

FIRST QUARTER
**FINANCIAL
STATEMENTS**

MARCH 31, 2022
(UN-AUDITED)

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SAY NO TO CORRUPTION

Company Information

BOARD OF DIRECTORS

Mr. Waqar Ahmed Malik

Chairman

Mr. Sarfaraz Ahmed Rehman

Managing Director & Chief Executive Officer

Dr. Nadeem Inayat

Mr. Saad Amanullah Khan

Ms. Maryam Aziz

Maj Gen Naseer Ali Khan, HI(M) (Retd)

Mr. Peter Bruun Jensen

Maj Gen Ahmad Mahmood Hayat, HI(M) (Retd)

Syed Bakhtiyar Kazmi

Mr. Shoaib Javed Hussain

Mr. Jehangir Shah

Dr. Ayesha Khan

Syed Zafar Ali Shah

CHIEF FINANCIAL OFFICER

Mr. Mohammad Munir Malik

Tel No. +92-51-8456101, Fax No. +92-51-8459961

E-mail: munir_malik@ffc.com.pk

COMPANY SECRETARY

Brig Asrat Mahmood, SI(M) (Retd)

Tel No. +92-51-8453101, Fax No. +92-51-8459931

E-mail: secretary@ffc.com.pk

REGISTERED OFFICE

156 The Mall, Rawalpindi Cantt, Pakistan

Website: www.ffc.com.pk

Tel No. +92-51-111-332-111, +92-51-8450001

Fax No. +92-51-8459925, E-mail: ffcwrp@ffc.com.pk

PLANTSITES

Goth Machhi, Sadiqabad

(Distt: Rahim Yar Khan), Pakistan

Tel No. +92-68-5954550-64, Fax No. +92-68-5954510-11

Mirpur Mathelo

(Distt: Ghotki), Pakistan

Tel No. +92-723-661500-09, Fax No. +92-723-661462

MARKETING DIVISION

Lahore Trade Centre, 11 Shahrah-e-Aiwan-e-Tijarat,

Lahore, Pakistan

Tel No. +92-42-36369137-40, Fax No. +92-42-36366324

KARACHI OFFICE

B-35, KDA Scheme No. 1, Karachi, Pakistan

Tel No. +92-21-34390115-16, Fax No. +92-21-34390117 & 34390122

AUDITORS

A.F.Ferguson & Co

Chartered Accountants

74-East, Blue Area, Jinnah Avenue, Islamabad

Tel No. +92-51-2273457-9, 2870045-85, Fax No. +92-51-2206473

SHARES REGISTRAR

CDC Share Registrar Services Limited

CDC House, 99 - B, Block - B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi – 74400

Tel: +92-0800-23275, Fax: +92-21-34326053



Directors' Review

For the period ended March 31, 2022

Dear Shareholders,

On behalf of the Board of Directors, we are pleased to report highest ever first quarterly earnings of Rs 6.24 billion during the three month period ended March 31, 2022. This benchmark was achieved through record Sona urea offtake, improved income on deposits besides maiden dividend income of Rs. 1.26 billion from FWEL I & II in a very short period after acquisition in September 2021. We believe that this improved profitability shall contribute towards future sustainability projects and capex needs of the Company.

The plants operated at a combined efficiency of 124% and delivered 635 thousand tonnes of Sona Urea, which was 1% higher than the corresponding quarter of last year. Increased urea availability and higher demand resulted in benchmark Sona urea offtake of 631 thousand tonnes during the period.

Increased urea sales combined with higher DAP prices led to achievement of highest ever all products turnover of Rs 26.32 billion for the period. International urea prices continued the upward trend and crossed Rs. 11,000 mark during the quarter exceeding the local prices by over Rs. 9,000 per bag. The Company thus extended significant contribution towards availability of affordable urea in the Country.

The cost of sales depicted an increase which is attributable to higher marketing of urea besides the increased costs of imported DAP. The finance cost also registered an increase to Rs 1.07 billion due to increased borrowings by the Company and higher interest rates. This was however more than compensated by a benchmark income on deposits of Rs 2.20 billion, compared to Rs 1.09 billion in 2021. The earnings per share thus stood at Rs 4.90 per share compared to Rs 4.57 per share last year.

In view of commendable results, the Board of Directors is pleased to announce first interim dividend of 37% (Rs 3.70 per share) for the period.

The shareholders would be pleased to know that the Company was adjudged as the best in the top 25 companies of the Pakistan Stock Exchange for the year 2020. This is the eleventh consecutive placement at the first position.

FUTURE OUTLOOK

The international geopolitical situation could impact fertilizer supply and pricing. The Government has recently promulgated WACOG Bill (OGRA [Second] Amendment Act 2021), and it is our understating that WACOG shall be applied gradually to the fertilizer industry so as not to bring a big and immediate impact on the cost of production and selling prices of fertilizers.

The Company has submitted all the information in respect of dealers not registered under Sales Tax Act. This information was required by FBR in order to grant an exemption to Company against sales made to such dealers. The exemption is long awaited but instead of a favorable step, the Tax department now intends to unduly penalize the Company on sales made to unregistered dealers. Since registration of such dealers is also not the responsibility of the Company, any cost related to a negative action shall also have to be passed on through an increase in selling prices of fertilizers.

In order to maintain food security, favorable Governmental action, including resolution of long outstanding subsidy and GST refunds, is imperative. The Board however remains committed towards its contribution to the farming community besides safeguarding the interest of the stakeholders.

On behalf of the Board,



Waqar Ahmed Malik
Chairman



Sarfaraz Ahmed Rehman
Managing Director & Chief
Executive Officer

Rawalpindi
April 27, 2022

ڈائریکٹرز کا تجزیہ

31 مارچ 2022 کو ختم ہونے والی مدت کے لیے

محترم ذمہ داران!

بورڈ آف ڈائریکٹرز کی جانب سے، سال 2022 کی پہلی سہ ماہی کے دوران 6.24 ارب روپے کی سب سے زیادہ آمدن کی اطلاع دیتے ہوئے ہمیں خوشی محسوس ہو رہی ہے۔ سونا یوریا کی ریکارڈ فروخت، سرمایہ کاری آمدن کا اضافہ اور FWEL I & II کے ستمبر 2021 میں حصول کے بعد گلیل مدت میں پہلے 1.26 ارب روپے کے منافع، منقسمہ کی وصولی کے باعث اس منافع کے سبب میل کا حصول ممکن ہوا۔ ہم سمجھتے ہیں کہ منافع میں یہ بڑھوتری، کمپنی کی مستقبل کے CAPEX اور Sustainability Projects کی ضروریات پوری کرنے میں کردار ادا کرے گی۔

پانٹس نے 124 فیصد کی مجموعی استعداد دکھاتے ہوئے 635 ہزار سونا یوریا کی پیداوار کی جو گزشتہ سال کی اسی سہ ماہی کے مقابلے میں 1 فیصد زائد ہے۔ یوریا کی زائد دستیابی اور بڑھتی ہوئی مانگ کے نتیجے میں، اس مدت کے دوران سونا یوریا کی 631 ہزار سونا یوریا کی ریکارڈ فروخت ہوئی۔

یوریا کی زائد فروخت کے ساتھ ساتھ DAP کی بلند قیمتیں، اس مدت کے لیے 26.32 ارب روپے کی بلند ترین آمدن (Turnover) کا باعث بنیں۔ یوریا کی بین الاقوامی قیمت 11,000 روپے سے تجاوز کر گئی۔ اس طرح بین الاقوامی یوریا کی فی یوری قیمت 9000 ہزار روپے سے زائد رہی۔ یوں کمپنی نے مقامی سطح پر ملک میں مناسب قیمت پہ یوریا فراہم کرنے میں اہم رول ادا کیا۔ لاگت فروخت (Cost of Sales) میں اضافہ ہوا ہے جس کا سبب یوریا کی زائد فروخت کے ساتھ ساتھ درآمدی DAP کی زیادہ قیمت ہے، مالیاتی لاگت (Finance Cost) میں بھی 1.09 ارب روپے کا اضافہ ہوا جو کہ کمپنی کی جانب سے زیادہ ادھار لینے اور بلند شرح سود کے باعث ہیں۔ تاہم، اس مالیاتی لاگت کا ازالہ ہماری 2.20 ارب کی ریکارڈ سرمایہ کاری آمدن نے کیا جو کہ 2021 میں 1.09 کی ریکارڈ کی گئی تھی۔ اس طرح کمپنی کی فی حصہ آمدن 4.90 روپے رہی جو کہ گزشتہ برس 4.57 روپے تھی۔

قابل ستائش نتائج کے پیش نظر، بورڈ 3.70 روپے فی حصہ (37 فیصد) کے پہلے عبوری منافع منقسمہ کا اعلان کرتے ہوئے خوشی محسوس کرتا ہے۔ حصہ داران کو یہ جان کر خوشی ہوگی کہ کمپنی کو سال 2020 کے لیے پاکستان اسٹاک ایکسچینج کی ٹاپ 25 کمپنیوں میں بہترین قرار دیا گیا ہے۔ یہ سلسلہ گیارہویں مرتبہ پہلی پوزیشن ہے۔

متوقع مستقبل

عالمی سیاسی صورتحال کھاد کی فراہمی اور قیمتوں کو متاثر کر سکتی ہے۔ حکومت نے حال ہی میں WACOG Bill (OGRA) [Second] Amendment Act 2021 متعارف کرایا ہے اور ہماری سمجھ کے مطابق کھاد کی صنعت پر WACOG کا اطلاق بتدریج کیا جائے تاکہ کھادوں کی پیداواری لاگت اور قیمت فروخت میں کوئی فوری اور بڑا اثر نہ ہو۔

کمپنی نے Sales Tax Act کے تحت رجسٹر نہ ہونے والے ڈیلرز کے حوالے سے تمام معلومات جمع کرا دی ہوئی ہیں۔ یہ معلومات ایف بی آر کو درکار تھیں تاکہ کمپنی کو ایسے ڈیلرز کو کی جانے والی فروخت پر آئینی دیا جائے۔ آئینی کا طویل مدت سے انتظار کیا جا رہا ہے مگر کوئی سازگار اقدام کرنے کے بجائے، محکمہ ٹیکس اب غیر رجسٹرڈ ڈیلرز کو فروخت کرنے پر کمپنی کو زبردستی پر جرمانہ کرنے کا ارادہ رکھتا ہے۔ چونکہ ایسے ڈیلرز کی رجسٹریشن کمپنی کی ذمہ داری ہی نہیں ہے، اس لیے فنڈی کارروائی سے متعلق کسی بھی اضافی لاگت کو کھاد کی قیمت فروخت میں اضافے کے ذریعے منتقل کرنا پڑے گا۔

غذائی تحفظ کو یقینی بنانے کے لیے، سازگار حکومتی اقدامات کے ساتھ ساتھ طویل عرصے سے واجب الوصول سسڈی اور GST کے بقایا جات کا حل ناگزیر ہے۔ تاہم بورڈ کسان برادری کو خدمات کی فراہمی کے ساتھ ساتھ سرمایہ داران کے مفادات کے تحفظ کے لیے پرعزم ہے۔

بورڈ کی جانب سے

Safdar Ahmed Khan

سرفراز احمد خان

مینیجنگ ڈائریکٹر و چیف ایگزیکٹو آفیسر

Safdar Ahmed Khan

وقار احمد ملک

چیرمین

راولپنڈی

27 اپریل 2022



 **FFC**
**Condensed Interim
Financial Statements**

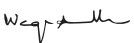
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at March 31, 2022

	Note	Un-audited March 31, 2022	Audited December 31, 2021
(Rupees '000)			
EQUITY AND LIABILITIES			
EQUITY AND RESERVES			
Share capital	4	12,722,382	12,722,382
Capital reserves		160,000	160,000
General reserves		8,802,360	8,802,360
Unappropriated profit		26,103,116	25,779,498
(Deficit) / Surplus on remeasurement of investments to fair value - net		(9,006)	50,054
		47,778,852	47,514,294
NON - CURRENT LIABILITIES			
Long term borrowings - secured	5	15,915,003	16,740,000
Lease liabilities		12,815	24,250
Gas Infrastructure Development Cess (GIDC) payable	6	18,503,182	20,801,970
Deferred liabilities		3,852,190	3,757,259
		38,283,190	41,323,479
CURRENT LIABILITIES			
Current portion of long term borrowings - secured	5	4,607,868	4,504,198
Current portion of lease liabilities		40,699	37,494
Current portion of deferred government grant		24,632	40,802
Trade and other payables		70,357,281	62,481,315
Mark-up and profit accrued		663,614	722,941
Short term borrowings - secured	7	28,491,365	38,954,272
Unclaimed dividend		460,721	471,891
Taxation		4,138,950	4,956,079
		108,785,130	112,168,992
TOTAL EQUITY AND LIABILITIES		194,847,172	201,006,765
CONTINGENCIES AND COMMITMENTS			
	8		

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

	Note	Un-audited March 31, 2022	Audited December 31, 2021
(Rupees '000)			
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	24,102,693	23,987,286
Intangible assets		1,575,617	1,576,441
Long term investments	10	46,983,005	46,114,698
Long term loans and advances - secured		3,404,546	3,044,137
Long term deposits and prepayments		12,603	14,678
		76,078,464	74,737,240
CURRENT ASSETS			
Stores, spares and loose tools		5,141,982	4,557,509
Stock in trade		5,128,673	1,048,397
Trade debts		643,606	833,231
Loans and advances - secured		1,096,020	758,658
Deposits and prepayments		344,673	66,684
Other receivables	11	23,119,388	22,619,197
Short term investments	12	82,029,419	95,196,271
Cash and bank balances		1,264,947	1,189,578
		118,768,708	126,269,525
TOTAL ASSETS		194,847,172	201,006,765



Chairman



Chief Executive Officer



Director




Chief Financial Officer

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

For the three month period ended March 31, 2022

	Note	March 31, 2022	March 31, 2021
		(Rupees '000)	
Turnover - net	13	26,315,351	21,588,592
Cost of sales		(16,957,064)	(13,154,451)
GROSS PROFIT		9,358,287	8,434,141
Distribution cost		(2,186,342)	(2,007,742)
		7,171,945	6,426,399
Finance cost		(1,072,181)	(419,939)
Unwinding of remeasurement gain on GIDC liability		(529,749)	-
Other expenses		(727,270)	(722,901)
		4,842,745	5,283,559
Other income		3,458,781	2,719,373
PROFIT BEFORE TAXATION		8,301,526	8,002,932
Provision for taxation		(2,062,000)	(2,188,000)
PROFIT FOR THE PERIOD		6,239,526	5,814,932
Earnings per share - basic and diluted (Rupees)		4.90	4.57

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Chairman

Chief Executive Officer

Director

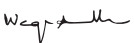
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

For the three month period ended March 31, 2022

	March 31, 2022	March 31, 2021
	(Rupees '000)	
PROFIT FOR THE PERIOD	6,239,526	5,814,932
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss		
Deficit on re-measurement of investments to fair value - net	(59,060)	(48,606)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	6,180,466	5,766,326

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

For the three month period ended March 31, 2022

	Share capital	Capital reserves	Revenue reserves		Deficit / (surplus) on remeasurement of investments at fair value - net	Total
			General reserves	Unappropriated profit		
				(Rupees '000)		
Balance as at January 1, 2021 (Audited)	12,722,382	160,000	8,802,360	20,659,023	191,906	42,535,671
Total comprehensive income						
Profit for the period	-	-	-	5,814,932	-	5,814,932
Other comprehensive loss - net of tax	-	-	-	-	(48,606)	(48,606)
	-	-	-	5,814,932	(48,606)	5,766,326
Transactions with owners of the Company						
Distributions:						
Final dividend 2020: Rs 3.40 per share	-	-	-	(4,325,610)	-	(4,325,610)
Balance as at March 31, 2021 (Un-Audited)	12,722,382	160,000	8,802,360	22,148,345	143,300	43,976,387
Balance as at January 1, 2022 (Audited)	12,722,382	160,000	8,802,360	25,779,498	50,054	47,514,294
Total comprehensive income						
Profit for the period	-	-	-	6,239,526	-	6,239,526
Other comprehensive loss - net of tax	-	-	-	-	(59,060)	(59,060)
	-	-	-	6,239,526	(59,060)	6,180,466
Transactions with owners of the Company						
Distributions:						
Final dividend 2021: Rs 4.65 per share	-	-	-	(5,915,908)	-	(5,915,908)
Balance as at March 31, 2022 (Un-Audited)	12,722,382	160,000	8,802,360	26,103,116	(9,006)	47,778,852

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Chairman

Chief Executive Officer

Director

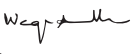
Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

For the three month period ended March 31, 2022

	Note	March 31, 2022	March 31, 2021
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	14	6,333,517	(5,972,206)
Finance cost paid		(1,130,113)	(292,027)
Income taxes paid		(2,848,129)	(1,619,971)
		(3,978,242)	(1,911,998)
Net cash generated from / (used in) operating activities		2,355,275	(7,884,204)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(741,732)	(1,465,868)
Proceeds from sale of operating fixed assets		5,793	4,551
Investment in Thar Energy Limited		(120,311)	-
Advance against issue of shares - Thar Energy Limited		(787,213)	(376,707)
Other investments - net		1,661,718	(2,170,392)
Interest and profit received		282,723	244,979
Dividend received		1,260,000	223,715
Net cash generated from / (used in) investing activities		1,560,978	(3,539,722)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Repayments		(721,327)	(862,499)
Repayment of lease liabilities		(9,625)	(5,608)
Dividend paid		(5,927,078)	(4,322,296)
Net cash used in financing activities		(6,658,030)	(5,190,403)
Net decrease in cash and cash equivalents		(2,741,777)	(16,614,329)
Cash and cash equivalents at beginning of the period		55,178,417	57,709,240
Effect of exchange rate changes		99,681	(106,557)
Cash and cash equivalents at end of the period		52,536,321	40,988,354
CASH AND CASH EQUIVALENTS			
Cash and bank balances		1,264,947	403,469
Short term borrowings		(28,491,365)	(27,851,976)
Short term highly liquid investments		79,762,739	68,436,861
		52,536,321	40,988,354

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Chairman

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

1. THE COMPANY AND ITS OPERATIONS

Fauji Fertilizer Company Limited (the Company) is a public company incorporated in Pakistan under the Companies Act, 1913, (now the Companies Act, 2017) and its shares are quoted on the Pakistan Stock Exchange. The registered office of the Company is situated at 156 - The Mall, Rawalpindi, Pakistan. The Company is domiciled in Rawalpindi. The Principal activity of the Company is manufacturing, purchasing and marketing of fertilizers and chemicals, including investment in other fertilizer, chemical, cement, energy generation, food processing and banking operations.

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 for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

2.2 The disclosures in these condensed interim financial statements do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements of the Company for the year ended December 31, 2021. Comparative condensed interim statement of financial position is extracted from annual financial statements as at December 31, 2021 whereas comparative condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from un-audited condensed interim financial statements of the Company for the three month period ended March 31, 2021.

2.3 These condensed interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim financial statements and financial risk management policy are the same as those applied in preparation of financial statements of the Company for the year ended December 31, 2021.

4. SHARE CAPITAL

AUTHORISED SHARE CAPITAL

This represents 1,500,000,000 (December 31, 2021: 1,500,000,000) ordinary shares of Rs 10 each amounting to Rs 15,000,000 thousand (December 31, 2021: Rs 15,000,000 thousand).

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un-audited March 31, 2022	Audited December 31, 2021		Un-audited March 31, 2022	Audited December 31, 2021
(Number of shares)			(Rupees '000)	
256,495,902	256,495,902	Ordinary shares of Rs 10 each, issued for consideration in cash	2,564,959	2,564,959
1,015,742,345	1,015,742,345	Ordinary shares of Rs 10 each, issued as fully paid bonus shares	10,157,423	10,157,423
<u>1,272,238,247</u>	<u>1,272,238,247</u>		<u>12,722,382</u>	<u>12,722,382</u>

4.1 Fauji Foundation holds 44.35% (December 31, 2021: 44.35%) ordinary shares of the Company at the period end.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

	Note	Un-audited March 31, 2022	Audited December 31, 2021
(Rupees '000)			
5. LONG TERM BORROWINGS - SECURED			
From conventional banks	5.1	12,522,871	13,244,198
From Islamic banks	5.2	8,000,000	8,000,000
		20,522,871	21,244,198
Less: Current portion shown under current liabilities			
From conventional banks		4,357,868	4,504,198
From Islamic banks		250,000	-
		4,607,868	4,504,198
		15,915,003	16,740,000
5.1 Movement during the period / year is as follows:			
Opening balance		13,244,198	12,962,097
Draw-downs during the period / year		-	4,469,601
Repayments during the period / year		(721,327)	(4,187,500)
Closing balance	5.1.1	12,522,871	13,244,198

- 5.1.1** The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other movable properties, ranking pari passu with each other with 25% margin.

These carry mark-up ranging between 6 month KIBOR + 0.05% to 0.20% per annum and 3 month KIBOR + 0.15% per annum (December 31, 2021: 6 month KIBOR + 0.05% to 0.20% per annum and 3 month KIBOR + 0.15% per annum) and are repayable up to September 30, 2026 (December 31, 2021: September 30, 2026).

The Company also availed Rs 2,000,000 thousand currently outstanding at Rs 750,000 thousand under the SBP refinance scheme at markup rate from 0.25% to 0.50% (December 31, 2021: 0.25% to 0.50%). This has been recognized at amortized cost, calculated at an effective rate of 7.33%.

	Note	Un-audited March 31, 2022	Audited December 31, 2021
(Rupees '000)			
5.2 Movement during the period / year is as follows:			
Opening balance		8,000,000	2,000,000
Draw-downs during the period / year		-	6,000,000
Repayments during the period / year		-	-
Closing balance	5.2.1	8,000,000	8,000,000

- 5.2.1** The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other movable properties, ranking pari passu with each other with 25% margin.

These carry profit rate of 6 month KIBOR + 0.10% per annum (December 31, 2021: 6 month KIBOR + 0.10% to 0.30% per annum) and are repayable up to September 29, 2026 (December 31, 2021: September 29, 2026).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

	Note	Un-audited March 31, 2022	Audited December 31, 2021
(Rupees '000)			
6. GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC) PAYABLE			
Balance at the beginning		59,158,374	56,716,885
Movement during the year		-	-
		59,158,374	56,716,885
Gain on extinguishment of original GIDC liability			
- credited to profit or loss		-	-
Unwinding of remeasurement gain on GIDC liability		529,749	2,441,489
		59,688,123	59,158,374
Less: Current portion of GIDC payable	6.1	(41,184,941)	(38,356,404)
Long-term portion of GIDC payable		18,503,182	20,801,970
6.1	This amount is included in trade and other payables.		
7. SHORT TERM BORROWINGS - SECURED			
From conventional banks	7.1	26,656,993	34,972,693
From Islamic banks	7.2	1,834,372	3,981,579
		28,491,365	38,954,272
7.1	Short term borrowings are available from various banking companies under mark-up arrangements against facilities amounting to Rs 55,504,290 thousands (December 31, 2021: Rs 52,861,600 thousands) which represent the aggregate of all facility agreements between the Company and respective banks. The per annum rates of mark-up are 1 week KIBOR + 0.05%, 1 month KIBOR + 0.02% to 1 month KIBOR + 0.35% and 3 month KIBOR + 0% to 0.35% (December 31, 2021: 1 week KIBOR minus 2.37%, 1 month KIBOR minus 0.05% to 1 month KIBOR + 0.35% and 3 month KIBOR + 0% to 0.35%).		
	The facilities are secured by pari passu / ranking hypothecation charges on movable assets of the Company besides lien on mutual fund investments and PIBs in certain cases. The facilities have various maturity dates upto December 29, 2023.		
7.2	Shariah Compliant short term borrowings are available from various banking companies under profit arrangements against facilities amounting to Rs 4,000,000 thousand (December 31, 2020: Rs 4,000,000 thousand) which represent the aggregate of all facility agreements between the Company and respective banks. The facilities have various maturity dates upto May 31, 2022 (December 31, 2021: May 31, 2022).		
	The facilities are secured by ranking hypothecation charges on assets of the Company besides lien over PIBs in certain cases. The per annum rates of profit is 3 month KIBOR + 0% to 0.10% (December 31, 2021: 3 month KIBOR + 0% to 0.10%).		
		Un-audited March 31, 2022	Audited December 31, 2021
8. CONTINGENCIES AND COMMITMENTS			
(Rupees '000)			
8.1 Contingencies:			
(i) Guarantees issued by banks on behalf of the Company		7,549,072	7,384,810
(ii) Claims against the Company and / or potential exposure not acknowledged as debt		50,696	50,696

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the three month period ended March 31, 2021

(iii) The Company has issued corporate bank guarantee in favour of its subsidiary i.e. Fauji Fresh n Freeze Limited amounting to Rs 2,245,000 thousand (2021: Rs 2,245,000 thousand).

(iv) Penalty of Rs 5,500,000 thousand imposed by the Competition Commission of Pakistan (CCP) in 2013, for alleged unreasonable increase in urea prices, which was set aside by the Competition Appellate Tribunal, in appeal filed by the Company, who also remanded the case back to CCP to decide the case afresh under guidelines provided by the Tribunal. CCP did not challenge this order before the Supreme Court of Pakistan in appeal within the stipulated time, thus making the appeal time barred. However, during the year, CCP under the said Tribunal guidelines, resumed the proceedings and the Company, duly joined these proceedings through Counsel. The Company also filed writ petition before Islamabad High Court and has procured suspension order against proceedings before CCP, till date of next hearing. The Company remains confident of successfully defending these unreasonable claims.

	Note	Un-audited March 31, 2022	Audited December 31, 2021
8.2 Commitments in respect of:		(Rupees '000)	
(i) Capital expenditure		3,408,551	2,565,416
(ii) Purchase of fertilizer, stores, spares and other operational items		4,044,711	9,973,763
(iii) Investment in Thar Energy Limited		1,285,618	2,283,042
(iv) Contracted out services		271,742	335,704
9. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	9.1	22,573,600	21,943,479
Capital work in progress	9.2	1,499,007	2,008,135
Right of use assets	9.3	30,086	35,672
		24,102,693	23,987,286
9.1 Operating fixed assets			
Opening written down value		21,943,479	21,880,111
Additions during the period / year		1,250,860	2,472,310
Written down value of disposals		(55)	(183)
Depreciation during the period / year		(620,684)	(2,408,759)
		22,573,600	21,943,479
9.1.1 Additions in and depreciation on property, plant and equipment during the three month period ended March 31, 2021 were Rs 298,466 thousand and Rs 593,441 thousand respectively.			
		Un-audited March 31, 2022	Audited December 31, 2021
9.2 Capital work in progress		(Rupees '000)	
Opening value		2,008,135	897,906
Additions during the period / year		617,572	2,816,117
Transfers during the period / year		(1,126,700)	(1,705,888)
		1,499,007	2,008,135
9.3 Right of use assets			
Opening value		35,672	62,972
Additions during the period / year		-	3,781
Depreciation during the period / year		(5,586)	(31,081)
		30,086	35,672

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

	Un-audited March 31, 2022	Audited December 31, 2021
9.4 Depreciation charge has been allocated as follows:	(Rupees '000)	
Cost of sales	604,190	2,355,726
Distribution cost	19,301	73,360
Other expenses	518	2,225
Charged to FFBL under the Company Services Agreement	2,261	8,529
	626,270	2,439,840
10. LONG TERM INVESTMENTS		
Investments held at cost		
In associated companies (Quoted)		
Fauji Cement Company Limited	1,500,000	1,500,000
Fauji Fertilizer Bin Qasim Limited	7,152,693	7,152,693
Askari Bank Limited	10,461,921	10,461,921
	19,114,614	19,114,614
In associated company (Unquoted)		
Thar Energy Limited	3,326,562	3,206,251
Advance against issue of shares	1,163,920	376,707
	4,490,482	3,582,958
In joint venture (Unquoted)		
Pakistan Maroc Phosphore S.A., Morocco	705,925	705,925
In subsidiary companies (Unquoted)		
FFC Energy Limited	2,438,250	2,438,250
Fauji Fresh n Freeze Limited		
Investment at cost	6,335,500	6,335,500
Less: Impairment loss	(2,100,000)	(2,100,000)
	4,235,500	4,235,500
Fauji Wind Energy Limited - I	7,493,051	7,493,051
Fauji Wind Energy Limited - II	6,019,288	6,019,288
Olive Technical Services (Pvt) Limited		
Investment at cost	-	-
Advance against issue of shares	20,000	20,000
	20,000	20,000
	20,206,089	20,206,089
	44,517,110	43,609,586
Investments measured at fair value through other comprehensive income		
Term Deposit Receipts - from conventional banks	106,994	110,197
Term Finance Certificates - from conventional bank	185,496	185,785
Pakistan Investment Bonds	4,440,084	4,462,282
	4,732,574	4,758,264
	49,249,684	48,367,850

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

	Note	Un-audited March 31, 2022	Audited December 31, 2021
(Rupees '000)			
Less: Current portion shown under short term investments - fair value through other comprehensive income			
Term Deposit Receipts - from conventional bank		53,776	40,052
Pakistan Investment Bonds		2,212,903	2,213,100
	12	2,266,679	2,253,152
		46,983,005	46,114,698

11. OTHER RECEIVABLES

Other receivables include Rs 6,961,878 thousand (December 31, 2021: Rs 6,961,878 thousand) on account of subsidy receivable and Rs 17,342,460 thousand (December 31, 2021: Rs 16,614,878 thousand) on account of sales tax receivable from the Government.

	Note	Un-audited March 31, 2022	Audited December 31, 2021
(Rupees '000)			

12. SHORT TERM INVESTMENTS

Amortised cost - conventional investments

Term deposits with banks and financial institutions

Local currency		10,000,000	11,000,000
Foreign currency		2,827,327	2,712,822
		12,827,327	13,712,822

Investments at fair value through profit or loss

Conventional investments		66,935,404	76,825,517
Shariah compliant investments		9	223,474
		66,935,413	77,048,991

Investments at fair value through other comprehensive income (OCI)

Treasury Bills		-	2,181,306
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Current maturity of long term investments

Fair value through other comprehensive income	10	2,266,679	2,253,152
		82,029,419	95,196,271

		Un-audited March 31, 2022	Un-audited March 31, 2021
(Rupees '000)			

13. TURNOVER - NET

Turnover		26,860,362	22,040,020
Sales tax		(545,011)	(451,428)
Trade discount		-	-
		(545,011)	(451,428)
		26,315,351	21,588,592

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the three month period ended March 31, 2022

Un-audited March 31, 2022	Un-audited March 31, 2021
(Rupees '000)	

14. CASH GENERATED FROM OPERATIONS

Profit before taxation	8,301,526	8,002,932
Adjustments for:		
Depreciation	624,009	599,483
Amortization	824	742
Unwinding of remeasurement gain on GIDC liability	529,749	-
Finance cost	1,072,181	419,939
Gain on disposal of operating fixed assets	(5,738)	(4,551)
Income on loans, deposits and investments	(167,392)	(139,078)
Amortization of Government grant	(16,170)	-
Exchange (gain) / loss - net	(99,681)	106,557
Gain on re-measurement of investments at fair value through profit or loss	(1,430,328)	(148,350)
Dividend income	(1,260,000)	(1,631,304)
	(752,546)	(796,562)
	7,548,980	7,206,370
Changes in:		
Stores, spares and loose tools	(584,473)	(118,525)
Stock in trade	(4,080,276)	(4,836,908)
Trade debts	189,625	378,049
Loans and advances	(337,362)	(116,655)
Deposits and prepayments	(277,989)	(231,464)
Other receivables	(613,261)	(796,168)
Trade and other payables	5,047,429	(7,365,005)
	(656,307)	(13,086,676)
Changes in long term loans and advances	(360,409)	(91,724)
Changes in long term deposits and prepayments	2,075	(176)
Changes in deferred liabilities	(200,822)	-
	6,333,517	(5,972,206)

15. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2021. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2021.

The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the three month period ended March 31, 2022

	March 31, 2022	March 31, 2021
	(Rupees '000)	
16. TRANSACTIONS AND BALANCES WITH RELATED PARTIES		
Significant transactions and balances with the related parties are as follows:		
HOLDING COMPANY		
Transactions		
Dividend paid	2,623,705	1,918,408
Services received	60,768	62,500
Sale of fertilizer	2,199	-
Others	47	30
Balances		
Balance payable - unsecured *	60,768	-
SUBSIDIARY COMPANIES		
Transactions		
Interest income	-	1,101
Rental income	2,967	2,760
Dividend income	1,260,000	-
Expenses incurred on behalf of subsidiary companies	34,388	43,410
Receipt against expenses on behalf of subsidiary companies	28,656	75,003
Balances		
Balances receivable - unsecured *	180,518	171,819
ASSOCIATED UNDERTAKINGS / COMPANIES		
DUE TO COMMON DIRECTORSHIP		
Transactions		
Expenses charged on account of marketing of fertilizer on behalf of associated company	223,225	196,749
Commission on sale of products	4,622	3,730
Payments under consignment account - net	19,918,852	14,871,390
Payments against purchase of gas as feed and fuel stock	7,998,225	8,127,032
Equity investment	120,311	-
Advance against issue of shares	787,213	376,707
Services and materials provided	1,754	4,057
Donations	252,550	194,000
Interest expense	57,319	26,914
Interest income	1,912	2,362
Dividend income	-	1,631,304
Balances		
Long term investments *	106,994	110,197
Short term investments *	6,000,000	11,000,000
Short term borrowings *	2,145,719	4,212,743
Running finance *	189,090	215,186
Balances receivable - unsecured *	361,855	360,858
Balances payable - unsecured *	68,182,245	67,052,323

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

For the three month period ended March 31, 2022

	March 31, 2022	March 31, 2021
	(Rupees '000)	
KEY MANAGEMENT PERSONNEL		
Remuneration including benefits and perquisites of chief executive and other executives. No. of persons 2022: 1 and 420 (2021: 1 and 413) respectively	1,252,814	1,231,450
STAFF RETIREMENT BENEFITS		
Contributions		
Employees' Provident Fund Trust	119,896	115,050
Employees' Gratuity Fund Trust	253,339	229,632
Employees' Pension Fund Trust	148,611	217,967
Employees' Funds as Dividend on equity holding of 0.25% (2021: 0.15%)	14,614	7,721
Balances		
Payable to Gratuity Fund Trust *	546,854	736,858
Payable to Pension Fund Trust *	211,572	323,030

* Comparative figures of receivable / payable balances are as at December 31, 2021.

17. NON ADJUSTING EVENTS AFTER REPORTING DATE

- 17.1 The Board of Directors of the Company in its meeting held on April 27, 2022 proposed first interim dividend of Rs 3.70 per share.

18. GENERAL

- 18.1 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.
- 18.2 Corresponding figures have been rearranged and reclassified, wherever necessary, to conform to current year basis and presentation.
- 18.3 These condensed interim financial statements have been authorized for issue by the Board of Directors of the Company on April 27, 2022.



Chairman



Chief Executive Officer



Director



Chief Financial Officer



**Condensed Interim
Consolidated
Financial Statements**


CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31, 2022

	Note	Un-audited March 31, 2022	Audited December 31, 2021
		(Rupees '000)	
EQUITY AND LIABILITIES			
EQUITY AND RESERVES			
Share capital	4	12,722,382	12,722,382
Capital reserves		7,354,194	8,192,070
General reserves		8,802,360	8,802,360
Unappropriated profit		70,381,715	66,706,905
(Deficit) / surplus on remeasurement of investments to fair value - net		(1,537,099)	(96,563)
Non-controlling interest		1,997,498	2,094,240
		99,721,050	98,421,394
Share in revaluation reserve of associates - net		1,434,687	1,342,486
NON - CURRENT LIABILITIES			
Long term borrowings - secured	5	18,300,133	19,171,909
Lease liabilities		3,058,793	2,939,474
Deferred government grant		167,560	175,326
Gas Infrastructure Development Cess (GIDC) payable		18,503,182	20,801,970
Deferred liabilities		8,983,547	8,540,489
		49,013,215	51,629,168
CURRENT LIABILITIES			
Current portion of long term borrowings - secured	5	7,105,800	6,953,989
Current portion of lease liabilities		2,883,405	2,744,891
Current portion of deferred government grant		61,835	78,419
Trade and other payables		72,336,151	64,182,542
Mark-up and profit accrued		822,520	743,202
Short term borrowings - secured	7	28,871,365	38,999,470
Unclaimed dividend		460,721	471,891
Taxation		4,169,550	4,973,806
		116,711,347	119,148,210
TOTAL EQUITY AND LIABILITIES		266,880,299	270,541,258
CONTINGENCIES AND COMMITMENTS			
	9		

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.

	Note	Un-audited March 31, 2022	Audited December 31, 2021
(Rupees '000)			
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	9	50,229,468	50,301,559
Intangible assets		1,939,608	1,940,793
Long term investments	10	73,586,299	70,385,095
Long term loans and advances - secured		3,404,546	3,044,137
Long term deposits and prepayments		30,813	31,249
		129,190,734	125,702,833
CURRENT ASSETS			
Stores, spares and loose tools		5,323,389	4,735,610
Stock in trade		6,064,404	1,353,901
Trade debts		12,441,377	11,428,346
Loans and advances		1,395,582	968,842
Deposits and prepayments		409,098	78,361
Other receivables	11	24,889,994	24,366,825
Short term investments	12	85,499,760	100,036,963
Cash and bank balances		1,623,550	1,827,166
		137,647,154	144,796,014
Asset classified as held for sale		42,411	42,411
TOTAL ASSETS		266,880,299	270,541,258



Chairman



Chief Executive Officer



Director




Chief Financial Officer

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

For the three month period ended March 31, 2022

	Note	March 31, 2022	March 31, 2021
		(Rupees '000)	
Turnover - net	13	28,525,945	22,518,749
Cost of sales		(18,356,207)	(13,703,079)
GROSS PROFIT		10,169,738	8,815,670
Administrative and distribution expenses		(2,357,997)	(2,138,396)
		7,811,741	6,677,274
Finance cost		(1,288,860)	(491,531)
Unwinding of remeasurement gain on GIDC liability		(529,749)	-
Other expenses		(733,017)	(724,184)
		5,260,115	5,461,559
Other income		2,368,264	1,118,980
Share of profit of associates and joint venture		3,612,849	1,915,468
PROFIT BEFORE TAX		11,241,228	8,496,007
Provision for taxation		(2,646,444)	(2,487,717)
PROFIT FOR THE PERIOD		8,594,784	6,008,290
ATTRIBUTABLE TO:			
Equity Holders of Fauji Fertilizer Company Limited		8,551,526	6,008,290
Non - Controlling Interest		43,258	-
		8,594,784	6,008,290
Earnings per share - basic and diluted (Rupees)		6.76	4.72

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.


Chairman

Chief Executive Officer

Director

Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

For the three month period ended March 31, 2022

	March 31, 2022	March 31, 2021
	(Rupees '000)	
PROFIT FOR THE PERIOD	8,594,784	6,008,290
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss		
Deficit on re-measurement of investments to fair value - net of tax	(59,060)	(48,606)
Share of equity accounted investees - share of OCI, net of tax	(1,173,365)	(336,915)
	(1,232,425)	(385,521)
Items that will not be subsequently reclassified to profit or loss		
Equity accounted investees - share of OCI, net of tax	(6,795)	(13,830)
Comprehensive income taken to equity	7,355,564	5,608,939
Comprehensive income not recognised in equity		
Items that may be subsequently reclassified to profit or loss		
Share in revaluation reserve of associates - net	92,201	(24,689)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	7,447,765	5,584,250

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.



Chairman



Chief Executive Officer



Director



Chief Financial Officer

For the three month period ended March 31, 2022

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.

Chairman

Chief Executive Officer

Director

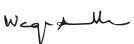
Chief Financial Officer

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

For the three month period ended March 31, 2022

	Note	March 31, 2022	March 31, 2021
(Rupees ‘000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	15	5,856,566	(6,291,117)
Finance cost paid		(1,209,542)	(300,604)
Income tax paid		(2,614,827)	(1,656,008)
		(3,824,369)	(1,956,612)
Net cash generated from / (used in) operating activities		2,032,197	(8,247,729)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(900,646)	(1,501,615)
Proceeds from sale of property, plant and equipment		6,992	4,554
Investment in Thar Energy Limited		(120,311)	-
Advance against issue of shares in Thar Energy Limited		(787,213)	(376,707)
Other investments - net		2,735,262	(864,538)
Interest and profit received		342,178	271,693
Dividend received		-	223,715
Net cash generated from / (used in) investing activities		1,276,262	(2,242,898)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Drawdowns		6,701	-
Repayments		(728,935)	(876,342)
Repayment of lease liabilities		49,972	(7,506)
Grant received during the year		2,309	-
Dividend paid		(6,067,078)	(4,322,296)
Net cash used in financing activities		(6,737,031)	(5,206,144)
Net decrease in cash and cash equivalents		(3,428,572)	(15,696,771)
Cash and cash equivalents at beginning of the period		57,704,815	57,974,712
Effect of exchange rate changes		99,681	(106,557)
Cash and cash equivalents at end of the period		54,375,924	42,171,384
CASH AND CASH EQUIVALENTS			
Cash and bank balances		1,623,550	611,499
Short term highly liquid investments		81,623,739	69,786,861
Short term borrowings - secured		(28,871,365)	(28,226,976)
		54,375,924	42,171,384

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.


Chairman

Chief Executive Officer

Director

Chief Financial Officer

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

1. THE COMPANY AND ITS OPERATIONS

- 1.1** Fauji Fertilizer Company Limited (the Group) comprises of Fauji Fertilizer Company Limited (FFC) and its subsidiaries, FFC Energy Limited (FFCEL), Fauji Fresh n Freeze Limited (FFF), Foundation Wind Energy - I Limited (FWEL-I) and Foundation Wind Energy - II Limited (FWEL-II) and OLIVE Technical Services (Private) Limited. The shares of FFC are quoted on Pakistan Stock Exchange.

The principal activity of FFC is manufacturing, purchasing and marketing of fertilizers and chemicals including investment in chemical, other manufacturing and banking operations. FFCEL has setup a 49.5 MW wind energy power project. FFF is principally engaged in the business of processing fresh, frozen fruits, vegetables, fresh meat, frozen cooked and semi cooked food. FWEL-I and FWEL-II individually operate setups of 50MW wind energy power projects. OLIVE Technical Services (Private) Limited is engaged in provision of Technical, Operations, Maintenance, Inspection and IT Services.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

The applicable framework for banks also includes the Banking Companies Ordinance 1962 and the provisions of and directives issued by the State Bank of Pakistan.

- 2.2** The disclosures in these condensed interim consolidated financial statements do not include the information reported for full annual consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements of the Group for the year ended December 31, 2021. Comparative figures of condensed interim statement of financial position is extracted from audited consolidated financial statements as at December 31, 2021 whereas comparative figures of condensed interim statement of profit or loss account, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from unaudited condensed interim consolidated financial information of the Group for the three month period ended March 31, 2021.

- 2.3** These condensed interim consolidated financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

2.4 Business combination - summary of acquisition

International Financial Reporting Standard 3, (IFRS 3) "Business Combinations", requires that all identified assets and liabilities acquired in a business combination should be carried at fair values in the acquirer's balance sheet and any intangible assets acquired in the business combination are required to be separately recognized and carried at fair values.

The acquisition of FWEL-I and FWEL-II has been accounted for by applying the purchase method in accordance with the requirements of IFRS - 3 in the financial statements for the year ended December 31, 2021. IFRS - 3 allows the acquirer a maximum period of one year from the date of acquisition to finalize the determination of fair value of the assets and liabilities and to determine the value of any intangible asset separately identified. The fair value exercise of identifiable assets and liabilities is currently in progress and will be completed within the allowed measurement period of one year specified under IFRS - 3. The carrying value of the below balances may change as a result of the fair value exercise as required under IFRS - 3. Any adjustment arising at the time finalisation of this exercise will be incorporated with retrospective effect from the date of acquisition. Identified assets acquired, liabilities assumed or incurred have been currently carried at provisional fair values determined by the management's expert as at the acquisition date.

3. Significant accounting policies

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim consolidated financial statements and financial risk management policy are the same as those applied in preparation of financial statements of the Group for the year ended December 31, 2021.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

4. SHARE CAPITAL**AUTHORISED SHARE CAPITAL**

This represents 1,500,000,000 (2021: 1,500,000,000) ordinary shares of Rs 10 each amounting to Rs 15,000,000 thousand (2021: Rs 15,000,000 thousand).

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un-audited March 31, 2022	Audited December 31, 2021		Un-audited March 31, 2022	Audited December 31, 2021
(Number of shares)			(Rupees '000)	
256,495,902	256,495,902	Ordinary shares of Rs.10 each, issued for consideration in cash	2,564,959	2,564,959
1,015,742,345	1,015,742,345	Ordinary shares of Rs.10 each issued as fully paid bonus shares	10,157,423	10,157,423
1,272,238,247	1,272,238,247		12,722,382	12,722,382

5. LONG TERM BORROWINGS - SECURED

From conventional banks

Fauji Fertilizer Company Limited	5.1	12,522,871	13,244,198
FFC Energy Limited	5.2	1,540,537	1,540,537
Fauji Fresh n Freeze Limited	5.3	1,606,205	1,607,112
Foundation Wind Energy - I Limited (FWEL - I)	5.4	904,288	903,230
Foundation Wind Energy - II Limited (FWEL - II)	5.5	832,032	830,821

From Islamic banks

Fauji Fertilizer Company Limited	5.6	8,000,000	8,000,000
		25,405,933	26,125,898

Less: Current portion shown under current liabilities

From conventional banks	6,855,800	6,953,989
From Islamic banks	250,000	-
	7,105,800	6,953,989
	18,300,133	19,171,909

5.1 Movement during the period / year is as follows:

Opening balance	13,244,198	12,962,097
Draw-downs during the period / year	-	4,469,601
Repayments during the period / year	(721,327)	(4,187,500)
Closing balance	12,522,871	13,244,198

5.1.1 The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other movable properties, ranking pari passu with each other with 25% margin.

These carry mark-up ranging between 6 month KIBOR + 0.05% to 0.20% per annum and 3 month KIBOR + 0.15% per annum (December 31, 2021: 6 month KIBOR + 0.05% to 0.20% per annum and 3 month KIBOR + 0.15% per annum) and are repayable upto September 30, 2026 (December 31, 2021: September 30, 2026).

The Company also availed Rs 2,000,000 thousand currently outstanding at Rs 750,000 thousand under the SBP refinance scheme at markup rate from 0.25% to 0.50% (December 31, 2021: 0.25% to 0.50%). This has been recognized at amortized cost, calculated at an effective rate of 7.33%.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

	Un-audited March 31, 2022	Audited December 31, 2021
5.2 Movement during the period / year is as follows:	(Rupees '000)	
Opening balance	1,540,537	2,900,856
Draw-downs during the period / year	-	-
Repayments during the period / year	-	(1,360,319)
	1,540,537	1,540,537
Closing balance	1,540,537	1,540,537

5.2.1 This represents long term loan obtained from a consortium of eight financial institutions. This loan carries mark up at six months KIBOR + 1.50% payable six monthly in arrears. This loan is repayable on semi-annual installments ending in December 2022. This loan is secured against:

- First ranking exclusive assignment / mortgage over receivables under Energy Purchase Agreement.
- Lien over and set-off rights on project accounts.
- First ranking charge over all moveable assets of the Company.
- Exclusive mortgage over lease rights in immovable property on which project situate.
- Pledge of 51% share of FFCEL as an additional comfort, collateral value (Rs: 0) and security margin (%: 0).

The long term loan contains certain covenants under the Common Terms Agreement (CTA) dated February 11, 2011, including the maintenance of certain financial ratios, the breach of which will render the loan repayable on demand. Further, CTA contains covenants on the distribution of dividend from the project accounts. First Amendment to the PF Facility Agreement (the Amendment) was signed on November 30, 2017 between the Company and the Financial Institutions. Under the Amendment, the mark-up rate was reduced to six months KIBOR + 1.50% from six months KIBOR + 2.95% with effect from June 30, 2017.

	Un-audited March 31, 2022	Audited December 31, 2021
5.3 Movement during the period / year is as follows:	(Rupees '000)	
Opening balance	1,607,112	118,326
Draw-downs during the period / year	6,701	1,545,756
Repayments during the period / year	(7,608)	(56,970)
	1,606,205	1,607,112
Closing balance	1,606,205	1,607,112

5.3.1 This facility was obtained under "Temporary Economic Refinance Facility" introduced by the State Bank of Pakistan in order to support sustainable economic growth especially in the backdrop of challenges being faced by the industry in post pandemic scenario. The Company obtained this facility for enhancement of its production capacity by installing new French fries production line along with allied equipment. This facility is secured by way of first pari passu hypothecation charge over all present and future fixed assets (excluding land and building) with 25% margin and corporate guarantee of FFC. The differential markup between markup as per agreement and market based markup has been recognised as deferred government grant, which will be amortised to interest income over the period of the facilities.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

	Un-audited March 31, 2022	Audited December 31, 2021
5.4 Movement during the period / year is as follows:	(Rupees '000)	
Opening balance	907,710	907,710
Draw-downs during the period / year	-	-
Repayments during the period / year	-	-
	907,710	907,710
Less: Transaction cost -		
Initial transaction cost	(4,480)	(6,595)
Amortized during the period / year	1,058	2,115
	(3,422)	(4,480)
Closing balance	904,288	903,230

- 5.4.1** This represents the Musharka Finance Facility of Rs 3,000,000 thousand (2021: Rs 3,000,000 thousand) which has been arranged from a consortium of three banks comprising of National Bank of Pakistan, Faysal Bank Limited and United Bank Limited with participation of Rs 1,000,000 thousand each. This facility has been arranged to meet the remaining debt finance requirements for the project cost as stated above. The rate of markup is six months KIBOR + 2.95%. The facility is repayable in 19 semi-annual installments, the first such payment commencing on January 1, 2015 and then on rental payment date (each January 1 and July 1) until and including the final maturity date on January 1, 2024.

The facility is secured by first pari passu hypothecation charge on all of present and future, fixed and current, tangible and intangible undertakings and properties of the Company (excluding the mortgaged immovable properties as defined in the memorandum of deposit of title deeds, the Security Accounts (including the amounts deposited therein) and the Company LC account (including the amounts deposited therein) for an amount of Rs 4,000,000 thousand in favour of United Bank Limited being the Security Trustee of the Company, first exclusive assignment over receivable, pledge of share, lien on project accounts and all other secured obligations owed to local secured lenders.

	Un-audited March 31, 2022	Audited December 31, 2021
5.5 Movement during the period / year is as follows:	(Rupees '000)	
Opening balance	833,511	833,511
Draw-downs during the period / year	-	-
Repayments during the period / year	-	-
	833,511	833,511
Less: Transaction cost -		
Initial transaction cost	(2,690)	(3,376)
Amortized during the period / year	1,211	686
	(1,479)	(2,690)
	832,032	830,821

- 5.5.1** This represents the Musharka Finance Facility of Rs 3,000,000 thousand (2021: Rs 3,000,000 thousand) which has been arranged from a consortium of three banks comprising of National Bank of Pakistan, Allied Bank Limited and Meezan Bank Limited with participation of Rs 1,000,000 thousand each. This facility has been arranged to meet the remaining debt finance requirements for the project cost as stated above. The rate of markup is six months KIBOR + 2.95%. The facility is now repayable in 19 semi-annual installments, the first such payment commencing on January 1, 2015 and then on rental payment date (each January 1 and July 1) until and including the final maturity date on January 1, 2024.

The facility is secured by first pari passu hypothecation charge on all of present and future, fixed and current, tangible and intangible undertakings and properties of the Company (excluding the mortgaged immovable properties as defined in the memorandum of deposit of title deeds, the Security Accounts (including the amounts deposited therein) and the Company LC account (including the amounts deposited therein) for an amount of Rs 4,000,000 thousand in favour of Allied Bank Limited being the Security Trustee of the Company, first exclusive assignment over receivable, pledge of share, lien on project accounts and all other secured obligations owed to local secured lenders.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

		Un-audited March 31, 2022	Audited December 31, 2021
		(Rupees '000)	
5.6 Movement during the period / year is as follows:			
Opening balance		8,000,000	2,000,000
Draw-downs during the period / year		-	6,000,000
Repayments during the period / year		-	-
Closing balance		8,000,000	8,000,000
5.6.1	The borrowings are secured by way of hypothecation of Company's assets including plant, machinery, tools & spares and other movable properties, ranking pari passu with each other with 25% margin.		
	These carry profit rate of 6 month KBOR + 0.10% per annum (December 31, 2021: 6 month KIBOR+ 0.10% to 0.30% per annum) and are repayable up to September 29, 2026 (December 31, 2021: September 29, 2026).		
		Un-audited March 31, 2022	Audited December 31, 2021
	Note		
6. GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC) PAYABLE		(Rupees '000)	
Balance at the beginning		59,158,374	56,716,885
Movement during the year		-	-
		59,158,374	56,716,885
Gain on extinguishment of original GIDC liability			
- credited to profit or loss		-	-
Unwinding of remeasurement gain on GIDC liability		529,749	2,441,489
		59,688,123	59,158,374
Less: Current portion of GIDC payable	6.1	(41,184,941)	(38,356,404)
Long-term portion of GIDC payable		18,503,182	20,801,970
6.1	This amount is included in trade and other payables.		
7. SHORT TERM BORROWINGS - SECURED			
From conventional banks		27,036,993	35,017,891
From Islamic banks		1,834,372	3,981,579
		28,871,365	38,999,470
8. CONTINGENCIES AND COMMITMENTS			
8.1 Contingencies:			
(i) Guarantees issued by banks on behalf of the Group companies		7,549,072	7,384,810
(ii) Claims against the Group and / or potential exposure not acknowledged as debt		50,696	50,696
(iii) Group's share of contingencies in Fauji Fertilizer Bin Qasim Limited		28,254,374	28,453,209

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

		Un-audited March 31, 2022	Audited December 31, 2021	
		(Rupees '000)		
(iv)	Group's share of contingencies in Fauji Cement Company Limited as at December 31, 2021 (2021: September 30, 2021)	181,574	118,088	
(v)	Group's share of contingencies in Askari Bank Limited as at December 31, 2021 (2021: September 30, 2021)	119,086,167	113,940,242	
(vi)	Penalty of Rs 5,500,000 thousand imposed by the Competition Commission of Pakistan (CCP) in 2013 for alleged unreasonable increase in urea prices, which was set aside by the Competition Appellate Tribunal, in appeal filed by FFC, who also remanded the case back to CCP to decide the case afresh under guidelines provided by the Tribunal. CCP did not challenge this order before the Supreme Court of Pakistan in appeal within the stipulated time, thus making the appeal time barred. However, during the year, CCP under the said Tribunal guidelines, resumed the proceedings and FFC, duly joined these proceedings through Counsel. FFC also filed writ petition before Islamabad High Court and has procured suspension order against proceedings before CCP, till date of next hearing. FFC remains confident of successfully defending these unreasonable claims.			
	Note	Un-audited March 31, 2022	Audited December 31, 2021	
8.2 Commitments in respect of:		(Rupees '000)		
(i)	Capital expenditure	3,408,551	1,613,024	
(ii)	Purchase of fertilizer, stores, spares and other operational items	4,044,711	2,060,554	
(iii)	Investment in Thar Energy Limited	1,285,618	2,307,192	
(iv)	Contracted out services	271,742	102,546	
(v)	Group's share of commitments of PMP as at December 31, 2021 (2021: September 30, 2021)	43,349	6,232	
(vi)	Group's share of commitments of FCCL as at December 31, 2021 (2021: September 30, 2021)	2,952	2,832	
(vii)	Group's share of commitments of FFBL as at March 31, 2021 (2021: March 31, 2021)	654,479	1,469,348	
(viii)	Group's share of commitments of Askari Bank Limited as at December 31, 2021 (2021: September 30, 2021)	170,921,643	228,915,759	
(ix)	Group's share of commitments of TEL as at December 31, 2021 (2021: September 30, 2021)	6,188,949	6,188,949	
9. PROPERTY PLANT AND EQUIPMENT				
	Operating fixed assets	9.1	38,353,574	38,014,250
	Capital work in progress	9.2	2,695,885	3,072,404
	Right of use assets	9.3	9,180,009	9,214,905
			50,229,468	50,301,559
9.1 Operating fixed assets				
	Opening written down value		38,014,250	31,573,294
	Additions on acquisition of subsidiaries FWEL - I & FWEL - II		-	7,370,057
	Additions during the period / year		1,277,165	2,589,090
	Written down value of disposals		(1,228)	(5,628)
	Transfers / adjustments		-	(42,411)
	Depreciation during the period / year		(936,613)	(3,463,564)
	Impairment charge		-	(6,588)
			38,353,574	38,014,250

9.1.1 Additions in and depreciation on operating fixed assets during the three month period ended March 31, 2021 were Rs 312,893 thousand and Rs 819,800 thousand respectively.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

	Note	Un-Audited March 31, 2022	Audited December 31, 2021
9.2 Capital work in progress		(Rupees '000)	
Opening value		3,072,404	935,638
Additions during the period / year		760,175	3,844,010
Transfers during the period / year		(1,136,694)	(1,707,244)
		2,695,885	3,072,404
9.3 Right of use assets			
Opening balance		9,214,905	87,005
Additions on acquisition of subsidiaries - FWEL - I & FWEL - II		-	9,094,940
Additions during the period / year		-	43,589
Exchange loss - net		207,861	224,187
Depreciation during the period / year		(242,757)	(234,816)
		9,180,009	9,214,905
9.4 Depreciation charge has been allocated as follows:			
Cost of sales		1,188,258	3,600,869
Administrative and distribution expenses		(11,667)	86,757
Other expenses		518	2,225
Charged to FFBL under the Company Services Agreement		2,261	8,529
		1,179,370	3,698,380
10. LONG TERM INVESTMENTS			
Equity accounted investments	10.1	68,892,038	65,651,617
Other long term investments	10.2	4,694,261	4,733,478
		73,586,299	70,385,095
10.1 Equity accounted investments			
Investment in associated companies - under equity method			
Fauji Cement Company Limited			
Balance at the beginning		2,441,515	2,160,790
Share of profit for the period / year		99,790	280,725
		2,541,305	2,441,515
Fauji Fertilizer Bin Qasim Limited			
Balance at the beginning		28,503,794	24,051,779
Share of profit for the period / year		1,593,583	4,467,676
Share of OCI for the period / year		(151,161)	(15,661)
		29,946,216	28,503,794
Askari Bank Limited			
Balance at the beginning		26,691,561	24,721,018
Share of profit for the period / year		1,293,892	4,082,856
Share of OCI for the period / year		(1,233,464)	(481,009)
Dividend received		-	(1,631,304)
		26,751,989	26,691,561

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

Note	Un-audited March 31, 2022	Audited December 31, 2021
	(Rupees '000)	
Thar Energy Limited		
Balance at the beginning	3,552,457	3,186,377
Investment during the period / year	120,311	-
Advance against issue of shares	787,213	376,707
Share of loss for the period / year	770	(10,751)
Share of OCI for the period / year	-	124
	4,460,751	3,552,457
Investment in joint venture - under equity method		
Pakistan Maroc Phosphore S.A., Morocco		
Balance at the beginning	4,462,290	3,418,158
Share of profit for the period / year	624,814	1,334,255
Gain on translation of net assets	104,673	228,839
Dividend received	-	(518,962)
	5,191,777	4,462,290
	68,892,038	65,651,617
10.2 Other long term investments		
Investment measured at fair value through other comprehensive income		
Term Deposit Receipts - from conventional bank	106,994	110,197
Bank Alfalah Term Finance Certificate	185,496	185,785
Pakistan Investment Bonds	5,542,590	5,564,788
Govt. of Pakistan Ijara Sukuk Bonds	1,125,860	1,125,860
	6,960,940	6,986,630
Less: Current portion shown under short term investments Investment at fair value through other comprehensive income		
Term Deposit Receipts - from conventional bank	53,776	40,052
Pakistan Investment Bonds	2,212,903	2,213,100
12	2,266,679	2,253,152
	4,694,261	4,733,478

11. OTHER RECEIVABLES

These include Rs 6,961,878 thousand (2021: Rs 6,961,878 thousand) on account of subsidy receivable and Rs 17,438,083 thousand (2021: Rs 16,688,314 thousand) on account of sales tax receivable from the Government.

	Un-audited March 31, 2022	Audited December 31, 2021
	(Rupees '000)	

12. SHORT TERM INVESTMENTS**Amortized cost - conventional instruments**

Term deposits with banks and financial institutions

Local currency	11,861,000	15,840,692
Foreign currency	2,827,327	2,712,822
	14,688,327	18,553,514

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

	Note	Un-audited March 31, 2022	Audited December 31, 2021
(Rupees '000)			
Investments at fair value through profit or loss			
Conventional investments		68,544,745	76,825,517
Shariah compliant investments		9	223,474
		68,544,754	77,048,991
Investments at fair value through other comprehensive income (OCI)			
Treasury Bills		-	2,181,306
Current maturity of long term investments			
Investments measured at fair value through other comprehensive income	10	2,266,679	2,253,152
		85,499,760	100,036,963
		Un-audited March 31, 2022	Un-audited March 31, 2021
(Rupees '000)			
13. TURNOVER - NET			
Fertilizers		26,860,362	22,040,020
Power		1,741,137	497,807
Food		755,329	568,290
		1,953	-
		29,358,781	23,106,117
Sales tax		(786,393)	(566,208)
Trade discount		(46,443)	(21,160)
		(832,836)	(587,368)
		28,525,945	22,518,749

14. SEGMENT INFORMATION

The detail of utilization of the Group assets by the segments as well as related liabilities is as follows:

	Reportable segments				
	Fertilizers*	Power	Food	Technical Services	Total
(Rupees '000)					
March 31, 2022 (Un-audited)					
Assets					
Segment assets (Total)	146,433,121	46,809,361	4,728,128	17,651	197,988,261
Equity accounted investees	68,892,038	-	-	-	68,892,038
Liabilities					
Segment liabilities (Total)	152,002,403	10,842,034	2,872,057	8,068	165,724,562
Capital expenditure	741,732	2,371	156,543	-	900,646
Depreciation	626,270	481,267	71,781	52	1,179,370

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

December 31, 2021 (Audited)**Assets**

Segment assets (Total)	153,456,633	47,217,328	4,195,671	20,009	204,889,641
Equity accounted investees	65,651,617	-	-	-	65,651,617

Liabilities

Segment liabilities (Total)	158,085,386	10,405,018	2,278,742	8,232	170,777,378
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Capital expenditure	4,424,917	64,374	235,812	753	4,725,856
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Depreciation	2,387,535	1,011,747	298,971	127	3,698,380
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* net of consolidated adjustments / eliminations

15. CASH GENERATED FROM OPERATIONS**Profit before tax**

March 31, 2022	March 31, 2021
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(Rupees '000)

11,241,228	8,496,007
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Adjustments for:

Depreciation	1,177,109	825,842
Amortization	1,185	1,157
Unwinding of GIDC liability	529,749	-
Amortization of transaction cost	2,269	3,400
Finance cost	1,288,860	485,615
Gain on sale of property, plant and equipment	(5,764)	(4,554)
Income on loans, deposits and investments	(292,160)	(165,726)
Share of profit of associated companies and joint venture	(3,612,849)	(1,915,468)
Amortization of deferred government grant	(26,659)	-
Exchange (gain) / loss - net	(99,681)	112,473
Gain on remeasurement of investments at fair value through profit or loss	(1,471,282)	(148,350)
	(2,509,223)	(805,611)
	8,732,005	7,690,396

Changes in:

Stores and spares	(587,779)	(143,239)
Stock in trade	(4,710,503)	(5,340,997)
Trade debts	(1,013,031)	73,403
Loans and advances	(426,740)	(95,171)
Deposits and prepayments	(330,737)	(292,764)
Other receivables	(570,926)	(818,135)
Trade and other payables	5,325,072	(7,270,765)
	(2,314,644)	(13,887,668)

Changes in long term loans and advances	(360,409)	(91,724)
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Changes in long term deposits and prepayments	436	(176)
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Changes in deferred liabilities	(200,822)	(1,945)
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5,856,566	(6,291,117)
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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

16. FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The Groups's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements for the year ended December 31, 2021. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited consolidated financial statements of the Company for the year ended December 31, 2021.

The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.

	March 31, 2022	March 31, 2021
17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES	(Rupees '000)	
Significant transactions and balances with the related parties are as follows:		
HOLDING COMPANY		
Transactions		
Dividend paid	2,623,705	1,918,408
Services received	60,768	62,500
Sale of fertilizer	2,199	-
Others	44,549	30
Balances		
Balance payable - unsecured *	62,058	-
ASSOCIATED UNDERTAKINGS / COMPANIES DUE TO COMMON DIRECTORSHIP		
Transactions		
Expenses charged on account of marketing of fertilizer on behalf of associated company	223,225	196,749
Commission on sale of products	4,622	3,730
Payment under consignment account - net	19,918,852	14,871,390
Payments against purchase of gas as feed and fuel stock	7,998,225	8,127,032
Equity investment	120,311	-
Advance against issue of shares	787,213	376,707
Services and materials provided	1,754	4,057
Donation	252,550	194,000
Interest expense	61,451	32,256
Interest income	5,952	4,825
Dividend income	-	1,631,304
Balances		
Long term investments*	106,994	110,197
Short term investments*	6,000,000	11,000,000
Long term borrowing *	546,965	406,911
Short term borrowings *	2,345,719	421,743
Bank balance *	91,041	12,019
Running finance *	189,090	215,186
Balance receivable - unsecured *	361,855	360,858
Balance payable - unsecured *	68,182,245	67,052,323
KEY MANAGEMENT PERSONNEL		
Remuneration including benefits and perquisites of chief executive and other executives. No. of persons 2022: 2 and 436 (2021: 1 and 423) respectively.	1,300,976	1,257,454

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three month period ended March 31, 2022

	March 31, 2022	March 31, 2021
	(Rupees '000)	
STAFF RETIREMENT BENEFITS		
Contributions		
Employees' Provident Fund Trust	122,540	116,810
Employees' Gratuity Fund Trust	258,999	229,632
Employees' Pension Fund Trust	148,611	217,967
Employees' Funds as Dividend on equity holding of 0.25% (2021: 0.15%)	14,614	7,721
Balances		
Balance payable to Gratuity Fund Trust *	576,520	780,237
Balance payable to Pension Fund Trust *	211,572	323,030

* Comparative figures of receivable / payable balances are as of December 31, 2021.

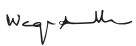
18. NON ADJUSTING EVENTS AFTER REPORTING DATE

The Board of Directors of FFC in its meeting held on April 27, 2022 proposed first interim dividend of Rs 3.70 per share.

19. GENERAL

19.1 Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.

19.2 These condensed interim consolidated financial statements have been authorized for issue by the Board of Directors of FFC on April 27, 2022.


Chairman

Chief Executive Officer

Director

Chief Financial Officer

SAY NO TO CORRUPTION



SAY NO TO CORRUPTION

SAY NO TO CORRUPTION

If Undelivered please return to:
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