STATEMENT OF CORPORATE INTENT

1. **Name of State-Owned Enterprise:**

   National Fertilizer Corporation of Pakistan (Pvt.) Limited.

2. **Incorporated / Established on:**

   National Fertilizer Corporation of Pakistan (NFC) was incorporated as a Limited Company on 11th August, 1973 under Companies Act 1913 (now Companies Act 2017) and registered with Securities & Exchange Commission of Pakistan.

3. **Subsidiaries included in the Corporate intent:**

   National Fertilizer Marketing Limited, Lahore.

4. **Description of Main Business of the State-owned enterprise:**

   NFC was established with the objective to create new fertilizer production capacity in the country. Presently, NFC is functioning as autonomous corporation under the umbrella of the Ministry of Industries & Production, Government of Pakistan.

   NFC acts as a holding corporation which directs, co-ordinates and controls the group activities, lays down guide-lines for economic and technical development of the Corporation and co-ordinates the plans for their implementation. Other functions of NFC were to arrange group financing and economic development funds, develop personnel policies and conduct liaison with Government.

5. **Summary of the business goals of the state-owned enterprises:**

   The main role and objectives of the Corporation are as under:

   - Create new fertilizer production capacity in the country.
   - To make the fertilizers available throughout the country at uniform prices.
   - Contribute to the economic and social development of the country by providing employment opportunities to the people.
   - To keep adequate stocks of fertilizers in consumption areas to overcome any possibility of artificial shortages.

6. **<u>Summary of the performance measures and benchmarks against the state-owned enterprises business goals and its primary objective;</u>**

(Rs./Million)

Description	Budget 2025-2026	Actual/Estd. 2025-2026
<u>INCOME</u>		
- Profit on Bank Deposits	609.236	707.099
- Dividend Income	15.100	61.460
- Misc. Income	1.000	2.215
Sub-Total :-	**625.336**	**770.775**
<u>OPERATING EXPENSES</u>		
- Salaries & Other Benefits	164.416	158.420
- General & Admn. Expenses	87.537	48.946
Sub-Total :-	**251.953**	**207.366**
PROFIT BEFORE TAX	373.383	561.894
Provision for Taxation - Current Year	127.741	225.782
NET PROFIT AFTER TAX	**245.642**	**336.112**

7. **<u>Summary of the strategies of the state-owned enterprise for achieving its business goals and primary objective;</u>** <u>[commercially sensitive strategies are not required to be included here, summary of key risks identified in the achievement of the business goals to also be included here].</u>

N.A.

8. **<u>The current or anticipate borrowing of the state-owned enterprise, including borrowing by a subsidiary; [current borrowing has to be specific-anticipated borrowing to be included on the basis of projected revenue requirements of the state-owned enterprise and will not be binding on the state-owned enterprise].</u>**

Nil.

9. **<u>The accounting policies that the state-owned enterprise will apply for financial records and reporting</u>**

International Financial Reporting Standards (IFRS).

10. **Summary indicative balance sheet and profit and loss statement for the state-owned enterprise**

Description	2025-2026 (Actual/Estd.) (Rs./Million)	2026-2027 (Budget) (Rs./Million)
BALANCE SHEET		
- Non-current assets	1,552.609	1,552.609
- Current assets	6,871.264	7,134.080
- Net assets	8,362.741	8,625.557
- Non-current liabilities	9.916	9.916
- Current liabilities	51.216	51.216
PROFIT & LOSS		
- Income	770.775	607.172
- Less: Admin. & other expenses	219.678	253.003
- Profit before taxation	551.097	417.169
- Less: Taxation	234.051	154.353
- Profit after taxation	317.046	262.816

11. **Consolidated summary indicative balance sheet and profit and loss statement for the state-owned enterprises and its subsidiaries as a group:**

Description	2025-2026 (Actual/Estd.) (Rs./Million)	2026-2027 (Budget) (Rs./Million)
BALANCE SHEET		
- Non-current assets	1,555.727	1,555.727
- Current assets	12,835.581	13,083.435
- Net assets	10,966.284	11,214.138
- Non-current liabilities	399.563	399.563
- Current liabilities	3,025.461	3,025.461
PROFIT & LOSS		
- Sales	-	767.520
- Cost of sales	-	322.240
- Gross profit	-	445.280
- Other income	1,489.797	1414.082
- Less: Admin. & other expenses	802.456	736.753
- Profit before taxation	687.341	677.329
- Less: Taxation	257.212	429.475
- Profit after taxation	430.129	247.854

12. **The proposed dividend declaration and distribution policy of the state-owned enterprise:**

The dividend is being declared in accordance with Clause-(b) of Sub-Section(2) of Section-40B of Public Finance Management Act 2019.

13. **Description of any public service obligations and their impact on the forecasted financial outcomes of the state-owned enterprises: [as agreed with the Federal Government].**

N.A.

14. **Any other matter directed to be included in the statement by the Federal Government:**

To be provided by the Federal Government.