611,147,354</b>
		<b>67,804,851,842</b>	<b>67,216,573,663</b>

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



Chief Executive



Chief Financial Officer



Director

## Condensed Interim Statement of Profit or Loss (Un-audited)

For the nine months period ended 30 September 2022

	9 month		For the quarter ended	
	30 September 2022	30 September 2021	July to September 2022	July to September 2021
	Rupees	Rupees	Rupees	Rupees
		<b>Restated</b>		
Sales - net	12,010,916,970	5,315,423,555	5,496,148,476	2,805,353,955
Cost of sales	(10,678,347,520)	(5,718,317,806)	(4,575,224,081)	(2,925,074,739)
Gross Profit/(loss)	1,332,569,450	(402,894,251)	920,924,395	(119,720,784)
Selling and distribution expenses	(456,632,851)	(205,434,612)	(213,573,858)	(91,292,723)
Administrative and general expenses	(359,225,828)	(242,654,802)	(153,739,590)	(86,409,345)
	(815,858,679)	(448,089,414)	(367,313,448)	(177,702,068)
Other income (loss)	49,340,735	(95,758,487)	18,706,542	(108,485,893)
Operating Income/(loss)	566,051,506	(946,742,152)	572,317,489	(405,908,745)
Finance cost	(3,186,583,304)	(2,036,275,763)	(1,234,182,962)	(686,964,925)
Loss before taxation	(2,620,531,798)	(2,983,017,915)	(661,865,473)	(1,092,873,670)
Taxation for the period	197,848,989	241,784,514	47,995,968	51,643,395
Loss after taxation	(2,422,682,809)	(2,741,233,401)	(613,869,505)	(1,041,230,275)
Loss per share - basic and diluted	(6.17)	(6.99)	(1.56)	(2.65)

The annexed notes 1 to 21 form an integral part of this condensed interim consolidated financial information.

  
Chief Executive

  
Chief Financial Officer

  
Director

# Condensed Interim Statement of Comprehensive Income (Un-audited)

For the nine months period ended 30 September 2022

	9 month	
	30 September 2022 Rupees	30 September 2021 Rupees
<b>Loss after taxation</b>	<b>(2,422,682,809)</b>	<b>(2,741,233,401)</b>
<b><u>Other comprehensive income:</u></b>		
Items that will not be reclassified to statement of profit or loss:		
- Re-measurement of defined benefit liability	-	-
- Related deferred tax asset/(liability)	-	-
	-	-
<b>Total comprehensive loss for the period</b>	<b>(2,422,682,809)</b>	<b>(2,741,233,401)</b>

The annexed notes 1 to 21 form an integral part of this condensed interim consolidated financial information.



**Chief Executive**



**Chief Financial Officer**



**Director**

# Condensed Interim Statement of Cash Flows (Un-audited)

For the nine months period ended 30 September 2022

		30 September 2022	30 September 2021
	Note	Rupees	Rupees
<b><u>Cash flows from operating activities</u></b>			
Cash used in operations	13	129,394,499	48,378,284
Income tax paid		(97,024,260)	(37,559,647)
Staff retirement benefits paid		(7,842,217)	(4,850,213)
Long term loans and advances received		(2,142,244)	2,474,585
Long term deposits - net		3,075,714	1,796,192
<b>Net cash used in operating activities</b>		<b>25,461,492</b>	<b>10,239,201</b>
<b><u>Cash flows from investing activities</u></b>			
Capital expenditure incurred		(88,550,943)	(45,315,599)
Interest income received		36,469,249	13,931,272
Proceeds from disposal of property, plant and equipment		546,000	1,838,898
Short term investment		104,200,000	
<b>Net cash used in investing activities</b>		<b>52,664,306</b>	<b>(29,545,429)</b>
<b><u>Cash flows from financing activities</u></b>			
Increase / (decrease) in long term finances		-	(4,371,101)
Long Term Loan paid		(388,928,656)	-
Finance cost paid		(62,067,403)	(223,430,789)
<b>Net cash used in financing activities</b>		<b>(450,996,059)</b>	<b>(227,801,890)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(372,870,260)</b>	<b>(247,108,118)</b>
<b>Cash and cash equivalents at the beginning of period</b>		<b>(1,505,637,211)</b>	<b>(1,922,669,425)</b>
<b>Cash and cash equivalents at the end of period</b>	15	<b>(1,878,507,471)</b>	<b>(2,169,777,543)</b>

The annexed notes 1 to 21 form an integral part of this condensed interim consolidated financial information.

  
Chief Executive

  
Chief Financial Officer

  
Director

# Condensed Interim Statement of Changes in Equity (Un-audited)

## For the nine months period ended 30 September 2022

	Capital Reserve		Reserves		Total equity
	Ordinary Shares Capital	Surplus on revaluation property plant and equipment - net of tax	Revenue reserve	Accumulated Loss	
	Rupees	Rupees	Rupees	Rupees	Rupees
<b>As at 01 January 2021</b>	3,924,300,000	24,137,460,414	9,000,000	(21,630,116,983)	6,440,665,931
Loss for the period ended September 30, 2021	-	-	-	-	-
<b>Other comprehensive income for the year:</b>	-	-	-	-	-
- Re-measurement gain on employee retirement benefits	-	-	-	-	-
- Related deferred tax liability on re-measurement gain	-	-	-	-	-
Total comprehensive income for the period ended 30 September 2021	-	-	-	(2,741,233,401)	(2,741,233,401)
<b>As at 30 September 2021</b>	3,924,300,000	23,611,596,803	9,000,000	(23,845,466,273)	3,699,430,530
<b>As at 01 January 2022</b>	3,924,300,000	23,435,770,400	9,000,000	(23,613,277,967)	3,755,792,433
Loss for the period ended September 30, 2022	-	-	-	-	-
<b>Other comprehensive income for the year:</b>	-	-	-	-	-
- Re-measurement gain on employee retirement benefits	-	(525,883,611)	-	525,883,611	-
- Related deferred tax liability on re-measurement gain	-	-	-	-	-
Total comprehensive income for the period ended 30 September	-	-	-	(2,422,682,809)	(2,422,682,809)
<b>Surplus transferred to accumulated losses on account of:</b>	-	-	-	-	-
- incremental depreciation on property, plant and equipment - net of deferred tax	-	(525,872,201)	-	525,872,201	-
<b>As at 30 September 2022</b>	3,924,300,000	22,909,898,199	9,000,000	(25,510,088,575)	1,333,109,624

The annexed notes 1 to 21 form an integral part of this condensed interim consolidated financial information.



Chief Executive



Chief Financial Officer



Director

# Notes to the Condensed Interim Financial Information (Un-audited)

## *For the nine months period ended 30 September 2022*

### **1 Reporting Entity**

Agritech Limited ("the Company") was incorporated in Pakistan on 15 December 1959 as an unlisted Public Limited Company under the repealed Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange. The principal business of the Company is the production and sale of Urea and Granulated Single Super Phosphate ("GSSP") fertilizer.

The registered office of the Company is situated at 2nd Floor Asia Center, 8 – Babar Block, Main Boulevard, New Garden Town, Lahore. Geographical locations of the manufacturing facilities of the Company are located at:

- Unit I located at Iskanderabad, District Mianwali; and
- Unit II at Hattar Road, Haripur

### **2 Basis of preparation**

#### **2.1 Statement of compliance**

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

This condensed interim financial information comprises the condensed interim balance sheet of Agritech Limited ("the Company"), as at 30 September 2022 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof.

These condensed interim financial statements does not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended on 31 December 2021.

Comparative condensed interim statement of financial position's numbers are extracted from the proposed annual audited financial statements of the Company for the year ended 31 December 2021, whereas comparative interim statement of profit or loss, interim statement of comprehensive income, interim statement of cash flows and interim statement of changes in equity and related notes are stated from unaudited condensed interim financial statements of the Company for the nine months period ended 30 September 2022.

This condensed interim financial statements are unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.

#### **2.3 Judgments and estimates**

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions for the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgments made by the management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements as at and for the year ended 31 December 2021.



# Notes to the Condensed Interim Financial Information (Un-audited)

## For the nine months period ended 30 September 2022

### 3 Statement of consistency in accounting policies

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended 31 December 2021.

	<b>30 September 2022</b>	31 December 2021
	<u>Un-audited</u>	<u>Audited</u>
	Rupees	Rupees
<b>4 Issued, subscribed and paid up ordinary share capital</b>		
383,430,000 (December 31, 2021: 383,430,000) class A ordinary shares of Rs.10 each fully paid in cash	<b>3,834,300,000</b>	3,834,300,000
9,000,000 (December 31, 2021: 9,000,000) ordinary shares of Rs. 10 each issued for consideration other than cash	<b>90,000,000</b>	90,000,000
	<u><b>3,924,300,000</b></u>	<u>3,924,300,000</u>

#### 4.1 Ordinary shares of the Company held by associated undertaking at period/ year end are as follows:

	<b>30 September 2022</b>	31 December 2021	30 September 2022	31 December 2021
	(Percentage held)		(Number of shares)	
National Bank of Pakistan Limited	<b>27.01%</b>	27.01%	<b>106,014,632</b>	106,014,632
Faysal Bank Limited	<b>4.56%</b>	4.56%	<b>17,914,040</b>	17,914,040
Summit Bank Limited	<b>8.74%</b>	8.74%	<b>34,306,400</b>	34,306,400
Silk Bank Limited	<b>0.00%</b>	0.00%	<b>1,000</b>	1,000
			<b>30 September 2022</b>	31 December 2021
			<u>Un-audited</u>	<u>Audited</u>
			Rupees	Rupees
<b>5 Redeemable Capital - Secured</b>				
Term Finance Certificates - I			<b>1,498,602,000</b>	1,498,602,000
Term Finance Certificates - II			<b>6,894,286,800</b>	6,894,286,800
Term Finance Certificates - III			<b>495,460,750</b>	495,460,750
Privately Placed Term Finance Certificates - IV			<b>548,825,000</b>	548,825,000
Privately Placed Term Finance Certificates - V			<b>618,685,000</b>	618,685,000
Privately Placed Term Finance Certificates - Vi			<b>509,874,996</b>	509,874,996
Sukkuks			<b>1,599,800,000</b>	1,599,800,000
			<u><b>12,165,534,546</b></u>	<u>12,165,534,546</u>
Current maturity presented under current liabilities			<u><b>(12,165,534,546)</b></u>	<u>(12,165,534,546)</u>
			-	-

## Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended 30 September 2022

	<b>30 September 2022 Un-audited Rupees</b>	<b>31 December 2021 Audited Rupees</b>
<b>5.1 Types of redeemable capital</b>		
Interest / mark-up based financing	<b>10,565,734,546</b>	10,565,734,546
Islamic mode of financing	<b>1,599,800,000</b>	1,599,800,000
	<b><u>12,165,534,546</u></b>	<b><u>12,165,534,546</u></b>

5.2 For overdue principal and markup, refer to note 16 to the financial statements.

5.3 The Company, in order to streamline and to restructure its existing over-due long-term debts towards creditors (i.e. Rs. 19.447 billion) and related markup (i.e. 6.075 billion) as of 31 December 2013, developed a Comprehensive Rehabilitation Scheme in the form of Scheme of Arrangement ("the Scheme") under Section 284 to 288 of the Companies Ordinance 1984. Subsequent to the approvals of the lenders and shareholders, the Scheme was filed with Honorable Lahore High Court (LHC) in June, 2016. LHC has sanctioned the Scheme on July 1, 2022 with effect from December 31, 2013.

The Company is in the process of implementing the sanctioned scheme and has already initiated the engagement with the lenders in line with the Scheme. After the sanctioning of the Scheme by LHC, key milestones carried out are submission of Certified Sanctioned Scheme by LHC before CRO SECP, Lahore to effectuate the Completion Date of the Scheme; initiation of the process to effectuate the amendment in Memorandum of Articles and Association to increase authorized capital upto Rs. 35,000 million and disbursement of first tranche of cash payments of Rs 398 million to the lenders.

The scheme envisaged the payment of CFADs of Rs. 1.65 Billion to the lenders as per the chosen options; issuance of preference shares in lieu of outstanding Long term Debts; waiver of Markups as at 31 December 2013; and issuance of Zero coupon PPTFCs in lieu of accrued markups outstanding 31 December 2013 as per chosen options. These are being reconciled with Lenders and shall be certified by the statutory auditors.

	<b>30 September 2022 Un-audited Rupees</b>	<b>31 December 2021 Audited Rupees</b>
<b>6 Long term finances</b>	<b>Note</b>	
Syndicate Term Finance - I	<b>3,000,000,000</b>	3,000,000,000
Syndicate Term Finance - II	<b>466,362,600</b>	466,362,600
Syndicate Term Finance - III	<b>2,840,145,329</b>	2,840,145,329
Bankislami Pakistan - Term Finance	<b>300,000,000</b>	300,000,000
National Bank of Pakistan - Term Finance	<b>132,083,735</b>	132,083,735
Dubai Islamic Bank Limited - Term Finance	<b>365,000,000</b>	365,000,000
AlBaraka Bank (Pakistan) Limited - <i>Diminishing Musharika</i>	-	-
	<b>5.3 7,103,591,664</b>	7,103,591,664
Current maturity presented under current liabilities	<b>(7,103,591,664)</b>	(7,103,591,664)
	<b><u>-</u></b>	<b><u>-</u></b>
<b>6.1 Types of long term finances - secured</b>		
Interest / mark-up based financing	<b>6,738,591,664</b>	6,738,591,664
Islamic mode of financing	<b>365,000,000</b>	365,000,000
	<b><u>7,103,591,664</u></b>	<b><u>7,103,591,664</u></b>

6.2 For overdue principal and markup, refer to note 16 to the financial statements.

# Notes to the Condensed Interim Financial Information (Un-audited)

## For the nine months period ended 30 September 2022

	<b>30 September 2022</b>	31 December 2021
<b>7 Convertible, redeemable preference shares</b>		
159,334,269 (31 December 2021: 159,334,269)		
Preference shares of Rs. 10 each fully paid in cash	<u><b>1,593,342,690</b></u>	<u>1,593,342,690</u>
<b>7.1</b> The preference shareholders have a preferred right of dividend at the rate of 11% per annum on cumulative basis.		
<b>7.2</b> Preference shares of the company held by related / associated undertakings as at year end are as follows:		
	<b>--- (Number of shares) ---</b>	
	<u><b>31,035,594</b></u>	31,035,594
Faysal Bank Limited	<u><b>3,458,756</b></u>	3,458,756
National Bank of Pakistan	<u><b>34,494,350</b></u>	<u>34,494,350</u>
	<b>30 September 2022 Un-audited Rupees</b>	31 December 2021 Audited Rupees
<b>8 Short term borrowings - secured</b>		
Interest / mark-up based loans - secured	<b>3,088,964,339</b>	2,956,714,259
Islamic mode of financing - secured	<u><b>561,735,076</b></u>	<u>561,735,176</u>
	<u><b>3,650,699,414</b></u>	<u>3,518,449,435</u>

**8.1** All terms and conditions applicable on these facilities are same as those disclosed in the annual financial statements for the year ended 31 December 2021.

### **9 Contingencies and commitments**

#### **9.1 Contingencies**

There is no material change in the status of contingencies from the preceding published financial statements of the Company for the year ended 31 December 2021 except for the following:

##### **Tax contingencies**

- in tax year 2018 and 2019, demand from those mentioned in annual financial statements for the year ended 31 December 2021 of Rs. 5,746 billion and 7,179 billion for Sales tax affairs had been created; and
- in tax year 2015 and 2016, demand of Rs. 3,702 billion and 3,930 billion for income tax affairs had been created.

These years were selected for all fertilizer sector on advice of Federal Board of Revenue, hence, an application was moved to LHC this selection (on instructions of the Board) which was decided in favor of the Company for all years. Simultaneously, appeals to CIR-A have also been filed against such orders which are pending for adjudication. However interim stays have been granted which are intact.

Based on opinion of tax advisor, the management of the company believes that the Company has strong legal grounds against each case. Accordingly, no provision has been made in this financial information.

##### **Other contingencies**

There is no material change in status of contingencies from the preceding published financial statements of the Company for the year ended 31 December 2021 except for the sanctioning of restructuring scheme filed by certain banks and filing of new civil suits by followings banks:

## Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended 30 September 2022

		Un-Audited 30-Sep-22 Rupees
<b>Banks</b>	<b>Facility</b>	
Silk Bank Limited (related party)	Running Finance	780,494,785
Askari Bank Limited	Running Finance & PPTFCs	2,511,488,460
Unit Trust of Pakistan and JS investment Limited	PPTFCs	333,487,415
JS Income Fund and JS Investment Limited	PPTFCs	164,172,750
JS Infocom Limited	PPTFCs	1,280,996,756
JS Large Capital Fund	PPTFCs	16,959,889
Federal Employees Benevolent and Group Insurance Funds	PPTFCs	1,490,595,700

The management as well as legal advisor of the Company is of the view that such suits lacks merit and the instant suits cannot be proceeded or tried as these all banks have already been consented for restructuring scheme which has also been sanctioned by Honorable Lahore High Court on July 1, 2022.

Subsequent to the sanction of the scheme by LHC, the Company is confident that the suits filed by the Banks/lenders can be better defended in the relevant courts and the Company is confident for the positive outcome.

### 9.2 Commitments

#### 9.2.1 Commitments under irrevocable letters of credit for:

		30 September 2022 Un-audited Rupees	31 December 2021 Audited Rupees
	Note		
- purchase of plant and machinery		23,085,890	58,127,202
- purchase of raw material		219,592,500	81,754,452
		<b>242,678,390</b>	<b>139,881,654</b>
<b>10 Property, plant and equipment</b>			
Operating fixed assets		55,797,658,429	56,960,824,702
Capital work in progress		55,247,563	4,581,945
		<b>55,852,905,991</b>	<b>56,965,406,647</b>
<b>10.1 Operating fixed assets</b>			
Net book value at end of the period		56,960,824,705	58,517,324,874
Add: Additions/Revaluation during the period	10.1.1	37,885,323	62,468,039
Less: Disposals during the period - net book value		472,283	15,916,454
Depreciation for the period		1,200,579,316	1,603,051,748
		1,201,051,599	1,618,968,202
<b>Net book value at end of the period</b>		<b>55,797,658,429</b>	<b>56,960,824,711</b>

# Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended 30 September 2022

		<b>30 September 2022</b>	31 December 2021
		<b>Un-audited</b>	Audited
	<b>Note</b>	<b>Rupees</b>	Rupees
<b>10.1.1 Additions - cost</b>			
<b><u>Owned assets</u></b>			
Buildings on freehold land		<b>5,760,937.00</b>	17,534,381
Plant and machinery		<b>6,018,265</b>	6,299,181
Residential colony assets		<b>9,750</b>	524,016
Furniture, fixtures and office equipment		<b>12,215,726</b>	5,451,674
Vehicles and rail transport		<b>357,396</b>	14,213,802
Tools and other equipment		<b>13,523,250</b>	27,500
Catalyst		-	18,417,486
		<b><u>37,885,323</u></b>	<u>62,468,039</u>
<b>11 Cash and bank balances</b>			
Cash in hand		<b>1,011,516</b>	616,843
Cash at banks			
- current accounts		<b>392,266,875</b>	387,031,096
- savings accounts	11.1	<b>449,936,712</b>	696,187,344
		<b><u>842,203,587</u></b>	<u>1,083,218,440</u>
		<b><u>843,215,103</u></b>	<u>1,083,835,283</u>

11.1 Rate of return on saving accounts ranges from 6% to 13% per annum (31 December 2021: 6% to 8.26% per annum).

## 12 Transactions and balances with related parties

Related parties from the Company's perspective comprise associated undertakings, key management personnel (comprising the Chief Executive and Directors), post employment benefit plans and other related parties. The Company in the normal course of business carries out transactions with various related parties. All transactions with related parties have been carried out on commercial terms and conditions.

Detail of transactions and balances with related parties are as follows:

	<b>(Un-audited) January to 30 September 2022</b>	(Un-audited) January to 30 September 2021
	<b>Rupees</b>	Rupees
<b>12.1 Transactions with related parties</b>		
<b>12.1.1 Associated Undertakings</b>		
<b>12.1.1.1 <u>Shareholding and common directorship</u></b>		
<b>National Bank of Pakistan</b>		
Markup expense	<b>355,372,767</b>	228,859,230
Preference dividend	<b>2,845,656</b>	2,845,656
Restructuring Scheme - CFADs	<b>86,151,427</b>	-
Bank Balances - net	<b>(854,958)</b>	901,922
Short term borrowings - net	-	

## Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended 30 September 2022

	(Un-audited) January to 30 September 2022	(Un-audited) January to 30 September 2021
	Rupees	Rupees
<b>12.1.1.2 Common directorship</b>		
<b>Faysal Bank Limited</b>		
Markup expense	217,130,721	133,039,727
Restructuring Scheme - CFADs	50,733,566	-
Preference dividend	25,534,216	25,534,216
Trustee Fee	-	2,500,000
Bank Balances - net	9,178,185	11,291,057
<b>Silk Bank limited</b>		
Restructuring Scheme - CFADs	474,785	
Mark-up expense	73,626,368	51,850,831
Preference dividend	-	-
Markup paid	-	72,685,269
Short term borrowings - net	47,965	(1,047,807)
<b>Summit Bank Limited</b>		
Restructuring Scheme - CFADs	13,933,138	
Mark-up expense	132,312,448	89,449,967
Preference dividend	-	-
Markup paid	39,258,547	109,365,598
Short term borrowings - net	(54,344)	4,774,929
Bank Balances - net	(205,005)	(254,689,679)
<b>12.1.1.3 Post employment benefit plans</b>		
Contribution to employees provident fund	16,910,982	16,238,784
Contribution to employees gratuity fund	7,531,529	7,265,025
<b>12.1.1.4 Key management personnel</b>		
Short term employee benefits	16,200,000	16,200,000
Post employment benefits	963,900	963,900

# Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended 30 September 2022

	(Un-audited) 30 September 2022	(Audited) 31 December 2021
	Rupees	Rupees
<b>12.2 Balances with related parties</b>		
<b>12.2.1 Associated Undertakings</b>		
<b>12.2.1.1 <u>Shareholding and common directorship</u></b>		
<b>National Bank of Pakistan</b>		
Long term finances	2,467,083,735	2,467,083,735
Redeemable capital	462,057,100	462,057,100
Bills payable	187,030,000	187,030,000
Convertible, redeemable Preference shares	34,587,560	34,587,560
Mark-up payable	4,147,888,048	3,792,515,281
Preference dividend payable	192,837,054	189,991,398
Bank account Balances	4,917,504	5,772,462
Advisory fee	738,600,000	738,600,000
Advance for transaction Cost	23,200,000	23,200,000
<b>12.2.1.2 <u>Common directorship</u></b>		
<b>Faysal Bank</b>		
Redeemable capital	1,499,109,500	1,499,109,500
Long term Finance	344,325,600	344,325,600
Convertible, redeemable Preference shares	310,355,940	310,355,940
Preference dividend payable	362,810,346	337,276,129
Bank account Balances	26,618,376	17,440,191
Trustee fee	5,668,582	5,668,582
<b>Silk Bank</b>		
Long term finances	130,607,546	130,607,546
Short term borrowings	550,996,589	550,948,624
Mark up payable	349,925,632	276,299,263
Preference dividend payable	-	-
<b>Summit Bank Limited</b>		
Redeemable capital	603,406,000	603,406,000
Short term borrowings	671,895,804	671,950,148
Mark up payable	632,691,340	539,637,439
Bank account Balances	348,674	553,679

## Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended 30 September 2022

	(Un-audited) 30 September 2022	(Audited) 31 December 2021
	Rupees	Rupees
<b>Others</b>		
Housing Colony	28,964,725	17,914,640
Iskanderabad Welfare Trust	7,545,926	7,345,538
<b>12.2.3 Post employment benefit plans</b>		
Payable to Provident Fund Trust	-	-
Payable to gratuity Trust	14,911,417	15,222,105
	<b>30 September 2022</b>	<b>30 September 2021</b>
	Rupees	Rupees
<b>13 Cash flow from operating activities</b>		
<b>Profit or (Loss) before tax</b>	<b>(2,620,531,798)</b>	<b>(2,983,017,915)</b>
<b>Adjustment for non-cash items:</b>		
Interest / markup expense	2,800,919,892	1,925,875,881
Depreciation on property, plant and equipment	1,200,579,316	1,202,545,271
Provision for staff retirement benefit	7,531,529	7,265,025
Mark-up / Interest Income	(34,419,922)	(13,931,272)
Gain on sale of property, plant and equipment	(73,718)	113,443,269
<b>Operating profit before changes in working capital</b>	<b>1,354,221,182</b>	<b>252,180,259</b>
<b>Changes in working capital</b>		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	(57,464,171)	(14,247,371)
Stock in trade	(613,730,110)	(194,274,684)
Trade receivables	88,186,590	489,620
Advances, deposits, prepayments and other receivables	(1,518,902,125)	(746,753,788)
	(2,101,909,816)	(954,786,223)
Increase / (decrease) in current liabilities		
Trade and other payables	877,083,133	750,984,248
Cash used in operations	129,394,499	48,378,284



# Notes to the Condensed Interim Financial Information (Un-audited)

## For the nine months period ended 30 September 2022

### 14 Segment reporting

#### 14.1 Reportable segments

The Company's reportable segments are as follows:

- Urea fertilizer segment - production of Urea fertilizer and ammonia from natural gas and
- Phosphate fertilizer segment - production of Phosphate fertilizer from rock Phosphate

Information regarding the Company's reportable segments is presented below:

#### 14.2 Segment revenue and results

Following is the information about reportable segments of the Company:

	Urea fertilizers segment		Phosphate fertilizer segment		Consolidated (AGL)	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	Un-audited Rupees 'mln'	Un-audited Rupees 'mln'	Un-audited Rupees 'mln'	Un-audited Rupees 'mln'	Un-audited Rupees 'mln'	Un-audited Rupees 'mln'
<b>For the nine months period ended 30 September 2022</b>						
External revenues	10,166	4,087	1,844	1,228	12,011	5,315
Inter-segment revenue						
Reportable segment Profit/(Loss)	(3,454)	(3,460)	833	477	(2,621)	(2,983)
Reportable segment Profit/(Loss) before tax						
As at 30 September 2022						
Reportable segment assets	62,582	62,613	8,689	4,598	71,271	67,211
Reportable segment liabilities	68,078	62,575	1,276	886	69,354	63,461

## Notes to the Condensed Interim Financial Information (Un-audited)

For the nine months period ended 30 September 2022

### 14.3 Reconciliation of reportable segment profitable segment profit or loss

	(Un-audited) 30 September	(Un-audited) 30 September
	Rupees	Rupees
For the Nine months ended		
Total loss for reportable segments before taxation	(2,620,531,798)	(2,983,017,915)
Taxation	197,848,989	241,784,514
Loss after taxation	<u>(2,422,682,809)</u>	<u>(2,741,233,401)</u>

### 15 Cash and cash equivalents

Short term borrowings - running finance - secured	(2,721,722,574)	(2,721,627,396)
Cash and bank balances	843,215,103	1,083,835,283
	<u>(1,878,507,471)</u>	<u>(1,637,792,113)</u>

### 16 Overdue financial liabilities

The Company continues to face a liquidity shortfall due to which it was unable to meet its obligations in respect of various debt finances. The details of overdue financial liabilities as at 30 September 2022 are as follows:

	Principal	Interest / mark up	Total
<b>Nature of Liability</b>			
Redeemable capital	12,165,534,546	14,305,416,573	26,470,951,119
Long term finances	6,714,608,175	9,384,944,624	16,099,552,799
Short term borrowings	2,723,554,989	1,931,498,631	4,655,053,620
	<u>21,603,697,710</u>	<u>25,621,859,828</u>	<u>47,225,557,538</u>

### 17 Fair Value of Financial Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

### 18 Financial Risk Management

The Company's financial risk management objective and policies are consistent with the disclosed in the financial statement for the financial year ended on 30 September 2022.

### 19 Date of authorization

This interim financial information was authorized for issue by the Board of Directors of the Company on October 28, 2022.

# Notes to the Condensed Interim Financial Information (Un-audited)

*For the nine months period ended 30 September 2022*

## 20 Seasonality

The Company's fertilizer business is subject to seasonal fluctuations as a result of two different farming seasons viz, Rabi (from October to June) 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.

## 21 General

Figures have been rounded off to the nearest rupee.

Corresponding figures have been re-arranged / reclassified in these interim financial information for the purpose of comparison.



**Chief Executive**



**Chief Financial Officer**



**Director**





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