

First Quarter Financial Statements

March 31, 2017
(Un-audited)



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Investors' Education
"Jamapunji"



SAY NO TO CORRUPTION

Directors' Review

For the First Quarter ended March 31, 2017

Dear Members,

On behalf of the Board of Directors, I am pleased to report net earnings of Rs 2.192 billion for the first quarter ended March 31, 2017.

Our commitment towards operational excellence resulted in creation of a new benchmark with highest ever first quarterly Sona urea production of 638 thousand tonnes depicting an efficiency factor of 125% against 120% during the corresponding period of last year.

Despite stagnant market conditions, urea offtake of 377 thousand tonnes during the quarter was higher by 6% compared to last year whereas DAP sales increased by 187% of the sales volume achieved during the same period of 2016. Although the pricing pressure resulted in lower revenue from sales of urea, aggregate revenue including DAP offtake and fertilizer subsidy of Rs 1.409 billion, resulted in higher aggregate sales revenue by 7% compared to last year, with operating profit of Rs 2.335 billion (including subsidy), 39% higher than last year.

Decline of 54% in dividend receipts led to lower earnings per share of Rs 1.72 compared to Rs 2.14 earned last year. Although the Company carried a significant urea inventory of 455 thousand tonnes at the close of the period owing to increased production levels and higher opening inventory, Sona urea stock accounted for only 31% of the aggregate industry inventory, as opposed to urea market share of 44% attained by FFC. The Company is also evaluating the potential for export of urea in the limited time period allowed by the Government, to offload inventories and augment sales revenue.

In order to provide a regular stream of income for the shareholders, the Board is pleased to announce first interim dividend of 15% (Rs 1.50 per share) for the year 2017.

I am also pleased to inform that as part of our diversification initiatives, FFC has accepted the offer by Hub Power Company to join its power generation project, as a strategic equity partner, subject to regulatory approvals. The Board is confident that besides alleviating the energy shortfall in the Country, FFC's diversification projects, combined with enhanced cost controls and efficiency improvements will supplement the Company's earnings and also augment the returns to the shareholders.

On behalf of the Board,



Chairman

Lt Gen Khalid Nawaz Khan,
HI (M), Sitara-i-Esar (Retired)

Rawalpindi
April 26, 2017

ڈائریکٹرز کا تجزیہ

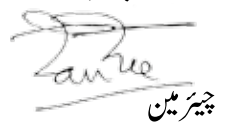
بورڈ آف ڈائریکٹرز کی جانب سے مجھے یہ اعلان کرتے ہوئے مسرت ہو رہی ہے کہ کمپنی نے 31 مارچ 2017 کو ختم ہونے والی پہلی سہ ماہی میں 2.192 ارب روپے کا خالص منافع کمایا ہے۔ بہترین کارکردگی کے عزم کی بدولت کمپنی نے 638 ہزار ٹن سونا یورپا کی پیداوار حاصل کرنے کا نیا معیار قائم کیا جبکہ کل پیداواری صلاحیت 125 فیصد رہی جو کہ پچھلے سال 120 فیصد تھی۔ مارکیٹ میں منفی حالات کے باوجود، یورپا کی فروخت پچھلے سال سے 6 فیصد بڑھ کر 377 ہزار ٹن رہی، جبکہ DAP کی فروخت میں پچھلے سال کی نسبت 187 فیصد اضافہ ہوا۔ اگرچہ قیمتوں میں دباؤ کے نتیجے میں یورپا کی فروخت سے آمدن کم ہوئی تاہم مجموعی آمدن، بشمول DAP کی فروخت اور 1.409 ارب روپے کی کھاد پر اعانت کے، پچھلے سال سے 7 فیصد زیادہ رہی اور اس طرح آپریٹنگ منافع (بشمول اعانت) پچھلے سال سے 39 فیصد بڑھ گیا۔

منافع منقسمہ کی وصولی میں 54 فیصد کمی فی حصص آمدن میں کمی کا باعث بنی جو کہ پچھلے سال 2.14 روپے فی حصص کے مقابلے میں 1.72 روپے فی حصص رہی۔ 2017 کے اضافی ابتدائی شاٹ اور مذکورہ عرصہ کی زیادہ پیداوار کی وجہ سے اسی سہ ماہی کی اختتامی Inventory 455 ہزار ٹن رہی۔ تاہم 44 فیصد مارکیٹ شیئر کے برخلاف کمپنی کا یورپا شاٹ یورپا صنعت کی کل Inventory کا صرف 31 فیصد رہا۔ حکومت کی طرف سے دی گئی محدود مدت میں کمپنی یورپا کو برآمد (Export) کرنے کے مواقع کا بھی جائزہ لے رہی ہے۔ تاکہ کمپنی کی یورپا شاٹ میں کمی اور آمدن میں اضافہ کیا جاسکے۔

حصص یافتگان کی متواتر آمدن کو برقرار رکھنے کے پیش نظر بورڈ سال 2017 کے پہلے عبوری منافع منقسمہ (Dividend) 15 فیصد (فی حصص 1.50 روپے) کا اعلان کرتا ہے۔

مجھے یہ بتاتے ہوئے خوشی ہو رہی ہے کہ ہمارے متنوع کاروباری منصوبوں کی جانب پیش رفتی میں FFC نے حب پاور کمپنی کے پاور جنریشن منصوبے میں ایک کلیدی ایکویٹی حصہ داری (Strategic equity partner) کی پیشکش قبول کی ہے جو کہ انضباطی (Regulatory) منظوریوں سے مشروط ہے۔ بورڈ پر اُمید ہے کہ FFC کے متنوع منصوبے، ملک میں توانائی کی کمی دور کرنے کے ساتھ ساتھ، اخراجاتی کنٹرول اور عمدہ کارکردگی کے باعث کمپنی اور حصص یافتگان کی آمدن میں اضافے کا سبب بنیں گے۔

بورڈ کی جانب سے



چیئرمین

لیفٹیننٹ جنرل خالد نواز خان

ہلال امتیاز (ملٹری)، ستارہ ایثار (ریٹائرڈ)

راولپنڈی

26 اپریل 2017

Company Information

BOARD OF DIRECTORS

Lt Gen Khalid Nawaz Khan, HI(M), Sitara-i-Esar (Retd)

Chairman

Lt Gen Shafqaat Ahmed, HI(M) (Retd)

Chief Executive & Managing Director

Mr Qaiser Javed

Dr Nadeem Inayat

Engr Rukhsana Zuberi

Mr Farhad Shaikh Mohammad

Maj Gen Muhammad Farooq Iqbal, HI(M) (Retd)

Mr Shahid Ghaffar

Maj Gen Mumtaz Ahmad Bajwa, HI(M) (Retd)

Mr Per Kristian Bakkerud

Mr Khizar Hayat Gondal

Brig Raashid Wali Janjua, SI(M) (Retd)

Mr Shoaib Mir

CHIEF FINANCIAL OFFICER

Mohammad Munir Malik

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

E-mail: munir_malik@ffc.com.pk

COMPANY SECRETARY

Brig Ashfaq Ahmed, 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. +92-68-5786420-9, Fax No. +92-68-5786401

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

KPMG Taseer Hadi & Co

Chartered Accountants

6th Floor, State Life Building, Jinnah Avenue, Islamabad, Pakistan

Tel No. +92-51-2823558, Fax No. +92-51-2822671

SHARES REGISTRAR

Central Depository Company of Pakistan Limited

Share Registrar Department

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

Tel: No. +92-0800-23275, Fax No. +92-21-34326053



Condensed Interim Financial Information



Condensed Interim Balance Sheet

As at March 31, 2017

		Un-audited March 31, 2017	Audited December 31, 2016
	Note		
(Rupees '000)			
EQUITY AND LIABILITIES			
EQUITY			
Share capital	4	12,722,382	12,722,382
Capital reserves		160,000	160,000
Revenue reserves	5	13,535,439	14,841,963
Surplus on remeasurement of investments available for sale to fair value		456,356	486,950
		26,874,177	28,211,295
NON - CURRENT LIABILITIES			
Long term borrowings	6	16,322,044	16,653,294
Deferred liabilities		4,732,790	4,811,884
		21,054,834	21,465,178
CURRENT LIABILITIES			
Trade and other payables	7	16,385,010	10,911,897
Mark-up and profit accrued	8	440,933	321,091
Short term borrowings	9	14,878,128	22,176,525
Current portion of long term borrowings		6,184,304	6,434,304
Taxation		1,027,505	1,248,814
		38,915,880	41,092,631
		86,844,891	90,769,104
CONTINGENCIES AND COMMITMENTS			

The annexed notes 1 to 30 form an integral part of this condensed interim consolidated financial information.

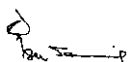
	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	11	21,226,714	21,232,732
Intangible assets		1,582,672	1,585,211
Long term investments	12	29,616,131	29,656,283
Long term loans and advances	13	917,016	934,150
Long term deposits and prepayments	14	13,605	13,975
		53,356,138	53,422,351
CURRENT ASSETS			
Stores, spares and loose tools		3,565,470	3,428,235
Stock in trade		8,765,304	4,237,327
Trade debts		3,330,686	4,305,951
Loans and advances	15	1,104,163	903,440
Deposits and prepayments	16	155,695	50,241
Other receivables	17	9,401,493	7,751,842
Short term investments	18	6,408,878	14,143,829
Cash and bank balances	19	757,064	2,525,888
		33,488,753	37,346,753
		86,844,891	90,769,104



Chairman



Chief Executive



Director

Condensed Interim Profit and Loss Account (Un-audited)

For the first quarter ended March 31, 2017

	Note	March 31, 2017	March 31, 2016
		(Rupees '000)	
Sales	20	11,190,349	11,645,996
Cost of sales	21	8,588,999	8,593,699
GROSS PROFIT		2,601,350	3,052,297
Distribution cost		1,675,645	1,517,397
		925,705	1,534,900
Finance cost	22	535,871	561,255
Other expenses	23	308,855	372,946
		80,979	600,699
Other income	24	2,779,152	2,738,095
NET PROFIT BEFORE TAXATION		2,860,131	3,338,794
Provision for taxation		668,000	611,000
NET PROFIT AFTER TAXATION		2,192,131	2,727,794
Earnings per share - basic and diluted (Rupees)	25	1.72	2.14


The annexed notes 1 to 30 form an integral part of this condensed interim financial information.



Chairman



Chief Executive



Director

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees'000)	
Net profit after taxation	2,192,131	2,727,794
Other comprehensive income for the period		
Items that may be subsequently reclassified to profit or loss		
(Deficit) / surplus on remeasurement of investments available for sale to fair value - net of tax	(30,594)	114,121
Total comprehensive income for the period	2,161,537	2,841,915

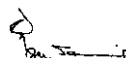
The annexed notes 1 to 30 form an integral part of this condensed interim financial information.



Chairman



Chief Executive



Director

Condensed Interim Cash Flow Statement (Un-audited)

For the first quarter ended March 31, 2017

	Note	March 31, 2017	March 31, 2016
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	26	1,063,078	(3,845,661)
Finance cost paid		(424,004)	(282,127)
Income tax paid		(968,403)	(1,352,495)
Subsidy received on sale of fertilizer		1,615,738	1,432,798
Net cash generated from / (used in) operating activities		1,286,409	(4,047,485)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(554,421)	(706,893)
Proceeds from sale of property, plant and equipment		9,394	9,441
Investments - net		40,089	460,432
Interest and profit received		478,389	527,451
Dividends received		232,946	1,420,970
Net cash generated from investing activities		206,397	1,711,401
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Draw-downs		-	500,000
Repayments		(581,250)	(250,000)
Dividends paid		(3,124,092)	(2,866,472)
Net cash used in financing activities		(3,705,342)	(2,616,472)
Net decrease in cash and cash equivalents		(2,212,536)	(4,952,556)
Cash and cash equivalents at beginning of the period		(6,041,304)	(5,864,224)
Effect of exchange rate changes		7,975	(18,564)
Cash and cash equivalents at end of the period		(8,245,865)	(10,835,344)
CASH AND CASH EQUIVALENTS			
Cash and bank balances	19	757,064	813,171
Short term highly liquid investments		5,875,199	1,899,936
Short term borrowings	9	(14,878,128)	(13,548,451)
		(8,245,865)	(10,835,344)

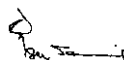
The annexed notes 1 to 30 form an integral part of this condensed interim financial information.



Chairman



Chief Executive



Director

Condensed Interim Statement of Changes In Equity (Un-audited)

For the first quarter ended March 31, 2017

	Share capital	Capital reserves	Revenue reserves		Surplus on remeasurement of investments available for sale to fair value	Total
			General reserve	Unappropriated profit		
			(Rupees '000)			
Balance as at January 1, 2016	12,722,382	160,000	6,802,360	7,092,316	534,407	27,311,465
Total comprehensive income for the period						
Profit after taxation	-	-	-	2,727,794	-	2,727,794
Other comprehensive income - net of tax	-	-	-	-	114,121	114,121
Total comprehensive income for the period - net of tax	-	-	-	2,727,794	114,121	2,841,915
Distribution to owners - recorded directly in equity						
Final dividend 2015: Rs 3.42 per share	-	-	-	(4,351,054)	-	(4,351,054)
Balance as at March 31, 2016	12,722,382	160,000	6,802,360	5,469,056	648,528	25,802,326
Balance as at January 1, 2017	12,722,382	160,000	6,802,360	8,039,603	486,950	28,211,295
Transfer to general reserve	-	-	2,000,000	(2,000,000)	-	-
Total comprehensive income for the period						
Profit after taxation	-	-	-	2,192,131	-	2,192,131
Other comprehensive income - net of tax	-	-	-	-	(30,594)	(30,594)
Total comprehensive income for the period - net of tax	-	-	-	2,192,131	(30,594)	2,161,537
Distribution to owners - recorded directly in equity						
Final dividend 2016: Rs 2.75 per share	-	-	-	(3,498,655)	-	(3,498,655)
Balance as at March 31, 2017	12,722,382	160,000	8,802,360	4,733,079	456,356	26,874,177

The annexed notes 1 to 30 form an integral part of this condensed interim financial information.



Chairman



Chief Executive



Director

Notes To The Condensed Interim Financial Information (Un-audited)

For the first quarter ended March 31, 2017

1. Fauji Fertilizer Company Limited (the Company) is a public company incorporated in Pakistan under the Companies Act, 1913, (now the Companies Ordinance, 1984) 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, other manufacturing, energy generation, food processing and banking operations.
2. This condensed interim financial information of the Company for the period ended March 31, 2017 has been prepared in accordance with the requirements of International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The disclosures in this condensed interim financial information 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, 2016. Comparative condensed interim balance sheet is extracted from annual financial statements as of December 31, 2016 whereas comparative 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 are extracted from unaudited condensed interim financial information of the Company for the period ended March 31, 2016.

This condensed interim financial information is un-audited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Pakistan Stock Exchange.

3. The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of this condensed interim financial information 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, 2016.

4. SHARE CAPITAL

AUTHORISED SHARE CAPITAL

This represents 1,500,000,000 (2016: 1,500,000,000) ordinary shares of Rs 10 each amounting to Rs 15,000,000 thousand (2016: Rs 15,000,000 thousand).

ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Un-audited March 31, 2017	Audited December 31, 2016		Un-audited March 31, 2017	Audited December 31, 2016
(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>
5. REVENUE RESERVES				
General reserve			8,802,360	6,802,360
Unappropriated profit			4,733,079	8,039,603
			<u>13,535,439</u>	<u>14,841,963</u>

Notes To The Condensed Interim Financial Information

For the first quarter ended March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
6. LONG TERM BORROWINGS			
Borrowings from banking companies - secured			
From conventional banks	6.1	18,867,062	19,448,312
From Islamic banks	6.2	3,639,286	3,639,286
		22,506,348	23,087,598
Less: Current portion shown under current liabilities			
From conventional banks		5,037,875	5,287,875
From Islamic banks		1,146,429	1,146,429
		6,184,304	6,434,304
		16,322,044	16,653,294
6.1 Movement during the period / year is as follows:			
Opening balance		19,448,312	16,252,438
Draw-downs during the period / year		-	7,350,000
Repayments during the period / year		(581,250)	(4,154,126)
Closing balance	6.1.1	18,867,062	19,448,312

6.1.1 The borrowings are secured by way of hypothecation of Company assets including plant, machinery, tools & spares and other moveable properties including stocks and book debts, ranking pari passu with each other with 25% margin and lien over Pakistan Investment Bonds (PIBs) with 10% margin.

These carry mark-up ranging between 6 month KIBOR + 0.10% to 0.50% per annum and 3 month KIBOR + 0.40% (2016: 6 month KIBOR + 0.10% to 0.65% and 3 month KIBOR + 0.40% per annum) and are repayable up to September 2021 (2016: September 2021).

	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
6.2 Movement during the period / year is as follows:			
Opening balance		3,639,286	4,150,000
Repayments during the period / year		-	(510,714)
Closing balance	6.2.1	3,639,286	3,639,286

6.2.1 The borrowings are secured by way of hypothecation of Company assets including plant, machinery, tools & spares ranking pari passu with each other with 25% margin and lien over Pakistan Investment Bonds (PIBs), with nil margin.

These carry profit rates ranging between 6 month KIBOR + 0.05% to 0.50% per annum (2016: 6 month KIBOR + 0.05% to 0.50% per annum) and are repayable up to December 2020 (2016: December 2020).

Notes To The Condensed Interim Financial Information

For the first quarter ended March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
7. TRADE AND OTHER PAYABLES			
Creditors		9,437,780	4,630,804
Accrued liabilities		3,049,271	3,270,824
Consignment account with Fauji Fertilizer Bin Qasim Limited - unsecured		1,112,663	678,110
Deposits		146,658	151,049
Retention money		143,214	165,976
Advances from customers		314,528	334,964
Workers' Welfare Fund		1,155,781	1,114,399
Workers' Profit Participation Fund		44,517	-
Unclaimed dividend		782,081	407,518
Other liabilities		198,517	158,253
		16,385,010	10,911,897
8. MARK-UP AND PROFIT ACCRUED			
On borrowings from conventional banks		352,133	281,481
On borrowings from Islamic banks		88,800	39,610
		440,933	321,091
9. SHORT TERM BORROWINGS			
Short term borrowings - secured			
From conventional banks	9.1	13,047,126	19,369,365
From Islamic banks	9.2	1,831,002	2,807,160
		14,878,128	22,176,525

- 9.1** Short term borrowings are available from various banking companies under mark-up arrangements against facilities amounting to Rs 25.95 billion (2016: Rs 25.48 billion) which represent the aggregate all facility agreements between the Company and respective banks. The facilities have various maturity dates upto February 28, 2018.

The facilities are secured by pari passu / ranking hypothecation charges on assets of the Company besides lien over US \$ / Pak Rupees Term Deposits / PIBs in certain cases. The per annum rates of mark-up range between 1 month KIBOR + 0.10% to 0.35% and 3 month KIBOR + 0.03% to 0.50% (2016: 1 month KIBOR + 0.03% to 0.35% and 3 month KIBOR + nil to 0.50%).

- 9.2** Shariah compliant short term borrowings are available from various banking companies under profit arrangements against facilities amounting to Rs 3.0 billion (2016: Rs 2.85 billion) which represent the aggregate of all facility agreements between the Company and respective banks. The facilities have various maturity dates upto December 31, 2017.

The facilities are secured by ranking hypothecation charges on assets of the Company. The per annum rates of profit range between 3 month KIBOR + 0.02% to 3 month KIBOR + 0.14% (2016: 3 month KIBOR+ nil to 3 month KIBOR + 0.14%).

Notes To The Condensed Interim Financial Information

For the first quarter ended March 31, 2017

	Un-audited March 31, 2017	Audited December 31, 2016
	(Rupees '000)	
10. CONTINGENCIES AND COMMITMENTS		
a) Contingencies		
i) Guarantees issued by banks on behalf of the Company	15,010	15,010
ii) Claims against the Company and / or potential exposure not acknowledged as debt	50,696	50,696
iii) The Competition Commission of Pakistan has imposed a penalty of Rs 5.5 billion on the Company for alleged unreasonable increase in urea prices in 2011. However, the fact remains that price increase was essentially caused by extended gas curtailment and delayed urea imports by the Government of Pakistan resulting in product shortage leading to market imbalance and price hike. The Company has filed an appeal against the above penalty before the Competition Appellate Tribunal. Based on legal advice from the Company's legal advisor, the Company is confident that there are reasonable grounds for a favorable decision.		

	Note	Un-audited March 31, 2017	Audited December 31, 2016
		(Rupees '000)	
b) Commitments in respect of:			
i) Capital expenditure		2,822,480	1,506,491
ii) Purchase of fertilizer, stores, spares and other operational items		5,108,372	2,442,596
iii) Investment in Fauji Fresh n Freeze Limited		1,000,000	1,000,000
iv) Rentals under lease agreements:			
Premises		437,683	405,355
Vehicles		74,611	75,010
11. PROPERTY, PLANT AND EQUIPMENT			
Opening written down value		21,232,732	21,381,702
Additions during the period / year	11.1	552,919	1,985,368
Written down value of disposals		(14,047)	(7,571)
Depreciation during the period / year	11.1 & 11.2	(544,890)	(2,126,767)
		<u>21,226,714</u>	<u>21,232,732</u>

11.1 Additions in and depreciation on property, plant and equipment during the period ended March 31, 2016 were Rs 706,893 thousand and Rs 507,252 thousand respectively.

	Note	Un-audited March 31, 2017	Audited December 31, 2016
		(Rupees '000)	
11.2 Depreciation charge has been allocated as follows:			
Cost of sales		522,347	2,035,462
Distribution cost		17,301	72,805
Other expenses		440	1,511
Charged to FFBL under Inter Company Services Agreement		4,802	16,989
	11	<u>544,890</u>	<u>2,126,767</u>

Notes To The Condensed Interim Financial Information

For the first quarter ended March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
12. LONG TERM INVESTMENTS			
Investment in subsidiary companies - at cost			
FFC Energy Limited		2,438,250	2,438,250
Fauji Fresh n Freeze Limited		2,635,500	2,635,500
Investment in associated companies - at cost			
Fauji Cement Company Limited		1,500,000	1,500,000
Fauji Fertilizer Bin Qasim Limited		4,658,919	4,658,919
Askari Bank Limited		10,461,921	10,461,921
		16,620,840	16,620,840
Investment in joint venture - at cost			
Pakistan Maroc Phosphore S.A., Morocco		705,925	705,925
Investments available for sale			
Term Deposit Receipts - from conventional banks		104,303	96,138
Pakistan Investment Bonds		7,653,847	7,701,536
		7,758,150	7,797,674
		30,158,665	30,198,189
Less: Current portion shown under short term investments			
Investments available for sale			
Term Deposit Receipts - from conventional banks		35,125	27,515
Pakistan Investment Bonds		507,409	514,391
	18	542,534	541,906
		29,616,131	29,656,283
13. LONG TERM LOANS AND ADVANCES			
Loans and advances - considered good:			
Interest bearing		564,263	709,994
Non-interest bearing		694,456	559,740
		1,258,719	1,269,734
Less: Amount due within twelve months, shown under current loans and advances			
Interest bearing		137,200	134,246
Non-interest bearing		204,503	201,338
	15	341,703	335,584
		917,016	934,150
14. LONG TERM DEPOSITS AND PREPAYMENTS			
Non-interest bearing deposits		12,378	12,378
Prepayments		1,227	1,597
		13,605	13,975

Notes To The Condensed Interim Financial Information

For the first quarter ended March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
15. LOANS AND ADVANCES			
Current portion of long term loans and advances	13	341,703	335,584
Loans and advances to employees - unsecured - considered good non-interest bearing		88,375	42,635
Advances to subsidiary companies - interest bearing			
FFC Energy Limited (FFCEL)	15.1	336,386	336,386
Fauji Fresh n Freeze Limited (FFF)	15.2	200,000	-
Advances to suppliers - considered good		137,699	188,835
		1,104,163	903,440

15.1 This represents aggregate unsecured advance to, FFCEL, subsidiary company under a revolving credit facility upto an amount of Rs 1,500,000 thousand to meet debt servicing obligations and other working capital requirements. This carries mark-up at 1 month KIBOR + 0.60%.

15.2 This represents aggregate unsecured advance to FFF, subsidiary company under a revolving credit facility upto an amount of Rs 1,000,000 thousand to meet debt servicing obligations and other working capital requirements. This carries mark-up at 1 month KIBOR + 1.00%.

	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)		
16. DEPOSITS AND PREPAYMENTS		
Non-interest bearing deposits	12,964	944
Prepayments	142,731	49,297
	155,695	50,241
17. OTHER RECEIVABLES		
Accrued income on investments and bank deposits		
From conventional banks	173,910	393,612
From Islamic banks	473	508
From subsidiaries - conventional	99,445	93,761
Sales tax receivable	2,438,385	1,092,335
Sales tax receivable related to Pak Saudi Fertilizers Limited	42,486	42,486
Advance tax	322,368	322,368
Dividend receivable	815,652	50,911
Subsidy receivable from Government of Pakistan	4,865,666	5,072,534
Receivable from Workers' Profit Participation Fund - unsecured	-	108,194
Receivable from subsidiary companies		
Fauji Fresh n Freeze Limited - unsecured	2,637	2,628
FFC Energy Limited - unsecured	45,892	20,798
Receivable from Fauji Fertilizer Bin Qasim Limited - unsecured	42,085	39,203
Due from Gratuity Fund	168,961	80,450
Due from Pension Fund	353,740	286,778
Other receivables		
Considered good	29,793	145,276
Considered doubtful	2,232	2,232
Provision for doubtful receivables	(2,232)	(2,232)
	29,793	145,276
	9,401,493	7,751,842

Notes To The Condensed Interim Financial Information

For the first quarter ended March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
		(Rupees '000)	
18. SHORT TERM INVESTMENTS			
Loans and receivables - Conventional investments			
Term deposits with banks and financial institutions			
Local currency		3,200,000	11,050,942
Foreign currency		1,427,984	1,420,224
Investments at fair value through profit or loss			
Conventional investments		1,005,382	702,344
Shariah compliant investments		232,978	428,413
Current maturity of long term investments			
Investments available for sale	12	542,534	541,906
		6,408,878	14,143,829
19. CASH AND BANK BALANCES			
At banks			
Local Currency			
Current Accounts - Conventional banking		36,259	125,718
Deposit Accounts - Conventional banking	19.2	207,103	217,747
Deposit Accounts - Shariah compliant	19.3	3,878	28,816
		247,240	372,281
Foreign Currency			
Deposit Accounts		112	1,198
Cash in transit	19.4	506,455	2,150,877
Cash in hand		3,257	1,532
		757,064	2,525,888
19.1	Balances with banks include Rs 118,741 thousand (2016: Rs 110,147 thousand) in respect of security deposits received.		
19.2	Balances with conventional banks carry mark-up ranging from 3.50% to 5.25% (2016: 3.50% to 5.25%) per annum.		
19.3	Balances with Islamic banks carry profit ranging from 1.65% to 3.20% (2016: 1.65% to 4.00%) per annum.		
19.4	These represent demand drafts in transit at the period / year end.		

Notes To The Condensed Interim Financial Information (Un-audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees '000)	
20. SALES		
Manufactured urea	10,330,118	13,319,288
Purchased and packaged fertilizers	2,132,420	1,000,047
Sales tax	(908,356)	(2,168,261)
Trade discounts	(363,833)	(505,078)
	<u>11,190,349</u>	<u>11,645,996</u>
21. COST OF SALES		
Raw materials consumed	6,346,047	7,331,148
Fuel and power	2,206,110	2,140,243
Chemicals and supplies	81,895	86,387
Salaries, wages and benefits	1,577,045	1,498,120
Training and employees welfare	178,949	187,461
Rent, rates and taxes	3,972	3,141
Insurance	36,136	51,139
Travel and conveyance	87,303	66,783
Repairs and maintenance	205,247	542,349
Depreciation and amortization	524,456	484,866
Communication and other expenses	302,989	328,756
	<u>11,550,149</u>	<u>12,720,393</u>
Opening stock - work in process	96,785	106,097
Closing stock - work in process	(112,050)	(100,800)
	<u>(15,265)</u>	<u>5,297</u>
Cost of goods manufactured	<u>11,534,884</u>	<u>12,725,690</u>
Opening stock - manufactured urea	3,675,771	2,172,446
Closing stock - manufactured urea	(8,304,039)	(7,161,613)
	<u>(4,628,268)</u>	<u>(4,989,167)</u>
Cost of sales - manufactured urea	<u>6,906,616</u>	<u>7,736,523</u>
Opening stock - purchased fertilizers	372,893	2,756,037
Purchase of fertilizers for resale	1,543,098	-
	<u>1,915,991</u>	<u>2,756,037</u>
Closing stock - purchased fertilizers	(233,608)	(1,898,861)
Cost of sales - purchased fertilizers	<u>1,682,383</u>	<u>857,176</u>
	<u>8,588,999</u>	<u>8,593,699</u>

Notes To The Condensed Interim Financial Information (Un-audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees '000)	
22. FINANCE COST		
Mark-up on long term borrowings		
Conventional banking	310,089	278,929
Islamic banking	57,202	70,184
	367,291	349,113
Mark-up on short term borrowings		
Conventional banking	139,125	179,486
Islamic banking	15,264	21,573
	154,389	201,059
Exchange loss	7,975	5,250
Bank and other charges	6,216	5,833
	535,871	561,255
23. OTHER EXPENSES		
Research and development	114,762	122,961
Workers' Profit Participation Fund	152,711	179,439
Workers' Welfare Fund	41,382	70,546
	308,855	372,946
24. OTHER INCOME		
Income from sales under Government subsidy	1,408,870	144,790
Income from financial assets		
Income on loans, deposits and investments		
with conventional banks	264,214	295,460
with Islamic banks	122	1,390
Gain on re-measurement of investments		
with conventional banks	16,017	10,000
with Islamic banks	4,414	2,925
Exchange gain / (loss) on foreign currency transactions	9,283	(318)
Income from associated companies		
Dividend from Fauji Fertilizer Bin Qasim Limited	232,946	1,420,970
Dividend from Askari Bank Limited	815,652	679,710
Dividend from Fauji Cement Company Limited	-	164,063
Income from non - financial assets		
(Loss) / gain on disposal of property, plant and equipment	(4,653)	9,426
Commission on sale of FFBL products	4,217	2,119
Other income		
Scrap sales	21,212	1,362
Others	6,858	6,198
	2,779,152	2,738,095

Notes To The Condensed Interim Financial Information (Un-audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees '000)	
25. EARNINGS PER SHARE		
Net profit after tax (Rupees '000)	2,192,131	2,727,794
Weighted average number of shares in issue during the period - (Number '000)	1,272,238	1,272,238
Basic and diluted earnings per share (Rupees)	1.72	2.14
26. CASH GENERATED FROM OPERATIONS		
Net profit before taxation	2,860,131	3,338,794
Adjustments for:		
Depreciation	539,648	507,252
Amortization	4,041	2,147
Finance cost	535,871	561,255
Loss / (gain) on sale of property, plant and equipment	4,653	(9,426)
Income on loans, deposits and investments	(264,336)	(296,850)
Exchange (gain) / loss	(9,283)	318
Gain on remeasurement of investments at fair value through profit or loss	(20,431)	(12,925)
Dividend Income	(1,048,598)	(2,264,743)
Government subsidy on sale of fertilizer	(1,408,870)	(144,790)
	(1,667,305)	(1,657,762)
	1,192,826	1,681,032
Changes in working capital:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(137,235)	79,868
Stock in trade	(4,527,977)	(4,178,683)
Trade debts	975,265	(110,404)
Loans and advances	(200,723)	(22,097)
Deposits and prepayments	(105,454)	(147,167)
Other receivables	(1,249,678)	(379,185)
Increase / (decrease) in current liabilities		
Trade and other payables	5,098,550	(716,702)
	(147,252)	(5,474,370)
Changes in long term loans and advances	17,134	(52,561)
Changes in long term deposits and prepayments	370	238
	1,063,078	(3,845,661)

Notes To The Condensed Interim Financial Information (Un-audited)

For the first quarter ended March 31, 2017

27. FINANCIAL INSTRUMENTS

Fair value of Financial Instruments

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

27.1 Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Notes To The Condensed Interim Financial Information

For the first quarter ended March 31, 2017

March 31, 2017 (Un-audited)

Financial assets not measured at fair value

Non - current assets

Long term investments
Long term loans and advances
Long term deposits

Current assets

Trade debts - net of provision
Loans and advances
Deposits
Other receivables
Short term investments
Cash and bank balances

Financial liabilities not measured at fair value

Non - current liabilities

Long term borrowing

Current liabilities

Trade and other payables
Mark-up and profit accrued
Short term borrowings
Current portion of long term borrowings

Carrying Amount			Fair Value					
Loans and receivables	Available for sale investments	Fair value through profit or loss	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
			(Rupees '000)					
-	7,215,616	-	-	7,215,616	-	7,215,616	-	7,215,616
917,016	-	-	-	917,016	-	-	-	-
12,378	-	-	-	12,378	-	-	-	-
3,330,686	-	-	-	3,330,686	-	-	-	-
966,464	-	-	-	966,464	-	-	-	-
12,964	-	-	-	12,964	-	-	-	-
8,220,987	-	-	-	8,220,987	-	-	-	-
4,627,984	542,534	1,238,360	-	6,408,878	1,238,360	542,534	-	1,780,894
757,064	-	-	-	757,064	-	-	-	-
18,845,543	7,758,150	1,238,360	-	27,842,053	1,238,360	7,758,150	-	8,996,510
-	-	-	16,322,044	16,322,044	-	-	-	-
-	-	-	14,870,184	14,870,184	-	-	-	-
-	-	-	440,933	440,933	-	-	-	-
-	-	-	14,878,128	14,878,128	-	-	-	-
-	-	-	6,184,304	6,184,304	-	-	-	-
-	-	-	52,695,593	52,695,593	-	-	-	-

Notes To The Condensed Interim Financial Information

For the first quarter ended March 31, 2017

	Carrying Amount			Other financial assets / liabilities	Total	Fair Value				
	Loans and receivables	Available for sale investments	Fair value through profit or loss			Level 1	Level 2	Level 3	Total	
(Rupees '000)										
December 31, 2016 (Audited)										
Financial assets not measured at fair value										
Non - current assets										
Long term investments	-	7,255,768	-	-	7,255,768	-	7,255,768	-	-	7,255,768
Long term loans and advances	934,150	-	-	-	934,150	-	-	-	-	-
Long term deposits	12,378	-	-	-	12,378	-	-	-	-	-
Current assets										
Trade debts - net of provision	4,305,951	-	-	-	4,305,951	-	-	-	-	-
Loans and advances	714,605	-	-	-	714,605	-	-	-	-	-
Deposits	944	-	-	-	944	-	-	-	-	-
Other receivables	7,227,883	-	-	-	7,227,883	-	-	-	-	-
Short term investments	12,471,166	541,906	1,130,757	-	14,143,829	1,130,757	541,906	-	-	1,672,663
Cash and bank balances	2,525,888	-	-	-	2,525,888	-	-	-	-	-
	28,192,965	7,797,674	1,130,757	-	37,121,396	1,130,757	7,797,674	-	-	8,928,431
Financial liabilities not measured at fair value										
Non - current liabilities										
Long term borrowings	-	-	-	16,653,294	16,653,294	-	-	-	-	-
Current liabilities										
Trade and other payables	-	-	-	9,462,534	9,462,534	-	-	-	-	-
Mark-up and profit accrued	-	-	-	321,091	321,091	-	-	-	-	-
Short term borrowings	-	-	-	22,176,525	22,176,525	-	-	-	-	-
Current portion of long term borrowings	-	-	-	6,434,304	6,434,304	-	-	-	-	-
	-	-	-	55,047,748	55,047,748	-	-	-	-	-

Notes To The Condensed Interim Financial Information (Un-audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees '000)	
28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES		
Significant transactions and balances with the related parties are as follows:		
Subsidiary companies		
Guarantee against loan of subsidiary company	5,450,000	5,450,000
Balances receivable - unsecured *	684,361	453,572
Associated undertakings / companies due to common directorship		
Expenses charged on account of marketing of fertilizer on behalf of associated company	297,212	171,310
Commission on sale of products	4,217	2,119
Payments under consignment account	14,070,098	4,666,755
Purchase of gas as feed and fuel stock	4,895,576	11,110,466
Donation	30,789	64,066
Others	116	214
Dividend income	1,048,598	2,264,743
Dividend paid	1,551,653	1,929,692
Dividend receivable *	815,652	50,911
Short term investment *	-	300,000
Long term investments *	104,303	96,138
Short term borrowing *	805,561	730,698
Bank balance *	5,655	-
Running finance *	-	50,417
Balances receivable - unsecured *	49,185	47,171
Balances payable - unsecured *	10,774,663	5,565,853
Key management personnel		
Remuneration including benefits and perquisites of chief executive and other executives. No. of persons 2017: 1 and 898 (2016: 1 and 882) respectively	1,439,750	1,364,878
Contribution and balances with staff retirement funds		
Employees' Provident Fund Trust	97,411	95,463
Employees' Gratuity Fund Trust	118,014	278,084
Employees' Pension Fund Trust	89,283	97,701
Employees' Funds as Dividend on equity holding of 0.07% (2016: 0.27%)	2,416	11,430
Balance receivable from Gratuity Fund Trust *	168,961	80,450
Balance receivable from Pension Fund Trust *	353,740	286,778

* Comparative figures of receivable / payable balances are as of December 31, 2016.

Notes To The Condensed Interim Financial Information (Un-audited)

For the first quarter ended March 31, 2017

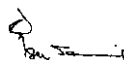
29. POST BALANCE SHEET EVENT

The Board of Directors of the Company in its meeting held on April 26, 2017 proposed first interim dividend of Rs 1.50 per share.

30. GENERAL

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

30.2 This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on April 26, 2017.

**Chairman****Chief Executive****Director**



Condensed

Interim Consolidated Financial Information



Condensed Interim Consolidated Balance Sheet

As at March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
EQUITY AND LIABILITIES			
EQUITY			
Share capital	4	12,722,382	12,722,382
Capital reserves		1,467,738	1,396,672
Revenue reserves	5	31,349,542	33,871,490
Surplus on remeasurement of investments available for sale to fair value - net		2,415,356	2,726,211
		47,955,018	50,716,755
Share in revaluation reserve of associate - net		763,152	649,076
NON - CURRENT LIABILITIES			
Long term borrowings	6	23,420,528	24,012,599
Deferred liabilities		6,165,461	6,097,396
Liability against assets subject to finance lease		8,666	8,025
		29,594,655	30,118,020
CURRENT LIABILITIES			
Trade and other payables	7	16,379,934	11,217,362
Mark-up and profit accrued	8	637,411	351,075
Short term borrowings	9	15,520,514	22,382,525
Current portion of long term borrowings		7,984,451	7,964,843
Taxation		1,035,331	1,253,817
		41,557,641	43,169,622
		119,870,466	124,653,473
CONTINGENCIES AND COMMITMENTS			

The annexed notes 1 to 31 form an integral part of this condensed interim consolidated financial information.

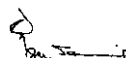
	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees ‘000)			
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	11	33,829,165	34,295,455
Intangible assets		1,945,999	1,948,538
Long term investments	12	47,781,897	48,063,891
Long term loans and advances	13	917,016	934,150
Long term deposits and prepayments	14	29,633	29,483
		84,503,710	85,271,517
CURRENT ASSETS			
Stores, spares and loose tools		3,578,338	3,441,103
Stock in trade		8,989,037	4,317,247
Trade debts		4,004,074	5,072,016
Loans and advances	15	599,460	599,610
Deposits and prepayments	16	199,007	58,116
Other receivables	17	8,988,718	7,695,987
Short term investments	18	7,970,808	15,498,649
Cash and bank balances	19	1,037,314	2,699,228
		35,366,756	39,381,956
		119,870,466	124,653,473



Chairman



Chief Executive



Director

Condensed Interim Consolidated Profit and Loss Account (Un-audited)

For the first quarter ended March 31, 2017

	Note	March 31, 2017	March 31, 2016
		(Rupees '000)	
Sales	20	11,563,344	11,963,907
Cost of sales	21	8,943,796	8,963,481
GROSS PROFIT		2,619,548	3,000,426
Administrative expenses and distribution cost		1,754,730	1,564,299
		864,818	1,436,127
Finance cost	22	746,816	805,923
Other expenses	23	308,855	372,946
		(190,853)	257,258
Other income	24	1,755,696	493,474
Share of profit of associates and joint venture		282,612	723,088
NET PROFIT BEFORE TAXATION		1,847,455	1,473,820
Provision for taxation		671,860	704,405
NET PROFIT AFTER TAXATION		1,175,595	769,415
Earnings per share - basic and diluted (Rupees)	25	0.92	0.60

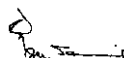
The annexed notes 1 to 31 form an integral part of this condensed interim consolidated financial information.



Chairman



Chief Executive



Director

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

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees'000)	
Net profit after taxation	1,175,595	769,415
Other comprehensive income for the period		
Items that may not be subsequently reclassified to profit or loss		
Equity accounted investees - share of OCI, net of tax	(87,484)	-
Items that may be subsequently reclassified to profit or loss		
(Deficit) / surplus on remeasurement of investments available for sale to fair value - net of tax	(30,594)	114,121
Share of equity accounted investees - share of OCI, net of tax	(320,599)	(56,048)
	(351,193)	58,073
Comprehensive income taken to equity	736,918	827,488
Comprehensive income not recognised in equity		
Items that may be subsequently reclassified to profit or loss	114,076	-
Total comprehensive income for the period	850,994	827,488

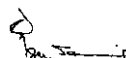
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Chairman



Chief Executive



Director

Condensed Interim Consolidated Cash Flow Statement (Un-audited)

For the first quarter ended March 31, 2017

	Note	March 31, 2017	March 31, 2016
		(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	27	432,267	(3,777,537)
Finance cost paid		(468,455)	(448,152)
Income tax paid		(664,885)	(1,359,022)
Subsidy received on sale of fertilizer		1,615,738	1,432,798
		482,398	(374,376)
Net cash generated from / (used in) operating activities		914,665	(4,151,913)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(598,295)	(760,434)
Proceeds from sale of property, plant and equipment		294,667	9,441
Decrease in investments		(183,038)	485,211
Interest received		493,598	550,259
Dividend received		232,946	1,420,970
Net cash generated from investing activities		239,878	1,705,447
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing:			
Draw-downs		-	500,000
Repayments		(572,463)	(250,000)
Dividends paid		(3,124,092)	(2,866,472)
Net cash used in financing activities		(3,696,555)	(2,616,472)
Cash and cash equivalents at beginning of the period		(6,073,964)	(4,341,404)
Effect of exchange rate changes		7,975	(18,564)
Cash and cash equivalents at end of the period		(8,608,001)	(9,422,906)
CASH AND CASH EQUIVALENTS			
Cash and bank balances	19	1,037,314	990,609
Short term highly liquid investments		5,875,199	3,134,936
Short term borrowings	9	(15,520,514)	(13,548,451)
		(8,608,001)	(9,422,906)

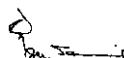
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Chairman



Chief Executive



Director

Condensed Interim Consolidated Statement of Changes In Equity (Un-audited) For the first quarter ended March 31, 2017

	Capital reserve				Revenue reserves		Surplus on remeasurement of available for sale investments to fair value	Total
	Share capital	Share premium	Capital redemption reserve	Translation reserve	Statutory reserve	General reserve	Unappropriated profit	
	(Rupees '000)							
Balance as at January 1, 2016	12,722,382	40,000	120,000	264,730	428,781	6,802,360	26,823,816	2,230,710
Total comprehensive income for the period								
Profit for the period after taxation	-	-	-	-	-	-	769,415	-
Other comprehensive income - net of tax	-	-	-	(24,894)	-	-	-	82,967
Total comprehensive income for the period - net of tax	-	-	-	(24,894)	-	-	769,415	82,967
Distributions to owners - recorded directly in equity								
Final dividend 2015: Rs 3.42 per share	-	-	-	-	-	-	(4,351,054)	-
Balance as at March 31, 2016	12,722,382	40,000	120,000	239,836	428,781	6,802,360	23,242,177	2,313,677
Balance as at January 1, 2017	12,722,382	40,000	120,000	251,153	985,519	6,802,360	27,069,130	2,726,211
Transfer to general reserve	-	-	-	-	-	2,000,000	(2,000,000)	-
Transfer to statutory reserve	-	-	-	-	111,404	-	(111,404)	-
Total comprehensive income for the period								
Profit for the period after taxation	-	-	-	-	-	-	1,175,595	-
Other comprehensive income - net of tax	-	-	-	(40,338)	-	-	(87,484)	(310,855)
Total comprehensive income for the period - net of tax	-	-	-	(40,338)	-	-	1,088,111	(310,855)
Distributions to owners - recorded directly in equity								
Final dividend 2016: Rs 2.75 per share	-	-	-	-	-	-	(3,498,655)	-
Balance as at March 31, 2017	12,722,382	40,000	120,000	210,815	1,096,923	8,802,360	22,547,182	2,415,356

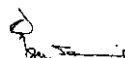
The annexed notes 1 to 31 form an integral part of this condensed interim consolidated financial information.



Chairman



Chief Executive



Director

For the first quarter ended March 31, 2017

- This condensed interim consolidated financial report does not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Group for the year ended December 31, 2016. Comparative condensed interim consolidated balance sheet is extracted from annual audited financial statements for the year ended December 31, 2016 where as comparative condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated cash flow statement and condensed interim consolidated statement of changes in equity are stated from un-audited condensed interim financial report for the period ended March 31, 2016.

- #### 4. SHARE CAPITAL

This represents 1,500,000,000 (2016: 1,500,000,000) ordinary shares of Rs 10 each amounting to Rs 15,000,000 thousand (2016: Rs 15,000,000 thousand).

Un-audited March 31, 2017	Audited December 31, 2016		Un-audited March 31, 2017	Audited December 31, 2016
(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>
REVENUE RESERVES				
General reserve			8,802,360	6,802,360
Unappropriated profit			22,547,182	27,069,130
			<u>31,349,542</u>	<u>33,871,490</u>

Notes To The Condensed Interim Consolidated Financial Information

For the first quarter ended March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
6. LONG TERM BORROWINGS			
Loans from banking companies (secured)			
From conventional banks			
Fauji Fertilizer Company Limited	6.1	18,867,062	19,448,312
FFC Energy Limited	6.2	6,989,681	6,981,494
Fauji Fresh n Freeze Limited	6.3	1,908,950	1,908,350
From Islamic banks			
Fauji Fertilizer Company Limited	6.4	3,639,286	3,639,286
		31,404,979	31,977,442
Less: Current portion shown under current liabilities			
From conventional banks		6,838,022	6,818,414
From Islamic banks		1,146,429	1,146,429
		7,984,451	7,964,843
		23,420,528	24,012,599
6.1 Movement during the period / year is as follows:			
Opening balance		19,448,312	16,252,438
Draw-downs during the period / year		-	7,350,000
Repayments during the period / year		(581,250)	(4,154,126)
Closing balance		18,867,062	19,448,312
6.2 Movement during the period / year is as follows:			
Long term loans from banking companies		7,100,152	7,100,152
Less: Transaction cost			
Initial transaction cost		(269,796)	(269,797)
Amortized during the period / year		159,325	151,139
Closing balance		6,989,681	6,981,494
6.3 Movement during the period / year is as follows:			
MCB Bank Limited		1,060,000	1,060,000
Allied Bank Limited		849,750	849,750
Less: Transaction cost		(4,000)	(4,000)
Amortized during the period / year		3,200	2,600
Closing balance		1,908,950	1,908,350
6.4 Movement during the period / year is as follows:			
Opening balance		3,639,286	4,150,000
Repayments during the period / year		-	(510,714)
Closing balance		3,639,286	3,639,286

Notes To The Condensed Interim Consolidated Financial Information

For the first quarter ended March 31, 2017

	Un-audited March 31, 2017	Audited December 31, 2016
	(Rupees '000)	
7. TRADE AND OTHER PAYABLES		
Creditors	9,336,430	4,833,451
Accrued liabilities	3,108,973	3,388,146
Consignment account with		
Fauji Fertilizer Bin Qasim Limited - unsecured	1,112,663	678,110
Deposits	146,658	151,049
Retention money	143,214	169,732
Advances from customers	314,528	337,829
Workers' Welfare Fund	1,155,781	1,114,399
Workers' Profit Participation Fund	44,517	-
Payable to Gratuity Fund	3,892	3,892
Unclaimed dividend	782,081	407,518
Other liabilities	231,197	133,236
	16,379,934	11,217,362
8. MARK-UP AND PROFIT ACCRUED		
On borrowings from conventional banks	548,611	311,465
On borrowings from Islamic banks	88,800	39,610
	637,411	351,075
9. SHORT TERM BORROWINGS		
Short term borrowings - secured		
From conventional banks	13,689,512	19,575,365
From Islamic banks	1,831,002	2,807,160
	15,520,514	22,382,525

Notes To The Condensed Interim Consolidated Financial Information

For the first quarter ended March 31, 2017

	Un-audited March 31, 2017	Audited December 31, 2016
	(Rupees '000)	
10. CONTINGENCIES AND COMMITMENTS		
a) Contingencies		
i) Guarantees issued by banks on behalf of the Group companies	15,010	15,010
ii) Claims against FFC and/or potential exposure not acknowledged as debt	50,696	50,696
iii) Group's share of contingencies in Fauji Fertilizer Bin Qasim Limited	25,384,504	25,675,042
iv) Group's share of contingencies in Fauji Cement Company Limited as at December 31, 2016	150,870	12,715
v) Group's share of contingencies in Askari Bank Limited as at December 31, 2016	101,248,858	76,426,113
vi) The Competition Commission of Pakistan has imposed a penalty of Rs 5.5 billion on FFC for alleged unreasonable increase in urea prices during the year 2011. However, the fact remains that price increase was essentially caused by extended gas curtailment and delayed urea imports by the Government of Pakistan resulting in product shortage leading to market imbalance and price hike. FFC has filed an appeal against the above penalty before the Competition Appellate Tribunal. Based on legal advice from FFC's legal advisor, the FFC is confident that there are reasonable grounds for a favorable decision.		

	Note	Un-audited March 31, 2017	Audited December 31, 2016
		(Rupees '000)	
b) Commitments in respect of:			
i) Capital expenditure		2,822,480	1,506,491
ii) Purchase of fertilizer, stores, spares and other operational items		5,108,372	2,442,592
iii) Group's share of commitments of PMP as at December 31, 2016		7,718	2,798
iv) Rentals under lease agreements:			
Premises		482,588	450,260
Vehicles		74,611	75,010
11. PROPERTY, PLANT AND EQUIPMENT			
Opening written down value		34,295,455	35,228,277
Additions during the period / year	11.1	596,793	2,074,876
Written down value of disposals / adjustments		(299,320)	(7,571)
Depreciation during the period / year	11.1 & 11.2	(763,763)	(3,000,127)
		<u>33,829,165</u>	<u>34,295,455</u>

11.1 Additions in and depreciation on property, plant and equipment during the period ended March 31, 2016 were Rs 760,434 thousand and Rs 724,670 thousand respectively.

	Note	Un-audited March 31, 2017	Audited December 31, 2016
		(Rupees '000)	
11.2 Depreciation charge has been allocated as follows:			
Cost of sales		741,220	2,904,060
Distribution cost		17,301	77,567
Other expenses		440	1,511
Charged to FFBL under Inter Company Services Agreement		4,802	16,989
	11	<u>763,763</u>	<u>3,000,127</u>

Notes To The Condensed Interim Consolidated Financial Information

For the first quarter ended March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
12. LONG TERM INVESTMENTS			
Equity accounted investments	12.1	40,566,281	40,808,123
Other long term investments	12.2	7,215,616	7,255,768
		47,781,897	48,063,891
12.1 Equity accounted investments			
Investment in associated companies - under equity method			
Fauji Fertilizer Bin Qasim Limited			
Balance at the beginning		19,735,481	20,787,172
Share of (loss) / profit for the period / year		(230,816)	451,880
Share of OCI for the period / year		(124,854)	238,528
Acquisition of non controlling interest by associate		-	(321,129)
Dividend received		(232,946)	(1,420,970)
		19,146,865	19,735,481
Askari Bank Limited			
Balance at the beginning		17,148,611	14,541,280
Share of profit for the period / year		441,030	2,244,891
Share of OCI for the period / year		(200,971)	1,042,150
Dividend received		-	(679,710)
		17,388,670	17,148,611
Fauji Cement Company Limited			
Balance at the beginning		2,063,119	1,896,273
Share of profit for the period / year		47,125	330,909
Share of OCI for the period / year		-	-
Dividend received		-	(164,063)
		2,110,244	2,063,119
Investment in joint venture - under equity method			
Pakistan Maroc Phosphore S.A., Morocco			
Balance at the beginning		1,860,912	1,548,341
Share of profit for the period / year		69,773	312,571
Loss on translation of net assets		(10,183)	-
		1,920,502	1,860,912
		40,566,281	40,808,123
12.2 Other long term investments			
Investment available for sale			
Term Deposit Receipts - from conventional banks		104,303	96,138
Pakistan Investment Bonds		7,653,847	7,701,536
		7,758,150	7,797,674
Less: Current portion shown under short term investments			
Investments available for sale			
Term Deposit Receipts		35,125	27,515
Pakistan Investment Bonds		507,409	514,391
	18	542,534	541,906
		7,215,616	7,255,768

Notes To The Condensed Interim Consolidated Financial Information

For the first quarter ended March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
		(Rupees '000)	
13. LONG TERM LOANS AND ADVANCES			
Loans and advances - considered good:			
Interest bearing		564,263	709,994
Non-interest bearing		694,456	559,740
		1,258,719	1,269,734
Less: Amount due within twelve months, shown under current loans and advances			
Interest bearing		137,200	134,246
Non-interest bearing		204,503	201,338
	15	341,703	335,584
		917,016	934,150
14. LONG TERM DEPOSITS AND PREPAYMENTS			
Non-interest bearing deposits		28,406	27,886
Prepayments		1,227	1,597
		29,633	29,483
15. LOANS AND ADVANCES			
Current portion of long term loans and advances	13	341,703	335,584
Loans and advances to employees - unsecured - considered good non-interest bearing		102,167	54,497
Advances to suppliers - considered good		155,590	209,529
		599,460	599,610
16. DEPOSITS AND PREPAYMENTS			
Non-interest bearing deposits		12,964	944
Prepayments		186,043	57,172
		199,007	58,116
17. OTHER RECEIVABLES			
Accrued income on investments and bank deposits			
From conventional banks		191,880	398,301
From Islamic banks		473	508
Sales tax receivable - net		2,554,281	1,178,253
Sales tax receivable related to Pak Saudi Fertilizers Limited		42,486	42,486
Advance tax		358,695	358,293
Subsidy receivable from Government agencies		4,865,666	5,072,534
Receivable from Workers' Profit Participation Fund - unsecured		-	108,194
Receivable from Fauji Fertilizer Bin Qasim Limited - unsecured		42,085	39,203
Due from Gratuity Fund		168,961	80,450
Due from Pension Fund		353,740	286,778
Other receivables			
considered good		410,451	130,987
considered doubtful		2,232	2,232
Provision for doubtful receivables		(2,232)	(2,232)
		410,451	130,987
		8,988,718	7,695,987

Notes To The Condensed Interim Consolidated Financial Information

For the first quarter ended March 31, 2017

	Note	Un-audited March 31, 2017	Audited December 31, 2016
(Rupees '000)			
18. SHORT TERM INVESTMENTS			
Loans and receivables - Conventional investments			
Term deposits with banks and financial institutions			
Local currency		4,761,930	12,405,762
Foreign currency		1,427,984	1,420,224
Investments at fair value through profit or loss			
Conventional investments		1,005,382	702,344
Shariah compliant investments		232,978	428,413
Current maturity of long term investments			
Investments available for sale	12.2	542,534	541,906
		7,970,808	15,498,649
19. CASH AND BANK BALANCES			
At banks			
Local Currency			
Current Account - Conventional banking		36,269	125,720
Deposit Account - Conventional banking	19.2	487,281	391,022
Deposit Account - Islamic banking	19.3	3,878	28,816
		527,428	545,558
Foreign Currency			
Deposit Account		112	1,198
Cash in transit	19.4	506,455	2,150,877
Cash in hand		3,319	1,595
		1,037,314	2,699,228
19.1	Balances with banks include Rs 118,741 thousand (2016: Rs 110,147 thousand) in respect of security deposits received.		
19.2	Balances with conventional banks carry mark-up ranging from 3.50% to 5.25% (2016: 3.50% to 5.25%) per annum.		
19.3	Balances with Islamic banks carry profit ranging from 1.65% to 3.20% (2016: 1.65% to 4.00%) per annum.		
19.4	These represent demand drafts in transit at the period / year end.		

Notes To The Condensed Interim Consolidated Financial Information (Un-audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees '000)	
20. SALES		
Fertilizers	11,190,349	11,645,996
Power	318,841	315,771
Food	54,154	2,140
	11,563,344	11,963,907
21. COST OF SALES		
Raw materials consumed	6,458,601	7,342,341
Fuel and power	2,224,082	2,154,456
Chemicals and supplies	81,895	86,387
Salaries, wages and benefits	1,623,186	1,542,732
Training and employees welfare	178,949	187,461
Rent, rates and taxes	4,613	4,289
Insurance	48,075	66,414
Travel and conveyance	90,828	69,432
Repairs and maintenance	266,922	620,194
Depreciation and amortization	741,247	701,425
Communication and other expenses	314,434	334,691
	12,032,832	13,109,822
Opening stock - work in process	96,785	106,097
Closing stock - work in process	(112,050)	(100,800)
	(15,265)	5,297
Cost of goods manufactured	12,017,567	13,115,119
Opening stock - manufactured	3,740,503	2,200,017
Closing stock - manufactured	(8,514,499)	(7,208,831)
	(4,773,996)	(5,008,814)
Cost of sales - manufactured fertilizers	7,243,571	8,106,305
Opening stock - purchased	375,050	2,756,037
Purchase of products for resale	1,559,339	-
	1,934,389	2,756,037
Closing stock - purchased	(234,164)	(1,898,861)
Cost of sales - purchased	1,700,225	857,176
	8,943,796	8,963,481

Notes To The Condensed Interim Consolidated Financial Information (Un-Audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees '000)	
22. FINANCE COST		
Mark-up on long term borrowings		
Conventional banking	500,289	508,396
Islamic banking	57,202	70,184
	557,491	578,580
Mark-up on short term borrowings		
Conventional banking	151,056	188,423
Islamic banking	15,264	21,573
	166,320	209,996
Exchange loss	7,975	5,250
Bank and other charges	15,030	12,097
	746,816	805,923
23. OTHER EXPENSES		
Research and development	114,762	122,961
Workers' Profit Participation Fund	152,711	179,439
Workers' Welfare Fund	41,382	70,546
	308,855	372,946
24. OTHER INCOME		
Income from sales under Government subsidy	1,408,870	144,790
Income from financial assets		
Income on loans, deposits and investments		
Placements with conventional banks	287,020	315,684
Placements with Islamic banks	122	1,390
Gain on re-measurement of investments placed		
Placements with conventional banks	16,017	10,000
Placements with Islamic banks	4,414	2,925
Dividend income	-	-
Exchange gain on foreign currency	9,283	(433)
Income from non-financial assets		
(Loss) / gain on disposal of property, plant and equipment	(4,653)	9,426
Commission on sale of FFBL products	4,217	2,119
Other income		
Scrap sales	21,212	1,362
Others	9,194	6,211
	1,755,696	493,474

Notes To The Condensed Interim Consolidated Financial Information (Un-Audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
25. EARNINGS PER SHARE		
Net profit after tax (Rupees '000)	1,175,595	769,415
Weighted average number of shares in issue during the period (Number '000)	1,272,238	1,272,238
Basic and diluted earnings per share (Rupees)	0.92	0.60

26. SEGMENT INFORMATION

The detail of utilization of the Company assets by the segments as well as related liabilities is as follows;

	Reportable segments			
	Fertilizers	Power	Food	Total
	(Rupees '000)			
March 31, 2017 (Un-audited)				
Assets				
Segment assets (Total)	63,222,343	12,358,880	3,722,962	79,304,185
Equity accounted investees	40,566,281	-	-	40,566,281
Liabilities				
Segment liabilities (Total)	60,633,838	7,879,055	2,639,403	71,152,296
Capital expenditure	552,919	18,034	25,840	596,793
Depreciation	544,890	150,062	68,811	763,763
December 31, 2016 (Audited)				
Assets				
Segment assets (Total)	67,979,320	12,266,626	3,599,404	83,845,350
Equity accounted investees	40,808,123	-	-	40,808,123
Liabilities				
Segment liabilities (Total)	63,689,119	7,251,292	2,347,231	73,287,642
Capital expenditure	1,985,368	11,265	78,243	2,074,876
Depreciation	2,126,767	608,682	264,678	3,000,127

Notes To The Condensed Interim Consolidated Financial Information (Un-audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees '000)	
27. CASH GENERATED FROM OPERATIONS		
Net profit before taxation	1,847,455	1,473,820
Adjustments for:		
Depreciation	758,521	724,670
Amortization	4,041	2,305
Finance cost	746,816	805,923
Income on loans, deposits and investments	(287,142)	(317,074)
Share of profit of associates and joint venture	(282,612)	(723,088)
Loss / (gain) on sale of property, plant and equipment	4,653	(9,426)
Exchange (gain) / loss - net	(9,283)	433
Gain on remeasurement of investments at fair value through profit or loss	(4,414)	(12,925)
Government subsidy on sale of fertilizer	(1,408,870)	(144,790)
	(478,290)	326,028
	1,369,165	1,799,848
Changes in working capital		
Decrease / (increase) in current assets:		
Stores and spares	(137,235)	79,868
Stock in trade	(4,671,790)	(4,203,672)
Trade debts	1,067,942	(288,551)
Loans and advances	150	(88,686)
Deposits and prepayments	(140,891)	(186,352)
Other receivables	(1,700,813)	(197,858)
Increase / (decrease) in current liabilities:		
Trade and other payables	4,788,009	(640,452)
	(794,628)	(5,525,703)
Changes in long term loans and advances	17,134	(52,561)
Changes in long term deposits and prepayments	(150)	238
Changes in deferred liabilities	(159,895)	-
Change in liability under finance lease	641	641
	432,267	(3,777,537)

Notes To The Condensed Interim Consolidated Financial Information (Un-audited)

For the first quarter ended March 31, 2017

28. FINANCIAL INSTRUMENTS

Fair value of Financial Instruments

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Group is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

28.1 Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Notes To The Condensed Interim Consolidated Financial Information

For the first quarter ended March 31, 2017

	Carrying Amount			Fair Value					
	Loans and receivables	Available for sale investments	Fair value through profit or loss	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
				(Rupees '000)					
March 31, 2017 (Un-audited)									
Financial assets not measured at fair value									
Non - current assets									
Long term investments	-	7,215,616	-	-	7,215,616	-	7,215,616	-	7,215,616
Long term loans and advances	917,016	-	-	-	917,016	-	-	-	-
Long term deposits	28,406	-	-	-	28,406	-	-	-	-
Current assets									
Trade debts - net of provision	4,004,074	-	-	-	4,004,074	-	-	-	-
Loans and advances	443,870	-	-	-	443,870	-	-	-	-
Deposits	12,964	-	-	-	12,964	-	-	-	-
Other receivables	6,033,256	-	-	-	6,033,256	-	-	-	-
Short term investments	6,189,914	542,534	1,238,360	-	7,970,808	1,238,360	542,534	-	1,780,894
Cash and bank balances	1,037,314	-	-	-	1,037,314	-	-	-	-
	18,666,814	7,758,150	1,238,360	-	27,663,324	1,238,360	7,758,150	-	8,996,510
Financial liabilities not measured at fair value									
Non - current liabilities									
Long term borrowing	-	-	-	23,420,528	23,420,528	-	-	-	-
Current liabilities									
Trade and other payables	-	-	-	14,861,218	14,861,218	-	-	-	-
Mark-up and profit accrued	-	-	-	637,411	637,411	-	-	-	-
Short term borrowings	-	-	-	15,520,514	15,520,514	-	-	-	-
Current portion of long term borrowings	-	-	-	7,984,451	7,984,451	-	-	-	-
	-	-	-	62,424,120	62,424,120	-	-	-	-

Notes To The Condensed Interim Consolidated Financial Information
For the first quarter ended March 31, 2017

December 31, 2016 (Audited)

Financial assets not measured at fair value

Non - current assets

Long term investments
Long term loans and advances
Long term deposits

Current assets

Trade debts - net of provision
Loans and advances
Deposits
Other receivables
Short term investments
Cash and bank balances

Financial liabilities not measured at fair value

Non - current liabilities

Long term borrowings

Current liabilities

Trade and other payables
Mark-up and profit accrued
Short term borrowings
Current portion of long term borrowings

Carrying Amount			Fair Value					
Loans and receivables	Available for sale investments	Fair value through profit or loss	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees '000)								
-	7,255,768	-	-	7,255,768	-	7,255,768	-	7,255,768
934,150	-	-	-	934,150	-	-	-	-
27,886	-	-	-	27,886	-	-	-	-
5,072,016	-	-	-	5,072,016	-	-	-	-
390,081	-	-	-	390,081	-	-	-	-
944	-	-	-	944	-	-	-	-
6,116,955	-	-	-	6,116,955	-	-	-	-
13,825,986	541,906	1,130,757	-	15,498,649	1,130,757	541,906	-	1,672,663
2,699,228	-	-	-	2,699,228	-	-	-	-
29,067,246	7,797,674	1,130,757	-	37,995,677	1,130,757	7,797,674	-	8,928,431
-	-	-	24,012,599	24,012,599	-	-	-	-
-	-	-	9,761,242	9,761,242	-	-	-	-
-	-	-	351,075	351,075	-	-	-	-
-	-	-	22,382,525	22,382,525	-	-	-	-
-	-	-	7,964,843	7,964,843	-	-	-	-
-	-	-	64,472,284	64,472,284	-	-	-	-

Notes To The Condensed Interim Consolidated Financial Information (Un-audited)

For the first quarter ended March 31, 2017

	March 31, 2017	March 31, 2016
	(Rupees '000)	
29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES		
Significant transactions and balances with the related parties are as follows:		
Associated undertakings / companies due to common directorship		
Expenses charged on account of marketing of fertilizer on behalf of associated company	297,212	171,310
Commission on sale of products	4,217	2,119
Payment under consignment account	14,070,098	4,666,755
Purchase of gas as feed and fuel stock	4,895,576	11,110,466
Donation	30,789	64,066
Others	116	214
Dividend income	1,048,598	2,264,743
Dividends paid	1,551,653	1,929,692
Dividend receivable *	815,652	144,661
Short term investment *	1,354,820	1,654,820
Long term investment *	104,303	96,138
Short term borrowing *	805,561	730,698
Long term borrowing *	670,929	670,929
Bank balance *	29,037	151,737
Running finance *	-	50,417
Balance receivable *	49,185	47,171
Balance payable *	10,774,663	5,565,853
Key management personnel		
Remuneration including benefits and perquisites of Chief Executives and Executives, No. of persons 2017: 1 and 948 (2016: 1 and 921)	1,485,266	1,387,539
Contribution and balances with staff retirement funds		
Employees' Provident Fund Trust	97,411	95,463
Employees' Gratuity Fund Trust	118,014	278,084
Employees' Pension Fund Trust	89,283	97,701
Employees' Funds as Dividend on equity holding of 0.07% (2016: 0.27%)	2,416	30,640
Balance receivable from Gratuity Fund Trust *	168,961	80,450
Balance receivable from Pension Fund Trust *	353,740	286,778

* Comparative figures of receivable / payable balances are as of December 31, 2016.

Notes To The Condensed Interim Consolidated Financial Information (Un-audited)
For the first quarter ended March 31, 2017

30. POST BALANCE SHEET EVENT

The Board of Directors of FFC in its meeting held on April 26, 2017 proposed first interim dividend of Rs 1.50 per share.

31. GENERAL

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


31.2 This condensed interim consolidated financial information has been authorized for issue by the Board of Directors of FFC on April 26, 2017.



Chairman



Chief Executive



Director

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