

First Quarter
Accounts
2015



FFBL
Fauji Fertilizer Industries Limited

Company Information

DIRECTORS

- Lt Gen Khalid Nawaz Khan, HI(M), Sitara-i-Esar, (Retd)
Chairman
- Lt Gen Muhammad Haroon Aslam, HI(M), SBt, (Retd)
Chief Executive & Managing Director
- Lt Gen Shafqaat Ahmed, HI(M), (Retd)
- Mr Qaiser Javed
- Dr Nadeem Inayat
- Maj Gen Syed Jamal Shahid, HI(M), (Retd)
- Maj Gen Nasir Mahmood, HI(M), (Retd)
- Maj Gen Muhammad Farooq Iqbal, HI(M), (Retd)
- Brig Muhammad Saeed Khan, (Retd)
- Mr Naved A. Khan
- Mr Nasier A. Sheikh
- Dr Rashid Bajwa

COMPANY SECRETARY

Brig Muhammad Azam, SI(M), (Retd)

CFO

Syed Aamir Ahsan

REGISTERED OFFICE

73 Harley Street, Rawalpindi, Pakistan

Tel: (051) 9272196-97, 9270923

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E-mail: secretary@ffbl.com

Website: <http://www.ffbl.com>

PLANTSITE

Bin Qasim, Karachi, Pakistan

LEGAL ADVISORS

Orr Dignam & Co

Advocates,

3-A, Street 32, Sector F-8/1,

Islamabad, Pakistan

AUDITORS

KPMG Taseer Hadi & Co

Chartered Accountants

6th Floor, State Life Building,

Jinnah Avenue, Islamabad.

SHARES REGISTRAR

Corplink (Pvt) Limited

Wings Arcade, 1-K, Commercial,
Model Town, Lahore.

Tel: (042) 35839182, 35887262

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Directors' Review

For the Quarter Ended March 31, 2015

The Board of Directors is pleased to present a brief overview of the operational and financial performance of the Company for the first quarter ended March 31, 2015.

By the grace of Almighty, the overall performance of the plants remained satisfactory during the period. Gas curtailment continued and affected the overall production of Ammonia, Urea and DAP in terms of installed capacity. However some improvement in gas curtailment was observed during the quarter. The average curtailment was 46% as compared with 54% in corresponding period. Ammonia, Urea and DAP plants remained closed for 40, 76 and 30 days respectively. Production of Ammonia at 39 thousand tonnes, DAP at 142 thousand tonnes was higher by 8% and 43% respectively, whereas Urea at 16 thousand tonnes was lower by 27% comparing with the corresponding period.

FFBL Urea (G) sales during Jan-Mar 2015 were 15 thousand tonnes, showing a decrease of 29% as compared to 21 thousand tonnes sales of corresponding period of 2014 due to low production. Sona DAP sales during the period were 85 thousand tonnes, 5% lower than 90 thousand tonnes sales of Jan-Mar 2014.

Urea industry sales during Jan-Mar 2015 are estimated at 1,504 thousand tonnes showing an increase of 6% as compared to 1,415 thousand tonnes sales during the same period of 2014. DAP industry sales during Jan-Mar 2015 are estimated at 179 thousand tonnes, 12% lower than 204 thousand tonnes sales of 2014. Urea imports during Jan-Mar 2015 were 223 thousand tonnes which are lower than the imports of 304 thousand tonnes during Jan-Mar 2014.

During Jan-Mar 2015 FFBL share in Urea and DAP market is estimated to be 1% and 48% respectively.


FFBL's financial results for the first quarter 2015 have shown a gross profit of Rs. 710 million lower by 14% as compared with corresponding period. The main reasons are low production due to gas curtailment and increase in Gas Infrastructure Development Cess (GIDC) on fuel gas from Rs.100 per MMBTU to Rs.150 per MMBTU, which FFBL did not pass on to its customers.

Financial charges have been increased significantly due to utilization of long term loans. Other income mainly includes dividend from Askari Bank Limited and Fauji Cement Company Limited. Net profit after tax, as a result of the above stated factors stood at Rs. 98 million, decreased by Rs. 88 million against the corresponding period. Company's earnings per share at March 31, 2015 stood at Rs. 0.11 against Rs. 0.20 in the corresponding period.

The overall PMP plant performance remained satisfactory for the year 2014. PMP produced 403 thousand tonnes of P_2O_5 out of which 323 thousand tonnes was exported to FFBL. PMP reported a net profit of MAD 65 million for the year ended December 31, 2014.

Consistent gas supply is still a challenge for fertilizer sector in the days to come. FFBL is in close coordination with Ministry of Petroleum and SSGCL for improvement of gas supply in the context of growing fertilizer demand in the country. We are optimistic that going forward we will have InshaAllah better gas supply and will cover up some of the lost production.

For and on behalf of the Board



Rawalpindi
27 April 2015

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

Condensed Interim Financial Information

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2015

		Un - audited March 31, 2015	Audited December 31, 2014
	Note	(Rupees '000)	
EQUITY AND LIABILITIES			
ISSUED SHARE CAPITAL AND RESERVES			
Share capital		9,341,100	9,341,100
Capital reserve		228,350	228,350
Accumulated profit		1,498,561	3,502,187
		11,068,011	13,071,637
NON-CURRENT LIABILITIES			
Long term loans	5	8,500,000	10,000,000
Deferred liabilities	7	3,200,616	3,276,805
		11,700,616	13,276,805
CURRENT LIABILITIES			
Trade and other payables		14,491,794	13,860,083
Mark - up accrued		256,165	233,141
Short term borrowings		8,253,599	3,087,407
Current portion of long term loans	5	1,500,000	-
Current portion of deferred Government assistance	6	1,944,600	1,944,600
Provision for income tax - net		269,439	775,158
		26,715,597	19,900,389
		49,484,224	46,248,831
CONTINGENCIES AND COMMITMENTS			
	8		

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

	Un - audited March 31, 2015	Audited December 31, 2014
Note	(Rupees '000)	

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	9	11,932,958	12,202,673
Long term investments	10	14,759,226	12,130,788
Long term deposits		78,643	78,643
		26,770,827	24,412,104

CURRENT ASSETS

Stores and spares	2,276,137	2,337,205
Stock in trade	4,692,624	1,557,296
Trade debts	710,538	1,466,063
Advances	870,187	880,687
Trade deposits and short term prepayments	130,471	28,097
Interest accrued	26,962	17,633
Other receivables	1,228,119	514,226
Sales tax refundable	1,095,806	760,734
Short term investments	7,367,006	9,230,117
Cash and bank balances	4,315,547	5,044,669
	22,713,397	21,836,727
	49,484,224	46,248,831



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR


**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

		2015	2014
	Note	(Rupees '000)	
Sales - net		5,798,941	6,040,576
Cost of sales	11	(5,088,508)	(5,210,549)
Gross profit		710,433	830,027
Selling and distribution expenses		(492,113)	(449,515)
Administrative expenses		(274,783)	(262,766)
		(56,463)	117,746
Finance costs		(421,117)	(42,139)
Other operating expenses		(4,973)	(20,519)
		(482,553)	55,088
Other income		569,908	186,618
Profit before taxation		87,355	241,706
Taxation		10,767	(55,391)
Profit after taxation		98,122	186,315
Earnings per share - basic and diluted (Rupees)		0.11	0.20

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.


CHAIRMAN


CHIEF EXECUTIVE


DIRECTOR

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

	2015	2014
	(Rupees '000)	
Profit after taxation	98,122	186,315
Other comprehensive income	-	-
Total comprehensive income	98,122	186,315

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2015

		2015	2014
	Note	(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	12	(3,083,065)	(385,022)
Income tax paid		(560,605)	(349,644)
Payment to Gratuity Fund		1,256	(51,301)
Finance cost paid		(339,199)	(293,326)
Compensated absences paid		(10,896)	(7,947)
Payment to Workers' (Profit) Participation Fund		(20,557)	(49,808)
Net cash used in operating activities		(4,013,066)	(1,137,048)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(76,280)	(155,126)
Long term investments		(2,628,438)	(279,346)
Sale proceeds of property, plant and equipment		-	13,650
Short term investments		1,119,687	(70,791)
Profit received on bank balances and term deposits		51,608	82,434
Net cash used in investing activities		(1,533,423)	(409,179)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		550,000	(1,250,000)
Dividend paid		(1,298,825)	(1,335,511)
Net cash used in financing activities		(748,825)	(2,585,511)
Net decrease in cash and cash equivalents		(6,295,314)	(4,131,738)
Cash and cash equivalents at beginning of the quarter		5,137,262	3,042,405
Cash and cash equivalents at end of the quarter		(1,158,052)	(1,089,333)
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents included in the statement of cash flows comprises the following balance sheet amounts:			
- Cash and bank balances		4,315,547	3,302,496
- Short term highly liquid investments		480,000	1,010,000
- Short term running finance		(5,953,599)	(5,401,829)
		(1,158,052)	(1,089,333)

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



CHAIRMAN



CHIEF EXECUTIVE



DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2015

	Share capital	Capital reserve	Accumulated profit	Total
	(Rupees '000)			
Balance as at January 01, 2014	9,341,100	228,350	3,273,456	12,842,906
Total comprehensive income				
Profit for the period after taxation	-	-	186,315	186,315
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	186,315	186,315

Transactions with owners, recorded directly in equity

Distributions to owners

Final dividend 2013 (Rs. 2.25 per ordinary share)	-	-	(2,101,748)	(2,101,748)
Total transactions with owners	-	-	(2,101,748)	(2,101,748)
Balance as at March 31, 2014	9,341,100	228,350	1,358,023	10,927,473

Balance as at January 01, 2015	9,341,100	228,350	3,502,187	13,071,637
Total comprehensive income				
Profit for the period after taxation	-	-	98,122	98,122
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	98,122	98,122

Transactions with owners, recorded directly in equity


Distributions to owners

Final dividend 2014 (Rs. 2.25 per ordinary share)	-	-	(2,101,748)	(2,101,748)
Total transactions with owners	-	-	(2,101,748)	(2,101,748)
Balance as at March 31, 2015	9,341,100	228,350	1,498,561	11,068,011

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.


CHAIRMAN


CHIEF EXECUTIVE


DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2015

1. Fauji Fertilizer Bin Qasim Limited ("the Company") is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984, and its shares are quoted on the Karachi, Lahore and Islamabad stock exchanges in Pakistan. The registered office of the Company is situated at Rawalpindi, Pakistan. The Company is domiciled in Rawalpindi, Pakistan. The principal objective of the Company is manufacturing, purchasing and marketing of fertilizers. The Company commenced its commercial production effective January 1, 2000.
2. This condensed interim financial information of the Company for the quarter ended March 31, 2015 has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The disclosures in this condensed interim financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended December 31, 2014. Comparative balance sheet is extracted from annual financial statements as of December 31, 2014 whereas comparative profit and loss account, statement of comprehensive income, statement of cash flows and statement of changes in equity are extracted from unaudited condensed interim financial information for the quarter ended March 31, 2014.

The condensed interim financial information is unaudited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Islamabad, Karachi and Lahore Stock Exchanges.

3. The accounting policies and method of computation adopted for the preparation of this condensed interim financial information is same as those applied in preparation of financial statements for the preceding year ended December 31, 2014.
4. Status of significant shareholding as at March 31, 2015 is given below:

	Shares	Percentage
Fauji Fertilizer Company Limited	465,891,896	49.88
Fauji Foundation	170,842,385	18.29
	Un - audited March 31, 2015	Audited December 31, 2014
	(Rupees '000)	

5. LONG TERM LOANS

Loans from banking companies - secured	10,000,000	10,000,000
Less: Current portion shown under current liabilities	1,500,000	-
	8,500,000	10,000,000

6. DEFERRED GOVERNMENT ASSISTANCE

Deferred Government assistance from Government of Pakistan (GoP)	1,944,600	1,925,179
Less: Current portion shown under current liabilities	1,944,600	1,944,600
	-	(19,421)
Deferred Government assistance	-	19,421
	-	-

		Un - audited March 31, 2015	Audited December 31, 2014
	Note	(Rupees '000)	
7. DEFERRED LIABILITIES			
Compensated leave absences		383,317	393,853
Deferred tax	7.1	2,817,299	2,882,952
		3,200,616	3,276,805
7.1 The balance of deferred tax is in respect of the following major temporary differences:			
Accelerated depreciation		2,875,241	2,940,894
Provision for inventory obsolescence		(57,942)	(57,942)
		2,817,299	2,882,952
8. CONTINGENCIES AND COMMITMENTS			
Contingencies			
i) Indemnity bonds and undertakings given to the customs authorities for the machinery imported by the Company for installation at plant site.		119,650	119,650
ii) Guarantees issued by banks on behalf of the Company.		34,372	60,692
iii) Company's share of contingent liabilities of Fauji Cement Company Limited as at December 31, 2014.		22,250	22,250
iv) Company's share of contingent liabilities of Foundation Wind Energy - I Limited as at December 31, 2014.		61,648	62,873
v) Company's share of contingent liabilities of Foundation Wind Energy - II (Pvt) Limited as at December 31, 2014.		61,648	62,873
vi) Company's share of contingent liabilities of Askari Bank Limited as at December 31, 2014.		31,511,278	34,965,631
Commitments			
i) Capital expenditures - contracted.		1,425,124	909,849
ii) Letters of credit for purchase of stores, spares and raw materials.		849,599	1,079,418
iii) Commitments with Fauji Foundation for investment in wind power projects.		187,580	865,078
iv) Company's share of commitments of PMP as at December 31, 2014.		4,472	4,623
v) Commitments on behalf of Fauji Meat Limited.		77,107	69,916
vi) Commitments on behalf of FFBL Power Company Limited.		4,739,605	5,390,538
vii) Commitments on behalf of Fauji Cement Company Limited.		8,935	10,785
9. PROPERTY, PLANT AND EQUIPMENT			
Opening written down value		12,202,673	13,059,509
Additions		76,280	530,995
Disposals		-	(48,994)
Depreciation		(345,995)	(1,381,801)
Depreciation on disposed off items		-	42,964
Closing written down value		11,932,958	12,202,673

		Un - audited March 31, 2015	Audited December 31, 2014
	Note	(Rupees '000)	
10. LONG TERM INVESTMENTS			
Investment in jointly controlled entity - at cost	10.1	1,411,150	1,411,150
Investment in associates - at cost	10.2	7,878,338	7,878,338
Subsidiary companies - at cost	10.3	5,469,738	2,841,300
Other long term investments	10.4	-	-
		14,759,226	12,130,788
10.1. Investment in jointly controlled entity - at cost			
Pakistan Maroc Phosphore S.A, Morocco (PMP)		1,411,150	1,411,150
10.2. Investment in associates - at cost			
Fauji Cement Company Limited (FCCL)		300,000	300,000
Askari Bank Limited (AKBL)		5,230,991	5,230,991
Foundation Wind Energy - I Limited (FWE-I)			
Shares		740,374	740,374
Share Deposit Money		417,156	417,156
		1,157,530	1,157,530
Foundation Wind Energy - II (Pvt) Limited (FWE-II)			
Shares		651,810	651,810
Share Deposit Money		538,007	538,007
		1,189,817	1,189,817
		7,878,338	7,878,338
10.3. Investment in subsidiaries			
Fauji Meat Limited (FML)			
Shares		1,200,000	1,000
Share Deposit Money		698,732	1,199,000
		1,898,732	1,200,000
Fauji Foods Limited (FFL)			
Shares		285,197	1,000
Share Deposit Money		2,390	284,197
		287,587	285,197
FFBL Power Company Limited (FPCL)			
Shares		1,356,103	1,000
Share Deposit Money		1,927,316	1,355,103
		3,283,419	1,356,103
		5,469,738	2,841,300
10.4. Investment - available for sale - unquoted			
Arabian Sea Country Club Limited (ASCCL)			
300,000 ordinary shares of Rs. 10 each		3,000	3,000
Less: Impairment in value of investment		3,000	3,000
		-	-
		-	-

For the quarter ended March 31,

2015

2014

(Rupees '000)

11. COST OF SALES

Raw materials consumed	5,917,673	3,978,737
Packing materials consumed	90,002	75,207
Fuel and power	568,104	446,498
Chemicals and supplies consumed	48,724	41,465
Salaries, wages and benefits	270,696	388,737
Rent, rates and taxes	6,352	5,673
Insurance	24,905	24,725
Travel and conveyance	24,972	37,534
Repairs and maintenance	408,003	347,254
Communication, establishment and others	20,502	31,362
Depreciation	332,224	335,094
Opening stock - work in process	103,341	26,936
Closing stock - work in process	(41,642)	(81,039)
Cost of goods manufactured	7,773,856	5,658,183
Opening stock - finished goods	277,952	547,596
Closing stock - finished goods	(2,963,300)	(995,230)
Cost of sales	5,088,508	5,210,549

12. CASH USED IN OPERATIONS

Profit before taxation from ordinary activities	87,355	241,706
Adjustment for:		
Provision for gratuity	20,452	17,950
Exchange losses / (gains)	58,741	(183,327)
Provision for compensated absences	361	36,364
Provision for Workers' (Profit) Participation Fund	4,598	13,095
Provision for Workers' Welfare Fund	-	7,095
Depreciation	345,995	343,777
Finance cost	362,377	225,466
Profit on bank balances and term deposits	(60,937)	(81,057)
Dividend income	(290,634)	(14,063)
Gain on sale of investments	(206,575)	(75,310)
Gain on sale of property, plant and equipment	-	(12,258)
Operating profit before working capital changes	321,733	519,438

Changes in working capital

Stores and spares	61,068	48,477
Stock in trade	(3,135,328)	(1,677,880)
Trade debts	755,525	1,074,844
Advances	10,501	46,265
Trade deposits and short term prepayments	(102,374)	(70,143)
Other receivables	(423,260)	(147,852)
Sales tax receivable	(335,073)	(253,794)
Trade and other payables	(235,857)	75,623
	(3,404,798)	(904,460)
Cash used in operations	(3,083,065)	(385,022)

For the quarter ended March 31,

2015 2014

(Rupees '000)

13. RELATED PARTY TRANSACTIONS

Transactions with subsidiary companies

Services provided	362,457	99,839
Investment in Fauji Meat Limited (FML)	50,000	100,000
Investment in FFBL Power Company Limited (FPCL)	1,620,000	-

Transactions with associated undertakings due to common directorship

Services and material acquired	93,688	106,196
Services and material provided	559	-
Commission charged to the Company	2,015	2,217
Dividend paid	1,432,652	1,432,652
Rent charged to the Company	350	324
Profit on bank balances (AKBL)	7,823	5,601
Balance receivable -unsecured	897,735	173,420 *
Balance payable -unsecured	933	583 *
Balances at bank (AKBL)	1,291,614	1,342,645 *
Investments	-	180,345

Transactions with jointly controlled entity

Purchase of raw materials	5,008,832	4,351,800
Expenses incurred on behalf of jointly controlled entity	2,191	4,340
Balance payable - secured	4,691,472	5,745,925 *
Balance receivable - unsecured	25,644	37,526 *

Other related parties

Contribution to Provident Fund	13,445	14,519
Contribution to Gratuity Fund	20,452	17,951
Remuneration including benefits and perquisites of Chief Executive Officer and executives - No of persons 2015 : 1 and 16. (2014 : 1 and 18)	64,524	79,748
Payment to Workers' (Profit) Participation Fund	20,557	49,808
Balance payable (WWF+WPPF) - unsecured	1,075,671	1,096,074 *
Payable to Gratuity Fund	219,936	198,228 *

*Balance of accounts appearing as comparatives are as at December 31, 2014

14. GENERAL


14.1 Figures have been rounded off to the nearest thousand rupees.

14.2 Corresponding figures have been re-arranged / restated, wherever necessary, for the purpose of comparison.

14.3 This condensed interim financial information was authorized for issue by the Board of Directors of the Company in their meeting held on April 27, 2015.


CHAIRMAN


CHIEF EXECUTIVE


DIRECTOR

Condensed Interim Consolidated Financial Information

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015


		Un - audited March 31, 2015	Audited December 31, 2014
	Note	(Rupees '000)	
EQUITY AND LIABILITIES			
ISSUED SHARE CAPITAL AND RESERVES			
Share capital		9,341,100	9,341,100
Capital reserve		228,350	228,350
Statutory reserve		6,380	6,380
Translation reserve		796,579	904,466
Accumulated profit		1,786,126	3,773,055
		12,158,535	14,253,351
NON-CURRENT LIABILITIES			
Long term loan	5	8,500,000	10,000,000
Deferred liabilities	7	3,259,033	3,317,192
		11,759,033	13,317,192
CURRENT LIABILITIES			
Trade and other payables		14,501,080	13,873,336
Mark - up accrued		256,165	233,142
Short term borrowings		8,253,599	3,087,408
Current portion of long term loans	5	1,500,000	-
Current portion of deferred Government assistance	6	1,944,600	1,944,600
Provision for income tax - net		205,555	769,102
		26,660,999	19,907,588
		50,578,567	47,478,131
CONTINGENCIES AND COMMITMENTS			
	8		

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

		Un - audited March 31, 2015	Audited December 31, 2014
	Note	(Rupees '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	16,749,375	14,864,264
Long term investments	10	10,444,506	10,539,515
Long term deposits		78,643	78,643
		27,272,524	25,482,422
CURRENT ASSETS			
Stores and spares		2,284,717	2,350,145
Stock in trade		4,692,624	1,557,296
Trade debts		710,538	1,468,373
Advances		1,133,081	892,782
Trade deposits and short term prepayments		131,019	28,689
Interest accrued		26,962	17,633
Other receivables		1,229,119	212,835
Sales tax refundable		1,100,536	763,591
Short term investments		7,367,005	9,230,117
Cash and bank balances		4,630,442	5,474,248
		23,306,043	21,995,709
		50,578,567	47,478,131


CHAIRMAN


CHIEF EXECUTIVE


DIRECTOR


**CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

		2015	2014
	Note	(Rupees '000)	
Sales - net		5,798,941	6,040,576
Cost of sales	11	(5,088,508)	(5,210,549)
Gross profit		710,433	830,027
Selling and distribution expenses		(492,113)	(449,515)
Administrative expenses		(292,425)	(264,835)
		(74,105)	115,677
Finance costs		(421,477)	(42,139)
Other operating expenses		(5,961)	(11,864)
		(501,543)	61,674
Other income			
Share of profit of associates and jointly controlled entity		310,393	162,408
Others		283,069	(151,865)
		593,462	10,543
Profit before taxation		91,919	72,217
Taxation		22,900	(25,973)
Profit after taxation		114,819	46,244
Earnings per share - basic and diluted (Rupees)		0.12	0.05

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.


CHAIRMAN


CHIEF EXECUTIVE


DIRECTOR


**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

	2015	2014
	(Rupees '000)	
Profit after taxation	114,819	46,244
Other comprehensive income		
Exchange difference on translating a jointly controlled entity	(106,960)	97,588
Effect of translation - share of Askari Bank Limited under equity method	(927)	(318)
Total comprehensive income	6,932	143,514

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.


CHAIRMAN


CHIEF EXECUTIVE


DIRECTOR


**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015**

		2015	2014
	Note	(Rupees '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	12	(3,643,486)	(286,076)
Income tax paid		(598,984)	(349,646)
Payment to Gratuity Fund		1,256	(51,301)
Finance cost paid		(339,559)	(293,326)
Compensated absences paid		(10,897)	(7,947)
Payment to Workers Welfare Fund		(180)	-
Payment to Workers' (Profit) Participation Fund		(11,218)	(49,808)
Net cash used in operating activities		(4,603,068)	(1,038,104)
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(2,233,147)	(254,110)
Long term investments		-	(179,346)
Sale proceeds of property, plant and equipment		-	13,650
Short term investments		1,119,687	(70,413)
Profit received on bank balances and term deposits		55,354	82,452
Net cash used in investing activities		(1,058,106)	(407,767)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		550,000	(1,250,000)
Dividend paid		(1,298,825)	(1,335,511)
Net cash used in financing activities		(748,825)	(2,585,511)
Net decrease in cash and cash equivalents		(6,409,999)	(4,031,382)
Cash and cash equivalents at beginning of the quarter		5,566,842	3,044,431
Cash and cash equivalents at end of the quarter		(843,157)	(986,951)
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents included in the statement of cash flows comprises the following balance sheet amounts:			
- Cash and bank balances		4,630,442	3,404,878
- Short term highly liquid investments		480,000	1,010,000
- Short term running finance		(5,953,599)	(5,401,829)
		(843,157)	(986,951)

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.


CHAIRMAN


CHIEF EXECUTIVE


DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015

		Reserves				
	Share capital	Capital reserve	Statutory reserve	Translation reserve	Accumulated profit	Total
	(Rupees '000)					
Balance as at January 01, 2014	9,341,100	228,350	6,380	1,041,870	3,163,872	13,781,572
Total comprehensive income						
Profit for the period after taxation	-	-	-	-	46,244	46,244
Other comprehensive income for the period	-	-	-	97,270	-	97,270
Total comprehensive income for the period	-	-	-	97,270	46,244	143,514
Transactions with owners, recorded directly in equity						
Distributions to owners						
Final dividend 2013 (Rs. 2.25 per ordinary share)	-	-	-	-	(2,101,748)	(2,101,748)
Total transactions with owners	-	-	-	-	(2,101,748)	(2,101,748)
Balance as at March 31, 2014	9,341,100	228,350	6,380	1,139,140	1,108,368	11,823,338
Balance as at January 01, 2015	9,341,100	228,350	6,380	904,466	3,773,055	14,253,351
Total comprehensive income						
Profit for the period after taxation	-	-	-	-	114,819	114,819
Other comprehensive income for the period	-	-	-	(107,887)	-	(107,887)
Total comprehensive income for the period	-	-	-	(107,887)	114,819	6,932
Transactions with owners, recorded directly in equity						
Distributions to owners						
Final dividend 2014 (Rs. 2.25 per ordinary share)	-	-	-	-	(2,101,748)	(2,101,748)
Total transactions with owners	-	-	-	-	(2,101,748)	(2,101,748)
Balance as at March 31, 2015	9,341,100	228,350	6,380	796,579	1,786,126	12,158,535

The annexed notes 1 to 14 form an integral part of this condensed interim consolidated financial information.

Chairman


CHIEF EXECUTIVE


DIRECTOR

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2015

1. Fauji Fertilizer Bin Qasim Limited group comprises of Fauji Fertilizer Bin Qasim Limited (FFBL / parent company) and its fully owned subsidiaries, Fauji Meat Limited (FML), Fauji Foods limited (FFL) and FFBL Power Company Limited (FPCL), collectively referred as ("Group").

FFBL is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984, and its shares are quoted on the Karachi, Lahore and Islamabad stock exchanges in Pakistan. The registered office of FFBL is situated at Rawalpindi, Pakistan. FFBL is domiciled in Rawalpindi, Pakistan. The principal objective of FFBL is manufacturing, purchasing and marketing of fertilizers. FFBL commenced its commercial production effective January 1, 2000.

FML is a public limited company incorporated on September 05, 2013 in Pakistan under the Companies Ordinance, 1984. The principal objectives of FML are to establish a meat abattoir unit for halal slaughtering of animals to obtain meat for local and export sale purposes. FFL is a public limited company incorporated on July 04, 2013 in Pakistan under the Companies Ordinance, 1984. The principal objectives of FFL are to produce multi brand dairy products. FFBL Power Company Limited is a public limited company incorporated on June 27, 2014 in Pakistan under the Companies Ordinance, 1984. The principal activity is generation and supply of electricity and all other forms of energy.

2. This condensed interim consolidated financial information is un-audited and is being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984. This condensed interim consolidated financial information of the Company for the quarter ended March 31, 2015 has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and provisions of or directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The disclosures in this condensed interim consolidated financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended December 31, 2014. Comparative condensed balance sheet is extracted from annual financial statements as of December 31, 2014 whereas comparative condensed profit and loss account, condensed statement of comprehensive income, condensed statement of cash flows and condensed statement of changes in equity are extracted from unaudited condensed interim consolidated financial information of FFBL and its subsidiaries for the quarter ended March 31, 2014.

The condensed interim consolidated financial information is unaudited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Islamabad, Karachi and Lahore Stock Exchanges.

3. The accounting policies and method of computation adopted for the preparation of this condensed interim consolidated financial information is same as those applied in preparation of financial statements for the preceding year ended December 31, 2014.
4. Status of significant shareholding as at March 31, 2015 is given below:

	Shares	Percentage
Fauji Fertilizer Company Limited	465,891,896	49.88
Fauji Foundation	170,842,385	18.29
	Un - audited March 31, 2015	Audited December 31, 2014
	(Rupees '000)	

5. LONG TERM LOANS

Loans from banking companies - secured	10,000,000	10,000,000
Less: Current portion shown under current liabilities	1,500,000	-
	8,500,000	10,000,000

		Un - audited March 31, 2015	Audited December 31, 2014
	Note	(Rupees '000)	
6. DEFERRED GOVERNMENT ASSISTANCE			
Deferred Government assistance from Government of Pakistan (GoP)		1,944,600	1,925,179
Less: Current portion shown under current liabilities		1,944,600	1,944,600
		-	(19,421)
Deferred Government assistance		-	19,421
		-	-
7. DEFERRED LIABILITIES			
Compensated leave absences		383,317	393,853
Deferred tax	7.1	2,875,716	2,923,339
		3,259,033	3,317,192
7.1 The balance of deferred tax is in respect of the following major temporary differences:			
Accelerated depreciation		2,874,730	2,940,894
Share of profit of associates		58,928	40,387
Provision for inventory obsolescence		(57,942)	(57,942)
		2,875,716	2,923,339
8. CONTINGENCIES AND COMMITMENTS			
Contingencies			
i) Indemnity bonds and undertakings given to the customs authorities for the machinery imported by the Company for installation at plant site.		119,650	119,650
ii) Guarantees issued by banks on behalf of the Company.		34,372	60,692
iii) Company's share of contingent liabilities of Fauji Cement Company Limited as at December 31, 2014.		22,250	22,250
iv) Company's share of contingent liabilities of Foundation Wind Energy - I Limited as at December 31, 2014.		61,648	62,873
v) Company's share of contingent liabilities of Foundation Wind Energy - II (Pvt) Limited as at December 31, 2014.		61,648	62,873
vi) Company's share of contingent liabilities of Askari Bank Limited as at December 31, 2014.		31,511,278	34,965,631
Commitments			
i) Capital expenditures - contracted.		1,425,124	3,603,502
ii) Letters of credit for purchase of stores, spares and raw materials.		849,599	1,079,418
iii) Commitments with Fauji Foundation for investment in wind power projects.		187,580	865,078
iv) Company's share of commitments of PMP as at December 31, 2014.		4,472	4,623
v) Group's share of commitments of Fauji Meat Limited.		2,443,884	69,916
vi) Group's share of commitments of FFBL Power Company Limited.		5,919,367	5,390,538
vii) Group's share of commitments of Fauji Cement Company Limited as at December 31, 2014.		8,935	10,785
9. PROPERTY, PLANT AND EQUIPMENT			
Opening written down value		14,864,264	13,059,509
Additions		2,233,139	3,194,633
Disposals		-	(48,994)
Depreciation		(348,028)	(1,383,849)
Depreciation on disposed off items		-	42,965
Closing written down value		16,749,375	14,864,264

Un - audited March 31, 2015	Audited December 31, 2014
(Rupees '000)	

10. LONG TERM INVESTMENTS

Investment in jointly controlled entity - equity method

Pakistan Maroc Phosphore S.A, Morocco (PMP)

Balance brought forward	2,579,774	2,346,725
Share of profit	124,970	368,974
Loss during the year on translation of net assets	(113,841)	(135,925)
Closing balance	2,590,903	2,579,774

Investment in associates - equity method

Fauji Cement Company Limited (FCCL)

Balance brought forward	364,800	358,313
Share of profit	14,155	34,612
Dividend	(18,750)	(28,125)
Closing balance	360,205	364,800

Foundation Wind Energy - I Limited (FWE-I)

Opening balance	1,102,352	923,941
Advance paid during the year against issue of shares	-	189,042
Share of loss	(5,350)	(10,631)
Closing balance	1,097,002	1,102,352

Foundation Wind Energy - II (Pvt) Limited (FWE-II)

Opening balance	1,149,908	971,100
Advance paid during the year against issue of shares	-	180,461
Share of loss	(22,704)	(1,653)
Closing balance	1,127,204	1,149,908

Askari Bank Limited (AKBL)

Opening balance	5,342,681	5,262,054
Share of profit	199,322	353,990
Dividend	(271,884)	(271,884)
Effect of translation	(927)	(1,479)
Closing balance	5,269,192	5,342,681

Investment - available for sale - unquoted

Arabian Sea Country Club Limited (ASCCL)

300,000 ordinary shares of Rs. 10 each	3,000	3,000
Less: Impairment in value of investment	3,000	3,000
	-	-
	10,444,506	10,539,515

For the quarter ended March 31,

2015 2014

(Rupees '000)

11. COST OF SALES

Raw materials consumed	5,917,673	3,978,737
Packing materials consumed	90,002	75,207
Fuel and power	568,104	446,498
Chemicals and supplies consumed	48,724	41,465
Salaries, wages and benefits	270,696	388,737
Rent, rates and taxes	6,352	5,673
Insurance	24,905	24,725
Travel and conveyance	24,972	37,534
Repairs and maintenance	408,003	347,254
Communication, establishment and others	20,502	31,362
Depreciation	332,224	335,094
Opening stock - work in process	103,341	26,936
Closing stock - work in process	(41,642)	(81,039)
Cost of goods manufactured	7,773,856	5,658,183
Opening stock - finished goods	277,952	547,596
Closing stock - finished goods	(2,963,300)	(995,230)
Cost of sales	5,088,508	5,210,549

12. CASH USED IN OPERATIONS

Profit before taxation from ordinary activities	91,919	72,217
Adjustment for:		
Provision for gratuity	20,452	17,950
Exchange loss / (gain)	58,741	(183,327)
Provision for compensated absences	361	36,364
Provision for Workers' (Profit) Participation Fund	5,586	4,271
Provision for Workers' Welfare Fund	-	7,264
Depreciation	348,029	343,777
Finance cost	362,737	225,466
Profit on bank balances and term deposits	(64,683)	(81,453)
(Profit) / loss from associates	(310,393)	162,408
Gain on sale of investments	(206,575)	(75,310)
Gain on sale of property, plant and equipment	-	(12,258)
Operating profit before working capital changes	306,175	517,370

Changes in working capital

Stores and spares	65,428	48,477
Stock in trade	(3,135,328)	(1,677,880)
Trade debts	755,525	1,074,844
Advances	(240,281)	47,479
Trade deposits and short term prepayments	(102,347)	(70,143)
Other receivables	(421,950)	(147,890)
Sales tax receivable	(341,118)	(253,794)
Trade and other payables	(529,589)	175,462
	(3,949,660)	(803,445)
Cash used in operations	(3,643,486)	(286,076)

For the quarter ended March 31,

2015 2014

(Rupees '000)

13. RELATED PARTY TRANSACTIONS

Transactions with associated undertakings due to common directorship

Services and material acquired	93,688	106,196
Services and material provided	559	-
Commission charged to the Company	2,015	2,217
Dividend paid	1,432,652	1,432,652
Rent charged to the Company	350	324
Profit on bank balances (AKBL)	7,823	5,601
Balance receivable - unsecured	897,735	173,420 *
Balance payable - unsecured	933	583 *
Balances at bank (AKBL)	1,291,614	1,342,645 *
Investments	-	279,345

Transactions with jointly controlled entity

Purchase of raw materials	5,008,832	4,351,800
Expenses incurred on behalf of jointly controlled entity	2,191	4,340
Balance payable - secured	4,691,472	5,745,925 *
Balance receivable - unsecured	25,644	37,526 *

Other related parties

Contribution to Provident Fund	13,445	14,519
Contribution to Gratuity Fund	20,452	17,951
Remuneration including benefits and perquisites of Chief Executive Officer and executives - No of persons 2015 : 1 and 16. (2014 : 1 and 18)	64,524	79,748
Payment to Workers' (Profit) Participation Fund	20,557	49,808
Balance payable (WWF+WPPF) - unsecured	1,075,671	1,096,074 *
Payable to Gratuity Fund	219,936	198,228 *

*Balance of accounts appearing as comparatives are as at December 31, 2014

14. GENERAL

14.1 Figures have been rounded off to the nearest thousand rupees.

14.2 Corresponding figures have been re-arranged / restated, wherever necessary, for the purpose of comparison.

14.3 This condensed interim consolidated financial information was authorized for issue by the Board of Directors of the Company in their meeting held on April 27, 2015.


CHAIRMAN


CHIEF EXECUTIVE


DIRECTOR

