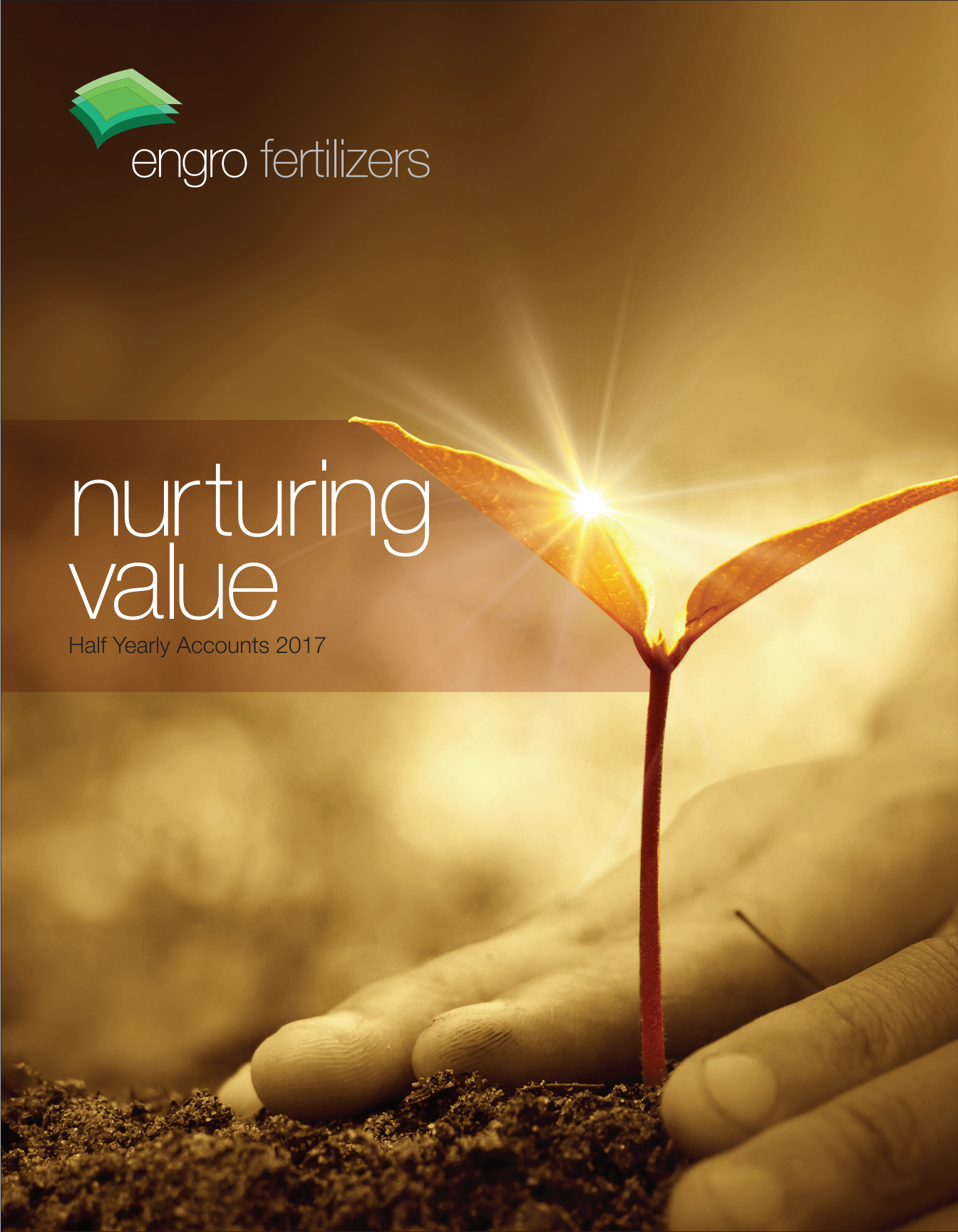




engro fertilizers

# nurturing value

Half Yearly Accounts 2017





# company information

## Board of Directors

Mr. Ghias Khan (Chairman)  
Mr. Ruhail Mohammed (Chief Executive)  
Mr. Abdul Samad Dawood  
Mr. Asad Said Jafar  
Mr. Asim Murtaza Khan  
Mr. Javed Akbar  
Mr. Nadir Salar Qureshi  
Ms. Sadia Khan

## Chief Financial Officer

Atif Kaludi

## Company Secretary

Sarah Farooq

## Bankers

### Conventional

Allied Bank Limited  
Askari Bank Limited  
Bank Al Habib Limited  
Bank Alfalah Limited  
CIMB Bank  
Citi Bank .N.A.  
CITI Bank Dubai  
Faysal Bank Limited  
Habib Bank AG Zurich Dubai  
Habib Bank Limited  
Habib Bank Limited Dubai  
Habib Metropolitan Bank Limited  
HSBC Bank Limited Dubai  
JS Bank Limited  
Mashreq Bank  
MCB Bank Limited  
National Bank of Pakistan  
Samba Bank Limited  
Silk Bank Limited  
Soneri Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
The Bank of Punjab  
United Bank Limited  
United Bank Limited Dubai

### Shariah Compliant

Bank Islami Pakistan Limited  
Al Baraka Islamic Bank (Pakistan) Limited  
Dubai Islamic Bank (Pakistan) Limited  
Meezan Bank Limited  
Summit Bank Limited

## Auditors

A.F. Ferguson & Company  
Chartered Accountants  
State Life Building No. 1-C  
I.I. Chundrigar Road  
Karachi-74000, Pakistan  
Tel: +92(21) 32426682-6 / 32426711-5  
Fax +92(21) 32415007 / 32427938

## Cost Auditors

J.A.S.B. & Associates  
Chartered Accountants  
No. 4 Uni Tower  
I.I. Chundrigar Road  
Karachi-74000, Pakistan  
Tel: +92(21) 32468154-5 / 32468158  
Fax: +92(21) 32468157

## Registered Office

7th Floor, The Harbor Front Building,  
HC # 3, Marine Drive, Block 4, Clifton,  
Karachi-75600, Pakistan  
Tel: +92(21) 35297501-10  
Fax: +92(21) 35810669  
e-mail: info@engrofertilizers.com  
Website: www.engrofertilizers.com  
www.engro.com

## Share Registrar

M/s. FAMCO Associates (Pvt) Limited  
8-F, Next to Hotel Faran, Block-6, PECHS, Shahrah-e-Faisal  
Karachi – Pakistan  
Tel: +92(21) 3438 0104-5, 3438 4621-3  
Fax +92(21) 3438 0106

# directors' report

On behalf of the Board of Directors of Engro Fertilizers Limited, we are pleased to present the unaudited accounts for the half year ended June 30, 2017.

## Pakistan Fertilizer Market

The fertilizer market picked up in the first half of 2017, with urea offtake at 2,683KT, up 47% from 1,823KT in the corresponding period last year. Higher offtake was witnessed in anticipation of subsidy reduction post budget and lower urea prices compared to last year. On the export front, the industry exported 120KT of urea in 1H 2017.

In contrast to offtake, urea production during 1H 2017 reduced to 2,889KT compared to 2,944KT, a decline of 2%. The lower production is attributable to intermittent operations of LNG based fertilizer plants in the first half of the year. However, with production still outpacing demand, urea closing inventory for the Industry reached 1.1 MT by the end of 2Q 2017, compared to 1 MT at the end of 2016. ECC has extended support to the fertilizer manufacturing industry by extending the deadline for exports to October 31, 2017 and doubling the allowed export quantity to a total of 600kT, which is expected to bring down the inventory levels from current highs. On the international front, urea prices dropped from USD 250/T at the start of the year to USD 200/T owing to oversupply. It has, however, been disappointing to note that despite the strong contribution of the agriculture sector to Pakistan's economy, the Government of Pakistan (GoP) has announced a reduction in cash subsidy on urea from PKR 156/bag to PKR 100/bag in Budget 2017, for which we are awaiting official notification. Moreover, the domestic industry is also facing challenge in the form of subsidy accumulation and long lead time in its disbursements. As an industry, we are working towards an early resolution and have a strong affirmation from the government that the issue will be resolved in the third quarter.

DAP demand in the local market increased by a significant 12% as compared to last year, with sales recorded at 563 KT vs 504 KT for 1H 2016. Continuation of subsidy on phosphates contributed to the increase in offtake. International DAP prices declined during the quarter from USD 385/T to USD 360/T.

## Company's Operating Performance

The Company's urea production in 1H 2017 stood at 943 KT compared to 922 KT in the corresponding period last year i.e. an increase of 2.3% mainly due to major turnaround last year. Sales during the period under review clocked in at 793 KT vs 528 KT, a whopping 50% increase, which was boosted further by urea exports of 87 KT in 1H 2017. Overall, the Company's urea market share stood at 30% (branded urea market share 31%) vs 29% (branded urea market share of 29%) last year.

DAP sales during 1H 2017 stood at 95 KT vs 128 KT last year, resulting in a lower market share of 17% vs 25% for the same period last year. Price capping by Government of Punjab in Q1 made imports unfeasible during Q1. Moreover, with the replacement of cash subsidy by reduced sales tax on DAP and change in tax regime to Final Tax Regime in the recent budget, the profitability of the business might be impacted moving ahead.

The Company's blended fertilizer (Zarkhez and Engro NP) sales for the Company stood at 64 KT vs 40 KT in 1H 2016, an increase of 60%. The overall Potash market increased to 22KT vs 11KT last year, on the back of lower prices, subsidy on potash and improved farmer economics. Market share for the Company was at 36% as compared to 45% last year as a result of aggressive sales by private importers.

Gross Profit for the Company was recorded at PKR 8,769 M for 1H 2017, compared to PKR 6,656 M in the same period last year, an increase of 32%. Higher profitability was led by exports of 87 KT of urea, higher offtake in anticipation of subsidy reduction from July onwards and gas pricing in line with the industry post allocation. Finance cost was lower at PKR 1,309 M (vs PKR 1,586 M last year) as a direct consequence of loan repayments, lower benchmark interest rates and re-pricing of various long-term loans. This was partially offset by higher working capital needs due to excess inventory.

Net profit for 1H 2017 stood at PKR 4,102 M compared to PKR 2,793 M last year, resulting in an EPS of PKR 3.07 vs PKR 2.10 in 1H 2016. Company's consolidated profit stood at PKR 4,116 M vs. PKR 2,817 M in the corresponding period last year, resulting in EPS of PKR 3.08 vs last year's EPS of PKR 2.12.

The Board is pleased to recommend an interim cash dividend of PKR 2.5 per share for the period ended June 30, 2017.

In line with the industry, EFERT continues to withhold GIDC on all non-concessionary gases in lieu of the interim order by the High court in October 2016, striking down the GIDC Act. The Company had also obtained a stay order against GIDC applicability on concessionary gas in 2015, and therefore, no GIDC is being paid or accrued for concessionary gas supplied to the new urea plant. GIDC on concessionary gas is in direct contravention with the Fertilizer Policy and our Gas Supply Contracts, on the basis of which we invested USD 1.1 Billion to expand our fertilizer manufacturing capacity. Separately, the Company is currently in discussion with Mari for finalizing term sheet of 26 MMSCFD allocated gas for its old plant.

### **Near Term Outlook**

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 to 600 KT should provide some relief to fertilizer manufacturers. Moving on to the international market, with global markets being under pressure, urea prices are expected to remain soft in 2017. International DAP prices are expected to remain under pressure due to lower than average demand from the major demand centers.



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman



engro fertilizers

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

# auditors' report to the members on review of condensed interim financial information

## Introduction

We have reviewed the accompanying condensed interim balance sheet of Engro Fertilizers Limited as at June 30, 2017 and the related condensed interim profit and loss account, 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.

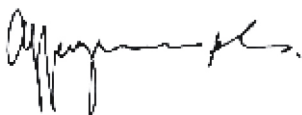
The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2017.

## 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 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: 22 August 2017

**Engagement Partner: Waqas A. Sheikh**

# condensed interim balance sheet as at june 30, 2017

(Amounts in thousand)

	Note	Unaudited June 30, 2017	Audited December 31, 2016
		Rupees	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	69,123,530	70,168,266
Intangible assets		4,482,641	4,450,606
Investment in subsidiary		560,316	560,316
Long term loans and advances		126,965	120,637
		<u>74,293,452</u>	<u>75,299,825</u>
<b>Current assets</b>			
Stores, spares and loose tools		5,176,986	4,886,674
Stock-in-trade		12,999,450	6,820,161
Trade debts		8,967,338	7,585,312
Loans, advances, deposits and prepayments		677,670	678,351
Other receivables		8,076,085	6,986,069
Short term investments		140,487	142,729
Cash and bank balances		96,861	28,473
		<u>36,134,877</u>	<u>27,127,769</u>
<b>TOTAL ASSETS</b>		<u><u>110,428,329</u></u>	<u><u>102,427,594</u></u>



(Amounts in thousand)

	Note	Unaudited June 30, 2017	Audited December 31, 2016
Rupees			
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Share capital		13,352,993	13,309,323
Share premium		3,384,904	3,132,181
Reserve on amalgamation		(304,027)	(304,027)
Remeasurement of post employment benefits		(27,000)	(27,000)
Unappropriated profit		25,936,219	25,172,422
		28,990,096	27,973,576
<b>TOTAL EQUITY</b>		<b>42,343,089</b>	<b>41,282,899</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	5	22,349,572	29,379,946
Deferred liabilities		7,358,920	7,561,108
Service benefits obligations		143,247	156,619
		29,851,739	37,097,673
<b>Current liabilities</b>			
Trade and other payables		18,379,297	14,959,537
Accrued interest / mark-up		590,674	583,632
Taxes payable		2,879,422	1,104,141
Current portion of:			
- borrowings	5	8,270,282	5,171,515
- service benefits obligations		45,672	49,157
Short term borrowings	6	8,044,448	1,909,843
Unclaimed dividend		19,095	19,544
Derivative financial instruments		4,611	249,653
		38,233,501	24,047,022
<b>TOTAL LIABILITIES</b>		<b>68,085,240</b>	<b>61,144,695</b>
Contingencies and Commitments	7		
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>110,428,329</b>	<b>102,427,594</b>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

# 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		17,247,288	10,387,051	27,311,019	22,259,044
Cost of sales		(12,032,550)	(8,026,692)	(18,603,290)	(15,670,500)
<b>Gross profit</b>		<b>5,214,738</b>	<b>2,360,359</b>	<b>8,707,729</b>	<b>6,588,544</b>
Selling and distribution expenses		(1,862,243)	(925,570)	(3,152,943)	(1,780,571)
Administrative expenses		(191,159)	(172,840)	(441,403)	(416,654)
		3,161,336	1,261,949	5,113,383	4,391,319
Other income	9	2,061,416	1,084,386	3,274,706	2,067,028
Other operating expenses		(413,975)	(146,091)	(621,610)	(419,805)
Finance cost		(614,766)	(812,855)	(1,300,055)	(1,563,542)
		(1,028,741)	(958,946)	(1,921,665)	(1,983,347)
<b>Profit before taxation</b>		<b>4,194,011</b>	<b>1,387,389</b>	<b>6,466,424</b>	<b>4,475,000</b>
Taxation		(1,748,296)	(714,852)	(2,364,376)	(1,681,659)
<b>Profit for the period</b>		<b>2,445,715</b>	<b>672,537</b>	<b>4,102,048</b>	<b>2,793,341</b>
<b>Earnings per share - basic</b>		<b>1.83</b>	<b>0.51</b>	<b>3.07</b>	<b>2.10</b>
<b>Earnings per share - diluted</b>		<b>1.83</b>	<b>0.49</b>	<b>3.07</b>	<b>2.04</b>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

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

(Amounts in thousand)

	Quarter ended		Half year ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Profit for the period	2,445,715	672,537	4,102,048	2,793,341
Other comprehensive income:				
<b>Items potentially re-classifiable to Profit and Loss Account</b>				
Hedging reserve - cash flow hedges				
Loss arising during the period	(703)	(34,780)	(10,886)	(103,254)
Less: Adjustment for amounts transferred to profit and loss account	703	35,787	10,886	110,799
Tax relating to hedging reserve	-	(312)	-	(2,339)
	-	695	-	5,206
<b>Items not potentially re-classifiable to Profit and Loss Account</b>				
Effect of change in Income tax rate on remeasurement of post employment benefits obligations	-	(588)	-	(588)
Other comprehensive income for the period, net of tax	-	107	-	4,618
<b>Total comprehensive income for the period</b>	<b>2,445,715</b>	<b>672,644</b>	<b>4,102,048</b>	<b>2,797,959</b>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

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

(Amounts in thousand)

	RESERVE						Total
	CAPITAL			REVENUE			
	Share capital	Share premium	Reserve on amalgamation	Hedging reserve	Remeasurement of post employment benefits	Unappropriated profit	
	Rupees						
<b>Balance as at January 1, 2017 (Audited)</b>	13,309,323	3,132,181	(304,027)	-	(27,000)	25,172,422	41,282,899
<b>Transaction with owners</b>							
Shares issued at exercise of conversion option (note 5.2)	43,670	252,723	-	-	-	-	296,393
Final dividend for the year ended December 31, 2016	-	-	-	-	-	(3,338,251)	(3,338,251)
	43,670	252,723	-	-	-	(3,338,251)	(3,041,858)
<b>Total comprehensive income for the half year ended June 30, 2017</b>							
Profit for the period	-	-	-	-	-	4,102,048	4,102,048
<b>Balance as at June 30, 2017 (Unaudited)</b>	<u>13,352,993</u>	<u>3,384,904</u>	<u>(304,027)</u>	<u>-</u>	<u>(27,000)</u>	<u>25,936,219</u>	<u>42,343,089</u>
<b>Balance as at January 1, 2016 (Audited)</b>	13,309,323	3,132,181	-	(4,536)	(40,664)	26,129,716	42,526,020
<b>Transactions with owners</b>							
Final dividend for the year ended December 31, 2015	-	-	-	-	-	(3,992,797)	(3,992,797)
<b>Total comprehensive income for the half year ended June 30, 2016</b>							
Profit for the period	-	-	-	-	-	2,793,341	2,793,341
Other comprehensive income:							
- cash flow hedges, net of tax	-	-	-	5,206	-	-	5,206
- re-measurements, net of tax	-	-	-	-	(588)	-	(588)
	-	-	-	5,206	(588)	2,793,341	2,797,959
Reserve created upon amalgamation	-	-	(304,027)	-	-	-	(304,027)
<b>Balance as at June 30, 2016 (Unaudited)</b>	<u>13,309,323</u>	<u>3,132,181</u>	<u>(304,027)</u>	<u>670</u>	<u>(41,252)</u>	<u>24,930,260</u>	<u>41,027,155</u>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

# 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	
<b>Cash flows from operating activities</b>			
Cash generated from / (utilised in) operations	10	4,658,873	(8,071,631)
Retirement and other service benefits paid		(46,255)	(43,619)
Taxes paid		(789,350)	(1,638,281)
Finance cost paid		(1,316,604)	(1,687,209)
Long term loans and advances - net		(6,328)	13,795
Net cash generated from / (utilised in) operating activities		2,500,336	(11,426,945)
<b>Cash flows from investing activities</b>			
Purchases of property, plant & equipment and intangibles		(1,383,914)	(2,145,424)
Transfers on amalgamation of Engro Eximp Private Limited		-	(20,388)
Proceeds from disposal of :			
- Property, plant & equipment		5,524	6,604
- Investments - net		-	393,597
Income on deposits / other financial assets		4,961	152,774
Net cash utilised in investing activities		(1,373,429)	(1,612,837)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings - net		-	6,000,000
Dividends paid		(3,338,700)	(3,986,687)
Repayments of short term borrowings		(800,000)	-
Repayments of long term borrowings		(3,856,666)	(12,206,586)
Net cash utilised in financing activities		(7,995,366)	(10,193,273)
Net decrease in cash and cash equivalents		(6,868,459)	(23,233,055)
Cash and cash equivalents at beginning of the period		(938,641)	11,456,260
Cash and cash equivalents at end of the period	11	(7,807,100)	(11,776,795)

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

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

(Amounts in thousand)

## 1. Legal Status and Operations

- 1.1 Engro Fertilizers Limited ('the Company') is a public company incorporated on June 29, 2009 in Pakistan under the Companies Ordinance, 1984 as a wholly owned subsidiary of Engro Corporation Limited (the Parent Company), which is a subsidiary of Dawood Hercules Corporation (the Ultimate Parent Company). The principal activity of the Company is manufacturing, purchasing and marketing of fertilizers. The Company's registered office is situated at 7th & 8th floors, The Harbour Front Building, Plot Number HC-3, Block 4, Scheme Number 5, Clifton, Karachi.
- 1.2 The Company is listed on Pakistan Stock Exchange Limited (the Exchange). The Company has also issued Term Finance Certificates (TFC's) which are listed at the Exchange.

## 2. Basis for 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 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 the financial statements of the Company for the year ended December 31, 2016.
- 3.2 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.
- 3.3 There are certain new International Financial Reporting Standards (IFRS), amendments to published IFRS and interpretations 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 the condensed interim financial information.

## 4. Property, Plant and Equipment

Operating assets at net book value (note 4.1)  
Capital work-in-progress (note 4.2)  
Major spare parts and stand-by equipment

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	Rupees	
	65,620,468	67,314,224
	3,095,132	2,443,486
	407,930	410,556
	<u>69,123,530</u>	<u>70,168,266</u>

(Amounts in thousand)

4.1 Additions to and disposals from operating assets during the period are as follows:

	Additions (Unaudited) (at cost)		Disposals (Unaudited) (at net book value)	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	Rupees			
Building on freehold land	72,837	85,044	-	-
Plant and machinery	535,861	51,424	-	-
Catalyst	8,978	-	-	-
Office equipment	49,420	28,643	112	-
Vehicles	23,258	32,301	1,103	6,604
	<u>690,354</u>	<u>197,412</u>	<u>1,215</u>	<u>6,604</u>

The above disposals represent assets having a cost of Rs. 11,196 (June 30, 2016: Rs. 26,679) which were disposed-off for Rs. 5,524 (June 30, 2016: Rs. 6,604).

#### 4.2 Capital work-in-progress

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	Rupees	
Balance at beginning of the period / year	2,443,486	1,946,598
Add: Additions during the period / year	1,386,542	3,092,476
Transferred to:		
- Operating assets	(690,354)	(2,585,225)
- Intangible assets	(44,542)	(10,363)
Balance at end of the period / year	<u>3,095,132</u>	<u>2,443,486</u>

#### 5. Borrowings - Secured (Non - participatory)

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	Rupees	
Long term finances utilised under mark-up arrangements (notes 5.1, 5.2 and 5.3)	28,073,544	31,691,287
Term Finance and Sukuk Certificates (note 5.1)	2,546,310	2,860,174
	<u>30,619,854</u>	<u>34,551,461</u>
Less: Current portion shown under current liabilities	8,270,282	5,171,515
Balance at end of the period / year	<u>22,349,572</u>	<u>29,379,946</u>

5.1 All senior debts are secured by an equitable mortgage upon immovable property of the Company and equitable charge over current and future fixed assets excluding immovable property of the Company. Loans from the International Finance Corporation (IFC), Subordinated Dubai Islamic Bank Pakistan Limited (DIBPL) loan and Privately Placed Subordinated Sukuk (PPSS) are secured by a sub-ordinated mortgage upon immovable property of the Company and sub-ordinated charge over all present and future fixed assets excluding immovable property of the Company.

(Amounts in thousand)

- 5.2 The Company had availed a loan of US\$ 30,000 from IFC, divided into (i) 30% convertible loan on the shares of the Company 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. IFC has exercised the conversion option equivalent to US\$ 8,000 up till 2016. During the period, the Company received a notice dated March 1, 2017 for the exercise of remaining conversion option on US\$ 1,000. Consequently 4,367,083 ordinary shares of the Company have been allotted to the IFC on March 15, 2017.
- 5.3 During the period, the Company has fully repaid its Offshore Islamic Finance USD Facility and its Local Islamic Syndicate loan.

## 6. SHORT TERM BORROWINGS

The facilities for short term running finances, available from various banks, aggregate to Rs. 14,500,000 (December 31, 2016: Rs. 14,000,000). The mark-up rates on these facilities range from 1 to 3 months KIBOR plus 0.50% to 1.50% per annum. These arrangements are secured by floating charge upon all present and future stocks including raw and packaging materials, finished goods, stores and spares and other merchandise and on all present and future book debts, outstanding monies, receivable claims and bills of the Company. As at June 30, 2017, the Company has utilised Rs. 8,044,448 (December 31, 2016: Rs. 1,909,843) out of the aforementioned facilities.

## 7. CONTINGENCIES AND COMMITMENTS

### Contingencies

- 7.1 Bank guarantees of Rs. 2,308,766 (December 31, 2016: Rs. 2,178,048) have been issued in favour of third parties.
- 7.2 Claims, including pending lawsuits, against the Company not acknowledged as debts amounted to Rs. 58,680 (December 31, 2016: Rs. 58,680).
- 7.3 During the period, the High Court of Islamabad in its order dated June 8, 2017 declared that the income derived by M/s Snamprogetti Engineering (the Contractor) from its contract with the Company, 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, the Company 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. The management of the Company based on the opinion of its legal counsel, is of the view 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 condensed interim financial information.
- 7.4 As at June 30, 2017, except for the aforementioned, there is no material change in the status of matters reported as contingencies in the financial statements of the Company for the year ended December 31, 2016.



(Amounts in thousand)

	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	Rupees	
<b>7.5 Commitments</b>		
Commitments in respect of capital expenditure and other operational items	<u>2,509,126</u>	<u>2,483,898</u>
	(Unaudited) June 30, 2017	(Audited) December 31, 2016
	Rupees	
<b>8. Financing Structure / Mode</b>		
<b>Conventional mode:</b>		
<b>Assets</b>		
Short term investments	138,487	140,729
Cash and bank balances	<u>95,670</u>	<u>28,386</u>
	<u>234,156</u>	<u>169,115</u>
<b>Liabilities</b>		
Borrowings	25,775,499	27,533,633
Short term borrowings	<u>7,687,827</u>	<u>1,909,843</u>
	<u>33,463,326</u>	<u>29,443,476</u>
<b>Shariah compliant mode:</b>		
<b>Assets</b>		
Short term investments	2,000	2,000
Cash and bank balances	<u>1,191</u>	<u>87</u>
	<u>3,191</u>	<u>2,087</u>
<b>Liabilities</b>		
Borrowings	4,844,355	7,017,828
Short term borrowings	<u>356,621</u>	<u>-</u>
	<u>5,200,976</u>	<u>7,017,828</u>

(Amounts in thousand)

	(Unaudited) Quarter ended		(Unaudited) Half year ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	Rupees			
<b>9. Other income</b>				
<b>Income from sales under Government subsidy</b>	2,055,131	1,026,462	3,180,154	1,759,476
<b>On financial assets:</b>				
Income on bank accounts under:				
- Shariah permissible arrangements	46	1	117	1
- interest / mark-up arrangements	4,087	4,136	7,882	6,704
Income on subordinated loan to subsidiary company	-	5,437	-	22,243
Income on treasury bills, term deposit certificates and Pakistan Investment Bonds	-	121	33	79,246
Gain on fair valuation of IFC loan conversion option	-	35,562	3,415	112,234
Dividend income	-	-	52,384	-
Others	873	443	873	429
	5,006	45,700	64,704	220,857
<b>On non-financial assets:</b>				
Gain on disposal of property, plant and equipment	-	-	4,309	-
Rental income	841	1,142	2,102	2,341
Gain on disposal of spares / scrap	275	7,366	21,695	8,163
Others	163	3,716	1,742	76,191
	1,279	12,224	29,848	86,695
	<u>2,061,416</u>	<u>1,084,386</u>	<u>3,274,706</u>	<u>2,067,028</u>
			(Unaudited) Half year ended	
			June 30, 2017	June 30, 2016
<b>10. Cash generated from / (utilised in) operations</b>			Rupees	
<b>Profit before taxation</b>			6,466,424	4,475,000
Adjustment for non-cash charges and other items:				
Depreciation			2,382,895	2,356,549
Amortisation - net			10,574	10,965
Gain on disposal of property, plant and equipment			(4,309)	-
Provision for service benefits			29,397	43,248
Income on deposits / other financial assets			(8,032)	(108,194)
Finance cost			1,300,055	1,563,542
Provision for surplus and slow moving stores and spares			4,436	20,179
Working capital changes (note 10.1)			(5,522,567)	(16,432,920)
			<u>4,658,873</u>	<u>(8,071,631)</u>

(Amounts in thousand)

(Unaudited) Half year ended	
June 30, 2017	June 30, 2016
Rupees	

#### 10.1 Working capital changes

(Increase) / Decrease in current assets

- Stores, spares and loose tools	(294,748)	(454,281)
- Stock-in-trade	(6,179,289)	(5,700,322)
- Trade debts	(1,382,026)	(1,319,520)
- Loans, advances, deposits and prepayments	681	(221,559)
- Other receivables (net)	(1,086,945)	(1,235,393)
	<u>(8,942,327)</u>	<u>(8,931,075)</u>

Increase / (Decrease) in trade and other payables

	3,419,760	(7,501,845)
	<u>(5,522,567)</u>	<u>(16,432,920)</u>

#### 11. Cash and cash equivalents

Cash and bank balances  
Short term investments  
Short term borrowings

	96,861	24,399
	140,487	142,484
	<u>(8,044,448)</u>	<u>(11,943,678)</u>
	<u>(7,807,100)</u>	<u>(11,776,795)</u>

#### 12. Financial risk management and financial instruments

##### 12.1 Financial risk factors

The Company'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 condensed interim financial information does not include all the financial risk management information and disclosures required in the annual financial statements.

##### 12.2 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		
<b>Assets</b>			
Financial assets at fair value through profit and loss			
- Short term investments	-	140,487	-
<b>Liabilities</b>			
Derivatives			
- Derivative financial instruments	-	4,611	-

(Amounts in thousand)

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

#### Valuation techniques used to derive Level 2 fair values

Level 2 fair valued instruments comprise of 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 which are valued using discounted cash flow model.

#### 12.3 Fair value of financial assets and liabilities

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

#### 13. Transactions with Related Parties

Related parties comprise of Parent company, associated companies and 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:

	(Unaudited) Half year ended	
	June 30, 2017	June 30, 2016
	Rupees	
<b>Parent company</b>		
Purchases and services	133,262	128,449
Services provided to Parent Company	14,206	12,736
Royalty	349,460	246,846
Reimbursements	45,364	64,331
Dividend paid	1,878,280	3,145,524
Use of assets	320	1,117
<b>Subsidiary company</b>		
Purchase of products	9,120,716	3,806,685
Reimbursements	9,978	61,109
Dividend received	52,420	-
Funds collected against sales made on behalf of Subsidiary	-	17,141
Mark-up on short term sub-ordinated loan	-	22,243
<b>Associated companies</b>		
Purchases and services	45,226	56,338
Sale of products	2,645	552
Services provided	45,056	42,404
Reimbursements	42,671	63,769
Payment of mark-up on TFCs and repayment of principal amount	5,966	54,847
Donations	40,000	24,266
Use of assets	1,732	796
<b>Contribution to staff retirement benefits</b>		
Pension fund	9,186	9,370
Gratuity fund	46,683	44,973
Provident fund	54,517	51,803
<b>Others</b>		
Remuneration of key management personnel	108,540	96,201

(Amounts in thousand)

#### 14. **Seasonality**

The Company'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 Company manages seasonality in the business through appropriate inventory management.

#### 15. **Corresponding Figures**

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 financial statements of preceding financial year, whereas the condensed interim profit and loss account, 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.

#### 16. **Non-adjusting event after balance sheet date**

The Board of Directors in its meeting held on August 4, 2017 has approved an interim cash dividend of Rs. 2.5 per share for the year ending December 31, 2017 amounting to Rs. 3,338,248. This condensed interim financial information does not include the effect of the said interim dividend.

#### 17. **Date of Authorisation**

This condensed interim financial information was authorised for issue on August 4, 2017 by the Board of Directors of the Company.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman



engro fertilizers

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

# 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 Fertilizers Limited and its subsidiary company, 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: 22 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	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	69,123,530	70,168,266
Intangible assets		4,482,641	4,450,606
Long term loans and advances		126,965	120,637
		<u>73,733,136</u>	<u>74,739,509</u>
<b>Current assets</b>			
Stores, spares and loose tools		5,176,986	4,886,674
Stock-in-trade		12,851,589	6,799,015
Trade debts		8,967,338	7,585,312
Loans, advances, deposits and prepayments		682,015	682,595
Other receivables		8,007,496	6,986,199
Short term investments		1,050,405	1,039,782
Cash and bank balances		254,218	84,426
		<u>36,990,047</u>	<u>28,064,003</u>
<b>TOTAL ASSETS</b>		<u><u>110,723,183</u></u>	<u><u>102,803,512</u></u>



(Amounts in thousand)

	Note	Unaudited June 30, 2017	Audited December 31, 2016
		Rupees	
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Share capital		13,352,993	13,309,323
Share premium		3,384,904	3,132,181
Exchange revaluation reserve		10,813	10,802
Remeasurement of post employment benefits		(26,646)	(26,646)
Unappropriated profit		26,000,945	25,222,724
		29,370,016	28,339,061
<b>TOTAL EQUITY</b>		<b>42,723,009</b>	<b>41,648,384</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	5	22,349,572	29,379,946
Deferred liabilities		7,358,920	7,561,108
Service benefits obligations		144,011	157,225
		29,852,503	37,098,279
<b>Current liabilities</b>			
Trade and other payables		18,293,467	14,969,365
Accrued interest / mark-up		590,674	583,632
Taxes payable		2,879,422	1,104,140
Current portion of:			
- borrowings	5	8,270,282	5,171,515
- service benefits obligations		45,672	49,157
Short term borrowings	6	8,044,448	1,909,843
Unclaimed dividend		19,095	19,544
Derivative financial instruments		4,611	249,653
		38,147,671	24,056,849
<b>TOTAL LIABILITIES</b>		<b>68,000,174</b>	<b>61,155,128</b>
Contingencies and Commitments	7		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>110,723,183</b>	<b>102,803,512</b>

The annexed notes from 1 to 17 form an integral part of this consolidated condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

# 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		17,247,288	10,397,355	27,311,019	22,277,568
Cost of sales		(11,994,052)	(7,978,428)	(18,542,474)	(15,621,397)
Gross profit		5,253,236	2,418,927	8,768,545	6,656,171
Selling and distribution expenses		(1,862,243)	(927,001)	(3,152,943)	(1,783,286)
Administrative expenses		(194,719)	(176,681)	(447,570)	(430,304)
		3,196,274	1,315,245	5,168,032	4,442,581
Other income	9	2,067,573	1,081,468	3,243,598	2,063,872
Other operating expenses		(413,975)	(146,094)	(621,610)	(421,361)
Finance cost		(622,618)	(833,534)	(1,309,172)	(1,586,180)
		(1,036,593)	(979,628)	(1,930,782)	(2,007,541)
Profit before taxation		4,227,254	1,417,085	6,480,848	4,498,912
Taxation		(1,748,296)	(721,223)	(2,364,376)	(1,681,659)
Profit for the period		2,478,958	695,862	4,116,472	2,817,253
Earnings per share - basic		1.85	0.52	3.08	2.12
Earnings per share - diluted		1.85	0.50	3.08	2.06

The annexed notes from 1 to 17 form an integral part of this consolidated condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

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

(Amounts in thousand)

	Quarter ended		Half year ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	Rupees			
Profit for the period	2,478,958	695,862	4,116,472	2,817,253
Other comprehensive income:				
<b>Items potentially re-classifiable to Profit and Loss Account</b>				
Exchange differences on translation of foreign operations	(6,444)	3,578	11	4,532
Hedging reserve - cash flow hedges				
Loss arising during the period	(703)	(34,780)	(10,886)	(103,254)
Less: Adjustment for amounts transferred to profit and loss account	703	35,787	10,886	110,799
Tax relating to hedging reserve	-	(312)	-	(2,339)
	-	695	-	5,206
<b>Items not potentially re-classifiable to Profit and Loss Account</b>				
Effect of change in income tax rate on remeasurement of post employment benefits obligations	-	(588)	-	(588)
Other comprehensive income for the period, net of tax	(6,444)	3,685	11	9,150
<b>Total comprehensive income for the period</b>	<b>2,472,514</b>	<b>699,547</b>	<b>4,116,483</b>	<b>2,826,403</b>

The annexed notes from 1 to 17 form an integral part of this consolidated condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

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

(Amounts in thousand)

	RESERVE						Total
	CAPITAL			REVENUE			
	Share capital	Share premium	Exchange Revaluation Reserve	Hedging reserve	Remeasurement of post employment benefits	Unappropriated profit	
	Rupees						
<b>Balance as at January 1, 2017 (Audited)</b>	13,309,323	3,132,181	10,802	-	(26,646)	25,222,724	41,648,384
<b>Transactions with owners</b>							
Shares issued at exercise of conversion option (note 5.2)	43,670	252,723	-	-	-	-	296,393
Final dividend for the year ended December 31, 2016	-	-	-	-	-	(3,338,251)	(3,338,251)
	43,670	252,723	-	-	-	(3,338,251)	(3,041,858)
<b>Total comprehensive income for the half year ended June 30, 2017</b>							
Profit for the period	-	-	-	-	-	4,116,472	4,116,472
Other comprehensive income:							
- exchange revaluation	-	-	11	-	-	-	11
	-	-	11	-	-	4,116,472	4,116,483
<b>Balance as at June 30, 2017 (Unaudited)</b>	<u>13,352,993</u>	<u>3,384,904</u>	<u>10,813</u>	<u>-</u>	<u>(26,646)</u>	<u>26,000,945</u>	<u>42,723,009</u>
<b>Balance as at January 1, 2016 (Audited)</b>	13,309,323	3,132,181	13,805	(4,536)	(40,310)	25,921,266	42,331,729
<b>Transactions with owners</b>							
Final dividend for the year ended December 31, 2015	-	-	-	-	-	(3,992,797)	(3,992,797)
<b>Total comprehensive income for the half year ended June 30, 2016</b>							
Profit for the period	-	-	-	-	-	2,817,253	2,817,253
Other comprehensive income:							
- exchange revaluation	-	-	4,532	-	-	-	4,532
- cash flow hedges, net of tax	-	-	-	5,206	-	-	5,206
- remeasurements, net of tax	-	-	-	-	(588)	-	(588)
	-	-	4,532	5,206	(588)	2,817,253	2,826,403
<b>Balance as at June 30, 2016 (Unaudited)</b>	<u>13,309,323</u>	<u>3,132,181</u>	<u>18,337</u>	<u>670</u>	<u>(40,898)</u>	<u>24,745,722</u>	<u>41,165,335</u>

The annexed notes from 1 to 17 form an integral part of this consolidated condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

# consolidated 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	
<b>Cash flows from operating activities</b>			
Cash generated from / (utilized in) operations	10	4,771,381	(7,862,891)
Retirement and other service benefits paid		(46,254)	(43,539)
Taxes paid		(789,350)	(1,638,318)
Finance cost paid		(1,325,720)	(1,717,728)
Long term loans and advances - net		(6,328)	14,370
Net cash generated from / (utilised in) operating activities		2,603,729	(11,248,106)
<b>Cash flows from investing activities</b>			
Purchases of property, plant & equipment and intangibles		(1,383,914)	(2,144,734)
Proceeds from disposal of property, plant & equipment		5,524	7,090
Purchase / disposal of investments - net		(909,918)	1,104,129
Income on deposits / other financial assets		15,826	152,774
Net cash utilised in investing activities		(2,272,482)	(880,741)
<b>Cash flows from financing activities</b>			
Proceeds from borrowings - net		-	6,000,000
Dividends paid		(3,338,700)	(3,986,687)
Repayments of :			
- short term borrowings		(800,000)	(75,300)
- long term borrowings		(3,856,666)	(12,206,586)
Net cash utilised in financing activities		(7,995,366)	(10,268,573)
Net decrease in cash and cash equivalents		(7,664,119)	(22,397,420)
Cash and cash equivalents at beginning of the period		14,365	11,469,815
Exchange gain translation on foreign operations		11	4,532
Cash and cash equivalents at end of the period	11	(7,649,743)	(10,923,073)

The annexed notes from 1 to 17 form an integral part of this consolidated condensed interim financial information.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

# 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

- 1.1 Engro Fertilizers Limited ('the Holding Company') is a public company incorporated on June 29, 2009 in Pakistan under the Companies Ordinance, 1984 as a wholly owned subsidiary of Engro Corporation Limited (the Parent Company), which is a subsidiary of Dawood Hercules Corporation Limited (the Ultimate Parent Company). The principal activity of the Holding Company is manufacturing, purchasing and marketing of fertilizers. The Holding Company's registered office is situated at 7th & 8th floors, The Harbour Front Building, Plot Number HC-3, Block 4, Scheme Number 5, Clifton, Karachi.
- 1.2 The Holding Company is listed on Pakistan Stock Exchange Limited (the Exchange). The Holding Company has also issued Term Finance Certificates (TFC's) which are listed at the Exchange.
- 1.3 **The 'Group' consists of:**
  - **Holding Company: Engro Fertilizers Limited**
  - **Subsidiary Company: Engro EXIMP FZE**

## 2. Basis for Preparation

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 consolidated financial statements of the Holding Company for the year ended December 31, 2016.

## 3. Accounting Policies

- 3.1 The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial information are consistent with those applied in the preparation of the consolidated financial statements of the Group for the year ended December 31, 2016.
- 3.2 There are certain new International Financial Reporting Standards (IFRS), amendments to published IFRS and interpretations 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 the consolidated 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. Property, Plant and Equipment

Operating assets at net book value (note 4.1)  
Capital work-in-progress (note 4.2)  
Major spare parts and stand-by equipment

	Unaudited June 30, 2017	Audited December 31, 2016
	Rupees	
	65,620,468	67,314,224
	3,095,132	2,443,486
	407,930	410,556
	<u>69,123,530</u>	<u>70,168,266</u>

4.1 Additions to and disposals from operating assets during the period are as follows:

	Additions (Unaudited) (at cost)		Disposals (Unaudited) (at net book value)	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	Rupees			
Building on freehold land	72,837	85,044	-	-
Plant and machinery	535,861	51,424	-	-
Catalyst	8,978	-	-	-
Office equipment	49,420	28,643	112	-
Vehicles	23,258	32,301	1,103	7,090
	<u>690,354</u>	<u>197,412</u>	<u>1,215</u>	<u>7,090</u>

The above disposals represent assets having a cost of Rs. 11,196 (June 30, 2016: Rs. 28,236) which were disposed-off for Rs. 5,524 (June 30, 2016: Rs. 7,090).

#### 4.2 Capital work-in-progress

Balance at beginning of the period / year  
Add: Additions during the period / year

Transferred to:  
- Operating assets  
- Intangible assets

Balance at end of the period / year

	Unaudited June 30, 2017	Audited December 31, 2016
	Rupees	
	2,443,486	1,946,598
	1,386,542	3,092,476
	(690,354)	(2,585,225)
	(44,542)	(10,363)
	<u>3,095,132</u>	<u>2,443,486</u>

(Amounts in thousand)

	Unaudited June 30, 2017	Audited December 31, 2016
	Rupees	
<b>5. Borrowings - Secured (Non - participatory)</b>		
Long term finances utilised under mark-up arrangements (notes 5.1, 5.2 and 5.3)	28,073,544	31,691,287
Term Finance and Sukuk Certificates (note 5.1)	2,546,310	2,860,174
	<u>30,619,854</u>	<u>34,551,461</u>
Less: Current portion shown under current liabilities	8,270,282	5,171,515
Balance at end of the period / year	<u>22,349,572</u>	<u>29,379,946</u>

5.1 All senior debts are secured by an equitable mortgage upon immovable property of the Holding Company and equitable charge over current and future fixed assets excluding immovable property of the Holding Company. Loans from the International Finance Corporation (IFC), Subordinated Dubai Islamic Bank Pakistan Limited (DIBPL) loan and Privately Placed Subordinated Sukuk (PPSS) are secured by a sub-ordinated mortgage upon immovable property of the Holding Company and sub-ordinated charge over all present and future fixed assets excluding immovable property of the Holding Company.

5.2 The Holding Company had availed a loan of US\$ 30,000 from IFC, divided into (i) 30% convertible loan on the shares of the Holding Company 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, and (ii) 70% non-convertible loan. IFC has exercised the conversion option equivalent to US\$ 8,000 up till 2016. During the period, the Holding Company received a notice dated March 1, 2017 for the exercise of remaining conversion option on US\$ 1,000. Consequently 4,367,083 ordinary shares of the Holding Company have been allotted to the IFC on March 15, 2017.

5.3 During the period, the Holding Company has fully repaid its Offshore Islamic Finance USD Facility and the Local Islamic Syndicate loan.

## 6. SHORT TERM BORROWINGS

The facilities for short term running finances, available from various banks, aggregate to Rs. 14,500,000 (December 31, 2016: Rs. 14,000,000). The mark-up rates on these facilities range from 1 to 3 months KIBOR plus 0.50% to 1.50% per annum. These arrangements are secured by floating charge upon all present and future stocks including raw and packaging materials, finished goods, stores and spares and other merchandise and on all present and future book debts, outstanding monies, receivable claims and bills of the Holding Company. As at June 30, 2017, the Holding Company has utilised Rs. 8,044,448 (December 31, 2016: Rs. 1,909,843) out of the aforementioned facilities.

## 7. CONTINGENCIES AND COMMITMENTS

### Contingencies

7.1 Bank guarantees of Rs. 2,308,766 (December 31, 2016: Rs. 2,178,048) have been issued in favour of third parties.

7.2 Claims, including pending lawsuits, against the Holding Company not acknowledged as debts amounted to Rs. 58,680 (December 31, 2016: Rs. 58,680).



(Amounts in thousand)

7.3 During the period, the High Court of Islamabad in its order dated June 8, 2017 declared that the income derived by M/s Snamprogetti Engineering (the Contractor) from its contract with the Holding Company, 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, the Holding Company 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. The management of the Holding Company based on the opinion of its 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.

7.4 As at June 30, 2017, except for the aforementioned, there is no material change in the status of matters reported as contingencies in the consolidated financial statements of the Group for the year ended December 31, 2016.

#### 7.5 Commitments

Commitments in respect of capital expenditure and other operational items

	Unaudited June 30, 2017	Audited December 31, 2016
	Rupees	
	2,509,126	2,483,898

#### 8. Financing Structure / Mode

##### Conventional mode:

##### Assets

Short term investments  
Cash and bank balances

	Unaudited June 30, 2017	Audited December 31, 2016
	Rupees	

	1,048,405	1,037,782
	253,028	84,339
	1,301,433	1,122,121

##### Liabilities

Borrowings  
Short term borrowings

	25,775,499	27,533,633
	7,687,827	1,909,843
	33,463,326	29,443,476

##### Shariah compliant mode:

##### Assets

Short term investments  
Cash and bank balances

	2,000	2,000
	1,191	87
	3,191	2,087

##### Liabilities

Borrowings  
Short term borrowings

	4,844,355	7,017,828
	356,621	-
	5,200,976	7,017,828

(Amounts in thousand)

	Unaudited Quarter ended		Unaudited Half year ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
	Rupees			
<b>9. Other income</b>				
<b>Income from sales under Government subsidy</b>	2,055,131	1,026,462	3,180,154	1,759,476
<b>On financial assets :</b>				
Income on bank accounts under:				
- Shariah permissible arrangements	46	1	117	1
- interest / mark-up arrangements	4,087	4,136	7,882	6,704
Income on treasury bills, term deposit certificates and Pakistan Investment Bonds	6,120	2,666	19,809	85,753
Gain on fair valuation of IFC loan conversion option	-	35,562	3,415	112,234
Others	875	443	874	429
	11,128	42,808	32,097	205,121
<b>On non-financial assets :</b>				
Gain on disposal of property, plant and equipment	-	-	4,309	-
Rental income	841	1,142	2,102	2,341
Gain on disposal of spares / scrap	275	7,366	21,695	8,163
Others	198	3,690	3,241	88,771
	1,314	12,198	31,347	99,275
	<u>2,067,573</u>	<u>1,081,468</u>	<u>3,243,598</u>	<u>2,063,872</u>

	Unaudited Half year ended	
	June 30, 2017	June 30, 2016
	Rupees	
<b>10. Cash generated from / (utilised in) operations</b>		
<b>Profit before taxation</b>	6,480,848	4,498,912
Adjustment for non-cash charges and other items:		
Depreciation	2,382,894	2,356,549
Amortisation - net	10,574	10,966
Gain on disposal of property, plant and equipment	(4,309)	-
Provision for service benefits	29,555	43,327
Income on deposits / other financial assets	(20,898)	(108,194)
Finance cost	1,309,172	1,586,180
Provision for surplus and slow moving stores and spares	4,436	20,179
Working capital changes (note 10.1)	(5,420,891)	(16,270,810)
	<u>4,771,381</u>	<u>(7,862,891)</u>

(Amounts in thousand)

Unaudited Half year ended	
June 30, 2017	June 30, 2016
Rupees	

#### 10.1 Working capital changes

(Increase) / Decrease in current assets

- Stores, spares and loose tools	(294,748)	(454,281)
- Stock-in-trade	(6,052,574)	(5,714,050)
- Trade debts	(1,382,026)	(1,319,520)
- Loans, advances, deposits and prepayments	580	(223,674)
- Other receivables (net)	(1,016,225)	(1,242,721)
	<u>(8,744,993)</u>	<u>(8,954,246)</u>

Increase / (Decrease) in trade and other payables

	3,324,102	(7,316,564)
	<u>(5,420,891)</u>	<u>(16,270,810)</u>

#### 11. Cash and cash equivalents

Cash and bank balances	254,218	247,883
Short term investments	140,487	772,722
Short term borrowings	(8,044,448)	(11,943,678)
	<u>(7,649,743)</u>	<u>(10,923,073)</u>

#### 12. Financial risk management and financial instruments

##### 12.1 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 consolidated financial statements.

##### 12.2 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 Rupees	Level 3
<b>Assets</b>			
Financial assets at fair value through profit and loss			
- Short term investments	-	1,050,405	-
<b>Liabilities</b>			
Derivatives			
- Derivative financial instruments	-	4,611	-

(Amounts in thousand)

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

#### Valuation techniques used to derive Level 2 fair values

Level 2 fair valued instruments comprise of 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 which are valued using discounted cash flow model.

#### 12.3 Fair value of financial assets and liabilities

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

#### 13. Transactions with Related Parties

Related parties comprise of Parent company, associated 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 consolidated condensed interim financial information, are as follows:

	Unaudited Half year ended	
	June 30, 2017	June 30, 2016
	Rupees	
<b>Parent company</b>		
Purchases and services	133,262	128,449
Services provided to Parent Company	14,206	12,736
Royalty	349,460	246,846
Reimbursements	45,364	64,331
Dividend paid	1,878,280	3,145,524
Use of assets	320	1,117
<b>Associated companies</b>		
Purchases and services	45,226	56,338
Sale of products	2,645	552
Services provided	45,056	42,404
Reimbursements	42,671	64,260
Payment of mark-up on TFCs and repayment of principal amount	5,966	54,847
Donations	40,000	24,266
Use of assets	1,732	1,918
<b>Contribution to staff retirement benefits</b>		
Pension fund	9,186	9,370
Gratuity fund	46,683	45,017
Provident fund	54,517	51,910
<b>Others</b>		
Remuneration of key management personnel	109,225	97,033

(Amounts in thousand)

#### 14. **Seasonality**

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.

#### 15. **Corresponding Figures**

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 consolidated financial statements of preceding financial year, whereas the 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 have been compared with the balances of comparable period of immediately preceding financial year.

#### 16. **Non-adjusting event after balance sheet date**

The Board of Directors in its meeting held on August 4, 2017 has approved an interim cash dividend of Rs. 2.5 per share for the year ending December 31, 2017 amounting to Rs. 3,338,248. This consolidated condensed interim financial information does not include the effect of the said interim dividend.

#### 17. **Date of Authorisation**

This consolidated condensed interim financial information was authorised for issue on August 4, 2017 by the Board of Directors of the Holding Company.



**Atif Kaludi**  
Chief Financial Officer



**Ruhail Mohammed**  
Chief Executive



**Ghias Khan**  
Chairman

کمپنی کی مرکب کھاد (زرنیز اور اینگریڈینٹ) کی فروخت زیر جائزہ مدت کے دوران 60 فیصد زیادتی کے ساتھ 64 کے ٹی رہی جبکہ گزشتہ سال کی پہلی ششماہی میں فروخت 40 کے ٹی ریکارڈ کی گئی تھی۔ پوناش صنعت میں کم قیمتوں، پوناش پرسسڈی اور کسان کی آمدن میں اضافے کی بنیاد پر اضافہ دیکھا گیا اور فروخت 22 کے ٹی رہی جبکہ گزشتہ سال کی اسی مدت میں فروخت 11 کے ٹی رہی تھی۔ کمپنی کا مارکیٹ شیئر زیر جائزہ مدت میں 36 فیصد رہا جبکہ پچھلے سال مارکیٹ شیئر 45 فیصد تھا اس کی ایک وجہ پرائیویٹ ورآمد کنندگان کی جارحانہ فروخت رہی۔

زیر جائزہ مدت میں کمپنی کا مجموعی نفع 32 فیصد اضافے کے ساتھ 8,769 ملین روپے رہا جو کہ پچھلے سال 6,656 ملین روپے تھا۔ اس اضافے کے بڑے محرک 87 کے ٹی ایکسپونڈیوریا، بعد از جولائی سسڈی میں متوقع کمی کی بنا پر اضافی فروخت اور انڈسٹری کوڈی جانے والی گیس کی قیمت رہے۔ قرضہ جات کی بروقت ادائیگی، شرح سود میں کمی اور طویل مدتی قرضوں کی ری شیڈولنگ کی بدولت فنانس چارجز میں کمی ہوئی۔ سال 2017ء کی پہلی ششماہی میں فنانس چارجز 1,309 ملین روپے رہے، جبکہ پچھلے سال یہ چارجز 1,586 ملین روپے تھے۔

زیر جائزہ مدت میں کمپنی کا نیٹ منافع 4,102 ملین روپے رہا جبکہ پچھلے سال کی اسی مدت میں کمپنی کا نیٹ منافع 2,793 ملین روپے رہا تھا۔ اس اضافے کا آمدنی فی شیئر پر بھی اثر پڑا ہے (3.07 روپے فی شیئر بمقابلہ 2.10 روپے فی شیئر گزشتہ سال)۔ کمپنی کا مجموعی منافع 4,116 ملین روپے رہا جبکہ پچھلے سال کی اسی مدت میں کمپنی کا مجموعی منافع 2,817 ملین روپے تھا۔ اس اضافے کا مجموعی آمدنی فی شیئر پر بھی اثر پڑا ہے (3.08 روپے فی شیئر بمقابلہ 2.12 روپے فی شیئر گزشتہ سال)۔


بورڈ 30 جون، 2017ء کو ختم ہونے والی ششماہی کے لئے 2.5 روپے فی شیئر عبوری کیش ڈیویڈنڈ کو سرت سے پیش کرتا ہے۔

کمپنی نے انڈسٹری کے عین مطابق 2016ء اکتوبر کے عبوری عدالتی فیصلے جس میں عدالت نے جی آئی ڈی سی ایکٹ کو کالعدم قرار دیا تھا کی روشنی میں یوریا پلانٹ کو فراہم کی جانے والی غیر رعایتی گیس پر جی آئی ڈی سی کسی بھی حوالے سے ادائیگی نہیں کیا۔ کمپنی نے 2015ء میں رعایتی گیس پر جی آئی ڈی سی (GIDC) لاگو ہونے کی شرائط کے خلاف حکم امتناعی حاصل کیا تھا جس کی وجہ سے نئے پلانٹ کو ملنے والی رعایتی گیس پر جی آئی ڈی سی ادائیگی نہیں کیا جا رہا۔ رعایتی گیس پر جی آئی ڈی سی فریٹلائزر پالیسی اور ہمارے گیس کی فراہمی کے معاہدوں کی براہ راست خلاف ورزی ہے۔ انہی معاہدوں کی بنیاد پر ہم نے اپنے یوریا میٹریکیٹنگ پلانٹ کو وسعت دینے کے لیے 1.1 ارب ڈالر کی سرمایہ کاری کی تھی۔ اس کے علاوہ کمپنی فی الوقت اپنے پُرانے پلانٹ کے لئے ماری سے 26 ایم ایم ایس ای ایف ڈی گیس کی ٹرم شیٹ سائن کرنے کے لئے مذاکرات کر رہی ہے۔

مستقبل قریب کا منظر نامہ

مقامی یوریا بیکس پر موجود سہ ماہی میں زائد انویسٹری کو کھپانے کی وجہ سے دباؤ رہنے کی توقع ہے تاہم ایکسپورٹ کی ڈیڈ لائن میں اضافے کی وجہ سے اور 600 کے ٹی یوریا برآمد کرنے کی اجازت ملنے کے بعد امید کی جاتی ہے کہ فریٹلائزر میٹریکیٹنگ پروگرام کو فائدہ ہوگا۔ مزید برآں ڈی اے پی کی بین الاقوامی قیمتوں میں کمی کی بھی توقع کی جا رہی ہے اور عالمی مارکیٹ میں یوریا کی قیمتوں پر بھی دباؤ متوقع ہے۔

۱۰۔ ۱۱۔ ۱۲۔  
روحیل محمد  
چیف ایگزیکٹو آفیسر

  
غیاث خان  
چئیرمین

## ڈائریکٹرز رپورٹ

انگریز فریلائزرز لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 جون 2017ء کو ختم ہونے والے نصف سال کے لئے غیر آڈٹ شدہ مالیاتی معلومات کو پیش کرنے پر مسرت محسوس کرتے ہیں۔

### پاکستان فریلائزرز مارکیٹ

2017ء کی پہلی ششماہی میں کھاد کی مارکیٹ میں تیزی دیکھی گئی اور یوریا کی فروخت کا حجم 2,683 کے ٹی رہا جو پچھلے سال کی پہلی ششماہی میں ہونے والے 1,823 کے ٹی کے مقابلے میں 47 فیصد زائد ہے۔ اس اضافے کی وجہ جیٹ کے بعد سسڈی میں متوقع کمی اور پچھلے سال کی نسبت یوریا کی کم قیمت ہے۔ انڈسٹری نے رواں سال کی زیر جائزہ مدت میں 120 کے ٹی یوریا پر وین ملک فروخت کیا۔

یوریا کی فروخت کے مقابلے میں یوریا کی پیداوار 2017ء کی پہلی ششماہی میں 2944 کے ٹی سے 2,889 فیصد گھٹ کر 2,889 کے ٹی رہی۔ اس کی بنیادی وجہ زیر جائزہ مدت میں ایل این جی سے چلنے والے فریلائزرز پلانٹ کے غیر مستقل آپریشنز بنے۔ تاہم پیداوار طلب کے مقابلے زیادہ رہی اس لئے سال 2017ء کی دوسری سہ ماہی کے اختتام پر انوینٹری 1.1 ملین ٹن رہی جبکہ گزشتہ سال کے اختتام پر انوینٹری 1.1 ملین ٹن رہی جبکہ گزشتہ سال کے اختتام پر ڈیڈ لائن کو 131 کو بریک کر دیا ہے اور برآمد کئے جانے والی کھاد کا حجم بھی بڑھا کر 600 کے ٹی کر دیا ہے جس کی بنا پر توقع کی جارہی ہے کہ انڈسٹری میں کھاد کی انوینٹری میں کمی آئے گی۔ بین الاقوامی سطح پر یوریا کی قیمتوں میں کمی دیکھی گئی۔ سال کے آغاز پر قیمت 250 ڈالر فی ٹن تھی جو ششماہی کے اختتام تک زائد رسید کی وجہ سے 200 ڈالر فی ٹن ہو گئی۔ تاہم افسوس ناک امر یہ ہے کہ زراعت کے پاکستانی معیشت میں کلیدی کردار ہونے کے باوجود حکومت پاکستان نے وفاقی بجٹ 2017ء میں سسڈی میں کمی کا اعلان کیا ہے جس کا آفیشل نوٹس تک موصول نہیں ہوا ہے۔ اس کمی کی وجہ سے سسڈی فی تھیلا 156 روپے سے کم ہو کر 100 روپے ہو گئی ہے۔ مزید برآں مقامی انڈسٹری کو سسڈی کے ملنے میں ہونے والی دیر کی وجہ سے ایک چیلنج کا سامنا ہے۔ بحیثیت انڈسٹری ہم اس مسئلہ کے جلد حل کے لئے کوششیں کر رہے ہیں اور حکومت پاکستان نے یہ یقین دہانی کروائی ہے کہ یہ مسئلہ رواں سال کے تیسرے سہ ماہی میں حل ہو جائے گا۔

زیر جائزہ ششماہی کے دوران ڈی اے پی کی فروخت 12 فیصد کے اضافے کے ساتھ 563 کے ٹی رہی جبکہ پچھلے سال کی اسی مدت میں فروخت 504 کے ٹی رہی اور ڈی اے پی کی گئی تھی۔ فاسفیٹ پر ملنے والی سسڈی کی بدولت یہ نمونہ دیکھی گئی۔ ڈی اے پی کی بین الاقوامی قیمتیں رواں سہ ماہی میں 385 ڈالر فی ٹن سے کم ہو کر 360 ڈالر فی ٹن ہو گئیں۔

### کمپنی کی آپریٹنگ کارکردگی

کمپنی کی یوریا پیداوار 2017ء کی پہلی ششماہی میں 943 کے ٹی رہی جبکہ پچھلے سال کے اسی دورانیے میں پیداوار 922 کے ٹی تھی۔ یہ سال بسال تقابلی جائزہ میں 2.3 فیصد اضافہ ہے۔ زیر جائزہ مدت کے دوران ہیلز پچھلے سال کی ہیلز 528 کے ٹی کے مقابلے میں 50 فیصد اضافے کے ساتھ 793 کے ٹی دیکھی گئی اس کے ساتھ ساتھ، یوریا کی برآمدات 87 کے ٹی رہیں۔ کمپنی کا یوریا مارکیٹ شیئر 30 فیصد رہا (براؤنڈ یوریا مارکیٹ شیئر 31 فیصد) جو پچھلے سال 29 فیصد (براؤنڈ یوریا مارکیٹ شیئر 29 فیصد) تھا۔

2017ء کی پہلی ششماہی میں انگریزوں نے 95 کے ٹی DAP فروخت کی، اس کے مقابلے گزشتہ سال کی پہلی ششماہی میں 128 کے ٹی، ڈی اے پی کی فروخت کی تھی۔ اس سال مارکیٹ شیئر سال 2017ء کی پہلی ششماہی کے مارکیٹ شیئر 25 فیصد کے مقابلے میں 17 فیصد رہا۔

حکومت پنجاب کی جانب سے پرائس کیپنگ متعارف کروانے کی وجہ سے سال کی پہلی سہ ماہی میں درآمد نقصان دہ رہی۔ مزید برآں وفاقی بجٹ میں کیش سسڈی کو ہٹا کر ڈی اے پی پر سبزی ٹیکس میں چھوٹ دینے اور فائل ٹیکس رجیم کے لاگو ہونے سے کاروبار میں منافع کی شرح میں کمی کا امکان ہے۔







111-211-211  
engrofertilizers.com



RC-Blue Communications