ICI PAKISTAN LTD.

ICI Pakistan Limited
Financial Statements

A Part of YBG

Auditors' Report to the Members

We have audited the annexed unconsolidated balance sheet of **ICI Pakistan Limited** (the Company) as at **30 June 2015** and the related unconsolidated profit and loss account, unconsolidated statement of comprehensive income, unconsolidated cash flow statement and unconsolidated statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;

b) in our opinion:

   i) the unconsolidated balance sheet and unconsolidated profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied, except for changes as stated in note 44 to the accompanying unconsolidated financial statements with which we concur;

   ii) the expenditure incurred during the year was for the purpose of the Company's business; and

   iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

c) in our opinion and to the best of our information and according to the explanations given to us, the unconsolidated balance sheet, unconsolidated profit and loss account, unconsolidated statement of comprehensive income, unconsolidated cash flow statement and unconsolidated statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **30 June 2015** and of the profit, its comprehensive income, cash flows and changes in equity for the year then ended; and

d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

Ernst & Young Ford Rhodes Sidat Hyder

Date: 26 August, 2015

Karachi

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Shariq Ali Zaidi

Unconsolidated Balance Sheet
As at June 30, 2015

Amounts in Rs '000

	Note	**June 30, 2015**	June 30, 2014
ASSETS			
Non-current assets			
Property, plant and equipment	3	**14,236,363**	11,652,057
Intangible assets	4	**28,318**	64,261
		14,264,681	11,716,318
Long-term investments	5	**1,222,976**	502,976
Long-term loans	6	**324,610**	253,477
Long-term deposits and prepayments	7	**30,777**	27,843
		1,578,363	784,296
		15,843,044	12,500,614
Current assets			
Stores, spares and consumables	8	**653,582**	559,256
Stock-in-trade	9	**4,921,766**	4,582,632
Trade debts	10	**1,431,370**	858,347
Loans and advances	11	**323,696**	191,121
Trade deposits and short-term prepayments	12	**412,133**	206,775
Other receivables	13	**909,710**	1,420,794
Taxation - net		**2,054,870**	1,765,784
Cash and bank balances	14	**119,612**	852,095
		10,826,739	10,436,804
Total assets		**26,669,783**	22,937,418

Amounts in Rs '000

	Note	**June 30, 2015**	June 30, 2014
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
1,500,000,000 (June 30, 2014: 1,500,000,000) ordinary shares of Rs. 10 each		**15,000,000**	15,000,000
Issued, subscribed and paid-up capital	15	**923,591**	923,591
Capital reserves	16	**309,643**	309,643
Unappropriated profit		**11,483,846**	10,004,193
Total equity		**12,717,080**	11,237,427
Surplus on revaluation of property, plant and equipment	17	**576,458**	639,372
Non-current liabilities			
Provisions for non-management staff gratuity	18	**87,422**	77,842
Long-term loans	19	**1,493,943**	2,314,805
Deferred tax liability - net	20	**1,181,167**	1,093,718
		2,762,532	3,486,365
Current liabilities			
Trade and other payables	21	**7,717,908**	6,203,059
Accrued mark-up		**56,658**	61,606
Short-term borrowings and running finance	22	**1,883,592**	437,368
Current portion of long-term loans		**955,555**	872,221
		10,613,713	7,574,254
Total equity and liabilities		**26,669,783**	22,937,418
Contingencies and commitments	23		

The annexed notes 1 to 47 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Unconsolidated Profit and Loss Account

For the year ended June 30, 2015

Amounts in Rs '000

	Note	**For the year ended June 30, 2015**	For the year ended June 30, 2014
Turnover	25.1	**42,593,948**	42,698,659
Sales tax, commission and discounts	24	**(5,078,620)**	(4,465,182)
Net turnover		**37,515,328**	38,233,477
Cost of sales	25.2	**(31,725,574)**	(33,581,636)
Gross profit		**5,789,754**	4,651,841
Selling and distribution expenses	27	**(1,781,989)**	(1,530,254)
Administration and general expenses	28	**(963,658)**	(895,653)
Operating result		**3,044,107**	2,225,934
Other charges	29	**(231,373)**	(181,058)
Finance costs	30	**(402,787)**	(387,042)
		(634,160)	(568,100)
Other income	31	**293,547**	323,130
Profit before taxation		**2,703,494**	1,980,964
Taxation	32	**(577,786)**	(278,748)
Profit after taxation		**2,125,708**	1,702,216
Basic and diluted earnings per share (Rupees)	33	**23.02**	18.43

The annexed notes 1 to 47 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Unconsolidated Statement of Comprehensive Income
For the year ended June 30, 2015

Amounts in Rs '000

	For the year ended June 30, 2015	For the year ended June 30, 2014
Profit after taxation	**2,125,708**	1,702,216
Items to be reclassified to profit or loss in subsequent periods:		
Loss on hedge during the year	**(461)**	-
Income tax relating to hedging reserve	**128**	-
	(333)	-
Adjustments for amounts transferred to initial carrying amounts of hedged item - capital work-in-progress	**333**	-
	-	-
Items not to be reclassified to profit or loss in subsequent periods:		
Actuarial gains on defined benefit plans	**167,444**	52,914
Tax effect	**(49,811)**	(17,462)
	117,633	35,452
Total comprehensive income for the year	**2,243,341**	1,737,668

The annexed notes 1 to 47 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Unconsolidated Cash Flow Statement

For the year ended June 30, 2015

Amounts in Rs '000

	For the year ended June 30, 2015	For the year ended June 30, 2014
Cash flows from operating activities		
Profit before taxation	**2,703,494**	1,980,964
Adjustments for:		
Depreciation and amortisation - note 3.5 and 4.1	**1,657,278**	1,338,740
(Gain) / loss on disposal of operating fixed assets - note 29 and 31	**(5,532)**	14,084
Write offs	**-**	27,322
Provision for staff retirement benefit plan - note 18.1.1	**38,071**	52,360
Provision for non-management staff gratuity and eligible retired employees' medical scheme	**11,583**	4,801
Interest on bank deposits	**(649)**	(368)
Dividend from investment in equity shares	**(40,000)**	-
Dividend from associate	**(150,000)**	-
Interest expense	**354,795**	381,528
Provision for doubtful debts - note 40.6	**26,195**	1,556
Provision for slow moving and obsolete stock-in-trade - note 9.1	**36,000**	12,389
Provision for slow moving and obsolete stores and spares - note 8.2	**15,044**	154
Provisions and accruals no longer required written back - note 31	**(9,936)**	(138,552)
	4,636,343	3,674,978
Movement in:		
Working capital	**453,029**	1,192,838
Long-term loans	**(71,133)**	(54,414)
Long-term deposits and prepayments	**(2,935)**	5,495
Cash generated from operations	**5,015,304**	4,818,897
Payments for :		
Staff retirement benefit plans - note 18.1.2	**(60,477)**	(62,798)
Non-management staff gratuity and eligible retired employees' medical scheme	**(24,088)**	(23,695)
Taxation	**(824,476)**	(574,280)
Interest	**(357,846)**	(351,539)
Net cash generated from operating activities	**3,748,417**	3,806,585
Cash flows from investing activities		
Capital expenditure	**(3,855,116)**	(2,408,806)
Proceeds from disposal of operating fixed assets	**11,995**	7,506
Interest received on bank deposits	**649**	368
Investment in associate	**(720,000)**	-
Dividend from investment in equity shares	**40,000**	-
Dividend from associate	**150,000**	-
Net cash used in investing activities	**(4,372,472)**	(2,400,932)

Amounts in Rs '000

	For the year ended June 30, 2015	For the year ended June 30, 2014
Cash flows from financing activities		
Long-term loans (repaid) / obtained	**(737,529)**	1,300,000
Dividends paid	**(817,123)**	(366,726)
Net cash (used in) / generated from financing activities	**(1,554,652)**	933,274
Net (decrease) / increase in cash and cash equivalents	**(2,178,707)**	2,338,927
Cash and cash equivalents at the beginning of the year	**414,727**	(1,924,200)
Cash and cash equivalents at the end of the year	**(1,763,980)**	414,727
Movement in working capital		
(Increase) / decrease in current assets		
Stores, spares and consumables	**(109,370)**	(674)
Stock-in-trade	**(375,130)**	(14,858)
Trade debts	**(599,216)**	8,287
Loans and advances	**(122,639)**	(11,406)
Trade deposits and short-term prepayments	**(12,062)**	18,691
Other receivables	**511,085**	(286,895)
	(707,332)	(286,855)
Increase in current liabilities		
Trade and other payables	**1,160,361**	1,479,693
	453,029	1,192,838
Cash and cash equivalents at the end of the year comprise of:		
Cash and bank balances - note 14	**119,612**	852,095
Short-term borrowings and running finance - note 22	**(1,883,592)**	(437,368)
	(1,763,980)	414,727

The annexed notes 1 to 47 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Unconsolidated Statement of Changes in Equity

For the year ended June 30, 2015

Amounts in Rs '000

	Issued, subscribed and paid-up capital	Capital reserves	Unappropriated profit	Total
As at July 01, 2013	**923,591**	**309,643**	**8,555,755**	**9,788,989**
Interim dividend for the year ended June 30, 2014 @ Rs. 4.00 per share	-	-	(369,436)	(369,436)
	-	**-**	**(369,436)**	**(369,436)**
Profit for the year	-	-	1,702,216	1,702,216
Other comprehensive income for the year, net of tax	-	-	35,452	35,452
Total comprehensive income	**-**	**-**	**1,737,668**	**1,737,668**
Transfer from surplus on revaluation of property, plant and equipment - incremental depreciation for the year - net of deferred tax - note 17	-	-	80,206	80,206
	-	**-**	**80,206**	**80,206**
As at June 30, 2014	**923,591**	**309,643**	**10,004,193**	**11,237,427**
Final dividend for the year ended June 30, 2014 @ Rs. 4.00 per share	-	-	(369,436)	(369,436)
Interim dividend for the year ended June 30, 2015 @ Rs. 5.00 per share	-	-	(461,796)	(461,796)
	-	**-**	**(831,232)**	**(831,232)**
Profit for the year	-	-	2,125,708	2,125,708
Other comprehensive income for the year, net of tax	-	-	117,633	117,633
Total comprehensive income	**-**	**-**	**2,243,341**	**2,243,341**
Transfer from surplus on revaluation of property, plant and equipment - incremental depreciation for the year - net of deferred tax - note 17	-	-	67,544	67,544
	-	**-**	**67,544**	**67,544**
As at June 30, 2015	**923,591**	**309,643**	**11,483,846**	**12,717,080**

The annexed notes 1 to 47 form an integral part of these unconsolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2015

1 Status and Nature of Business

ICI Pakistan Limited ("the Company") is incorporated in Pakistan and is listed on the Karachi, Lahore and Islamabad Stock Exchanges. The Company is engaged in the manufacture of polyester staple fibre, POY chips, soda ash, specialty chemicals, sodium bicarbonate and polyurethanes; marketing of seeds, toll manufactured and imported pharmaceuticals and animal health products; and merchanting of general chemicals. It also acts as an indenting agent and toll manufacturer. The Company's registered office is situated at 5 West Wharf, Karachi.

These are the separate financial statements of the Company in which investment in subsidiary is stated at cost less impairment losses, if any.

2 Summary of Significant Accounting Policies

Following are the details of significant accounting policies:

2.1 Statement of compliance

These unconsolidated financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Basis of preparation

These unconsolidated financial statements have been prepared under the historical cost convention, except:

a) Certain classes of property, plant and equipment (i.e. freehold land, buildings on freehold and leasehold land and plant and machinery) have been measured at revalued amounts; and

b) Provision for management staff gratuity, non-management staff gratuity, and eligible retired employees' medical scheme are stated at present value.

The preparation of unconsolidated financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historic experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management that may have a significant risk of material adjustments to the unconsolidated financial statements in subsequent years are discussed in note 43.

2.3 Property, plant and equipment and depreciation

Property, plant and equipment (except freehold land, buildings on freehold and leasehold land and plant and machinery) are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land, buildings on freehold and leasehold land and plant and machinery are stated at revalued amounts less subsequent accumulated depreciation and subsequent impairment losses, if any. Capital work-in-progress is stated at cost less impairment, if any. Cost of certain property, plant and equipment comprises historical cost. Such cost includes the cost of replacing parts of the property, plant and equipment and the cost of borrowings for long-term construction projects, if the recognition criteria is met.

Depreciation charge is based on the straight-line method whereby the cost or revalued amount of an asset is written off to profit and loss account over its estimated useful life after taking into account residual value, if material. The cost of leasehold land is depreciated in equal installments over the lease period. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month of disposal.

The residual value, depreciation method and the useful lives of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed at each balance sheet date and adjusted, if appropriate.

Maintenance and normal repairs are charged to profit and loss account as and when incurred. Improvements are capitalised when it is probable that respective future economic benefits will flow to the Company and the cost of the item can be measured reliably. Assets replaced, if any, are derecognised.

Gains and losses on disposal of assets are taken to the profit and loss account, and the related surplus / deficit on revaluation of property, plant and equipment is transferred directly to unappropriated profit.

2.4 Intangible assets and amortisation

Intangible assets with a finite useful life, such as certain softwares, licenses (including extraction rights, software licenses, etc.) and property rights, are capitalised initially at cost and subsequently stated at cost less accumulated amortisation and impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit and loss account as incurred.

Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit and loss account on a straight-line basis over the estimated useful lives of intangible assets. Amortisation methods, useful lives and residual values are reviewed at each balance sheet date and adjusted, if appropriate.

2.5 Investments

Investments in subsidiary and associates are stated at cost less provision for impairment, if any.

Other investments that are stated at available for sale are measured at fair value plus directly attributable transaction costs. For investments traded in active market, fair value is determined by reference to quoted market price and the investments for which a quoted market price is not available, or the fair value cannot be reasonably calculated, are measured at cost, subject to impairment review at each balance sheet date.

2.6 Stores, spares and consumables

Stores, spares and consumables are stated at the lower of weighted average cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less net estimated costs to sell, which is generally equivalent to replacement cost. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon up to the balance sheet date.

2.7 Stock-in-trade

Stock-in-trade is valued at the lower of weighted average cost and estimated net realisable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value signifies the estimated selling price in the ordinary course of business less net estimated costs of completion and selling expenses.

Items in transit are valued at cost comprising invoice value plus other charges incurred thereon up to the balance sheet date.

2.8 Trade debts and other receivables

Trade debts and other receivables are recognised at original invoice amount less provision for doubtful debts and other receivables, if any. A provision for doubtful debts and and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables (Refer note 40.6.1). Bad Debts are written off when identified.

2.9 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in other comprehensive income or below equity, in which case it is recognised in other comprehensive income or below equity, respectively.

Current

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years, if any.

Deferred

Deferred tax is recognised using balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation. In this regard the effects on deferred taxation of the portion of income expected to be subject to final tax regime is adjusted in accordance with the requirements of Accounting Technical Release – 27 of the Institute of Chartered Accountants of Pakistan.

The Company recognises a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax relating to items recognised outside profit and loss account is recognised outside profit and loss account. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Further, the Company recognises deferred tax asset / liability on deficit / surplus on revaluation of property, plant and equipment which is adjusted against the related deficit / surplus.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and current and deposit accounts held with banks. Short term finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of statement of cash flows.

2.11 Impairment

Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired may include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy.

All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit and loss account and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss account.

Non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax asset are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("the cash-generating unit, or CGU").

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit and loss account.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.12 Surplus on revaluation of fixed assets

The surplus arising on revaluation of fixed assets is credited to the "Surplus on revaluation of property, plant and equipment" account shown below equity in the balance sheet in accordance with the requirements of section 235 of the Companies Ordinance, 1984. The said section was amended through the Companies (Amendment) Ordinance, 2002 and accordingly the Company has adopted the following accounting treatment of depreciation on revalued assets, keeping in view the Securities and Exchange Commission of Pakistan's (SECP) SRO 45(1)/2003 dated January 13, 2003:

a) depreciation on assets which are revalued is determined with reference to the value assigned to such assets on revaluation and depreciation charge for the year is taken to the profit and loss account; and

b) an amount equal to incremental depreciation for the year net of deferred taxation is transferred from "Surplus on revaluation of property, plant and equipment" account to accumulated profit / loss through Statement of Changes in Equity to record realization of surplus to the extent of the incremental depreciation charge for the year.

2.13 Staff retirement benefits

The Company's retirement benefit plans comprise of provident funds, pensions, gratuity schemes and a medical scheme for eligible retired employees.

Defined benefit plans

The Company operates a funded pension scheme and a funded gratuity scheme for management staff. The pension and gratuity schemes are salary schemes providing pension and lump sums, respectively. Pension and gratuity schemes for management staff are invested through two approved trust funds. The Company also operates gratuity scheme for non-management staff and the pensioners' medical scheme which are unfunded. The pension and gratuity plans are final salary plans. The pensioner's medical plan reimburses actual medical expenses to pensioners as per entitlement. The Company recognises expense in accordance with IAS 19 "Employee Benefits".

An actuarial valuation of all defined benefit schemes except eligible retired employees' medical scheme is conducted every year. The valuation uses the Projected Unit Credit method. Actuarial gains and losses are recognised in full in the period in which they occur in other comprehensive income.

All past service costs are recognised at the earlier of when the amendment or curtailment occurs and when the Company has recognised related restructuring or termination benefits.

Defined contribution plans

The Company operates two registered contributory provident funds for its entire staff and a registered defined contribution superannuation fund for its management staff, who has either opted for this fund by July 31, 2004 or have joined the Company after April 30, 2004. In addition to this the Company also provides group insurance to all its employees.

Compensated absences

The Company recognises the accrual for compensated absences in respect of employees for which these are earned up to the balance sheet date. The accrual has been recognised on the basis of actuarial valuation.

2.14 Operating leases / Ijarah contracts

Leases, other than those under Ijarah contracts, in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Ijarah contracts are classified as operating leases irrespective of whether significant portion of the risks and rewards of ownership are retained by lessor. Payments made under operating leases (net of any incentives received from the lessor) and Ijarah contracts are charged to the profit and loss account on a straight-line basis over the period of the lease.

2.15 Trade and other payables

Trade and other payables are recognised initially at fair value net of directly attributable cost, if any.

2.16 Borrowings and their cost

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

2.17 Provisions

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognised as a provision reflects the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

2.18 Financial liabilities

All financial liabilities are initially recognised at fair value plus directly attributable cost, if any, and subsequently measured at amortised cost.

2.19 Foreign currency translation

Transactions denominated in foreign currencies are translated to Pak Rupees, at the foreign exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are re-translated into Pak Rupees at the foreign exchange rates at the balance sheet date. Exchange differences are taken to the profit and loss account.

2.20 Functional and presentation currency

Items included in the unconsolidated financial statements are measured using the currency of the primary economic environment in which the Company operates. The unconsolidated financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

2.21 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and government levies.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the customer. For those products which are often sold with a right of return, accumulated experience is used to estimate and provide for such returns at the time of sale.

Commission income is recognised on the date of shipment from suppliers.

Profit on short-term deposits is accounted for on a time-apportioned basis using the effective interest rate method.

Dividend income is recognised when the right to receive dividend is established.

Toll manufacturing income is recognised when services are rendered.

2.22 Financial expense and financial income

Financial expenses are recognised using the effective interest rate method and comprise foreign currency losses and markup / interest expense on borrowings.

Financial income comprises interest income on funds invested. Markup / interest income is recognised as it accrues in profit and loss account, using the effective interest rate method.

2.23 Dividend

Dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are approved

2.24 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer (the CEO) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax assets, liabilities and related income and expenditures. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

The business segments are engaged in providing products or services which are subject to risks and rewards which differ from the risk and rewards of other segments. Segments reported are Polyester, Soda Ash, Life Sciences and Chemicals, which also reflects the management structure of the Company.

2.25 Derivative financial instruments

The Company uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities. In accordance with its treasury policy, the Company does not hold or issue derivative financial instruments for trading purposes. Derivatives qualifying for hedge accounting are accounted for accordingly whereas, derivatives that do not qualify for hedge accounting are accounted for as held for trading instruments. All changes in the fair value are recognised in the profit and loss account.

2.26 Off-setting

Financial assets and liabilities are offset and the net amount is reported in the unconsolidated financial statements only when there is, legally enforceable right to set-off the recognised amount and the Company intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

Amounts in Rs '000

	As at June 30, 2015	As at June 30, 2014

3. Property, plant and equipment

3.1 The following is a statement of property, plant and equipment:

	As at June 30, 2015	As at June 30, 2014
Operating fixed assets - note 3.2	**12,573,587**	10,756,006
Capital work-in-progress - note 3.7	**1,662,776**	896,051
	14,236,363	11,652,057

3.2 The following is a statement of operating fixed assets:

	Land		**Lime beds**	**Buildings**		**Plant and**	**Railway**	**Rolling**	**Furniture**	**Total**
	Freehold	**Leasehold**	**on freehold land**	**On freehold land**	**On leasehold land**	**machinery**	**sidings**	**stock and vehicles**	**and equipment**	
	Note 3.3			**Note 3.3**		**Note 3.3 & 3.4**				
					As at June 30, 2015					
Net carrying value basis										
Opening net book value (NBV)	**438,021**	**-**	**133,860**	**265,384**	**1,080,087**	**8,665,237**	**-**	**26,402**	**147,015**	**10,756,006**
Addition / transfer - note 3.2.1	**30,287**	**-**	**923**	**518,133**	**168,800**	**2,599,384**	**-**	**9,435**	**108,792**	**3,435,754**
Disposal (at NBV)	**-**	**-**	**-**	**-**	**(387)**	**(5,731)**	**-**	**-**	**(345)**	**(6,463)**
Depreciation charge - note 3.5	**-**	**-**	**(11,667)**	**(56,373)**	**(104,277)**	**(1,368,917)**	**-**	**(13,011)**	**(57,465)**	**(1,611,710)**
Closing net book value	**468,308**	**-**	**123,116**	**727,144**	**1,144,223**	**9,889,973**	**-**	**22,826**	**197,997**	**12,573,587**
Gross carrying value basis										
Cost / revaluation	**468,308**	**562,166**	**251,479**	**2,915,687**	**2,167,867**	**24,532,344**	**297**	**126,369**	**656,419**	**31,680,936**
Accumulated depreciation	**-**	**(562,166)**	**(128,363)**	**(2,188,543)**	**(1,023,644)**	**(14,642,371)**	**(297)**	**(103,543)**	**(458,422)**	**(19,107,349)**
Closing net book value	**468,308**	**-**	**123,116**	**727,144**	**1,144,223**	**9,889,973**	**-**	**22,826**	**197,997**	**12,573,587**
Depreciation rate % per annum	**-**	**2 to 4**	**5 to 25**	**5 to 25**	**3 to 33.33**	**3.33 to 50**	**3.33**	**10 to 33.33**	**10 to 50**	
					As at June 30, 2014					
Net carrying value basis										
Opening net book value	341,885	-	134,525	310,465	655,011	6,361,578	-	12,964	184,256	8,000,684
Addition / transfer - note 3.2.1	96,137	-	10,899	92,172	443,596	3,398,311	-	6,090	63,604	4,110,809
Adjustments (at NBV)	-	-	-	(30)	(260)	(16,045)	-	(4,700)	(555)	(21,590)
Disposal (at NBV)	(1)	(29)	(15)	(88,751)	86,752	(23,557)	-	26,778	(43,091)	(41,914)
Depreciation charge / Reversal - note 3.5	-	29	(11,549)	(48,472)	(105,012)	(1,055,050)	-	(14,730)	(57,199)	(1,291,983)
Closing net book value	438,021	-	133,860	265,384	1,080,087	8,665,237	-	26,402	147,015	10,756,006
Gross carrying value basis										
Cost / revaluation	438,021	562,166	250,556	2,398,205	1,968,029	22,461,480	297	118,610	491,709	28,689,073
Accumulated depreciation	-	(562,166)	(116,696)	(2,132,821)	(887,942)	(13,796,243)	(297)	(92,208)	(344,694)	(17,933,067)
Closing net book value	438,021	-	133,860	265,384	1,080,087	8,665,237	-	26,402	147,015	10,756,006
Depreciation rate % per annum	-	2 to 4	5 to 25	5 to 25	3 to 33.33	3.33 to 50	3.33	10 to 33.33	10 to 50	

3.2.1 Additions to plant and machinery include borrowing cost for various projects amounting to Rs. 109.705 million (June 30, 2014: Rs. 95.406 million) and transfer from capital work-in-progress (Note 3.7.1). The rate used to determine the amount of borrowing cost eligible for capitalization is 9.20% (June 30, 2014: 9.76%).

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
3.2.2	Operating fixed assets include the following major spare parts and stand by equipment:		
	Cost	**384,087**	362,904
	Net book value	**181,539**	194,844

3.3 Subsequent to revaluations on October 1, 1959, September 30, 2000 and December 15, 2006 which had resulted in a surplus of Rs. 14.207 million, Rs. 1,569.869 million and Rs. 667.967 million respectively, the land, buildings on freehold and leasehold land and plant and machinery were revalued again on December 31, 2011 resulting in a net surplus of Rs. 712.431 million, respectively. The valuation was conducted by an independent valuer. Valuations for plant and machinery and building were based on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account of the age, condition and obsolescence. Land was valued on the basis of fair market value.

3.4 Plant and machinery including equipment held with Searle Pakistan Limited, Breeze Pharmaceutical Limited and Maple Pharmaceutical (Private) Limited (toll manufacturers), are as follows:

	Cost	**8,111**	8,369
	Net book value	**4,900**	5,638

		For the year ended June 30, 2015	For the year ended June 30, 2014
3.5	The depreciation charge for the year has been allocated as follows:		
	Cost of sales	**1,553,688**	1,229,818
	Selling and distribution expenses	**15,015**	13,821
	Administration and general expenses	**43,007**	48,344
		1,611,710	1,291,983

3.5.1 Depreciation charge is inclusive of the incremental depreciation due to revaluation.

3.6 Had there been no revaluation, the net book value of specific classes of operating property, plant and equipment would have amounted to:

	As at June 30, 2015	As at June 30, 2014
Net book value		
Freehold land	**169,028**	138,741
Buildings	**1,743,972**	1,218,076
Plant and machinery	**9,471,538**	8,246,802
	11,384,538	9,603,619

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
3.7	Capital work-in-progress comprises of:		
	Civil works and buildings	**327,797**	270,916
	Plant and machinery	**844,743**	549,576
	Miscellaneous equipment	**88,840**	44,606
	Advances to suppliers / contractors	**353,678**	19,013
	Designing, consultancy and engineering fee	**47,718**	11,940
		1,662,776	896,051

This includes interest charged during the year ended June 30, 2015 in respect of long-term loan obtained for various projects amounting to Rs. 30.873 million (June 30, 2014: Rs. Nil). The rate used to determine the amount of borrowing cost eligible for capitalization is 8.83% (June 30, 2014: Rs. Nil).

3.7.1 The following is the movement in capital work-in-progress during the year:

	2015	2014
Balance at the beginning of the year	**896,051**	2,549,354
Addition during the year	**4,167,569**	2,409,836
	5,063,620	4,959,190
Transferred to operating fixed assets during the year	**(3,400,844)**	(4,063,139)
Balance at the end of the year	**1,662,776**	896,051

3.8 Details of operating fixed assets disposals having net book value in excess of Rs. 50,000 are as follows:

As at June 30, 2015

	Mode of sale	Cost	Accumulated depreciation	Net book value	Sale proceeds	Particulars of buyers
Plant and machinery						
Boiler, Deaerator and other assets	Scrap	48,370	44,614	3,756	2,124	Hanif Ghouri Malakwal District Mandi Bahauddin
Building on leasehold land						
Old quarter's doors and windows	Bidding	499	288	211	89	Anjum Wood Craft Khewra
Furniture and Equipments						
Dell Laptops	Insurance Claim	250	107	143	155	PICIC Insurance

As at June 30, 2014

	Mode of sale	Cost	Accumulated depreciation	Net book value	Sale proceeds	Particulars of buyers
Plant and machinery						
Refractory, Panelmate and various other assets	Scrap	30,470	14,125	16,345	1,301	Shahbaz and Company, Malakwal District Mandi Bahauddin
Rolling stock and vehicles						
Audi and Fork lift trucks	Auction	6,440	1,739	4,701	5,343	Mr. Azfar Abbas Ashary, Karachi
Building						
Civil Work Lime Stone Storage	Scrap	2,877	2,648	229	20	Shahbaz and Company, Malakwal District Mandi Bahauddin

Amounts in Rs '000

4 Intangible assets

	As at June 30, 2015		
	Software	**Licenses**	**Total**
Net carrying value basis			
Opening net book value (NBV)	**10,368**	**53,893**	**64,261**
Addition / transfer	**1,124**	**8,501**	**9,625**
Amortisation charge - note 4.1	**(9,512)**	**(36,056)**	**(45,568)**
Closing net book value	**1,980**	**26,338**	**28,318**
Gross carrying amount			
Cost	**173,311**	**197,046**	**370,357**
Accumulated amortisation	**(171,331)**	**(170,708)**	**(342,039)**
Closing net book value	**1,980**	**26,338**	**28,318**
Amortisation rate % per annum	**20**	**20 to 50**	

	As at June 30, 2014		
Net carrying value basis			
Opening net book value (NBV)	11,754	33,369	45,123
Addition / transfer	-	51,303	51,303
Adjustments (at NBV)	10,900	3,692	14,592
Amortisation charge - note 4.1	(12,286)	(34,471)	(46,757)
Closing net book value	10,368	53,893	64,261
Gross carrying amount			
Cost	172,187	188,546	360,733
Accumulated amortisation	(161,819)	(134,653)	(296,472)
Closing net book value	10,368	53,893	64,261
Amortisation rate % per annum	20	20 to 50	

	For the year ended June 30, 2015	For the year ended June 30, 2014
4.1 The amortisation charge for the year has been allocated as follows:		
Cost of sales	**14,219**	13,614
Selling and distribution expenses	**4,649**	1,948
Administration and general expenses	**26,700**	31,195
	45,568	46,757

Amounts in Rs '000

	As at June 30, 2015	As at June 30, 2014
5. Long-term investments		
Unquoted - at cost		
Subsidiary		
– ICI Pakistan PowerGen Limited (wholly owned)		
7,100,000 ordinary shares (June 30, 2014: 7,100,000) of Rs. 100 each - note 5.1	**710,000**	710,000
Less: Provision for impairment loss - note 5.2	**209,524**	209,524
	500,476	500,476
Associate		
– NutriCo Pakistan (Private) Limited (30% ownership)		
125,000 ordinary shares (June 30, 2014: Nil shares) of Rs. 1,000 each and premium of Rs. 4,760 per share	**720,000**	-
Others		
Equity security available-for-sale		
– Arabian Sea Country Club Limited		
250,000 ordinary shares (June 30, 2014: 250,000) of Rs. 10 each	**2,500**	2,500
	1,222,976	502,976

5.1 As of the balance sheet date, the value of the Company's investment on the basis of net assets of ICI Pakistan PowerGen Limited (the Subsidiary) as disclosed in its audited financial statements for the year ended June 30, 2015 amounted to Rs. 871.533 million (June 30, 2014: Rs. 773.149 million).

5.2 The Company has reassessed the recoverable amount of the Subsidiary as at the balance sheet date and based on its assessment no material adjustment is required to the carrying amount stated in the financial statement.

6. Long-term loans		
Considered good		
Due from executives and employees - note 6.1	**324,610**	253,477

6.1 Due from executives and employees

	Motor car	House building	Total	Total
Due from executives - note 6.2, 6.3 and 6.4	186,276	58,730	**245,006**	202,734
Less: Receivable within one year	29,359	23,993	**53,352**	53,011
	156,917	34,737	**191,654**	149,723
Due from employees - note 6.3			**164,926**	126,390
Less: Receivable within one year			**31,970**	22,636
			132,956	103,754
			324,610	253,477
Outstanding for period:				
- less than three years but over one year			**125,397**	161,338
- more than three years			**199,213**	92,139
			324,610	253,477

6.2 Reconciliation of the carrying amount of loans to executives:

Balance at the beginning of the year	**202,734**	184,494
Disbursements during the year	**108,155**	123,414
Repayments during the year	**(65,883)**	(105,174)
Balance at the end of the year	**245,006**	202,734

6.3 Loans for purchase of motor cars and house building are repayable between two to ten years. These loans are interest free and granted to the employees, including executives of the Company, in accordance with their terms of employment.

6.4 The maximum aggregate amount of loans due from the executives at the end of any month during the year was Rs. 245.006 million (June 30, 2014: Rs. 202.734 million).

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2015

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
7.	**Long-term deposits and prepayments**		
	Deposits	**27,323**	25,679
	Prepayments	**3,454**	2,164
		30,777	27,843
8.	**Stores, spares and consumables**		
	Stores - note 8.1	**55,811**	34,912
	Spares - note 8.1	**663,018**	608,509
	Consumables	**103,300**	100,570
		822,129	743,991
	Less: Provision for slow moving and obsolete stores and spares - note 8.2	**168,547**	184,735
		653,582	559,256

8.1 The above amounts include stores and spares in transit of Rs. 27.516 million (June 30, 2014: Rs. 15.625 million)

8.2 Movement of provision for slow moving and obsolete stores and spares is as follows:

	Balance at the beginning of the year	**184,735**	184,683
	Charge for the year - note 28	**15,044**	154
	Write-off during the year	**(31,232)**	(102)
	Balance at the end of the year	**168,547**	184,735

9.	**Stock-in-trade**		
	Raw and packing material (include in-transit Rs. 430.910 million June 30, 2014: Rs. 791.619 million) - note 9.3	**2,070,383**	2,348,115
	Work-in-process	**96,034**	165,341
	Finished goods (include in-transit Rs. 348.217 million June 30, 2014: Rs. 137.44 million)	**2,882,416**	2,166,884
		5,048,833	4,680,340
	Less: Provision for slow moving and obsolete stock-in-trade - note 9.1		
	- Raw material	**13,659**	8,771
	- Finished goods	**113,408**	88,937
		127,067	97,708
		4,921,766	4,582,632

9.1 Movement of Provision for slow moving and obsolete stock-in-trade is as follows:

	Balance at the beginning of the year	**97,708**	93,142
	Charge for the year - note 28	**36,000**	12,389
	Reversal during the year	**-**	(6,890)
	Write-off during the year	**(6,641)**	(933)
	Balance at the end of the year	**127,067**	97,708

9.2 Stock amounting to Rs. 498.295 million (June 30, 2014: Rs. 28.801 million) is measured at net realisable value and expense amounting to Rs. 9.465 million (June 30, 2014: write back of Rs. 20.529 million) has been charged to cost of sales.

9.3 Raw and packing materials held with various toll manufacturers amount to Rs. 556.110 million (June 30, 2014: Rs. 423.255 million)

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
10.	**Trade debts**		
	Considered good		
	- Secured	**168,723**	135,393
	- Unsecured	**1,474,293**	892,385
		1,643,016	1,027,778
	Considered doubtful	**40,987**	93,664
		1,684,003	1,121,442
	Less: Provision for:		
	- Doubtful debts - note 40.4 and 40.6	**40,987**	93,664
	- Discounts payable on sales	**211,646**	169,431
		252,633	263,095
		1,431,370	858,347

10.1 The above balances include amounts due from the following associated undertakings which are neither past due nor impaired:

	Secured		
	ICI Pakistan PowerGen Limited	**1,273**	371
	Unsecured		
	Yunus Textile Mills Limited	**15,190**	26,397
	Lucky Textile Mills Limited	**4,231**	1,162
	Lucky Knits (Private) Limited	**499**	3,340
	NutriCo Pakistan (Private) Limited	**11,095**	-
	Feroze Mills Limited	**377**	-
		32,665	31,270

11.	**Loans and advances**		
	Considered good		
	Loans due from:		
	Director and executives - note 11.1	**59,667**	53,011
	Employees	**31,970**	22,636
		91,637	75,647
	Advances to:		
	Executives	**8,118**	14,241
	Employees	**319**	276
	Contractors and suppliers	**219,513**	95,368
	Others	**4,109**	5,589
		232,059	115,474
		323,696	191,121
	Considered doubtful	**-**	7,292
		323,696	198,413
	Less: Provision for doubtful loans and advances - note 40.4 and 40.6	**-**	7,292
		323,696	191,121

11.1 The maximum aggregate amount of loans due from the directors and executives at the end of any month during the year was Rs. 9.315 million and Rs. 12.401 million (June 30, 2014: Rs. 3.221 million and Rs. 14.037 million) respectively.

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
12.	**Trade deposits and short-term prepayments**		
	Trade deposits	**28,194**	25,803
	Short-term prepayments	**383,939**	180,972
		412,133	206,775
13.	**Other receivables**		
	Considered good		
	Duties, sales tax and octroi refunds due	**328,126**	243,107
	Commission and discounts receivable	**25,002**	22,612
	Receivable from principal - note 13.1	**483,504**	1,068,427
	Others	**73,078**	86,648
		909,710	1,420,794
	Considered doubtful	**1,622**	20,237
		911,332	1,441,031
	Less: Provision for doubtful receivables - note 13.2	**1,622**	20,237
		909,710	1,420,794

13.1 This includes receivable amounting to Rs. 401.706 million (June 30, 2014: Rs. 1,019.800 million) from a foreign vendor in relation to margin support guarantee.

13.2 Movement of provision for doubtful receivables is as follows:

Balance at the beginning of the year	**20,237**	57,312
Write-off during the year	**(18,615)**	-
Reversal during the year	**-**	(37,075)
Balance at the end of the year	**1,622**	20,237

14.	**Cash and bank balances**		
	Cash at banks:		
	- Short-term deposits - note 14.1	**106,000**	103,000
	- Current accounts	**9,047**	741,738
	Cash in hand	**4,565**	7,357
		119,612	852,095

14.1 Represent security deposits from customer that are placed with various banks at pre-agreed rate maturing at various dates. The mark-up on these deposits is 10% (June 30, 2014: 8.00% to 9.00%) and these term deposits are readily encashable without any penalty.

Amounts in Rs '000

As at June 30, 2015 (Numbers)	As at June 30, 2014 (Numbers)		As at June 30, 2015	As at June 30, 2014

15. Issued, subscribed and paid-up capital

83,734,062	83,734,062	Ordinary shares of Rs. 10 each fully paid in cash	**837,341**	837,341
211,925	211,925	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash under scheme of arrangement for amalgamation (note 15.1)	**2,119**	2,119
16,786	16,786	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	**168**	168
8,396,277	8,396,277	Ordinary shares issued pursuant to the previous scheme as fully paid for consideration of investment in associate (note 15.2)	**83,963**	83,963
92,359,050	92,359,050		**923,591**	923,591

15.1 The process for amalgamation of three companies namely Paintex Limited, ICI Pakistan Manufacturers Limited and Imperial Chemical Industries Limited resulted in a new company as ICI Pakistan Limited on April 01, 1987.

15.2 With effect from October 01, 2000 the Pure Terephthalic Acid (PTA) Business of the Company was demerged under a scheme of arrangement dated December 12, 2000 approved by the shareholders and sanctioned by the High Court of Sindh.

15.3 On December 28, 2012, Lucky Holdings Limited acquired from ICI Omicron B.V. its entire shareholding of 70,019,459 shares in ICI Pakistan Limited, besides acquiring 111,698 additional shares by way of public offer made by it to all the shareholders of the Company in pursuance of the provisions of the Listed Companies (Substantial Acquisition of Voting Shares & Take-overs), Ordinance, 2002 and the Listed Companies (Substantial Acquisition of Voting Shares & Take-overs) Regulations, 2008. Thus, Lucky Holdings Limited became the parent company, and Lucky Cement Limited became the ultimate holding company of ICI Pakistan Limited with effect from December 28, 2012. Along with Lucky Holdings Limited, two other companies of the Yunus Brothers Group namely, Gadoon Textile Mills Limited and Lucky Textile Mills Limited also participated in the public offer thereby acquiring 5,980,917 shares and 5,077,180 shares respectively. As at the balance sheet date, Lucky Cement Limited together with the group companies held 86.72% (June 30, 2014: 87.33%) shareholding.

16. Capital reserves

	As at June 30, 2015	As at June 30, 2014
Share premium - note 16.1	**309,057**	309,057
Capital receipts - note 16.2	**586**	586
	309,643	309,643

16.1 Share premium includes the premium amounting to Rs. 0.902 million received on shares issued for the Company's Polyester Plant installation in 1980 and share premium of Rs. 464.357 million representing the difference between nominal value of Rs. 10 per share of 12,618,391 ordinary shares issued by the Company and the market value of Rs. 590.541 million of these shares corresponding to 25% holding acquired in Lotte Pakistan PTA Limited, an ex-associate, at the date of acquisition i.e. November 2, 2001 and the number of shares that have been issued were determined in accordance with the previous scheme in the ratio between market value of the shares of two companies based on the mean of the middle market quotation of the Karachi Stock Exchange over the ten trading days between October 22, 2001 to November 2, 2001.

16.2 Capital receipts represent the amount received from various ICI plc group companies overseas for the purchase of property, plant and equipment. The remitting companies have no claim to their repayments.

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
17.	**Surplus on revaluation of property, plant and equipment**		
	Balance at the beginning of the year	**639,372**	698,536
	Adjustment due to change in tax rate - note 20.1	**4,630**	21,042
	Transferred to unappropriated profit in respect of incremental depreciation during the year - net of deferred tax	**(67,544)**	(80,206)
	Balance at the end of the year	**576,458**	639,372
18.	**Provisions for non-management staff gratuity**	**87,422**	77,842

18.1 Staff retirement benefits

	2015				2014			
		Funded		**Unfunded**		Funded		Unfunded
	Pension	**Gratuity**	**Total**		Pension	Gratuity	Total	
18.1.1 The amounts recognised in the profit and loss account against defined benefit schemes are as follows:								
Current service cost	**16,808**	**37,326**	**54,134**	**3,158**	17,153	32,322	49,475	3,291
Interest cost	**113,592**	**69,378**	**182,970**	**9,455**	102,896	54,286	157,182	8,118
Expected return on plan assets	**(152,025)**	**(48,038)**	**(200,063)**	**-**	(127,167)	(37,245)	(164,412)	-
Past service cost	**-**	**1,030**	**1,030**	**(1,030)**	-	10,115	10,115	(10,115)
Net (reversal) / charge for the year	**(21,625)**	**59,696**	**38,071**	**11,583**	(7,118)	59,478	52,360	1,294
Other comprehensive income:								
Loss / (Gain) on obligation	**16,941**	**(33,989)**	**(17,048)**	**3,448**	7,112	21,574	28,686	5,677
(Gain) on plan assets	**(104,216)**	**(49,628)**	**(153,844)**	**-**	(75,645)	(11,632)	(87,277)	-
Net (gain) / loss	**(87,275)**	**(83,617)**	**(170,892)**	**3,448**	(68,533)	9,942	(58,591)	5,677
18.1.2 Movement in the net assets / (liability) recognised in the balance sheet are as follows:								
Opening balance	**301,428**	**(196,734)**	**104,694**	**(77,842)**	225,777	(190,112)	35,665	(79,678)
Net reversal / (charge) - note 18.1.1	**21,625**	**(59,696)**	**(38,071)**	**(11,583)**	7,118	(59,478)	(52,360)	(1,294)
Other comprehensive income	**87,275**	**83,617**	**170,892**	**(3,448)**	68,533	(9,942)	58,591	(5,677)
Contributions / payments during the year	**-**	**60,477**	**60,477**	**5,451**	-	62,798	62,798	8,807
Closing balance	**410,328**	**(112,336)**	**297,992**	**(87,422)**	301,428	(196,734)	104,694	(77,842)
18.1.3 The amounts recognised in the balance sheet are as follows:								
Fair value of plan assets - note 18.1.5	**1,365,979**	**470,938**	**1,836,917**	**-**	1,274,962	379,191	1,654,153	-
Present value of defined benefit obligation - note 18.1.4	**(955,651)**	**(583,274)**	**(1,538,925)**	**(87,422)**	(973,534)	(575,925)	(1,549,459)	(77,842)
Surplus / (deficit)	**410,328**	**(112,336)**	**297,992**	**(87,422)**	301,428	(196,734)	104,694	(77,842)

The recognized asset / (liability) of funded gratuity is netted off against recognized asset / (liability) of funded pension and recorded accordingly.

	Pension	**Gratuity**	**Total**	**Unfunded**	Pension	Gratuity	Total	Unfunded
18.1.4 Movement in the present value of defined benefit obligation:								
Opening balance	**973,534**	**575,925**	**1,549,459**	**77,842**	1,067,969	552,340	1,620,309	79,678
Current service cost	**16,808**	**37,326**	**54,134**	**3,158**	17,153	32,322	49,475	3,291
Interest cost	**113,592**	**69,378**	**182,970**	**9,455**	102,896	54,286	157,182	8,118
Benefits paid	**(165,224)**	**(66,396)**	**(231,620)**	**(5,451)**	(221,596)	(94,712)	(316,308)	(8,807)
Actuarial loss / (gain)	**16,941**	**(33,989)**	**(17,048)**	**3,448**	7,112	21,574	28,686	5,677
Past service cost	**-**	**1,030**	**1,030**	**(1,030)**	-	10,115	10,115	(10,115)
Closing balance	**955,651**	**583,274**	**1,538,925**	**87,422**	973,534	575,925	1,549,459	77,842
18.1.5 Movement in the fair value of plan assets:								
Opening balance	**1,274,962**	**379,191**	**1,654,153**	**-**	1,293,746	362,228	1,655,974	-
Expected return	**152,025**	**48,038**	**200,063**	**-**	127,167	37,245	164,412	-
Contributions	**-**	**60,477**	**60,477**	**-**	-	62,798	62,798	-
Benefits paid	**(165,224)**	**(66,396)**	**(231,620)**	**-**	(221,596)	(94,712)	(316,308)	-
Actuarial gain	**104,216**	**49,628**	**153,844**	**-**	75,645	11,632	87,277	-
Closing balance - note 18.1.7	**1,365,979**	**470,938**	**1,836,917**	**-**	1,274,962	379,191	1,654,153	-

Amounts in Rs '000

18.1.6 Historical information

	June 30			December 31	
	2015	2014	2013	2012	2011
Present value of defined benefit obligation	**1,626,347**	1,627,301	1,699,987	2,264,010	2,337,261
Fair value of plan assets	**(1,836,917)**	(1,654,153)	(1,655,974)	(1,509,900)	(1,581,574)
(Surplus) / deficit	**(210,570)**	(26,852)	44,013	754,110	755,687

18.1.7 Major categories / composition of plan assets are as follows:

	2015	2014
Debt instruments	**77.01%**	68.77%
Equity at market value	**23.36%**	28.70%
Cash	**0.34%**	2.53%

Fair value of plan asset	**Pension**	**Gratuity**	Pension	Gratuity
	As at June 30, 2015		As at June 30, 2014	
Investment				
National savings deposits	**262,604**	**15,580**	181,164	-
Government bonds	**820,415**	**310,846**	667,896	283,066
Corporate bonds	**-**	**5,777**	-	6,936
Shares	**285,632**	**143,569**	406,635	67,586
Cash	**4,807**	**764**	19,267	21,603
Total	**1,365,979**	**470,938**	1,274,962	379,191

Mortality of active employees and pensioners is represented by the LIC (96-98) table. The table has been rated down three years for mortality of female pensioners and widows.

Actual return on plan assets during 2015 was Rs. 206.290 million (June 30, 2014: Rs. 251.689 million).

18.1.8 The principal actuarial assumptions at the reporting date were as follows:

	2015	2014
Discount rate	**9.33%**	12.75%
Future salary increases - Management	**7.25%**	10.50%
Future salary increases - Non-management	**4.67%**	8.00%
Future pension increases	**4.00%**	7.50%

18.1.9 Impact of changes in assumptions on defined benefit scheme is as follows:

Assumption	**1% Increase**	1 % Decrease
Discount rate	**(87,370)**	97,800
Salary increase	**64,833**	(59,122)
Pension increase	**35,247**	(31,709)

18.1.10 The Company contributed Rs. 68.222 million (June 30, 2014: Rs. 62.166 million) and Rs. 47.346 million (June 30, 2014: Rs. 44.950 million) to the provident fund and the defined contribution superannuation fund respectively during the year.

	As at June 30, 2015 (Unaudited)	As at June 30, 2014 (Audited)
18.2 Provident fund		
Size of the fund (net assets)	**1,018,560**	1,269,506
Cost of investments made (actual investments made)	**969,253**	1,127,747
Percentage of investments made (cost of investments)	**95%**	89%
Fair value of investments	**994,698**	1,192,093

18.2.1 Break-up of investments of provident fund

Break-up of investments in terms of amount and percentage of the size of the provident fund are as follows:

	As at June 30, 2015 (Unaudited)		As at June 30, 2014 (Audited)	
	Investments	**% of investment as size of the fund**	Investments	% of investment as size of the fund
On fair value				
Pakistan Investment Bonds	**581,239**	**58%**	854,999	72%
Treasury Bill	**8,552**	**1%**	49,604	4%
Regular Income Certificates	**18,000**	**2%**	-	0%
Mutual Funds	**97,346**	**10%**	81,682	7%
Shares	**289,561**	**29%**	196,142	16%
Term Finance Certificates	**-**	**0%**	9,666	1%
	994,698	**100%**	1,192,093	100%

Investments out of provident fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
19	**Long-term loans**	**1,493,943**	2,314,805
19.1	From banking companies / financial institutions:		
	- Faysal Bank Limited	**-**	343,591
	- Less: Current portion of long-term finance	**-**	-
		-	343,591
	- Habib Bank Limited	**-**	543,435
	- Less: Current portion of long-term finance	**-**	-
		-	543,435
	- United Bank Limited	**221,719**	-
	- Less: Current portion of long-term finance	-	-
		221,719	-

The Company has obtained Long-Term Finance Facility (LTFF) for plant and machinery from United Bank Limited of Rs. 221.719 million (limit: Rs.1,500 million) for a period of 10 years (including 2 years grace period), with the principal payable on quarterly basis. The mark-up is chargeable at fixed rate of 5% payable on quarterly basis. This facility is secured against first specific charge on the property, plant and equipment of the Company's Soda Ash Business located at Khewra. The loan has been refinanced by the State Bank of Pakistan under LTFF for Export Oriented Projects. The Company prepaid its previous LTFFs from HBL and FBL in the last quarter of FY 2015.

19.2 Islamic Term Finance

	From banking companies / financial institutions:		
	-Standard Chartered Bank (Pakistan) Limited	**400,000**	800,000
	-Less: Current portion of long-term finance	**400,000**	400,000
		-	400,000

The Company had obtained long-term finance of Rs. 1,000 million in June 2013 from Standard Chartered Bank (Pakistan) Limited under Islamic Diminishing Musharakah for a period of 3 years (including 6 months grace period). The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on semi annual basis. This facility is secured by a ranking charge which is to be replaced by a first pari passu hypothecation charge on the present and future fixed assets of the Company's Polyester Business located at Sheikhupura.

	-Meezan Bank Limited	**277,778**	500,000
	Less: Current portion of long-term finance	**222,222**	222,222
		55,556	277,778

The Company had obtained long-term finance of Rs. 500 million from Meezan Bank Limited in 2014 under Islamic Diminishing Musharakah for a period of 3 years (including 9 months grace period). The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on a quarterly basis. This facility is secured by a first pari passu hypothecation charge on the present and future plant, machinery and equipment of the Company's Soda Ash Business located at Khewra.

19.3 Other Long Term Loan

	From banking companies / financial institutions:		
	Allied Bank Limited	**750,001**	1,000,000
	Less: Current portion of long-term loan	**333,333**	249,999
		416,668	750,001

The Company had obtained long-term loan for Rs. 1,000 million from Allied Bank Limited in 2014 for a period of 4 years (including 1 year grace period). The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on a quarterly basis. This facility is secured by a first pari passu hypothecation charge on the present and future plant, machinery and equipment of the Company's Soda Ash Business located at Khewra.

	United Bank Limited	**800,000**	-
	Less: Current portion of long-term loan	-	-
		800,000	-

During the year, the Company has obtained long-term finance of Rs. 800 million from United Bank Limited for a period of 5 years (including 2 years grace period). The Interest payment is charged at relevant KIBOR plus 0.25% p.a. payable on a quarterly basis. This facility is initially secured by a ranking charge to be subsequently replaced by a first pari passu hypothecation charge on the present and future plant, machinery and equipment of the Company's Polyester Business located at Sheikhupura.

Amounts in Rs '000

		As at June 30, 2015			As at June 30, 2014		
		Opening	**Charge**	**Closing**	Opening	Charge / (Reversal)	Closing
20	**Deferred tax liability - net**						
	Deductible temporary differences						
	Provisions for retirement benefits, doubtful debts and others	**(259,368)**	**29,350**	**(230,018)**	(301,666)	42,298	(259,368)
	Retirement fund provisions	**(65,232)**	**49,811**	**(15,421)**	(93,508)	28,276	(65,232)
	Taxable temporary differences						
	Property, plant and equipment - note 20.1	**1,418,318**	**8,288**	**1,426,606**	1,496,285	(77,967)	1,418,318
		1,093,718	**87,449**	**1,181,167**	1,101,111	(7,393)	1,093,718

20.1 Charge during the year includes Rs. 4.630 million (June 30, 2014: reversal of Rs. 21.042 million) adjusted in surplus on revaluation of property, plant and equipment on account of change in tax rate.

		As at June 30, 2015	As at June 30, 2014
21	**Trade and other payables**		
	Trade creditors - note 21.1 and 21.2	**1,764,655**	1,717,081
	Bills payable	**2,962,835**	2,338,246
	Excise and custom duties	**-**	3,959
	Accrued expenses - note 21.3	**1,448,765**	966,337
	Technical service fee / royalty - note 21.4	**21,401**	23,686
	Workers' profit participation fund - note 21.5	**148,200**	107,446
	Workers' welfare fund	**98,334**	43,797
	Distributors' security deposits - payable on termination of distributorship - note 21.6	**104,761**	106,142
	Contractors' earnest / retention money	**10,946**	9,808
	Running account with customers - note 21.7	**155,339**	223,874
	Unclaimed dividends	**62,802**	48,693
	Payable for capital expenditure	**811,979**	328,317
	Accrual for compensated absences - note 21.8	**31,249**	31,249
	Payable to ICI Pakistan PowerGen Limited	**-**	129,519
	Others	**96,642**	124,905
		7,717,908	6,203,059

21.1 This includes an amount of Rs. 543.022 million (June 30, 2014: Rs. 344.692 million) payable to ICI Pakistan PowerGen Limited, a related party on account of purchase of electricity.

21.2 This amount includes Rs. 3.380 million (June 30, 2014: Rs. Nil) on account of exchange loss on forward exchange contracts.

21.3 This amount includes Pensioner medical liability of Rs. 9.696 million (June 30, 2014: Rs. 28.334 million).

21.4 This amount includes Rs. 20.701 million (June 30, 2014: Rs. 23.008 million) on account of royalty payable to Lucky Holdings Limited, the Holding Company.

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
21.5	**Workers' profit participation fund**		
	Balance at the beginning of the year	**107,446**	61,635
	Allocation for the year - note 29	**142,434**	104,422
		249,880	166,057
	Interest on funds utilised in the Company's businesses at 30% (June 30, 2014: 41.25%) per annum - note 30	**2,746**	3,049
	Less: Payment to the fund	**104,426**	61,660
	Balance at the end of the year	**148,200**	107,446

21.6 Interest on security deposits from certain distributors is payable at 10% (June 30, 2014: 8.8%) per annum as specified in the respective agreements.

21.7 Included herein are amounts due to the following associated undertakings:

Gadoon Textile Mills	**238**	27,910
Yunus Textile Mills	**267**	197
Fazal Textile Mills	**342**	764
	847	28,871

21.8 This figure is based on actuarial valuation and estimation.

22	**Short-term borrowings and running finance**	**1,883,592**	437,368

Short-term borrowings and running finance facility from various banks aggregated to Rs. 5,171 million (June 30, 2014: Rs. 4,921 million) and carry mark-up during the year ranging from relevant KIBOR + 0.10% to 1.00% per annum with an average mark-up rate of relevant KIBOR + 0.28% on utilized limits (June 30, 2014: relevant KIBOR + 0.20% to 1.00% per annum with an average mark-up rate of relevant KIBOR + 0.20% on utilized limits). These facilities are secured by hypothecation charge over the present and future stock-in-trade and book debts of the Company.

22.1	**Foreign currency loan against import finance**	**-**	267,368

The Company repaid Rs. 518.368 million out of which Rs. 251 million was obtained during the year. The foreign currency loan carried mark up at relevant LIBOR + bank's spread which is decided at the time of disbursement.

22.2	**Export refinance**	**241,962**	170,000

The Company has export refinance facility of upto Rs. 800 million (June 30, 2014: Rs. 200 million) available from Faysal Bank Limited as at June 30, 2015 out of which Rs. 242 million was utilized (June 30, 2014: Rs. 170 million). The above export refinance facility is secured by first pari passu hypothecation charge. The export refinance facility carries mark-up at State Bank of Pakistan (SBP) rate (currently 5%) + 0.25% per annum (June 30, 2014: SBP rate 8.4% + 0.25% per annum).

22.3	**Short-term running finance - secured**	**1,641,630**	-

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
23	**Contingencies and Commitments**		
23.1	Claims against the Company not acknowledged as debts are as follows:		
	Local bodies	**8,527**	32,261
	Others	**28,529**	36,616
		37,056	68,877

23.1.1 Collectorate of Customs - classification issue in PCT heading

Collectorate of Customs has raised an additional demand of Rs. 71.938 million against the Company on the ground that Company is classifying two of its imported product in wrong PCT Heading. Company has taken up the matter in high court as well as with Custom authorities considering that the same HS Code is being used globally as per manufacturer's product specification. Further, also on the basis of an independent laboratory report the Company is confident that there is no merit in the claim and is expecting favorable decision, therefore no provision has been made in this respect.

23.2 Also refer note 43 to these unconsolidated financial statements for income and sales tax contingencies.

23.3 Commitments in respect of capital expenditure (including various projects of the Soda Ash business and Polyester business) amounted to Rs. 2,627.142 million (June 30, 2014: Rs. 1,168.636 million).

23.4 During the year, the Company invested Rs. 720 million in the NutriCo Pakistan (Private) Limited (Morinaga business) out of total commitment of Rs. 960 million as reported earlier through signing of shareholders and share subscription agreements with Unibrands. At the Balance sheet date Rs. 240 million remains as a commitment.

23.5 Commitments for rentals under operating lease / Ijarah contracts in respect of vehicles amounting to Rs. 134.316 million (June 30, 2014: Rs. 153.912 million) are as follows:

Year	As at June 30, 2015	As at June 30, 2014
2014-15	**-**	61,657
2015-16	**57,839**	48,649
2016-17	**45,988**	34,403
2017-18	**23,848**	9,203
2018-19	**6,641**	-
	134,316	153,912
Payable not later than one year	**57,839**	61,657
Payable later than one year but not later than five years	**76,477**	92,255
	134,316	153,912

23.6 Outstanding foreign exchange contracts as at June 30, 2015 entered into by the Company amounted to Rs. 383 million (June 30, 2014: Rs. Nil).

Amounts in Rs '000

24. Operating segment results

	Polyester		Soda Ash		Life Sciences		Chemicals		Company	
	For the year ended June 30, 2015	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014
Sales										
Afghanistan	-	-	**3,343**	7,750	-	-	**4,755**	2,358	**8,098**	10,108
India	-	-	**818,352**	497,500	-	-	-	-	**818,352**	497,500
United Arab Emirates	-	-	-	-	-	-	-	50,410	-	50,410
	-	-	**821,695**	505,250	-	-	**4,755**	52,768	**826,450**	558,018
Inter-segment	-	-	-	-	-	-	**14,662**	5,857	**14,662**	5,857
Local	**16,673,511**	19,667,433	**11,385,584**	10,427,943	**9,106,882**	7,504,584	**4,549,642**	4,479,076	**41,715,619**	42,079,036
	16,673,511	19,667,433	**12,207,279**	10,933,193	**9,106,882**	7,504,584	**4,569,059**	4,537,701	**42,556,731**	42,642,911
Commission / toll income	-	-	-	-	-	-	**51,879**	61,605	**51,879**	61,605
Turnover	**16,673,511**	19,667,433	**12,207,279**	10,933,193	**9,106,882**	7,504,584	**4,620,938**	4,599,306	**42,608,610**	42,704,516
Sales tax	**326,967**	385,692	**1,658,439**	1,518,523	**125,378**	40,978	**491,330**	479,680	**2,602,114**	2,424,873
Commission and discounts	**472,358**	439,358	**414,120**	425,196	**1,247,771**	859,787	**342,257**	315,968	**2,476,506**	2,040,309
	799,325	825,050	**2,072,559**	1,943,719	**1,373,149**	900,765	**833,587**	795,648	**5,078,620**	4,465,182
Net turnover	**15,874,186**	18,842,383	**10,134,720**	8,989,474	**7,733,733**	6,603,819	**3,787,351**	3,803,658	**37,529,990**	38,239,334
Cost of sales - note 26	**15,792,527**	19,066,559	**7,288,848**	6,622,359	**5,614,000**	4,792,331	**3,044,861**	3,106,244	**31,740,236**	33,587,493
Gross profit	**81,659**	(224,176)	**2,845,872**	2,367,115	**2,119,733**	1,811,488	**742,490**	697,414	**5,789,754**	4,651,841
Selling and distribution expenses - note 27	**238,369**	258,230	**278,420**	236,780	**1,017,286**	824,909	**247,914**	210,335	**1,781,989**	1,530,254
Administration and general expenses - note 28	**298,843**	309,150	**279,111**	264,293	**224,288**	201,989	**161,416**	120,221	**963,658**	895,653
Operating result	**(455,553)**	(791,556)	**2,288,341**	1,866,042	**878,159**	784,590	**333,160**	366,858	**3,044,107**	2,225,934
24.1 Segment assets - note 24.5 and 25.3	**8,726,169**	7,643,268	**14,144,573**	14,930,493	**6,261,565**	6,335,403	**2,644,678**	2,809,583	**23,391,937**	20,668,658
24.2 Unallocated assets									**3,277,846**	2,268,760
									26,669,783	22,937,418
24.3 Segment liabilities - note 24.5 and 25.4	**12,038,656**	11,008,737	**2,193,698**	3,997,977	**2,355,636**	2,429,086	**720,757**	940,215	**8,923,695**	7,325,926
24.4 Unallocated liabilities									**4,452,550**	3,734,693
									13,376,245	11,060,619

24.5 Inter unit current account balances of respective businesses have been eliminated from the total.

	Polyester 2015	Polyester 2014	Soda Ash 2015	Soda Ash 2014	Life Sciences 2015	Life Sciences 2014	Chemicals 2015	Chemicals 2014	Company 2015	Company 2014
24.6 Depreciation and amortization - note 3.5 and 4.1	**651,348**	528,092	**944,005**	751,803	**26,474**	23,750	**35,451**	35,095	**1,657,278**	1,338,740
24.7 Capital expenditure	**1,869,978**	1,627,533	**2,224,678**	803,035	**87,956**	43,008	**29,492**	35,233	**4,212,104**	2,508,809

24.8 Inter-segment pricing

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.

24.9 There were no major customer of the Company which formed part of 10% or more of the Company's revenue.

Amounts in Rs '000

	For the year ended June 30, 2015	For the year ended June 30, 2014

25. Reconciliations of reportable segment turnover, cost of sales, assets and liabilities

25.1 Turnover

Total turnover for reportable segments - note 24	**42,608,610**	42,704,516
Elimination of inter-segment turnover - note 24	**(14,662)**	(5,857)
Total turnover	**42,593,948**	42,698,659

25.2 Cost of sales

Total cost of sales for reportable segments - note 26	**31,740,236**	33,587,493
Elimination of inter-segment purchases - note 26	**(14,662)**	(5,857)
Total cost of sales	**31,725,574**	33,581,636

	As at June 30, 2015	As at June 30, 2014

25.3 Assets

Total assets for reportable segments	**23,391,937**	20,668,658
Taxation recoverable	**2,054,870**	1,765,784
Long-term investments - note 5	**1,222,976**	502,976
Total assets	**26,669,783**	22,937,418

25.4 Liabilities

Total liabilities for reportable segments	**8,923,695**	7,325,926
Short-term loan	**1,883,592**	437,368
Long-term loan	**2,449,498**	3,187,026
Accrued mark-up	**56,658**	61,606
Unclaimed dividends - note 21	**62,802**	48,693
Total liabilities	**13,376,245**	11,060,619

Amounts in Rs '000

26. Cost of Sales

	Polyester		Soda Ash		Life Sciences		Chemicals		Company	
	For the year ended June 30, 2015	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014
Raw and packing materials consumed										
Opening stock	**878,010**	897,238	**552,167**	510,102	**636,348**	453,994	**272,819**	207,993	**2,339,344**	2,069,327
Purchases										
Inter-segment	**14,662**	5,857	**-**	-	**-**	-	**-**	-	**14,662**	5,857
Others	**12,796,443**	15,157,139	**2,140,074**	2,198,446	**1,869,484**	2,058,518	**1,681,793**	1,802,666	**18,487,794**	21,216,769
	12,811,105	15,162,996	**2,140,074**	2,198,446	**1,869,484**	2,058,518	**1,681,793**	1,802,666	**18,502,456**	21,222,626
	13,689,115	16,060,234	**2,692,241**	2,708,548	**2,505,832**	2,512,512	**1,954,612**	2,010,659	**20,841,800**	23,291,953
Closing stock - note 9	**(665,385)**	(878,010)	**(405,275)**	(552,167)	**(690,608)**	(636,348)	**(295,456)**	(272,819)	**(2,056,724)**	(2,339,344)
Raw material consumed	**13,023,730**	15,182,224	**2,286,966**	2,156,381	**1,815,224**	1,876,164	**1,659,156**	1,737,840	**18,785,076**	20,952,609
Salaries, wages and benefits - note 26.1	**396,114**	355,018	**742,219**	665,445	**5,585**	4,752	**49,005**	45,544	**1,192,923**	1,070,759
Stores and spares consumed	**169,137**	183,251	**113,416**	104,415	**2**	-	**14,829**	7,697	**297,384**	295,363
Conversion fee paid to contract manufacturers	**-**	-	**-**	-	**399,695**	396,884	**10,554**	10,056	**410,249**	406,940
Oil, gas and electricity	**1,328,146**	1,890,218	**2,882,548**	2,713,782	**-**	-	**14,434**	12,481	**4,225,128**	4,616,481
Rent, rates and taxes	**1,008**	936	**1,185**	1,098	**4,000**	-	**18,369**	14,321	**24,562**	16,355
Insurance	**16,772**	24,031	**25,957**	27,989	**14**	-	**1,894**	1,110	**44,637**	53,130
Repairs and maintenance	**6,587**	4,596	**856**	891	**290**	608	**5,269**	4,678	**13,002**	10,773
Depreciation and amortisation charge - note 3.5 and 4.1	**627,248**	500,637	**924,969**	728,703	**487**	262	**15,203**	13,830	**1,567,907**	1,243,432
Write-offs	**-**	1,708	**-**	20,706	**-**	-	-	751	**-**	23,165
Technical fees	**-**	-	**-**	-	**1,386**	1,020	**2,793**	2,807	**4,179**	3,827
Royalty	**-**	-	**-**	-	**2,635**	1,629	**-**	-	**2,635**	1,629
General expenses	**179,196**	161,364	**169,304**	148,485	**1,115**	967	**17,367**	16,152	**366,982**	326,968
Opening stock of work-in-process	**143,343**	170,516	**-**	-	**16,447**	59,475	**5,551**	2,850	**165,341**	232,841
Closing stock of work-in-process - note 9	**(72,137)**	(143,343)	**-**	-	**(13,391)**	(16,447)	**(10,506)**	(5,551)	**(96,034)**	(165,341)
Cost of goods manufactured	**15,819,144**	18,331,156	**7,147,420**	6,567,895	**2,233,489**	2,325,314	**1,803,918**	1,864,566	**27,003,971**	29,088,931
Opening stock of finished goods	**395,205**	994,304	**24,303**	78,767	**1,291,836**	793,560	**366,603**	404,476	**2,077,947**	2,271,107
Finished goods purchased	**62,560**	136,304	**299,155**	-	**3,780,829**	2,977,682	**1,320,782**	1,203,805	**5,463,326**	4,317,791
	16,276,909	19,461,764	**7,470,878**	6,646,662	**7,306,154**	6,096,556	**3,491,303**	3,472,847	**34,545,244**	35,677,829
Closing stock of finished goods - note 9	**(484,382)**	(395,205)	**(182,030)**	(24,303)	**(1,668,871)**	(1,291,836)	**(433,725)**	(366,603)	**(2,769,008)**	(2,077,947)
Provision for slow moving and obsolete stocks - note 28	**-**	-	**-**	-	**(23,283)**	(12,389)	**(12,717)**	-	**(36,000)**	(12,389)
	15,792,527	19,066,559	**7,288,848**	6,622,359	**5,614,000**	4,792,331	**3,044,861**	3,106,244	**31,740,236**	33,587,493

26.1 Staff retirement benefits

Salaries, wages and benefits include Rs. 29.710 million (June 30, 2014: Rs. 31.205 million) in respect of staff retirement benefits.

Amounts in Rs '000

27. Selling and distribution expenses

	Polyester		Soda Ash		Life Sciences		Chemicals		Company	
	For the year ended June 30, 2015	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014
Salaries and benefits - note 27.1	**51,474**	48,465	**36,762**	31,318	**490,878**	405,101	**95,828**	82,227	**674,942**	567,111
Repairs and maintenance	**97**	155	**2,087**	1,810	**4,740**	2,828	**2,545**	2,491	**9,469**	7,284
Advertising and publicity expenses	**2,544**	1,103	**6,473**	15,409	**143,544**	118,980	**7,331**	5,347	**159,892**	140,839
Rent, rates and taxes	**416**	400	**2,294**	3,015	**8,546**	7,936	**1,227**	1,225	**12,483**	12,576
Insurance	**-**	-	**317**	370	**9,767**	7,238	**2,695**	2,264	**12,779**	9,872
Lighting, heating and cooling	**118**	107	**2,227**	1,862	**3,709**	3,336	**7,780**	6,292	**13,834**	11,597
Depreciation and amortisation charge - note 3.5 and 4.1	**-**	-	**92**	97	**13,972**	10,416	**5,600**	5,256	**19,664**	15,769
Outward freight and handling	**7,405**	2,751	**116,473**	81,359	**89,805**	61,650	**74,544**	66,133	**288,227**	211,893
Travelling expenses	**9,621**	7,415	**3,249**	3,138	**144,124**	116,545	**21,200**	16,408	**178,194**	143,506
Postage, telegram, telephone and telex	**1,166**	1,155	**1,388**	1,191	**19,917**	17,982	**3,577**	3,425	**26,048**	23,753
Royalty	**158,742**	188,424	**101,347**	89,895	**-**	-	**-**	-	**260,089**	278,319
Write-offs	**-**	-	**-**	-	**-**	862	**-**	-	**-**	862
General expenses	**6,786**	8,255	**5,711**	7,316	**88,284**	72,035	**25,587**	19,267	**126,368**	106,873
	238,369	258,230	**278,420**	236,780	**1,017,286**	824,909	**247,914**	210,335	**1,781,989**	1,530,254

27.1 Staff retirement benefits

Salaries and benefits include Rs. 11.758 million (June 30, 2014: Rs. 13.776 million) in respect of staff retirement benefits.

28. Administration and general expenses

	Polyester 2015	Polyester 2014	Soda Ash 2015	Soda Ash 2014	Life Sciences 2015	Life Sciences 2014	Chemicals 2015	Chemicals 2014	Company 2015	Company 2014
Salaries and benefits - note 28.1	**178,663**	186,182	**165,383**	168,080	**118,139**	113,873	**82,952**	79,650	**545,137**	547,785
Repairs and maintenance	**3,089**	4,235	**3,601**	3,470	**5,970**	4,732	**1,133**	1,185	**13,793**	13,622
Advertising and publicity expenses	**1,781**	5,057	**1,915**	5,778	**967**	1,915	**457**	1,249	**5,120**	13,999
Rent, rates and taxes	**9,041**	5,645	**7,164**	2,986	**2,731**	965	**1,548**	645	**20,484**	10,241
Insurance	**596**	1,310	**713**	1,567	**4,824**	2,793	**227**	426	**6,360**	6,096
Lighting, heating and cooling	**5,625**	6,241	**3,984**	4,905	**10,849**	9,118	**861**	1,060	**21,319**	21,324
Write-offs	**-**	993	**-**	1,188	**-**	667	**-**	448	**-**	3,296
Depreciation and amortisation charge - note 3.5 and 4.1	**24,100**	27,455	**18,944**	23,003	**12,015**	13,072	**14,648**	16,009	**69,707**	79,539
Provision for doubtful debts - note 40.6	**2,956**	-	**-**	-	**2,218**	1,556	**21,021**	-	**26,195**	1,556
Provision for slow moving and obsolete stock-in-trade - note 9.1	**-**	-	**-**	-	**23,283**	12,389	**12,717**	-	**36,000**	12,389
Provision for slow moving and obsolete stores and spares - note 8.2	**-**	-	**15,044**	52	**-**	102	**-**	-	**15,044**	154
Travelling expenses	**7,784**	7,872	**5,299**	4,753	**6,759**	7,113	**4,739**	4,109	**24,581**	23,847
Postage, telegram, telephone and telex	**3,179**	3,276	**2,899**	3,154	**2,648**	2,935	**1,481**	1,707	**10,207**	11,072
General expenses	**62,029**	60,884	**54,165**	45,357	**33,885**	30,759	**19,632**	13,733	**169,711**	150,733
	298,843	309,150	**279,111**	264,293	**224,288**	201,989	**161,416**	120,221	**963,658**	895,653

28.1 Staff retirement benefits

Salaries and benefits include Rs. 8.650 million (June 30, 2014: Rs. 12.274 million) in respect of staff retirement benefits.

Amounts in Rs '000

		For the year ended June 30, 2015	For the year ended June 30, 2014
29.	**Other charges**		
	Auditors' remuneration - note 29.1	**4,439**	3,687
	Donations - note 29.2	**20,145**	17,452
	Workers' profit participation fund - note 21.5	**142,434**	104,422
	Workers' welfare fund	**55,173**	40,428
	Loss on disposal of operating fixed assets	-	15,069
	Others	**9,182**	-
		231,373	181,058
29.1	**Auditors' remuneration**		
	Statutory audit fee	**2,505**	2,050
	Half yearly review and other certifications	**1,120**	950
	Out of pocket expenses	**814**	687
		4,439	3,687

29.2 Represents provision in respect of donation to ICI Pakistan Foundation (Head office, Karachi). Mr. Asif Jooma, Director of the Group, Mr. Suhail Aslam Khan, Mr. Arshaduddin Ahmed, Ms. Saima Kamila Khan and Ms. Fathema Zuberi, Executives of the Company are amongst the Trustees of the Foundation. No amount has been paid during the current year and corresponding year.

30.	**Finance costs**		
	Mark-up	**292,444**	327,724
	Interest on workers' profit participation fund - note 21.5	**2,746**	3,049
	Discounting charges on receivables	**59,230**	46,292
	Exchange losses	**47,467**	4,144
	Guarantee fee and others	**900**	5,833
		402,787	387,042
31.	**Other income**		
	Income from financial assets		
	Income from related party		
	Service fee from related party - note 31.1	**1,980**	1,980
	Income from other financial assets		
	Profit on short-term and call deposits	**649**	368
		2,629	2,348
	Income from non-financial assets		
	Scrap sales	**68,403**	67,371
	Gain on disposal of operating fixed assets	**5,532**	985
	Provisions and accruals no longer required written back	**9,936**	138,552
	Exchange gain	-	104,774
	Dividend from investment in equity shares	**40,000**	-
	Dividend from associate	**150,000**	-
	Sundries	**17,047**	9,100
		293,547	323,130

31.1 This represents amount charged by the Company for certain management and other services rendered to its wholly owned subsidiary, ICI Pakistan PowerGen Limited, in accordance with the service agreement.

Amounts in Rs '000

		For the year ended June 30, 2015	For the year ended June 30, 2014
32.	**Taxation**		
	Current	**535,518**	311,133
	Prior	-	(102,548)
	Deferred	**42,268**	70,163
	Net tax charged - note 32.1	**577,786**	278,748
32.1	**Tax reconciliation**		
	Profit before taxation	**2,703,494**	1,980,964
	Tax @ 33% (June 30, 2014: 34%)	**892,153**	673,528
	Effect of prior year charge	-	(102,548)
	Effect of credit under section 65B	**(245,834)**	(316,690)
	Effect of change in tax rate on beginning deferred tax	**(36,922)**	(62,510)
	Tax impact due to change of FTR ratio	**(51,183)**	89,034
	Super Tax	**75,289**	-
	Tax effect of dividend (taxed at 10% instead of 33%)	**(43,700)**	-
	Tax effect of items not deductible for tax purposes	**5,410**	7,278
	Others	**(17,427)**	(9,344)
	Net tax charged	**577,786**	278,748
	Average effective tax rate	**21.37%**	14.07%
33.	**Basic and diluted earning per share (EPS)**		
	Profit after taxation for the year	**2,125,708**	1,702,216
		Number of shares	
	Weighted average number of ordinary shares in issue during the year	**92,359,050**	92,359,050
		Rupees	
	Basic and diluted earning per share (EPS)	**23.02**	18.43

34. Remuneration of chief executive, directors and executives

The amounts charged in the financial statements for the remuneration, including all benefits, to the chief executive, directors and executives of the Company were as follows:

	Chief Executive		**Directors**		**Executives**		**Total**	
	For the year ended June 30, 2015	For the Year ended June 30, 2014	**For the year ended June 30, 2015**	For the Year ended June 30, 2014	**For the year ended June 30, 2015**	For the Year ended June 30, 2014	**For the year ended June 30, 2015**	For the Year ended June 30, 2014
Managerial remuneration	**47,375**	46,447	**30,716**	41,251	**726,562**	605,490	**804,653**	693,188
Retirement benefits	**7,754**	7,601	**5,463**	6,058	**155,569**	131,977	**168,786**	145,636
Group insurance	**29**	34	**29**	68	**4,242**	4,377	**4,300**	4,479
Rent and house maintenance	**961**	894	-	-	**207,184**	175,134	**208,145**	176,028
Utilities	**656**	783	-	-	**52,059**	43,503	**52,715**	44,286
Medical expenses	**59**	71	**45**	178	**36,098**	30,880	**36,202**	31,129
	56,834	55,830	**36,253**	47,555	**1,181,714**	991,361	**1,274,801**	1,094,746
Number of persons as at the balance sheet date	**1**	1	**1**	1	**521**	446	**523**	449

34.1 Remuneration paid to Chairman during the year was Rs. Nil (June 30, 2014: Rs. Nil).

34.2 The directors and certain executives are provided with free use of the Company leased cars in accordance with their entitlement. The chief executive is provided with free use of Company car, certain household equipment and maintenance when needed.

Amounts in Rs '000

34.3 During the year fees paid to non-executive directors amount to Rs. 4.375 million (June 30, 2014: Rs. 1.863 million) for attending board and other meetings, which is not part of remuneration.

34.4 The above amounts include an amount of Rs. 186.860 million (June 30, 2014: Rs. 189.010 million) on account of remuneration of key management personnel out of which Rs. 29.210 million (June 30, 2014: Rs. 29.310 million) relates to post employment benefits.

		As at and for the year ended June 30, 2015	As at and for the year ended June 30, 2014
34.5	Total number of employees as at the balance sheet date	**1242**	1138
	Average number of employees during the year	**1204**	1086

35. Transactions with related parties

The related parties comprise the holding company (Lucky Holdings Limited), the ultimate parent company (Lucky Cement Limited) and related group companies, local associated company, subsidiary company, directors of the Company, companies where directors also hold directorship, key employees (note 34) and staff retirement funds (note 18). Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated financial statements are as follows:

	For the year ended June 30, 2015	For the year ended June 30, 2014
Holding Company		
Dividend	**625,591**	278,396
Royalty	**260,089**	278,319
Subsidiary Company		
Purchase of electricity	**829,302**	1,068,140
Sale of goods and material	**5,320**	2,440
Associated companies		
Purchase of goods, materials and services	**44,459**	17,167
Sale of goods and materials	**1,457,755**	1,646,191
Dividend	**99,523**	44,233
Reimbursement of expenses	**43,197**	-
Dividend received from associate	**150,000**	-

36. Plant capacity and annual production
- in metric tonnes:

	For the year ended June 30, 2015		For the year ended June 30, 2014	
	Annual Name Plate Capacity	**Production**	Annual Name Plate Capacity	Production
Polyester	**122,250**	**115,711**	122,000	109,810
Soda Ash	**350,000**	**308,499**	350,000	287,445
Chemicals - note 36.2	**-**	**13,299**	-	15,643
Sodium Bicarbonate	**26,000**	**27,840**	26,000	27,000

36.1 Production of Soda Ash as compared to last year was greater as coal fired boilers operated during the year at full capacity. Overall production of Soda Ash and Polyester is lower due to market demand as compared to capacity.

36.2 The capacity of Chemicals is indeterminable because these are multi-product plants.

Amounts in Rs '000

37. Fair value of financial assets and liabilities

The carrying amounts of the financial assets and financial liabilities as at the balance sheet date approximate their fair values.

38. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

38.1 Risk management framework

The Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

39. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, currency risk and other price risk.

39.1 Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company mitigates its risk against the exposure by focusing on short-term investment and maintaining adequate bank balances. At the balance sheet date the interest rate profile of the Company's interest-bearing financial instruments were:

	Carrying Amount	
	As at June 30, 2015	As at June 30, 2014
Fixed rate instruments		
Financial assets - note 14	**106,000**	103,000
Financial liabilities - note 19 and 21	**(326,480)**	(993,168)
	(220,480)	(890,168)
Variable rate instruments		
Financial liabilities - note 19 and 22	**(4,111,371)**	(2,737,368)
	(4,111,371)	(2,737,368)

Sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, therefore a change in interest rates at the balance sheet date would not affect profit or loss.

Sensitivity analysis for variable rate instruments

If KIBOR had been 1% higher / lower with all other variables held constant, the impact on the profit before tax for the year would have been Rs. 41.114 million (June 30, 2014: Rs. 27.374 million).

Amounts in Rs '000

39.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into are denominated in foreign currencies. The Company is exposed to foreign currency risk on sales and purchases which are entered in a currency other than Pak Rupees. When the management expects future depreciation of Pak Rupee, the Company enters into forward foreign exchange contracts in accordance with State Bank of Pakistan instructions and the Company's treasury policy. The policy allows the Company to take currency exposure within predefined limits while open exposures are rigorously monitored.

Following is the gross balance sheet exposure classified into separate foreign currencies:

	EURO	**USD**	**GBP**
		As at June 30, 2015	
Other receivables	**3,103**	**14,432**	**-**
Cash and bank balances	**-**	**7,525**	**-**
	3,103	**21,957**	**-**
Trade and other payables	**(123,418)**	**(1,772,713)**	**(1,097,018)**
Gross balance sheet exposure	**(120,315)**	**(1,750,756)**	**(1,097,018)**
		As at June 30, 2014	
Other receivables	4,092	11,280	-
Cash and bank balances	-	6,897	-
	4,092	18,177	-
Trade and other payables	(63,171)	(1,276,899)	(1,050,235)
Gross balance sheet exposure	(59,079)	(1,258,722)	(1,050,235)

Significant exchange rates applied during the year were as follows:

	Average rate		**Spot rate**	
	For the year ended June 30, 2015	For the year ended June 30, 2014	**As at June 30, 2015**	As at June 30, 2014
Rupees per	**Rupees**		**Rupees**	
EURO	**121.72**	134.97	**112.95**	134.94
USD	**101.46**	98.90	**101.80**	98.80
GBP	**159.58**	168.43	**159.90**	168.15

Sensitivity analysis

Every 1% increase or decrease in exchange rate with all other variables held constant will decrease or increase profit before tax for the year by Rs. 29.681 million (June 30, 2014: Rs. 23.680 million). The following table demonstrates the sensitivity to the change in exchange rates. As at June 30, 2015, if Pak Rupee (PKR) had weakened / strengthened by 1% against other currencies, with all other variables held constant, the effect on the Company profit before tax at June 30, 2015 and June 30, 2014 would be as follows:

	Increase / decrease in exchange rates	**Effect on Profit before tax (EURO)**	**Effect on Profit before tax (USD)**	**Effect on Profit before tax (GBP)**
2015				
Pak Rupee	**+1%**	**1,203**	**17,508**	**10,970**
Pak Rupee	**-1%**	**(1,203)**	**(17,508)**	**(10,970)**
2014				
Pak Rupee	+1%	591	12,587	10,502
Pak Rupee	-1%	(591)	(12,587)	(10,502)

Amounts in Rs '000

40. Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter-parties failed completely to perform as contracted. The Company does not have significant exposure to any individual counter-party. To reduce exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. The management also continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery. To mitigate the risk, the Company has a system of assigning credit limits to its customers based on an extensive evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of inland letters of credit, cash security deposit, bank guarantees and insurance guarantees.

The Company's gross maximum exposure to credit risk at the balance sheet date is as follows:

		As at June 30, 2015	As at June 30, 2014
40.1	**Financial assets**		
	Long-term investments - note 5	**722,500**	2,500
	Long-term loans - note 6	**324,610**	253,477
	Long-term deposits - note 7	**27,323**	25,679
	Trade debts - note 10	**1,431,370**	858,347
	Loans and advances - note 11	**323,696**	191,121
	Trade deposits - note 12	**28,194**	25,803
	Other receivables - note 13	**581,584**	1,177,687
	Bank balances - note 14	**115,047**	844,738
		3,554,324	3,379,352

40.2 The Company has placed its funds with banks which are rated A1+ by PARCA and A-1+ by JCR-VIS

40.3 Financial assets

- Secured	**593,407**	479,034
- Unsecured	**2,960,917**	2,900,318
	3,554,324	3,379,352

40.4 The ageing of trade debts and loans and advances at the balance sheet date is as follows:

Not past due	**1,636,936**	921,068
Past due but not impaired:		
Not more than three months	**120,055**	106,392
Past due and impaired:		
More than three months and not more than six months	**3,709**	3,726
More than six months and not more than nine months	**177**	4,448
More than nine months and not more than one year	**8,328**	2,321
More than one year	**26,848**	112,469
	159,117	229,356
Less: Provision for:		
- Doubtful debts - note 10	**40,987**	93,664
- Doubtful loans and advances - note 11	**-**	7,292
	40,987	100,956
	1,755,066	1,049,468

40.4.1 There were no past due or impaired receivables from related parties.

Amounts in Rs '000

	As at June 30, 2015	As at June 30, 2014
40.5 The maximum exposure to credit risk for past due and impaired at the balance sheet date by type of counterparty was:		
Wholesale customers	**22,657**	72,282
Retail customers	**111,125**	26,008
End-user customers	**25,335**	131,066
	159,117	229,356
Less: Provision for:		
- Doubtful debts - note 10	**40,987**	93,664
- Doubtful loans and advances - note 11	**-**	7,292
	40,987	100,956
	118,130	128,400

40.6 Movement of provision for trade debts and loans and advances

	Trade debts	Loans and advances	Total	Total
Balance at the beginning of the year	**93,664**	**7,292**	**100,956**	102,094
Additional provision - note 28	**26,195**	**-**	**26,195**	1,556
Written off during the year	**(78,872)**	**(7,292)**	**(86,164)**	(194)
Provision no longer required	-	-	-	(2,500)
Balance at the end of the year	**40,987**	**-**	**40,987**	100,956

40.6.1 The recommended approach for provision is to assess the top layer (covering 50%) of trade receivables on an individual basis and apply a dynamic approach to the remainder of receivables. The procedure introduces a company-standard for dynamic provisioning:

- Provide an impairment loss for 50% of the outstanding receivable when overdue more than 90 days, and
- Provide an impairment loss for 100% when overdue more than 120 days.

40.7 Concentration risk

The sector wise analysis of receivables, comprising trade debts, loans and advances and bank balances are given below:

	As at June 30, 2015	As at June 30, 2014
Textile and Chemicals	**511,797**	457,365
Glass	**72,237**	106,513
Paper and Board	**92,091**	12,056
Pharmaceuticals	**323,162**	77,861
Paints	**18,181**	16,893
Banks	**119,612**	844,738
Loans, advances and others	**778,585**	479,736
	1,915,665	1,995,162
Less: Provision for:	**40,987**	93,664
- Doubtful debts - note 10	**-**	7,292
- Doubtful loans and advances - note 11	**40,987**	100,956
	1,874,678	1,894,206

40.8 Other price risk is the risk that the value of future cash flows of the financial instrument will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investment securities. As at the balance sheet date, the Company is not materially exposed to other price risk except investment in subsidiary which is carried at cost against which provision for impairment has been provided in these unconsolidated financial statements.

Amounts in Rs '000

41. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. Company's treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the maturity date.

	Carrying amount	**Contractual cash flows**	**Less than one year**
		As at June 30, 2015	
Financial liabilities			
Trade creditors - note 21	**1,764,655**	**(1,764,655)**	**(1,764,655)**
Bills payable - note 21	**2,962,835**	**(2,962,835)**	**(2,962,835)**
Accrued mark-up	**56,658**	**(56,658)**	**(56,658)**
Accrued expenses - note 21	**1,448,765**	**(1,448,765)**	**(1,448,765)**
Technical service fee / royalty - note 21	**21,401**	**(21,401)**	**(21,401)**
Distributors' security deposits - payable on termination of distributorship - note 21 & 21.5	**104,761**	**(114,189)**	**(114,189)**
Contractors' earnest / retention money - note 21	**10,946**	**(10,946)**	**(10,946)**
Unclaimed dividends - note 21	**62,802**	**(62,802)**	**(62,802)**
Payable for capital expenditure - note 21	**811,979**	**(811,979)**	**(811,979)**
Others - note 21	**96,642**	**(96,642)**	**(96,642)**
Long-term loan	**2,449,498**	**(2,449,498)**	**(955,555)**
Short-term borrowings - note 22	**1,883,592**	**(1,883,592)**	**(1,883,592)**
	11,674,534	**(11,683,962)**	**(10,190,019)**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amount.

		As at June 30, 2014	
Financial liabilities			
Trade creditors - note 21	1,717,081	(1,717,081)	(1,717,081)
Bills payable - note 21	2,338,246	(2,338,246)	(2,338,246)
Accrued mark-up	61,606	(61,606)	(61,606)
Accrued expenses - note 21	966,337	(966,337)	(966,337)
Technical service fee / royalty - note 21	23,686	(23,686)	(23,686)
Distributors' security deposits - payable on termination of distributorship - note 21 & 21.5	106,142	(115,482)	(115,482)
Contractors' earnest / retention money - note 21	9,808	(9,808)	(9,808)
Unclaimed dividends - note 21	48,693	(48,693)	(48,693)
Payable for capital expenditure - note 21	328,317	(328,317)	(328,317)
Payable to ICI Pakistan PowerGen Limited - note 21	129,519	(129,519)	(129,519)
Others - note 21	124,905	(124,905)	(124,905)
Long-term loan	3,187,026	(3,187,026)	(872,221)
Short-term borrowings - note 22	437,368	(437,368)	437,368
	9,478,734	(9,488,074)	(6,298,533)

Amounts in Rs '000

42. Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares. The Company also monitors capital using a gearing ratio, which is net debt, interest bearing loans and borrowings including finance cost thereon, less cash and bank balances. Capital signifies equity as shown in the balance sheet plus net debt. The gearing ratio as at June 30, 2015 and June 30, 2014 is as follows:

	As at June 30, 2015	As at June 30, 2014
Long-term loans	**2,449,498**	3,187,026
Short-term borrowings and running finance	**1,883,592**	437,368
Total debt	**4,333,090**	3,624,394
Cash and bank balances	**(119,612)**	(852,095)
Net debt	**4,213,478**	2,772,299
Share capital	**923,591**	923,591
Capital reserves	**309,643**	309,643
Unappropriated profit	**11,483,846**	10,004,193
Equity	**12,717,080**	11,237,427
Capital	**16,930,558**	14,009,726
Gearing ratio	**24.89%**	19.79%

43. Accounting estimates and judgements

Income taxes

The Company takes into account the current income and sales tax law and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the authorities at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities (unless there is remote possibility of transfer of benefits). The details of the tax matters are as follows:

In the case of assessment year 1998-99, the Appellate Tribunal Inland Revenue (The Tribunal) on September 19, 2008 had set aside the assessments made by FBR. The re-assessment was finalized by the department on June 29, 2010 in which the issues pertaining to date of commissioning of PTA's plant and the tax depreciation claimed thereon, restriction of cost of capitalization of PTA plant and addition to income in respect of trial production stocks were decided against the Company. The Company had filed an appeal against the said order before the CIR (Appeals) which is pending for hearing.

In the case of assessment year 2001-2002, FBR had made an assessment on May 29, 2002 while deciding the issues related to claim and carry forward of depreciation pertaining to PTA's assets in our favor. The depreciation related to PTA's assets was claimed by the Company in assessment year 2001-02 and the unabsorbed part was carried forward and adjusted till tax year 2010. FBR reopened the income tax assessment for the assessment year 2001-02 under section 122(5A) of the Income Tax Ordinance, 2001 on the ground that demerger of PTA business from ICI Pakistan was effective from the completion date i.e. August 6, 2001 which falls in assessment year 2002-03. This was challenged by the Company in the High Court which upheld the Company's contention that FBR did not have the right to reopen this finalized assessment of assessment year 2001-02 under the Income Tax Ordinance, 2001 since assessment year 2001-02 pertained to the period in which Income Tax Ordinance, 1979 was effective. FBR filed an appeal in the Supreme Court against the High Court's order which also maintained the decision of High Court that the cases finalized under the old law of 1979 cannot be reopened under the new law of 2001. After the Supreme Court's decision, FBR issued an order under section 66A of the old law i.e. Income Tax Ordinance, 1979. In response, the Company filed an appeal before the Tribunal which decided the case in Company's favor on the basis that order issued on May 7, 2012 was barred by time. FBR filed an appeal in the High Court in 2013 against the decision of the Tribunal which is pending for hearing. In the meanwhile, FBR also issued an order through which Tribunal's order has been given effect and Company's position has been accepted.

In the case of assessment year 2002-2003, on receipt of notice under section 62 of the Income Tax Ordinance, 1979, the Company had filed a writ petition in the Supreme Court, after it being dismissed by the Sindh High Court on maintainability, challenging FBR's notice which stated that the effective date of PTA's demerger was August 6, 2001 (falling in assessment year 2002-03) rather than the effective date given in the Scheme of Arrangement as October 1, 2000 (which falls in assessment year 2001-02). The notice had raised certain issues relating to vesting of PTA assets by the Company. On March 18, 2015, the Supreme Court has passed an interim order stating that this case has nexus with the case of assessment year 2001-02 and hearing will take place once the High Court decides the case in assessment year 2001-02.

In the case of Tax Years 2003, 2004, 2005, 2006, 2007, 2008, 2009 and 2010, FBR had made disallowances on the matters related to provisions charged under various heads, financial charges, gain on disposal of fixed assets, exchange loss, proration of expenses against capital gains and interest free loans offered to employees. The CIR (Appeals) has allowed all the issues in Tax Years 2003 to 2010 in our favor (except 2 issues in tax year 2003 and 2010) against which appeals have been filed by FBR in the Tribunal. On the 2 issues pertaining to tax year 2003 and 2010 decided against us, we have filed an appeal in the Tribunal against CIR (Appeals)'s decision. No hearings have yet taken place.

In course of conducting a sales tax audit for the period July 2012 to June 2013, DCIR of FBR raised certain issues with respect to exemption and zero-rating / reduced rate benefit available to the company on its sales. On September 12, 2014 the company received an order in which demand of Rs. 952 million was raised. An appeal was filed with CIR(A) which was decided against the Company however directions were given to DCIR to amend the original order if the returns are revised by the Company subject to approval of FBR itself. The application for revision of return filed by the Company is pending with FBR. The Company being aggrieved has filed a suit in the Sindh High Court for relief in which the Court has granted ad-interim relief till the next date of hearing which is yet to take place. The Company is confident that there is no merit in this claim of FBR regarding revenue loss and hence, considering no probability that the case would be decided against the Company, no provision in respect of this has been made in these financial statements.

Pension and Gratuity

Certain actuarial assumptions have been adopted as disclosed in note 18 to the unconsolidated financial statements for valuation of present value of defined benefit obligations and fair value of plan assets. Any changes in these assumptions in future years might affect gains and losses in those years.

Property, plant and equipment

The estimates for revalued amounts, if any, of different classes of property, plant and equipment, are based on valuation performed by external professional valuer and recommendation of technical teams of the Company. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Company reviews the value of the assets for possible impairment on an annual basis. The future cash flows used in the impairment testing of assets is based on management's best estimates which may change in future periods. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

44. Standards, amendments and interpretations adopted during the year

The accounting policies adopted in the preparation of these unconsolidated financial statements are consistent with those of the previous financial year except as follows :

44.1 New, Amended and Revised Standards and Interpretations of IFRSs

The Company has adopted the following standard, amendments and interpretation of IFRSs which became effective for the current year:

IAS 19 - Employee Benefits - (Amendment) - Defined Benefit Plans: Employee Contributions
IAS 32 - Financial Instruments: Presentation - (Amendment) - Offsetting Financial Assets and Financial Liabilities
IAS 36 - Impairment of Assets - (Amendment) - Recoverable amount Disclosures for Non - Financial Assets
IAS 39 - Financial Instruments: Recognition and Measurement - (Amendment) - Novation of Derivatives and Continuation of Hedge Accounting
IFRIC 21 - Levies

Improvements to Accounting Standards issued by the IASB

IFRS 2 - Share Based Payment - Definitions of vesting conditions
IFRS 3 - Business Combinations - Accounting for contingent consideration in a business combination
IFRS 3 - Business Combinations - Scope exceptions for joint ventures
IFRS 8 - Operating Segments - Aggregation of operating segments
IFRS 8 - Operating Segments - Reconciliation of the total of the reportable segments assets to the entity's assets
IFRS 13 - Fair Value Measurement - Scope of paragraph 52 (portfolio exception)
IAS16 - Property, Plant and Equipment and IAS 38 Intangible Assets – Revaluation method – proportionate restatement of accumulated depreciation / amortisation
IAS 24 - Related Party Disclosures - Key management personnel
IAS 40 - Investment Property - Interrelationship between IFRS 3 and IAS 40 (ancillary services)

The adoption of the above revision, amendments and interpretation of the standards did not have any effect on the financial statements.

Standards, Interpretations and Amendments to Approved Accounting Standards that are not yet effective

The following are the standards and interpretations, which have been issued but are not yet effective for the current financial year:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 10 - Consolidated Financial Statements	January 01, 2015
IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 27 Separate Financial Statements - Investments Entities (Amendment)	January 01, 2015
IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 27 Separate Financial Statements - Investments Entities: Applying the Consolidation Exception (Amendment)	January 01, 2016
IFRS 10 - Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment).	January 01, 2016
IFRS 11 - Joint Arrangements	January 01, 2015
IFRS 11 - Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment).	January 01, 2016
IFRS 12 - Disclosure of Interests in Other Entities	January 01, 2015
IFRS 13 - Fair Value Measurement	January 01, 2015
IAS 1 - Presentation of Financial Statements - Disclosure Initiative (Amendment)	January 01, 2016
IAS 16 - Property, Plant and Equipment and IAS 38 Intangible Assets - Clarification of Acceptable Method of Depreciation and Ammortization (Amendment)	January 01, 2016
IAS 16 - Property, Plant and Equipment and IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)	January 01, 2016
IAS 27 - Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment).	January 01, 2016

Standard or Interpretation	Effective date (annual periods beginning on or after)

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after 01 January, 2016. The Company expects that such improvements to the standards will not have any impact on the Company's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

IFRS 9 – Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 14 – Regulatory Deferral Accounts	January 01, 2016
IFRS 15 – Revenue from Contracts with Customers	January 01, 2018

45. Post balance sheet events - dividends

The Directors in their meeting held on August 26, 2015 have recommended a final dividend of Rs. 6.5 per share (June 30, 2014: Rs. 4 per share) in respect of year ended June 30, 2015. This dividend is in addition to interim dividend paid of Rs. 5 per share during the current year. The unconsolidated financial statements for the year ended June 30, 2015 do not include the effect of the final dividend which will be accounted for in the year in which it is approved.

The Finance Act, 2015 introduced a tax on every public company at the rate of 10% of such undistributed reserves which exceeds the amount of its paid up capital. However, this tax shall not applied in case of a public company which distribute cash dividend equal to at least either 40% of its after tax profits or 50% of its paid up capital, within the prescribed time after the end of the relevant tax year.

Based on the pattern of distribution of dividend by the Company, the distributed dividend already meets the minimum dividend requirement as aforesaid. Accordingly, the Company would not be liable to pay tax on its undistributed reserves as of June 30, 2015.

46. Date of authorisation

These financial statements were authorised for issue in the Board of Directors meeting held on August 26, 2015.

47. General

47.1 Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

47.2 Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

Muhammad Sohail Tabba	**Asif Jooma**	**Muhammad Abid Ganatra**
Chairman / Director	Chief Executive	Chief Financial Officer

Notes to the Unconsolidated Financial Statements
For the year ended June 30, 2015

	2006	2007 Restated	2008 Restated
Balance Sheet			
Equity	10,265,010	11,368,830	12,448,126
Revaluation Reserves	1,124,220	1,012,167	962,795
Equity and Revaluation Reserve	**11,389,230**	**12,380,997**	**13,410,921**
Non Current Liability	104,079	119,571	612,954
Current Liability	5,436,275	6,263,805	4,446,810
Total Equity and Liabilities	16,929,584	18,764,373	18,470,685
Non Current Assets	9,905,729	9,741,603	10,435,258
Current Assets	7,023,855	9,022,770	8,035,427
Total Assets	16,929,584	18,764,373	18,470,685
Profit and Loss Account			
Turnover	21,947,688	25,988,351	31,921,873
Net sales, commission & toll income	19,574,118	23,024,123	27,798,915
Cost of Sales	15,492,648	18,205,369	22,303,138
Gross profit	4,081,470	4,818,754	5,495,777
Operating Result	2,479,018	2,984,004	3,052,360
Profit before taxation	2,117,797	2,768,523	2,812,778
Profit after taxation	1,455,628	1,784,800	1,862,738
Summary of Cash Flows			
Cash generated from / (used in) operations	3,554,048	4,312,406	1,188,392
Net cash generated from / (used in) operating activities	3,477,093	4,093,537	969,809
Net cash used in investing activities	(1,040,183)	(1,397,436)	(1,780,969)
Net cash generated from / (used in) financing activities	(2,337,028)	(868,583)	(832,815)
Cash and cash equivalents at December 31 / June 30	1,787,538	3,615,056	1,971,081

2011 and 2012 numbers have been restated due to IAS 19 revision

Year 2011 onwards exclude the effect of Paints business due to demerger

Year 2012-13 is based on twelve months performance for a meaningful comparison

Amounts in Rs '000

January to December				July to June		
2009	**2010**	**2011** Restated	**2012** Restated	**2012-13** Restated	**2013-14**	**2014-15**
13,482,796	14,548,093	9,066,723	9,024,890	9,788,989	11,237,427	12,717,080
931,846	907,352	824,207	740,656	698,536	639,372	576,458
14,414,642	**15,455,445**	**9,890,930**	**9,765,546**	**10,487,525**	**11,876,799**	**13,293,538**
1,208,117	1,093,190	1,340,306	1,593,267	3,067,815	3,486,365	2,762,532
5,799,898	5,482,037	9,280,988	9,355,282	7,389,365	7,574,254	10,613,713
21,422,657	22,030,672	20,512,224	20,714,095	20,944,705	22,937,418	26,669,783
10,297,489	10,152,415	9,154,438	10,898,077	11,330,538	12,500,614	15,843,044
11,125,168	11,878,257	11,357,786	9,816,018	9,614,167	10,436,804	10,826,739
21,422,657	22,030,672	20,512,224	20,714,095	20,944,705	22,937,418	26,669,783
32,399,181	39,532,506	38,348,591	37,809,433	39,627,119	42,698,659	42,593,948
28,429,897	35,129,980	35,516,114	34,681,563	36,267,761	38,233,477	37,515,328
22,754,005	28,443,690	30,910,029	30,688,097	32,193,170	33,581,636	31,725,574
5,675,892	6,686,290	4,606,085	3,993,466	4,074,592	4,651,841	5,789,754
3,027,654	3,712,566	2,378,449	1,624,634	1,986,737	2,225,934	3,044,107
3,072,506	3,731,516	2,294,653	1,496,223	1,749,207	1,980,964	2,703,494
2,044,738	2,428,826	1,531,430	973,661	1,158,701	1,702,216	2,125,708
4,938,310	3,716,187	4,127,104	(1,963,689)	(164,272)	4,818,897	5,015,304
4,476,231	2,334,428	2,875,020	(3,176,714)	(971,364)	3,806,585	3,748,417
(938,043)	(752,830)	(509,814)	(2,125,793)	(940,727)	(2,400,932)	(4,372,472)
(1,041,018)	(1,388,027)	(2,151,436)	(796,407)	1,453,483	933,274	(1,554,652)
4,468,251	4,661,822	4,633,322	(1,465,592)	(1,924,200)	414,727	(1,763,980)

Pattern of Shareholding

as at June 30, 2015

No. of Shareholders	Categories		No. of Shares
	From	To	
6,370	1	100	214,278
2,736	101	500	656,442
679	501	1,000	503,389
617	1001	5,000	1,334,493
78	5001	10,000	559,576
31	10001	15,000	401,337
10	15001	20,000	180,248
15	20001	25,000	337,822
11	25001	30,000	301,148
3	30001	35,000	98,569
3	40001	45,000	134,400
6	45001	50,000	288,100
2	50001	55,000	101,770
2	55001	60,000	113,018
2	65001	70,000	132,040
1	70001	75,000	71,850
1	75001	80,000	75,268
1	80001	85,000	84,700
2	95001	100,000	197,900
2	100001	105,000	205,765
1	115001	120,000	119,687
1	135001	140,000	137,474
1	140001	145,000	141,579
1	160001	165,000	162,523
1	165001	170,000	167,570
1	170001	175,000	173,536
2	210001	215,000	423,238
1	300001	305,000	304,782
1	305001	310,000	307,281
1	325001	330,000	327,850
1	450001	455,000	452,600
1	505001	510,000	506,920
1	915001	920,000	915,175
1	2125001	2,130,000	2,129,188
1	5075001	5,080,000	5,077,180
1	5980001	5,985,000	5,980,917
1	69035001	69,040,000	69,039,437
10,590			**92,359,050**

Pattern of Shareholding
as at June 30, 2015

S.No.	Categories of Shareholders	No. of Shareholders	No. of Shares	Percentage
1	Directors, Cheif Executive Officer, and their spouse and minor children	3	520,515	0.56
2	Associated Companies, Undertakings and related Parties	3	80,097,534	86.72
3	NIT and ICP	0	0	0
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	28	517,657	0.56
5	Insurance Companies	18	2,782,192	3.01
6	Modarabas and Mutual Funds	30	2,184,749	2.37
7	Shareholders holding 10%	1	69,039,437	74.75
8	General Public :			
	a. Local	10,340	4,084,636	4.42
	b. Foreign			
9	Others	168	2,171,767	2.35
	Total (excluding : shareholders holding 10%)	**10,590**	**92,359,050**	**100.00**

Pattern of Shareholding
as at June 30, 2015

ADDITIONAL INFORMATION

Shareholder's Category	Number of Shareholders / folios	Number of Shares Held	%
i. Associated Companies, Undertakings and Related Parties (name wise details)			
GADOON TEXTILE MILLS LIMITED	1	5,980,917	6.48
LUCKY HOLDINGS LIMITED	1	69,039,437	74.75
LUCKY TEXTILE MILLS LIMITED	1	5,077,180	5.50
	3	**80,097,534**	**86.72**
ii. Mutual Funds (name wise details)			
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	1	327,850	0.35
CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND	1	31,000	0.03
CDC - TRUSTEE MEEZAN BALANCED FUND	1	25,116	0.03
CDC - TRUSTEE AKD INDEX TRACKER FUND	1	3,038	0.00
CDC-TRUSTEE PAK INT ELEMENT ISLAMIC ASSET ALLOCATION FUND	1	44,600	0.05
CDC - TRUSTEE AL MEEZAN MUTUAL FUND	1	141,579	0.15
CDC - TRUSTEE MEEZAN ISLAMIC FUND	1	915,175	0.99
CDC - TRUSTEE FAYSAL ASSET ALLOCATION FUND	1	45,000	0.05
CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	1	213,238	0.23
CDC - TRUSTEE MEEZAN TAHAFFUZ PENSION FUND - EQUITY SUB FUND	1	167,570	0.18
CDC - TRUSTEE ALFALAH GHP STOCK FUND	1	100,800	0.11
CDC - TRUSTEE ALFALAH GHP ALPHA FUND	1	46,900	0.05
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1	33,569	0.04
CDC - TRUSTEE FIRST HABIB STOCK FUND	1	3,000	0.00
CDC - TRUSTEE HBL IPF EQUITY SUB FUND	1	17,200	0.02
CDC - TRUSTEE HBL PF EQUITY SUB FUND	1	17,500	0.02
CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	1	7,188	0.01
CDC - TRUSTEE PAKISTAN SARMAYA MEHFOOZ FUND	1	25,000	0.03
GOLDEN ARROW SELECTED STOCKS FUND	1	7	0.00
DOMINION STOCK FUND LIMITED	1	182	0.00
M/S. INVESTEC MUTUAL FUND LIMITED	1	17	0.00
CONFIDENCE MUTUAL FUND LTD	1	7	0.00
SECURITY STOCK FUND LIMITED	1	36	0.00
SAFEWAY MUTUAL FUND LIMITED	1	256	0.00
	24	**2,165,828**	**2.35**
iii. Directors and their spouse (s) and minor children (name wise details)			
MR. ASIF JOOMA	1	506,920	0.55
MR. KAMAL A CHINOY	1	1,095	0.00
MR. KHAWAJA IQBAL HASSAN	1	12,500	0.01
	3	**520,515**	**0.56**
iv. Executives	**8**	**380**	**0.00**
v. Public Sector Companies and Corporations	**2**	**2,129,832**	**2.31**
vi. Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Takaful, Modaraba and Pension Funds	**55**	**1,276,920**	**1.38**
vii. Shareholder Holding five percent or more voting Rights in the Listed Company (name wise details)			
GADOON TEXTILE MILLS LIMITED	1	5,980,917	6.48
LUCKY HOLDINGS LIMITED	1	69,039,437	74.75
LUCKY TEXTILE MILLS LIMITED	1	5,077,180	5.50
	3	**80,097,534**	**86.72**
viii. Others & General Public	**10,495**	**6,204,041**	**6.72**
Total (excluding : shareholders holding 5%)	**10,590**	**92,395,050**	**100**

ix. Details of trading in the shares by the Directors, CEO, CFO, Company Secretary and their spouses.

The Directors, CEO, CFO, Company Secretary and their spouses and minor children did not carry out any transaction in the shares of the company during the year.

Notice of 64th Annual General Meeting

Notice is hereby given that the Sixty-Fourth Annual General Meeting of ICI Pakistan Limited will be held on Tuesday, October 27, 2015, 9.00 a.m. at ICI House, 5 West Wharf, Karachi, to transact the following business;

1. To receive, consider and adopt the accounts of the Company for the year ended June 30, 2015, the report of the Auditors thereon and the report of the Directors.

2. To declare and approve Final cash dividend @ 65 % i.e. Rs. 6.50 /- per ordinary share of Rs.10/- each for the year ended June 30, 2015, as recommended by the Directors, payable to the Members whose names appear in the Register of the Members as at October 20, 2015.

3. To appoint the Auditors of the Company and to fix their remuneration.

By Order of the Board

October 6, 2015
Karachi

Saima Kamila Khan
Company Secretary

Notes:

1. Share Transfer Books of the Company will remain closed from October 21, 2015 to October 27, 2015 (both days inclusive). Transfers received in order at the office of our Shares Registrar, FAMCO Associates (Pvt) Limited, 8-F, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi, by the close of business on October 20, 2015 will be in time, to entitle the transferees to the final dividend and to attend Annual General Meeting.

2. All Members are entitled to attend and vote at the Meeting. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote for him/her. A proxy must be a Member of the Company.

3. An instrument of proxy applicable for the Meeting is being provided with the notice sent to Members. Further copies of the instrument of proxy may be obtained from the Registered Office of the Company during normal office hours. Proxy form may also be downloaded from the Company's website: www.ici.com.pk.

4. An instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must, to be valid, be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.

5. Members are requested to submit a copy of their Computerized National Identity Card/Smart National Identity Card (CNIC/SNIC), if not already provided and notify immediately changes, if any, in their registered address to our Shares Registrar, FAMCO Associates (Pvt) Ltd.

6. CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan (SECP).

A. For Attending the Meeting:

(i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original CNIC/SNIC or original passport at the time of attending the meeting.

(ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. For Appointing Proxies:

(i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.

(ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC/SNIC numbers shall be mentioned on the form.

(iii) Attested copies of CNIC/SNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

(iv) The proxy shall produce his original CNIC/SNIC or original passport at the time of the Meeting.

(v) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Notice of 64th Annual General Meeting

Consent for circulation of audited financial statements and Notice of AGM through E-mail.

Pursuant to SRO No.787(1)2014, dated September 8, 2014, the SECP has allowed circulation of Audited Financial Statements (Annual Report) along with the notice of the Annual General Meeting (AGM) to the shareholders via email. Therefore, all those members who wish to receive a soft copy of the Annual Report alongwith notice of AGM, may send their written consent and email addresses to the Company's Share Registrar, FAMCO Associates (Pvt.) Ltd. For convenience of the members, a "Standard Request From" for electronic transmission may be downloaded from the Company's website i.e. www.ici.com.pk. In this regard, a letter seeking consent of the shareholders has already been sent separately to their registered address.

Submission of CNIC (mandatory)

Pursuant to the directives of the SECP, CNIC/SNIC number of shareholders are MANDATORILY required to be mentioned on dividend warrants. Shareholders are therefore, requested to submit a copy of their valid CNIC/SNIC (if not already provided) to the Company's Share Registrar, FAMCO Associates (Pvt.) Ltd. 8-F, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi. In the absence of a member's valid CNIC/SNIC, the Company will be constrained to withhold dispatch of dividend warrants to such members.

Dividend Mandate (Optional)

Please note that under Section 250 of the Companies Ordinance, 1984, shareholders may, if they so desire, elect to receive their cash dividend directly in their bank accounts instead of receiving it through divided warrants. In this regard and in pursuance of the directives of the SECP vide Circular No. 18 of 2012 dated June 5, 2012 and Notice No.8(4) SM/CDC 2008 dated April 5, 2013, Shareholders wishing to exercise this option, may submit their written request to the Company's Share Registrar, giving particulars as required in the mandate letter attached at the end of this Annual Report.

Revised Treatment of Withholding Tax

Dividend income on shares is liable to deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001 and pursuant to Finance Act 2015, effective July 1, 2015, a new criteria for withholding of tax has been introduced by Federal Board of Revenue ("FBR"). According to the revised criteria, tax is to be withheld based on 'Filer' and 'Non-Filer' status of shareholders @ 12.5% and 17.5% respectively where 'Filer' means a person whose name appears on the Active Taxpayers List available at e-portal of FBR (http://www.fbr.gov.pk/) or a holder of "Taxpayer's Card" and 'Non-Filer' means a person who is not a filer.

Furthermore, according to recent clarification provided by the FBR; in case a Folio/CDS Account is jointly held, each joint-holder is to be treated separately as Filer or Non-Filer. In terms of the said clarification; tax of each joint-holder has been deducted on the gross dividend amount determined by bifurcating the shareholding of each joint-holder on equal proportions, except where shareholding proportion of joint-holder(s) is pre-defined as per the records of the Company's Share Registrar and thus tax rates are applied in line with respective proportions.

Those shareholders who are holding Folio/CDS jointly; are requested to notify (in writing) any change in their shareholding proportions to Company's Share Registrar (in case of physical shareholding) or their Participants/CDC Investor Account Services so that their revised shareholding proportions are considered by the Company in all prospective dividend payouts of the Company, if any.

Form of Proxy

64th Annual General Meeting

I / We ____

of ____

being member(s) of ICI Pakistan Limited holding ______________________________

ordinary shares hereby appoint ______________________________________

of ______________________ or failing him / her ______________________________

of ______________________ who is / are also member(s) of ICI Pakistan Limited as my/our proxy in my / our absence to attend and vote for me / us and on my / our behalf at the Sixty Fourth Annual General Meeting of the Company to be held on October 27, 2015 and at any adjournment thereof.

As witness my / our hand / seal this ______________ day of ______________ 2015

Signed by the said ______________________________________

in the presence of 1. ______________________________________

____

2. ______________________________________

____

Folio / CDC Account No.

Signature

This signature should agree with the specimen registered with the Company.

Important:

1. This Proxy Form, duly completed and signed, must be received at the Registered Office of the Company, ICI House, 5 West Wharf, Karachi, not less than 48 hours before the time of holding the meeting.
2. No person shall act as proxy unless he himself is a member of the Company, except that a corporation may appoint a person who is not a member.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders / Corporate Entities:

In addition to the above the following requirements have to be met:

i) The proxy form shall be witnessed by two persons whose names, addresses and CNIC / SNIC (Computer National Identity Card / Smart National Identity Card) numbers shall be mentioned on the form.

ii) Attested copies of CNIC / SNICor the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iii) The proxy shall produce his original CNIC / SNIC or original passport at the time of the meeting.

iv) In case of corporate entity, the Board of Directors resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Affix
Correct
Postage

The Company Secretary
ICI Pakistan Limited
ICI House
5 West Wharf
Karachi-74000

ICI PAKISTAN LTD.

ICI Pakistan Limited
and its Subsidiary Company
Consolidated Financial Statements

A Part of YBG

Report of the Directors

For the year ended June 30, 2015

The Directors are pleased to present their report together with the audited Group results of ICI Pakistan Limited for the year ended June 30, 2015. The ICI Pakistan Group comprises of ICI Pakistan Limited and ICI Pakistan PowerGen Limited (PowerGen), a wholly owned subsidiary.

The Directors' report, giving a commentary on the performance of ICI Pakistan Limited for the year ended June 30, 2015, has been presented separately.

Net Sales of PowerGen for the year ended stands at PKR 709 million which is 22% lower than the corresponding period due to lower electricity sales, owing to lower demand from the Polyester plant of ICI Pakistan Limited.

The Company has also completed a 30% equity participation in NutriCo Pakistan Pvt. Ltd., (Morinaga infant formula distribution business) of which PKR 202 million has been recognised as 'Share of Profit from Associate'.

On a consolidated basis (including the result of the Company's wholly owned subsidiary ICI Pakistan PowerGen Limited) Profit after Tax (PAT) for the year at PKR 2,276 million or PKR 24.65 EPS is 24% higher compared to the SPLY.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Dated: August 26, 2015

Karachi

Auditors' Report to the Members

We have audited the annexed consolidated financial statements comprising consolidated balance sheet of **ICI Pakistan Limited** (the Holding Company) and its subsidiary company (together referred to as Group) as at **30 June 2015** and the related consolidated profit and loss account, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity together with the notes forming part thereof, for the year then ended. We have also expressed separate opinions on the financial statements of the Holding Company and its subsidiary company namely ICI Pakistan PowerGen Limited. These financial statements are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was conducted in accordance with the International Standards on Auditing and accordingly included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements present fairly the financial position of the Holding Company and its subsidiary company as at **30 June 2015** and the results of their operations for the year then ended.

Ernst & Young Ford Rhodes Sidat Hyder

Date: 26 August, 2015

Karachi

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Shariq Ali Zaidi

Consolidated Balance Sheet
As at June 30, 2015

Amounts in Rs '000

	Note	**June 30, 2015**	June 30, 2014
ASSETS			
Non-current assets			
Property, plant and equipment	3	**14,388,924**	11,808,502
Intangible assets	4	**28,318**	64,261
		14,417,242	11,872,763
Long-term investment	5	**774,724**	2,500
Long-term loans	6	**326,515**	256,525
Long-term deposits and prepayments	7	**30,777**	27,843
		1,132,016	286,868
		15,549,258	12,159,631
Current assets			
Stores, spares and consumables	8	**709,198**	617,668
Stock-in-trade	9	**4,943,409**	4,607,216
Trade debts	10	**1,431,094**	883,710
Loans and advances	11	**325,259**	193,000
Trade deposits and short-term prepayments	12	**413,250**	220,018
Other receivables	13	**984,272**	1,488,685
Taxation - net		**2,054,870**	1,765,784
Cash and bank balances	14	**120,447**	858,204
		10,981,799	10,634,285
Total assets		**26,531,057**	22,793,916

Amounts in Rs '000

	Note	**June 30, 2015**	June 30, 2014
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
1,500,000,000 (June 30, 2014: 1,500,000,000) ordinary shares of Rs. 10 each		**15,000,000**	15,000,000
Issued, subscribed and paid-up capital	15	**923,591**	923,591
Capital reserves	16	**309,643**	309,643
Unappropriated profit		**11,755,187**	10,125,694
Total equity		**12,988,421**	11,358,928
Surplus on revaluation of property, plant and equipment	17	**722,369**	784,517
Non-current liabilities			
Provisions for non-management staff gratuity	18	**87,422**	78,081
Long-term loans	19	**1,493,943**	2,314,805
Deferred tax liability - net	20	**1,181,167**	1,093,718
		2,762,532	3,486,604
Current liabilities			
Trade and other payables	21	**7,212,275**	5,792,672
Accrued mark-up		**56,658**	61,606
Short-term borrowings and running finance	22	**1,833,247**	437,368
Current portion of long-term loans		**955,555**	872,221
		10,057,735	7,163,867
Total equity and liabilities		**26,531,057**	22,793,916
Contingencies and commitments	23		

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Consolidated Profit and Loss Account

For the year ended June 30, 2015

Amounts in Rs '000

	Note	**For the year ended June 30, 2015**	For the year ended June 30, 2014
Turnover	25.1	**42,593,948**	42,698,659
Sales tax, commission and discounts	24	**(5,199,117)**	(4,620,382)
Net turnover		**37,394,831**	38,078,277
Cost of sales	25.2	**(31,491,085)**	(33,280,470)
Gross profit		**5,903,746**	4,797,807
Selling and distribution expenses	27	**(1,781,989)**	(1,530,254)
Administration and general expenses	28	**(963,890)**	(896,407)
Operating result		**3,157,867**	2,371,146
Other charges	29	**(244,838)**	(191,033)
Finance costs	30	**(403,568)**	(388,024)
		(648,406)	(579,057)
Other income	31	**142,415**	321,776
Share of profit from an associate	5	**202,224**	-
Profit before taxation		**2,854,100**	2,113,865
Taxation	32	**(577,786)**	(278,748)
Profit after taxation		**2,276,314**	1,835,117
Basic and diluted earnings per share (Rupees)	33	**24.65**	19.87

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Consolidated Statement of Comprehensive Income
For the year ended June 30, 2015

Amounts in Rs '000

	For the year ended June 30, 2015	For the year ended June 30, 2014
Profit after taxation	**2,276,314**	1,835,117
Items to be reclassified to profit or loss in subsequent periods:		
Loss on hedge during the year	**(461)**	-
Income tax relating to hedging reserve	**128**	-
	(333)	-
Adjustments for amounts transferred to initial carrying amounts of hedged item - capital work-in-progress	**333**	-
	-	-
Items not to be reclassified to profit or loss in subsequent periods:		
Actuarial gains on defined benefit plans	**167,444**	52,914
Tax effect	**(49,811)**	(17,462)
	117,633	35,452
Total comprehensive income for the year	**2,393,947**	1,870,569

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Consolidated Cash Flow Statement

For the year ended June 30, 2015

Amounts in Rs '000

	For the year ended June 30, 2015	For the year ended June 30, 2014
Cash flows from operating activities		
Profit before taxation	**2,854,100**	2,113,865
Adjustments for:		
Depreciation and amortisation - note 3.5 and 4.1	**1,710,131**	1,381,219
(Gain) / loss on disposal of operating fixed assets - note 29 and 31	**(5,532)**	14,081
Write offs	**-**	27,404
Provision for staff retirement benefit plan - note 18.1.1	**38,423**	52,740
Provisions for non-management staff gratuity and eligible retired employees' medical scheme	**11,675**	4,800
Interest on bank deposits and loan to the Subsidiary	**(649)**	(368)
Dividend from investment in equity shares	**(40,000)**	-
Share of profit from associate	**(202,224)**	-
Interest expense	**354,854**	381,878
Provision for doubtful debts - note 40.6	**26,195**	1,556
Provision for slow moving and obsolete stock-in-trade - note 9.1	**36,000**	12,389
Provision for slow moving stores and spares - note 8.2	**15,044**	154
Provisions and accruals no longer required written back	**(9,936)**	(138,552)
	4,788,081	3,851,166
Movement in:		
Working capital	**268,948**	963,515
Long-term loans	**(69,990)**	(54,455)
Long-term deposits and prepayments	**(2,935)**	5,495
Cash generated from operations	**4,984,104**	4,765,721
Payments for :		
Staff retirement benefit plans - note 18.1.2	**(60,787)**	(63,178)
Non-management staff gratuity and eligible retired employees' medical scheme	**(24,419)**	(23,695)
Taxation	**(824,476)**	(574,280)
Interest	**(357,904)**	(351,889)
Net cash generated from operating activities	**3,716,518**	3,752,679
Cash flows from investing activities		
Capital expenditure	**(3,778,146)**	(2,454,705)
Proceeds from disposal of operating fixed assets	**11,995**	7,626
Interest received on bank deposits	**649**	368
Investment in associate	**(720,000)**	-
Dividend from investment in equity shares	**40,000**	-
Dividend from associate	**150,000**	-
Net cash used in investing activities	**(4,295,502)**	(2,446,711)

Amounts in Rs '000

	For the year ended June 30, 2015	For the year ended June 30, 2014
Cash flows from financing activities		
Long-term loans (repaid) / obtained	**(737,529)**	1,300,000
Dividends paid	**(817,123)**	(366,726)
Net cash (used in) / generated from financing activities	**(1,554,652)**	933,274
Net (decrease) / increase in cash and cash equivalents	**(2,133,636)**	2,239,242
Cash and cash equivalents at the beginning of the year	**420,836**	(1,818,406)
Cash and cash equivalents at the end of the year	**(1,712,800)**	420,836
Movement in working capital		
(Increase) / decrease in current assets		
Stores, spares and consumables	**(106,574)**	(2,040)
Stock-in-trade	**(372,191)**	(17,838)
Trade debts	**(573,579)**	8,420
Loans and advances	**(122,280)**	(11,360)
Trade deposits and short-term prepayments	**(12)**	10,824
Other receivables	**504,413**	(300,473)
	(670,223)	(312,467)
Increase in current liabilities		
Trade and other payables	**939,171**	1,275,982
	268,948	963,515
Cash and cash equivalents at the end of the year comprise of:		
Cash and bank balances - note 14	**120,447**	858,204
Short-term borrowings and running finance - note 22	**(1,833,247)**	(437,368)
	(1,712,800)	420,836

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Consolidated Statement of Changes in Equity

For the year ended June 30, 2015

Amounts in Rs '000

	Issued, subscribed and paid-up capital	Capital reserves	Unappropriated profit	Total
As at July 01, 2013	**923,591**	**309,643**	**8,544,999**	**9,778,233**
Interim dividend for the year ended June 30, 2014 @ Rs. 4.00 per share	-	-	(369,436)	(369,436)
	-	**-**	**(369,436)**	**(369,436)**
Profit for the year	-	-	1,835,117	1,835,117
Other comprehensive income for the year, net of tax	-	-	35,452	35,452
Total comprehensive income	**-**	**-**	**1,870,569**	**1,870,569**
Transfer from surplus on revaluation of property, plant and equipment - incremental depreciation for the period - net of deferred tax - note 17	-	-	79,562	79,562
	-	**-**	**79,562**	**79,562**
As at June 30, 2014	**923,591**	**309,643**	**10,125,694**	**11,358,928**
Final dividend for the year ended June 30, 2014 @ Rs. 4.00 per share	-	-	(369,436)	(369,436)
Interim dividend for the year ended June 30, 2015 @ Rs. 5.00 per share	-	-	(461,796)	(461,796)
	-	**-**	**(831,232)**	**(831,232)**
Profit for the year	-	-	2,276,314	2,276,314
Other comprehensive income for the year, net of tax	-	-	117,633	117,633
Total comprehensive income	**-**	**-**	**2,393,947**	**2,393,947**
Transfer from surplus on revaluation of property, plant and equipment - incremental depreciation for the year - net of deferred tax - note 17	-	-	66,778	66,778
	-	**-**	**66,778**	**66,778**
As at June 30, 2015	**923,591**	**309,643**	**11,755,187**	**12,988,421**

The annexed notes 1 to 47 form an integral part of these consolidated financial statements.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Notes to the Consolidated Financial Statements
For the year ended June 30, 2015

1. Status and Nature of Business

The Group consists of:

- ICI Pakistan Limited; and
- ICI Pakistan PowerGen Limited.

ICI Pakistan Limited ("the Company") is incorporated in Pakistan and is listed on the Karachi, Lahore and Islamabad Stock Exchanges.

ICI Pakistan PowerGen Limited ("the Subsidiary") is incorporated in Pakistan as an unlisted public company and is a wholly owned subsidiary company of ICI Pakistan Limited.

The Company is engaged in the manufacture of polyester staple fibre, POY chips, soda ash, specialty chemicals, sodium bicarbonate and polyurethanes; marketing of seeds, toll manufactured and imported pharmaceuticals and animal health products; and merchanting of general chemicals. It also acts as an indenting agent and toll manufacturer.

The Subsidiary is engaged in generating, selling and supplying electricity to the Company.

The Group's registered office is situated at 5 West Wharf, Karachi.

2 Summary of Significant Accounting Policies

Following are the details of significant accounting policies:

2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Basis of preparation

These consolidated financial statements have been prepared under the historical cost convention, except:

a) certain classes of property, plant and equipment (i.e. freehold land, buildings on freehold and leasehold land and plant and machinery) have been measured at revalued amounts; and

b) Provision for management staff gratuity, non-management staff gratuity, and eligible retired employees' medical scheme are stated at present value.

The preparation of consolidated financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management that may have a significant risk of material adjustments to the consolidated financial statements in subsequent years are discussed in note 43.

2.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Holding Company and its subsidiary companies, here-in-after referred to as "the Group".

A company is a subsidiary, if an entity (the Holding Company) directly or indirectly controls, beneficially owns or holds more than fifty percent of its voting securities or otherwise has power to elect and appoint more than fifty percent of its directors.

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting policies.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against the subsidiary companies' shareholders' equity in the consolidated financial statements.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control over those policies.

The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. The financial statements of the associate are prepared for the same reporting period as the Group.

2.4 Property, plant and equipment and depreciation

Property, plant and equipment (except freehold land, buildings on freehold & leasehold land and plant & machinery) are stated at cost less accumulated depreciation and impairment losses, if any. Freehold land, buildings on freehold land and leasehold land and plant and machinery are stated at revalued amounts less subsequent accumulated depreciation and subsequent impairment losses, if any. Capital work-in-progress is stated at cost less impairment if any. Cost of certain property, plant and equipment comprises historical cost. Such cost includes the cost of replacing parts of the property, plant and equipment and the cost of borrowings for long-term construction projects, if the recognition criteria are met.

Depreciation charge is based on the straight-line method whereby the cost or revalued amount of an asset is written off to profit and loss account over its estimated useful life after taking into account residual value, if material. The cost of leasehold land is depreciated in equal installments over the lease period. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month of disposal.

The residual value, depreciation method and the useful lives of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed at each balance sheet date, and adjusted, if appropriate.

Maintenance and normal repairs are charged to profit and loss account as and when incurred. Improvements are capitalised when it is probable that respective future economic benefits will flow to the Group and the cost of the item can be measured reliably. Assets replaced, if any, are derecognised.

Gains and losses on disposal of assets are taken to the profit and loss account, and the related surplus / deficit on revaluation of property, plant and equipment is transferred directly to unappropriated profit.

2.5 Intangible assets and amortisation

Intangible assets with a finite useful life, such as certain softwares, licenses (including extraction rights, software licenses, etc.) and property rights, are capitalised initially at cost and subsequently stated at cost less accumulated amortisation and impairment losses, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in profit and loss account as incurred.

Amortisation is based on the cost of an asset less its residual value. Amortisation is recognized in profit and loss account on a straight-line basis over the estimated useful lives of intangible assets. Amortisation methods, useful lives and residual values are reviewed at each balance sheet date and adjusted, if appropriate.

2.6 Investments

Investments that are stated at available for sale are measured at fair value plus directly attributable transaction costs. For investments traded in active market, fair value is determined by reference to quoted market price and the investments for which a quoted market price is not available, or the fair value cannot be reasonably calculated, are measured at cost, subject to impairment review at each balance sheet date.

2.7 Stores, spares and consumables

Stores, spares and consumables are stated at the lower of weighted average cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business less net estimated cost to sell, which is generally equivalent to replacement cost. Items in transit are valued at cost comprising invoice value plus other charges incurred thereon up to the balance sheet date.

2.8 Stock-in-trade

Stock-in-trade is valued at the lower of weighted average cost and estimated net realisable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value signifies the estimated selling price in the ordinary course of business less net estimated costs of completion and selling expenses.

Items in transit are valued at cost comprising invoice value plus other charges incurred thereon up to the balance sheet date.

2.9 Trade debts and other receivables

Trade debts and other receivables are recognised at original invoice amount less provision for doubtful debts and other receivables, if any. A provision for doubtful debts and and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables (Refer note 40.6.1). Bad Debts are written off when identified.

2.10 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit and loss account, except to the extent that it relates to items recognised directly in other comprehensive income or below equity, in which case it is recognised in other comprehensive income or below equity, respectively.

Current

Provision for current taxation is based on taxable income at the enacted or substantively enacted rates of taxation after taking into account available tax credits and rebates, if any. The charge for current tax includes adjustments to charge for prior years, if any.

The Subsidiary's profits and gains derived from power generation are exempt from tax under clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 and are also exempt from turnover tax under clause 11A of Part IV of the Second Schedule of the Income Tax Ordinance, 2001.

Deferred

Deferred tax is recognised using balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the enacted or substantively enacted rates of taxation. In this regard the effects on deferred taxation on the portion of income expected to be subject to final tax regime is adjusted in accordance with the requirements of Accounting Technical Release – 27 of the Institute of Chartered Accountants of Pakistan.

The Group recognises a deferred tax asset to the extent that it is probable that taxable profits for the foreseeable future will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax relating to items recognised outside profit and loss account is recognised outside profit and loss account. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Further, the Group recognises deferred tax asset / liability on deficit / surplus on revaluation of property, plant and equipment which is adjusted against the related deficit / surplus.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and current and deposit accounts held with banks. Short term finance facilities availed by the Group, which are payable on demand and form an integral part of the Group's cash management are included as part of cash and cash equivalents for the purpose of statement of cash flows.

2.12 Impairment

Financial assets

Financial assets are assessed at each reporting date to determine whether there is objective evidence that they are impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired may include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy.

All individually significant receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Receivables that are not individually significant are collectively assessed for impairment by grouping together receivables with similar risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit and loss account and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss account.

Non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("the cash-generating unit, or CGU").

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit and loss account.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.13 Surplus on revaluation of fixed assets

The surplus arising on revaluation of fixed assets is credited to the "Surplus on Revaluation of property, plant and equipment" account shown below equity in the balance sheet in accordance with the requirements of section 235 of the Companies Ordinance, 1984. The said section was amended through the Companies (Amendment) Ordinance, 2002 and accordingly the Group has adopted the following accounting treatment of depreciation on revalued assets, keeping in view the Securities and Exchange Commission of Pakistan's (SECP) SRO 45(1)/2003 dated January 13, 2003:

a) depreciation on assets which are revalued is determined with reference to the value assigned to such assets on revaluation and depreciation charge for the year is taken to the profit and loss account; and

b) an amount equal to incremental depreciation for the year net of deferred taxation is transferred from "Surplus on Revaluation of property plant and equipment" account to unappropriated profit / loss through Statement of Changes in Equity to record realization of surplus to the extent of the incremental depreciation charge for the year.

2.14 Staff retirement benefits

The Group's retirement benefit plans comprise of provident funds, pensions, gratuity schemes and a medical scheme for eligible retired employees.

Defined benefit plans

The Group operates a funded pension scheme and a funded gratuity scheme for management staff. The pension and gratuity schemes are salary schemes providing pension and lump sums, respectively. Pension and gratuity schemes for management staff are invested through two approved trust funds. The Group also operates gratuity scheme for non-management staff and the pensioners' medical scheme which are unfunded. The pension and gratuity plans are final salary plans. The pensioner's medical plan reimburses actual medical expenses to pensioners as per entitlement. The Group recognises expense in accordance with IAS 19 "Employee Benefits".

An actuarial valuation of all defined benefit schemes is conducted every year. The valuation uses the Projected Unit Credit method. Actuarial gains and losses are recognized in full in the period in which they occur in other comprehensive income.

All past service costs are recognized at the earlier of when the amendment or curtailment occurs and when the Group has recognized related restructuring or termination benefits.

Defined contribution plans

The Group operates two registered contributory provident funds for its entire staff and a registered defined contribution superannuation fund for its management staff, who have either opted for this fund by July 31, 2004 or have joined the Group after April 30, 2004. In addition to this, the Group also provides group insurance to all its employees.

Compensated absences

The Group recognizes the accrual for compensated absences in respect of employees for which these are earned up to the balance sheet date. The accrual has been recognized on the basis of actuarial valuation.

2.15 Operating leases / Ijarah contracts

Leases, other than those under Ijarah contracts, in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Ijarah contracts are classified as operating leases irrespective of whether significant portion of the risks and rewards of ownership are retained by lessor. Payments made under operating leases (net of any incentives received from the lessor) and Ijarah contracts are charged to the profit and loss account on a straight-line basis over the period of the lease.

2.16 Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable cost, if any.

2.17 Borrowings and their cost

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs, if any, are capitalised as part of the cost of that asset.

2.18 Provisions

A provision is recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. The amount recognized as a provision reflects the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

2.19 Financial liabilities

All financial liabilities are initially recognised at fair value net of directly attributable cost, if any, and subsequently measured at amortised cost.

2.20 Foreign currency translation

Transactions denominated in foreign currencies are translated to Pak Rupees, at the foreign exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are re-translated into Pak Rupees at the foreign exchange rates at the balance sheet date. Exchange differences are taken to the profit and loss account.

2.21 Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates. The consolidated financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency.

2.22 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and government levies.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the customer. For those products which are often sold with a right of return, accumulated experience is used to estimate and provide for such returns at the time of sale.

Commission income is recognised on date of shipment from suppliers.

Profit on short-term deposits is accounted for on a time-apportioned basis using the effective interest rate method.

Dividend income is recognised when the right to receive dividend is established.

Toll manufacturing income is recognised when services are rendered.

2.23 Financial expense and financial income

Financial expenses are recognised using the effective interest rate method and comprise foreign currency losses and markup / interest expense on borrowings.

Financial income comprises interest income on funds invested. Markup / interest income is recognised as it accrues in profit and loss account, using the effective interest rate method.

2.24 Dividend

Dividend distribution to the Group's shareholders is recognised as a liability in the period in which the dividends are approved.

2.25 Segment reporting

Segment reporting is based on the operating (business) segments of the Group. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the Chief Executive Officer (the CEO) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax assets, liabilities and related income and expenditure. Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

The business segments are engaged in providing products or services which are subject to risks and rewards which differ from the risk and rewards of other segments. Segments reported are Polyester, Soda Ash, Life Sciences, Chemicals and others (PowerGen), which also reflects the management structure of the Group.

2.26 Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. Derivatives qualifying for hedge accounting are accounted for accordingly whereas, derivatives that do not qualify for hedge accounting are accounted for as held for trading instruments. All changes in the fair value are recognized in the profit and loss account.

2.27 Off-setting

Financial assets and liabilities are offset and the net amount is reported in the consolidated financial statements only when there is, legally enforceable right to set-off the recognised amount and the Group intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

Amounts in Rs '000

	As at June 30, 2015	As at June 30, 2014
3. Property, plant and equipment		
3.1 The following is a statement of property, plant and equipment:		
Operating fixed assets - note 3.2	**12,713,226**	10,908,546
Capital work-in-progress - note 3.7	**1,675,698**	899,956
	14,388,924	11,808,502

3.2 The following is a statement of operating fixed assets:

	Land		Lime beds	Buildings		Plant and machinery	Railway sidings	Rolling stock and vehicles	Furniture and equipment	Total
	Freehold	Leasehold	on freehold land	On freehold land	On leasehold land					
	Note 3.3			Note 3.3		Note 3.3 & 3.4				
				As at June 30, 2015						
Net carrying value basis										
Opening net book value (NBV)	**438,021**	**-**	**133,860**	**276,361**	**1,080,087**	**8,806,800**	**-**	**26,402**	**147,015**	**10,908,546**
Addition / transfer - note 3.2.1	**30,287**	**-**	**923**	**518,661**	**168,800**	**2,638,808**	**-**	**9,435**	**108,792**	**3,475,706**
Disposal (at NBV)	**-**	**-**	**-**	**-**	**(387)**	**(5,731)**	**-**	**-**	**(345)**	**(6,463)**
Depreciation charge - note 3.5	**-**	**-**	**(11,667)**	**(58,330)**	**(104,277)**	**(1,419,811)**	**-**	**(13,011)**	**(57,467)**	**(1,664,563)**
Closing net book value	**468,308**	**-**	**123,116**	**736,692**	**1,144,223**	**10,020,066**	**-**	**22,826**	**197,995**	**12,713,226**
Gross carrying value basis										
Cost / Revaluation	**468,308**	**562,166**	**251,479**	**2,980,324**	**2,167,867**	**25,391,316**	**297**	**126,369**	**656,433**	**32,604,559**
Accumulated depreciation	**-**	**(562,166)**	**(128,363)**	**(2,243,632)**	**(1,023,644)**	**(15,371,250)**	**(297)**	**(103,543)**	**(458,438)**	**(19,891,333)**
Closing net book value	**468,308**	**-**	**123,116**	**736,692**	**1,144,223**	**10,020,066**	**-**	**22,826**	**197,995**	**12,713,226**
Depreciation rate % per annum	**-**	**2 to 4**	**5 to 25**	**5 to 50**	**3 to 33.33**	**3.33 to 50**	**3.33**	**10 to 33.33**	**10 to 50**	
				As at June 30, 2014						
Net carrying value basis										
Opening net book value	341,885	-	134,525	321,322	655,011	6,497,300	-	12,965	184,251	8,147,259
Addition / transfer - note 3.2.1	96,137	-	10,899	92,816	443,596	3,446,311	-	6,090	63,603	4,159,452
Disposal (at NBV)	-	-	-	(30)	(260)	(16,162)	-	(4,700)	(555)	(21,707)
Adjustments (at NBV)	(1)	(29)	(15)	(87,351)	86,751	(25,043)	-	26,777	(43,085)	(41,996)
Depreciation charge - note 3.5	-	29	(11,549)	(50,396)	(105,011)	(1,095,606)	-	(14,730)	(57,199)	(1,334,462)
Closing net book value	438,021	-	133,860	276,361	1,080,087	8,806,800	-	26,402	147,015	10,908,546
Gross carrying value basis										
Cost / Revaluation	438,021	562,166	250,556	2,462,313	1,968,029	23,281,028	297	118,610	491,723	29,572,743
Accumulated depreciation	-	(562,166)	(116,696)	(2,185,952)	(887,942)	(14,474,228)	(297)	(92,208)	(344,708)	(18,664,197)
Closing net book value	438,021	-	133,860	276,361	1,080,087	8,806,800	-	26,402	147,015	10,908,546
Depreciation rate % per annum	-	2 to 4	5 to 25	5 to 50	3 to 33.33	3.33 to 50	3.33	10 to 33.33	10 to 50	

3.2.1 Additions to plant and machinery include borrowing cost for various projects amounting to Rs. 109.705 million (June 30, 2014: Rs. 95.406 million) and transfer from capital work-in-progress (Note 3.7.1). The rate used to determine the amount of borrowing cost eligible for capitalization is 9.20% (June 30, 2014: 9.76%).

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
3.2.2	Operating fixed assets include the following major spare parts and stand by equipment:		
	Cost	**387,758**	366,575
	Net book value	**182,247**	195,797

3.3 Subsequent to revaluation on October 1, 1959, September 30, 2000 and December 15, 2006 which had resulted in a surplus of Rs. 14.207 million, Rs. 1,569.869 million and Rs. 704.752 million, respectively, the land, buildings on freehold and leasehold land and plant and machinery were revalued again on December 31, 2011 resulting in a net surplus of Rs. 848.191 million, respectively. The valuation was conducted by an independent valuer. Valuations for plant and machinery and building were based on the estimated gross replacement cost, depreciated to reflect the residual service potential of the assets taking account of the age, condition and obsolescence. Land was valued on the basis of fair market value.

3.4 Plant and machinery including equipment held with Searle Pakistan Limited, Breeze Pharmaceutical Limited and Maple Pharmaceutical (Private) Limited (toll manufacturers), are as follows:

	Cost	**8,111**	8,369
	Net book value	**4,900**	5,638

		For the year ended June 30, 2015	For the year ended June 30, 2014
3.5	The depreciation charge for the year has been allocated as follows:		
	Cost of sales	**1,606,541**	1,272,297
	Selling and distribution expenses	**15,015**	13,821
	Administration and general expenses	**43,007**	48,344
		1,664,563	1,334,462

3.5.1 Depreciation charge is inclusive of the incremental depreciation due to revaluation.

3.6 Had there been no revaluation, the net book value of specific classes of operating property, plant and equipment would have amounted to:

		As at June 30, 2015	As at June 30, 2014
	Net book value		
	Freehold land	**169,028**	138,741
	Buildings	**1,744,387**	1,219,920
	Plant and machinery	**9,607,359**	8,394,093
		11,520,774	9,752,754

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
3.7	Capital work-in-progress comprises of:		
	Civil works and buildings	**327,797**	270,916
	Plant and machinery	**857,665**	553,481
	Miscellaneous equipment	**88,840**	44,606
	Advances to suppliers / contractors	**353,678**	19,013
	Designing, consultancy and engineering fee	**47,718**	11,940
		1,675,698	899,956

This includes interest charged during the period ended June 30, 2015 in respect of long-term loan obtained for various projects amounting to Rs. 30.873 million (June 30, 2014: Rs. Nil). The rate used to determine the amount of borrowing cost eligible for capitalization is 8.83% (June 30, 2014: Rs. Nil).

3.7.1 The following is the movement in capital work-in-progress during the year:

Balance at the beginning of the year	**899,956**	2,580,208
Addition during the year	**4,216,538**	2,431,531
	5,116,494	5,011,739
Transferred to operating fixed assets during the year	**3,440,796**	4,111,783
Balance at the end of the year	**1,675,698**	899,956

3.8 Details of operating fixed assets disposals having net book value in excess of Rs. 50,000 are as follows:

	Mode of sale	**Cost**	**Accumulated depreciation**	**Net book value**	**Sale proceeds**	**Particulars of buyers**
As at June 30, 2015						
Plant and machinery						
Boiler, Deaerator and other assets	Scrap	48,370	44,614	3,756	2,124	Hanif Ghouri Malakwal District Mandi Bahauddin
Building on leasehold land						
Old quarter's doors and windows	Bidding	499	288	211	89	Anjum Wood Craft Khewra
Furniture and Equipments						
Dell Laptops	Insurance Claim	250	107	143	155	PICIC Insurance
As at June 30, 2014						
Plant and machinery						
Refractory, Panelmate and various other assets	Scrap	31,040	14,608	16,434	1,301	Shahbaz and Company, Malakwal District Mandi Bahauddin
Rolling stock and vehicles						
Audi and Fork lift trucks	Auction	6,440	1,739	4,701	5,343	Mr. Azfar Abbas Ashary, Karachi
Building on leasehold land						
Civil Work Lime Stone Storage	Scrap	2,877	2,648	229	20	Shahbaz and Company, Malakwal District Mandi Bahauddin

Amounts in Rs '000

4 Intangible assets

	As at June 30, 2015		
	Software	**Licenses**	**Total**
Net carrying value basis			
Opening net book value (NBV)	**10,368**	**53,893**	**64,261**
Addition / transfer	**1,124**	**8,501**	**9,625**
Amortisation charge - note 4.1	**(9,512)**	**(36,056)**	**(45,568)**
Closing net book value	**1,980**	**26,338**	**28,318**
Gross carrying amount			
Cost	**173,311**	**197,046**	**370,357**
Accumulated amortisation	**(171,331)**	**(170,708)**	**(342,039)**
Closing net book value	**1,980**	**26,338**	**28,318**
Amortisation rate % per annum	**20**	**20 to 50**	

	As at June 30, 2014		
Net carrying value basis			
Opening net book value (NBV)	11,754	33,369	45,123
Addition / transfer	-	51,303	51,303
Adjustments (at NBV)	10,900	3,692	14,592
Amortisation charge - note 4.1	(12,286)	(34,471)	(46,757)
Closing net book value	10,368	53,893	64,261
Gross carrying amount			
Cost	172,187	188,546	360,733
Accumulated amortisation	(161,819)	(134,653)	(296,472)
Closing net book value	10,368	53,893	64,261
Amortisation rate % per annum	20	20 to 50	

	For the year ended June 30, 2015	For the year ended June 30, 2014
4.1 The amortisation charge for the year has been allocated as follows:		
Cost of sales	**14,219**	13,614
Selling and distribution expenses	**4,649**	1,948
Administration and general expenses	**26,700**	31,195
	45,568	46,757

	As at June 30, 2015	As at June 30, 2014
5. Long-term investments		
Unquoted at cost		
Associate		
- NutriCo Pakistan (Private) Limited - note 5.1 125,000 ordinary shares (June 30, 2014: Nil shares) of Rs. 1,000 each and premium of Rs. 4,760 per share	**720,000**	-
Add: post acquisition share of profit	**202,224**	-
Less: Dividend Received	**(150,000)**	-
Carrying value of Associate	**772,224**	-
Others		
Equity security available-for-sale		
- Arabian Sea Country Club Limited 250,000 ordinary shares (June 30, 2014: 250,000) of Rs. 10 each	**2,500**	2,500
	774,724	2,500

5.1 The Group has a 30% interest in NutriCo Pakistan (Private) Limited (the associate), which is involved in marketing and distribution of infant milk and nutritional products.

Amounts in Rs '000

	As at June 30, 2015 (Unaudited)

5.2 The summary of financial information of associate as at the balance sheet date is as follows:

Total assets	**3,796,843**
Total liabilities	**1,362,569**
Total equity and reserves	**2,434,274**
Total revenue	**4,921,867**
Profit for the year	**1,040,724**

	As at June 30, 2015	As at June 30, 2014
6 Long-term loans		
Considered good		
Due from executives and employees - note 6.1	**326,515**	256,525

6.1 Due from executives and employees

	Motor car	House building	Total	Total
Due from executives - note 6.2, 6.3 and 6.4	186,802	58,739	**245,541**	205,011
Less: Receivable within one year	29,419	23,993	**53,412**	53,967
	157,383	34,746	**192,129**	151,044
Due from employees - note 6.3			**166,687**	128,345
Less: Receivable within one year			**32,301**	22,864
			134,386	105,481
			326,515	256,525
Outstanding for period:				
- less than three years but over one year			**126,193**	163,005
- more than three years			**200,322**	93,520
			326,515	256,525

6.2 Reconciliation of the carrying amount of loans to executives:

Balance at the beginning of the year	**205,011**	186,930
Disbursements during the year	**108,154**	123,988
Repayments during the year	**(67,624)**	(105,907)
Balance at the end of the year	**245,541**	205,011

6.3 Loans for purchase of motor cars and house building are repayable between two to ten years. These loans are interest free and granted to the employees, including executives of the Group, in accordance with their terms of employment.

6.4 The maximum aggregate amount of loans due from the executives at the end of any month during the year was Rs. 245.541 million (June 30, 2014: Rs. 205.011 million).

7 Long-term deposits and prepayments

Deposits	**27,323**	25,679
Prepayments	**3,454**	2,164
	30,777	27,843

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
8	**Stores, spares and consumables**		
	Stores - note 8.1	**60,745**	36,803
	Spares - note 8.1	**728,722**	680,133
	Consumables	**108,978**	106,167
		898,445	823,103
	Less: Provision for slow moving and obsolete stores and spares - note 8.2	**189,247**	205,435
		709,198	617,668

8.1 The above amounts include stores and spares in transit of Rs. 32.440 million (June 30, 2014: Rs. 17.506 million).

8.2 Movement of provision for slow moving and obsolete stores and spares is as follows:

	2015	2014
Balance at the beginning of the year	**205,435**	205,383
Charge for the year - note 28	**15,044**	154
Write off during the year	**(31,232)**	(102)
Balance at the end of the year	**189,247**	205,435

		2015	2014
9	**Stock-in-trade**		
	Raw and packing material (include in-transit Rs. 433.803 million, June 30, 2014: Rs. 791.850 million) - note 9.3	**2,092,026**	2,372,699
	Work-in-process	**96,034**	165,341
	Finished goods (include in-transit Rs. 348.217 million, June 30, 2014: Rs. 137.44 million)	**2,882,416**	2,166,884
		5,070,476	4,704,924
	Less: Provision for slow moving and obsolete stock-in-trade - note 9.1		
	- Raw materials	**13,659**	8,771
	- Finished goods	**113,408**	88,937
		127,067	97,708
		4,943,409	4,607,216

9.1 Movement of provision for slow moving and obsolete stock-in-trade is as follows:

	2015	2014
Balance at the beginning of the year	**97,708**	93,142
Charge for the year - note 28	**36,000**	12,389
Reversal during the year	**-**	(6,890)
Write-off for the year	**(6,641)**	(933)
Balance at the end of the year	**127,067**	97,708

9.2 Stock amounting to Rs. 498.295 million (June 30, 2014: Rs. 28.801 million) is measured at net realisable value and expense amounting to Rs. 9.465 million (June 30, 2014: write back of Rs. 20.529 million) has been charged to cost of sales.

9.3 Raw and packing materials held with various toll manufacturers amounts to Rs. 556.110 million (June 30, 2014: Rs. 423.255 million).

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
10	**Trade debts**		
	Considered good		
	- Secured	**168,723**	161,166
	- Unsecured	**1,474,018**	891,976
		1,642,741	1,053,142
	Considered doubtful	**40,987**	93,664
		1,683,728	1,146,806
	Less: Provision for:		
	- Doubtful debts - note 40.4 and 40.6	**40,987**	93,664
	- Discounts payable on sales	**211,647**	169,432
		252,634	263,096
		1,431,094	883,710

10.1 The above balances include amounts due from the following associated undertakings which are neither past due nor impaired:

	As at June 30, 2015	As at June 30, 2014
Unsecured		
Yunus Textile Mills Limited	**15,190**	26,397
Lucky Textile Mills Limited	**4,231**	1,162
Lucky Knits (Private) Limited	**499**	-
NutriCo Pakistan (Private) Limited	**11,095**	-
Feroze Mills Limited	**377**	3,340
	31,392	30,899

		As at June 30, 2015	As at June 30, 2014
11	**Loans and advances**		
	Considered good		
	Loans due from:		
	Director and executives - note 11.1	**59,729**	53,967
	Employees	**32,301**	22,864
		92,030	76,831
	Advances to:		
	Executives	**8,283**	14,538
	Employees	**319**	219
	Contractors and suppliers	**219,979**	95,921
	Others	**4,648**	5,491
		233,229	116,169
		325,259	193,000
	Considered doubtful	**-**	7,292
		325,259	200,292
	Less: Provision for doubtful loans and advances - note 40.4 and 40.6	**-**	7,292
		325,259	193,000

11.1 The maximum aggregate amount of loans due from the directors and executives at the end of any month during the year was Rs. 9.315 million and Rs. 12.565 million (June 30, 2014: Rs. 3.221 million and Rs. 14.333 million) respectively.

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
12	**Trade deposits and short-term prepayments**		
	Trade deposits	**28,399**	26,008
	Short-term prepayments	**384,851**	194,010
		413,250	220,018
13	**Other receivables**		
	Considered good		
	Duties, sales tax and octroi refunds due	**373,717**	287,020
	Commission receivable	**25,002**	22,612
	Receivable from principal - note 13.1	**483,504**	1,068,427
	Others	**102,049**	110,626
		984,272	1,488,685
	Considered doubtful	**1,622**	20,237
		985,894	1,508,922
	Less: Provision for doubtful receivables - note 13.2	**1,622**	20,237
		984,272	1,488,685

13.1 This includes receivable amounting to Rs. 401.706 million (June 30, 2014: Rs. 1,019.800 million) from foreign vendor in relation to margin support guarantee.

13.2 Movement of provision for doubtful receivables is as follows:

	2015	2014
Balance at the beginning of the year	**20,237**	57,312
Write-off during the year	**(18,615)**	-
Reversal during the year	**-**	(37,075)
Balance at the end of the year	**1,622**	20,237

		2015	2014
14	**Cash and bank balances**		
	Cash at bank:		
	- Short-term deposits - note 14.1	**106,000**	103,000
	- Current accounts	**9,046**	747,210
	Cash in hand	**5,401**	7,994
		120,447	858,204

14.1 Represent security deposits from customer that are placed with various banks at pre-agreed rate maturing at various dates. The mark-up on these deposits is 10% (June 30, 2014: 8.00% to 9.00%) and these term deposits are readily encashable without any penalty.

Amounts in Rs '000

As at June 30, 2015	As at June 30, 2014		As at June 30, 2015	As at June 30, 2014
(Numbers)				

15. Issued, subscribed and paid-up capital

As at June 30, 2015 (Numbers)	As at June 30, 2014 (Numbers)		As at June 30, 2015	As at June 30, 2014
83,734,062	83,734,062	Ordinary shares of Rs. 10 each fully paid in cash	**837,341**	837,341
211,925	211,925	Ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash under scheme of arrangement for amalgamation (note 15.1)	**2,119**	2,119
16,786	16,786	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	**168**	168
8,396,277	8,396,277	Ordinary shares issued pursuant to the previous scheme as fully paid for consideration of investment in associate (note 15.2)	**83,963**	83,963
92,359,050	92,359,050		**923,591**	923,591

15.1 The process for amalgamation of three companies namely Paintex Limited, ICI Pakistan Manufacturers Limited and Imperial Chemical Industries Limited resulted in a new company as ICI Pakistan Limited on April 01, 1987.

15.2 With effect from October 1, 2000 the Pure Terephthalic Acid (PTA) Business of the Company was demerged under a scheme of arrangement dated December 12, 2000 approved by the shareholders and sanctioned by the High Court of Sindh.

15.3 On December 28, 2012, Lucky Holdings Limited acquired from ICI Omicron B.V. its entire shareholding of 70,019,459 shares in ICI Pakistan Limited, besides acquiring 111,698 additional shares by way of public offer made by it to all the shareholders of the Company in pursuance of the provisions of the Listed Companies (Substantial Acquisition of Voting Shares and Take-overs), Ordinance, 2002 and the Listed Companies (Substantial Acquisition of Voting Shares & Take-overs) Regulations, 2008. Thus, Lucky Holdings Limited became the parent company, and Lucky Cement Limited became the ultimate holding company of ICI Pakistan Limited with effect from December 28, 2012. Along with Lucky Holdings Limited, two other companies of the Yunus Brothers Group namely, Gadoon Textile Mills Limited and Lucky Textile Mills Limited also participated in the public offer thereby acquiring 5,980,917 shares and 5,077,180 shares respectively. As at the balance sheet date, Lucky Cement Limited together with the group companies held 86.72% (June 30, 2014: 87.33%) shareholding.

16. Capital reserves

	As at June 30, 2015	As at June 30, 2014
Share premium - note 16.1	**309,057**	309,057
Capital receipts - note 16.2	**586**	586
	309,643	309,643

16.1 Share premium includes the premium amounting to Rs. 0.902 million received on shares issued for the Company's Polyester Plant installation in 1980 and share premium of Rs. 464.357 million representing the difference between nominal value of Rs. 10 per share of 12,618,391 ordinary shares issued by the Company and the market value of Rs. 590.541 million of these shares corresponding to 25% holding acquired in Lotte Pakistan PTA Limited, an ex-associate, at the date of acquisition i.e. November 2, 2001 and the number of shares that have been issued were determined in accordance with the previous scheme in the ratio between market value of the shares of two companies based on the mean of the middle market quotation of the Karachi Stock Exchange over the ten trading days between October 22, 2001 to November 2, 2001.

16.2 Capital receipts represent the amount received from various ICI plc group companies overseas for the purchase of property, plant and equipment. The remitting companies have no claim to their repayments.

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
17.	**Surplus on revaluation of property, plant and equipment**		
	Balance at the beginning of the year	**784,517**	843,037
	Adjustment due to change in tax rate - note 20.1	**4,630**	21,042
	Transferred to unappropriated profit in respect of incremental depreciation during the year - net of deferred tax	**(66,778)**	(79,562)
	Balance at the end of the year	**722,369**	784,517
18.	**Provisions for non-management staff gratuity**	**87,422**	78,081

18.1 Staff retirement benefits

		2015				2014			
		Funded			**Unfunded**	Funded			Unfunded
		Pension	**Gratuity**	**Total**		Pension	Gratuity	Total	
18.1.1	**The amounts recognised in the profit and loss account against defined benefit schemes are as follows:**								
	Current service cost	**16,808**	**37,678**	**54,486**	**3,250**	17,153	32,702	49,855	3,291
	Interest cost	**113,592**	**69,378**	**182,970**	**9,455**	102,896	54,286	157,182	8,118
	Expected return on plan assets	**(152,025)**	**(48,038)**	**(200,063)**	**-**	(127,167)	(37,245)	(164,412)	-
	Past service cost	**-**	**1,030**	**1,030**	**(1,030)**	-	10,115	10,115	(10,115)
	Net (reversal) / charge for the year	**(21,625)**	**60,048**	**38,423**	**11,675**	(7,118)	59,858	52,740	1,294
	Other comprehensive income:								
	Loss / (Gain) on obligation	**16,941**	**(33,989)**	**(17,048)**	**3,448**	7,112	21,574	28,686	5,677
	(Gain) on plan assets	**(104,216)**	**(49,628)**	**(153,844)**	**-**	(75,645)	(11,632)	(87,277)	-
	Net (gain) / loss	**(87,275)**	**(83,617)**	**(170,892)**	**3,448**	(68,533)	9,942	(58,591)	5,677
18.1.2	**Movement in the net assets / (liability) recognised in the balance sheet are as follows:**								
	Opening balance	**301,428**	**(196,734)**	**104,694**	**(78,081)**	225,777	(190,112)	35,665	(79,917)
	Net reversal / (charge) - note 18.1.1	**21,625**	**(60,048)**	**(38,423)**	**(11,675)**	7,118	(59,858)	(52,740)	(1,294)
	Other comprehensive income	**87,275**	**83,617**	**170,892**	**(3,448)**	68,533	(9,942)	58,591	(5,677)
	Contributions / payments during the year	**-**	**60,787**	**60,787**	**5,782**	-	63,178	63,178	8,807
	Closing balance	**410,328**	**(112,378)**	**297,950**	**(87,422)**	301,428	(196,734)	104,694	(78,081)
18.1.3	**The amounts recognised in the balance sheet are as follows:**								
	Fair value of plan assets - note 18.1.5	**1,365,979**	**471,628**	**1,837,607**	**-**	1,274,962	379,571	1,654,533	-
	Present value of defined benefit obligation - note 18.1.4	**(955,651)**	**(584,006)**	**(1,539,657)**	**(87,422)**	(973,534)	(576,305)	(1,549,839)	(78,081)
	Surplus / (deficit)	**410,328**	**(112,378)**	**297,950**	**(87,422)**	301,428	(196,734)	104,694	(78,081)

The recognized asset / (liability) of funded gratuity is netted off against recognized asset / (liability) of funded pension and recorded accordingly.

		Pension	**Gratuity**	**Total**	**Unfunded**	Pension	Gratuity	Total	Unfunded
18.1.4	**Movement in the present value of defined benefit obligation:**								
	Opening balance	**973,534**	**576,305**	**1,549,839**	**78,081**	1,067,969	552,340	1,620,309	79,917
	Current service cost	**16,808**	**37,678**	**54,486**	**3,250**	17,153	32,702	49,855	3,291
	Interest cost	**113,592**	**69,378**	**182,970**	**9,455**	102,896	54,286	157,182	8,118
	Benefits paid	**(165,224)**	**(66,396)**	**(231,620)**	**(5,782)**	(221,596)	(94,712)	(316,308)	(8,807)
	Actuarial loss / (gain)	**16,941**	**(33,989)**	**(17,048)**	**3,448**	7,112	21,574	28,686	5,677
	Past service cost	**-**	**1,030**	**1,030**	**(1,030)**	-	10,115	10,115	(10,115)
	Closing balance	**955,651**	**584,006**	**1,539,657**	**87,422**	973,534	576,305	1,549,839	78,081
18.1.5	**Movement in the fair value of plan assets:**								
	Opening balance	**1,274,962**	**379,571**	**1,654,533**	**-**	1,293,746	362,228	1,655,974	-
	Expected return	**152,025**	**48,038**	**200,063**	**-**	127,167	37,245	164,412	-
	Contributions	**-**	**60,787**	**60,787**	**-**	-	63,178	63,178	-
	Benefits paid	**(165,224)**	**(66,396)**	**(231,620)**	**-**	(221,596)	(94,712)	(316,308)	-
	Actuarial gain	**104,216**	**49,628**	**153,844**	**-**	75,645	11,632	87,277	-
	Closing balance - note 18.1.7	**1,365,979**	**471,628**	**1,837,607**	**-**	1,274,962	379,571	1,654,533	-

Amounts in Rs '000

18.1.6	Historical information	June 30			December 31	
		2015	2014	2013	2012	2011
	Present value of defined benefit obligation	**1,627,079**	1,627,920	1,700,226	2,264,010	2,337,261
	Fair value of plan assets	**(1,837,607)**	(1,654,533)	(1,655,974)	(1,509,900)	(1,581,574)
	(Surplus) / deficit	**(210,528)**	(26,613)	44,252	754,110	755,687

18.1.7	Major categories / composition of plan assets are as follows:	**2015**	2014
	Debt instruments	**77.01%**	68.77%
	Equity at market value	**23.36%**	28.70%
	Cash	**0.34%**	2.53%

Fair value of plan asset	**Pension**	**Gratuity**	Pension	Gratuity
	As at June 30, 2015		As at June 30, 2014	
Investment				
National savings deposits	**262,604**	**15,580**	181,164	-
Government bonds	**820,415**	**310,846**	667,896	283,446
Corporate bonds	**-**	**5,777**	-	6,936
Shares	**285,632**	**143,569**	406,635	67,586
Cash	**4,807**	**1,454**	19,267	21,603
Total	**1,365,979**	**471,628**	1,274,962	379,571

Mortality of active employees and pensioners is represented by the LIC (96-98) table. The table has been rated down three years for mortality of female pensioners and widows.

Actual return on plan assets during 2015 was Rs. 206.290 million (June 30, 2014: Rs. 251.689 million).

		2015	2014
18.1.8	**The principal actuarial assumptions at the reporting date were as follows:**		
	Discount rate	**9.33%**	12.75%
	Future salary increases - Management	**7.25%**	10.50%
	Future salary increases - Non-management	**4.67%**	8.00%
	Future pension increases	**4.00%**	7.50%

18.1.9 Impact of changes in assumptions on defined benefit scheme is as follows:

Assumption	**1% Increase**	1 % Decrease
Discount rate	**(87,370)**	97,800
Salary increase	**64,833**	(59,122)
Pension increase	**35,247**	(31,709)

18.1.10 The Group contributed Rs. 68.582 million (June 30, 2014: Rs. 62.543 million) and Rs. 47.707 million (June 30, 2014: Rs. 45.349 million) to the provident fund and the defined contribution superannuation fund respectively during the year.

		As at June 30, 2015 (Unaudited)	As at June 30, 2014 (Audited)
18.2	**Provident fund**		
	Size of the fund	**1,018,560**	1,269,506
	Cost of investments made	**969,253**	1,127,747
	Percentage of investments made	**95%**	89%
	Fair value of investments	**994,698**	1,192,093

18.2.1 Break-up of investments of provident fund

Break-up of investments in terms of amount and percentage of the size of the provident fund are as follows:

	As at June 30, 2015 (Unaudited)		As at June 30, 2014 (Audited)	
	Investments	**% of investment as size of the fund**	Investments	% of investment as size of the fund
On fair value				
Pakistan Investment Bonds	**581,239**	**58%**	854,999	72%
Treasury Bill	**8,552**	**1%**	49,604	4%
Regular Income Certificates	**18,000**	**2%**	-	0%
Mutual Funds	**97,346**	**10%**	81,682	7%
Shares	**289,561**	**29%**	196,142	16%
Term Finance Certificates	**-**	**0%**	9,666	1%
	994,698	**100%**	1,192,093	100%

Investments out of provident fund have been made in accordance with the provisions of section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
19	**Long-term loans**	**1,493,943**	2,314,805
19.1	From banking companies / financial institutions:		
	- Faysal Bank Limited	**-**	343,591
	- Less: Current portion of long-term finance	**-**	-
		-	343,591
	- Habib Bank Limited	**-**	543,435
	- Less: Current portion of long-term finance	**-**	-
		-	543,435
	- United Bank Limited	**221,719**	-
	- Less: Current portion of long-term finance	**-**	-
		221,719	-

The Group has obtained Long-Term Finance Facility (LTFF) for plant and machinery from United Bank Limited of Rs. 221.719 million (limit: Rs. 1,500 million) for a period of 10 years (including 2 years grace period), with the principal payable on quarterly basis. The mark-up is chargeable at fixed rate of 5% payable on quarterly basis. This facility is secured against first specific charge on the property, plant and equipment of the Group's Soda Ash Business located at Khewra. The loan have been refinanced by the State Bank of Pakistan under LTFF for Export Oriented Projects. The group repaid its previous LTFF's from HBL and FBL in the last quarter of financial year 2015.

19.2 Islamic term finance

From banking companies / financial institutions:		
-Standard Chartered Bank (Pakistan) Limited	**400,000**	800,000
-Less: Current portion of long-term finance	**400,000**	400,000
	-	400,000

The Group had obtained long-term finance of Rs. 1,000 million in June 2013 from Standard Chartered Bank (Pakistan) Limited under Islamic Diminishing Musharakah for a period of 3 years (including 6 months grace period). Repayments of Rs. 400 million were made during the current year. The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on semi annual basis. This facility is secured by a ranking charge which is to be replaced by a first pari passu hypothecation charge on the present and future fixed assets of the Group's Polyester Business located at Sheikhupura.

-Meezan Bank Limited	**277,778**	500,000
-Less: Current portion of long-term finance	**222,222**	222,222
	55,556	277,778

The Group has obtained long-term finance of Rs. 500 million from Meezan Bank Limited under Islamic Diminishing Musharakah for a period of 3 years (including 9 months grace period). The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on a quarterly basis. This facility is secured by a first pari passu hypothecation charge on the present and future plant, machinery and equipment of the Group's Soda Ash Business located at Khewra.

19.3 Other Long Term Loan

-Allied Bank Limited	**750,001**	1,000,000
-Less: Current portion of long-term loan	**333,333**	249,999
	416,668	750,001

The Group has obtained long-term loan for Rs. 1,000 million from Allied Bank Limited for a period of 4 years (including 1 year grace period). The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on a quarterly basis. This facility is secured by a first pari passu hypothecation charge on the present and future plant, machinery and equipment of the Group's Soda Ash Business located at Khewra.

United Bank Limited	**800,000**	-
Less: Current portion of long-term loan	**-**	-
	800,000	-

During the year, the Group has obtained long-term finance of Rs. 800 million from United Bank Limited for a period of 5 years (including 2 years grace period). The interest payment is charged at relevant KIBOR plus 0.25% p.a. payable on quarterly basis. This facility is initially secured by a ranking charge to be subsequently replaced by the first pari passu hypothecation charge on present and future plant, machinery and equipment of the Group's Polyester Business located at Sheikhupura.

Amounts in Rs '000

		As at June 30, 2015			As at June 30, 2014		
		Opening	**Charge**	**Closing**	Opening	Charge / (Reversal)	Closing
20	**Deferred tax (liability) / asset - net**						
	Deductible temporary differences						
	Provisions for retirement benefits, doubtful debts and others	**(259,368)**	**29,350**	**(230,018)**	(301,666)	42,298	(259,368)
	Retirement funds provisions	**(65,232)**	**49,811**	**(15,421)**	(93,508)	28,276	(65,232)
	Taxable temporary differences						
	Property, plant and equipment - note 20.1	**1,418,318**	**8,288**	**1,426,606**	1,496,285	(77,967)	1,418,318
		1,093,718	**87,449**	**1,181,167**	1,101,111	(7,393)	1,093,718

20.1 Charge during the year includes Rs. 4.630 million (June 30, 2014: reversal of Rs. 21.042 million) adjusted in surplus on revaluation of property, plant and equipment on account of change in tax rate.

		As at June 30, 2015	As at June 30, 2014
21	**Trade and other payables**		
	Trade creditors - note 21.1	**1,224,198**	1,387,666
	Bills payable	**2,964,927**	2,338,350
	Excise and custom duties	**338**	4,486
	Accrued expenses - note 21.3	**1,464,383**	975,458
	Technical service fee / royalty - note 21.2	**21,401**	23,686
	Workers' profit participation fund - note 21.4	**152,453**	114,557
	Workers' welfare fund	**108,089**	51,539
	Distributors' security deposits - payable on termination of distributorship - note 21.5	**104,761**	106,142
	Contractors' earnest / retention money	**10,946**	9,808
	Running account with customers - note 21.6	**155,339**	223,874
	Unclaimed dividends	**62,802**	48,693
	Payable for capital expenditure	**812,437**	329,509
	Provision for compensated absences - note 21.7	**31,249**	31,249
	Others	**98,952**	147,655
		7,212,275	5,792,672

21.1 This amount includes Rs. 3.380 million (June 30, 2014: Rs. Nil) on account of exchange loss on forward exchange contracts.

21.2 This amount includes Rs. 20.701 million (June 30, 2014: Rs. 23.008 million) on account of royalty payable to Lucky Holdings Limited.

21.3 This amount includes Pensioner medical liability of Rs. 9.696 million (June 30, 2014: Rs. 28.334 million).

Amounts in Rs '000

		As at June 30, 2015	As at June 30, 2014
21.4	**Workers' profit participation fund**		
	Balance at the beginning of the year	**114,557**	72,447
	Allocation for the year - note 29	**147,630**	111,435
		262,187	183,882
	Interest on funds utilised in the Group's businesses at 30% (June 30, 2014: 41.25%) per annum - note 30	**2,804**	3,400
	Less: Payment to the fund	**112,538**	72,725
	Balance at the end of the year	**152,453**	114,557

21.5 Interest on security deposits from certain distributors is payable at 10% (June 30, 2014: 8.8 %) per annum as specified in the respective agreements.

21.6 Included herein are amounts due to the following associated undertakings (related party):

	2015	2014
Gadoon Textile Mills	**238**	27,910
Yunus Textile Mills Limited	**267**	197
Fazal Textile Mills	**342**	764
	847	28,871

21.7 This figure is based on actuarial valuation and estimation.

		2015	2014
22	**Short-term borrowings and running finance**	**1,833,247**	437,368

Short-term borrowings and running finance facility from various banks aggregated to Rs. 5,196 million (June 30, 2014: Rs. 4,946 million) and carry mark-up during the year ranging from relevant KIBOR + 0.10% to 1.00% per annum with an average mark-up rate of relevant KIBOR + 0.28% on utilized limits (June 30, 2014: relevant KIBOR + 0.20% to 1.00% per annum with an average mark-up rate of relevant KIBOR + 0.20% on utilized limits). These facilities are secured by hypothecation charge over the present and future stock-in-trade and book debts of the Group.

		2015	2014
22.1	**Foreign currency loan against import finance**	-	267,368

The Group repaid Rs. 518.368 million out of which Rs. 251 million was obtained during the year. The foreign currency loan carried mark-up at relevant LIBOR + bank's spread which is decided at the time of disbursement.

		2015	2014
22.2	**Export refinance**	**241,962**	170,000

The Group has export refinance facility of upto Rs. 800 million (June 30, 2014: Rs. 200 million) available from Faysal Bank Limited as at June 30, 2015 out of which Rs. 242 million was utilized (June 30, 2014: Rs. 170 million). The above export refinance facility is secured by first pari passu hypothecation charge. The export refinance facility carries mark-up at State Bank of Pakistan rate (currently 5%) + 0.25% per annum (June 30, 2014: SBP rate 8.4% + 0.25% per annum).

		2015	2014
22.3	**Short-term running finance - secured**	**1,591,285**	-

Amounts in Rs '000

	As at June 30, 2015	As at June 30, 2014
23 Contingencies and commitments		
23.1 Claims against the Group not acknowledged as debts are as follows:		
Local bodies - note 23.1.1	**8,527**	49,972
Others	**28,529**	36,616
	37,056	86,588

23.1.1 Collectorate of Customs - Classification issue in PCT heading

Collectorate of Customs has raised an additional demand of Rs. 71.938 million against the Group on the ground that Group is classifying two of its imported product in wrong PCT Heading. Group has taken up the matter in high court as well as with Custom authorities considering that the same HS Code is being used globally as per manufacturer's product specification. Further, also on the basis of an independent laboratory report the Group is confident that there is no merit in the claim and is expecting favorable decision, therefore no provision has been made in this respect.

23.2 Also refer note 43 to these consolidated financial statements for income tax and sales contingencies.

23.3 Commitments in respect of capital expenditure (including various projects of the Soda Ash business and Polyester business) amounted to Rs. 2,629.500 million (June 30, 2014: Rs. 1,172.736 million).

23.4 During the year, the Group invested Rs. 720 million in the NutriCo Pakistan (Private) Limited (Morinaga business) out of total commitment of Rs. 960 million as reported earlier through signing of shareholders and share subscription agreements with Unibrands. At the Balance sheet date Rs. 240 million remains as a commitment.

23.5 Commitments for rentals under operating lease / Ijarah contracts in respect of vehicles amounting to Rs. 134.316 million (June 30, 2014: Rs. 155.610 million) are as follows:

Year		
2014-15	**-**	62,223
2015-16	**57,839**	49,215
2016-17	**45,988**	34,969
2017-18	**23,848**	9,203
2018-19	**6,641**	-
	134,316	155,610
Payable not later than one year	**57,839**	62,223
Payable later than one year but not later than five years	**76,477**	93,387
	134,316	155,610

23.6 Outstanding foreign exchange contracts as at June 30, 2015 entered into by the Group amounted to Rs. 383 million (June 30, 2014: Rs. Nil).

Amounts in Rs '000

24. Operating segment results

	Polyester		Soda Ash		Life Sciences		Chemicals		Others - PowerGen		Group	
	For the year ended June 30, 2015	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014
Sales												
Afghanistan	**-**	-	**3,343**	7,750	**-**	-	**4,755**	2,358	**-**	-	**8,098**	10,108
India	**-**	-	**818,352**	497,500	**-**	-	**-**	-	**-**	-	**818,352**	497,500
United Arab Emirates	**-**	-	**-**	-	**-**	-	**-**	50,410	**-**	-	**-**	50,410
Others	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
	-	-	**821,695**	505,250	**-**	-	**4,755**	52,768	**-**	-	**826,450**	558,018
Inter-segment	**-**	-	**-**	-	**-**	-	**14,662**	5,857	**829,302**	1,068,140	**843,964**	1,073,997
Local	**16,673,511**	19,667,433	**11,385,584**	10,427,943	**9,106,882**	7,504,584	**4,549,642**	4,479,076	**-**	-	**41,715,619**	42,079,036
	16,673,511	19,667,433	**12,207,279**	10,933,193	**9,106,882**	7,504,584	**4,569,059**	4,537,701	**829,302**	1,068,140	**43,386,033**	43,711,051
Commission / toll income	**-**	-	**-**	-	**-**	-	**51,879**	61,605	**-**	-	**51,879**	61,605
Turnover	**16,673,511**	19,667,433	**12,207,279**	10,933,193	**9,106,882**	7,504,584	**4,620,938**	4,599,306	**829,302**	1,068,140	**43,437,912**	43,772,656
Sales tax	**326,967**	385,692	**1,658,439**	1,518,523	**125,378**	40,978	**491,330**	479,680	**120,497**	155,200	**2,722,611**	2,580,073
Commission and discounts	**472,358**	439,358	**414,120**	425,196	**1,247,771**	859,787	**342,257**	315,968	**-**	-	**2,476,506**	2,040,309
	799,325	825,050	**2,072,559**	1,943,719	**1,373,149**	900,765	**833,587**	795,648	**120,497**	155,200	**5,199,117**	4,620,382
Net turnover	**15,874,186**	18,842,383	**10,134,720**	8,989,474	**7,733,733**	6,603,819	**3,787,351**	3,803,658	**708,805**	912,940	**38,238,795**	39,152,274
Cost of sales - note 26	**15,792,527**	19,066,559	**7,288,848**	6,622,359	**5,614,000**	4,792,331	**3,044,863**	3,106,244	**596,551**	768,714	**32,335,049**	34,354,467
Gross profit	**81,659**	(224,176)	**2,845,872**	2,367,115	**2,119,733**	1,811,488	**742,488**	697,414	**112,254**	144,226	**5,903,746**	4,797,807
Selling and distribution expenses - note 27	**238,369**	258,230	**278,420**	236,780	**1,017,286**	824,909	**247,914**	210,335	**-**	-	**1,781,989**	1,530,254
Administration and general expenses - note 28	**298,843**	309,150	**279,111**	264,293	**224,288**	201,989	**161,416**	120,221	**472**	994	**963,890**	896,407
Operating result	**(455,553)**	(791,556)	**2,288,341**	1,866,042	**878,159**	784,590	**333,158**	366,858	**111,782**	143,232	**3,157,867**	2,371,146
24.1 Segment assets - note 24.5	**8,726,169**	7,643,268	**14,144,573**	14,930,493	**6,261,565**	6,335,403	**2,644,678**	2,809,583	**309,488**	356,973	**23,701,463**	21,025,632
24.2 Unallocated assets											**2,829,594**	1,768,284
											26,531,057	22,793,916
24.3 Segment liabilities - note 24.5	**12,038,656**	11,008,737	**2,193,698**	3,997,977	**2,355,636**	2,429,086	**720,757**	940,215	**37,342**	63,328	**8,418,062**	6,915,778
24.4 Unallocated liabilities											**4,402,205**	3,734,693
											12,820,267	10,650,471

24.5 Inter unit current account balances of respective businesses have been eliminated from the total

24.6 Depreciation and amortisation charge note 3.5 and 4.1	**651,348**	528,092	**944,005**	751,803	**26,474**	23,750	**35,451**	35,095	**52,853**	42,479	**1,710,131**	1,381,219
24.7 Capital expenditure	**1,869,978**	1,627,533	**2,224,678**	803,035	**87,956**	43,008	**29,492**	35,233	**48,969**	21,694	**4,261,073**	2,530,503

24.8 Inter-segment pricing

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.

24.9 There were no major customer of the Group which formed part of 10% or more of the Group's revenue.

Amounts in Rs '000

	For the year ended June 30, 2015	For the Year ended June 30, 2014

25. Reconciliations of reportable segment turnover, cost of sales, assets and liabilities

25.1 Turnover

Total turnover for reportable segments - note 24	**43,437,912**	43,772,656
Elimination of inter-segment turnover - note 24	**(14,662)**	(5,857)
Elimination of inter-segment turnover from the subsidiary	**(829,302)**	(1,068,140)
Total turnover	**42,593,948**	42,698,659

25.2 Cost of sales

Total cost of sales for reportable segments - note 26	**32,335,049**	34,354,467
Elimination of inter-segment purchases - note 26	**(14,662)**	(5,857)
Elimination of inter-segment purchases from the subsidiary	**(829,302)**	(1,068,140)
Total cost of sales	**31,491,085**	33,280,470

	As at June 30, 2015	As at June 30, 2014

25.3 Assets

Total assets for reportable segments	**23,701,463**	21,025,632
Taxation recoverable	**2,054,870**	1,765,784
Long-term investments - note 5	**774,724**	2,500
Total assets	**26,531,057**	22,793,916

25.4 Liabilities

Total liabilities for reportable segments	**8,418,062**	6,915,778
Short-term loan	**1,833,247**	437,368
Long-term loan	**2,449,498**	3,187,026
Accrued mark-up	**56,658**	61,606
Unclaimed dividends - note 21	**62,802**	48,693
Total Liabilities	**12,820,267**	10,650,471

Amounts in Rs '000

26. Cost of Sales

	Polyester		Soda Ash		Life Sciences		Chemicals		Others - PowerGen		Group	
	For the year ended June 30, 2015	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014
Raw and packing materials consumed												
Opening stock	**878,010**	897,238	**552,167**	510,102	**636,348**	453,994	**272,821**	207,993	**24,582**	21,602	**2,363,928**	2,090,929
Purchases												
Inter-segment	**14,662**	5,857	**-**	-	**-**	-	**-**	-	**-**	-	**14,662**	5,857
Others	**12,796,443**	15,157,139	**2,140,074**	2,198,446	**1,869,484**	2,058,518	**1,681,793**	1,802,668	**459,629**	638,386	**18,947,423**	21,855,157
	12,811,105	15,162,996	**2,140,074**	2,198,446	**1,869,484**	2,058,518	**1,681,793**	1,802,668	**459,629**	638,386	**18,962,085**	21,861,014
	13,689,115	16,060,234	**2,692,241**	2,708,548	**2,505,832**	2,512,512	**1,954,614**	2,010,661	**484,211**	659,988	**21,326,013**	23,951,943
Closing stock - note 9	**(665,385)**	(878,010)	**(405,275)**	(552,167)	**(690,608)**	(636,348)	**(295,456)**	(272,821)	**(21,643)**	(24,582)	**(2,078,367)**	(2,363,928)
Raw and packaging material consumed	**13,023,730**	15,182,224	**2,286,966**	2,156,381	**1,815,224**	1,876,164	**1,659,158**	1,737,840	**462,568**	635,406	**19,247,646**	21,588,015
Salaries, wages and benefits - note 26.1	**396,114**	355,018	**742,219**	665,445	**5,585**	4,752	**49,005**	45,544	**18,654**	18,725	**1,211,577**	1,089,484
Stores and spares consumed	**169,137**	183,251	**113,416**	104,415	**2**	-	**14,829**	7,697	**18,789**	17,615	**316,173**	312,978
Conversion fee paid to contract manufacturers	**-**	-	**-**	-	**399,695**	396,884	**10,554**	10,056	**-**	-	**410,249**	406,940
Oil, gas and electricity	**1,328,146**	1,890,218	**2,882,548**	2,713,782	**-**	-	**14,434**	12,481	**33,259**	41,948	**4,258,387**	4,658,429
Rent, rates and taxes	**1,008**	936	**1,185**	1,098	**4,000**	-	**18,369**	14,321	**420**	420	**24,982**	16,775
Insurance	**16,772**	24,031	**25,957**	27,989	**14**	-	**1,894**	1,110	**1,183**	1,395	**45,820**	54,525
Repairs and maintenance	**6,587**	4,596	**856**	891	**290**	608	**5,269**	4,678	**120**	120	**13,122**	10,893
Depreciation and amortisation charge - note 3.5 and 4.1	**627,248**	500,637	**924,969**	728,703	**487**	262	**15,203**	13,830	**52,853**	42,479	**1,620,760**	1,285,911
Write-offs	**-**	1,708	**-**	20,706	**-**	-	**-**	751	**-**	82	**-**	23,247
Excise duty	**-**	-	**-**	-	**-**	-	**-**	-	**7,171**	9,321	**7,171**	9,321
Technical fees	**-**	-	**-**	-	**1,386**	1,020	**2,793**	2,807	**-**	-	**4,179**	3,827
Royalty	**-**	-	**-**	-	**2,635**	1,629	-	-	**-**	-	**2,635**	1,629
General expenses	**179,196**	161,364	**169,304**	148,485	**1,115**	967	**17,367**	16,152	**1,534**	1,203	**366,776**	326,431
Opening stock of work-in-process	**143,343**	170,516	**-**	-	**16,447**	59,475	**5,551**	2,850	**-**	-	**165,341**	232,841
Closing stock of work-in-process - note 9	**(72,137)**	(143,343)	**-**	-	**(13,391)**	(16,447)	**(10,506)**	(5,551)	**-**	-	**(96,034)**	(165,341)
Cost of goods manufactured	**15,819,144**	18,331,156	**7,147,420**	6,567,895	**2,233,489**	2,325,314	**1,803,920**	1,864,566	**596,551**	768,714	**27,598,784**	29,855,905
Opening stock of finished goods	**395,205**	994,304	**24,303**	78,767	**1,291,836**	793,560	**366,603**	404,476	**-**	-	**2,077,947**	2,271,107
Finished goods purchased	**62,560**	136,304	**299,155**	-	**3,780,829**	2,977,682	**1,320,782**	1,203,805	**-**	-	**5,463,326**	4,317,791
	16,276,909	19,461,764	**7,470,878**	6,646,662	**7,306,154**	6,096,556	**3,491,305**	3,472,847	**596,551**	768,714	**35,140,057**	36,444,803
Closing stock of finished goods - note 9	**(484,382)**	(395,205)	**(182,030)**	(24,303)	**(1,668,871)**	(1,291,836)	**(433,725)**	(366,603)	**-**	-	**(2,769,008)**	(2,077,947)
Provision for slow moving and obsolete stock-in-trade - note 28	**-**	-	**-**	-	**(23,283)**	(12,389)	**(12,717)**	-	**-**	-	**(36,000)**	(12,389)
	15,792,527	19,066,559	**7,288,848**	6,622,359	**5,614,000**	4,792,331	**3,044,863**	3,106,244	**596,551**	768,714	**32,335,049**	34,354,467

26.1 Staff retirement benefits

Salaries, wages and benefits include Rs. 30.172 million (June 30, 2014: Rs. 31.585 million) in respect of staff retirement benefits.

Amounts in Rs '000

27. Selling and distribution expenses

	Polyester		Soda Ash		Life Sciences		Chemicals		Others - PowerGen		Group	
	For the year ended June 30, 2015	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014	**For the year ended June 30, 2015**	For the year ended June 30, 2014
Salaries and benefits - note 27.1	**51,474**	48,465	**36,762**	31,318	**490,878**	405,101	**95,828**	82,227	**-**	-	**674,942**	567,111
Repairs and maintenance	**97**	155	**2,087**	1,810	**4,740**	2,828	**2,545**	2,491	**-**	-	**9,469**	7,284
Advertising and publicity expenses	**2,544**	1,103	**6,473**	15,409	**143,544**	118,980	**7,331**	5,347	**-**	-	**159,892**	140,839
Rent, rates and taxes	**416**	400	**2,294**	3,015	**8,546**	7,936	**1,227**	1,225	**-**	-	**12,483**	12,576
Insurance	-	-	**317**	370	**9,767**	7,238	**2,695**	2,264	**-**	-	**12,779**	9,872
Lighting, heating and cooling	**118**	107	**2,227**	1,862	**3,709**	3,336	**7,780**	6,292	**-**	-	**13,834**	11,597
Depreciation and amortisation charge - note 3.5 and 4.1	**-**	-	**92**	97	**13,972**	10,416	**5,600**	5,256	**-**	-	**19,664**	15,769
Write-offs	**-**	-	**-**	-	**-**	862	**-**	-	**-**	-	**-**	862
Outward freight and handling	**7,405**	2,751	**116,473**	81,359	**89,805**	61,650	**74,544**	66,133	**-**	-	**288,227**	211,893
Travelling expenses	**9,621**	7,415	**3,249**	3,138	**144,124**	116,545	**21,200**	16,408	**-**	-	**178,194**	143,506
Postage, telegram, telephone and telex	**1,166**	1,155	**1,388**	1,191	**19,917**	17,982	**3,577**	3,425	**-**	-	**26,048**	23,753
Royalty	**158,742**	188,424	**101,347**	89,895	-	-	**-**	-	**-**	-	**260,089**	278,319
General expenses	**6,786**	8,255	**5,711**	7,316	**88,284**	72,035	**25,587**	19,267	**-**	-	**126,368**	106,873
	238,369	258,230	**278,420**	236,780	**1,017,286**	824,909	**247,914**	210,335	**-**	-	**1,781,989**	1,530,254

27.1 Staff retirement benefits

Salaries and benefits include Rs. 11.758 million (June 30, 2014: Rs. 13.776 million) in respect of staff retirement benefits.

28. Administration and general expenses

	Polyester		Soda Ash		Life Sciences		Chemicals		Others - PowerGen		Group	
	2015	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
Salaries and benefits - note 28.1	**178,663**	186,182	**165,383**	168,080	**118,139**	113,873	**82,952**	79,650	**-**	-	**545,137**	547,785
Repairs and maintenance	**3,089**	4,235	**3,601**	3,470	**5,970**	4,732	**1,133**	1,185	**-**	-	**13,793**	13,622
Advertising and publicity expenses	**1,781**	5,057	**1,915**	5,778	**967**	1,915	**457**	1,249	**-**	-	**5,120**	13,999
Rent, rates and taxes	**9,041**	5,645	**7,164**	2,986	**2,731**	965	**1,548**	645	**-**	-	**20,484**	10,241
Insurance	**596**	1,310	**713**	1,567	**4,824**	2,793	**227**	426	**-**	-	**6,360**	6,096
Lighting, heating and cooling	**5,625**	6,241	**3,984**	4,905	**10,849**	9,118	**861**	1,060	**-**	-	**21,319**	21,324
Depreciation and amortisation charge - note 3.5 and 4.1	**24,100**	27,455	**18,944**	23,003	**12,015**	13,072	**14,648**	16,009	**-**	-	**69,707**	79,539
Write-offs	**-**	993	**-**	1,188	-	667	-	448	**-**	-	**-**	3,296
Provision for doubtful debts - note 40.6	**2,956**	-	**-**	-	**2,218**	1,556	**21,021**	-	**-**	-	**26,195**	1,556
Provision for slow moving and obsolete stock-in-trade - note 9.1	**-**	-	**-**	-	**23,283**	12,389	**12,717**	-	**-**	-	**36,000**	12,389
Provision for slow moving stores and spares - note 8.2	**-**	-	**15,044**	52	**-**	102	**-**	-	**-**	-	**15,044**	154
Travelling expenses	**7,784**	7,872	**5,299**	4,753	**6,759**	7,113	**4,739**	4,109	**-**	-	**24,581**	23,847
Postage, telegram, telephone and telex	**3,179**	3,276	**2,899**	3,154	**2,648**	2,935	**1,481**	1,707	**-**	-	**10,207**	11,072
General expenses	**62,029**	60,884	**54,165**	45,357	**33,885**	30,759	**19,632**	13,733	**472**	994	**169,943**	151,487
	298,843	309,150	**279,111**	264,293	**224,288**	201,989	**161,416**	120,221	**472**	994	**963,890**	896,407

28.1 Staff retirement benefits

Salaries and benefits include Rs. 8.650 million (June 30, 2014: Rs. 12.274 million) in respect of staff retirement benefits.

Amounts in Rs '000

		For the year ended June 30, 2015	For the Year ended June 30, 2014
29	**Other charges**		
	Auditors' remuneration - note 29.1	**4,772**	3,937
	Donations - note 29.2	**20,145**	17,452
	Workers' profit participation fund - note 21.4	**147,630**	111,435
	Workers' welfare fund	**57,187**	43,140
	Loss on disposal of operating fixed assets	**-**	15,069
	Others	**15,104**	-
		244,838	191,033
29.1	**Auditors' remuneration**		
	Statutory audit fee	**2,758**	2,300
	Half yearly review and other certifications	**1,120**	950
	Out of pocket expenses	**894**	687
		4,772	3,937

29.2 Represent provision in respect of donation to ICI Pakistan Foundation (Head office, Karachi). Mr. Asif Jooma, Director of the Group, Mr. Suhail Aslam Khan, Mr. Asif Malik, Ms. Saima Kamila Khan and Ms. Fathema Zuberi, Executives of the Company are amongst the Trustees of the Foundation. No amount has been paid during the current year and corresponding year.

30	**Finance costs**		
	Mark-up	**292,444**	327,724
	Interest on workers' profit participation fund - note 21.4	**2,804**	3,400
	Discounting charges on receivables	**59,230**	46,292
	Exchange losses	**48,190**	4,775
	Guarantee fee and others	**900**	5,833
		403,568	388,024
31	**Other income**		
	Income from financial assets		
	Profit on short-term and call deposits	**649**	368
	Income from non-financial assets		
	Scrap sales	**69,252**	67,994
	Gain on disposal of operating fixed assets	**5,532**	988
	Provisions and accruals no longer required written back	**9,936**	138,552
	Exchange gain	-	104,774
	Dividend from investment in equity shares	**40,000**	-
	Sundries	**17,046**	9,100
		142,415	321,776
32	**Taxation**		
	Current	**535,518**	311,133
	Prior	**-**	(102,548)
	Deferred	**42,268**	70,163
	Net tax charged - note 32.1	**577,786**	278,748

Amounts in Rs '000

		For the year ended June 30, 2015	For the Year ended June 30, 2014
32.1	**Tax reconciliation**		
	Profit before tax	**2,854,100**	2,113,865
	Tax @ 33% (June 30, 2014: 34%)	**941,853**	718,714
	Tax impact on profit of the Subsidiary	**(32,467)**	(45,186)
	Tax impact on share of profit of associate	**(51,734)**	-
	Effect of prior year charge	-	(102,548)
	Effect of credit under section 65B	**(245,834)**	(316,690)
	Effect of change in tax rate on beginning deferred tax balance	**(36,922)**	(62,510)
	Tax impact due to change of FTR ratio	**(51,183)**	89,034
	Super Tax	**75,289**	-
	Tax effect of dividend (taxed at 10% instead of 33%)	**(9,200)**	-
	Tax effect of items not deductible for tax purposes	**5,410**	7,278
	Others	**(17,426)**	(9,344)
	Net tax charged	**577,786**	278,748
	Average effective tax rate	**20%**	13%
33	**Basic and diluted earnings per share (EPS)**		
	Profit after taxation for the year	**2,276,314**	1,835,117
		Number of shares	
	Weighted average number of ordinary shares in issue during the year	**92,359,050**	92,359,050
		Rupees	
	Basic and diluted earnings per share (EPS)	**24.65**	19.87

34. Remuneration of chief executive, directors and executives

The amounts charged in the financial statements for the remuneration, including all benefits, to the chief executive, directors and executives of the Group were as follows:

	Chief Executive		**Directors**		**Executives**		**Total**	
	For the year ended June 30, 2015	For the Year ended June 30, 2014	**For the year ended June 30, 2015**	For the Year ended June 30, 2014	**For the year ended June 30, 2015**	For the Year ended June 30, 2014	**For the year ended June 30, 2015**	For the Year ended June 30, 2014
Managerial remuneration	**47,375**	46,447	**30,716**	41,251	**729,978**	608,524	**808,069**	696,222
Retirement benefits	**7,754**	7,601	**5,463**	6,058	**156,161**	132,789	**169,378**	146,448
Group insurance	**29**	34	**29**	68	**4,263**	4,401	**4,321**	4,503
Rent and house maintenance	**961**	894	-	-	**207,980**	176,263	**208,941**	177,157
Utilities	**656**	783	-	-	**52,263**	43,780	**52,919**	44,563
Medical expenses	**59**	71	**45**	178	**36,098**	31,090	**36,202**	31,339
	56,834	55,830	**36,253**	47,555	**1,186,743**	996,847	**1,279,830**	1,100,232
Number of persons as at the balance sheet date	**1**	1	**1**	1	**523**	448	**525**	450

34.1 Remuneration paid to Chairman during the year was Rs. Nil (June 30, 2014: Rs. Nil).

Amounts in Rs '000

34.2 The directors and certain executives are provided with free use of cars (obtained on lease by Company) in accordance with their entitlement. The chief executive is provided with free use of the Company car, certain household equipment and maintenance when needed.

34.3 During the year fee paid to non executive directors amount to Rs. 4.375 million (June 30, 2014: Rs. 1.863 million) for attending board and other meetings, which is not part of remuneration.

34.4 The above amounts include an amount of Rs. 186.860 million (June 30, 2014: Rs. 189.010 million) on account of remuneration of key management personnel out of which Rs. 29.120 million (June 30, 2014: Rs. 29.310 million) relates to post employment benefits.

		As at and for the year ended June 30, 2015	As at and for the year ended June 30, 2014
34.5	Total number of employees as at the balance sheet date	**1255**	1153
	Average number of employees during the year	**1218**	1100

35. Transactions with related parties

The related parties comprise the holding company (Lucky Holdings Limited), the ultimate parent company (Lucky Cement Limited) and related group companies, local associated company, directors of the Company, companies where directors also hold directorship, key employees (note 34) and staff retirement funds (note 18). Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	For the year ended June 30, 2015	For the Year ended June 30, 2014
Holding Company		
Dividend	**625,591**	278,396
Royalty	**260,089**	278,319
Associated companies		
Purchase of goods, materials and services	**44,459**	17,167
Sale of goods and materials	**1,457,755**	1,646,191
Dividend	**99,523**	44,233
Reimbursement of Expenses	**43,197**	-

36. Plant capacity and annual production

- in metric tonnes except PowerGen which is in thousands of Megawatt hours:

	For the year ended June 30, 2015		For the year ended June 30, 2014	
	Annual Name Plate Capacity	**Production**	Annual Name Plate Capacity	Production
Polyester	**122,250**	**115,711**	122,000	109,810
Soda Ash	**350,000**	**308,499**	350,000	287,445
Chemicals - note 36.2	**-**	**13,299**	-	15,643
Sodium Bicarbonate	**26,000**	**27,840**	26,000	27,000
PowerGen - note 36.3	**122,640**	**40,059**	122,640	42,873

36.1 Production of Soda Ash as compared to last year was greater as coal fired boilers operated during the year at full capacity. Overall production of Soda Ash and Polyester is lower due to market demand as compared to capacity.

36.2 The capacity of Chemicals is indeterminable because these are multi-product plants.

36.3 Electricity by PowerGen is produced as per demand of the Polyester division of the Holding Company.

Amounts in Rs '000

37. Fair value of financial assets and liabilities

The carrying amounts of the financial assets and financial liabilities as at the balance sheet date approximate their fair values.

38 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

38.1 Risk management framework

The Board of Directors has overall responsibility for establishment and oversight of the Group's risk management framework. The executive management team is responsible for developing and monitoring the Group's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees compliance by management with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

39 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk currency risk, interest rate risk and other price risk.

39.1 Interest rate risk

Interest rate risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group mitigates its risk against the exposure by focusing on short-term investment and maintaining adequate bank balances. At the balance sheet date the interest rate profile of Group's interest-bearing financial instruments were:

	Carrying Amount	
	As at June 30, 2015	As at June 30, 2014
Fixed rate instruments		
Financial assets - Note 14	**106,000**	103,000
Financial liabilities - Note 19 and 21	**(326,480)**	(993,168)
	(220,480)	(890,168)
Variable rate instruments		
Financial liabilities - note 19 and 22	**(4,061,026)**	(2,737,368)
	(4,061,026)	(2,737,368)

Sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, therefore a change in interest rates at the balance sheet date would not affect profit or loss.

Sensitivity analysis for variable rate instruments

If KIBOR had been 1% higher / lower with all other variables held constant, the impact on the profit before tax for the year would have been Rs. 40.610 million (June 30, 2014: Rs. 27.370 million).

Amounts in Rs '000

39.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises mainly where receivables and payables exist due to transactions entered into are denominated in foreign currencies. The Group is exposed to foreign currency risk on sales and purchases which are entered in a currency other than Pak Rupees. When the management expects future depreciation of Pak Rupees, the Group enters into forward foreign exchange contracts in accordance with State Bank of Pakistan instructions and the Group's treasury policy. The policy allows the Group to take currency exposure within predefined limits while open exposures are rigorously monitored.

Following is the gross balance sheet exposure classified into separate foreign currencies:

	EURO	USD	GBP	JPY
		As at June 30, 2015		
Other receivables	**3,103**	**14,432**	**-**	**-**
Cash and bank balances	**-**	**7,525**	**-**	**-**
	3,103	**21,957**	**-**	**-**
Trade and other payables	**(123,418)**	**(1,772,713)**	**(1,097,018)**	**(2,092)**
Gross balance sheet exposure	**(120,315)**	**(1,750,756)**	**(1,097,018)**	**(2,092)**
		As at June 30, 2014		
Other receivables	4,092	11,280	-	-
Cash and bank balances	-	6,897	-	-
	4,092	18,177	-	-
Trade and other payables	(63,171)	(1,276,899)	(1,050,235)	(104)
Gross balance sheet exposure	(59,079)	(1,258,722)	(1,050,235)	(104)

Significant exchange rates applied during the year were as follows:

	Average rate		**Spot rate**	
	For the year ended June 30, 2015	For the year ended June 30, 2014	**As at June 30, 2015**	As at June 30, 2014
Rupees per	**Rupees**		**Rupees**	
EURO	**121.72**	**134.97**	112.95	134.94
USD	**101.46**	**98.90**	101.80	98.80
GBP	**159.58**	**168.43**	159.90	168.15
JPY	**0.89**	**0.98**	0.83	0.97

Sensitivity analysis

Every 1% increase or decrease in exchange rate with all other variables held constant will decrease or increase profit before tax for the year by Rs. 29.681 million (June 30, 2014: Rs. 23.680 million). The following table demonstrates the sensitivity to the change in exchange rates. As at June 30, 2015, if Pak Rupee (PKR) had weakened / strengthened by 1% against other currencies, with all other variables held constant, the effect on the Group's profit before tax at June 30, 2015 and June 30, 2014 would be as follows:

	Increase / decrease in exchange rates	Effect on Profit before tax (EURO)	Effect on Profit before tax (USD)	Effect on Profit before tax (GBP)	Effect on Profit before tax (JPY)
2015					
Pak Rupee	**+1%**	**1,203**	**17,508**	**10,970**	**21**
Pak Rupee	**-1%**	**(1,203)**	**(17,508)**	**(10,970)**	**(21)**
2014					
Pak Rupee	+1%	591	12,587	10,502	1
Pak Rupee	-1%	(591)	(12,587)	(10,502)	(1)

Amounts in Rs '000

40. Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter-parties failed completely to perform as contracted. The Group does not have significant exposure to any individual counter-party. To reduce exposure to credit risk the Group has developed a formal approval process whereby credit limits are applied to its customers. The management also continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery. To mitigate the risk, the Group has a system of assigning credit limits to its customers based on an extensive evaluation based on customer profile and payment history. Outstanding customer receivables are regularly monitored. Some customers are also secured, where possible, by way of inland letters of credit, cash security deposit, bank guarantees and insurance guarantees.

The Group's gross maximum exposure to credit risk at the balance sheet date is as follows:

	As at June 30, 2015	As at June 30, 2014
40.1 Financial assets		
Long-term investment - note 5	**774,724**	2,500
Long-term loans - note 6	**326,515**	256,525
Long-term deposits - note 7	**27,323**	25,679
Trade debts - note 10	**1,431,094**	883,710
Loans and advances - note 11	**325,259**	193,000
Trade deposits - note 12	**28,399**	26,008
Other receivables - note 13	**610,555**	1,201,665
Bank balances - note 14	**115,046**	850,210
	3,638,915	3,439,297

40.2 The Group has placed its funds with banks which is rated A1+ by PARCA and A-1+ by JCR-VIS.

40.3 Financial assets

- Secured	**570,098**	483,507
- Unsecured	**3,068,817**	2,955,790
	3,638,915	3,439,297

40.4 The ageing of trade debts and loans and advances at the balance sheet date is as follows:

Not past due	**1,638,221**	922,537
Past due but not impaired:		
Not more than three months	**120,055**	106,392
Past due and Impaired:		
More than three months and not more than six months	**3,709**	3,726
More than six months and not more than nine months	**177**	4,448
More than nine months and not more than one year	**8,328**	2,321
More than one year	**26,850**	138,242
	159,119	255,129
Less: Provision for:		
- Doubtful debts - note 10	**40,987**	93,664
- Doubtful loans and advances - note 11	**-**	7,292
	40,987	100,956
	1,756,353	1,076,710

40.4.1 There were no past due or impaired receivables from related parties.

Amounts in Rs '000

	As at June 30, 2015	As at June 30, 2014

40.5 The maximum exposure to credit risk for past due and impaired at the reporting date by type of counterparty was:

	As at June 30, 2015	As at June 30, 2014
Wholesale customers	**22,657**	98,054
Retail customers	**111,127**	26,008
End-user customers	**25,335**	131,067
	159,119	255,129
Less: Provision for:		
- Doubtful debts - note 10	**40,987**	93,664
- Doubtful loans and advances - note 11	**-**	7,292
	40,987	100,956
	118,132	154,173

40.6 Movement of provision for doubtful debts, loans and advances

	Trade debts	**Loans and advances**	**Total**	Total
Balance at the beginning of the year	**93,664**	**7,292**	**100,956**	102,094
Additional provision - note 28	**26,195**	**-**	**26,195**	1,556
Written off during the year	**(78,872)**	**(7,292)**	**(86,164)**	(194)
Provision no longer required	-	-	-	(2,500)
Balance at the end of the year	**40,987**	**-**	**40,987**	100,956

40.6.1 The recommended approach for provision is to assess the top layer (covering 50%) of trade receivables on an individual basis and apply a dynamic approach to the remainder of receivables. The procedure introduces a Group-standard for dynamic provisioning:

- Provide an impairment loss for 50% of the outstanding receivable when overdue more than 90 days, and
- Provide an impairment loss for 100% when overdue more than 120 days.

40.7 Concentration risk

The sector wise analysis of receivables, comprising trade debts, loans and advances and bank balances are given below:

	As at June 30, 2015	As at June 30, 2014
Textile and chemicals	**511,797**	456,956
Glass	**72,237**	132,285
Paper and board	**92,091**	12,057
Pharmaceuticals	**323,162**	77,862
Paints	**18,181**	16,893
Banks	**120,447**	850,210
Loans and advances and others	**774,471**	481,613
	1,912,386	2,027,876
Less: Provision for:		
- Doubtful debts - note 10	**40,987**	93,664
- Doubtful loans and advances - note 11	**-**	7,292
	40,987	100,956
	1,871,399	1,926,920

40.8 Other price risk is the risk that the value of future cash flows of the financial instrument will fluctuate because of changes in market prices such as equity price risk. Equity price risk is the risk arising from uncertainties about future values of investment securities. As at the balance sheet date, the Group is not materially exposed to other price risk.

Amounts in Rs '000

41. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The Group treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

The table below analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to the maturity date.

	Carrying amount	**Contractual cash flows**	**Less than one year**
		As at June 30, 2015	
Financial liabilities			
Trade creditors - note 21	**1,224,198**	**(1,224,198)**	**(1,224,198)**
Bills payable - note 21	**2,964,927**	**(2,964,927)**	**(2,964,927)**
Accrued mark-up	**56,658**	**(56,658)**	**(56,658)**
Accrued expenses - note 21	**1,464,383**	**(1,464,383)**	**(1,464,383)**
Technical service fee / Royalty - note 21	**21,401**	**(21,401)**	**(21,401)**
Distributors' security deposits - payable on termination of distributorship - note 21 and 21.5	**104,761**	**(115,237)**	**(115,237)**
Contractors' earnest / retention money - note 21	**10,946**	**(10,946)**	**(10,946)**
Unclaimed dividends - note 21	**62,802**	**(62,802)**	**(62,802)**
Payable for capital expenditure - note 21	**812,437**	**(812,437)**	**(812,437)**
Others - note 21	**98,952**	**(98,952)**	**(98,952)**
Long-term loan - note 19	**2,449,498**	**(2,449,498)**	**(955,555)**
Short-term borrowings - note 22	**1,833,247**	**(1,833,247)**	**(1,833,247)**
	11,104,210	**(11,114,686)**	**(9,620,743)**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amount.

		As at June 30, 2014	
Financial liabilities			
Trade creditors - note 21	1,387,666	(1,387,666)	(1,387,666)
Bills payable - note 21	2,338,350	(2,338,350)	(2,338,350)
Accrued mark-up	61,606	(61,606)	(61,606)
Accrued expenses - note 21	975,458	(975,458)	(975,458)
Technical service fee / royalty - note 21	23,686	(23,686)	(23,686)
Distributors' security deposits - payable on termination of distributorship - note 21 and 21.5	106,142	(115,482)	(115,482)
Contractors' earnest / retention money - note 21	9,809	(9,809)	(9,809)
Unclaimed dividends - note 21	48,692	(48,692)	(48,692)
Payable for capital expenditure - note 21	329,509	(329,509)	(329,509)
Others - note 21	147,655	(147,655)	(147,655)
Long-term loan - note 19	3,187,026	(3,187,026)	(872,221)
Short-term borrowings - note 22	437,368	(437,368)	(437,368)
	9,052,967	(9,062,307)	(6,747,502)

Amounts in Rs '000

42. Capital risk management

The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and to maintain a strong capital base to support the sustained development of its businesses.

The Group manages its capital structure by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares. The Group also monitors capital using a gearing ratio, which is net debt, interest bearing loans and borrowings including finance cost thereon, trade and other payables, less cash and bank balances. Capital signifies equity as shown in the balance sheet plus net debt. The gearing ratio as at June 30, 2015 and June 30, 2014 is as follows:

	As at June 30, 2015	As at June 30, 2014
Long-term loans	**2,449,498**	3,187,026
Short-term borrowings and running finance	**1,833,247**	437,368
Total debt	**4,282,745**	3,624,394
Cash and bank balances	**(120,447)**	(858,204)
Net debt	**4,162,298**	2,766,190
Share capital	**923,591**	923,591
Capital reserves	**309,643**	309,643
Unappropriated profit	**11,755,187**	10,125,694
Equity	**12,988,421**	11,358,928
Capital	**17,150,719**	14,125,118
Gearing ratio	**24.27%**	19.58%

43. Accounting estimates and judgements

Income and sales taxes

The Group takes into account the current income and sales tax law and decisions taken by appellate authorities. Instances where the Groups's view differs from the view taken by the authorities at the assessment stage and where the Group considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities (unless there is remote possibility of transfer of benefits). The details of the tax matters are as follows:

In the case of assessment year 1998-99, the Appellate Tribunal Inland Revenue (The Tribunal) on September 19, 2008 had set aside the assessments made by FBR. The re-assessment was finalized by the department on June 29, 2010 in which the issues pertaining to date of commissioning of PTA's plant and the tax depreciation claimed thereon, restriction of cost of capitalization of PTA plant and addition to income in respect of trial production stocks were decided against the Group. The Group had filed an appeal against the said order before the CIR (Appeals) which is pending for hearing.

In the case of assessment year 2001-2002, FBR had made an assessment on May 29, 2002 while deciding the issues related to claim and carry forward of depreciation pertaining to PTA's assets in our favor. The depreciation related to PTA's assets was claimed by the Group in assessment year 2001-02 and the unabsorbed part was carried forward and adjusted till tax year 2010. FBR reopened the income tax assessment for the assessment year 2001-02 under section 122(5A) of the Income Tax Ordinance, 2001 on the ground that demerger of PTA business from ICI Pakistan was effective from the completion date i.e. August 6, 2001 which falls in assessment year 2002-03. This was challenged by the Group in the High Court which upheld the Group's contention that FBR did not have the right to reopen this finalized assessment of assessment year 2001-02 under the Income Tax Ordinance, 2001 since assessment year 2001-02 pertained to the period in which Income Tax Ordinance, 1979 was effective. FBR filed an appeal in the Supreme Court against the High Court's order which also maintained the decision of

High Court that the cases finalized under the old law of 1979 cannot be reopened under the new law of 2001. After the Supreme Court's decision, FBR issued an order under section 66A of the old law i.e. Income Tax Ordinance, 1979. In response, the Group filed an appeal before the Tribunal which decided the case in Group's favor on the basis that order issued on May 7, 2012 was barred by time. FBR filed an appeal in the High Court in 2013 against the decision of the Tribunal which is pending for hearing. In the meanwhile, FBR also issued an order through which Tribunal's order has been given effect and Group's position has been accepted.

In the case of assessment year 2002-2003, on receipt of notice under section 62 of the Income Tax Ordinance, 1979, the Group had filed a writ petition in the Supreme Court, after it being dismissed by the Sindh High Court on maintainability, challenging FBR's notice which stated that the effective date of PTA's demerger was August 6, 2001 (falling in assessment year 2002-03) rather than the effective date given in the Scheme of Arrangement as October 1, 2000 (which falls in assessment year 2001-02). The notice had raised certain issues relating to vesting of PTA assets by the Group. On March 18, 2015, the Supreme Court has passed an interim order stating that this case has nexus with the case of assessment year 2001-02 and hearing will take place once the High Court decides the case in assessment year 2001-02.

In the case of Tax Years 2003, 2004, 2005, 2006, 2007, 2008, 2009 and 2010, FBR had made disallowances on the matters related to provisions charged under various heads, financial charges, gain on disposal of fixed assets, exchange loss, proration of expenses against capital gains and interest free loans offered to employees. The CIR (Appeals) has allowed all the issues in Tax Years 2003 to 2010 in our favor (except 2 issues in tax year 2003 and 2010) against which appeals have been filed by FBR in the Tribunal. On the 2 issues pertaining to tax year 2003 and 2010 decided against us, we have filed an appeal in the Tribunal against CIR (Appeals)'s decision. No hearings have yet taken place.

In course of conducting a sales tax audit for the period July 2012 to June 2013, DCIR of FBR raised certain issues with respect to exemption and zero-rating / reduced rate benefit available to the Group on its sales. On September 12, 2014 the Group received an order in which demand of Rs 952 million was raised. An appeal was filed with CIR(A) which was decided against the Group however directions were given to DCIR to amend the original order if the returns are revised by the Group subject to approval of FBR itself. The application for revision of return filed by the Group is pending with FBR. The Group being aggrieved has filed a suit in the Sindh High Court for relief in which the Court has granted ad-interim relief till the next date of hearing which is yet to take place. The Group is confident that there is no merit in this claim of FBR regarding revenue loss and hence, considering no probability that the case would be decided against the Group, no provision in respect of this has been made in these financial statements.

Pension and Gratuity

Certain actuarial assumptions have been adopted as disclosed in note 18 to the consolidated financial statements for valuation of present value of defined benefit obligations and fair value of plan assets. Any changes in these assumptions in future years might affect gains and losses in those years.

Property, plant and equipment

The estimates for revalued amounts, if any, of different classes of property, plant and equipment, are based on valuation performed by external professional valuer and recommendation of technical teams of the Group. The said recommendations also include estimates with respect to residual values and depreciable lives. Further, the Group reviews the value of the assets for possible impairment on an annual basis. The future cash flows used in the impairment testing of assets is based on management's best estimates which may change in future periods. Any change in the estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding affect on the depreciation charge and impairment.

44 Standards, amendments and interpretation adopted during the year

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those of the previous financial year except as follows:

44.1 New, amended and revised standards and interpretations of IFRSs

The Group has adopted the following standard, amendments and interpretation of IFRSs which became effective for the current year:

IAS 19 - Employee Benefits - (Amendment) - Defined Benefit Plans: Employee Contributions

IAS 32 - Financial Instruments: Presentation - (Amendment) - Offsetting Financial Assets and Financial Liabilities

IAS 36 - Impairment of Assets - (Amendment) - Recoverable amount Disclosures for Non - Financial Assets

IAS 39 - Financial Instruments: Recognition and Measurement - (Amendment) - Novation of Derivatives and Continuation of Hedge Accounting

IFRIC 21 - Levies

Improvements to Accounting Standards issued by the IASB

IFRS 2 - Share Based Payment - Definitions of vesting conditions

IFRS 3 - Business Combinations - Accounting for contingent consideration in a business combination

IFRS 3 - Business Combinations - Scope exceptions for joint ventures

IFRS 8 - Operating Segments - Aggregation of operating segments

IFRS 8 - Operating Segments - Reconciliation of the total of the reportable segments assets to the entity's assets

IFRS 13 - Fair Value Measurement - Scope of paragraph 52 (portfolio exception)

IAS16 - Property, Plant and Equipment and IAS 38 Intangible Assets – Revaluation method – proportionate restatement of accumulated depreciation / amortisation

IAS 24 - Related Party Disclosures - Key management personnel

IAS 40 - Investment Property - Interrelationship between IFRS 3 and IAS 40 (ancillary services)

The adoption of the above revision, amendments and interpretation of the standards did not have any effect on the consolidated financial statements.

Standards, interpretations and amendments to approved Accounting Standards that are not yet effective

The following are the standards and interpretations, which have been issued but are not yet effective for the current financial year:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 10 - Consolidated Financial Statements	January 01, 2015
IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 27 Separate Financial Statements - Investments Entities (Amendment)	January 01, 2015
IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interest in Other Entities and IAS 27 Separate Financial Statements - Investments Entities: Applying the Consolidation Exception (Amendment)	January 01, 2016
IFRS 10 - Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment).	January 01, 2016
IFRS 11 - Joint Arrangements	January 01, 2015
IFRS 11 - Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment).	January 01, 2016
IFRS 12 - Disclosure of Interests in Other Entities	January 01, 2015
IFRS 13 - Fair Value Measurement	January 01, 2015
IAS 1 - Presentation of Financial Statements - Disclosure Initiative (Amendment)	January 01, 2016
IAS 16 - Property, Plant and Equipment and IAS 38 Intangible Assets - Clarification of Acceptable Method of Depreciation and Ammortization (Amendment)	January 01, 2016
IAS 16 - Property, Plant and Equipment and IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)	January 01, 2016
IAS 27 - Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment).	January 01, 2016

Amounts in Rs '000

The above standards and amendments are not expected to have any material impact on the Group's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after January 01, 2016. The Group expects that such improvements to the standards will not have any impact on the Group's financial statements in the period of initial application.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 14 – Regulatory Deferral Accounts	January 01, 2016
IFRS 15 – Revenue from Contracts with Customers	January 01, 2018

45 Post balance sheet events - dividends

The Directors in their meeting held on August 26, 2015 have recommended a final dividend of Rs. 6.5 per share (June 30, 2014: Rs. 4 per share) in respect of year ended June 30, 2015. This dividend is in addition to interim dividend paid of Rs. 5 per share during the current year. The consolidated financial statements for the year ended June 30, 2015 do not include the effect of the final dividend which will be accounted for in the year in which it is approved.

The Finance Act, 2015 introduced a tax on every public company at the rate of 10% of such undistributed reserves which exceeds the amount of its paid up capital. However, this tax shall not applied in case of a public company which distribute cash dividend equal to at least either 40% of its after tax profits or 50% of its paid up capital, within the prescribed time after the end of the relevant tax year.

Based on the pattern of distribution of dividend by the Group, the distributed dividend already meets the minimum dividend requirement as aforesaid. Accordingly, the Group would not be liable to pay tax on its undistributed reserves as of June 30, 2015.

46 Date of authorization

These consolidated financial statements were authorised for issue in the Board of Directors meeting held on August 26, 2015.

47 General

47.1 Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

47.2 Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Glossary

ACCA	Association of Chartered Certified Accountants
ADD	Anti Dumping Duties
AGM	Annual General Meeting
APCMA	All Pakistan Cement Manufacturers Association
ATF	Aziz Tabba Foundation
BBS	Behaviour Based Safety
BSL	Business School Lausanne Switzerland
CAA	Civil Aviation Authority
CCG	Code of Corporate Governance
CDC	Central Depositary Company
CE	Chief Executive
CEO	Chief Executive Officer
CFB	Coal Fired Boiler
CFO	Chief Financial Officer
CGU	Cash Generating Unit
CIR	Commissioner Inland Revenue
CM	Contribution Margin
CME	Continued Medical Education
Co.	Company
COD	Chemical Oxygen Demand
CSR	Corporate Social Responsibility
DA	Dense Ash
DCIR	Deputy Commissioner Inland Revenue
DFI	Development Financial Institutions
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest tax depreciation and amortisation
EIA	Environment Impact Assessment
EPA	Environmental Protection Agency
EPM	Enterprise Performance Management
EPS	Earnings per share
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
FFFP	Fellowship Fund for Pakistan
FTR	Final Tax Regime
FWO	Frontier Works Organization
FY	Financial Year
GDP	Gross Domestic Product
GIDC	Gas Infrastructure Development Cess
GJ/Te	Giga joule per ton
GR	Graduate Recruit
GRI	Global Reporting Initiative
HAPI	Health Assessment Performance Index
HFO	Heavy Furnace Oil
HR	Human Resources
HR&RC	Human Resource and Remuneration Committee
HS CODE	Harmonized System Codes
HSE	Health Safety and Environment
HSE&S	Health Safety Environment and Security
HTM	Heat Transfer Method
HYPI	Hygiene Performance Index
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICAP	Institute of Chartered Accountants of Pakistan
ICC	International Chamber of Commerce
ICMAP	Institute of Cost and Management Accountants of Pakistan
IDPs	Internally Displaced Persons
IFAC	International Federation of Accountants
IFAS	Islamic Financial Accounting Standards
IFRSs	International Financial Reporting Standards
ISE	Islamabad Stock Exchange Limited
ISO	International Standards Organization
IT	Information Technology
JCR-VIS	Japan Credit Rating Vital Information Services
KIBOR	Karachi Inter Bank Offer Rate
KPI	Key Performance Indicators
KSE	Karachi Stock Exchange Limited
L&D	Learning and Development
LEDs	Light-emitting diode
LRBT	Layton Rahmatullah Benevolent Trust
LSE	Lahore Stock Exchange Limited
LTFF	Long Term Financing Facility
LTI	Lost time injury
LUMS	Lahore University of Management Sciences
m3/te	Meter Cube per ton
MAP	Management Association of Pakistan
MEG	Mono-Ethylene Glycol
MOU	Memorandum of Understanding
MT	Metric Ton
NBFI	Non-bank Financial Institutions
NBV	Net Book Value
NEQS	National Environmental Quality Standard
NIB	National Investment Bank
NOx	Nitrogen Oxide
NPR	Non-product related
NSI	Net Sales Income
NTC	National Tariff Commission
OEE	Operational Eco Efficiency
OHSAS	Occupational Health and Safety Administration Standard
OPD	Out Patient Duty
OPEC	Organization of Petroleum Exporting Countries
OPV	Open pollinated variety
P&DD	Performance and Development Discussion
PACRA	Pakistan Credit Rating Agency
PAT	Profit After Tax
PBC	Pakistan Business Council
PCP	The Pakistan Centre for Philanthropy
PCT	Pakistan Customs Tariff
PIJBC	Pakistan-India Joint Business Council
PKR	Pakistani Rupee
PSF	Polyester Staple Fibre
PTA	Pure Terephthalic Acid
PwC	PricewaterhouseCoopers
Q1	Quarter 1
R&D	Research and Development
RCMS	Responsible Care Management System
RISE	Reach Inspire Sustain Enable
ROCE	Return on Capital Employed
RSB	Refined Sodium Bicarbonate
SAP	Systems Applications and Products
SBP	State Bank of Pakistan
SECP	Securities and Exchange Commission of Pakistan
SOx	Sulphur Oxide
SPLY	Same period last year
TCF	The Citizens Foundation
TPD	Tons per day
UNGC	United Nations Global Compact
URS	United Registrar Systems
USD	United States Dollar
VOC	Volatile Organic Compound
WEF	World Economic Forum
WWF	World Wildlife Fund
YBG	Yunus Brothers Group
YGL	Young Global Leader

ICI PAKISTAN LTD.

Admission Slip

The Sixty-Fourth Annual General Meeting of ICI Pakistan Limited will be held on Tuesday, October 27, 2015, at 9:00 a.m. at ICI House, 5 West Wharf, Karachi.

Kindly bring this slip duly signed by you for attending the Meeting.

Company Secretary

Name ____________________ Holding ____________________

Shareholder No. ____________________ Signature ____________________

Note:

i) The signature of the shareholder must tally with the specimen signature on the Company's record.

ii) Shareholders are requested to hand over duly completed admission slips at the counter before entering the Meeting premises.

CDC Account Holders / Proxies / Corporate Entities:

a) The CDC Account Holder / Proxy shall authenticate his/her identity by showing his / her Identity by showing his / her original

b) Computerized National Identity Card / Smart National Identity Card (CNIC/ SNIC) or original passport at the time of attending the Meeting.

c) In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of the Meeting (unless it has been provided earlier).

This Admission Slip is Not Transferable

A Part of YBG

Consent for circulation of Annual Audited Financial Statements and Notice of AGM / EOGM through E-mail (Optional)

Pursuant to SRO No.787(1)2014, dated September 8, 2014, the SECP has allowed circulation of Audited Financial Statements (Annual Report) along with the notice of the Annual General Meeting (AGM) to the shareholders via email.

Therefore, if you wish to receive Audited Financial Statements of ICI Pakistan Limited (the "Company") along with Notice of AGM via e-mail, you are requested to provide the below consent form duly filled and signed. Please send the completed consent form to our Share Registrar at the address given hereunder to update the Members' Registrar. Please note CDC shareholders shall have to update their email address with their concerned participants / IAS account services.

M/s. FAMCO Associates (Pvt) Limited
8-F, Block-6, P.E.C.H.S. Nursery,
Next to Hotel Faran , Shahra-e-Faisal,
Karachi

CONSENT FORM

Name of Member / Shareholders	
Folio No	
E-mail Address	
CNIC No.	

I/we hereby confirm that the above-mentioned information is correct and in case of any change therein, I/we will immediately intimate to the Company's Share Registrar. I/we further confirm that the transmission of Company's Annual Audited Financial Statements and Notice of AGM through my/our above e-mail address would be taken as compliance with the Companies Ordinance, 1984.

__________________ ________________________

Name and signature Date
(Copy of valid CNIC / SNIC attached)

DIVIDEND MANDATE (Optional)

By virtue of the provisions of the Companies Ordinance, 1984 and various SECP circulars, shareholders are also entitled to receive their dividends by way of direct credit or electronic transfer to their bank account instead of receiving them through dividend warrants (crossed as A/c Payee only).

SHAREHOLDER'S SECTION

I hereby wish to communicate my desire to receive my future dividends directly in my bank account as detailed below:

Name of shareholder : ____________________________________
Folio number : ____________________________________
Contact number of shareholder : ____________________________________
Bank Account No. :____________________________________
Title of Account : ____________________________________
Type of Account : ____________________________________
Name of Bank : ____________________________________
Bank branch & full mailing address : ____________________________________
Contact No of bank : ____________________________________

it is stated that the above particulars given by me are correct to the best of my knowledge and I shall keep the company informed in case of any changes in the said particulars in the future.

________________________ ___________________ ____________________________

Shareholder's signature Date CNIC / SNIC No. (copy attached)

SUBMISSION OF COPY OF CNIC / SNIC (Mandatory) – if not already provided.

Pursuant to the directives of the Securities and Exchange Commission of Pakistan, CNIC / SNIC number is mandatorily required to be mentioned on dividend warrants, members' register and other statutory returns. You are therefore request to submit a copy of your CNIC / SNIC (if not already provided) to the Shares Department of ICI Pakistan Limited, ICI House , 5 West Wharf , Karachi or FAMCO Associates (Pvt) Limited, 8-F, Next to Hotel Faran, Nursery Block-6, P.E.C.H.S.,Shahra-e-Faisal, Karachi,

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Revised Treatment of Withholding Tax

Please further note that under Section 150 of the Income Tax Ordinance 2001, and pursuant to Finance Act 2015, withholding tax on dividend income will be deducted for 'Filer' and 'Non-Filer' shareholders @ 12.5% and 17.5% respectively. According to clarification received from Federal Board of Revenue (FBR) withholding tax will be determined separately on 'Filer / Non-Filer' status of principal shareholders as well as Joint-Holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold share with joint shareholders are requested to provide shareholding proportions of Principal shareholder and Joint-Holder(s) in respect of share held by them to our share registrar, FAMCO Associates (Pvt) Limited, 8-F, Block-6, P.E.C.H.S. Nursery, Next to Hotel Faran , Shahrah-e-faisal, Karachi

Following are the details held by Principal / Joint-Holder of the shares of **ICI Pakistan Limited.**

<table>
<tr><th colspan="4">Principal shareholder</th><th colspan="2">Joint – Holder 1</th></tr>
<tr><td>Folio/CDS Account #</td><td>Total Shares</td><td>Name and CNIC #</td><td>No. of Shares</td><td>Name and CNIC #</td><td>No. of Shares</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><th colspan="4">Joint – Holder 2</th><th colspan="2">Joint – Holder 3</th></tr>
<tr><td colspan="3">Name and CNIC #</td><td>No. of Shares</td><td>Name and CNIC #</td><td>No. of Shares</td></tr>
<tr><td colspan="3"></td><td></td><td></td><td></td></tr>
</table>

It is stated that the above mentioned information is correct and that I will intimate the changes in the above-mentioned information to the company and its share registrar as soon as these occur.

Signature of Member : ___________________

Signature of Joint-Holder 1: ___________________

Signature of Joint-Holder 2 :_______________________

Name : ____________________________________

[PLEASE WRITE NAME IN BLOCK LETTER]

Name : ____________________________________

[PLEASE WRITE NAME IN BLOCK LETTER]

Signature of Joint-Holder 3: ___________________

Name : ____________________________________

[PLEASE WRITE NAME IN BLOCK LETTER]

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& Public Affairs Department

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