



ICI PAKISTAN LTD.

Report for the Quarter &  
Nine Months Ended March 31, 2017

# Sustaining Our Velocity

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# Company Information

## Board of Directors

Muhammad Sohail Tabba	Chairman (Non-Executive)	Asif Jooma	Chief Executive
Muhammad Ali Tabba	Vice Chairman (Non-Executive)	Khawaja Iqbal Hassan	Independent
Jawed Yunus Tabba	Non-Executive	M Abid Ganatra	Executive
Amina A Aziz Bawany	Non-Executive	Kamal A Chinoy	Independent

## Audit Committee

Khawaja Iqbal Hassan	Chairman
Muhammad Ali Tabba	Member
Jawed Yunus Tabba	Member

## HR & Remuneration Committee

Muhammad Ali Tabba	Chairman
Muhammad Sohail Tabba	Member
Jawed Yunus Tabba	Member
Asif Jooma	Member
Khawaja Iqbal Hassan	Member

## Chief Financial Officer

Muhammad Abid Ganatra

## Company Secretary

Saima Kamila Khan

## Head of Internal Audit

Muhammad Ali Mirza

## Executive Management Team

Asif Jooma	Chief Executive
Arshaduddin Ahmed	General Manager, Chemicals Business
Fathema Zuberi	General Manager, Human Resources
Eqan Ali Khan	General Manager, Strategy & Business Development
M Abid Ganatra	Chief Financial Officer

M A Samie Cashmiri	Vice President, Life Sciences Business
Saima Kamila Khan	General Counsel, Company Secretary and Head of Corporate Communications & Public Affairs
Suhail Aslam Khan	Vice President, Polyester & Soda Ash Businesses
Matin Amjad	General Manager, Pharmaceuticals

## Bankers

Allied Bank Limited  
Askari Bank Limited  
Bank Al Habib Limited  
Bank Alfalah Limited  
Bank of Punjab  
Citibank N.A.  
Deutsche Bank AG  
Faysal Bank Limited  
Habib Bank Limited

Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
NIB Bank Limited  
Samba Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
United Bank Limited

## Auditors

### Internal Auditors

KPMG Taseer Hadi & Co.,  
Chartered Accountants

### External Auditors

EY Ford Rhodes  
Chartered Accountants

## Registered Office

ICI House, 5 West Wharf, Karachi-74000  
Tel # 111-100-200, (021) 32313717-22  
Fax # 32311739  
Website: [www.ici.com.pk](http://www.ici.com.pk)

## Shares Registrar

FAMCO Associates (Pvt) Ltd.  
8-F, Next to Hotel Faran,  
Nursery, Block-6, P.E.C.H.S.  
Shahrah-e-Faisal, Karachi.  
Tel: (021) 34380101-2,  
Fax: (021) 34380106  
Website: [www.famco.com.pk](http://www.famco.com.pk)

# Review of the Directors

For the Quarter & Nine Months Ended March 31, 2017

The Directors are pleased to present their review, together with the unaudited financial statements of the Company, for the quarter and nine months ended March 31, 2017.

Net turnover for the quarter at PKR 10,607 million is 15% higher than the same period last year (SPLY), due to higher revenues across all Businesses. Operating result for the quarter, at PKR 1,064 million, is 23% higher as compared to the SPLY, due to robust growth in the Chemicals and Life Sciences Businesses (by 54% and 22% respectively), coupled with a 31% reduction in operating loss in the Polyester Business.

Net turnover for the nine months at PKR 30,244 million translates to an 11% increase compared to the SPLY, with all Businesses maintaining a positive trajectory. The Life Sciences and Polyester Businesses have been the major contributors to this trend, posting growth of 22% and 8% respectively. The operating result for the nine months at PKR 2,997 million is 19% higher in comparison to the SPLY, due to improved performance in the Polyester, Life Sciences and Chemicals Businesses by 53%, 14% and 28% respectively. The improved performance of the Polyester Business is attributable to improved domestic margins, along with cost control initiatives, which limited the increase in the Business's fixed cost. In the Life Sciences Business, both Pharmaceuticals and Animal Health Divisions posted double-digit growth, whilst in the Chemicals Business, the Polyurethane (PU) segment has been the major contributor to growth.

Profit after tax (PAT) for the nine months at PKR 2,396 million is 18% higher than the SPLY, mainly due to higher operating profit, higher Dividend Income from NutriCo Pakistan (Private) Limited and no exchange losses as incurred in the SPLY.

Earnings per share (EPS) for the nine months ended March 31, 2017 at PKR 25.94 is 18% higher as compared to the SPLY.

# Review of the Directors

For the Quarter & Nine Months Ended March 31, 2017

	Nine months ended Mar 2017	Nine months ended Mar 2016
Net turnover (PKR million)	<b>30,244</b>	27,307
Profit before taxation (PKR million)	<b>3,163</b>	2,565
Profit after taxation (PKR million)	<b>2,396</b>	2,029
Earnings per share (PKR)	<b>25.94</b>	21.97

## Net turnover (PKR m)



## Profit before taxation (PKR m)



## Profit after taxation (PKR m)



## Earnings per share (PKR)



## Polyester Staple Fibre Business (PSF)

### Net turnover (PKR m)



### Operating result (PKR m)



The first nine months of the period under review exhibited unfavourable global economic conditions in line with geopolitical uncertainties (such as Brexit, increasing tensions in the Middle East region, and the US presidential elections).

The voluntary oil supply reduction agreement by members of OPEC and some non-OPEC producers, which came into effect from January 1, 2017, provided the necessary impetus to falling crude oil prices. However, despite this agreement, crude oil prices remained range-bound in the third quarter, largely due to the recovery of the US shale oil supply. Consequently, expectations of a reduction in the global oil glut remained unfulfilled. The resultant cost push fed into the entire petrochemical chain. In addition, greater trading on commodity markets drove raw material prices up, with PTA and MEG prices rising by 5% and 12% respectively over the SPly.

However, due to some stability in regional PSF margins, domestic margins grew by 9%. The levy of anti-dumping duty on Chinese PSF imports enabled domestic PSF manufacturers to benefit from slightly higher operating rates as

# Review of the Directors

For the Quarter & Nine Months Ended March 31, 2017

a consequence of higher demand for their product. This resulted in higher sales volumes by 2% which, along with an increase in PSF prices, translated into net turnover that was 8% higher than the SPLY.

With the injection of RLNG into the country's gas network, a continuous supply of gas to the industry was ensured during the winter season. This, along with low oil prices, provided the Business with cost-effective energy. Effective cost control initiatives and robust monitoring limited the increase in fixed costs to only 1%, which is lower than the inflation rate. As an outcome, the Business successfully improved its operating result by 53% over the SPLY.

During the period under review, the Business continued its efforts to protect the final imposition of anti-dumping duty (ADD) on Chinese PSF imports. The Business also emphasised the need to maintain PSF in the no concessions list at various consultation meetings organised by the Ministry of Commerce.

## Soda Ash Business

### Net turnover (PKR m)

Mar 2016	 8,112
Mar 2017	 8,221

### Operating result (PKR m)

Mar 2016	 2,167
Mar 2017	 2,083

Net turnover for the first nine months grew by 1% over SPLY, mainly due to higher sales volumes in the domestic market. The Business also continued to make regular exports to India and Afghanistan in order to maintain a foothold in the South Asian market and establish itself as a key regional supplier of soda ash.

The soda ash market grew by 4% over last year on the back of growth in the branded detergent segment. Demand in this segment has increased substantially with branded detergents emerging as the consumers' preferred choice in comparison to laundry soap and generic detergents. The Refined Sodium Bicarbonate (RSB) market has grown as per expectation, with the poultry and bakery segments stimulating growth.

The operating result for first nine months of the year under review at PKR 2,083 million was 4% lower compared with the SPLY, due to significantly higher depreciation charges. The Business capitalised its new power generation plant and 14KTPA RSB capacity expansion project at the end of fiscal year 2015-16 which resulted in an increase in depreciation charges compared to the SPLY.

# Review of the Directors

For the Quarter & Nine Months Ended March 31, 2017

The Business endeavours to maintain a strong focus on improving the reliability and production capability of the Soda Ash plant. As a result, production volumes at 257,727 tons remained 2% higher than the SPLY. The new power generation plant continued to operate successfully during the period under review, providing power for the entire Soda Ash plant.

The DGAD (Director General Anti-Dumping) India released its report, revealing that all anti-dumping duties on imports of soda ash into India had been revoked. However, the decision was challenged in the High Court of Gujrat by the Alkali Manufacturers Association of India to revoke the order passed by the DGAD. As a result, the High Court passed an interim order barring the Customs Authority from issuing any notification on the matter. Currently the matter is under evaluation in court.

## Life Sciences Business

### Net turnover (PKR m)

Mar 2016  6,500  
Mar 2017  7,955

### Operating result (PKR m)

Mar 2016  765  
Mar 2017  871

The Life Sciences Business delivered a growth of 22% in net turnover and 14% in operating results during the nine months under review as compared to the SPLY. The increase in net turnover was driven by double-digit growth in all three divisions of the Business: Pharmaceuticals, Agriculture and Animal Health.

In March 2017, the Board of Directors of ICI Pakistan Limited approved the purchase of a pharmaceutical manufacturing facility owned by Wyeth Pakistan Limited, along with the acquisition of certain products and registrations of Wyeth Pakistan Limited and Pfizer Pakistan Limited, subject to execution of relevant agreements and regulatory approvals.

The future outlook of the Business remains encouraging with the launch of new product lines across all Divisions and the development of newly acquired manufacturing capabilities alongside a continuing focus to further strengthen the Business's existing portfolio.

## Chemicals Business

### Net turnover (PKR m)

Mar 2016  2,750  
Mar 2017  3,327

### Operating result (PKR m)

Mar 2016  298  
Mar 2017  382



# Review of the Directors

For the Quarter & Nine Months Ended March 31, 2017

Net Turnover for the nine months at PKR 3,327 million is 21% higher than the SPLY with improved performance across all segments. The Polyurethanes (PU) segment was the major contributor to growth. In the General Chemicals (GC) segment, improved performance was driven by the Industrial Chemicals segment, whereas the Specialty Chemicals (SC) segment posted better performance on the back of the Crops and Adhesives segments.

Operating result at PKR 382 million is 28% higher than the SPLY. This improved performance is attributable to an increase in net turnover, along with the benefits of the cost efficiencies initiatives that have begun to register. The future outlook of the Business remains encouraging based on the strong fundamentals of the Business in the coming quarter.

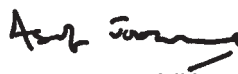
## Future Outlook

Going forward, the outlook for all Businesses remains positive. However, margins in the PSF segment will rely heavily on the pricing strategy of regional manufacturers and improved textile export performance. The natural soda ash capacity expansion in Turkey, along with pressure on coke prices might result in stagnant to under-pressure margins. The outlook for the Life Sciences and Chemicals Businesses remains positive.

The Company plans to remain focussed on fulfilling customer needs, launching new products, discovering innovative energy conversion methods, cost reduction initiatives and strengthening relationships with existing customers and suppliers, whilst exploring opportunities for both organic and inorganic growth, all in line with our brand promise of Cultivating Growth.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive

April 20, 2017  
Karachi



## ڈائریکٹرز کا جائزہ

برائے تیسری سہ ماہی اور 9 ماہ ختم شدہ 31 مارچ 2017

تمام شعبوں میں بہترین کارکردگی کی بدولت 9 ماہ کے لئے مجموعی کاروبار گزشتہ سال کے مقابلے میں 3,327 ملین روپے رہا جو گزشتہ سال کے مقابلے میں 21 فیصد زائد ہے۔ اس ترقی میں پولی یوریتھن کے شعبے نے اہم کردار ادا کیا۔ جنرل کیمیکلز کے شعبے میں انڈسٹریل کیمیکلز کی کارکردگی نمایاں رہی جبکہ ایپٹیلٹی کیمیکلز کے شعبے نے کراپس اور ایڈیٹو کے شعبوں میں بہتر کارکردگی کے باعث اچھے نتائج برآمد کئے۔

اس کارکردگی سے شعبے کا آپریٹنگ رزلٹ گزشتہ سال کے مقابلے میں 28 فیصد ترقی سے 382 ملین روپے رہا۔ دوسری جانب اخراجات میں کمی کے اقدامات نے بھی مثبت کردار ادا کیا۔ کاروبار کا مستقبل آنے والی سہ ماہی میں مضبوط بنیادی اصولوں کی بناء پر بہتر نظر آتا ہے۔

### مستقبل پر نظر

مجموعی طور پر ہمارے تمام بزنسز کا جائزہ مثبت ہے، جبکہ پی ایس ایف کے منافع کا دارومدار زیادہ تر پینل میٹوفیکچررز کی پرائسنگ منصوبہ بندی اور ٹیکسٹائل ایکسپورٹ کی بہتر کارکردگی پر ہے۔ ترکی میں نیچرل سوڈا الیمین پلانٹ کی توسیع کے ساتھ لوک کی قیمتوں پر دباؤ منافع کو منجمد یا زیر اثر رکھ سکتا ہے۔ لائف سائنسز اور کیمیکلز بزنس بھی اپنی مثبت پیش رفت کے باعث مستقبل میں مزید ترقی کے لئے پرامید ہیں۔

کمپنی صارفین کی ضروریات کو پورا کرنے، نئی پروڈکٹس کے اجراء، توانائی کے متبادل ذرائع کی تلاش، اخراجات میں کمی کے اقدامات، موجودہ کسٹمرز اور سپلائرز سے تعلقات میں مضبوطی کے ساتھ، آرگینک اور ان آرگینک ترقی کے لئے نئے مواقع تلاش کرنے پر اپنی توجہ مرکوز کئے ہوئے ہے۔

آصف جمہ

آصف جمہ  
چیف ایگزیکٹو

محمد سہیل نسا

چیرمین / ڈائریکٹر

بتاریخ: 20 اپریل 2017

کراچی۔

## ڈائریکٹر زکا جائزہ

برائے تیسری سہ ماہی اور 9 ماہ ختم شدہ 31 مارچ 2017

براڈ ڈیڈ ٹرنجنٹ کے شعبے میں خاطر خواہ اضافہ کی بدولت گزشتہ سال کے مقابلے میں سوڈا الیش کا کاروبار 4 فیصد بڑھا۔ اس شعبے میں اضافے کی وجہ صارفین کا لانڈری سوپ اور روایتی ڈرنجنٹ کے مقابلے میں براڈ ڈیڈ کو ترجیح دینا ہے۔ ریفاائنڈ سوڈیم بائی کاربونیٹ (آر ایس بی) کی مارکیٹ بھی پولٹری اور ٹیکسٹائل کے شعبوں میں خاطر خواہ ترقی کی بدولت توقعات کے عین مطابق رہی۔

زیر جائزہ پہلے نو ماہ کے لئے زیادہ ڈپرہسی الیشن چارجز کی بدولت آپریٹنگ رزلٹ گزشتہ سال کے اسی عرصہ کے مقابلے میں 4 فیصد کم کے ساتھ 2,083 ملین روپے رہا۔ کاروبار نے نیا پاور جنریشن پلانٹ اور 14KTPA آر بی ایس صلاحیت والا تیسویں پروجیکٹ بھی مالی سال 2015-16 کی آخر میں شروع کیا جس کے نتیجے میں گزشتہ سال کے اسی عرصہ کے مقابلے میں ڈپرہسی الیشن چارجز میں اضافہ ہوا۔

کمپنی نے سوڈا الیش پلانٹ کی پیداواری صلاحیت اور پائیداری میں اضافہ پر اپنی بھرپور توجہ مرکوز کر رکھی ہے۔ جس کا نتیجہ یہ ہے کہ گزشتہ سال کے مقابلے میں پروڈکشن کی مقدار 2 فیصد اضافے سے 257,727 ٹن رہی۔ اس نئے پاور جنریشن پلانٹ نے زیر جائزہ پورے عرصہ کے دوران کامیابی کے ساتھ پورے پلانٹ کو بجلی کی فراہمی جاری رکھی۔

بھارت کے ڈائریکٹر جنرل اینٹی ڈمپنگ (DGAD) نے اپنی رپورٹ جاری کرتے ہوئے بھارت میں سوڈا الیش ایپورٹس پر تمام انٹی ڈمپنگ ڈیوٹیز کو کالعدم قرار دیا ہے۔ جبکہ انڈیا کی انکلائی مینوفیکچررز ایسوسی ایشن نے اس فیصلے کو کالعدم کرنے کے لئے گجرات کی ہائی کورٹ میں اس کو چیلنج کیا ہے۔ نتیجے میں ہائی کورٹ نے کسٹم اتھارٹی کو اس معاملے پر کسی بھی نوٹیفیکیشن کے اجراء سے روکا ہوا ہے۔ اس وقت معاملہ کورٹ میں زیر غور ہے۔

## لائف سائنسز بزنس

آپریٹنگ رزلٹ (ملین روپے) Operating result

Net turnover (ملین روپے) مجموعی کاروبار

765	2016 مارچ	6,500	2016 مارچ
871	2017 مارچ	7,955	2017 مارچ

لائف سائنسز کے کاروبار نے 9 ماہ کے لئے مجموعی کاروبار میں 22 فیصد ترقی حاصل کی ہے جبکہ آپریٹنگ رزلٹ گزشتہ سال کے مقابلے میں 14 فیصد بہتر رہا۔ اینٹیل، ہیلتھ، ایگری اور فارماسیوٹیکل ڈویژن کی دودھ دی ترقی سے اس کاروبار نے یہ قابل قدر اضافہ حاصل کیا ہے۔

آئی سی آئی پاکستان لمیٹڈ کے بورڈ آف ڈائریکٹرز نے مارچ 2017 میں وائٹھ پاکستان لمیٹڈ کی زیر ملکیت فارماسیوٹیکل مینوفیکچرنگ فیملی خریدنے کی منظوری دی، جس میں وائٹھ پاکستان لمیٹڈ اور فائزر پاکستان لمیٹڈ کے مختلف پروڈکٹس اور رجسٹریشنز بھی شامل ہیں جو متعلقہ معاہدوں اور ریگولیٹری منظور یوں کے حصول سے مشروط ہیں۔

کاروبار کا مستقبل تمام ڈویژن میں نئی پروڈکٹس کے اجراء یعنی مینوفیکچرنگ صلاحیت کی ترقی اور موجودہ کاروباری پورٹ فولیو کی مضبوطی پر توجہ سے حوصلہ افزا ہے۔

## کیمیکلز بزنس

آپریٹنگ رزلٹ (ملین روپے) Operating result

Net turnover (ملین روپے) مجموعی کاروبار

298	2016 مارچ	2,750	2016 مارچ
382	2017 مارچ	3,327	2017 مارچ

## ڈائریکٹرز کا جائزہ

برائے تیسری سہ ماہی اور 9 ماہ ختم شدہ 31 مارچ 2017

## پولیسٹر اسٹیل فابریک برنس (PSF)

Operating result (ملین روپے)	آپریٹنگ رزلٹ	Net turnover (ملین روپے)	مجموعی کاروبار
2016 مارچ	9,950	(719)	2016 مارچ
2017 مارچ	10,745	(338)	2017 مارچ

زیر جائزہ 9 ماہ کے دوران جغرافیائی سیاست میں غیر یقینی (جیسا کہ ریکورڈ، مڈل ایسٹ میں کشیدگی اور امریکی صدارت انتخابات) نے عالمی اقتصادی حالات پر منفی اثر نمایا کیا۔

یکم جنوری 2017 کو ایک ممبران بشمول کچھ غیر اوپیک پروڈیوسرز کی جانب سے رضا کارانہ طور پر آئل کی سپلائی میں کمی کے معاہدے نے کروڈ آئل کی گرتی ہوئی قیمتوں کو سنبھالا دیا۔ چنانچہ اس معاہدے کے باوجود کروڈ آئل کی قیمتیں تیسری سہ ماہی کے دوران رش کے اندر رہیں جس کی بڑی وجہ امریکی شیل آئل سپلائی کی بازیابی ہے۔ نتیجتاً عالمی طور پر پیٹرولیم مصنوعات کی برما میں کمی کی امیدیں ناکمل رہنے کے ساتھ پوری پیٹرولیم انڈسٹری متاثر رہی۔ مزید برآں، کموڈٹی مارکیٹ کی زبردست ٹریڈنگ نے خام مال کی قیمتوں میں اضافہ کیا جس میں گزشتہ سال کے اسی عرصہ کے مقابلے میں پی ٹی اے اور ایم ای جی کی قیمتیں بالترتیب 5 فیصد اور 12 فیصد بڑھ گئیں۔

البدیہ علاقائی طور پر پولیسٹر اسٹیل فابریک کے منافع میں استحکام کی بدولت مقامی منافع میں 9 فیصد تک اضافہ دیکھنے میں آیا۔ چین کے پی ایس ایف امپورٹرز پر اینٹی ڈمپنگ ڈیوٹی کے نفاذ نے مقامی میڈیوٹیکرز کو طلب میں اضافے کے پیش نظر بہتر منافع کمانے کا موقع فراہم کیا اور اس کے نتیجے میں سیلز کی مقدار بھی 2 فیصد بڑھنے کے ساتھ پی ایس ایف کی قیمتوں میں اضافہ گزشتہ سال کے اسی عرصے کے مقابلے میں 8 فیصد زائد مجموعی منافع کا سبب بنا۔

ملک کے گیس نیٹ ورک میں RLNG کی شمولیت سے موسم سرما میں بھی صنعتوں کو بلا قطل گیس کی فراہمی جاری رہی۔ اس صورتحال اور تیل کی قیمتوں میں کمی نے کاروبار کو سستی توانائی فراہم کی۔ اخراجات میں کمی اور گرانی کے موثر اقدامات نے مقررہ اخراجات کو صرف ایک فیصد بڑھنے تک محدود رکھا جو کہ ہنگامی کی شرح سے کم ہے۔ نتیجتاً کاروبار نے گزشتہ سال کے اسی عرصہ کے مقابلے میں اپنا آپریٹنگ رزلٹ 53 فیصد تک بڑھانے میں کامیابی حاصل کی۔

زیر جائزہ عرصہ کے دوران، کمپنی نے چین کے پی ایس ایف امپورٹرز پر اینٹی ڈمپنگ ڈیوٹی (اے ڈی ڈی) کے حتمی نفاذ کے حق میں اپنی کوششیں جاری رکھیں۔ کمپنی نے وزارت تجارت کے زیر اہتمام مختلف اجلاسوں میں اس امر کی ضرورت پر زور دیا کہ پی ایس ایف کو کنٹینریشن لسٹ میں بحال رکھا جائے۔

## سوڈا الیش برنس

Operating result (ملین روپے)	آپریٹنگ رزلٹ	Net turnover (ملین روپے)	مجموعی کاروبار
2016 مارچ	8,112	2,167	2016 مارچ
2017 مارچ	8,221	2,083	2017 مارچ

مقامی مارکیٹ میں سیلز میں اضافے کے باعث مجموعی کاروبار میں گزشتہ سال کے مقابلے میں پہلے 9 ماہ کے لئے 1 فیصد اضافہ ہوا۔ کمپنی نے مستقل بنیادوں پر انڈیا اور افغانستان کی ایک پیپورٹ جاری رکھی تاکہ جنوب ایشیائی مارکیٹ میں اہم سپلائی کے اپنے اعزاز کو برقرار رکھا جائے۔

## ڈائریکٹرز کا جائزہ

برائے تیسری سہ ماہی اور 9 ماہ ختم شدہ 31 مارچ 2017

ڈائریکٹرز کمپنی کی جائزہ رپورٹ برائے سہ ماہی اور 9 ماہ ختم شدہ 31 مارچ 2017 بشمول کمپنی کے غیر آڈٹ شدہ (un-Audited) مالیاتی گوشوارے پیش کرتے ہوئے خوش محسوس کر رہے ہیں۔

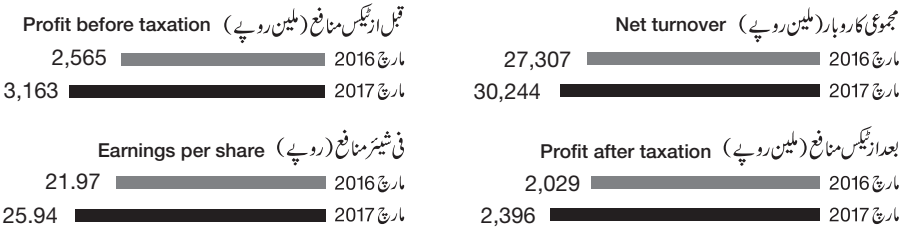
متذکرہ سہ ماہی کا مجموعی کاروبار گزشتہ سال کی نسبت 15 فیصد اضافے کے ساتھ 10,607 ملین روپے رہا جس کی وجہ مجموعی کاروبار میں اضافہ ہے۔ کیمیکلز اور لائف سائنسز برنس کی مایہ ناز ترقی (بالتربیب 54 فیصد اور 22 فیصد) کے ساتھ پولیسٹر برنس کے نقصان میں 31 فیصد کی بدولت سہ ماہی کے لئے آپریٹنگ رزلٹ 1,064 ملین روپے ہے جو گزشتہ سال کے اسی سہ ماہی کے مقابلے میں 23 فیصد زائد ہے۔

گزشتہ 9 ماہ کا مجموعی کاروبار 30,244 ملین روپے تمام برنسز کے مثبت رجحان سے گزشتہ سال کے اسی عرصہ کے مقابلے میں 11 فیصد اضافی رہا۔ اس مثبت رجحان میں لائف سائنسز اور پولیسٹر برنس کا اہم کردار رہا جنہوں نے بالتربیب 22 فیصد اور 8 فیصد ترقی اپنے نام کی۔ گزشتہ 9 ماہ کا آپریٹنگ رزلٹ گزشتہ سال کے اسی عرصہ کے مقابلے میں 19 فیصد اضافہ کے ساتھ 2,997 ملین روپے رہا جس کا اہم سبب لائف سائنسز اور کیمیکلز برنس کی بالتربیب 53 فیصد، 14 فیصد اور 28 فیصد ترقی ہے۔ پولیسٹر برنس میں بہتر مقامی مارجن اور اخراجات پر قابو سے ترقی ممکن ہوئی۔ لائف سائنسز برنس کے فارماسیوٹیکلز اور اینٹیل ہیبلڈ ڈویژن نے دو عددی ترقی اپنے نام کی جبکہ کیمیکلز کے کاروبار میں پولی پورٹھن میں بہترین کاروباری کارکردگی نے ترقی کی روایت کو جاری رکھا۔

گزشتہ 9 ماہ کے لئے بعد از ٹیکس منافع گزشتہ سال کے اسی عرصہ کے مقابلے میں 18 فیصد اضافہ کے ساتھ 2,396 ملین روپے رہا جس کی اہم وجہ اضافی کاروبار NutriCo پاکستان (پرائیویٹ) لمیٹڈ سے ڈیویڈنڈ کا منافع اور گزشتہ سال کے مقابلے میں ایکسچینج کا خسارہ نہ ہونا ہے۔

31 مارچ 2017 کو ختم شدہ 9 ماہ کے لئے فی شیئر منافع 25.94 روپے رہا جو کہ گزشتہ سال کے اسی عرصہ کے مقابلے میں 18 فیصد زائد ہے۔

مارچ 2016 میں ختم شدہ 9 ماہ	مارچ 2017 میں ختم شدہ 9 ماہ	
27,307	30,244	Net turnover (PKR million) (مجموعی کاروبار (ملین روپے))
2,565	3,163	Profit before taxation (PKR million) (قبل از ٹیکس منافع (ملین روپے))
2,029	2,396	Profit after taxation (PKR million) (بعد از ٹیکس منافع (ملین روپے))
21.97	25.94	Earnings per share (PKR) (فی شیئر منافع (روپے))



# Condensed Interim Unconsolidated Balance Sheet

As at March 31, 2017

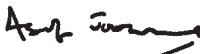
Amounts in PKR '000

	Note	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	17,674,323	17,040,334
Intangible assets	5	14,366	16,460
		<b>17,688,689</b>	17,056,794
Long-term investments	6	2,444,276	1,462,976
Long-term loans	7	390,024	356,330
Long-term deposits and prepayments		36,502	33,594
		<b>2,870,802</b>	1,852,900
		<b>20,559,491</b>	18,909,694
<b>Current assets</b>			
Stores, spares and consumables		889,943	811,963
Stock-in-trade	8	6,184,190	5,296,746
Trade debts		2,378,071	1,640,447
Loans and advances		548,234	391,342
Trade deposits and short-term prepayments		518,673	428,713
Other receivables		1,329,216	726,683
Taxation - net		1,201,682	2,236,155
Cash and bank balances		136,685	146,287
		<b>13,186,694</b>	11,678,336
<b>Total assets</b>		<b>33,746,185</b>	30,588,030
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised capital			
1,500,000,000 (June 30, 2016: 1,500,000,000)			
ordinary shares of PKR 10 each		15,000,000	15,000,000
Issued, subscribed and paid-up capital			
92,359,050 (June 30, 2016: 92,359,050)			
ordinary shares of PKR 10 each		923,591	923,591
Capital reserves		309,643	309,643
Unappropriated profit		14,082,082	13,183,294
<b>Total equity</b>		<b>15,315,316</b>	14,416,528
<b>Surplus on revaluation of property, plant and equipment</b>		<b>756,765</b>	829,645
<b>Non-current liabilities</b>			
Provisions for non-management staff gratuity		91,808	90,867
Long-term loans	9	4,217,942	3,652,586
Deferred tax liability - net	10	1,360,817	1,430,789
		<b>5,670,567</b>	5,174,242
<b>Current liabilities</b>			
Trade and other payables		9,216,776	7,731,736
Accrued mark-up		86,002	77,663
Short-term borrowings and running finance	11	2,177,888	1,964,433
Current portion of long-term loans		522,871	393,783
		<b>12,003,537</b>	10,167,615
<b>Total equity and liabilities</b>		<b>33,746,185</b>	30,588,030
<b>Contingencies and commitments</b>			
	12		

The annexed notes from 1 to 22 form an integral part of the condensed interim unconsolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Muhammad Abid Ganatra**  
Chief Financial Officer

# Condensed Interim Unconsolidated Profit and Loss Account (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016
<b>Turnover - note 13</b>	<b>12,130,196</b>	<b>34,751,114</b>	<b>10,728,663</b>	<b>31,594,237</b>
Sales tax	(677,471)	(1,945,695)	(738,199)	(2,174,452)
Commission and discounts	(846,186)	(2,561,361)	(746,564)	(2,112,336)
	<b>(1,523,657)</b>	<b>(4,507,056)</b>	<b>(1,484,763)</b>	<b>(4,286,788)</b>
Net turnover	<b>10,606,539</b>	<b>30,244,058</b>	<b>9,243,900</b>	<b>27,307,449</b>
Cost of sales - note 13 and 14	<b>(8,601,238)</b>	<b>(24,601,239)</b>	<b>(7,644,546)</b>	<b>(22,608,369)</b>
<b>Gross profit</b>	<b>2,005,301</b>	<b>5,642,819</b>	<b>1,599,354</b>	<b>4,699,080</b>
Selling and distribution expenses	(683,019)	(1,899,600)	(521,379)	(1,532,394)
Administration and general expenses	(258,767)	(746,050)	(214,875)	(655,575)
<b>Operating result - note 13</b>	<b>1,063,515</b>	<b>2,997,169</b>	<b>863,100</b>	<b>2,511,111</b>
Finance costs	(83,917)	(279,342)	(71,352)	(241,176)
Exchange (losses) / gain	(5,751)	348	(10,382)	(61,278)
Workers' profit participation fund	(60,163)	(166,543)	(47,818)	(135,174)
Workers' welfare fund	(23,328)	(64,550)	(18,542)	(52,339)
Other charges	(4,205)	(20,415)	(3,623)	(22,363)
	<b>(177,364)</b>	<b>(530,502)</b>	<b>(151,717)</b>	<b>(512,330)</b>
Dividend income	224,000	629,000	178,375	508,375
Other income	32,947	67,296	18,788	57,453
<b>Profit before taxation</b>	<b>1,143,098</b>	<b>3,162,963</b>	<b>908,546</b>	<b>2,564,609</b>
Taxation - note 15	(282,921)	(766,951)	(184,416)	(535,367)
<b>Profit after taxation</b>	<b>860,177</b>	<b>2,396,012</b>	<b>724,130</b>	<b>2,029,242</b>
<b>(PKR)</b>				
<b>Basic and diluted earnings per share</b>	<b>9.31</b>	<b>25.94</b>	<b>7.84</b>	<b>21.97</b>

The annexed notes from 1 to 22 form an integral part of the condensed interim unconsolidated financial statements.

  
**Muhammad Sohail Tabba**  
Chairman / Director

  
**Asif Jooma**  
Chief Executive

  
**Muhammad Abid Ganatra**  
Chief Financial Officer

# Condensed Interim Unconsolidated Statement of Comprehensive Income (Unaudited)

For the Nine Months Period Ended March 31, 2017

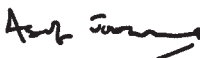
Amounts in PKR '000

	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016
<b>Profit after taxation</b>	<b>860,177</b>	<b>2,396,012</b>	<b>724,130</b>	<b>2,029,242</b>
Items to be reclassified to profit or loss in subsequent periods:				
Loss on hedge during the period	-	-	-	(2,285)
Income tax relating to hedging reserve	-	-	-	731
	-	-	-	(1,554)
Adjustments for amounts transferred to initial carrying amounts of hedged item - capital work-in-progress	-	-	-	1,554
	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>860,177</b>	<b>2,396,012</b>	<b>724,130</b>	<b>2,029,242</b>

The annexed notes from 1 to 22 form an integral part of the condensed interim unconsolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Muhammad Abid Ganatra**  
Chief Financial Officer



# Condensed Interim Unconsolidated Cash Flow Statement (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	March 31, 2017	March 31, 2016
<b>Cash flows from operating activities</b>		
Cash generated from operations - note 16	3,774,522	2,828,301
Payments for :		
Non-management staff gratuity and eligible retired employees' medical scheme	(21,020)	(19,907)
Staff retirement benefit plan	(50,217)	(50,174)
Taxation	197,550	(164,586)
Interest	(271,003)	(222,854)
<b>Net cash generated from operating activities</b>	<b>3,629,832</b>	<b>2,370,780</b>
<b>Cash flows from investing activities</b>		
Capital expenditure	(2,420,101)	(3,579,303)
Proceeds from disposal of operating fixed assets	3,803	8,617
Interest received on bank deposits	1,470	248
Investment in Subsidiary (Cirin Pharmaceuticals Private Limited)	(981,300)	-
Advance against investment	-	(240,000)
Dividend received	405,000	420,000
<b>Net cash used in investing activities</b>	<b>(2,991,128)</b>	<b>(3,390,438)</b>
<b>Cash flows from financing activities</b>		
Long-term loans obtained	1,000,000	2,335,341
Long-term loans repaid	(305,556)	(716,667)
Dividends paid	(1,556,205)	(597,416)
<b>Net cash (used in) / generated from financing activities</b>	<b>(861,761)</b>	<b>1,021,258</b>
Net (decrease) / increase in cash and cash equivalents	(223,057)	1,600
<b>Cash and cash equivalents at the beginning of the period</b>	<b>(1,818,146)</b>	<b>(1,763,980)</b>
<b>Cash and cash equivalents at the end of period (Ref. 1)</b>	<b>(2,041,203)</b>	<b>(1,762,380)</b>

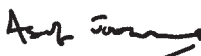
## Ref. 1: Cash and cash equivalents at the end of period comprise of:

Cash and bank balances	136,685	133,176
Short-term borrowings and running finance	(2,177,888)	(1,895,556)
	<b>(2,041,203)</b>	<b>(1,762,380)</b>

The annexed notes from 1 to 22 form an integral part of the condensed interim unconsolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Muhammad Abid Ganatra**  
Chief Financial Officer

# Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited)

For the Nine Months Period Ended March 31, 2017

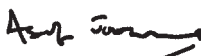
Amounts in PKR '000

	Issued, subscribed and paid-up capital	Capital reserves	Unappropriated profit	Hedging Reserve	Total
<b>As at July 1, 2015</b>	<b>923,591</b>	<b>309,643</b>	<b>11,483,846</b>	<b>-</b>	<b>12,717,080</b>
Final dividend for the year ended June 30, 2015 @ PKR 6.50 per share	-	-	(600,337)	-	(600,337)
Interim dividend for the year ended June 30, 2016 @ PKR 6.50 per share	-	-	(600,337)	-	(600,337)
<b>Total dividends</b>	<b>-</b>	<b>-</b>	<b>(1,200,674)</b>	<b>-</b>	<b>(1,200,674)</b>
Profit for the period	-	-	2,029,242	-	2,029,242
Loss on hedges - net of tax	-	-	-	(1,554)	(1,554)
Transferred to capital work-in-progress	-	-	-	1,554	1,554
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2,029,242</b>	<b>-</b>	<b>2,029,242</b>
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred tax	-	-	63,901	-	63,901
<b>As at March 31, 2016</b>	<b>923,591</b>	<b>309,643</b>	<b>12,376,315</b>	<b>-</b>	<b>13,609,549</b>
Profit for the period	-	-	813,944	-	813,944
Other comprehensive income for the period - net of tax	-	-	(13,960)	-	(13,960)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>799,984</b>	<b>-</b>	<b>799,984</b>
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred tax	-	-	6,995	-	6,995
<b>As at June 30, 2016</b>	<b>923,591</b>	<b>309,643</b>	<b>13,183,294</b>	<b>-</b>	<b>14,416,528</b>
Final dividend of PKR 9.00 per share for the year ended June 30, 2016	-	-	(831,231)	-	(831,231)
Interim dividend of PKR 8.00 per share for the year ended June 30, 2017	-	-	(738,872)	-	(738,872)
<b>Total dividends</b>	<b>-</b>	<b>-</b>	<b>(1,570,103)</b>	<b>-</b>	<b>(1,570,103)</b>
Profit for the period	-	-	2,396,012	-	2,396,012
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2,396,012</b>	<b>-</b>	<b>2,396,012</b>
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred tax	-	-	72,879	-	72,879
<b>As at March 31, 2017</b>	<b>923,591</b>	<b>309,643</b>	<b>14,082,082</b>	<b>-</b>	<b>15,315,316</b>

The annexed notes from 1 to 22 form an integral part of the condensed interim unconsolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Muhammad Abid Ganatra**  
Chief Financial Officer

# Notes to the Condensed Interim Unconsolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

## 1 Status and nature of business

ICI Pakistan Limited ("the Company") is incorporated in Pakistan and is listed on The Pakistan Stock Exchange. The Company is a subsidiary of Lucky Holding Limited (a subsidiary of Lucky Cement Limited) and 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 merchandising 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 condensed interim unconsolidated financial statements of the Company in which investment in subsidiary and associate is stated at cost less impairment losses if any.

## 2 Statement of compliance

These condensed interim unconsolidated financial statements have been prepared in accordance with International Accounting Standard - 34 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirement differ, the provision of or directives issued under the Companies Ordinance, 1984 have been followed.

These condensed interim unconsolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with Company's annual financial statements for the year ended June 30, 2016.

## 3 Significant accounting policies

The accounting policies and methods of computation adopted for the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2016, except for the adoption of new accounting standards and interpretations as disclosed in note 19 to these financial statements.

## 4 Property, plant and equipment

	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
Operating fixed assets - at net book value - note 4.1	15,379,629	15,878,014
Capital work-in-progress - at cost		
Civil works and buildings	563,038	443,249
Plant and machinery	1,326,573	648,500
Advances to suppliers / contractors	405,083	70,571
Total capital work-in-progress - note 4.3	2,294,694	1,162,320
<b>Total property, plant and equipment</b>	<b>17,674,323</b>	<b>17,040,334</b>

### 4.1 Following is the movement in operating fixed assets during the period:

Opening net book value	15,878,014	12,573,587
Additions during the period / year - note 4.2	1,158,745	4,744,887
Revaluation	-	450,908
Disposals during the period / year - note 4.2	(457)	(13,712)
Depreciation charge during the period / year	(1,656,673)	(1,877,656)
<b>Total</b>	<b>15,379,629</b>	<b>15,878,014</b>

# Notes to the Condensed Interim Unconsolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

- 4.2 Following is the cost of operating fixed assets that have been added / disposed off during the nine months ended March 31, 2017:

	Additions / Transfers		Disposals - Net book value	
	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
Freehold land	-	22,713	-	-
Lime beds on freehold land	-	92,052	-	39
Buildings on freehold land	1,619	42,856	-	-
Buildings on leasehold land	100,923	832,025	-	6,966
Plant and machinery	990,691	3,685,378	-	5,665
Rolling stock and vehicles	-	4,347	455	622
Furniture and equipment	65,512	65,516	2	420
<b>Total</b>	<b>1,158,745</b>	<b>4,744,887</b>	<b>457</b>	<b>13,712</b>

- 4.3 The following is the movement in capital work-in-progress during the period / year:

	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
Opening balance	1,162,320	1,662,776
Addition during the period / year	2,230,450	4,183,925
	3,392,770	5,846,701
Transferred to operating fixed assets	(1,098,076)	(4,684,381)
<b>Closing balance</b>	<b>2,294,694</b>	<b>1,162,320</b>

- 4.4 Additions to plant and machinery include transfer from capital work-in-progress. It also includes borrowing cost for various projects amounting to:

34,233 132,085

## 5 Intangible assets

Intangible assets - at net book value - note 5.1	14,366	16,460
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- 5.1 Addition to intangible assets:

3,269 9,724

## 6 Long-term investments

### Unquoted

#### Subsidiaries

- ICI Pakistan PowerGen Limited (wholly owned) - note 6.1  
7,100,000 ordinary shares (June 30, 2016: 7,100,000) of PKR 100 each  
Provision for impairment loss

710,000	710,000
(209,524)	(209,524)
500,476	500,476

- Cirin Pharmaceuticals (Private) Limited (wholly owned) - note 6.2  
112,000 ordinary shares of PKR 100 each and premium of  
PKR 8,661.61 per share

981,300 -

#### Associate

- NutriCo Pakistan (Private) Limited (40% ownership)  
200,000 ordinary shares (June 30, 2016: 200,000 shares) of  
PKR 1,000 each and premium of PKR 4,760 per share

960,000 960,000

#### Others

- Equity security available for sale
- Arabian Sea Country Club Limited

2,500 2,500

2,444,276 1,462,976

# Notes to the Condensed Interim Unconsolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
<b>6.1</b> As of the balance sheet date, the value of the Company's investment on the basis of net assets of ICI Pakistan PowerGen Limited ("PowerGen") as disclosed in its unaudited condensed interim financial statements:	<b>762,118</b>	831,156
<b>6.2</b> On 23rd December, 2016, the company acquired 100% voting shares of Cirin Pharmaceuticals (Private) Limited ("Cirin"). As of the balance sheet date, the value of the Company's investment on the basis of net assets of Cirin as disclosed in its unaudited condensed interim financial statements:	<b>130,899</b>	-
<b>7 Long-term loans</b>		
<i>Considered Good</i>		
Due from executives and employees	<b>493,314</b>	459,221
Current portion shown under loans and advances	<b>(103,290)</b>	(102,891)
	<b>390,024</b>	356,330
<b>8 Stock-in-trade</b>		
It includes items carried at net realisable value of PKR 628.078 million (June 30, 2016: PKR 338.822 million) on which net reversal of PKR 27.122 million (June 30, 2016: PKR 10.999 million expense) was recognised during the period / year.		
<b>9 Long-term loans</b>		
Long term loans - note 9.1	<b>4,740,813</b>	4,046,369
Current portion shown under current liabilities	<b>(522,871)</b>	(393,783)
	<b>4,217,942</b>	3,652,586
<b>9.1</b> Opening balance	<b>4,046,369</b>	2,449,498
Obtained during the period / year	<b>1,000,000</b>	2,552,427
Repaid during the period / year	<b>(305,556)</b>	(955,556)
Closing balance	<b>4,740,813</b>	4,046,369
There is no material change in amounts and disclosures made in the annual financial statement with regard to long-term loans except that during the period, Company availed a further long term loan based on Diminishing Musharaka amounting to PKR 1,000 million @ 6MKIBOR + 0.05%. The markup is payable on semi annual basis.		
<b>10 Deferred tax liability - net</b>		
<b>Deductible temporary differences</b>		
Provisions for retirement benefits, doubtful debts and others	<b>(268,851)</b>	(239,276)
Retirement funds provision	<b>(19,491)</b>	(19,491)
<b>Taxable temporary differences</b>		
Property, plant and equipment	<b>1,649,159</b>	1,689,556
	<b>1,360,817</b>	1,430,789

# Notes to the Condensed Interim Unconsolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
<b>11 Short-term borrowings and running finance</b>		
Export refinance - mark-up: SBP rate + 0.25% per annum	50,000	388,741
Money market	-	300,000
Short-term running finance - secured	2,127,888	1,275,692
	<b>2,177,888</b>	<b>1,964,433</b>
<b>12 Contingencies and commitments</b>		
<b>12.1</b> Claims against the Company not acknowledged as debts are as follows:		
Local bodies	1,100	1,100
Others	16,148	28,529
	<b>17,248</b>	<b>29,629</b>
<b>12.2</b> There are no material changes in the status of custom duty, income tax and sales tax contingencies as reported in the annual audited financial statements of the Company. Except that the case of Titanium Dioxide which has been decided by Custom Appellate Tribunal in favour of the Company. Total amount of demand involved was PKR 51.5 million.		
<b>12.3</b> Commitments in respect of capital expenditure (including light ash project of Soda Ash)	2,771,148	2,193,478
<b>12.4</b> Commitments for rentals under operating lease / Ijarah contracts in respect of vehicles are as follows:		
<b>Year</b>		
2016-17	18,410	64,050
2017-18	62,550	44,247
2018-19	49,944	28,227
2019-20	29,551	6,550
2020-21	8,976	-
	<b>169,431</b>	<b>143,074</b>
Payable not later than one year	18,410	64,050
Payable later than one year but not later than five years	151,021	79,024
	<b>169,431</b>	<b>143,074</b>

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Nine Months Period Ended March 31, 2017

## 13 Operating Segment results

Amounts in PKR '000

	Polyester				Soda Ash				Life Sciences				Chemicals				Company			
	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016
<b>Turnover - note 13.1, 13.2 &amp; 13.3</b>	3,826,232	10,953,117	3,054,816	10,559,498	3,346,859	10,271,124	3,322,232	10,012,854	3,311,780	9,824,103	2,536,166	7,677,855	1,942,879	3,876,644	1,225,739	3,346,070	12,130,196	34,751,114	10,728,863	31,584,227
Sales tax	-	-	(105,005)	(307,598)	(453,386)	(1,412,510)	(453,485)	(1,385,172)	(28,457)	(95,628)	(37,508)	(111,728)	(194,618)	(437,559)	(142,200)	(359,954)	(877,471)	(1,945,695)	(738,158)	(2,174,452)
Commission and discounts	(63,230)	(238,292)	(93,935)	(302,128)	(193,864)	(637,577)	(239,679)	(515,592)	(546,192)	(1,573,698)	(381,636)	(1,066,491)	(40,280)	(111,793)	(8,232)	(227,753)	(846,188)	(2,501,561)	(746,564)	(2,112,336)
	(63,230)	(238,292)	(138,940)	(609,726)	(645,250)	(2,050,887)	(693,164)	(1,901,154)	(576,249)	(1,669,326)	(419,207)	(1,178,219)	(234,888)	(549,352)	(203,432)	(587,689)	(1,528,657)	(4,507,056)	(1,484,733)	(4,286,788)
Net turnover	3,763,002	10,714,825	3,405,876	9,949,772	2,700,579	8,221,037	2,633,088	8,111,710	2,735,531	7,954,778	2,176,959	6,499,636	1,407,981	3,327,282	1,022,346	2,750,381	10,606,539	30,344,058	9,243,900	27,307,449
Cost of sales																				
- note 13.1 and 14	(3,746,009)	(10,890,554)	(3,173,845)	(10,281,420)	(1,866,752)	(5,727,460)	(1,844,759)	(5,544,857)	(1,908,512)	(5,956,891)	(1,538,558)	(4,633,968)	(1,078,528)	(2,391,288)	(787,733)	(2,146,154)	(8,601,238)	(24,601,238)	(7,544,546)	(22,603,369)
Gross profit	14,997	54,271	(67,968)	(331,648)	833,827	2,493,577	794,329	2,566,853	827,019	2,588,887	638,401	1,853,648	329,458	736,084	234,533	604,227	2,005,301	5,842,819	1,539,354	4,699,080
Selling and distribution expenses	(65,941)	(170,251)	(55,688)	(184,983)	(92,649)	(225,522)	(74,565)	(227,033)	(433,946)	(1,254,182)	(319,965)	(912,992)	(90,483)	(249,684)	(71,161)	(207,354)	(883,019)	(1,089,600)	(521,279)	(1,532,384)
Administration and general expenses	(78,398)	(232,114)	(64,261)	(202,553)	(64,766)	(183,511)	(56,470)	(172,732)	(81,389)	(233,608)	(63,791)	(181,830)	(34,233)	(104,819)	(30,353)	(68,430)	(258,767)	(746,050)	(214,875)	(655,575)
Operating result	(129,343)	(338,094)	(187,918)	(719,196)	675,412	2,082,543	663,294	2,167,048	311,704	871,119	254,615	764,826	204,742	381,601	133,079	298,433	1,063,515	2,997,169	863,000	2,511,111



# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016
<b>13.1 Turnover</b>				
Inter-segment sales and purchases have been eliminated from the total.	554	3,874	369	4,050
<b>13.2</b> Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.				
<b>13.3</b> Turnover includes export sales made to various countries amounting to:	384,373	523,376	348,061	541,088
<b>14 Cost of sales</b>				
Opening stock of raw and packing materials	2,240,515	2,258,116	1,859,684	2,056,724
Purchases	5,432,471	13,615,623	4,478,012	12,479,074
	7,672,986	15,873,739	6,337,696	14,535,798
Closing stock of raw and packing materials	(2,721,342)	(2,721,342)	(2,228,007)	(2,228,007)
Raw and packing materials consumption	4,951,644	13,152,397	4,109,689	12,307,791
Manufacturing costs	2,165,557	6,468,777	2,005,870	6,077,579
	7,117,201	19,621,174	6,115,559	18,385,370
Opening stock of work-in-process	131,252	140,179	117,108	96,034
	7,248,453	19,761,353	6,232,667	18,481,404
Closing stock of work-in-process	(82,604)	(82,604)	(124,484)	(124,484)
Cost of goods manufactured	7,165,849	19,678,749	6,108,183	18,356,920
Opening stock of finished goods	3,088,473	2,898,451	2,367,927	2,769,008
Finished goods purchased	1,727,160	5,404,283	1,735,777	4,049,782
	11,981,482	27,981,483	10,211,887	25,175,710
Closing stock of finished goods	(3,380,244)	(3,380,244)	(2,567,341)	(2,567,341)
	8,601,238	24,601,239	7,644,546	22,608,369
<b>15 Taxation</b>				
Current	302,875	836,923	220,038	662,523
Deferred	(19,954)	(69,972)	(35,622)	(127,156)
	282,921	766,951	184,416	535,367

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	March 31, 2017	March 31, 2016
<b>16 Cash flows from operating activities</b>		
Profit before taxation	3,162,963	2,564,609
Adjustments for:		
Depreciation and amortisation	1,662,037	1,393,464
(Gain) / Loss on disposal of operating fixed assets	(3,346)	2,740
Provision for non-management staff gratuity and eligible retired employees' medical scheme	23,915	13,606
Provision for staff retirement benefit plan	19,801	35,163
Dividend from Subsidiary	(125,000)	(150,000)
Dividend from Associate	(504,000)	(358,375)
Interest expense	279,143	240,928
Provision for doubtful debts	37,649	22,248
Provision for slow moving and obsolete stock-in-trade	42,876	6,736
Provision for slow moving and obsolete stores, spares and consumables	2	7,700
Provisions and accruals no longer required written back	(2,725)	-
	4,593,315	3,778,819
Movement in:		
Working capital - note 16.1	(782,191)	(925,707)
Long-term loans and advances	(33,694)	(23,383)
Long-term deposits and prepayments	(2,908)	(1,428)
Cash generated from operations	3,774,522	2,828,301
<b>16.1 Movement in working capital</b>		
<b><i>Increase in current assets</i></b>		
Stores, spares and consumables	(77,982)	(113,148)
Stock-in-trade	(930,320)	(4,802)
Trade debts	(775,273)	(612,269)
Loans and advances	(154,167)	(47,294)
Trade deposits and short-term prepayments	(59,544)	(17,032)
Other receivables	(379,805)	(43,765)
	(2,377,091)	(838,310)
<b><i>Increase / (Decrease) in current liability</i></b>		
Trade and other payables	1,594,900	(87,397)
	(782,191)	(925,707)

# Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

## 17 Transactions with related parties

The related parties comprise the holding company (Lucky Holding Limited), the ultimate parent company (Lucky Cement Limited) and related group companies, associated company, subsidiary companies, directors of the Company, companies where directors also hold directorship, key employees and staff retirement funds. 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 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016
Relationship with the company	Nature of Transaction				
Holding Company	Royalty	64,635	189,658	60,418	180,583
	Dividend	550,002	1,170,969	448,476	896,952
Subsidiary Companies:					
<i>PowerGen</i>	Purchase of electricity	132,691	384,443	173,871	305,296
	Provision of services and other receipts	495	1,485	495	1,485
	Sale of goods and material	-	221	-	896
	Dividend income	-	125,000	-	150,000
<i>Cirin</i>	Investment in Subsidiary	-	981,300	-	-
Associated Companies	Purchase of goods, materials and services	30,990	84,901	19,072	89,762
	Sale of goods and materials	341,062	1,112,468	368,943	1,094,981
	Reimbursement of expenses	27,080	68,953	17,496	49,486
	Dividend paid to associates	88,465	187,988	71,878	143,755
	Dividend income from associate	224,000	504,000	178,375	358,375
	Donations paid	5,000	15,000	-	-
Others	Staff retirement benefits	108,169	196,013	74,408	163,783
Key management personnel	Remuneration paid	50,366	202,220	44,021	168,629
	Post employment benefits	7,996	23,021	5,793	20,921

# Notes to the Condensed Interim Unconsolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

## 18 Estimates

Judgments and estimates made by the management in the preparation of the condensed interim unconsolidated financial statements were the same as those applied to the financial statements as at and for the year ended June 30, 2016.

## 19 New amended and revised standards and interpretations of IFRSs

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

The Company has adopted the following amendment to IFRSs which became effective for the current period:

- IFRS 10 – Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements: Investment Entities: Applying the Consolidation Exception (Amendment)
- IFRS 11 – Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)
- IAS 1 – Presentation of Financial Statements: Disclosure Initiative (Amendment)
- IAS 16 – Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
- IAS 16 – Property, Plant and Equipment and IAS 41 Agriculture: 'Agriculture - Bearer Plants (Amendment)
- IAS 27 – Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)

The adoption of the above amendment to accounting standards did not have any effect on the condensed interim financial statements.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB. The Company expects that such improvements to the standards do not have any material impact on the Company's financial statements for the period.

## 20 Financial risk management

The Company's financial risk management objective and policies are consistent with that disclosed in the represented financial statements as at and for the year ended June 30, 2016.

# Notes to the Condensed Interim Unconsolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

## 21 Date of authorisation

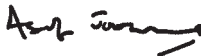
The condensed interim unconsolidated financial information was authorised for issue in the Board of Directors meeting held on April 20, 2017.

## 22 General

22.1 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



**ICI PAKISTAN LTD.**

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# **ICI Pakistan Limited and its Subsidiary Company Consolidated Financial Statements**



# Review of the Directors

For the Quarter & Nine Months Ended March 31, 2017

The Directors are pleased to present their report together with the unaudited Group results of ICI Pakistan Limited for the third quarter and nine months ended March 31, 2017. The ICI Pakistan Group comprises ICI Pakistan Limited, and wholly owned subsidiaries ICI Pakistan PowerGen Limited (PowerGen), and Cirin Pharmaceuticals (Private) Limited (Cirin).

The Directors' Report, which provides a commentary on the performance of ICI Pakistan Limited for the nine months ended March 31, 2017, has been presented separately.

ICI Pakistan PowerGen Limited posted a net turnover of PKR 329 million in the period under review, which is 27% higher than the corresponding period last year. With furnace oil-based electricity being the cheapest alternative to coal for the Polyester plant of ICI Pakistan Limited, electricity units sold to the Polyester Business rose by 21% over the SPLY. However, operating profit dipped by 8% (PKR 54 million versus PKR 59 million), because of higher repair and maintenance costs.

Cirin completed its first quarter of operations as a wholly owned subsidiary of ICI Pakistan Limited, posting a net turnover and operating result of PKR 230 million and PKR 40 million respectively.

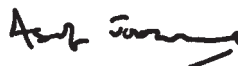
Hy-Cortisone and Stanem were the major contributors to this strong performance. The manufacturing facility situated in Hattar operated efficiently and as per plan during the period under review.

Towards the end of the quarter, Cirin launched its first product post-acquisition, under the brand name Sovir (Sofosbuvir); a systemic antiviral for the treatment of Hepatitis C. Cirin also succeeded in obtaining registration of Hy-Cortisone in the international market.

The integration of Cirin into the systems of ICI Pakistan Limited progressed well and is expected to be completed by the end of June 2017. Going forward, the major focus will be to capitalise on the manufacturing capacity of Cirin. Alongside this, the intent will also be to leverage the sales network and marketing capabilities of ICI Pakistan Limited to broaden the customer base for existing products, and to enhance product portfolios.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive

April 20, 2017  
Karachi



## ڈائریکٹر زکا جائزہ

برائے تیسری سہ ماہی اور 9 ماہ ختم شدہ 31 مارچ 2017

ڈائریکٹر زکا جائزہ رپورٹ برائے تیسری سہ ماہی اور 9 ماہ ختم شدہ 31 مارچ 2017 اور آئی سی آئی پاکستان لمیٹڈ کے غیر آڈٹ شدہ گروپ رزلٹس پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ آئی سی آئی پاکستان گروپ، آئی سی آئی پاکستان لمیٹڈ اور مکمل زیر ملکیت اداروں، آئی سی آئی پاکستان پاور جن لمیٹڈ (PowerGen) اور سرن فارماسیوٹیکل (پرائیویٹ) لمیٹڈ (Cirin) پر مشتمل ہے۔

9 ماہ ختم شدہ 31 مارچ 2017 کے دوران آئی سی آئی پاکستان لمیٹڈ کی کارکردگی کی وضاحت پر مشتمل ڈائریکٹر ز رپورٹ علیحدہ سے پیش کی جا چکی ہے۔

آئی سی آئی پاکستان PowerGen لمیٹڈ کا زیر جائزہ عرصہ کے لئے مجموعی کاروبار 329 ملین روپے رہا جو کہ گزشتہ سال کے مقابلے میں 27 فیصد زیادہ ہے۔ توانائی کے متبادل ذرائع میں کونسل کے مقابلے میں فرنیس آئل سے پیدا ہونے والی بجلی سستی رہی جس کی وجہ سے آئی سی آئی پاکستان کے پولیٹر پلانٹ کو فراہم کئے جانے والے بجلی کے پینس میں گزشتہ سال کے مقابلے میں 21 فیصد اضافہ ہوا، اس کے باوجود آپریٹنگ رزلٹ میں 8 فیصد کمی ہوئی (54 ملین روپے بمقابلہ 59 ملین روپے) کیونکہ اس عرصہ میں مرمت اور بحالی کے بہت زیادہ کام انجام دیئے گئے ہیں۔

سرن فارماسیوٹیکل نے آئی سی آئی پاکستان کے زیر ملکیت پہلی سہ ماہی مکمل کی جس میں مجموعی کاروبار اور آپریٹنگ رزلٹ باترتیب 230 ملین روپے اور 40 ملین روپے رہا۔

اس زبردست کارکردگی کے پیچھے ہائی کارٹیزون اور اسٹینم نے اہم کردار ادا کیا۔ حطار میں قائم اس کے مینوفیکچرنگ پلانٹ نے موثر انداز میں پروڈکشن کی۔

اس سہ ماہی کے آخر میں، سرن نے مراسلہ حصول اپنی پہلی پروڈکٹ کا آغاز کیا جس کا برانڈ نامہ سوویر (Sovir-Sotosbuvir) ہے اور جو ہپاٹائٹس سی کے علاج کے لئے ایک اعلیٰ وائرل دوا کی ہے۔ اس کے ساتھ سرن عالمی مارکیٹ میں ہائی کارٹیزون کی رجسٹریشن حاصل کرنے میں کامیاب رہی۔

آئی سی آئی پاکستان لمیٹڈ کے سسٹم میں سرن کی شمولیت کے مرحلے میں اچھی ترقی ہوئی اور اس کی جون 2017 کے اختتام تک مکمل ہونے کی امید کی جاسکتی ہے۔ مزید برآں سب سے زیادہ ترجیح سرن کی مینوفیکچرنگ صلاحیت کو بڑھا کر آئی سی آئی پاکستان لمیٹڈ کی سبز اور مارکیٹنگ صلاحیتوں سے استفادہ کرتے ہوئے موجودہ پروڈکٹس کو بہترین کسٹمر میں دینے کے ساتھ اس کے پورٹ فولیو میں اضافہ کرتا ہے۔

آصف جمعہ

چیف ایگزیکٹو

محمد سہیل شاہ

چیرمین / ڈائریکٹر

بتاریخ: 20 اپریل 2017

کراچی۔

# Condensed Interim Consolidated Balance Sheet

As at March 31, 2017

Amounts in PKR '000

	Note	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	17,998,783	17,164,769
Intangible assets	6	746,631	16,460
		<b>18,745,414</b>	<b>17,181,229</b>
Long-term investment	7	987,024	963,667
Long-term loans	8	391,764	357,637
Long-term deposits and prepayments		41,147	33,594
		<b>1,419,935</b>	<b>1,354,898</b>
		<b>20,165,349</b>	<b>18,536,127</b>
<b>Current assets</b>			
Stores, spares and consumables		951,236	861,544
Stock-in-trade	9	6,369,123	5,317,357
Trade debts		2,425,422	1,640,067
Loans and advances		558,471	392,362
Trade deposits and short-term prepayments		501,188	430,649
Other receivables		1,410,515	804,400
Taxation - net		1,195,296	2,234,248
Cash and bank balances		280,356	258,962
		<b>13,691,607</b>	<b>11,939,589</b>
<b>Total assets</b>		<b>33,856,956</b>	<b>30,475,716</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised capital			
1,500,000,000 (June 30, 2016: 1,500,000,000)			
ordinary shares of PKR 10 each		<b>15,000,000</b>	<b>15,000,000</b>
Issued, subscribed and paid-up capital			
92,359,050 (June 30, 2016: 92,359,050)			
ordinary shares of PKR 10 each		<b>923,591</b>	<b>923,591</b>
Capital reserves		<b>309,643</b>	<b>309,643</b>
Unappropriated profit		<b>14,223,265</b>	<b>13,341,517</b>
<b>Total equity</b>		<b>15,456,499</b>	<b>14,574,751</b>
<b>Surplus on revaluation of property, plant and equipment</b>		<b>917,461</b>	<b>995,330</b>
<b>Non-current liabilities</b>			
Provisions for non-management staff gratuity		<b>91,808</b>	<b>90,867</b>
Long-term loans	10	<b>4,217,942</b>	<b>3,652,586</b>
Deferred tax liability - net	11	<b>1,360,817</b>	<b>1,430,789</b>
Finance lease liability	12	<b>12,125</b>	<b>-</b>
		<b>5,682,692</b>	<b>5,174,242</b>
<b>Current liabilities</b>			
Trade and other payables		<b>8,978,042</b>	<b>7,322,763</b>
Accrued mark-up		<b>87,155</b>	<b>77,663</b>
Short-term borrowings and running finance	13	<b>2,206,546</b>	<b>1,937,184</b>
Current portion of long-term loans		<b>522,871</b>	<b>393,783</b>
Current portion of finance lease liability		<b>5,690</b>	<b>-</b>
		<b>11,800,304</b>	<b>9,731,393</b>
<b>Total equity and liabilities</b>		<b>33,856,956</b>	<b>30,475,716</b>

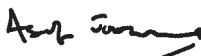
## Contingencies and commitments

14

The annexed notes 1 to 24 form an integral part of the condensed interim consolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Muhammad Abid Ganatra**  
Chief Financial Officer

# Condensed Interim Consolidated Profit and Loss Account (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016
<b>Turnover - note 15</b>	<b>12,526,444</b>	<b>35,183,941</b>	<b>10,753,926</b>	<b>31,638,373</b>
Sales tax	(696,751)	(2,001,554)	(763,463)	(2,218,588)
Commission and discounts	(992,867)	(2,708,042)	(746,564)	(2,112,336)
	<b>(1,689,618)</b>	<b>(4,709,596)</b>	<b>(1,510,027)</b>	<b>(4,330,924)</b>
Net turnover	<b>10,836,826</b>	<b>30,474,345</b>	<b>9,243,899</b>	<b>27,307,449</b>
Cost of sales - note 15 and 16	<b>(8,712,101)</b>	<b>(24,674,909)</b>	<b>(7,595,766)</b>	<b>(22,547,459)</b>
<b>Gross profit</b>	<b>2,124,725</b>	<b>5,799,436</b>	<b>1,648,133</b>	<b>4,759,990</b>
Selling and distribution expenses	(731,301)	(1,947,882)	(521,379)	(1,532,394)
Administration and general expenses	(271,207)	(758,732)	(214,880)	(655,771)
<b>Operating result - note 15</b>	<b>1,122,217</b>	<b>3,092,822</b>	<b>911,874</b>	<b>2,571,825</b>
Finance costs	(86,425)	(281,868)	(71,351)	(241,186)
Exchange losses	(5,751)	215	(10,389)	(61,274)
Workers' profit participation fund	(63,151)	(171,469)	(50,271)	(138,335)
Workers' welfare fund	(24,511)	(66,484)	(19,493)	(53,565)
Other charges	(4,206)	(20,720)	(3,624)	(22,363)
	<b>(184,044)</b>	<b>(540,326)</b>	<b>(155,128)</b>	<b>(516,723)</b>
Other income	36,913	74,256	20,043	61,192
Share of profit from Associate	205,690	527,357	129,728	306,154
<b>Profit before taxation</b>	<b>1,180,776</b>	<b>3,154,109</b>	<b>906,517</b>	<b>2,422,448</b>
Taxation - note 17	(294,960)	(780,128)	(184,416)	(535,367)
<b>Profit after taxation</b>	<b>885,816</b>	<b>2,373,981</b>	<b>722,101</b>	<b>1,887,081</b>

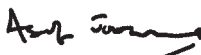
(PKR)

<b>Basic and diluted earnings per share</b>	<b>9.59</b>	<b>25.70</b>	<b>7.82</b>	<b>20.43</b>
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The annexed notes 1 to 24 form an integral part of the condensed interim consolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Muhammad Abid Ganatra**  
Chief Financial Officer

# Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited)

For the Nine Months Period Ended March 31, 2017

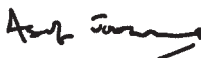
Amounts in PKR '000

	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016
<b>Profit after taxation</b>	<b>885,816</b>	<b>2,373,981</b>	<b>722,101</b>	<b>1,887,081</b>
Items to be reclassified to profit or loss in subsequent periods:				
Loss on hedge during the period	-	-	-	(2,285)
Income tax relating to hedging reserve	-	-	-	731
	-	-	-	(1,554)
Adjustments for amounts transferred to initial carrying amounts of hedged item - capital work-in-progress	-	-	-	1,554
	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>885,816</b>	<b>2,373,981</b>	<b>722,101</b>	<b>1,887,081</b>

The annexed notes 1 to 24 form an integral part of the condensed interim consolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Muhammad Abid Ganatra**  
Chief Financial Officer

# Condensed Interim Consolidated Cash Flow Statement (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	March 31, 2017	March 31, 2016
<b>Cash flows from operating activities</b>		
Cash generated from operations - note 18	3,939,229	3,130,787
Payments for:		
Non-management staff gratuity and eligible retired employees' medical scheme	(21,020)	(19,907)
Staff retirement benefit plan	(51,107)	(50,174)
Taxation	189,061	(164,586)
Interest	(273,550)	(222,865)
<b>Net cash generated from operating activities</b>	<b>3,782,613</b>	<b>2,673,255</b>
<b>Cash flows from investing activities</b>		
Capital expenditure	(2,441,676)	(3,579,113)
Proceeds from disposal of operating fixed assets	8,226	8,617
Dividend received	280,000	270,000
Interest received on bank deposits	7,025	5,145
Acquisition of subsidiary	(981,300)	-
Advance against investment	-	(240,000)
<b>Net cash used in investing activities</b>	<b>(3,127,725)</b>	<b>(3,535,351)</b>
<b>Cash flows from financing activities</b>		
Long-term loans obtained	1,000,000	2,335,341
Long-term loans repaid	(305,556)	(716,667)
Finance lease liability repaid	(1,829)	-
Dividends paid	(1,556,205)	(597,416)
<b>Net cash (used in) / generated from financing activities</b>	<b>(863,590)</b>	<b>1,021,258</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(208,702)</b>	<b>159,162</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>(1,717,488)</b>	<b>(1,712,800)</b>
<b>Cash and cash equivalents at the end of the period (Ref. 1)</b>	<b>(1,926,190)</b>	<b>(1,553,638)</b>
<b>Ref 1: Cash and cash equivalents at the end of period comprise of:</b>		
Cash and bank balances	280,356	134,063
Short-term borrowings and running finance	(2,206,546)	(1,687,701)
	<b>(1,926,190)</b>	<b>(1,553,638)</b>

The annexed notes 1 to 24 form an integral part of the condensed interim consolidated financial statements.

  
**Muhammad Sohail Tabba**  
Chairman / Director

  
**Asif Jooma**  
Chief Executive

  
**Muhammad Abid Ganatra**  
Chief Financial Officer

# Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)

For the Nine Months Period Ended March 31, 2017

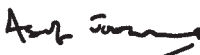
Amounts in PKR '000

	Issued, subscribed and paid-up capital	Capital reserves	Unappropriated profit	Hedging Reserve	Total
<b>As at July 1, 2015</b>	<b>923,591</b>	<b>309,643</b>	<b>11,755,187</b>	<b>-</b>	<b>12,988,421</b>
Final dividend for the year ended June 30, 2015 @ PKR 6.50 per share	-	-	(600,337)	-	(600,337)
Interim dividend for the year ended June 30, 2016 @ PKR 6.50 per share	-	-	(600,337)	-	(600,337)
<b>Total dividends</b>	<b>-</b>	<b>-</b>	<b>(1,200,674)</b>	<b>-</b>	<b>(1,200,674)</b>
Profit for the period	-	-	1,887,081	-	1,887,081
Loss on hedges - net of tax	-	-	-	(1,554)	(1,554)
Transferred to capital work-in-progress	-	-	-	1,554	1,554
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>1,887,081</b>	<b>-</b>	<b>1,887,081</b>
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred tax	-	-	63,528	-	63,528
<b>As at March 31, 2016</b>	<b>923,591</b>	<b>309,643</b>	<b>12,505,122</b>	<b>-</b>	<b>13,738,356</b>
Profit for the period	-	-	842,740	-	842,740
Other comprehensive income for the period - net of tax	-	-	(13,960)	-	(13,960)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>828,780</b>	<b>-</b>	<b>828,780</b>
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred tax	-	-	7,615	-	7,615
<b>As at June 30, 2016</b>	<b>923,591</b>	<b>309,643</b>	<b>13,341,517</b>	<b>-</b>	<b>14,574,751</b>
Final dividend of PKR 9.00 per share for the year ended June 30, 2016	-	-	(831,231)	-	(831,231)
Interim dividend of PKR 8.00 per share for the year ended June 30, 2017	-	-	(738,872)	-	(738,872)
<b>Total dividends</b>	<b>-</b>	<b>-</b>	<b>(1,570,103)</b>	<b>-</b>	<b>(1,570,103)</b>
Profit for the period	-	-	2,373,981	-	2,373,981
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>2,373,981</b>	<b>-</b>	<b>2,373,981</b>
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred tax	-	-	77,870	-	77,870
<b>As at March 31, 2017</b>	<b>923,591</b>	<b>309,643</b>	<b>14,223,265</b>	<b>-</b>	<b>15,456,499</b>

The annexed notes 1 to 24 form an integral part of the condensed interim consolidated financial statements.



**Muhammad Sohail Tabba**  
Chairman / Director



**Asif Jooma**  
Chief Executive



**Muhammad Abid Ganatra**  
Chief Financial Officer

# Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

## 1 Status and nature of business

The Group consists of ICI Pakistan Limited ("the Company"), ICI Pakistan PowerGen Limited ("PowerGen") and Cirin Pharmaceuticals (Private) Limited ("Cirin"). ICI Pakistan Limited is incorporated in Pakistan and is listed on The Pakistan Stock Exchange. PowerGen is incorporated in Pakistan as an unlisted public company and is a wholly owned subsidiary company of ICI Pakistan Limited. Cirin is incorporated in Pakistan as a private limited company and is a wholly owned subsidiary of ICI Pakistan Limited. The Group is a subsidiary of Lucky Holding Limited (a subsidiary of Lucky Cement 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 merchandising of general chemicals. It also acts as an indenting agent and toll manufacturer. ICI Pakistan PowerGen Limited is engaged in generating, selling and supplying electricity to the Company while Cirin Pharmaceuticals (Private) Limited is involved in manufacturing and sale of pharmaceutical products. The Group's registered office is situated at 5 West Wharf, Karachi.

The condensed interim consolidated financial statements comprise the consolidated balance sheet of ICI Pakistan Limited and its subsidiary companies, PowerGen and Cirin, as at March 31, 2017 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.

## 2 Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard - 34 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirement differ, the provision of or directives issued under the Companies Ordinance, 1984 have been followed.

These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with Company's annual financial statements for the year ended June 30, 2016.

## 3 Significant accounting policies

The accounting policies and methods of computation adopted for the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2016, except for the adoption of new accounting standards and interpretations as disclosed in note 21 to these financial statements.

## 4 Business combination

On 23rd December, 2016, the Company acquired 100% voting shares of Cirin Pharmaceuticals (Private) Limited ("Cirin"). Cirin is involved in manufacturing and sales of pharmaceutical products.

The following table summarizes the estimated fair values of net assets acquired:

	Fair value recognized on acquisition
Indicative value of tangible assets	342,735
Indicative value of intangibles:	
Brands	684,219
Goodwill	48,046
<b>Gross consideration</b>	<b>1,075,000</b>



# Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

## 5. Property, plant and equipment

	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
Operating fixed assets - at net book value - note 5.1	15,700,729	16,001,818
Capital work-in-progress - at cost		
Civil works and buildings	563,343	443,249
Plant and machinery	1,329,628	649,131
Advances to suppliers / contractors	405,083	70,571
Total capital work-in-progress - note 5.3	2,298,054	1,162,951
<b>Total property, plant and equipment</b>	<b>17,998,783</b>	<b>17,164,769</b>

### 5.1 Following is the movement in operating fixed assets during the period:

Opening net book value	16,001,818	12,713,226
Additions during the period / year - note 5.2	1,159,309	4,764,101
Acquisition through business combination	230,503	-
Revaluation	-	470,932
Disposals during the period / year - note 5.2	(457)	(13,712)
Depreciation charge during the period / year	(1,690,444)	(1,932,729)
	15,700,729	16,001,818

### 5.2 Following is the cost of operating fixed assets that have been added / disposed off during the nine months ended March 31, 2017:

	Additions / Transfers		Disposals - Net book value	
	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
Freehold land	-	22,713	-	-
Lime beds on freehold land	-	92,052	-	39
Buildings on freehold land	1,619	42,856	-	-
Buildings on leasehold land	100,923	832,025	-	6,966
Plant and machinery	991,255	3,704,592	-	5,665
Rolling stock and vehicles	-	4,347	455	622
Furniture and equipment	65,512	65,516	2	420
<b>Total</b>	<b>1,159,309</b>	<b>4,764,101</b>	<b>457</b>	<b>13,712</b>

### 5.3 The following is the movement in capital work-in-progress during the period / year:

Opening balance	1,162,951	1,675,698
Addition during the period / year	2,233,438	4,183,927
Acquisition through business combination	305	-
	3,396,694	5,859,625
Transferred to operating fixed assets	(1,098,640)	(4,696,674)
<b>Closing balance</b>	<b>2,298,054</b>	<b>1,162,951</b>

### 5.4 Additions to plant and machinery include transfer from capital work-in-progress. It also includes borrowing cost for various projects amounting to:

34,233 132,085

## 6 Intangible assets

Intangible assets - at net book value - note 6.1	746,631	16,460
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# Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
<b>6.1</b> Following is the detail of the intangible assets:		
Brands - note 4	684,219	-
Goodwill - note 4	48,046	-
Others	14,366	16,460
	<b>746,631</b>	<b>16,460</b>
<b>6.2</b> Brands and goodwill have been recognized on the acquisition of Cirin Pharmaceuticals (Private) Limited.		
<b>6.3</b> Addition to intangible assets:	<b>735,534</b>	<b>9,724</b>
<b>7 Long-term investments</b>		
<b>Unquoted</b>		
Associate - NutriCo Pakistan (Private) Limited - note 7.1		
Cost of investment - 200,000 ordinary shares		
(June 30, 2016: 200,000 shares) of PKR 1,000 each and		
premium of PKR 4,760 per share		
Post acquisition profits at the beginning	960,000	960,000
Share of profit for the period / year	1,167	52,224
Dividend received during the period / year	527,357	407,318
	<b>(504,000)</b>	<b>(458,375)</b>
	<b>984,524</b>	<b>961,167</b>
<b>Others</b>		
Equity security available for sale		
- Arabian Sea Country Club Limited	2,500	2,500
	<b>987,024</b>	<b>963,667</b>
<b>7.1</b> The Group has a 40% interest in NutriCo Pakistan (Private) Limited (the associate), which is involved in marketing and distribution of infant milk and nutritional products.		
<b>8 Long-term loans</b>		
<b>Considered good</b>		
Due from executives and employees	495,356	460,752
Current portion shown under current assets	<b>(103,592)</b>	<b>(103,115)</b>
	<b>391,764</b>	<b>357,637</b>
<b>9 Stock-in-trade</b>		
It includes items carried at net realisable value of PKR 628.078 million (June 30, 2016: PKR 338.822 million) on which net reversal of PKR 27.122 million (June 30, 2016: PKR 10.999 million expense) was recognised during the period / year.		
<b>10 Long-term loans</b>		
Long-term loans - note 10.1	4,740,813	4,046,369
Current portion shown under current liabilities	<b>(522,871)</b>	<b>(393,783)</b>
	<b>4,217,942</b>	<b>3,652,586</b>
<b>10.1</b> Opening Balance	<b>4,046,369</b>	<b>2,449,498</b>
Obtained during the period / year	<b>1,000,000</b>	<b>2,552,427</b>
Repaid during the period / year	<b>(305,556)</b>	<b>(955,556)</b>
	<b>4,740,813</b>	<b>4,046,369</b>

There is no material change in amounts and disclosures made in the annual financial statement with regard to long-term loans except that during the period, Company availed a further long term loan based on Diminishing Musharaka amounting to PKR 1,000 million @ 6MKIBOR + 0.05%. The markup is payable on semi annual basis.

# Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	March 31, 2017 (Unaudited)	June 30, 2016 (Audited)
<b>11 Deferred tax liability - net</b>		
<b>Deductible temporary differences</b>		
Provisions for retirement benefits, doubtful debts and others	(268,851)	(239,276)
Retirement funds provision	(19,491)	(19,491)
<b>Taxable temporary differences</b>		
Property, plant and equipment	1,649,159	1,689,556
	<b>1,360,817</b>	<b>1,430,789</b>
<b>12 Finance lease liability</b>		
Present value of lease payments under finance lease are as Follows:		
Not later than 1 year	7,373	-
Later than 1 year and not later than five years	13,182	-
	<b>20,555</b>	<b>-</b>
Financial charges allocated to future periods	(2,740)	-
Net lease obligation	17,815	-
Current portion shown under current liabilities	(5,690)	-
	<b>12,125</b>	<b>-</b>
<b>13 Short-term borrowings and running finance</b>		
Export refinance - mark-up: SBP rate + 0.25% per annum	50,000	388,741
Money market	-	300,000
Short-term running finance - secured	2,156,546	1,248,443
	<b>2,206,546</b>	<b>1,937,184</b>
<b>14 Contingencies and commitments</b>		
Claims against the Group not acknowledged as debts are as follows:		
Local bodies	1,100	1,100
Others	16,148	28,529
	<b>17,248</b>	<b>29,629</b>
<b>14.1</b> There are no material changes in the status of custom duty, income tax and sales tax contingencies as reported in the annual audited financial statements of the Company. Except that the case of Titanium Dioxide which has been decided by Custom Appellate Tribunal in favour of the Company. Total amount of demand involved was PKR 51.5 million.		
<b>14.2</b> Commitments in respect of capital expenditure (including light ash project of Soda Ash)	<b>2,789,148</b>	<b>2,193,478</b>
<b>14.3</b> Commitments for rentals under operating lease / Ijarah contracts in respect of vehicles are as follows:		
<b>Year</b>		
2016-17	18,410	64,050
2017-18	62,550	44,247
2018-19	49,944	28,227
2019-20	29,551	6,550
2020-21	8,976	-
	<b>169,431</b>	<b>143,074</b>
Payable not later than one year	18,410	64,050
Payable later than one year but not later than five years	151,021	79,024
	<b>169,431</b>	<b>143,074</b>

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Nine Months Period Ended March 31, 2017

## 15 Operating Segment results

Amounts in PKR '000

	Polyester			Soda Ash			Life Sciences			Chemicals			Others - PowerGen			Group			
	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 9 months ended March 31, 2016	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 9 months ended March 31, 2016	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 9 months ended March 31, 2016	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 9 months ended March 31, 2016	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 9 months ended March 31, 2016	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 9 months ended March 31, 2016	
Turnover - note 15.1, 15.2 & 15.3	3,826,232	10,983,117	3,654,816	10,539,498	3,346,880	10,271,124	3,302,252	10,010,871	2,596,163	7,617,855	1,542,278	3,676,644	1,226,798	3,348,070	132,691	384,448	12,536,444	35,163,841	10,753,936
Sales tax	-	-	(105,005)	(307,380)	(453,465)	(1,385,172)	(29,457)	(85,629)	(37,508)	(111,728)	(94,618)	(47,556)	(142,200)	(389,354)	(19,260)	(56,689)	(686,751)	(2,001,554)	(783,463)
Commission and discounts	(63,230)	(238,292)	(93,355)	(302,128)	(195,864)	(657,577)	(668,473)	(1,720,360)	(381,698)	(1,056,491)	(40,260)	(111,793)	(61,252)	(227,735)	-	-	(962,867)	(2,708,042)	(746,564)
	(63,230)	(238,292)	(198,360)	(609,508)	(649,260)	(2,050,097)	(732,830)	(1,816,098)	(419,207)	(1,173,219)	(204,868)	(549,353)	(203,452)	(597,569)	(19,260)	(56,689)	(1,689,618)	(4,709,586)	(1,510,027)
Net turnover	3,763,002	10,744,825	3,465,876	9,949,772	2,706,580	8,220,037	2,639,088	8,111,710	2,566,818	8,185,065	1,407,860	3,327,292	1,023,346	2,750,381	113,411	326,594	10,836,826	30,474,345	9,243,889
Cost of sales - note 15.1 and 16	(3,746,005)	(10,690,554)	(3,473,945)	(10,281,420)	(1,868,752)	(5,727,460)	(1,844,759)	(5,544,857)	(1,530,558)	(4,609,988)	(1,078,223)	(2,591,208)	(797,753)	(2,146,154)	(84,630)	(273,680)	(8,712,101)	(24,674,089)	(7,955,766)
Gross profit	14,997	54,271	(67,969)	(331,648)	837,828	2,492,577	794,329	2,566,853	927,427	2,459,285	329,637	736,084	234,593	604,227	18,981	54,904	2,124,725	5,799,086	1,688,123
Selling and distribution expenses	(65,941)	(170,251)	(55,889)	(184,895)	(92,648)	(225,523)	(74,955)	(221,053)	(488,228)	(1,302,148)	(80,463)	(248,653)	(71,161)	(207,364)	-	-	(739,301)	(1,947,882)	(521,378)
Administration and general expenses	(78,388)	(222,114)	(64,261)	(202,853)	(44,766)	(165,511)	(65,470)	(172,752)	(98,861)	(246,038)	(84,233)	(104,619)	(30,353)	(88,430)	(69)	(430)	(271,207)	(738,132)	(214,880)
Operating result	(129,340)	(338,094)	(187,318)	(719,398)	678,413	2,082,543	668,294	2,167,046	395,397	910,912	254,945	764,826	130,079	298,433	18,912	54,474	98,229	1,122,217	3,092,822
																	58,229	48,279	911,874

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016
<b>15.1 Turnover</b>				
Inter-segment sales and purchases have been eliminated from the total	113,965	332,458	148,977	263,671
<b>15.2</b> Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.				
<b>15.3</b> Turnover includes export sales made to various countries amounting to:	384,373	523,376	348,061	541,088
<b>16 Cost of sales</b>				
Opening stock of raw and packing materials	2,313,875	2,335,397	1,880,400	2,078,367
Purchases	5,565,900	13,745,131	4,478,181	12,478,317
	7,879,775	16,080,528	6,358,581	14,556,684
Closing stock of raw and packing materials	(2,818,741)	(2,818,741)	(2,248,892)	(2,248,892)
Raw and packing materials consumption	5,061,034	13,261,787	4,109,689	12,307,792
Manufacturing costs	2,184,241	6,450,270	1,957,090	6,016,669
	7,245,275	19,712,057	6,066,779	18,324,461
Opening stock of work-in-process	166,299	175,226	117,108	96,034
	7,411,574	19,887,283	6,183,887	18,420,495
Closing stock of work-in-process	(118,059)	(118,059)	(124,484)	(124,484)
Cost of goods manufactured	7,293,515	19,769,224	6,059,403	18,296,011
Opening stock of finished goods	3,119,345	2,929,323	2,367,927	2,769,008
Finished goods purchased	1,720,424	5,397,545	1,735,777	4,049,781
	12,133,284	28,096,092	10,163,107	25,114,800
Closing stock of finished goods	(3,421,183)	(3,421,183)	(2,567,341)	(2,567,341)
	8,712,101	24,674,909	7,595,766	22,547,459
<b>17 Taxation</b>				
Current	314,914	850,100	220,038	662,523
Deferred	(19,954)	(69,972)	(35,622)	(127,156)
	294,960	780,128	184,416	535,367

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

	March 31, 2017	March 31, 2016
<b>18 Cash flows from operating activities</b>		
Profit before taxation	3,154,109	2,422,448
Adjustments for:		
Depreciation and amortisation	1,699,062	1,433,769
Loss / (gain) on disposal of operating fixed assets	(5,760)	2,740
Provision for non-management staff gratuity and eligible retired employees' medical scheme	23,915	13,606
Provision for staff retirement benefit plan	22,310	35,163
Dividend from Associate	-	-
Share of profit from associate	(527,357)	(306,154)
Interest on bank deposits and loan to the Subsidiary	(5,877)	(5,145)
Interest expense	281,868	241,187
Provision for doubtful debts	37,649	22,248
(Reversal) / provision for slow moving and obsolete stock-in-trade	42,876	6,736
Provision for slow moving stores, spares and consumables	2	7,700
Provisions and accruals no longer required written back	(2,725)	-
	<b>4,720,072</b>	<b>3,874,298</b>
Movement in:		
Working capital (note - 18.1)	(741,953)	(719,233)
Long-term loans	(34,127)	(22,850)
Long-term deposits and prepayments	(4,763)	(1,428)
	<b>3,939,229</b>	<b>3,130,787</b>
<b>18.1 Movement in working capital</b>		
<b>(Increase) / decrease in current assets</b>		
Stores, spares and consumables	(86,005)	(113,256)
Stock-in-trade	(976,566)	(4,044)
Trade debts	(789,930)	(612,268)
Loans and advances	(157,139)	(46,921)
Trade deposits and short-term prepayments	(59,404)	(18,946)
Other receivables	(383,263)	107,823
	<b>(2,452,307)</b>	<b>(687,612)</b>
<b>Increase / (Decrease) in current liabilities</b>		
Trade and other payables	1,710,354	(31,621)
	<b>(741,953)</b>	<b>(719,233)</b>

# Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Nine Months Period Ended March 31, 2017

Amounts in PKR '000

## 19 Transactions with related parties

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

		For the 3 months ended March 31, 2017	For the 9 months ended March 31, 2017	For the 3 months ended March 31, 2016	For the 9 months ended March 31, 2016
Relationship with the company	Nature of Transaction				
Holding Company	Royalty	64,635	189,658	60,418	180,583
	Dividend	550,002	1,170,969	448,476	896,952
Associated Companies	Purchase of goods, materials and services	30,990	84,901	19,072	89,762
	Sale of goods and materials	341,062	1,112,468	368,943	1,094,981
	Dividend	88,465	187,988	71,878	143,755
	Reimbursement of expenses	27,080	68,953	17,496	49,486
	Dividend received from associate	224,000	504,000	178,375	358,375
	Donations paid	5,000	15,000		
Others	Staff retirement benefits	108,169	196,013	74,408	163,783
Key management personnel	Remuneration paid	50,366	202,220	44,021	168,629
	Post employment benefits	7,996	23,021	5,793	20,921

## 20 Estimates

Judgments and estimates made by the management in the preparation of the condensed interim consolidated financial statements were the same as those applied to the financial statements as at and for the year ended June 30, 2016.

# Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

## **21 New, amended and revised standards and interpretations of IFRS's**

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

The Group has adopted the following amendment to IFRSs which became effective for the current period:

- IFRS 10 – Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements: Investment Entities: Applying the Consolidation Exception (Amendment)
- IFRS 11 – Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)
- IAS 1 – Presentation of Financial Statements: Disclosure Initiative (Amendment)
- IAS 16 – Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
- IAS 16 – Property, Plant and Equipment and IAS 41 Agriculture: 'Agriculture - Bearer Plants (Amendment)
- IAS 27 – Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)

The adoption of the above amendment to accounting standards did not have any effect on the condensed interim financial statements.

In addition to the above standards and amendments, improvements to various accounting standards have also been issued by the IASB. The Group expects that such improvements to the standards do not have any material impact on the Group's financial statements for the period. "

## **22 Financial risk management**

The Group's financial risk management objective and policies are consistent with that disclosed in the financial statements as at and for the year ended June 30, 2016.



# Notes to the Condensed Interim Consolidated Financial Statements

For the Nine Months Period Ended March 31, 2017

## 23 Date of authorisation

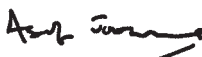
The condensed interim consolidated financial information was authorised for issue in the Board of Directors meeting held on April 20, 2017.

## 24 General

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

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