



engro corp

together, we rise

Second Quarter Accounts 2017





engro corp

Engro's investments in agriculture, foods, energy and petrochemicals are designed to take advantage of Pakistan's economic needs.

About Us

Engro Corporation Limited is one of Pakistan's largest conglomerates with the company's business portfolio spanning across sectors including chemical fertilizers, PVC resin, a bulk liquid chemical terminal, foods, power generation and commodity trade. At Engro, our ambition is to become the premier Pakistani enterprise with a global reach.

The management team at Engro is responsible for conceptualizing and articulating goals that bring our people together in pursuit of our objectives. It leads the company with a firm commitment to the values and spirit of Engro. In our journey to become a profitable, growth-oriented and sustainable company, our management structure has evolved to create a more transparent and accessible organization.

Our growth is driven by our people. Our culture is dynamic and energetic, with emphasis on our core values and loyalty of our employees. Our work environment promotes leadership, integrity, teamwork, diversity and excellence.

Our History

Today, Engro is one of Pakistan's most progressive, growth oriented organizations, managed under a holding structure that works towards better managing and oversight of subsidiaries and affiliates that are part of Engro's capital investments in Pakistan.

The company is also defined by its history, which reflects a rich legacy of innovation and growth. The seeds for the company were sown following the discovery of the Mari gas field by Esso / Mobil in 1957. Esso proposed the establishment of a urea plant, and the Esso Pakistan Fertilizer Company Limited was established in 1965 and began production in 1968. At US \$43 million with an annual production capacity of 173,000 tons, this was the single largest

foreign investment by a multinational corporation in Pakistan at the time. As the nation's first fertilizer brand, the company also pioneered the education of farmers in Pakistan, helping to modernize traditional farming practices to boost farm yields, directly impacting the quality of life for farmers and the nation.

In 1978, Esso was renamed Exxon globally, and the company became Exxon Chemical Pakistan Limited. The business continued to prosper as it relentlessly pursued productivity gains and strived to attain professional excellence.

In 1991, following a decision by Exxon to divest its fertilizer business on a global basis, the employees of Exxon Chemical Pakistan Limited decided to buy out Exxon's share. This was, and perhaps still is, the most successful employee buy-out in the corporate history of Pakistan. Renamed Engro Chemical Pakistan Limited, the company continued to go from strength to strength, reflected in its consistent financial performance, growth and diversification.

In 2009 a decision was made to demerge the fertilizer business into an independent operating company to ensure undivided focus on the business's expansion and growth. In the best interests of a multi category business, expansion strategy and growth vision, the management decided that the various businesses would be better served if the company was converted to a holding company; Engro Corporation Limited.

From its inception as Esso Pakistan Fertilizer Company Limited in 1965 to Engro Corporation Limited in 2010, Engro has come a long way and will continue working towards its vision of becoming a premier Pakistani company with a global reach.

Engro Corporation Limited

Engro Corporation Limited is a holding company, created following the conversion of Engro Chemical Pakistan Limited on January 1, 2010. Engro Corp is one of Pakistan's largest conglomerates with the company's business portfolio spanning across sectors including chemical fertilizers, PVC resin, bulk liquid terminal, LNG terminal, foods processing and power generation.

Engro Fertilizers Limited

Engro Fertilizers Limited is a 56% owned subsidiary of Engro Corporation – is a premier fertilizer manufacturing and marketing company having a portfolio of fertilizer products with significant focus on balanced crop nutrition and increased yield. As one of the 50 largest fertilizer manufacturers of the world we have close to 5 decades of operations as a world class facility with a wide range of fertilizer brands, besides urea, which include some of the most trusted brand names by Pakistani farmers. These include brands like Engro Zarkhez, Zingro, Engro DAP and Envy amongst others.

Engro Foods Limited

Engro Foods Limited is an 40% owned associated company engaged in the manufacturing, processing and marketing of dairy products, frozen desserts and fruit drinks. The business owns two milk processing plants in Sukkur and Sahiwal and operates a dairy farm in Nara, Sindh. In its continued efforts to 'elevate consumer delight worldwide', the business has established several brands that have already become household names in Pakistan such as Olper's (UHT milk, low-fat milk, cream, desi ghee, lassi and flavored drinks), Omoré (frozen desserts), Tarang (tea whitener) and Dairy Omung (UHT dairy liquid and dessert cream).

Engro Polymer & Chemicals Limited

Engro Polymer & Chemicals Limited-a 56% owned subsidiary of Engro – is the only fully integrated chlor-vinyl chemical complex in Pakistan and produces poly-vinyl chloride, caustic soda, sodium hypochlorite, hydrochloric acid and other chlorine by-products. The business was setup as a state-of-the-art plant in 1997, as a 50:50 joint venture, with Mitsubishi and Asahi Glass with Asahi subsequently divesting its shareholding in 2006.

Engro Eximp Agri Products (Private) Limited

Engro Eximp Agriproducts is a wholly owned subsidiary of the holding company and it manages the procurement, processing and marketing of rice. The company owns and operates a state-of-the-art paddy processing plant near Muridke and has an installed capacity of 144KT.

Engro Powergen Limited

Engro Powergen Limited is a wholly owned subsidiary of Engro Corporation and it owns and operates Engro Powergen Qadirpur Limited, a 224 megawatt power plant and the group's first initiative in the power sector of Pakistan. Engro Powergen Qadirpur Limited was listed on the Karachi Stock Exchange in October 2014 where 25% of the shares were offered to the public. As of now Engro Powergen Qadirpur Limited is 69% owned by Engro Powergen whereas the remainder is owned by International Finance Corporation (IFC) and employees.

Engro Powergen Limited is also involved in the Thar Coal project. The project envisages a coal mine under Sindh Engro Coal Mining Company (SECMC) and development of two 330 MW mine mouth power plants under Engro Powergen Thar Limited (EPTL) in the first phase. SECMC is a joint venture company formed in 2009 between the Government of Sindh (GoS) and Engro PowerGen Limited (EPL) & Affiliates. SECMC's shareholders include Government of Sindh, Engro Powergen Ltd, Thal Limited, Habib Bank Ltd, CMEC Thar Mining Investment Limited, Huolinhe Open Pit Coal Investment Company Limited and Hub Power Company Limited (HUBCO). The Sindh Coal Authority has awarded a 95.5 square kilometer area of the coalfield, known as Block II, to SECMC for exploration and development of coal deposits. Within this block, there is an estimated amount of exploitable lignite coal reserves of 1.57 billion tons. In 2010, SECMC completed the Bankable Feasibility Study (BFS) for Thar Block II Coal Mining Project by engaging internationally renowned consultants such as RWE-Germany, Sinocoal-China, SRK-UK and HBP Pakistan, meeting all national / international standards. The first phase of the Project is underway, as financial close of both the power and mining projects was achieved during first half 2016.

Engro Vopak Terminal Limited

Engro Vopak is a joint venture with Royal Vopak of the Netherlands – the world’s largest bulk liquid chemical handling company. The business is engaged in handling, storage and regasification of liquid & gaseous chemicals, Liquefied Petroleum Gas (LPG), petrochemicals and bio-fuels. Engro Vopak’s terminal is Pakistan’s first cryogenic facility that handles 70% of all liquid chemical imports into Pakistan including Paraxylene (PX), Acetic Acid (AA), Vinyl Chloride Monomer (VCM), Ethylene Dichloride (EDC), Mono Ethylene Glycol (MEG), Ethylene along with Phosphoric Acid (PA) imports, which are pumped directly to customer’s facilities.

Elengy Terminal Pakistan Limited

Elengy Terminal Pakistan Limited (ETPL) is an 80% owned subsidiary of Engro Corporation. The company won the contract to handle liquefied natural gas (LNG) and thereafter acquired FSRU vessel on lease from a US-based company - Excelebrate Energy. Engro Elengy Terminal Limited, a wholly owned subsidiary of ETPL, set up the first state of the art LNG terminal, at Port Qasim. The terminal – which is also one of the most cost efficient terminals in the region – has the capacity for regasification of up to 600 mmcf/d.

directors' report

Macroeconomic Environment

Pakistan's growth is expected to increase to 5.2% in FY 2017 and remain strong over the horizon, reflecting an upturn in private investment, increased energy supply, and improved security. Inflation has remained under control and monetary policy has been broadly consistent. Increased political or geopolitical tensions and significant changes in the regulatory environment could pose obstacles to economic and financial activity, holding back investment and business confidence.

Business Review

On a consolidated basis, Engro Corporation recorded revenue of PKR 52,241 million in 1H'17, a 22% decrease from 1H'16, which was primarily caused by partial divestment of Engro Foods at the end of 2016. Strong performance by the fertilizers and petrochemicals businesses due to improvement in market fundamentals and continued stable performance by power and terminal services have augmented the overall profitability. The profit-after-tax (PAT) from continuing operations (i.e. excluding Efoods) increased from PKR 4,950 million to PKR 6,717 million – up by 36%. Profit attributable to shareholders reduced from PKR 5,519 million in 1H'16 to PKR 3,777 million in 1H'17 mainly due to partial divestment of fertilizers and foods businesses last year coupled with certain adverse changes in the tax regime.

A brief review of significant business segments is as follows:

Engro Fertilizer

Fertilizer business revenues grew by 23% whilst its PAT for the 1H'17 stood at PKR 4,116 million – up 46%. Higher profitability was led by exports of 87 KT of urea and higher urea offtake in anticipation of subsidy reduction and gas pricing in line with the industry.

Engro Petrochemicals

A robust performance of the petrochemicals segment, mainly on account of healthy PVC – Ethylene core delta, and manufacturing efficiencies contributed towards the profitability. During 1H'17, the business recorded revenue of PKR 13,045 million – up by 17% and posted PAT of PKR 1,046 million versus PKR 40 million for the comparative period. On the production side, the business maintained operational excellence and achieved highest ever PVC & VCM production for first half of the year.

Engro Coal Mining and Power Generation

Thar Coal Mining Project: Project progress remained ahead of plan as of June 30, 2017. Full scale dewatering operations began in April and as at end of the period ~4.4 million cubic meters has been discharged. The project firmed up its expansion plans by entering into new Coal Supply Agreements. A feasibility study for the expansion of the mine was also completed.

Thar Power Project: Progress on all project fronts continued at a steady pace. Engineering progress is ahead of schedule. On site, steel structure erection of both Boiler units and Main Hall is in progress.

Qadirpur Power Plant: It dispatched a total Net Electrical Output of 872 GwH to the national grid. The business earned a PAT of PKR 1,546 million during 1H'17 as compared to PKR 1,245 million for the comparative period.

Terminal Operations

During the period, SSGC started utilizing additional 200 mmscfd of LNG regasification capacity from January 2017. The LNG terminal handled 34 cargoes of LNG during 1H'17 vs. 20 cargoes during comparative period and delivered 100.9 bcf re-gasified LNG into the SSGC network. Availability remained at 97.2% during the period. Profitability continued to be healthy.

During the period, Engro Vopak Terminal recorded an increase of 8% in volumes handled for chemicals and LPG as compared to the same period last year. Market share of LPG imports has increased to 56% from 54% in 2016. Business remained stable throughout the period and posted steady profit.

Business Outlook

Engro Corporation will continue to explore investment opportunities across all sectors focusing on improving shareholder value by increasing and diversifying revenue and customer base, investment in new technology and production efficiencies.

Engro Fertilizer

Domestic urea market is expected to remain suppressed in the ongoing quarter due to carry over of channel inventories from 2Q 2017. However, the extension in export deadline and increase in export quantity should provide some relief to fertilizer manufacturers.

International DAP prices are expected to remain under pressure due to lower than average demand from the major demand centers.

Engro Petrochemicals

International PVC and ethylene prices will remain dependent on global economic sentiment, supply and demand dynamics. Domestic market for PVC is expected to remain strong while the Caustic market is projected to remain stable. The business will continue to focus on optimizing and achieving operational excellence.

Engro Coal Mining and Power Generation

Engro remains on the forefront to help alleviate the energy crisis in the country and further strengthen our energy growth vertical. We continue to seek new opportunities in energy sector around the world in partnership with international players to utilize Engro's unique engineering and project management skillset. In partnership with Government, the Thar mining and power projects are expected to remain on track for completion in next two years.

Engro Terminal Operations

The LNG terminal is expected to continue its positive role in alleviating some of the energy shortage faced by the country. Chemical industry has been stable and the Engro Vopak terminal looks forward to retaining its market share, along with availing expansion opportunities in the LPG, chemicals and fuel distribution sectors.



Ghias Khan
Chief Executive Officer



Hussain Dawood
Chairman

Auditors' Report To The Members On Review Of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Engro Corporation Limited as at June 30, 2017 and the related condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

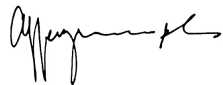
The figures of the condensed interim statement of the comprehensive income for the quarters ended June 30, 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2017.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended June 30, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Chartered Accountants
Karachi
Date: 29th August 2017

Engagement Partner: Waqas A. Sheikh

condensed interim balance sheet as at june 30, 2017

(Amounts in thousand)

Note (Unaudited) (Audited)
June 30, December 31,
2017 2016
------(Rupees)-----

ASSETS

Non-current assets

Property, plant and equipment	5	194,099	154,340
Intangible assets		10,572	12,629
Long term investments	6	21,171,987	21,171,987
Long term loans and advances		3,019,305	3,020,625
Deferred taxation		891	2,227
		<u>24,396,854</u>	<u>24,361,808</u>

Current assets

Loans, advances, deposits and prepayments	7	955,576	3,880,760
Other receivables		582,913	460,646
Accrued interest / mark-up		621,295	404,664
Taxes recoverable		74,012	-
Short term investments	8	63,760,040	60,871,369
Cash and bank balances		390,226	1,052,608
		<u>66,384,062</u>	<u>66,670,047</u>

TOTAL ASSETS

EQUITY & LIABILITIES

Equity

Share capital		5,237,848	5,237,848
Share premium		13,068,232	13,068,232
General reserve		4,429,240	4,429,240
Remeasurement of post employment benefits - Actuarial loss		(2,262)	(2,262)
Unappropriated profit		60,698,023	61,307,059
Total equity		<u>83,431,081</u>	<u>84,040,117</u>

Liabilities

Non-current liabilities

Retirement and other service benefit obligations		19,146	24,466
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Current liabilities

Trade and other payables		686,983	2,248,235
Provisions	10	2,167,736	-
Taxes payable		-	268,794
Borrowings		3,993,340	3,983,839
Accrued interest / mark-up		246,015	250,279
Unclaimed dividends		236,615	216,125
		<u>7,330,689</u>	<u>6,967,272</u>
Total liabilities		<u>7,349,835</u>	<u>6,991,738</u>

Contingencies and Commitments

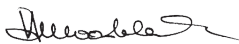
TOTAL EQUITY & LIABILITIES

		<u>90,780,916</u>	<u>91,031,855</u>
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The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

condensed interim statement of comprehensive income (unaudited) for the half year ended June 30, 2017

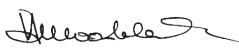
(Amounts in thousand except for (loss) / earnings per share)

	Note	Quarter ended		Half year ended	
		June 30, 2017	June 30 2016	June 30, 2017	June 30, 2016
-----Rupees-----					
Dividend income		225,000	180,000	5,479,040	3,595,524
Royalty income		216,203	112,742	349,460	246,982
		441,203	292,742	5,828,500	3,842,506
Administrative expenses		(360,662)	(407,103)	(506,297)	(550,911)
		80,541	(114,361)	5,322,203	3,291,595
Other income		1,101,778	16,323,231	2,152,429	16,630,583
Other operating expenses		(2,858)	(380)	(2,980)	(1,287)
Operating profit		1,179,461	16,208,490	7,471,652	19,920,891
Finance cost		(143,662)	(134,775)	(277,355)	(281,568)
Profit before taxation		1,035,799	16,073,715	7,194,297	19,639,323
Taxation	10	(2,230,714)	(204,255)	(3,089,268)	(299,851)
Profit / (Loss) for the period		(1,194,915)	15,869,460	4,105,029	19,339,472
Other comprehensive income for the period		-	-	-	-
Total comprehensive income / (loss) for the period		(1,194,915)	15,869,460	4,105,029	19,339,472
Earnings / (Loss) per share - basic and diluted	11	(2.28)	30.30	7.84	36.92

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

condensed interim statement of changes in equity (unaudited) for the half year ended june 30, 2017

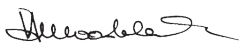
(Amounts in thousand)

	Capital Reserve		Revenue Reserves			Total
	Share capital	Share premium	General reserve	Remeasurement of post employment benefits - Actuarial gain / loss	Unappropriated profit	
Balance as at January 01, 2016 (audited)	5,237,848	13,068,232	4,429,240	(5,203)	13,585,382	36,315,499
Total comprehensive income for the half year ended June 30, 2016	-	-	-	-	19,339,472	19,339,472
Transactions with owners						
Final cash dividend for the year ended December 31, 2015 @ Rs. 7.00 per share	-	-	-	-	(3,666,493)	(3,666,493)
First interim cash dividend for the year ended December 31, 2016 @ Rs. 5.00 per share	-	-	-	-	(2,618,925)	(2,618,925)
Balance as at June 30, 2016 (Unaudited)	5,237,848	13,068,232	4,429,240	(5,203)	26,639,436	49,369,553
Total comprehensive income for the half year ended December 31, 2016	-	-	-	2,941	42,524,396	42,527,337
Transactions with owners						
Interim cash dividends for the year ended December 31, 2016:						
- 2nd interim @ Rs.7.00 per share	-	-	-	-	(3,666,495)	(3,666,495)
- 3rd interim @ Rs.8.00 per share	-	-	-	-	(4,190,278)	(4,190,278)
Balance as at December 31, 2016 (audited)	5,237,848	13,068,232	4,429,240	(2,262)	61,307,059	84,040,117
Total comprehensive income for the half year ended June 30, 2017	-	-	-	-	4,105,029	4,105,029
Final cash dividend for the year ended December 31, 2016 @ Rs.4.00 per share	-	-	-	-	(2,095,140)	(2,095,140)
First interim cash dividend for the year ending December 31, 2017 @ Rs.5.00 per share	-	-	-	-	(2,618,925)	(2,618,925)
Balance as at June 30, 2017 (unaudited)	5,237,848	13,068,232	4,429,240	(2,262)	60,698,023	83,431,081

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

condensed interim statement of cash flows (unaudited) for the half year ended june 30, 2017

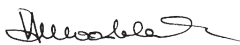
(Amounts in thousand)

	Note	Half Year ended	
		June 30, 2017	June 30, 2016
		------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash utilized in operations	12	(2,111,656)	(922,913)
Royalty received		280,606	231,607
Taxes paid		(1,263,002)	(230,162)
Retirement and other service benefits paid		(33,625)	(5,882)
Long term loans and advances - net		1,320	1,197
Net cash utilized in operating activities		(3,126,357)	(926,153)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received		5,479,040	3,595,524
Income on deposits / other financial assets including income earned on subordinated loan to subsidiaries		1,783,192	559,854
Purchase of term finance certificates from subsidiary company		(3,560,000)	-
Proceeds from disposal of investment in subsidiary company		-	19,457,422
Loans granted to subsidiary companies		(600,000)	(5,660,352)
Repayment of loan by subsidiary companies		3,560,000	10,582,024
Purchase of Treasury bills and Fixed income placements		(24,521,808)	(7,676,668)
Proceeds from sale of Treasury bills and Fixed income placements		37,870,394	7,420,592
Purchases of property, plant and equipment		(56,910)	(27,454)
Sale proceeds on disposal of property, plant and equipment		167	390
Net cash generated from investing activities		19,954,075	28,251,332
CASH FLOWS FROM FINANCING ACTIVITIES			
Financial charges paid		(272,118)	(276,083)
Dividends paid		(4,693,574)	(6,290,332)
Net cash utilized in financing activities		(4,965,692)	(6,566,415)
Net increase in cash and cash equivalents		11,862,026	20,758,764
Cash and cash equivalents at beginning of the period		24,213,198	399,510
Cash and cash equivalents at end of the period	13	36,075,224	21,158,274

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

notes to the condensed interim financial information (unaudited) for the half year ended june 30, 2017

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

Engro Corporation Limited (the Company), is a public listed company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The Company is a subsidiary of Dawood Hercules Corporation Limited (the Parent Company). The principal activity of the Company, is to manage investments in subsidiary companies, associated companies and joint venture, engaged in fertilizers, PVC resin manufacturing and marketing, food, energy, LNG and chemical terminal and storage businesses. The Company's registered office is situated at 7th & 8th floors, The Harbour Front Building, HC # 3, Block 4, Marine Drive, Clifton, Karachi.

2. BASIS OF PREPARATION

This condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provision of or directives issued under the Ordinance, have been followed. The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as clarified by the Securities and Exchange Commission of Pakistan (SECP) vide its press release dated July 20, 2017, this condensed interim financial information has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984. This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2016. This condensed interim financial information represents the condensed interim financial information of the Company on a standalone basis. The consolidated condensed interim financial information of the Company and its subsidiary companies are presented separately.

3. ACCOUNTING POLICIES

- 3.1 The significant accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of annual financial statements of the Company for the year ended December 31, 2016.
- 3.2 There are certain new International Financial Reporting Standards (IFRS), amendments and interpretations to published IFRS that are mandatory for the financial year beginning on January 1, 2017. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.
- 3.3 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

(Amounts in thousand)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. During the preparation of this condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that apply to the financial statements of the Company for the year ended December 31, 2016.

5. PROPERTY, PLANT AND EQUIPMENT

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	------(Rupees)-----	
Operating assets (note 5.1)	119,591	94,597
Capital work-in-progress (note 5.2)	74,508	59,743
	<u>194,099</u>	<u>154,340</u>

5.1 Additions to operating assets during the period / year amounted to Rs. 42,145 (December 31, 2016: Rs. 73,563). Operating assets costing Rs. 783 (December 31, 2016: Rs. 6,381) having a net book value of Rs. 409 (December 31, 2016: Rs. 1,905), were disposed off during the period / year for Rs. 167 (December 31, 2016: Rs. 1,577).

5.2 This mainly represents advance paid to suppliers for purchase of operating assets.

6. LONG TERM INVESTMENTS

Engro Fertilizers Limited (EFert), a subsidiary company, had availed a loan of USD 30,000 from the International Finance Corporation (IFC), divided into (i) 30% convertible loan on its shares at Rs. 24 per ordinary share, calculated at the US Dollar to Pakistan Rupee exchange rate prevailing on the business day prior to the date of the notice issued by IFC to exercise the conversion option; and (ii) 70% non-convertible loan. Until December 31, 2016, IFC had partially exercised its option on loan amounting to USD 8,000 and 33,132,292 ordinary shares of EFert were allotted to the IFC.

On March 01, 2017, EFert received a notice from IFC for exercise of conversion option on the entire remaining loan amount of USD 1,000. Accordingly, 4,367,083 ordinary shares of EFert have been allotted to IFC on March 7, 2017. As a result, the Company as at balance sheet date holds 56.27% (December 31 2016: 56.45%) of the issued share capital of EFert.

(Amounts in thousand)

7. LOANS, ADVANCES, DEPOSITS AND PREPAYMENTS

7.1 Engro Powergen Limited (EPL)

During 2016, the Company extended a subordinated short-term loan of Rs 3,560,000 to EPL, a wholly owned subsidiary company. The loan carried mark-up at the rate of 3 months KIBOR plus 1.5% per annum, payable on a quarterly basis. The loan was repayable through one lump sum installment falling due on March 16, 2017. During the period, EPL has repaid the entire loan to the Company.

7.2 Elengy Terminal Pakistan Limited (ETPL)

During the period, the Company extended additional loan of Rs. 600,000 to ETPL, a subsidiary company, to meet its working capital requirements. The loan carries mark-up at the rate of 3 months KIBOR plus 0.5% per annum, payable on a lump sum basis on September 11, 2017.

8. SHORT TERM INVESTMENTS

Fair value through profit or loss

- Treasury bills

Held to maturity

- Fixed income placement

Available for sale

- Term finance certificates (note 8.1)

(Unaudited) June 30, 2017	(Audited) December 31, 2016
------(Rupees)-----	

60,030,691	60,864,369
16,500	7,000
3,712,849	-
<u>63,760,040</u>	<u>60,871,369</u>

8.1 During the period, the Company subscribed to privately placed, unsecured and non-convertible zero coupon Term Finance Certificates (TFCs) issued by Engro Powergen Limited. These TFCs have been issued at a discounted value of Rs. 3,560,000 and have a tenure of one year extendable annually upon mutual consent upto a maximum of 48 months. Under the terms of TFCs, the Company is entitled to redeem these TFC's at any time during the term at a price to be computed using an effective interest rate of 8.77% per annum.

9. CONTINGENCIES AND COMMITMENTS

Significant changes in the status of contingencies and commitments since December 31, 2016 are as follows:

9.1 Contingencies

9.1.1 During the period:

- Corporate guarantees extended on behalf of Engro Fertilizers Limited, a subsidiary company, to International Finance Corporation under the C Loan Agreement (Original Agreement) and the Amended Facility Agreement amounting to USD 11,000 have been released.

(Amounts in thousand)

- The Company, as Sponsor Support, has permitted a bank to create ranking charge over receivables of the Company and has pledged shares of Engro Fertilizers Limited and Engro Foods Limited against the Stand By Letter of Credit (SBLC) facility amounting to USD 4,673 and Rs. 411,949 granted to Engro Elengy Terminal (Private) Limited, a wholly owned subsidiary company of Elengy Terminal Pakistan Limited.
- Engro Foods Limited (EFoods), an associated company received an order from the Competition Commission of Pakistan, imposing a penalty of Rs. 62,293 in respect of EFoods' marketing activities relating to one of its products. EFoods has filed an appeal against the aforementioned order. As per the terms of the Share Purchase Agreement with FrieslandCampina Pakistan Holding B.V. (FCP), the Company is required to reimburse 51% of the amount together with all reasonable cost and expenses to FCP in case any such penalty materializes. The Company, based on the opinion of the legal advisor, is confident of a favorable outcome of the appeal, and accordingly no provision has been recognized in this condensed interim financial information in this respect.
- During 2016, the Company pledged shares of EFert and EFoods against the Standby Letters of Credit (Equity SBLCs) provided by EPL, a subsidiary company, through National Bank of Pakistan amounting to USD 18,900 and USD 51,100 (in PKR equivalent) for its equity commitments related to the Sindh Engro Coal Mining Company Limited (SECMC), its associated company, and Engro Powergen Thar (Private) Limited (EPTL), its subsidiary company, in favour of the Intercreditor Agent (Habib Bank Limited) and the Project Companies (i.e. SECMC and EPTL). Equity SBLCs expire on earlier of (i) four years after the issuance of SBLCs i.e. March 21, 2020; and (ii) fulfillment of sponsor obligations under Sponsor Support Agreements. Subsequent to equity injections / submission of equity SBLC by Huolinhe Open Pit Coal (HK) Investment Co. Limited (HOCIC), after financial close, amounting to USD 3,164 (December 31, 2016: USD 335) and USD 5,417 (December 31, 2016: USD 9,064) (in PKR equivalent) in SECMC and EPTL respectively, the amount of Equity SBLCs have been reduced to USD 15,401 (December 31, 2016: USD 18,565) and USD 36,619 (December 31, 2016: USD 42,036) for SECMC and EPTL, respectively.

9.1.2 Pursuant to the Finance Act, 2017, section 5A 'Tax on undistributed reserves' of the Income Tax Ordinance, 2001 was substituted by 'Tax on undistributed profits' whereby for tax year 2017 and onwards, a tax has been imposed at the rate of 7.5% of profit-before-tax, on every public company, that derives profit for a tax year but does not distribute at least 40% of its after-tax-profits within six months of the end of the tax year, through cash or bonus shares.

The Company has obtained a stay on the levy of aforesaid tax from the High Court of Sindh, based on the grounds that this tax is applicable on the accounting profit-before-tax, which does not represent real income which can be taxed under the law. And that the requirement to distribute profits or pay tax, amounts to an interference in corporate actions and implies amendment to the relevant company laws, which give shareholders the discretion to approve dividends and that such an amendment to company laws could not have been made through a money bill.

The Company, based on the opinion of its legal advisor is confident that it has a reasonable case in favor of the Company.

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	------(Rupees)-----	
9.2 Commitments		
Commitments in respect of capital expenditure	163,489	152,962

(Amounts in thousand)

Quarter ended		Half year ended	
June 30, 2017	June 30 2016	June 30, 2017	June 30, 2016

10. TAXATION

-----Rupees-----			
Current			
- for the period	234,071	133,849	1,089,092
- for prior years (note 10.1)	1,998,840	67,801	1,998,840
	<u>2,232,911</u>	<u>201,650</u>	<u>3,087,932</u>
Deferred	(2,197)	2,605	1,336
	<u>2,230,714</u>	<u>204,255</u>	<u>3,089,268</u>

- 10.1 Includes provision for 'Super Tax for rehabilitation of temporarily displaced persons', levied through Finance Act, 2017 retrospectively on the income for the financial year ended December 31, 2016. The Company intends to challenge the levy of this tax in the High Court of Sindh and intends to obtain a stay in this respect. The Company, based on the opinion of its legal advisor, believes that there is a reasonable case in Company's favour. However, based on prudence, the Company has made provision for Super Tax in this condensed interim financial information
- 10.2 During the period, with respect to matters as disclosed in notes 23.2.1 and 23.2.3 of the annual financial statements of the Company for the year ended December 31, 2016, the Company has reversed excess provisions in respect of tax years 2011 and 2012, respectively, consequent to denovo proceedings after which the amended orders were passed in respect of the aforementioned tax years.
- 10.3 In 2016, an amendment was introduced in the Income Tax Ordinance 2001 (the Ordinance) via the Finance Act 2016 which imposed tax on inter-corporate dividends, previously exempt to companies designated as a Group under section 59B of the Ordinance. The Company has challenged the application of the aforementioned amendment in the High Court of Sindh and has been granted a stay in this respect.
- 10.4 During the period, the income tax department, in respect of the tax year 2016, determined additional income tax liability of Rs. 1,419,337 raising a demand of Rs. 1,573,877, whereby, the Additional Commissioner Inland Revenue (ACIR) - Audit has levied super tax on exempt income, disallowed allocation of expenses against interest income and apportioned expenses against dividend income and capital gains among other matters. Subsequent to the balance sheet date, the Company has filed an appeal with the Commissioner Inland Revenue (CIR) - Appeals which is in the process of being heard. The Company, based on advice of its tax consultant, is confident that these matters will be decided in favor of the Company. Accordingly, no provision has been recognized in this condensed interim financial information, in this respect.

Quarter ended		Half year ended	
June 30, 2017	June 30 2016	June 30, 2017	June 30, 2016

11. EARNINGS / (LOSS) PER SHARE

There is no dilutive effect on the basic earnings per share of the Company, which is based on the following:

Profit / (Loss) for the period	(1,194,915)	15,869,460	4,105,029	19,339,472
	----- (Number of shares) -----			
Weighted average number of ordinary shares (in thousand)	523,785	523,785	523,785	523,785

(Amounts in thousand)

	Half Year ended	
	June 30, 2017	June 30, 2016
	------(Rupees)-----	
12. CASH UTILIZED IN OPERATIONS		
Profit before taxation	7,194,297	19,639,323
Adjustment for non-cash charges and other items:		
Depreciation	16,742	11,418
Amortization	2,057	1,915
Loss / (Gain) on disposal of Property, plant and equipment	242	(52)
Provision for retirement and other service benefits	30,748	5,714
Income on deposits / other financial assets	(2,152,671)	(628,551)
Capital gain on partial disposal of long-term investment	-	(16,482,753)
Dividend income	(5,479,040)	(3,595,524)
Royalty income	(349,460)	(246,982)
Financial charges	277,367	281,533
Exchange (gain) / loss	(12)	35
Working capital changes (note 12.1)	(1,651,926)	91,011
	<u>(2,111,656)</u>	<u>(922,913)</u>
12.1 Working capital changes		
Increase in current assets		
- Loans, advances, deposits and prepayments	(34,816)	(129,147)
- Other receivables (net)	(53,415)	(51,728)
	<u>(88,231)</u>	<u>(180,875)</u>
(Decrease) / Increase in current liabilities		
- Trade and other payables including other service benefits (net)	(1,563,695)	271,886
	<u>(1,651,926)</u>	<u>91,011</u>
13. CASH AND CASH EQUIVALENTS		
Short term investments	35,684,998	20,583,863
Cash and bank balances	390,226	574,411
	<u>36,075,224</u>	<u>21,158,274</u>

(Amounts in thousand)

14. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

14.1 Financial risk factors

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

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

14.2 Fair value estimation

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

The table below analyses financial instruments carried at fair value by valuation method. The different level have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (level 3).

	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Assets				
Financial assets at fair value through profit or loss				
- Treasury Bills	<u>-</u>	<u>60,030,691</u>	<u>-</u>	<u>60,030,691</u>
Financial assets held to maturity				
- Fixed income placement	<u>-</u>	<u>16,500</u>	<u>-</u>	<u>16,500</u>
Available for sale				
- Term finance certificates	<u>-</u>	<u>3,712,849</u>	<u>-</u>	<u>3,712,849</u>

There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

14.3 Valuation techniques used to derive Level 2 fair values

Level 2 fair valued instruments comprise treasury bills, term deposit receipts and term finance certificates which are valued using discounted cash flow model.

(Amounts in thousand)

15. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise parent company, subsidiaries, joint venture companies, other companies with common directors, retirement benefit funds, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in this condensed interim financial information, are as follows:

	Half Year ended	
	June 30, 2017	June 30, 2016
	------(Rupees)-----	
Parent Company		
Dividend paid	1,535,409	2,047,212
Reimbursements of expense	248	103,989
Subsidiary Companies		
Purchases and services	275,041	336,910
Mark-up from subsidiaries	171,281	437,774
Disbursement of loan to subsidiaries	600,000	5,660,352
Repayment of loan by subsidiaries	3,560,000	10,582,024
Investment in term finance certificates of subsidiary company	3,712,849	-
Dividend received	1,878,281	3,145,524
Royalty income, net of sales tax	349,460	246,982
Reimbursements to subsidiaries	117,087	255,979
Expenses paid on behalf of subsidiaries	66,330	116,538
Associated Companies		
Purchases and services	128,551	36,441
Dividend received	3,060,759	-
Contribution to Corporate social responsibility	14,000	6,300
Utilization of overdraft facility	-	130,000
Repayment of overdraft facility	-	130,000
Reimbursement to associated companies	3,892	3,121
Expenses paid on behalf of associated companies	5,453	3,761
Others	24	2,451
Dividend paid	267,142	357,437
Joint venture		
Services rendered	3,577	1,354
Dividend received	540,000	450,000
Expenses paid on behalf of Joint Venture company	2,286	2,448
Others		
Directors' fees	18,745	20,814
Remuneration of key management personnel / Directors	115,281	91,182
Reimbursements to key management personnel	3,414	7,696
Dividend paid	55,639	55,506
Profit on Engro Islamic Rupiya Certificates	18,970	21,451
Contribution to staff retirement benefits	23,542	16,365

(Amounts in thousand)

16. NON-ADJUSTING EVENTS AFTER BALANCE SHEET DATE

- 16.1 The Board of Directors in its meeting held on August 18, 2017 has approved an interim cash dividend of Rs. 7.00 per share for the year ending December 31, 2017. This condensed interim financial information does not reflect the dividend payable.
- 16.2 The Board of Directors of Engro Vopak Terminal Limited, a joint venture company, in its meeting held on August 10, 2017 has declared an interim cash dividend of Rs. 10 per share for the year ending December 31, 2017. This condensed interim financial information does not reflect the dividend receivable.
- 16.3 The Board of Directors of EFert in its meeting held on August 04, 2017 has declared an interim cash dividend of Rs. 2.50 per share for the year ending December 31, 2017. This condensed interim financial information does not reflect the dividend receivable.

17. CORRESPONDING FIGURES

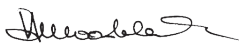
- 17.1 Corresponding figures have been rearranged and reclassified for better presentation, wherever considered necessary, the effects of which are not material.
- 17.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet has been compared with the balances of annual audited financial statements of the preceding financial year, whereas the condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

18. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on August 18, 2017 by the Board of Directors of the Company.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

Auditors' Report To The Members On Review Of Consolidated Condensed Interim Financial Information

Introduction

We have reviewed the accompanying consolidated condensed interim balance sheet of Engro Corporation Limited and its subsidiary companies (the Group), as at June 30, 2017 and the related consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows, together with the notes forming part thereof (here-in-after referred to as the "consolidated condensed interim financial information"), for the half year then ended. Management is responsible for the preparation and presentation of this consolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this consolidated condensed interim financial information based on our review.

The figures of the consolidated condensed interim profit and loss account and consolidated condensed interim statement of comprehensive income for the quarters ended June 30, 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2017.

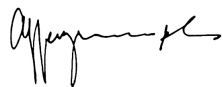
Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters

that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial information as of and for the half year ended June 30, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



**Chartered Accountants
Karachi
Date: 29th August 2017**

Engagement Partner: Waqas A. Sheikh

consolidated condensed interim balance sheet as at june 30, 2017

(Amounts in thousand)

	Note	(Unaudited) June 30, 2017	(Audited) December 31, 2016
------(Rupees)-----			
ASSETS			
Non-current assets			
Property, plant and equipment	5	135,645,559	131,408,494
Intangible assets		252,198	222,434
Long term investments	6	31,781,497	34,700,708
Deferred taxation		299,799	554,187
Long term loans, advances and other receivables		9,048,231	9,850,501
		177,027,284	176,736,324
Current assets			
Stores, spares and loose tools		7,463,370	7,148,040
Stock-in-trade		17,294,744	10,704,311
Trade debts		15,466,753	13,733,482
Loans, advances, deposits and prepayments		1,608,726	1,390,497
Other receivables		10,396,238	9,568,479
Accrued income		631,930	426,268
Short term investments		63,235,615	64,725,527
Cash and bank balances		6,521,602	5,900,379
		122,618,978	113,596,983
TOTAL ASSETS		299,646,262	290,333,307

(Amounts in thousand)

Note (Unaudited) (Audited)
June 30, December 31,
2017 2016
------(Rupees)-----

EQUITY & LIABILITIES

Equity

Share capital	5,237,848	5,237,848
Share premium	13,068,232	13,068,232
Revaluation reserve on business combination	38,385	43,486
Maintenance reserve	156,301	156,301
Exchange revaluation reserve	16,637	15,767
Hedging reserve	(81,276)	(83,397)
General reserve	4,429,240	4,429,240
Unappropriated profit	110,289,915	111,008,100
Remeasurement of post-employment benefits	(38,154)	(38,154)
	<u>127,879,280</u>	<u>128,599,575</u>
	133,117,128	133,837,423
Non-Controlling Interest	7 37,718,930	35,253,333
Total Equity	<u>170,836,058</u>	<u>169,090,756</u>

Liabilities

Non-Current liabilities

Borrowings	8 57,505,244	60,609,743
Derivative financial instruments	-	2,107
Deferred taxation	8,566,002	8,982,706
Deferred liabilities	107,929	196,671
	<u>66,179,175</u>	<u>69,791,227</u>

Current Liabilities

Trade and other payables	32,246,922	31,625,402
Accrued interest / mark-up	1,476,144	1,138,421
Current portion of:		
- borrowings	15,323,084	12,508,579
- deferred liabilities	77,879	101,790
Taxes payable	1,731,120	56,223
Short term borrowings	9 11,515,559	5,535,587
Derivative financial instruments	4,611	249,653
Unclaimed dividends	255,710	235,669
	<u>62,631,029</u>	<u>51,451,324</u>
Total Liabilities	<u>128,810,204</u>	<u>121,242,551</u>

Contingencies and Commitments 10

TOTAL EQUITY AND LIABILITIES

299,646,262 290,333,307

The annexed notes 1 to 23 form an integral part of this consolidated condensed interim financial information.

Hussain Dawood
Chairman

Hasnain Moochhala
Chief Financial Officer

Ghias Khan
President and Chief Executive

consolidated condensed interim profit and loss account (unaudited) for the half year ended june 30, 2017

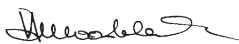
(Amounts in thousand except for earnings per share)

	Note	Quarter ended		Half year ended	
		June 30, 2017	June 30 2016	June 30, 2017	June 30, 2016
-----Rupees-----					
Net sales		29,664,369	33,175,066	52,241,332	66,768,491
Cost of sales		(21,778,991)	(25,436,163)	(37,566,034)	(49,309,247)
Gross profit		7,885,378	7,738,903	14,675,298	17,459,244
Selling and distribution expenses		(1,982,928)	(2,276,094)	(3,463,816)	(4,709,594)
Administrative expenses		(914,409)	(1,161,514)	(1,646,840)	(2,083,542)
		4,988,041	4,301,295	9,564,642	10,666,108
Other income	12	3,224,888	1,564,219	5,617,874	2,765,059
Other operating expenses		(467,467)	(349,553)	(756,690)	(862,111)
Finance cost		(1,264,324)	(1,653,054)	(2,579,841)	(3,058,057)
Share of income from joint ventures and associates		230,904	280,726	681,268	589,146
Profit before taxation		6,712,042	4,143,633	12,527,253	10,100,145
Taxation	13	(4,291,372)	(1,637,903)	(5,809,961)	(3,188,549)
Profit for the period		2,420,670	2,505,730	6,717,292	6,911,596
Profit attributable to:					
- continuing operations		2,420,670	1,652,457	6,717,292	4,950,266
- discontinued operations	11	-	853,273	-	1,961,330
		2,420,670	2,505,730	6,717,292	6,911,596
Profit attributable to:					
- Owners of the Holding Company		874,050	1,828,123	3,777,120	5,518,748
- Non-controlling interest		1,546,620	677,607	2,940,172	1,392,848
		2,420,670	2,505,730	6,717,292	6,911,596
Basic earnings per share from:					
- continuing operations	14	1.67	1.65	7.21	7.28
- discontinued operations	14	-	1.84	-	3.26
		1.67	3.49	7.21	10.54
Diluted earnings per share from:					
- continuing operations	14	1.67	1.62	7.21	7.17
- discontinued operations	14	-	1.84	-	3.26
		1.67	3.46	7.21	10.43

The annexed notes 1 to 23 form an integral part of this consolidated condensed interim financial information.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

consolidated condensed interim statement of comprehensive income (unaudited) for the half year ended june 30, 2017

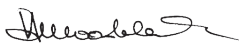
(Amounts in thousand)

Note	Quarter ended		Half year ended	
	June 30, 2017	June 30 2016	June 30, 2017	June 30, 2016
	-----Rupees-----			
Profit for the period	2,420,670	2,505,730	6,717,292	6,911,596
Other comprehensive income: Items that may be reclassified subsequently to profit or loss				
Hedging reserve - cash flow hedges				
Losses arising during the period	(448)	(37,352)	(10,907)	(117,602)
Reclassification adjustments for losses included in profit or loss	1,575	42,192	4,003	125,497
Adjustments for amounts transferred to initial carrying amount of hedged items	703	-	10,886	-
	1,830	4,840	3,982	7,895
Revaluation reserve on business combination	(5,251)	(5,330)	(10,501)	(10,658)
Exchange differences on translation of foreign operations	(6,208)	(5,497)	875	(4,764)
	(9,629)	(5,987)	(5,644)	(7,527)
Income tax relating to:				
- Hedging reserve - cash flow hedges	(264)	(3,266)	(632)	(5,776)
- Revaluation reserve on business combination	1,680	1,759	3,360	3,517
	1,416	(1,507)	2,728	(2,259)
Items that will not be reclassified to profit or loss				
Remeasurement of post employment benefits obligation - net	-	(536)	-	(536)
Other comprehensive loss for the period, net of tax	(8,213)	(8,030)	(2,916)	(10,322)
Total comprehensive income for the period	2,412,457	2,497,700	6,714,376	6,901,274
Total comprehensive income attributable to:				
- continuing operations	2,412,457	1,644,427	6,714,376	4,938,174
- discontinued operations	-	853,273	-	1,963,100
	2,412,457	2,497,700	6,714,376	6,901,274
Total comprehensive income attributable to:				
- Owners of the Holding Company	869,102	1,818,939	3,775,010	5,508,785
- Non-controlling interest	1,543,355	678,761	2,939,366	1,392,489
	2,412,457	2,497,700	6,714,376	6,901,274

The annexed notes 1 to 23 form an integral part of this consolidated condensed interim financial information.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

consolidated condensed interim statement of changes in equity for the half year ended june 30, 2017

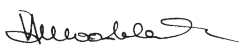
(Amounts in thousand)

	Attributable to owners of the Holding Company											Non-controlling interest	Total
	Capital reserves					Revenue reserves					Sub total		
	Share capital	Share premium	Employee share compensation reserve	Revaluation reserve on business combination	Maintenance reserve	Exchange revaluation reserve	Hedging reserve	General reserve	Un-appropriated profit	Remeasurement of post employment benefits - Actuarial gain / (loss)			
- Rupees -													
Balance as at January 1, 2016 (audited)	5,237,848	13,068,232	595,143	53,688	156,301	29,793	(88,042)	4,429,240	45,891,164	(131,931)	69,241,436	16,431,445	85,672,881
Total comprehensive income / (loss) for the half year ended June 30, 2016 (unaudited)	-	-	-	-	-	-	-	-	5,518,748	-	5,518,748	1,392,848	6,911,596
Profit for the period	-	-	-	(5,101)	-	-	1,407	-	(9,963)	(410)	(9,963)	(359)	(10,322)
Other comprehensive (loss) / income	-	-	-	(5,101)	-	(5,859)	1,407	-	5,518,748	(410)	5,506,785	1,392,489	6,901,274
Transactions with owners	-	-	-	(5,101)	-	-	-	-	-	-	-	-	-
Employees Share Option Scheme of subsidiary company	-	-	(97,376)	-	-	-	-	-	-	-	(97,376)	-	(97,376)
Effect of change in shareholding of the Group	-	-	-	-	-	-	-	-	10,166,074	-	10,166,074	9,204,490	19,370,564
Dividend by subsidiary allocable to Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	(947,888)	(947,888)
Share capital issued to Non Controlling Interest - ordinary shares issued during the period	-	-	-	-	-	-	-	-	-	-	-	4,869,551	4,869,551
- preference shares issued during the period	-	-	-	-	-	-	-	-	-	-	-	4,173,136	4,173,136
Final cash dividend for the year ended December 31, 2015 @ Rs. 7.00 per share	-	-	-	-	-	-	-	-	(3,666,494)	-	(3,666,494)	-	(3,666,494)
1st interim cash dividend for the year ended December 31, 2016 @ Rs. 5.00 per share	-	-	-	-	-	-	-	-	(2,618,924)	-	(2,618,924)	-	(2,618,924)
	-	-	(97,376)	-	-	-	-	-	3,880,656	-	3,783,280	17,299,289	21,082,569
Balance as at June 30, 2016 (unaudited)	5,237,848	13,068,232	497,767	48,587	156,301	23,934	(86,635)	4,429,240	55,290,568	(132,341)	78,533,501	35,123,223	113,656,724
Total comprehensive income / (loss) for the half year ended December 31, 2016	-	-	-	-	-	-	-	-	83,588,492	-	83,588,492	3,098,041	86,686,533
Profit for the period	-	-	-	(5,101)	-	(8,167)	1,696	-	-	20,747	63,586,492	3,783	66,699,491
Other comprehensive income	-	-	-	(5,101)	-	(8,167)	1,696	-	83,588,492	20,747	83,597,667	3,101,824	86,699,491
Transactions with owners	-	-	-	(5,101)	-	-	-	-	-	-	-	-	-
Disposal of Subsidiary Company	-	-	(497,767)	-	-	-	1,542	-	-	73,440	(422,785)	(1,997,457)	(2,420,242)
Share issued to IFC by subsidiary company	-	-	-	-	-	-	-	-	-	-	-	1,468,678	1,468,678
Dividend by subsidiaries allocable to Non-Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	(2,759,554)	(2,759,554)
Effect of partial disposal of shares held in subsidiary company by Holding Company	-	-	-	-	-	-	-	-	(415,954)	-	(415,954)	22,039	(383,915)
Shares issued during the period and share issuance cost accounted for as deduction from equity - ordinary shares issued during the period	-	-	-	-	-	-	-	-	(40,125)	-	(40,125)	(102,598)	(142,723)
- preference shares issued during the period	-	-	-	-	-	-	-	-	-	-	-	839,070	839,070
Decrease in NCI due to disposal of shareholding	-	-	-	-	-	-	-	-	-	-	-	-	-
2nd Interim cash dividend for the year ended December 31, 2016 @ Rs. 7.00 per share	-	-	-	-	-	-	-	-	441,892	-	441,892	(441,892)	-
3rd Interim cash dividend for the year ended December 31, 2016 @ Rs. 8.00 per share	-	-	-	-	-	-	-	-	(3,666,495)	-	(3,666,495)	-	(3,666,495)
	-	-	(497,767)	-	-	-	1,542	-	(4,190,278)	-	(4,190,278)	-	(4,190,278)
	-	-	-	-	-	-	-	-	(7,870,960)	73,440	(8,293,745)	(2,971,714)	(11,265,459)
Balance as at December 31, 2016 (audited)	5,237,848	13,068,232	-	43,486	156,301	15,767	(83,397)	4,429,240	111,008,100	(38,154)	133,837,423	35,253,333	169,090,756
Total comprehensive income / (loss) for the half year ended June 30, 2017 (unaudited)	-	-	-	-	-	-	-	-	3,777,120	-	3,777,120	2,940,172	6,717,292
Profit for the period	-	-	-	(5,101)	-	870	2,121	-	-	-	(2,110)	(806)	(2,916)
Other comprehensive income	-	-	-	(5,101)	-	870	2,121	-	3,777,120	-	3,775,010	2,939,366	6,714,376
Transactions with owners	-	-	-	(5,101)	-	870	2,121	-	-	-	-	-	-
Shares issued to IFC by subsidiary company	-	-	-	-	-	-	-	-	221,601	-	221,601	74,792	286,393
Share issued during the period and share issuance cost accounted for as a deduction from equity	-	-	-	-	-	-	-	-	(2,841)	-	(2,841)	563,025	560,184
Preference shares issued (note 7)	-	-	-	-	-	-	-	-	-	-	-	499,510	499,510
Dividend by subsidiary allocable to Non-Controlling interest	-	-	-	-	-	-	-	-	-	-	-	(1,611,096)	(1,611,096)
Final cash dividend for the year ended December 31, 2016 @ Rs.4.00 per share	-	-	-	-	-	-	-	-	(2,095,140)	-	(2,095,140)	-	(2,095,140)
First interim cash dividend for the year ending December 31, 2017 @ Rs.5.00 per share	-	-	-	-	-	-	-	-	(2,618,925)	-	(2,618,925)	-	(2,618,925)
	-	-	-	-	-	-	-	-	(4,495,305)	-	(4,495,305)	(473,769)	(4,969,074)
Balance as at June 30, 2017 (unaudited)	5,237,848	13,068,232	-	38,385	156,301	16,637	(81,276)	4,429,240	110,289,915	(38,154)	133,117,128	37,718,930	170,836,058

The annexed notes 1 to 23 form an integral part of this consolidated condensed interim financial information.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

consolidated condensed interim statement of cash flows (unaudited) for the half year ended june 30, 2017

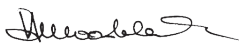
(Amounts in thousand)

	Half Year ended		
	June 30, 2017	June 30, 2016	
	------(Rupees)-----		
Cash flows from operating activities			
Cash generated from / (utilized in) operations	15	4,792,312	(3,664,085)
Retirement and other service benefits paid		(126,463)	(88,172)
Finance cost paid		(2,852,721)	(2,775,597)
Taxes paid		(2,190,874)	(2,116,619)
Payments against provision for contractual commitments		-	(23,606)
Long term loans and advances - net		(10,425)	(8,012,051)
Discontinued operations	11	-	315,700
Net cash utilized in operating activities		(388,171)	(16,364,430)
Cash flows from investing activities			
Purchase of property, plant and equipment, biological assets and intangibles		(7,138,306)	(16,523,716)
Proceeds from disposal of:			
- property, plant and equipment		21,998	28,051
- short term investments		13,348,586	242,300
- investments		-	20,561,551
Income on deposits / other financial assets		1,756,004	484,531
Investment made during the period		(909,918)	(261,076)
Dividends received		3,600,759	450,000
Discontinued operations	11	-	(626,640)
Net cash generated from investing activities		10,679,123	4,355,001
Cash flows from financing activities			
Proceeds from borrowings - net		391,632	10,941,246
Repayments of short term borrowings - net		(1,100,000)	(450,000)
Proceeds from issue of shares - net		1,067,874	9,487,602
Share issuance costs		(8,180)	(546,428)
Dividends paid		(6,305,120)	(7,232,110)
Discontinued operations	11	-	(1,384,187)
Net cash (utilized in) / generated from financing activities		(5,953,794)	10,816,123
Net increase / (decrease) in cash and cash equivalents		4,337,158	(1,193,306)
Cash and cash equivalents at beginning of the period		28,479,540	11,256,488
Cash and cash equivalents at end of the period	16	32,816,698	10,063,182

The annexed notes 1 to 23 form an integral part of this consolidated condensed interim financial information.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

notes to the consolidated condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

Engro Corporation Limited (the Holding Company), is a public listed company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The Holding Company is a subsidiary of Dawood Hercules Corporation Limited (the Parent Company). The principal activity of the Holding Company, is to manage investments in subsidiary companies, associated companies and joint venture, engaged in fertilizers, PVC resin manufacturing and marketing, food, energy, LNG and chemical terminal and storage businesses. The Holding Company's registered office is situated at 7th & 8th floors, The Harbour Front Building, HC # 3, Block 4, Marine Drive, Clifton, Karachi.

1.1 The "Group" consists of:

Holding Company - Engro Corporation Limited

Subsidiary Companies - Companies in which the Holding Company owns over 50% of voting rights, or companies directly controlled by the Holding Company:

	%age of direct holding	
	June 30, 2017	December 31, 2016
- Engro Powergen Limited	100	100
- Engro Eximp Agriproducts (Private) Limited	100	100
- Elengy Terminal Pakistan Limited	80	80
- Engro Fertilizers Limited (note 1.2.1)	56.27	56.45
- Engro Polymer and Chemicals Limited	56.19	56.19
Joint Venture Company:		
- Engro Vopak Terminal Limited	50	50

1.1.1 Engro Fertilizers Limited (EFert)

EFert had availed a loan of USD 30,000 from the International Finance Corporation (IFC), divided into (i) 30% convertible loan on its shares at Rs. 24 per ordinary share, calculated at the US Dollar to Pakistan Rupee exchange rate prevailing on the business day prior to the date of the notice issued by IFC to exercise the conversion option; and (ii) 70% non-convertible loan. Until December 31, 2016, IFC had partially exercised its conversion option on loan amounting to USD 8,000 and 33,132,292 ordinary shares of EFert were allotted to the IFC.

On March 01, 2017, EFert received a notice from IFC for exercise of conversion option on the entire remaining loan amount of USD 1,000. Accordingly, 4,367,083 ordinary shares of EFert have been allotted to IFC on March 7, 2017. As a result, the Holding Company as at the balance sheet date holds 56.27% of the issued share capital of EFert (December 31, 2016: 56.45%).

(Amounts in thousand)

2. BASIS FOR PREPARATION

- 2.1 This consolidated condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provision of or directives issued under the Ordinance, have been followed. The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as clarified by the Securities and Exchange Commission of Pakistan (SECP) vide its press release dated July 20, 2017, this consolidated condensed interim financial information has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984. This consolidated condensed interim financial information does not include all the information required for annual consolidated financial statements and therefore should be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2016.
- 2.2 The preparation of this consolidated condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.
- 2.3 During the preparation of this consolidated condensed interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that apply to annual audited financial statements of the Group for the year ended December 31, 2016.

3. BASIS OF CONSOLIDATION

- 3.1 The condensed interim financial information of the subsidiary companies have been consolidated on a line by line basis. The carrying value of investments held by the Holding Company is eliminated against the subsidiaries' share capital and pre-acquisition reserves.
- 3.2 Non-controlling interest has been presented as a separate item in this consolidated condensed interim financial information. All material intercompany balances and transactions have been eliminated.
- 3.3 The Group's interest in jointly controlled and associated entities, Engro Vopak Terminal Limited, Sindh Engro Coal Mining Company Limited, GEL Utility Limited and Engro Foods Limited has been accounted for using the equity method.
- 3.4 The consolidated condensed interim financial information is presented in Pakistan Rupees, which is the Holding Company's functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of comprehensive income, except where such gains and losses are directly attributable to the acquisition, construction or production of a qualifying asset, in which case, such gains and losses are capitalized as part of the cost of that asset.

4. ACCOUNTING POLICIES

- 4.1 The significant accounting polices and the methods of computation adopted in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the audited annual consolidated financial statements of the Group for the year ended December 31, 2016.

(Amounts in thousand)

4.2 There are certain new International Financial Reporting Standards (IFRS), amendments and interpretations to published IFRS that are mandatory for the financial year beginning on January 1, 2017. These are considered not to be relevant or to have any significant effect on the Group's financial reporting and operations and are, therefore, not disclosed in this consolidated condensed interim financial information.

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

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	------(Rupees)-----	

5. PROPERTY, PLANT AND EQUIPMENT

Operating assets, at net book value (notes 5.1 and 5.2)	103,989,064	106,269,220
Capital work in progress - Expansion and other projects (notes 5.3 and 5.4)	30,353,592	23,789,784
Capital spares and standby equipments	1,302,903	1,349,490
	<u>135,645,559</u>	<u>131,408,494</u>
5.1 Following additions, including transfers from capital work in progress, were made to operating assets during the period / year:		
Land	-	39
Plant and machinery	987,052	3,400,420
Building and civil works including pipelines	87,728	304,506
Furniture, fixture and equipment	100,315	352,175
Catalyst	8,978	248,848
Vehicles	75,145	330,568
Dredging	-	225,476
	<u>1,259,218</u>	<u>4,862,032</u>

5.2 During the period, assets costing Rs. 21,030 (December 31, 2016: Rs. 614,469), having net book value of Rs. 5,762 (December 31, 2016: Rs. 113,482) were disposed-off for Rs 21,998 (December 31, 2016: Rs. 166,995).

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	------(Rupees)-----	

5.3 Capital work in progress - Expansion and other projects

Balance at beginning of the period / year	23,789,784	3,695,782
Additions during the period / year	7,858,248	25,748,401
Transferred to:		
- operating assets	(1,249,898)	(4,846,721)
- intangible assets	(44,542)	(65,620)
- capital spares	-	(9,647)
Less: Discontinued operations	-	(732,411)
Balance at end of the period / year	<u>30,353,592</u>	<u>23,789,784</u>

5.4 Includes capital work-in-progress of Engro Powergen Limited and its subsidiary, Engro Powergen Thar (Private) Limited (EPTL) amounting to Rs. 26,570,064 (December 31, 2016: Rs. 20,561,736) which represents directly attributable expenses for the development, construction and operation of mine mouth coal fired power plants.

(Amounts in thousand)

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	------(Rupees)-----	
6. LONG TERM INVESTMENTS		
Balance at beginning of the period / year	34,700,708	3,120,174
Add:		
- Investment in associates	-	31,269,531
- Share of profit for the period / year	681,548	1,273,440
- Gain on deemed disposal for the period / year	-	72,563
Less: Dividend received during the period / year (note 6.1)	(3,600,759)	(1,035,000)
Balance at end of the period / year	<u>31,781,497</u>	<u>34,700,708</u>

- 6.1 During the period, the Holding Company received dividends from Engro Foods Limited and Engro Vopak Terminal Limited amounting to Rs. 3,060,759 and Rs. 540,000 respectively.

7. NON - CONTROLLING INTEREST

Engro Powergen Thar (Private) Limited (EPTL) has issued 551,422,576 fully paid preference shares of Rs. 10 each to CMEC Thar Power Investment Limited, including 50,201,977 fully paid right shares of Rs. 10 each during the period. These preference shares are cumulative, non-redeemable, non-convertible, non-participatory, non-voting and carry dividend at the rate of 11% US Dollars internal rate of return (IRR). These preference shares have been classified in equity as per the requirements of the Companies Ordinance, 1984.

Under the Articles of Association of EPTL, the dividend in respect of preference shares shall be paid, only if in any half financial year:

- EPTL has made a profit after tax;
- Any and all losses incurred by EPTL have been fully recouped; and
- The Board of Directors has made a good faith determination setting aside, out of the available profits for distribution, a sum for EPTL's investment and other cash needs over the next two financial half-year.

In addition, there would be no payment of dividend before commencement of commercial operations. As per the arrangement with preference shareholder, coupon rate will be determined after commercial operation date such that the preference shareholder gets 11% IRR in US Dollar terms over the term of investment. If no adjustment is made in preference shares coupon and 11% annual return is assumed on preference shares from the date of investment, the cumulative dividend on preference shares as on June 30, 2017 amounts to Rs. 671,033 (December 31, 2016: Rs. 392,481), which has not been recognized in this condensed interim financial information.

8. BORROWINGS

- 8.1 Engro Fertilizers Limited (EFert)

During the period, EFert fully repaid its Offshore Islamic Finance USD Facility and its Local Islamic Syndicate loan. Further, as more fully explained in note 1.2.1, during the period, IFC has exercised its conversion option on the remaining amount of loan amounting to USD 1,000 thereby retiring the entire amount of loan outstanding to IFC.

(Amounts in thousand)

8.2 Engro Powergen Thar (Private) Limited (EPTL)

8.2.1 As at June 30, 2017, under the USD Facility Agreement with foreign banks, EPTL has made draw down of USD 170,070 (December 31, 2016: USD 114,542), while the undrawn amount is USD 450,930 (December 31, 2016: USD 506,458).

8.2.2 During the period, EPTL has made further draw down amounting to Rs. 350,000 in respect of its local currency long term financing facilities. As at June 30, 2017, the total draw down amounts to Rs. 4,407,099 (December 31, 2016: Rs. 4,057,099) while the undrawn amounts are equal to Rs. 19,742,901 (December 31, 2016: Rs. 20,092,900).

8.3 Engro Polymers and Chemicals Limited (EPCL)

During the period EPCL has fully repaid its loan obtained from International Finance Corporation.

9. SHORT TERM BORROWINGS

The short-term running finances available to the Group from various banks under mark-up arrangements amounts to Rs. 23,650,000 (2016: Rs. 25,178,048). The rates of mark-up on these finances are KIBOR based and range 6.64% to 7.64% per annum (2016: 5.2% to 8.01%). The aggregate running finances are secured by way of hypothecation of ranking floating charge over present and future loans, advances, receivables, stocks, book debts, and other current assets and pledge over shares.

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

Significant changes in the status of contingencies and commitments since December 31, 2016 are as follows:

10.1.1 During the period:

- Corporate guarantees extended on behalf of EFert, a subsidiary company, to International Finance Corporation under the C Loan Agreement (Original Agreement) and the Amended Facility Agreement amounting to USD 11,000 have been released, consequent to exercise of conversion option as explained in note 1.2.1.
- The Holding Company, as Sponsor Support, has permitted a bank to create ranking charge over receivables of the Holding Company and has pledged of shares of Engro Fertilizers Limited and Engro Foods Limited against the Stand By Letter of Credit (SBLC) facility amounting to USD 4,673 and Rs. 411,949 granted to Engro Elengy Terminal (Private) Limited, a wholly owned subsidiary company of Elengy Terminal Pakistan Limited.
- Engro Foods Limited (EFoods), an associated company received an order from the Competition Commission of Pakistan, imposing a penalty of Rs. 62,293 in respect of EFoods' marketing activities relating to one of its products. EFoods has filed an appeal against the aforementioned order. As per the terms of the Share Purchase Agreement with FrieslandCampina Pakistan Holding B.V. (FCP), the Holding Company is required to reimburse 51% of the amount together with all reasonable cost and expenses to FCP in case any such penalty materializes. The Holding Company, based on the opinion of the legal advisor, is confident of a favorable outcome of the appeal, and accordingly no provision has been recognized in this consolidated condensed interim financial information in this respect.

(Amounts in thousand)

10.1.2 Pursuant to the Finance Act, 2017, section 5A 'Tax on undistributed reserves' of the Income Tax Ordinance, 2001 was substituted by 'Tax on undistributed profits', whereby, for tax year 2017 and onwards, a tax has been imposed at the rate of 7.5% of profit-before-tax, on every public company, that derives profit for a tax year but does not distribute at least 40% of its after-tax-profits within six months of the end of the tax year, through cash or bonus shares.

The Holding Company has obtained a stay on the levy of aforesaid tax from the High Court of Sindh, based on the grounds that this tax is applicable on the accounting profit-before-tax, which does not represent real income which can be taxed under the law. And that the requirement to distribute profits or pay tax, amounts to an interference in corporate actions and implies amendment to the relevant company laws, which give shareholders the discretion to approve dividends and that such an amendment to company laws could not have been made through a money bill.

The Holding Company, based on the opinion of its legal advisor is confident that it has a reasonable case in favor of the Holding Company.

10.1.3 During the period, the High Court of Islamabad through its order dated June 8, 2017 declared that the income derived by M/s Snamprogetti Engineering (the Contractor) from its contract with EFert, is subject to tax as per Clause 4 of Article 5 of Double Taxation Treaty between Pakistan and the Netherlands. As per the terms of the contract, EFert is liable to reimburse the contractor for any taxes applied to the income of the Contractor under the contract by the taxation authorities. In respect thereof, the Contractor is preferring an appeal in the Supreme Court of Pakistan. EFert, based on the opinion of the legal counsel, is of the view that that the income of the Contractor is exempt from tax under the aforementioned clause of the Double Taxation Treaty and the matter will be decided in favour of the Contractor and, hence, no provision in respect thereof has been made in this consolidated condensed interim financial information.

10.1.4 During 2016, the Holding Company pledged shares of EFert and Engro Foods Limited (Efoods) against the Standby Letters of Credit (Equity SBLCs) provided by EPL, a subsidiary company, through National Bank of Pakistan amounting to USD 18,900 and USD 51,100 (in PKR equivalent) for its equity commitments related to the Sindh Engro Coal Mining Company Limited (SECMC), its associated company, and Engro Powergen Thar (Private) Limited (EPTL), its subsidiary company, in favour of the Intercreditor Agent (Habib Bank Limited) and the Project Companies (i.e. SECMC and EPTL). Equity SBLCs expire on earlier of (i) four years after the issuance of SBLCs i.e. March 21, 2020; and (ii) fulfillment of sponsor obligations under Sponsor Support Agreements. Subsequent to equity injections / submission of equity SBLC by Huolinhe Open Pit Coal (HK) Investment Co. Limited (HOCIC), after financial close, amounting to USD 3,164 (December 31, 2016: USD 335) and USD 5,417 (December 31, 2016: USD 9,064) (in PKR equivalent) in SECMC and EPTL respectively, the amount of Equity SBLCs have been reduced to USD 15,401 (December 31, 2016: USD 18,565) and USD 36,619 (December 31, 2016: USD 42,036) for SECMC and EPTL, respectively.

10.2 Commitments

10.2.1 Commitments in respect of capital expenditure contracted but not incurred amount to Rs. 60,050,270 (2016: Rs. 54,022,835).

(Amounts in thousand)

11. DISCONTINUED OPERATIONS

Last year, the Holding Company disposed off 54.1% of its investment in Engro Foods Limited (EFoods). Accordingly, the retained investment in EFoods was classified as investment in associates. Financial performance and cash flows of discontinued operations for prior period are as follows:

	(Unaudited) Quarter ended June 30, 2016	(Unaudited) Half year ended June 30, 2016
-----Rupees-----		
11.1 Financial performance of discontinued operations		
Net sales	11,587,969	23,330,927
Cost of sales	(8,494,649)	(16,933,757)
Gross profit	<u>3,093,320</u>	<u>6,397,170</u>
Distribution and marketing expenses	(1,168,355)	(2,561,043)
Administrative expenses	(231,845)	(423,044)
Other operating expenses	(153,183)	(272,695)
Other income	335	56,177
Operating profit	<u>1,540,272</u>	<u>3,196,565</u>
Finance costs	(111,450)	(213,647)
Profit before taxation	<u>1,428,822</u>	<u>2,982,918</u>
Taxation	(575,549)	(1,021,588)
Profit after tax from discontinued operations	<u><u>853,273</u></u>	<u><u>1,961,330</u></u>
		(Unaudited) June 30, 2016 Rupees
11.2 Cash flows attributable to discontinued operations		
Net cash generated from operating activities		315,700
Net cash utilized in investing activities		(626,640)
Net cash utilized in financing activities		<u>(1,384,187)</u>
Net decrease in cash and cash equivalents		<u><u>(1,695,127)</u></u>

12. OTHER INCOME

This includes income from sales under Government Subsidy amounting to Rs. 3,180,154 (June 30, 2016: Rs. 1,759,476).

(Amounts in thousand)

13. TAXATION

Significant changes since December 31, 2016 in respect of different tax matters in which the Group companies are involved are as follows:

13.1 Engro Corporation Limited

13.1.1 Tax provision for the period, includes provision for 'Super Tax for rehabilitation of temporarily displaced persons' levied through Finance Act, 2017 imposing the levy retrospectively on the income for the financial year ended December 31, 2016. The Holding Company intends to challenge the levy of this tax in the High Court of Sindh and intends to obtain a stay in this respect. The Holding Company, based on the opinion of its legal advisor, believes that there is a reasonable case in Holding Company's favour. However, based on prudence, the Holding Company has made provision for Super Tax in this consolidated condensed interim financial information.

13.1.2 During the period, with respect to matters as disclosed in notes 35.1.1 of the consolidated financial statements of the Holding Company for the year ended December 31, 2016, the Holding Company has reversed excess provisions in respect of tax years 2011 and 2012, respectively, consequent to denovo processed after which the amended orders were passed in respect of the aforementioned tax years.

13.1.3 In 2016, an amendment was introduced in the Income Tax Ordinance 2001 (the Ordinance) via the Finance Act 2016 which imposed tax on inter-corporate dividends, previously exempt to companies designated as a Group under section 59B of the Ordinance. The Holding Company has challenged the application of the aforementioned amendment in the High Court of Sindh and has been granted a stay in this respect.

13.1.4 During the period, the income tax department, in respect of the tax year 2016, determined additional income tax liability of Rs. 1,419,337 raising a demand of Rs. 1,573,877, whereby, the Additional Commissioner Inland Revenue (ACIR) - Audit has levied super tax on exempt income, disallowed allocation of expenses against interest income and apportioned expenses against dividend income and capital gains among other matters. Subsequent to the balance sheet date, the Holding Company has filed an appeal with the Commissioner Inland Revenue (CIR) - Appeals which is in the process of being heard. The Holding Company, based on advice of its tax consultant, is confident that these matters will be decided in favor of the Holding Company. Accordingly, no provision has been recognized in this consolidated condensed interim financial information, in this respect.

13.2 Engro Powergen Limited (EPL)

Commissioner Inland Revenue (CIR) through his order dated January 12, 2017 made certain additions and disallowances in respect of tax year 2014 as a result of audit of income tax affairs under section 214C of the Income Tax Ordinance, 2001 and raised tax demands of Rs. 268,583. EPL has contested the demand at Appellate Tribunal Inland Revenue (ATIR) and based on the views of its tax advisor, the management believes that the matters will ultimately be decided in favour of EPL. Accordingly, no provision has been made in this respect in this consolidated condensed interim financial information.

(Amounts in thousand)

	------(Unaudited)-----	
	Half year ended	
	June 30, 2017	June 30, 2016
	-----Rupees-----	
15.1 Working capital changes		
Increase in current assets		
- Stores, spares and loose tools	(290,656)	(433,906)
- Stock-in-trade	(6,585,946)	(5,558,168)
- Trade debts	(1,733,264)	(589,706)
- Loans, advances, deposits and prepayments	(155,292)	(466,882)
- Other receivables - net	(1,153,197)	(1,292,302)
	<u>(9,918,355)</u>	<u>(8,340,964)</u>
Decrease in current liabilities		
- Trade and other payables, including other service benefits - net	(1,306,732)	(7,931,468)
	<u>(11,225,087)</u>	<u>(16,272,432)</u>
16. CASH AND CASH EQUIVALENTS		
Cash and bank balances	6,521,602	5,437,282
Short term investments	37,963,504	23,957,884
Short term borrowings	(11,668,408)	(19,331,984)
	<u>32,816,698</u>	<u>10,063,182</u>
17. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS		
17.1 Financial risk factors		

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

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

(Amounts in thousand)

17.2 Fair value estimation

The table below analyzes financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (level 3)

	Level 1	Level 2	Level 3
	----- Rupees -----		
Assets			
Financial assets at fair value			
through profit and loss			
- Short term investments	-	61,081,096	-
	=====	=====	=====
Held to maturity			
- Short term investments	-	2,154,519	-
	=====	=====	=====
Liabilities			
Derivatives			
- Derivative financial instruments	-	4,611	-
	=====	=====	=====

There were no transfers between Levels during the period. Further, there were no changes in valuation techniques during the period.

17.3 Valuation techniques used to derive Level 2 fair values

Level 2 fair valued instruments comprise short term investments and hedging derivatives which include forward exchange contracts. These forward foreign exchange contracts have been fair valued using forward exchange rates that are received from the contracting banks and financial institutions.

Short term investments comprise of fixed income placements and treasury bills which are valued using discounted cash flow model.

17.4 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in this consolidated condensed interim financial information approximate their fair value.

(Amounts in thousand)

18. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of parent company, joint venture companies, associates, other companies with common directors, retirement benefit funds, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in this consolidated condensed interim financial information, are as follows:

	------(Unaudited)-----	
	Half year ended	
	June 30, 2017	June 30, 2016
	-----Rupees-----	
Parent Company		
Dividend paid	1,535,409	2,047,212
Reimbursements to Parent company	248	103,989
Associated companies and joint ventures		
Purchases and services	2,056,279	1,603,424
Dividends received	3,600,759	450,000
Dividends paid	267,142	357,437
Payment of interest on Term Finance Certificates and repayment of principal amount	5,966	54,847
Investment from Associated Companies	-	8,199,632
Contribution for corporate social responsibility	55,500	35,066
Payment against Non EPC contract	-	11,927,908
Payment against EPC contract	5,822,567	-
Reimbursements from associates	118,752	83,735
Reimbursements to associates	29,232	99,429
Utilization of overdraft facility	-	130,000
Repayment of overdraft facility	-	130,000
Loan received	25,362	2,385,593
Loan paid	561,111	141,183
Loan arrangement fee	-	653,630
Mark-up paid	89,726	41,849
Others	24	2,451
Finance cost paid	57,819	31,763
Share capital issued	1,067,873	-
Key Management Personnel		
Remuneration paid to key management personnel / Directors	464,779	489,892
Reimbursement of expenses	3,414	7,696
Directors Fees	20,245	37,837
Dividend paid	55,639	55,506
Profit on Engro Islamic Rupiya Certificates	18,970	21,451
Contribution for retirement benefits	244,643	344,114

(Amounts in thousand)

19. SEGMENT REPORTING

A business segment is a group of assets and operations engaged in providing products that are subject to risk and returns that are different from those of other business segments.

Type of segments	Nature of business
Fertilizer	Manufacture, purchase and market fertilizers.
Polymer	Manufacture, market and sell Poly Vinyl Chloride (PVC), PVC compounds, Caustic Soda and related chemicals.
Food	Manufacture, process and trade all kinds of raw and processed agricultural products.
Power	Includes Independent Power Projects (IPP).
Other operations	Includes LNG and engineering business.

19.1 Liabilities are segment-wise reported to the Board of Directors on an annual basis. Hence, these liabilities are not presented in this consolidated condensed interim financial information.

19.2 Information regarding the Group's operating segment is as follows:

	------(Unaudited)-----			
	Quarter ended		Half year ended	
	June 30, 2017	June 30 2016	June 30, 2017	June 30, 2016
	-----Rupees-----			
Revenue				
Fertilizer	17,247,288	10,397,355	27,311,019	22,277,568
Polymer	6,233,294	5,421,862	13,045,657	11,161,213
Food	550,061	340,165	847,247	639,899
Power	3,183,533	3,213,095	6,167,972	4,730,059
Other operations	2,923,965	2,645,567	10,751,613	8,746,006
Discontinued operations	-	11,464,321	-	23,100,030
Elimination - net	(473,772)	(307,299)	(5,882,176)	(3,886,284)
Consolidated	<u>29,664,369</u>	<u>33,175,066</u>	<u>52,241,332</u>	<u>66,768,491</u>
Profit / (loss) for the period				
Fertilizer	2,478,958	695,862	4,116,472	2,817,253
Polymer	200,284	22,164	1,046,170	39,992
Food	(133,499)	(111,550)	(50,973)	(237,727)
Power	594,885	717,720	1,150,920	1,037,213
Other operations	(728,590)	16,284,683	5,081,458	20,422,787
Discontinued operations	-	853,273	-	1,961,330
Elimination - net	8,632	(15,956,422)	(4,626,755)	(19,129,252)
Consolidated	<u>2,420,670</u>	<u>2,505,730</u>	<u>6,717,292</u>	<u>6,911,596</u>

(Amounts in thousand)

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	------(Rupees)-----	
Assets		
Fertilizer	110,723,183	102,803,512
Polymer	23,321,966	24,420,761
Food	2,374,783	1,885,446
Power	59,903,407	54,780,474
Other operations	107,794,864	107,036,808
Discontinued operations	-	31,180,875
Elimination - net	(4,471,941)	(31,774,569)
Consolidated	<u>299,646,262</u>	<u>290,333,307</u>

20. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE

- 20.1 The Board of Directors of the Holding Company in its meeting held on August 18, 2017 has approved an interim cash dividend of Rs. 7.00 per share for the year ending December 31, 2017. This consolidated condensed interim financial information does not include the effect of the said interim dividend.
- 20.2 The Board of Directors of Engro Vopak Terminal Limited, a joint venture company, in its meeting held on August 10, 2017 has declared an interim cash dividend of Rs. 10 per share for the year ending December 31, 2017. This consolidated condensed interim financial information does not reflect the dividend receivable.

21. SEASONALITY

- 21.1 The Group's fertilizer business is subject to seasonal fluctuations as a result of two different farming seasons viz, Rabi (from October to March) and Kharif (from April to September). On an average fertilizer sales are more tilted towards Rabi season. The Group manages seasonality in the business through appropriate inventory management.
- 21.2 The Group's agri business is subject to seasonal fluctuation as majority of paddy / unprocessed rice is procured during the last quarter of the year which is the harvesting period for all rice varieties grown in Pakistan. However, rice is sold evenly throughout the year. The Group manages seasonality in the business through appropriate inventory management.

22. CORRESPONDING FIGURES

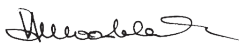
- 22.1 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison, the effects of which are not material.
- 22.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the consolidated condensed interim balance sheet has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the consolidated condensed interim profit and loss account, the consolidated condensed interim statement of comprehensive income, the consolidated condensed interim statement of changes in equity and the consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

23. DATE OF AUTHORIZATION

This consolidated condensed interim financial information is authorized for issue on August 18, 2017 by the Board of Directors of the Holding Company.



Hussain Dawood
Chairman



Hasnain Moochhala
Chief Financial Officer



Ghias Khan
President and Chief Executive

ٹرمینل آپریشنز

پی وی سی اور لبتلین کی بین الاقوامی قیمتوں میں اتار چڑھاؤ عالمی اقتصادی صورتحال اور طلب اور رسد پر منحصر ہے۔ البتہ پی وی سی کی مقامی طلب کے بہتر رہنے کی توقع کی جارہی ہے۔ ساتھ ساتھ کاسٹ مارکیٹ کے بھی مضبوط رہنے کا امکان ہے۔ کاروبار میں آپریشنل استعداد کار کو بڑھانے پر توجہ مرکوز رکھی جائے گی۔

کوئلہ کان کنی اور توانائی کی پیداوار

اینٹرو پاکستان میں جاری توانائی کے بحران کے خاتمے کے لئے اپنا بھرپور کردار ادا کرنا چاہتی ہے۔ اس لئے ہم توانائی کی پیداوار اور حصول کے لئے نئے مواقعوں کی تلاش میں کوشاں رہتے ہیں اور بین الاقوامی پارٹنرز کو اینٹرو کی انجینئرنگ اور انتظامی صلاحیتوں سے استفادہ حاصل کرنے سے روشناس کروا رہے ہیں۔ حکومت کے ساتھ شراکت داری کر کے اینٹرو نے تھر میں توانائی کے منصوبوں کے لئے اپنا کردار ادا کیا ہے اور امید کی جارہی ہے کہ اگلے دو سال میں یہ منصوبہ مکمل کر لیا جائے گا۔

ٹرمینل آپریشنز

امید ہے کہ ایل این جی ٹرمینل ملک میں توانائی کی قلت کو کم کرنے میں اپنا مثبت کردار ادا کرتا رہے گا۔ کیمیکل صنعت مستحکم ہے اور اینٹرو ووپک ٹرمینل اپنے مارکیٹ شیئر کو برقرار رکھنے کے لئے تنگ و دو جاری رکھے گا اس کے لئے ایل پی جی، کیمیکلز اور ایندھن کی ڈسٹری بیوشن کی کیے سیکٹرز میں مواقعوں کے ذریعے اپنے آپریشنز کو توسیع دے گا۔

زیر جائزہ مدت کے دوران ایس ایس جی سی نے جنوری 2017ء سے 200 ایم ایم ایس سی ایف ڈی، ایل این جی ری کیمیکلیشن صلاحیت کو استعمال کرنا شروع کر دیا ہے۔ ایل این جی ٹرمینل نے رواں سال کی زیر جائزہ مدت میں ایل این جی کے 34 کارگو ہینڈل کئے ہیں جبکہ سال 2016ء کی پہلی ششماہی کے اختتام تک ٹرمینل نے 20 کارگو ہینڈل کئے تھے۔ ٹرمینل نے اس مدت میں ایس ایس جی سی کے نیٹ ورک میں 100.9 ٹی سی ایف ری گیسیفائڈ ایل این جی شامل کی۔ زیر جائزہ مدت کے دوران دستیابی 97.2 فیصد رہی۔ کمپنی کی صورتحال منافع بخش رہی۔

زیر جائزہ مدت کے دوران اینٹرو ووپاک ٹرمینل نے کیمیکل اور ایل پی جی کی ہینڈل کی گئی مقدار میں کچھلی ششماہی کے مقابلے میں 8 فیصد اضافہ ہوا۔ ایل این جی برآمدات کا مارکیٹ شیئر 2016ء میں 54 فیصد سے بڑھ کر رواں سال میں 56 فیصد ہو گیا ہے۔ اس مدت کے دوران کاروبار مناسب اور منافع بخش رہا۔

کاروبار کا منظر نامہ

اینٹرو کارپوریشن حصص یافتگان کی ویلیو کو بڑھانے پر توجہ مرکوز رکھنے کے ساتھ ساتھ آمدنی اور کسٹمر بیس میں اضافے اور متنوع کرنے، نئی ٹیکنالوجی کے حصول اور پیداوار کی صلاحیتوں میں اضافے کے لئے تمام شعبوں میں سرمایہ کاری کے مواقع کو تلاش کرتی رہے گی۔

فریلائز

مقامی یورپا کی صنعت کو دوسری سہ ماہی کے اختتام تک موجود انویسٹری کی وجہ سے مشکلات کا سامنا کرنا پڑ سکتا ہے۔ تاہم برآمدات پر لاگو حکومتی ڈیڈ لائن میں اضافے سے یورپا مینو فیکچرز کو کچھ فوائد ملنے کا بھی امکان ہے۔ ڈی اے پی کی بین الاقوامی قیمتوں پر بھی دباؤ رہنے کا امکان ہے کیونکہ اہم درآمدی مراکز کی طلب میں کمی کا رجحان ہے۔

Hussain Dawood
Chairman

Ghias Khan
President and Chief Executive

ڈائریکٹرز رپورٹ

اینٹرو پیٹرو کیمیکلز

پیٹرو کیمیکلز کے کاروبار نے رواں سال کی پہلی ششماہی میں اعلیٰ کارکردگی کا مظاہرہ کیا خصوصاً پی وی سی - اینٹیلائن کور ڈیلٹا اور مینو ٹیکچرنگ آپریشنز میں عمدگی نے کاروبار کو منافع بخش بنادیا۔

سال 2017ء کی پہلی ششماہی کے دوران پیٹرو کیمیکلز کاروبار نے 13,045 ملین آمدن حاصل کی جو گزشتہ سال کی پہلی ششماہی کے مقابلے 17 فیصد اضافہ ہے۔ کاروبار نے 1,046 ملین روپے کا منافع بعد از ٹیکس حاصل کیا جبکہ پچھلے سال کی اسی مدت میں کاروبار میں منافع بعد از ٹیکس 40 ملین روپے حاصل کیا گیا تھا۔ کمپنی نے اپنے آپریشنل استعداد کار کو اعلیٰ سطح پر برقرار رکھا اور پی وی سی اور وی سی ایم کی پیداوار کی بلند ترین حد کو عبور کیا۔

اینٹرو کوئلہ کان کنی اور بجلی کی پیداوار

تھر کوئلہ کان کنی منصوبہ: سال 2017ء کی زیر جائزہ مدت میں تھر کوئلہ پروجیکٹ کی ترقی منصوبہ بندی سے آگے رہی۔ مکمل پیمانے پر کان سے پانی نکالنے کے آپریشنز کا آغاز اپریل میں ہوا اور بجلی ششماہی کے اختتام تک 4.4 ملین کیوبک پانی کا اخراج کامیابی سے کیا جا چکا ہے۔ منصوبے نے اپنی توسیع پلان کے مطابق رواں سال کوئلے کی فروخت کے کئی معاہدوں پر دستخط بھی کئے۔ اسی مدت میں منصوبے کی امکانیت اسٹڈی کو بھی مکمل کیا گیا۔

تھر توانائی منصوبہ: منصوبے کے تمام پہلوؤں پر ترقی مسلسل جاری رہی۔ انجینئرنگ کی ترقی شیڈول سے آگے ہے۔ سائٹ پر دونوں بوائز کوریوشن کے لئے اسٹیل اسٹرکچر اور مین ہال پر کام جاری ہے۔

قادر پور پاور پلانٹ: پلانٹ نے زیر جائزہ ششماہی کے دوران نیشنل گرڈ میں کل نیٹ الیکٹریکل آؤٹ پٹ 872 گیگا واٹ شامل کی۔ کاروبار نے رواں سال کی پہلی ششماہی میں 1,546 ملین روپے کا منافع بعد از ٹیکس حاصل کیا جبکہ گزشتہ سال کی اسی مدت میں منافع بعد از ٹیکس 1,245 ملین روپے رہا تھا۔

سال 2017ء میں پاکستان کی نمو نئی سرمایہ کاری، توانائی کی رسد میں اضافہ اور امن و امان کی بہتر صورتحال کے سبب 5.2 فیصد متوقع ہے۔ افراط زر پر کنٹرول رہا اور ملک کی مالیاتی پالیسی میں بھی تسلسل برقرار رہا تاہم ریگولیٹری ماحول میں سیاسی یا جغرافیائی کشیدگی اور اہم تبدیلیاں اقتصادی اور مالی سرگرمیوں میں رکاوٹ پیدا کر سکتی ہیں جس سے سرمایہ کاری میں کمی اور کاروباری اعتماد میں ممکنہ کمی ہو سکتی ہے۔

کاروباری جائزہ

مربوط بنیادوں پر اینٹرو کارپوریشن نے مالی سال 2017ء کی پہلی ششماہی میں 52,241 ملین روپے آمدن حاصل کی جو مالی سال 2016ء کی پہلی ششماہی کے نتائج کے مقابلے 22 فیصد کم ہے۔ اس کی اہم وجہ سال 2016ء کے آخر میں اینٹرو کارپوریشن کا اینٹرو فوڈز میں سے جزوی ڈس انویسٹمنٹ ہے۔ کھاد اور پیٹرو کیمیکلز کے کاروباروں کی کارکردگی زیر جائزہ مدت میں بہت بہتر رہی جس کی وجوہات مارکیٹ کے بنیادی اصولوں میں بہتری اور بجلی اور ٹرینٹل کی مستحکم کارکردگی رہی جنہوں نے کارپوریشن کی آمدنی میں اضافہ کیا۔ کمپنی کا جاری آپریشنز میں منافع بعد از ٹیکس (اینٹرو فوڈز کے علاوہ) 6,717 ملین روپے رہا جو گزشتہ سال کے منافع بعد از ٹیکس 4,950 ملین روپے کے مقابلے 36 فیصد زائد ہے۔ سال 2017ء کی پہلی ششماہی کے اختتام پر حصص یافتگان کے لئے منافع 3,777 ملین روپے حاصل کیا گیا جبکہ پچھلے سال کی اسی مدت میں منافع 5,519 ملین روپے رہا تھا۔ اس کی بھی وجہ فریٹلائزر اور فوڈز کے کاروباروں سے کارپوریشن کا گزشتہ سال جزوی سرمایہ کاری نکالنا اور ٹیکس رجیم میں منفی تبدیلیاں ہیں۔

اہم کاروباری شعبوں کا ایک مختصر جائزہ مندرجہ ذیل ہے

اینٹرو فریٹلائزر

زیر جائزہ ششماہی کے اختتام تک فریٹلائزر کاروبار کی آمدن میں 23 فیصد اضافہ دیکھا گیا جبکہ منافع بعد از ٹیکس 4,116 ملین روپے ریکارڈ ہوا جو 46 فیصد زائد ہے۔ رواں سال سبسڈی میں متوقع کمی اور ٹیکس کی قیمتوں میں کمی کی بنیاد پر یوریا کی فروخت کے معاہدوں میں اضافہ دیکھا گیا اور 87 کے نی یوریا کو برآمد کرنے سے کمپنی کے منافع میں بڑھوتی ہوئی۔

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