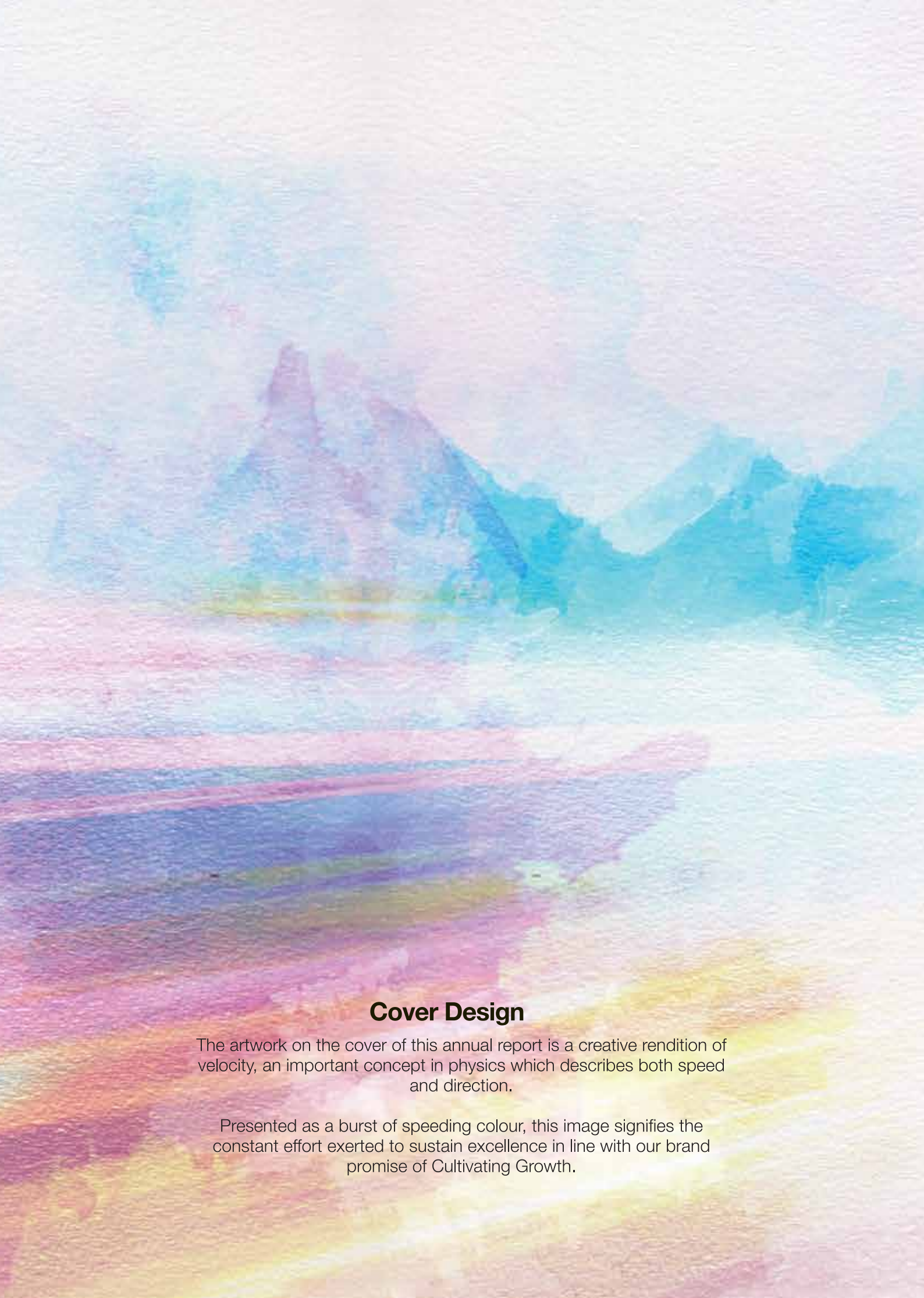
ICI PAKISTAN LTD.

Annual Report 2015-16

Sustaining Our Velocity



Cover Design

The artwork on the cover of this annual report is a creative rendition of velocity, an important concept in physics which describes both speed and direction.

Presented as a burst of speeding colour, this image signifies the constant effort exerted to sustain excellence in line with our brand promise of Cultivating Growth.

Sustaining Our Velocity

What direction are we moving in? Where do we want to be, and how fast can we get there? At ICI Pakistan Limited, these are important questions – ones that we ask ourselves regularly.

We know that these questions, and their answers, are vital to our growth and our success. They help us chart our course. They fuel our unrelenting drive for achievement. And they compel us to achieve the velocity we need.

Our diverse and dynamic Business portfolio keeps growing. We are a force to be reckoned with, but always a force for good; fostering development and improving lives in our communities. We are constantly on the move. And we never lose sight of the fact that speed is not the same as velocity – a clear trajectory, a defined vision, and the will to propel ourselves further.

This important distinction separates us from those who have speed but not vision; those who have might but lack endurance. We have come a long way but we are compelled to travel even further. And we are excited about the journey. Because we know that we'll get there as long as we sustain our velocity – to Cultivate Growth today, tomorrow, and beyond.

ICI Pakistan Limited at a Glance

ICI Pakistan Limited is a leading Pakistan-based manufacturing and trading company consisting of four diverse Businesses: Polyester, Soda Ash, Chemicals and Life Sciences. Through these Businesses, we manufacture and trade in a wide range of products including: polyester staple fibre (PSF), soda ash, general and specialty chemicals, toll-manufactured pharmaceuticals, nutraceuticals, animal health products and agricultural products (including chemicals, field crop seeds, vegetable seeds and more). The Company also has a management stake in the infant milk formula business under the name of NutriCo Pakistan Private Limited, which manages the import, marketing and distribution of select Morinaga Milk Industry Co. Limited products in Pakistan.

The history of our Company predates the formation of Pakistan. From modest beginnings as a trading company, today we can proudly state that ICI Pakistan Limited's Businesses are major players in their respective industries. We continue to bring together deep understanding of customer needs with industry expertise and innovative processes to achieve our promise of Cultivating Growth.

Ownership / About YBG

ICI Pakistan Limited became part of the Yunus Brothers Group (YBG) in December 2012, when Lucky Holdings Limited acquired the shareholding of ICI Omicron B.V. Established in 1962, YBG is one of the fastest-growing and most progressive Pakistani conglomerates with a wide portfolio of businesses including, but not limited to: cement, textiles, power generation and commodity trading.

Our Scale and Presence

Soda Ash

Polyester

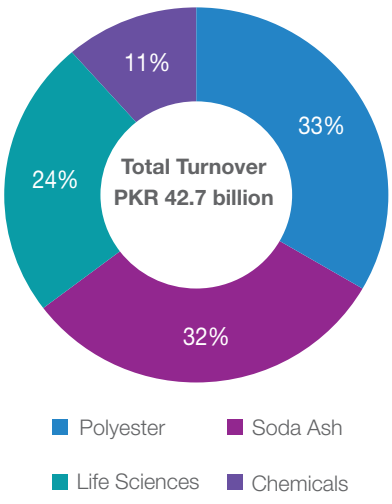
Life Sciences

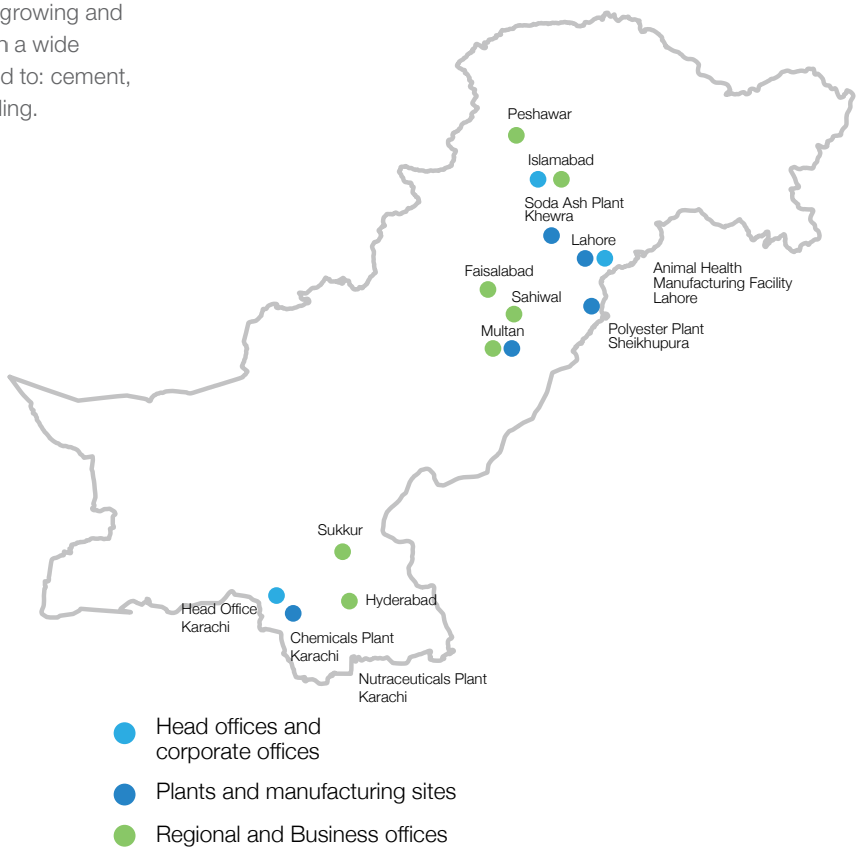
Chemicals

Industries we serve

- Textiles
- Paints
- Appliances
- Construction
- Automobile
- Footwear
- Oil/Petroleum/Lube/Grease
- Food & Beverage
- Personal Care
- Metal Cleaning/Engineering
- Pharmaceuticals
- Cement/Mining
- Chemical Processing/Resins
- Plastics/Rubber/Tanneries
- Agrochemicals/Seeds
- Coatings/Inks
- Detergents and Laundry Soaps
- Surgical
- Fertilizers
- Paper/Ceramics/Glass

Total Turnover by Business





Key Performance Indicators

Statement of income

-1% Net turnover
In PKR million
2014-15 37,515
2015-16 36,954

14% Operating result
In PKR million
2014-15 3,044
2015-16 3,479

29% Profit before tax
In PKR million
2014-15 2,703
2015-16 3,498

34% Profit after tax
In PKR million
2014-15 2,126
2015-16 2,843

14% EBITDA
In PKR million
2014-15 4,701
2015-16 5,378

16% EBITDA margin
% of Net turnover
2014-15 12.53
2015-16 14.55

34% Earnings per share
In PKR million
2014-15 23.02
2015-16 30.78

Ratios

13% Equity
In PKR million
2014-15 12,717
2015-16 14,417

-22% Price earning
In times
2014-15 18.63
2015-16 14.46

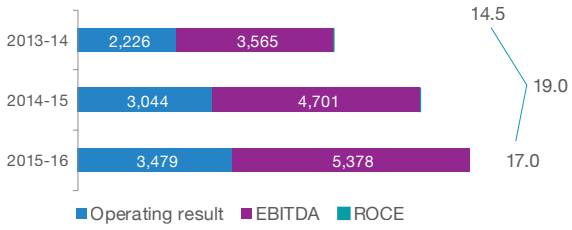
-10% Return on capital employed
In %
2014-15 18.96
2015-16 17.04

-4% Return on fixed assets
% of revenue
2014-15 21.34
2015-16 20.39

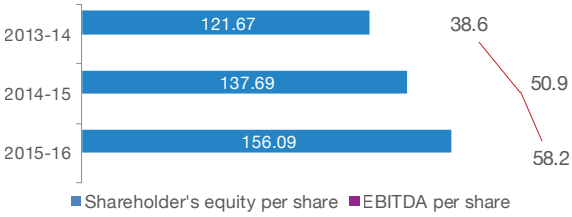
7% Operating result per employee
In PKR million
2014-15 2.45
2015-16 2.63

1% Capital expenditures
In PKR million
2014-15 4,212
2015-16 4,254

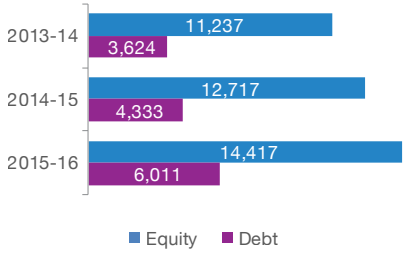
Operating result and EBITDA
PKR million



Shareholder's equity and EBITDA per share
In PKR



Net debt and equity
PKR million



Contents

Overview & Strategy

Vision	10
Code of Conduct	11
Message from the Chief Executive	12
Financial Statements at a Glance	14
Financial Highlights	16
Operating & Financial Highlights	20
Analysis of Financial Statements	22
SWOT Analysis	25
Vertical & Horizontal Analysis	26
Quarterly Analysis	30
DuPont Analysis	32
Share Price Sensitivity Analysis	33
Year in Review	34
Sustainability Guiding Principle	36
Awards & Achievements	37
Passion for People	38
Technology Developments	40
Health, Safety, Environment and Security	42
Community Investment	46

Governance & Compliance

Corporate Governance & Compliance	52
Risk Management	56
Board and Management Committees	60
Company Information	61
Our Board of Directors	62
Our Executive Management Team	66
Organisational Structure	68
Report of the Directors	69
Report of the Directors (Urdu)	F 122
Statement of Compliance	79
Review Report	81

Business Performance

Soda Ash 84

Life Sciences 86

Chemicals 94

Polyester 98

Sustainability Performance

Leadership Statement 104

Highlights 2015-16 105

Sustainability Council 106

Sustainability Council Stakeholders 107

Sustainability Strategy 108

Sustainability Framework 109

About the Report 110

Stakeholder Engagement 111

Key Performance Indicators 116

Economic Performance 118

Social Performance 122

Environmental Performance 126

G4 Content Index 134

Assurance Statement 148

Financial Performance

ICI Pakistan Financial Statements F 01

Pattern of Shareholding F 50

Notice of Meeting F 53

Form of Proxy F 55

ICI Pakistan Consolidated Financial Statements F 57

Glossary F 104

Admission Slip F 105

Form of Proxy (Urdu) F 123

Mandate Letter

Our Values

Customer Centricity

We are committed to the success of our customers and their needs are at the centre of our universe - we exist because of them.

Integrity & Responsibility

Ethical and responsible behaviour is our license to operate. Uncompromising integrity in all our dealings is the backbone of our DNA. We have a zero tolerance policy to violations of our code and beliefs.

Innovation

To be responsive to the challenges of change and to new and existing opportunities, we need to constantly come up with better, smarter and simpler solutions.

Passion for People

Our success is based on the multiplier effect of our people. Our passion for people drives us to harness their energies, cultivate and nurture their talent, manage their well-being and, most importantly, create a learning environment conducive for development and growth.

Delivering Enduring Value

Delivering sustained growth and enduring value to benefit our shareholders, employees, suppliers, customers and the communities in which we operate.

Overview & Strategy

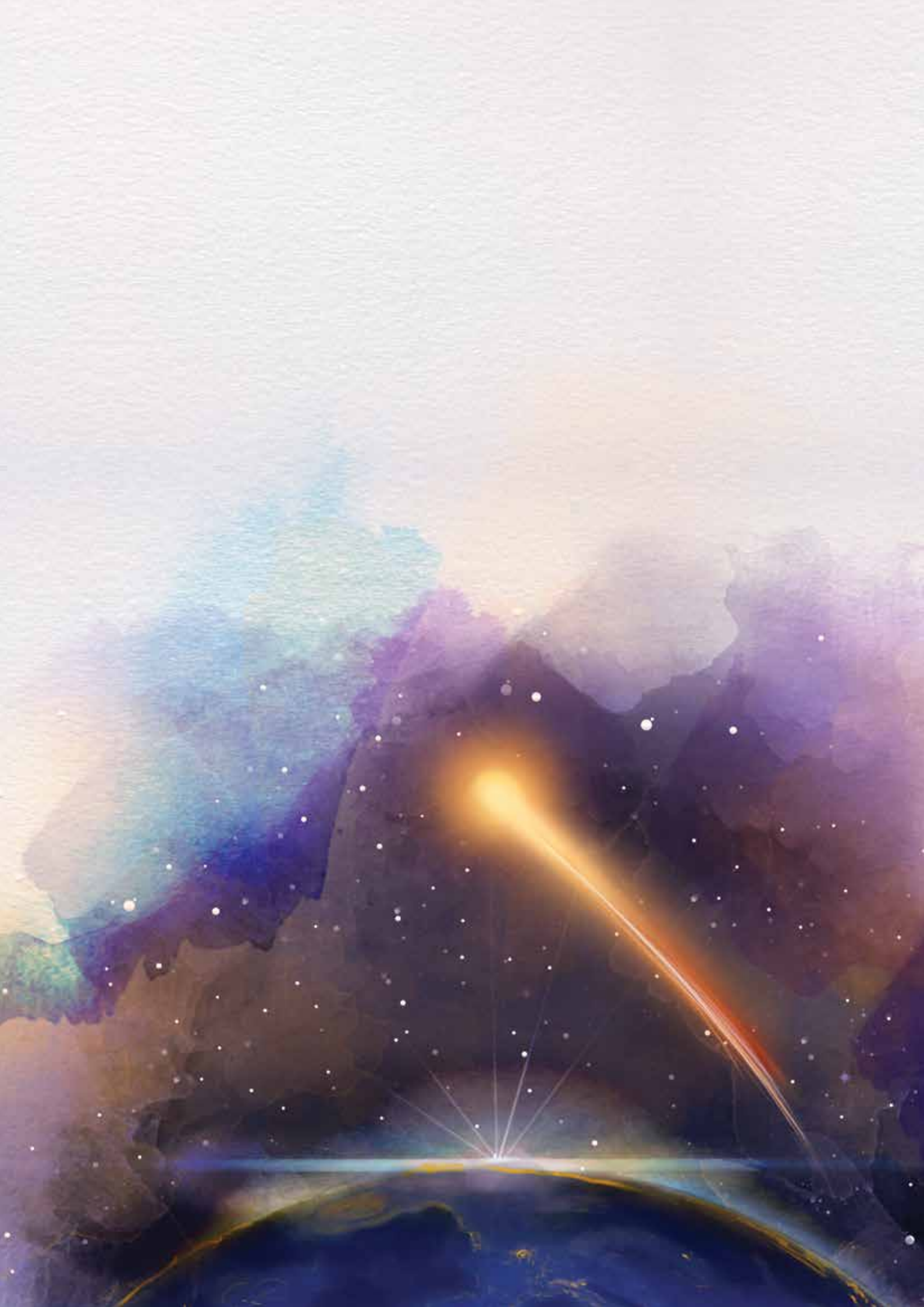
A CLEAR TRAJECTORY

Speed is essential in this fast-paced world. But achieving speed without clear direction is futile - it doesn't get you where you need to go.

At ICI Pakistan Limited, we strive to ensure our vision and goals are clear, and our path to success is defined. That way, we cannot be derailed from our clear trajectory of growth.

This section highlights our strategic priorities, provides an overview of our key performance areas, and features the Chief Executive's message.





Our Vision

As the partner of choice, we aspire to build our local and international footprint through sustainable growth and by creating value for all our stakeholders.

Our Code of Conduct

At ICI Pakistan Limited, we have always believed in adhering to the highest ethical standards while conducting our business. Our business principles and ethical standards are enshrined in the ICI Pakistan Limited Code of Conduct.

A brief overview of the Code

Business Principles

Each employee should implement our core values, comply with and observe applicable laws, support fundamental human rights and give due regard to health, safety and the environment.

Business Integrity

- Bribery and any other form of unethical business practices are prohibited
- We promote free enterprise and require strict compliance with competition laws
- As responsible corporate citizens, we encourage participation in community activities and take all measures for the safety and health of our employees, as well as for the protection of the environment
- Employees are expected to maintain confidentiality, act in the Company's interests at all times, and also observe applicable laws, support fundamental human rights, and give due regard to health, safety and the environment

Company Responsibilities

The Code encourages us to:

- Adopt the spirit of open communication
- Provide equal opportunities and a healthy, safe and secure environment
- Ensure the rights of employees to join unions/associations
- Protect the personal data of employees
- Engage in an active performance and development dialogue

Employee Responsibilities

The Code provides employees guidance on their responsibilities vis-a-vis:

- Media relations and disclosures
- Inside information
- Corporate identity
- Protecting our intellectual property
- Internet use
- Business travel policy
- Prohibition on substance abuse

Message from the Chief Executive



Dear Stakeholders,

I am pleased to share that the year 2015-16 has seen ICI Pakistan Limited continue to make strides in fulfilling its brand promise, Cultivating Growth.

This report centres around the theme of Sustaining Our Velocity, which is reflective of the momentum achieved during the year under review. This theme also communicates our intent to continue to build upon our trajectory of growth.

From strong performances by our Businesses to value-adding innovations and initiatives undertaken by our corporate functions, I am confident that the information presented in this report will convey to you our determination to succeed in our aspiration of creating enduring value. Our customers and our stakeholders remain our top priority. In line with our Company values, providing you with the best products and services and safeguarding your interests are some of the key drivers that propel us on our journey.

During the year under review, unconsolidated profit after tax at PKR 2,843 million is 34% higher than the same period last year. Our operating result of PKR 3,479 million is 14% higher than it was during the same period last year.

As always, this success is attributable to the commitment and unrelenting drive for results of our people. This year witnessed robust top line growth in the Soda Ash, Life Sciences and Chemicals Businesses. The Soda Ash Business successfully commissioned its Dense Ash and Refined Sodium Bicarbonate plant expansions, enabling us to meet demand going forward whilst remaining the supplier of choice.

The Life Sciences Business achieved sales of PKR 8.7 billion, with all Divisions of the Business posting their highest ever annual sales. Similarly, the Chemicals Business delivered its best ever financial performance with net sales income of PKR 3,981 million.

At the Polyester and Soda Ash Businesses, successful commissioning of steam and power projects during the year further enhanced the energy mix for both our larger manufacturing sites, delivering value, easing the energy cost burden and further strengthening their respective asset bases.

Revenues of the Polyester Business were negatively impacted due to declining prices across the petrochemical chain. The Business, however, mitigated the effects of strong headwinds through cost saving initiatives and product innovation. In doing so, the Business demonstrated the perseverance and resolve that is fundamental to ICI Pakistan Limited's longstanding success.

Another major development came about in the form of a further 10% increase in our stake in NutriCo Pakistan Private Limited, which manages the import, marketing and distribution of select Morinaga Milk Industry Co. Limited nutrition products in Pakistan. This investment brings our total participation in NutriCo Pakistan Private Limited to 40% versus last year's 30%; a sign of our confidence and commitment to growth of this Business.

It is important to remember that to achieve the success we continually aspire to, we must be more than a business. And I am proud to say that in this regard, ICI Pakistan Limited has always maintained a strong focus on its impact beyond sales and numbers.

We remain a socially responsible Company, with our sights set on continuing to optimise our processes for safer, more sustainable operations today and well into the future. We continue to engage with and serve our communities, aiming to add value to lives and livelihoods with initiatives in health, education, community development and environmental conservation. And as always, our people are at the very core of all that we do. Our employee engagement levels for this year reflect our commitment to our people and, in turn, their dedication to our collective journey of Cultivating Growth.

As we continue to build upon the legacy of what is one of Pakistan's leading companies today, I, along with my colleagues, look forward to another year of exciting opportunities at ICI Pakistan Limited as we strive to create greater value, in every sense of the word.

Warm regards,

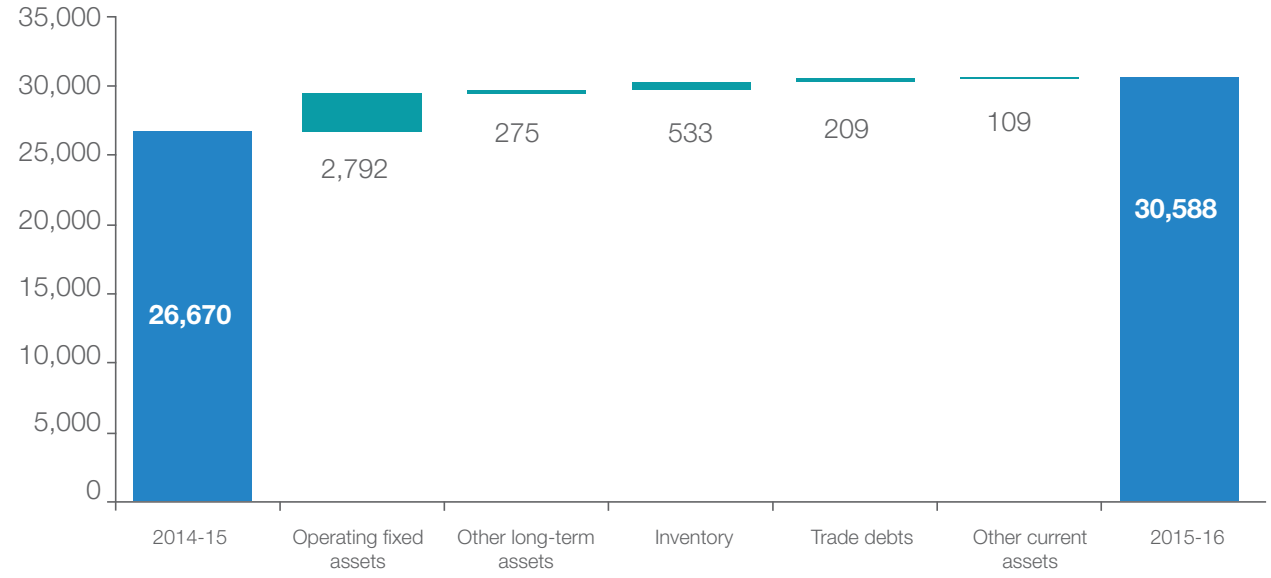


Asif Jooma
Chief Executive
ICI Pakistan Limited

Financial Statements at a Glance

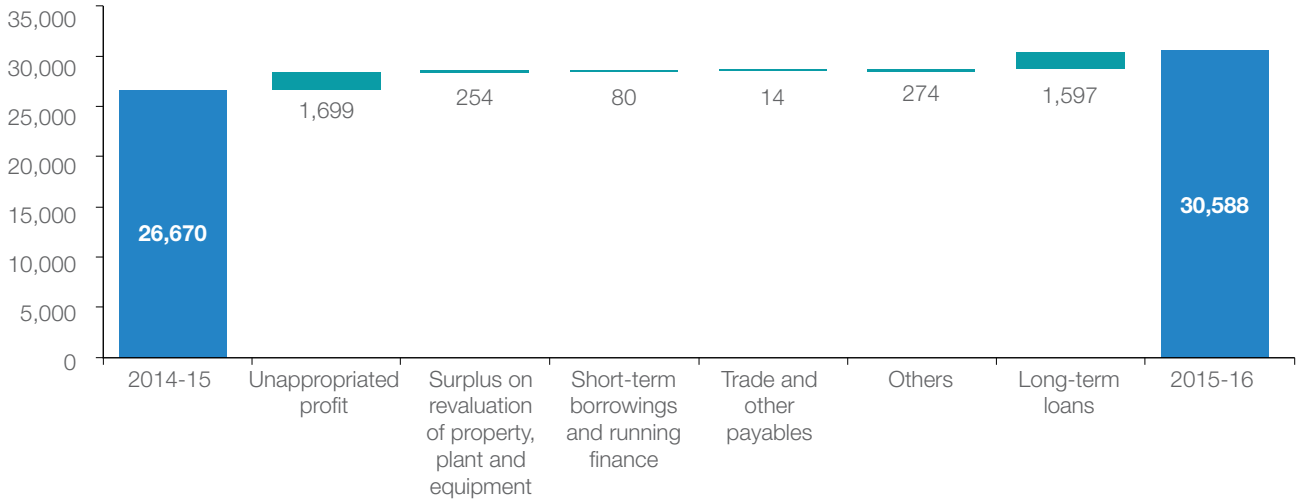
Assets

PKR million



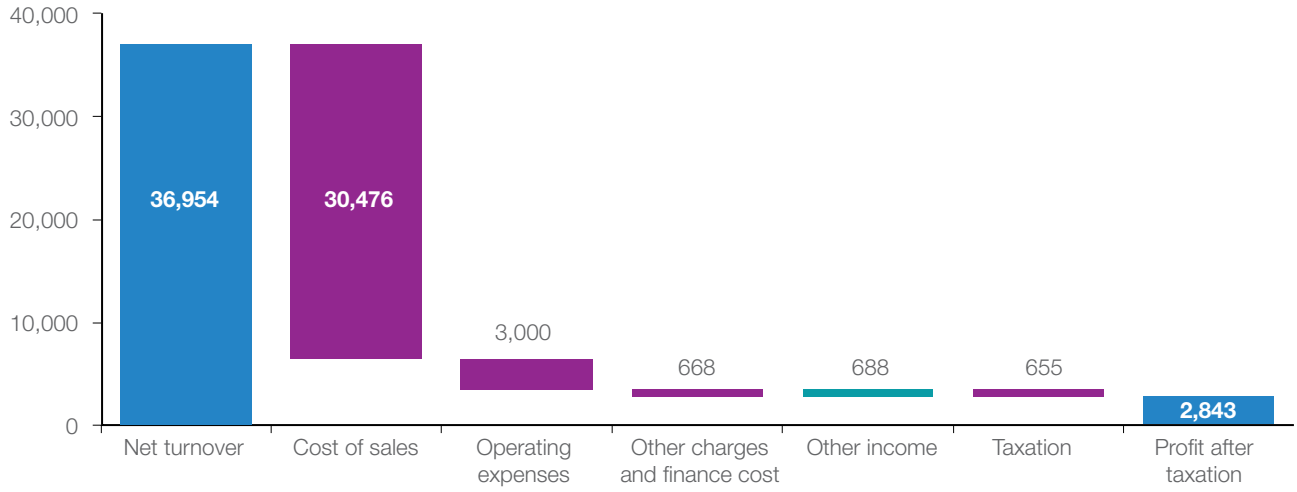
Equity and Liabilities

PKR million



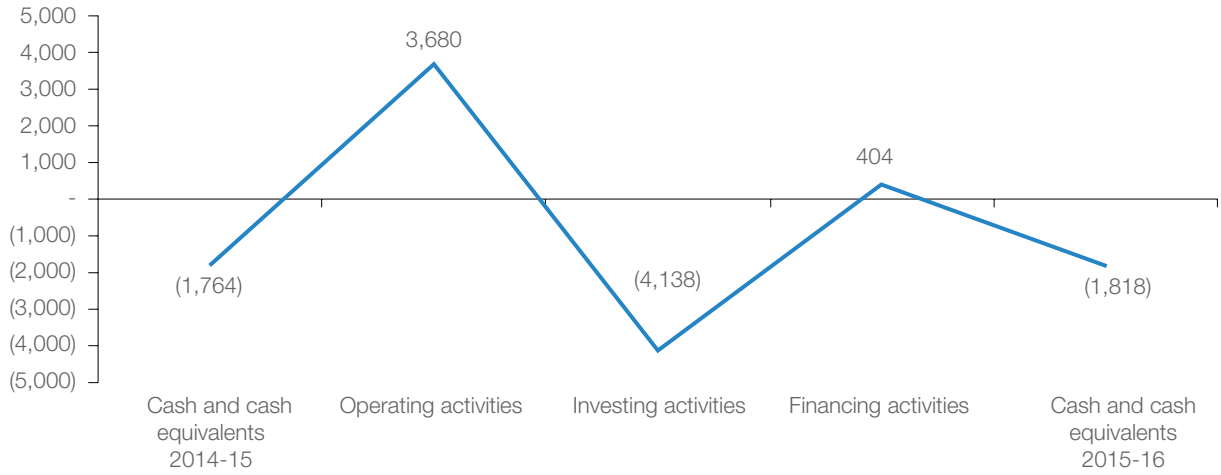
Profit and Loss Account

PKR million



Cash Flow

PKR million



Financial Highlights

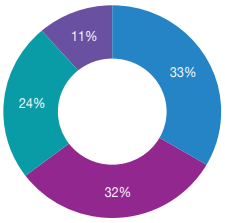
Our results compared to same period last year at a glance

- 2015-16 turnover up by 0.20%
- 2015-16 gross profit up by 12%
- 2015-16 profit after taxation up by 34%
- 2015-16 earnings per share: PKR 30.78 (June 30, 2015: PKR 23.02)

Turnover by business

Total turnover PKR 42.7 billion

	%
Polyester	33
Soda Ash	32
Life Sciences	24
Chemicals	11

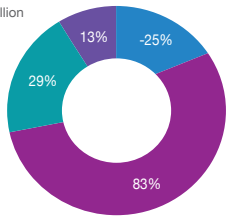


Polyester Soda Ash Life Sciences Chemicals

Operating result by business

Total operating result PKR 3.5 billion

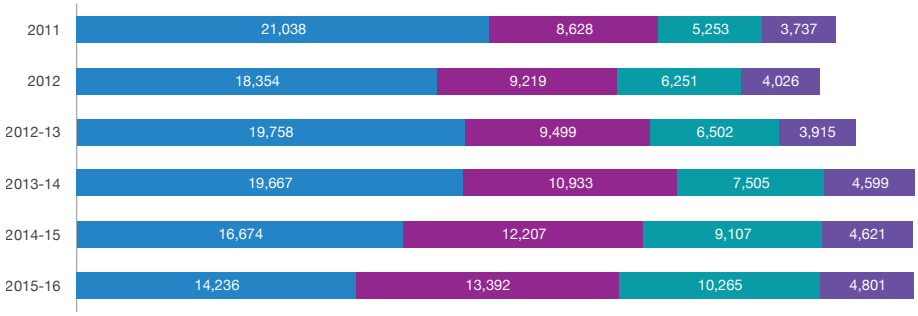
	%
Polyester	-25
Soda Ash	83
Life Sciences	29
Chemicals	13



Polyester Soda Ash Life Sciences Chemicals

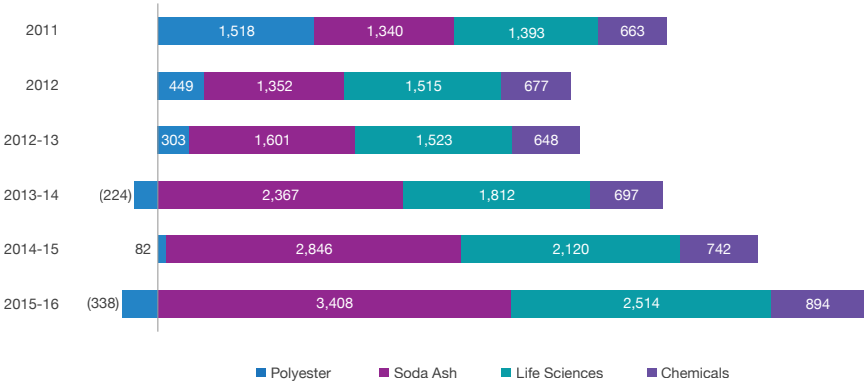
Turnover

PKR million



Gross profit

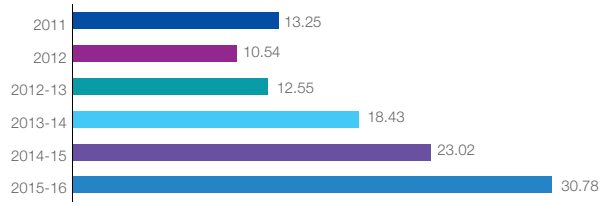
PKR million



2011, 2012 and 2012-13 numbers have been restated due to IAS 19 revision
Year 2012-13 is based on twelve months performance for a meaningful comparison

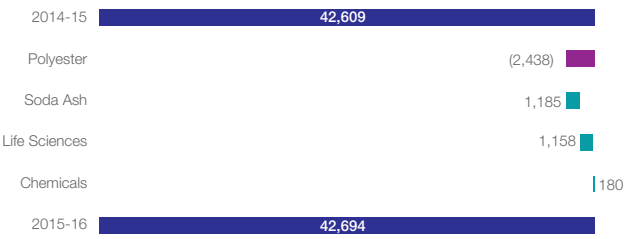
Earnings per share

PKR



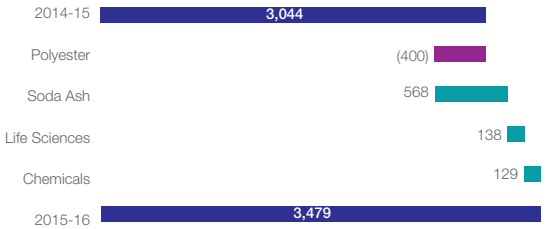
Revenue development (Business-Wise)

PKR million



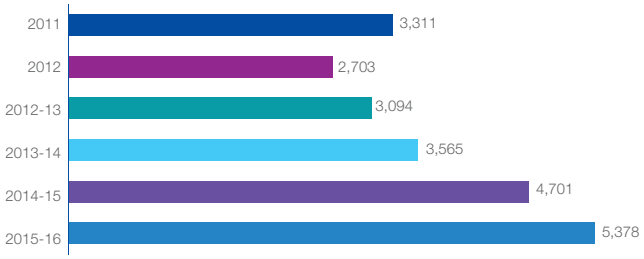
Operating result development (Business-Wise)

PKR million



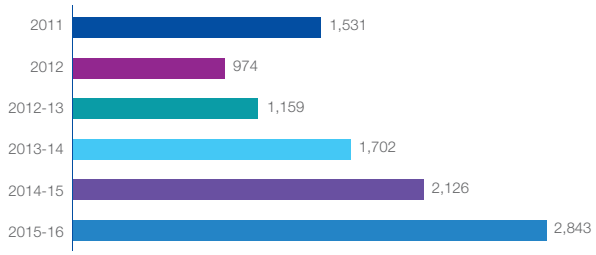
EBITDA

PKR million



Profit after taxation

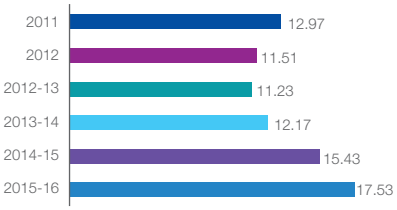
PKR million



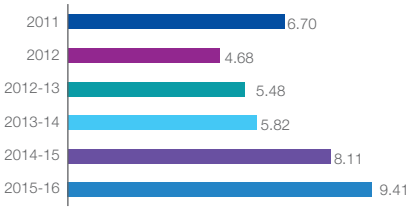
2011, 2012 and 2012-13 numbers have been restated due to IAS 19 revision
Year 2012-13 is based on twelve months performance for a meaningful comparison

Profitability ratios

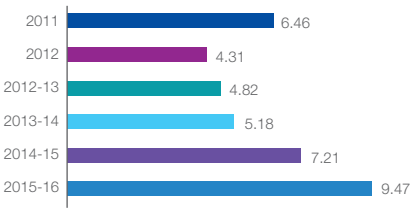
Gross margin
(%)



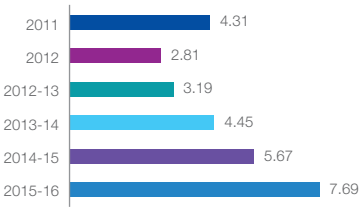
Operating result margin
(%)



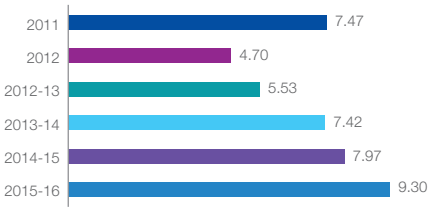
Profit before taxation magin
(%)



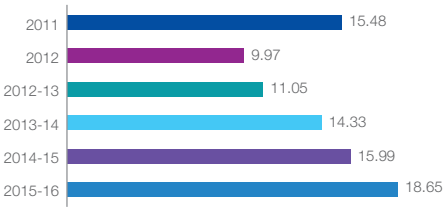
Profit after taxation margin
(%)



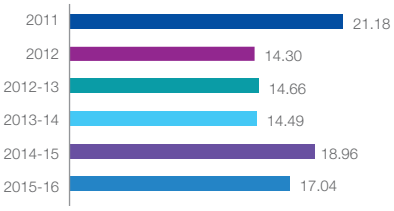
Return on assets
(%)



Return on equity
(%)



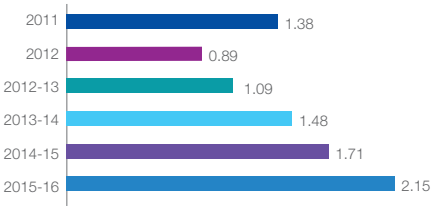
Return on capital employed
(%)



Revenue per employee
(PKR million)



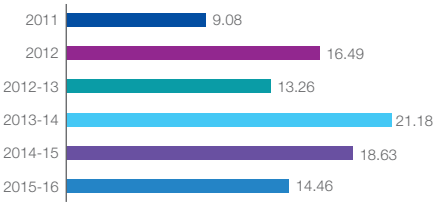
Net income per employee
(PKR million)



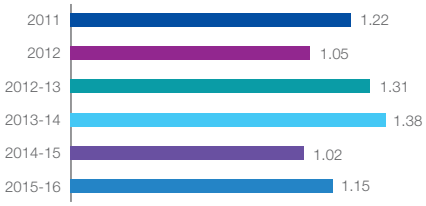
2011, 2012 and 2012-13 numbers have been restated due to IAS 19 revision
Year 2012-13 is based on twelve months performance for a meaningful comparison

Liquidity and other ratios

Price earning ratio
(PKR)

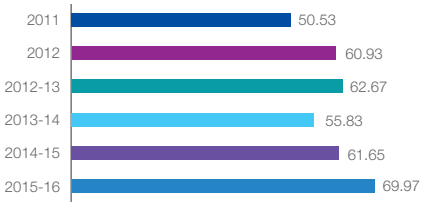


Current ratio



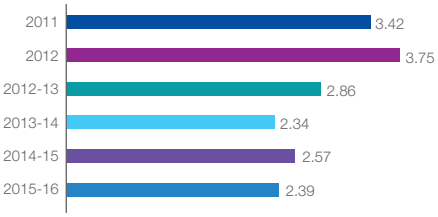
Efficiency ratios

Inventory days

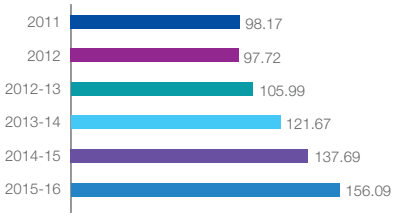


Cost ratios

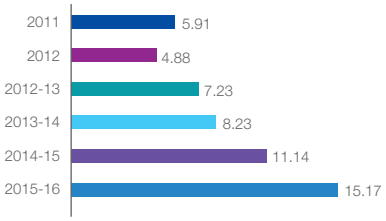
Administration cost as % of net turnover



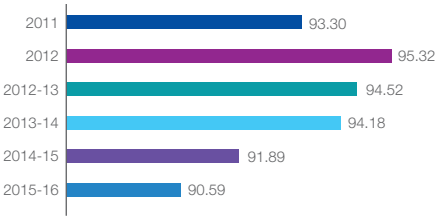
Stockholder's equity per common share
(PKR)



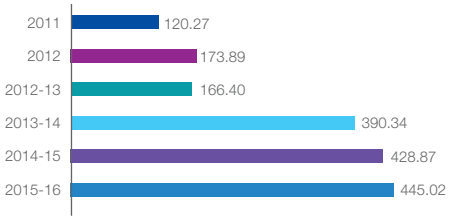
Debtor days



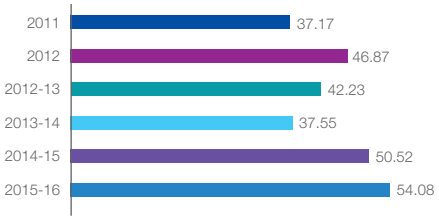
Operating cost as % of net turnover *



Market value per share
(PKR)



Creditor days



2011, 2012 and 2012-13 numbers have been restated due to IAS 19 revision
Year 2012-13 is based on twelve months performance for a meaningful comparison
* Operating cost includes cost of sales, selling, distribution, administration and general expenses

Operating & Financial Highlights

		January to December						July to June			
Ratios		**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2012-13**	**2013-14**	**2014-15**	**2015-16**
						Restated	Restated	Restated			
Profitability Ratios											
Gross margin	%	20.93	19.77	19.96	19.03	12.97	11.51	11.23	12.17	15.43	17.53
Gross profit turnover	%	18.54	17.22	17.52	16.91	12.01	10.56	10.28	10.89	13.59	15.18
Operating result margin	%	12.96	10.98	10.65	10.57	6.70	4.68	5.48	5.82	8.11	9.41
Profit after taxation margin	%	7.75	6.70	7.19	6.91	4.31	2.81	3.19	4.45	5.67	7.69
Profit mark-up	%	26.47	24.64	24.94	23.51	14.90	13.01	12.66	13.85	18.25	21.26
Profit before taxation margin	%	12.02	10.12	10.81	10.62	6.46	4.31	4.82	5.18	7.21	9.47
Return on equity	%	14.42	13.89	14.19	15.72	15.48	9.97	11.05	14.33	15.99	18.65
Return on capital employed	%	23.87	21.77	19.38	22.43	21.18	14.30	14.66	14.49	18.96	17.04
Return on assets	%	9.51	10.08	9.54	11.02	7.47	4.70	5.53	7.42	7.97	9.30
Return on fixed assets	%	34.92	32.61	32.82	40.91	28.55	15.99	18.75	19.00	21.34	20.39
Growth Ratios											
Net turnover	%	17.63	20.74	2.27	23.57	1.10	(2.35)	5.83	5.42	(1.88)	(1.50)
Operating results	%	20.37	2.29	(0.81)	22.62	(35.94)	(31.69)	(5.07)	12.04	36.76	14.28
EBITDA	%	18.40	-	1.04	19.45	(28.89)	(18.38)	1.82	15.20	31.89	14.39
Profit after taxation	%	22.61	4.37	9.77	18.78	(36.95)	(36.42)	(9.35)	46.91	24.88	33.75
Efficiency Ratios											
Asset turnover	Times	1.23	1.51	1.33	1.59	1.73	1.67	1.73	1.67	1.41	1.21
Fixed asset turnover	Times	2.69	2.97	3.08	3.87	4.26	3.41	3.42	3.26	2.63	2.17
Inventory turnover	Times	6.24	6.39	6.08	6.71	7.15	5.18	6.27	6.53	5.69	4.99
Current asset turnover	Times	2.55	3.46	2.56	2.96	3.13	3.53	3.77	3.66	3.47	3.16
Capital employed turnover	Times	2.08	2.28	2.07	2.39	3.41	3.33	2.92	2.78	2.65	2.09
Operating working capital turnover	Times	(20.62)	21.09	121.06	35.56	(10.90)	26.59	12.24	19.88	20.74	16.99
Debtor turnover ratio	Days	13.65	11.81	11.08	8.90	5.91	4.88	7.23	8.23	11.14	15.17
Creditor turnover ratio	Days	78.24	50.52	41.00	40.06	37.17	46.87	42.23	37.55	50.52	54.08
Debtor turnover ratio	Times	26.74	30.92	32.94	41.03	61.74	74.75	50.51	44.35	32.77	24.06
Creditor turnover ratio	Times	3.80	6.31	7.25	7.46	7.88	6.25	6.84	7.39	5.46	5.01
Inventory turnover ratio	Days	59.85	52.43	58.00	51.19	50.53	60.93	62.67	55.83	61.65	69.97
Operating cycle	Days	(4.74)	13.72	28.08	20.03	19.28	18.94	27.66	26.51	22.27	31.05
Revenue per employee	PKR'000	17,946	21,044	21,852	26,878	32,025	31,644	34,022	33,160	30,206	27,890
Net income per employee	PKR'000	1,391	1,410	1,572	1,858	1,381	888	1,086	1,476	1,712	2,146

Dividend includes both approved and recommended during the year
2011,2012 and 2012-13 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
*Interest cover and finance costs (% of net turnover) is zero in 2009, 2010 and 2011 due to net interest income

		January to December						July to June			
Ratios		**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2012-13**	**2013-14**	**2014-15**	**2015-16**
						Restated	**Restated**	**Restated**			
Cost Ratios											
Operating costs (% of net turnover)	%	87.04	89.02	89.35	89.43	93.30	95.32	94.52	94.18	91.89	90.59
Administration costs (% of net turnover)	%	3.30	4.05	4.14	3.70	3.42	3.75	2.86	2.34	2.57	2.39
Selling costs (% of net turnover)	%	4.67	4.74	5.17	4.77	2.85	3.08	2.90	4.00	4.75	5.73
Finance costs (% of net turnover)*	%	0.44	0.32	-	-	-	0.36	0.76	1.01	1.07	1.03
Equity Ratios											
Price earnings ratio	PKR	15.29	5.12	11.44	8.24	9.08	16.49	13.26	21.18	18.63	14.46
Earnings per share	PKR	12.86	13.42	14.73	17.50	13.25	10.54	12.55	18.43	23.02	30.78
Dividend per share	PKR	6.00	6.50	8.00	17.50	9.00	5.50	2.00	8.00	11.50	15.50
Dividend cover	Times	2.14	2.06	1.84	1.00	1.47	1.92	6.27	2.30	2.00	1.99
Dividend yield	%	3.77	3.86	6.07	12.53	6.13	3.63	1.24	3.05	2.45	3.31
Dividend payout	%	46.66	48.43	54.31	100.00	81.57	52.17	15.94	43.41	49.97	50.35
Market value per share at the end of year	PKR	196.65	68.71	168.49	144.24	120.27	173.89	166.40	390.34	428.87	445.02
Market value per share at the start of year	PKR	115.50	196.65	68.71	168.49	144.24	120.27	129.85	166.40	390.34	428.87
Highest market value per share	PKR	234.30	212.50	197.54	186.37	170.34	180.01	185.67	395.71	597.56	566.94
Lowest market value per share	PKR	116.00	68.71	51.07	110.25	112.00	119.81	135.37	160.99	366.39	410.00
Break-up value per share with surplus on revaluation	PKR	89.20	96.62	103.85	111.35	85.58	105.73	113.55	128.59	143.93	165.07
Break-up value per share excluding surplus on revaluation	PKR	81.91	89.68	97.14	104.81	98.17	97.72	105.99	121.67	137.69	156.09
Cost of debt at year end	%	-	-	-	-	-	10.45	10.17	9.49	7.16	5.67
Liquidity Ratios											
Current ratio	Ratio	1.44:1	1.81:1	1.92:1	2.17:1	1.22:1	1.05:1	1.31:1	1.38:1	1.02:1	1.15:1
Quick ratio / Acid test ratio	Ratio	0.97:1	1.02:1	1.27:1	1.39:1	0.76:1	0.42:1	0.61:1	0.70:1	0.49:1	0.55:1
Cash ratio	Ratio	0.58:1	0.44:1	0.77:1	0.85:1	0.50:1	0.09:1	0.10:1	0.11:1	0.01:1	0.01:1
Leverage Ratios											
Debt to equity	%	-	-	-	-	-	3.22	19.28	28.36	19.26	28.07
Total debt to capital ratio	Ratio	0:100	0:100	0:100	0:100	0:100	3:97	15:85	21:79	16:84	21:79
Operating leverage ratio	%	3.84	2.69	2.70	2.17	2.81	4.26	3.50	3.64	3.18	3.12
Interest cover*	Times	28.42	32.29	-	-	-	12.83	7.34	6.12	7.72	10.18
Summary of Cash Flows											
Cash generated from / (used in) operations	PKR million	4,312	1,188	4,938	3,716	4,127	(1,964)	(164)	4,819	5,015	4,788
Net cash generated from / (used in) operating activities	PKR million	4,094	970	4,476	2,334	2,875	(3,177)	(971)	3,807	3,748	3,680
Net cash used in investing activities	PKR million	(1,397)	(1,781)	(938)	(753)	(510)	(2,126)	(941)	(2,401)	(4,372)	(4,138)
Net cash generated from / (used in) financing activities	PKR million	(869)	(833)	(1,041)	(1,388)	(2,151)	(796)	1,453	933	(1,555)	404
Cash and cash equivalents at December 31 / June 30	PKR million	3,615	1,971	4,468	4,662	4,633	(1,466)	(1,924)	415	(1,764)	(1,818)

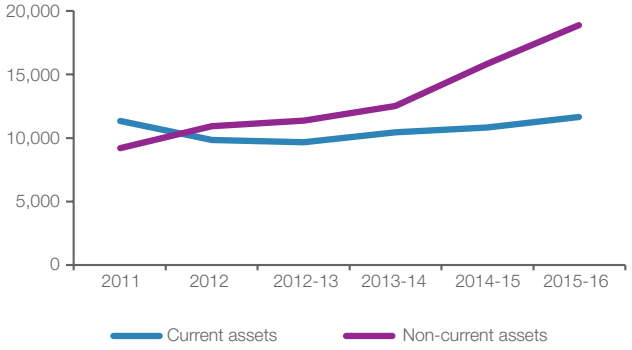
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Analysis of Financial Statements

Six Years Analysis of Balance Sheet

Assets

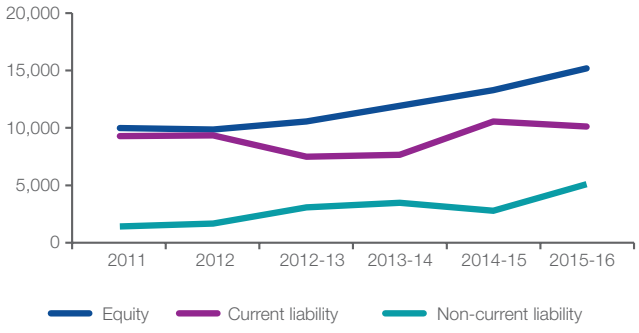
Over 6 years the asset base of the Company has increased at a CAGR of 8% mainly due to property, plant and equipment, and Investment in Associates. During the year ended June 30, 2014-15 the Company invested PKR 720 million in NutriCo Pakistan (Pvt) Limited, which is involved in marketing and distribution of infant milk and nutritional products, resulting in 30% ownership. During the current financial year the Company invested a further PKR 240 million in NutriCo Pakistan (Pvt) Limited, resulting in increase in ownership to 40% as at the balance sheet date. Substantial growth in property, plant and equipment is due to investment in multiple expansion projects such as in-house steam, power and heating systems, Refined Sodium Bicarbonate (RSB), Dense Ash (DA) and Light Ash (LA) capacity expansion projects.



Equity and liabilities

The shareholder's equity comprises share capital and reserves. The equity has increased at a CAGR of 9% over the past 6 years primarily due to increase in retained profits of the Company and revaluation surplus. Subsequent to revaluations in October 1959, September 2000, December 2006 and December 2011, a further revaluation was conducted by an independant valuer as at June 30, 2016.

Liabilities of the Company have increased at a CAGR of 8% in the past 6 years. This is largely due to long-term loans obtained for multiple expansion projects in the Soda Ash and Polyester Businesses. Current liabilities have increased due to the current portion of long-term loans being due for repayment each year, increased mark-up on long-term loans, short-term borrowings and running finance.



Six Years Analysis of Profit and Loss

Net turnover

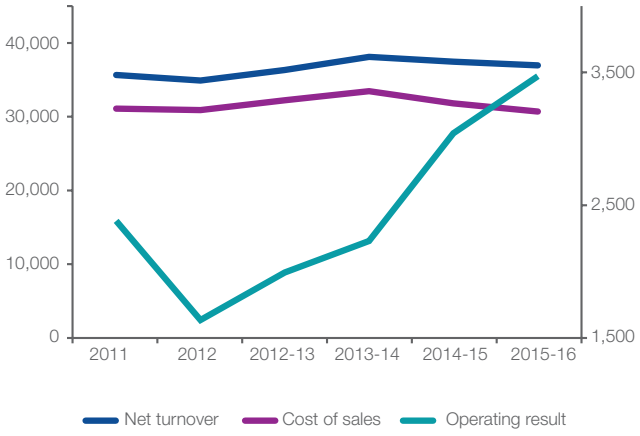
Decline in net turnover in 2012 was observed due to lower volumes and prices in the Polyester Business with downstream demand impacted by the deteriorating energy crisis. An increasing trend was achieved in two consecutive years, FY 2012-13 and FY 2013-14. In FY 2012-13 the increase was due to higher revenues in the Polyester and Soda Ash Businesses, driven by volumetric growth and pricing impact as a consequence of continued raw material cost push and rupee devaluation. Sales in the Chemicals Business remained flat following the transfer of the AkzoNobel chemicals portfolio to Akzo Nobel Pakistan Limited. During the current financial year, net turnover has declined as compared to last year. This is primarily attributable to lower revenues in the Polyester Business, which declined 15% in line with a downward correction of prices across the petrochemical chain.

Cost of sales

Cost of sales reflected an increasing trend till FY 2013-14 primarily due to reliance on expensive fuel alternatives due to gas outages. However, the Company has successfully achieved a dip in cost of sales from FY 2013-14 onwards due to the commissioning of in-house steam, power and heating systems easing the energy cost burden, coupled with reduction in fuel prices.

Operating result

A significant dip of 32% was observed in 2012 due to lower PSF volumes and a significant reduction in margin over feedstock, coupled with an escalation in gas outages, forcing the Polyester and Soda Ash Businesses to rely on significantly more expensive alternate fuel, coupled with one-off demerger and divestment expenses. Subsequent to year 2012, a consistent increase was achieved with the highest operating result in the current financial year primarily due to Soda Ash, Life Sciences and Chemicals Businesses compensating for lower operating result in the Polyester Business mainly driven by higher sales volumes and lower raw material and energy costs as a consequence of lower furnace oil and coal prices.

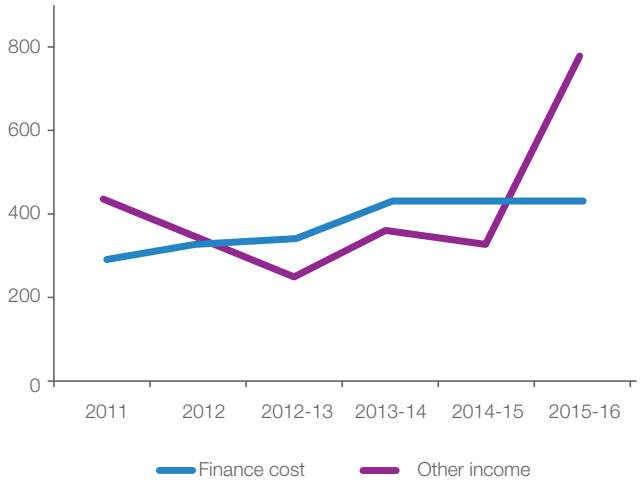


Finance cost

Finance cost increased over the years as a result of increase in long-term borrowings and short-term running finance to cater to the financing needs of multiple expansion projects, as well as meeting increased working capital requirements.

Other income

Other income showed a record increase in the current year at a CAGR of 12% over the past six years primarily due to dividend income. In FY 2014-15, dividend of PKR 40 million and PKR 150 million was received from investment in equity shares and Associate respectively. During the current year, dividend of PKR 458 million and PKR 150 million was received from Associate and Subsidiary Company respectively.



Six Years Analysis of Cash Flows

Operating activities

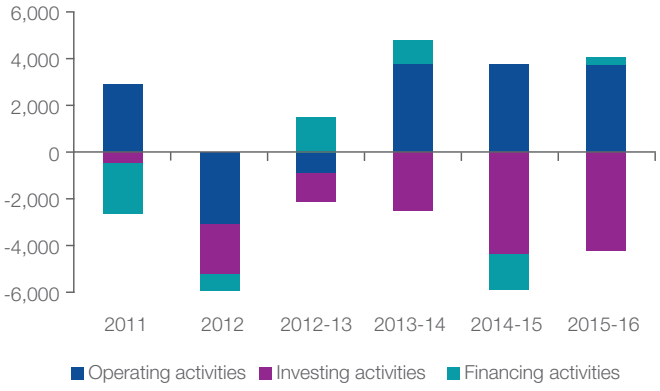
The Company's operating cash flow has increased at a CAGR of 5% over the past 6 years due to improved business performance, especially in the Soda Ash and Life Sciences Businesses.

Investing activities

Cash used in investing activities has increased at a CAGR of 52% over the past 6 years and mainly comprises investment in capital expenditure and in Associate. The Company invested PKR 960 million in NutriCo Pakistan (Pvt) Limited which was partially offset by cumulative dividend of PKR 798 million received from Associate, Subsidiary and investment in equity shares.

Financing activities

Financing activities mainly comprise long-term loans obtained and dividends paid to shareholders. The Company has financed its expansion needs by obtaining long-term loans which were partially offset by dividend payments.



SWOT Analysis

Strengths

- Diversified product portfolio, with Businesses closely aligned to the needs of the country and local population. Portfolio includes soda ash, PSF, pharmaceuticals, nutraceuticals, animal health products, seeds, various chemicals and investment in NutriCo Pakistan Pvt. Ltd. (the associate), which is involved in marketing and distribution of infant milk and nutritional products
- Supplying products to almost every industry in the country
- Strong brand equity
- Geographical presence in the local and international markets
- Operating at low gearing levels
- Part of the renowned Yunus Brothers Group (YBG), with competent management and vast experience of multiple sectors
- Competent and committed human resources
- Leading manufacturing concern with over 70 years of successful operation
- Leading soda ash producer



Weaknesses

- Dependence on consistent supply of key raw materials, such as PTA, coke and MEG
- Dependence of major operating segments on fuel sources such as coal, gas and furnace oil

Opportunities

- Expansion to meet growing Soda Ash demand in the country.
- In-house manufacturing facility of pharmaceutical and animal health products
- Further ventures such as NutriCo Pakistan Pvt. Ltd. and nutraceuticals products
- First mover advantage through introducing black fibre
- Opportunity to export various products

Threats

- Volatile international raw material and fuel prices and government levies
- Volatility of exchange rates
- Unavailability of natural resources, e.g. gas
- Dumping of imported products
- Unfavourable law and order situation

Vertical and Horizontal Analysis

Profit and Loss Account

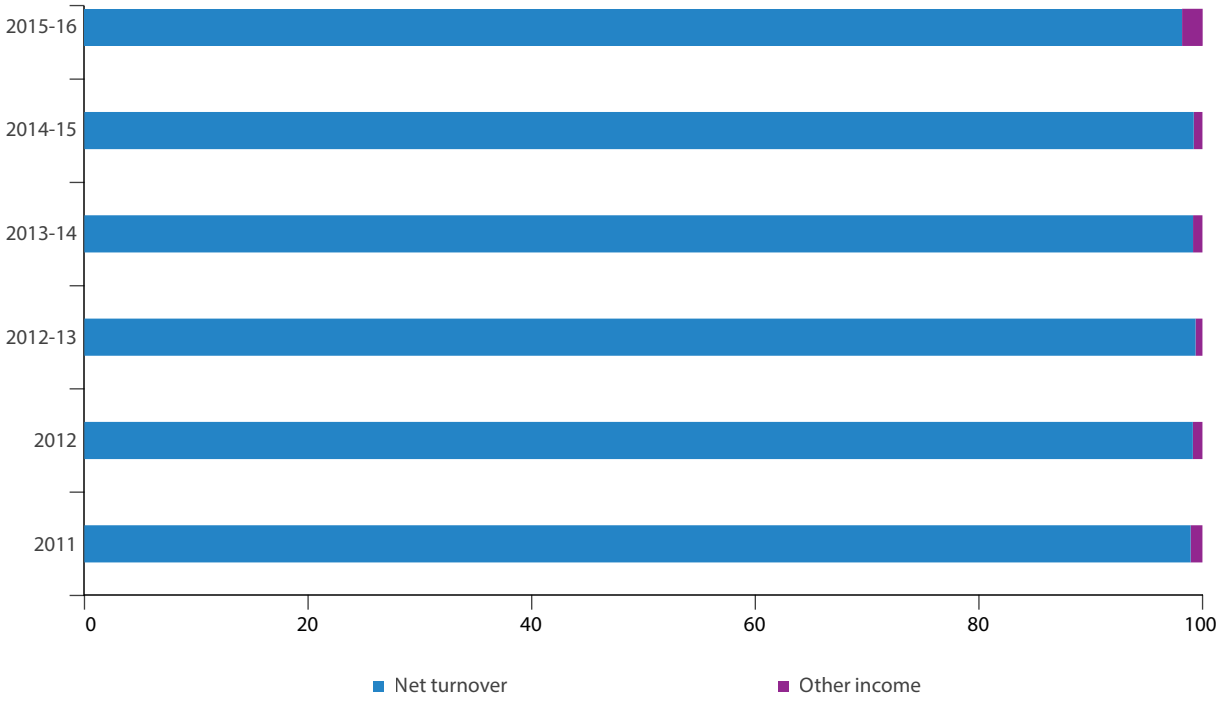
Vertical Analysis

	January to December				July to June							
	2011	2011	2012	2012	2012-13	2012-13	2013-14	2013-14	2014-15	2014-15	2015-16	2015-16
	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%
	Restated		Restated		Restated							
Net turnover	35,516	100.0	34,682	100.0	36,268	100.0	38,234	100.0	37,515	100.0	36,954	100.0
Cost of sales	30,910	87.0	30,688	88.5	32,193	88.8	33,582	87.8	31,726	84.6	30,476	82.5
Gross profit	4,606	13.0	3,994	11.5	4,075	11.2	4,652	12.2	5,790	15.4	6,479	17.5
Selling & distribution expenses	1,013	2.9	1,069	3.1	1,052	2.9	1,530	4.0	1,782	4.8	2,118	5.7
Administration & general expenses	1,215	3.4	1,300	3.7	1,036	2.9	896	2.3	964	2.6	882	2.4
Operating result	2,378	6.7	1,625	4.7	1,987	5.5	2,226	5.8	3,044	8.1	3,479	9.4
Finance cost	261	0.7	294	0.8	311	0.9	387	1.0	403	1.1	383	1.0
Other charges	207	0.6	133	0.4	151	0.4	181	0.5	231	0.6	285	0.8
Other income	384	1.1	298	0.9	225	0.6	323	0.8	294	0.8	688	1.9
Profit before taxation	2,295	6.5	1,496	4.3	1,749	4.8	1,981	5.2	2,703	7.2	3,498	9.5
Taxation	763	2.1	523	1.5	591	1.6	279	0.7	578	1.5	655	1.8
Profit after taxation	1,531	4.3	974	2.8	1,159	3.2	1,702	4.5	2,126	5.7	2,843	7.7

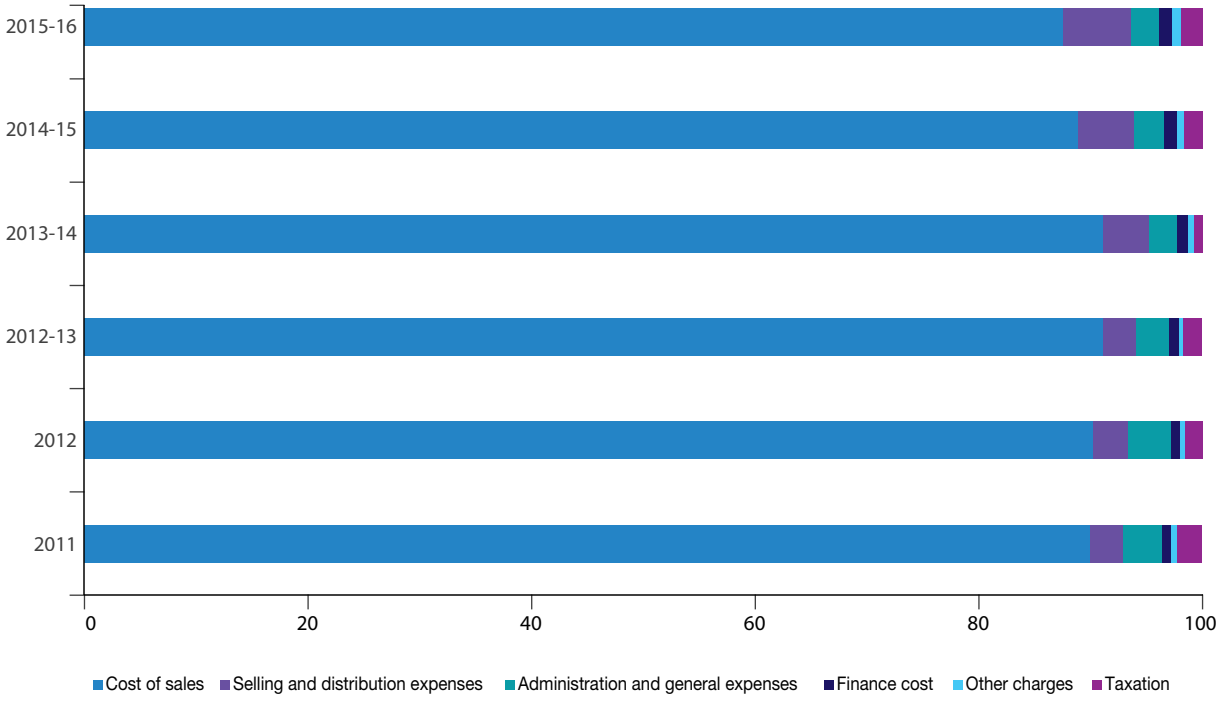
Horizontal Analysis

	January to December				July to June							
	2011	2011	2012	2012	2012-13	2012-13	2013-14	2013-14	2014-15	2014-15	2015-16	2015-16
	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%
	Restated		Restated		Restated							
Net turnover	35,516	1.1	34,682	-2.3	36,268	4.6	38,234	5.4	37,515	-1.9	36,954	-1.5
Cost of sales	30,910	8.7	30,688	-0.7	32,193	4.9	33,582	4.3	31,726	-5.5	30,476	-3.9
Gross profit	4,606	-31.1	3,994	-13.3	4,075	2.0	4,652	14.2	5,790	24.5	6,479	11.9
Selling & distribution expenses	1,013	-39.5	1,069	5.5	1,052	-1.6	1,530	45.5	1,782	16.5	2,118	18.9
Administration & general expenses	1,215	-6.5	1,300	7.0	1,036	-20.3	896	-13.6	964	7.6	882	-8.5
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Other charges	207	-31.9	133	-35.8	151	14.1	181	19.6	231	27.8	285	23.1
Other income	384	-21.1	298	-22.2	225	-24.6	323	43.6	294	-9.2	688	134.3
Profit before taxation	2,295	-38.5	1,496	-34.8	1,749	16.9	1,981	13.2	2,703	36.5	3,498	29.4
Taxation	763	-41.4	523	-31.5	591	13.0	279	-52.8	578	107.3	655	13.4
Profit after taxation	1,531	-36.9	974	-36.4	1,159	19.0	1,702	46.9	2,126	24.9	2,843	33.8

Profit and Loss Analysis (Income) (%)



Profit and Loss Analysis (Expenses) (%)



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

Balance Sheet

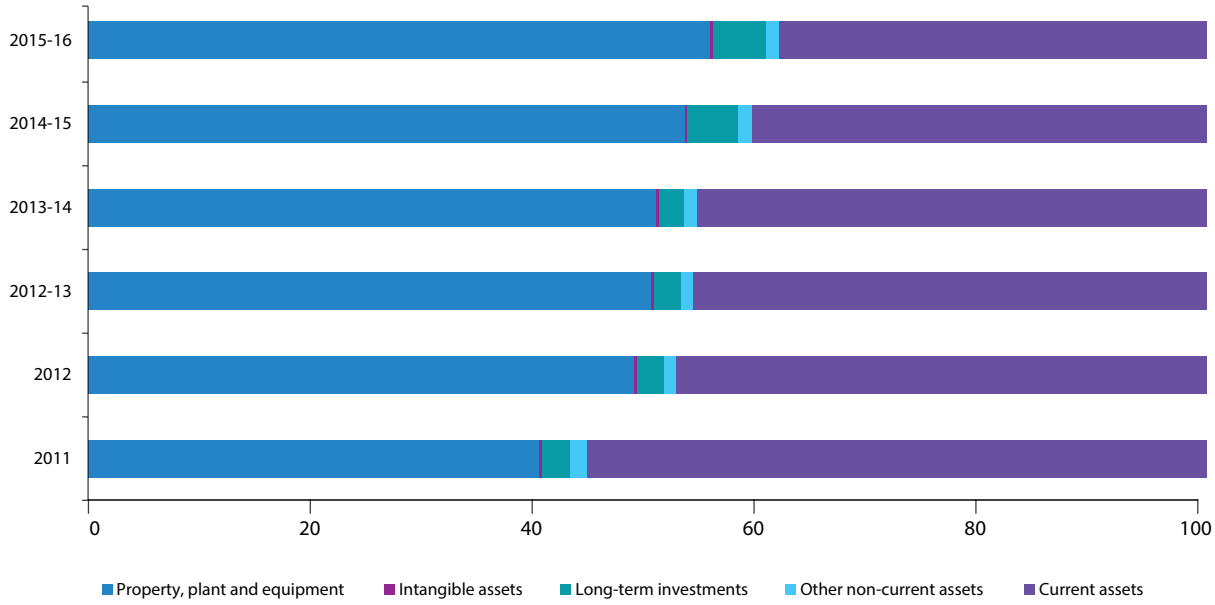
Vertical Analysis

	January to December				July to June							
	2011	2011	2012	2012	2012-13	2012-13	2013-14	2013-14	2014-15	2014-15	2015-16	2015-16
	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%
	Restated		Restated		Restated							
Total equity and revaluation reserve	9,891	48	9,766	47	10,488	50	11,877	52	13,294	50	15,246	50
Non current liability	1,340	7	1,593	8	3,068	15	3,486	15	2,763	10	5,174	17
Current liability	9,281	45	9,355	45	7,389	35	7,574	33	10,614	40	10,168	33
Total equity and liabilities	**20,512**	**100**	**20,714**	**100**	**20,945**	**100**	**22,937**	**100**	**26,670**	**100**	**30,588**	**100**
Non current assets	9,154	45	10,898	53	11,331	54	12,501	54	15,843	59	18,910	62
Current assets	11,358	55	9,816	47	9,614	46	10,437	46	10,827	41	11,678	38
Total assets	**20,512**	**100**	**20,714**	**100**	**20,945**	**100**	**22,937**	**100**	**26,670**	**100**	**30,588**	**100**

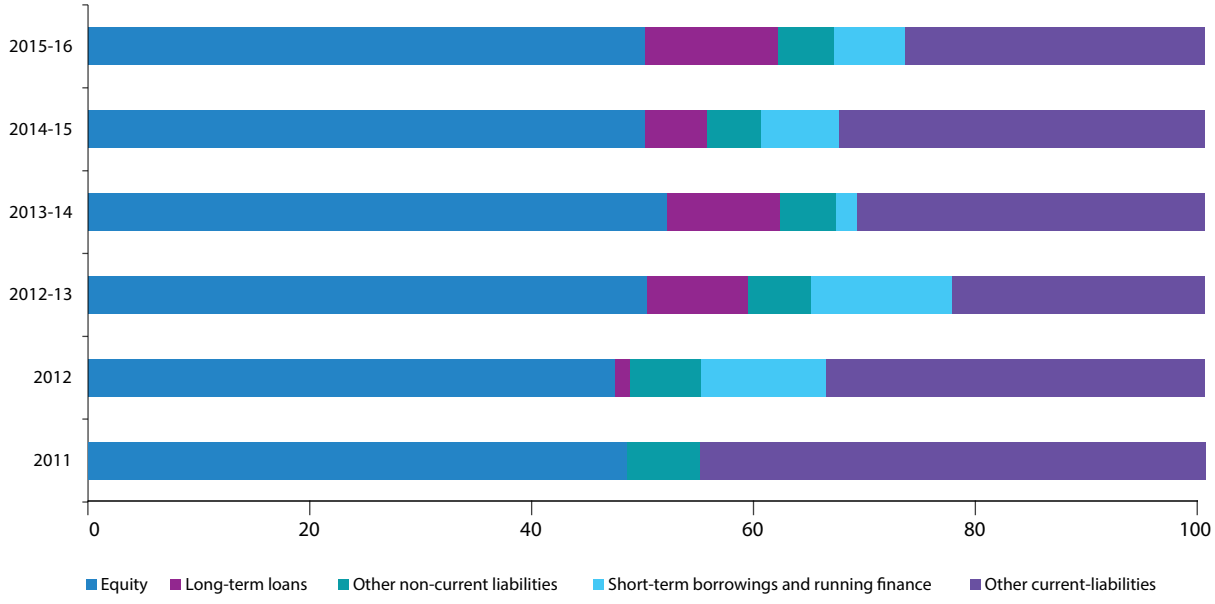
Horizontal Analysis

	January to December				July to June							
	2011	2011	2012	2012	2012-13	2012-13	2013-14	2013-14	2014-15	2014-15	2015-16	2015-16
	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%	PKR m	%
	Restated		Restated		Restated							
Total equity and revaluation reserve	9,891	-36	9,766	-1	10,488	7	11,877	13	13,294	12	15,246	15
Non current liability	1,340	23	1,593	19	3,068	93	3,486	14	2,763	-21	5,174	87
Current liability	9,281	69	9,355	1	7,389	-21	7,574	3	10,614	40	10,168	-4
Total equity and liabilities	**20,512**	**-7**	**20,714**	**1**	**20,945**	**1**	**22,937**	**10**	**26,670**	**16**	**30,588**	**15**
Non current assets	9,154	-10	10,898	19	11,331	4	12,501	10	15,843	27	18,910	19
Current assets	11,358	-4	9,816	-14	9,614	-2	10,437	9	10,827	4	11,678	8
Total assets	**20,512**	**-7**	**20,714**	**1**	**20,945**	**1**	**22,937**	**10**	**26,670**	**16**	**30,588**	**15**

Balance Sheet Analysis (Assets) (%)



Balance Sheet Analysis (Equity and Liabilities) (%)



2011,2012 and 2012-13 numbers have been restated due to IAS 19 revision
Year 2012-13 is based on twelve months performance for a meaningful comparison

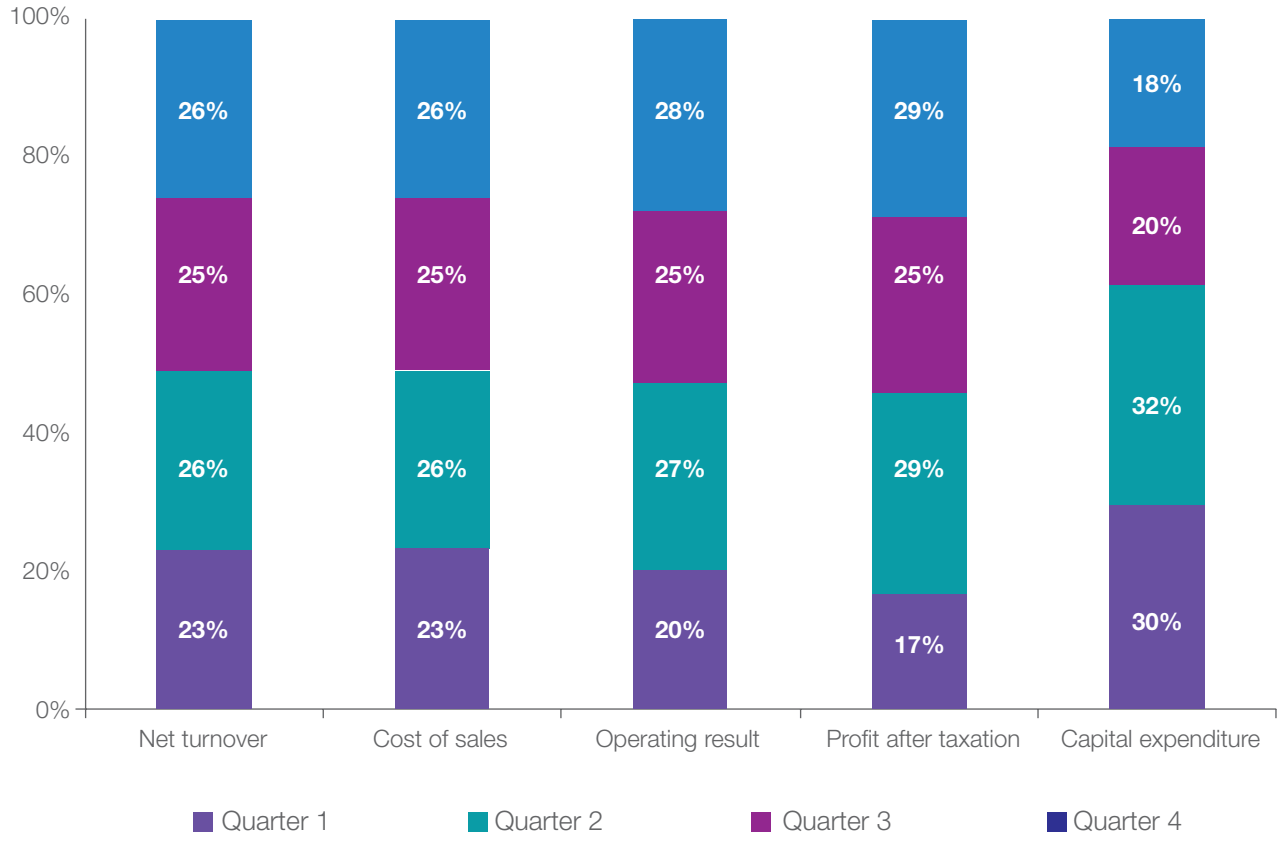
Quarterly Analysis

In PKR '000

	Net Turnover	Cost of Sales	Operating Result	Profit After Taxation	Capital Expenditure
Quarter 1	8,501,892	7,078,731	703,946	474,890	1,260,801
Quarter 2	9,561,657	7,885,092	944,065	830,222	1,358,165
Quarter 3	9,243,900	7,644,546	863,100	724,130	855,000
Quarter 4	9,646,988	7,867,542	967,596	813,944	780,189
	36,954,437	**30,475,911**	**3,478,707**	**2,843,186**	**4,254,155**

Analysis of Variation in Interim results with final accounts

Operating result improved over the quarters to PKR 3,478 million for the full year. The highest quarterly operating result for the year was achieved in Q4 amounting to PKR 968 million. This was primarily due to improved performances in the Soda Ash, Life Sciences and Chemicals Businesses which compensated for the lower operating result in the Polyester Business. Performance of the Soda Ash Business was mainly driven by higher sales volumes and lower raw material and energy costs as a consequence of lower furnace oil and coal prices. The highest quarterly profit after taxation for the year of PKR 830 million was achieved in Q2 mainly due to dividend income of PKR 255 million cumulatively from our subsidiary company and Associate. Profit after taxation remained stable in the second half of the year, mainly due to an improved operating result and a further dividend income of PKR 278 million from our Associate company. The maximum operating result achieved in the last quarter, reduced finance cost in the second half of the year, coupled with the higher dividend income in the first half of the year translated into profit after taxation of PKR 2,843 million for the year with an EPS of PKR 30.78



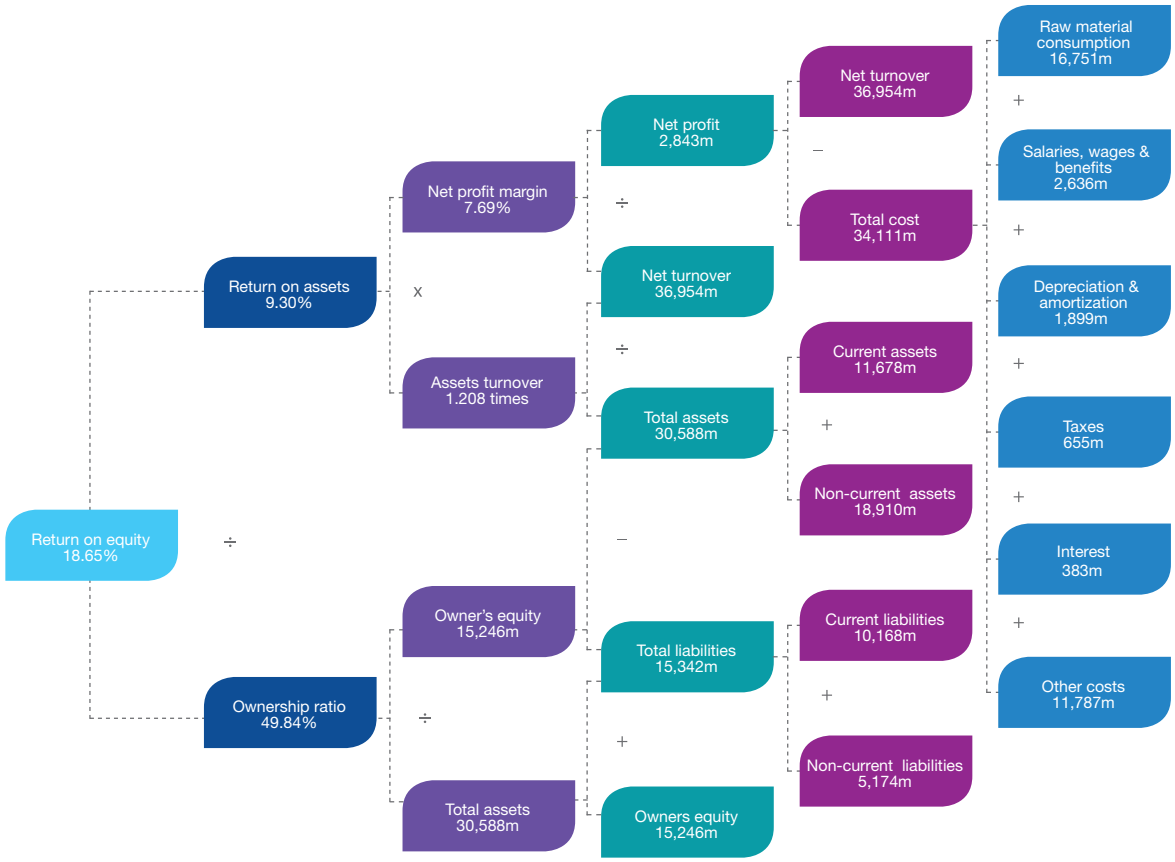
Net Turnover	Cost of Sales	Operating Results	Profit After Taxation
Quarter 1			
Lower by 9% compared to the same period last year (SPLY), primarily due to lower revenues in the Polyester Business, which declined by 28% in line with the downward correction of prices across the petrochemical chain. The Pharmacueticals and Agri Divisions within the Life Sciences Business posted double digit growth, with the Agri Division being the major contributor. The Soda Ash and Chemicals Businesses grew by 10% and 14% respectively compared to SPLY. The domestic polyester staple fibre (PSF) market continued to remain under pressure due to a continuous oversupply of PSF in both the domestic and regional markets coupled with dumping from China.	The commissioning of the in-house steam, power and heating systems in June 2015 at the Polyester plant and the optimal usage of coal fired boilers at the Soda Ash plant significantly alleviated the energy cost burden by replacing expensive fuel with coal for electricity and steam generation. Lower imported raw material prices for the Soda Ash Business were also major contributors to improved performance.	Despite a higher operating loss in the Polyester Business, the operating result is 2% above the SPLY, primarily due to strong growth of 11% and 66% compared to the SPLY in the Soda Ash and Chemicals Businesses respectively.	PAT is 35% higher compared to the SPLY, mainly due to dividend income of PKR 75 million from NutriCo Pakistan (Private) Limited.
Quarter 2			
Lower by 3% compared to the SPLY, primarily due to lower revenues in the Polyester Business, which declined by 22% in line with the downward correction of prices across the petrochemical chain. The reduction in crude oil prices resulted in lower sales value in Polyester Business. The domestic PSF market continued to remain under pressure due to the continuous oversupply and dumping of PSF from China.	Downward price adjustments of the entire petrochemical chain resulted in a significant reduction in feedstock prices compared to the SPLY. In-house steam, power and heating systems continued to deliver value to the Businesses.	Operating result was 3% lower compared to the SPLY due to higher operating loss in the Polyester Business. However, strong growth in the Soda Ash and Chemicals Businesses as compared to the SPLY of 26% and 18% respectively partially offset the adverse impact of the Polyester Business.	PAT was 23% higher compared to the SPLY due to dividend income of PKR 150 million and PKR 105 million from ICI Pakistan PowerGen Limited and NutriCo Pakistan (Private) Limited respectively, and due to reduced finance cost.
Quarter 3			
Increased by 4% compared to the SPLY, primarily due to higher revenues across most of the Businesses, which offset the impact of lower revenues in the Polyester Business.	Crude oil prices declined to the lowest levels in almost nine years, leading to a reduction in prices across the petrochemical chain. In-house steam, power and heating systems continue to deliver value to the Businesses.	Operating result was 41% higher compared to the SPLY, due to strong growth in the Soda Ash, Life Sciences and Chemical Businesses.	PAT was 60% higher compared to the SPLY due to better business performance, reduced finance cost and dividend income of PKR 178 million from associate.
Quarter 4			
Increased by 3% compared to the SPLY. This was primarily attributable to growth in the Soda Ash, Life Sciences and Chemicals Businesses which was partially offset by lower revenues in Polyester Business.	Remained almost flat as compared to the SPLY, mainly due to lower raw material and energy costs as a consequence of lower furnace oil and coal prices.	Operating result was 24% higher than the SPLY due to improved performance of 66% and 54% over the SPLY in the Life Sciences and Chemicals Businesses respectively.	PAT is 26% higher as compared to the SPLY mainly due to better operating result and dividend income of PKR 100 million from associate.

DuPont Analysis

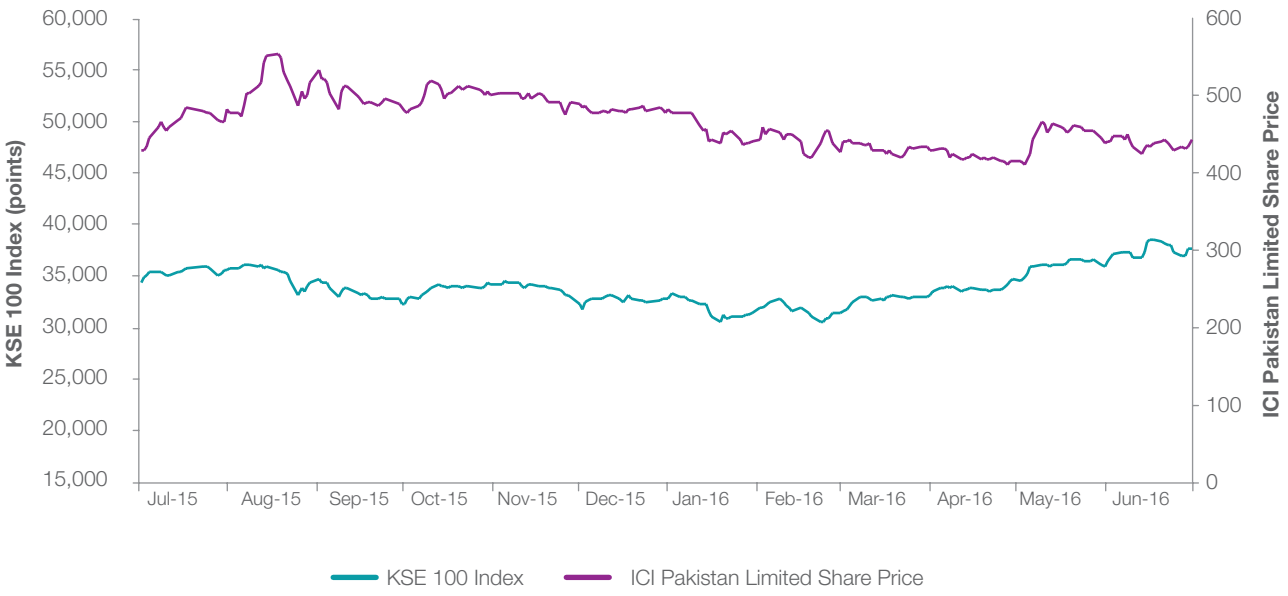
DuPont Analysis	2015-16	2014-15
Tax burden	18.73%	21.37%
Interest burden	9.87%	12.97%
Operating result margin	9.41%	8.11%
Asset turnover	1.208 times	1.407 times
Gearing	28.07%	19.26%
Return on equity	18.65%	15.99%

Profit after tax amounting to PKR 2,843 million is 34% higher than SPLY. This is mainly due to reduced cost of sales, lower finance cost and increased other income. Reduction in cost of sales is attributable to successful operation of energy projects, coupled with reduction in raw material and fuel prices. Long-term loans and short-term financing facilities were availed by the Company from various banks to manage capital expenditure and working capital requirements, however, as a result of a reduction in interest rates and keen negotiations with banks, finance costs for the year is 5% lower compared to the SPLY. Other operating income is 134% higher than SPLY, primarily due to higher dividend income from Associate and dividend income from Subsidiary Company during the current year. Total assets of the Company witnessed an increase of 15% mainly due to investment in property, plant and equipment as a result of expansion projects and further investment in NutriCo Pakistan Pvt. Ltd. (the Associate).

Ownership ratio remained almost stagnant as compared to SPLY due to proportionate increase in Owner's equity and total assets. Owner's equity increased due to enhanced unappropriated profit, and revaluation surplus arising due to a revaluation exercise conducted during the year. As a result, the return on equity of the Company was recorded at 18.65% compared to 15.99% reported in the previous year.



Share Price Sensitivity Analysis



During the financial year ended June 30, 2016, the Company's share price increased from PKR 428.87 to PKR 445.02, delivering a price return of 3.77%. During the year, the Company reported profit after tax (PAT) amounting to PKR 2,843 million and earnings per share (EPS) of PKR 30.78, which is 34% higher than the same period last year.

Factors that contributed to maintaining investors' confidence and interest in ICI Pakistan Limited include:

Investment for Growth

ICI Pakistan Limited is committed to Cultivating Growth through various expansion projects. In the Soda Ash Business, new Dense Ash (DA) and Refined Sodium Bicarbonate (RSB) plants, and two new power and steam generation projects were commissioned successfully during 2015-16. The 75 KTPA Soda Ash expansion project was launched during the current year, with work currently progressing as per plan. The Life Sciences and Chemicals Businesses also continued to expand, posting significant growth in their business segments.

Diversification in New Business

The Company has been consistent in following its corporate strategy for growth through diversification and expansion. While already diversified in various business segments, during the year in review, the Company further invested PKR 240 million in NutriCo Pakistan (Private) Limited ("Associate"), bringing its total investment in our Associate to 40%. The Company believes that the nutrition and infant formula business provides significant growth opportunities in Pakistan.

Improved Performance

The Company's operating results registered a growth of 14% as compared to the same period last year. The remarkable improvement in profitability of the Soda Ash, Life Sciences and Chemicals Businesses has contributed significantly towards the improved performance of the Company. Further, the higher dividend income from Associate and dividend income from Subsidiary also improved the profitability of the Company.

Ownership by Yunus Brothers Group (YBG)

YBG acquired ICI Pakistan Limited in December 2012. Share price after the acquisition increased by 162%, registering an annual growth rate (CAGR) of 32%. This massive growth depicts the interest and confidence level of our investors. The vision of YBG is to grow the Company's local and international footprint by strengthening its existing businesses and exploring new avenues for growth and diversification.

Year in Review

Q1

July—Sep 2015

ICI Pakistan Limited receives ICAP/ICMAP award

Board of Directors Meeting, August 7, 2015

Board of Directors Meeting, August 26, 2015

Chief Executive's Communication Session held in Khewra

Polyester Business Customer Conference held in Russia

Full scale commercial launch of Terylene Black after successful trials in 2014-15

Q2

Oct—Dec 2015

Chemicals Business celebrates HSE&S milestone of 19 years without Lost Time Injury (LTI)

Annual General Meeting (AGM), October 27, 2015

Board of Directors Meeting, October 27, 2015

Highest ever Dense Ash production achieved by the Soda Ash Business

US Consul General visits the Chemicals plant and Head Office Karachi

Ladies Welfare Centre inaugurated in Khewra

Steam and power project commissioned at the Polyester Business

New Dense Ash plant commissioned at the Soda Ash Business

ICI Pakistan Limited holds corporate briefing at the Pakistan Stock Exchange (formerly Karachi Stock Exchange)

Nutraceuticals manufacturing facility commercialised

Q3

Jan—Mar 2016

ICI Pakistan Limited receives MAP award for fifty years of association

Board of Directors Meeting, February 18, 2016

Chief Executive's Communication Session held at Mozang Office, Lahore

Extraordinary General Meeting (EOGM), March 18, 2016

Hamqadam Community Clinic inaugurated in Khewra

Life Sciences Annual Business Conference in Istanbul, Turkey

'iMPACT gender diversity forum launched across the Company

10% further equity participation in NutriCo Pakistan Private Limited bringing our total shareholding to 40%

Q4

Apr—Jun 2016

Long Service Awards held at Polyester, Sheikhupura

Board of Directors Meeting, April 21, 2016

Board of Directors Meeting, June 6, 2016

Two new power and steam projects commissioned by the Soda Ash Business

Life Sciences Business, Animal Health Division enters into bovine genetics segment in partnership with Cogent Breeding UK

Second 'iMPOWER Employee Engagement Survey conducted in partnership with Gallup, with higher than target score achieved

14 KTPA Refined Sodium Bicarbonate plant expansion

New ICI Pakistan Limited website launched

Earth Day and World Environment Day celebrated across the Company

Sustainability Guiding Principle

We are committed to reducing environmental impact on our planet by delivering more sustainable products and solutions to our customers. We can achieve this only if sustainability is at the heart of everything we do, integrated in all areas of our operations - for the benefit of our customers, shareholders, employees and, in fact, the world around us.

Awards and Achievements



MAP Award for Fifty Longstanding Years of Association

The Management Association of Pakistan (MAP) held the 31st Corporate Excellence Awards on February 24, 2016 where ICI Pakistan Limited received the MAP award for Fifty Longstanding Years of Association.

The award marked a relationship of fifty years between MAP and ICI Pakistan Limited, one of the longest associations that MAP has ever held with an organisation. ICI Pakistan Limited was presented with a memento to commemorate this occasion.

The ICAP/ICMAP Best Corporate Report and Sustainability Awards

The Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMAP) jointly held the Best Corporate Report and Sustainability Awards 2014, in September 2015.

ICI Pakistan Limited secured fifth position in the Chemicals category of the Best Corporate Report Awards 2014 and third position in the Best Sustainability Report Awards 2014.

The objective of the awards is to recognise excellence in corporate and sustainability reports and encourage responsible reporting by organisations.

Passion for People

Our passion for people enables us to acquire, develop and retain employees who share our unrelenting drive for achievement and growth. These passionate individuals, in turn, propel us to achieve the velocity we need. With a talented and dynamic team of more than 1,300 and growing, we know that our success is based on our people. To ensure that we harness their energies to the fullest, we continue to cultivate and nurture their talent, manage their wellbeing and create a learning environment conducive to development and growth that will transform them into the leaders of tomorrow.

The Engagement Difference

We firmly believe that success comes when employees are engaged and aligned with the Company's vision, and when they feel valued and listened to. Therefore, as we continue to build our brand promise of Cultivating Growth, our people's engagement is of paramount importance. In line with this belief, we partnered with Gallup in 2015 to conduct its famous Q12 Employee Engagement Survey to take a stock of organisational effectiveness and engagement levels. With a remarkable participation rate of 97%, we heard a full spectrum of opinions from across ICI Pakistan Limited followed by an impactful action planning process, which gave everyone the opportunity to have their say and make a difference. 2016 was the second year of the survey, in which more than 99% of our employees made their voices heard. With a stellar performance across all businesses and functions, this year's score of 4.16 reflects an impressive increase of 0.29 as compared to last year's score of 3.87. In terms of percentile, this score places the Company at the 58th percentile compared with other companies in the Gallup Global Database, as opposed to the 35th percentile last year. This score is well ahead of Gallup's recommended trajectory score and is a true reflection of the interest and confidence that our people have shown towards our collective future.

Hiring Tomorrow's Leaders, Today

We hire for tomorrow. At ICI Pakistan Limited, we understand that the success of our businesses is dependent on the quality of our people. We continued to strengthen our talent pipeline through a two pronged approach to talent acquisition i.e. highly structured trainee programmes and rewarding lateral positions. In this regard, twenty-five fresh graduates from reputable institutes were hired during the year in commercial, finance and technical streams following a comprehensive selection process, whereas 195 experienced professionals joined the Company laterally at various management positions.

Our Best-in Class Talent Management Process

Our Capability Groups in the area of Commercial, Technical, Finance and HR/Others are a critical link in the overall Talent Management Framework. We completed our Talent Management cycle for 2015-16 by conducting quarterly Capability Group Meetings, annual Succession Planning Forum and Leadership Talent Reviews. During this cycle, talent gaps were identified and comprehensive plans were put into place to build the required capability and ensure robust succession.

Talent Movement across Businesses and Functions



The diversity of our four unique Businesses, with their presence in almost every industry, provides us the perfect opportunity to challenge our employees and significantly contribute to their development. For the year in review, talent movement across Businesses and functions was recorded at 14% providing cross-functional business exposure and ongoing opportunities for learning and growth.

Nurturing the Leader in You

We continuously strive to provide our people with diverse learning and developmental avenues to ensure an all-encompassing approach to capability building. Such opportunities include, but are not limited to: coaching, mentoring, job rotation, challenging projects, trainings, conferences, memberships in professional forums etc. We strongly believe that learning is key to continuously improving the way we work and grow our business. Learning is fundamental to Cultivating Growth.

In line with this belief, ICI Pakistan Limited launched its Leadership Development Roadmap earlier this year in order to accelerate capability building, and to provide a structured and integrated framework to our talent



Paul Keijzer conducting 'Leading High Performance Teams' for our functional leaders



Asif Jooma (CE) sharing his candid thoughts on gender diversity

development. This roadmap focuses on developing leadership capabilities at each level in the organisation offering us the unique opportunity not only to grow in our existing roles but more importantly to achieve our ongoing career aspirations. Under this roadmap, more than 10 customised training modules have been developed, along with executive coaching sessions and learning projects, to cater to the varying learning needs of our leaders at all levels in the organisation. Since January 2016, more than 572 of our managers spread across five different leadership levels have gone through one LDRM learning intervention or the other.

To build better understanding of our managers on their HR role as line managers, a two day workshop, 'HR for Non-HR Managers,' was launched this year and was attended by 85 people managers. Similarly, in order to strengthen the functional excellence of our engineers, our Core Development Programme for engineers was relaunched with the help of both internal and external faculty. In addition to these programmes, functional and managerial trainings progressed as per the training need assessment.

For the year in review, we successfully invested 27,448 man-hours of training across ICI Pakistan Limited vs. 23,392 training man-hours during the same period last year, reflecting a 17% year-on-year increase on functional and leadership development of our employees.

Ensuring Top-of-the-Line Performance

Our Performance and Development Discussion (P&DD) process continues to be an essential tool for providing regular and candid feedback to managers, along with aligning their performance and development with Company strategy. The P&DD process was concluded as per guidelines, ensuring that employees continue to benefit from clear and credible assessment systems and career discussions.

Maximising Mentoring Opportunities

In order to provide our employees with an opportunity to reach out to knowledge, talent, networks and leaders, we have a formal mentoring programme in place, which is called RISE (Reach out, Inspire, Sustain, and Enable). This programme provides a one window solution to our employees where they can select their mentors, develop and manage their objectives, and sustain relationships through the RISE portal. At the moment, there are 31 active mentors in the mentor bank.

The Gender Diversity 'iMPACT

On International Women's Day this year, the Company launched 'iMPACT, our gender diversity forum, with a pledge to increase our female workforce from 5% today to 10% by 2018 through focused gender supportive initiatives.

This platform has been introduced to focus on what more we can do to advance gender equality throughout our organisation. 'iMPACT will provide women at ICI Pakistan Limited an opportunity to interact with other women, discuss various challenges and opportunities, draw inspiration from each other, and work towards collective solutions. Under the banner of this programme, we have partnered with Lean In Circles which will link us to global best practices on bridging the gender gap and will provide us an online medium to interact with other women at ICI Pakistan Limited.

It's the Environment that makes it Happen!

With our relentless desire to grow, to innovate and to excel, we never stop enabling, developing and believing in our people! We know we'll achieve our ambitions as long as we sustain our velocity – to Cultivate Growth today, tomorrow, and beyond.

'iMPACT 'iMPOWER RISE Performance & Development Discussion

Technology Developments

Corporate IT Vision

Fuelling Business Enablement

"To act as an effective business enabler, ensuring visibility and compliance through innovative and sustainable information solutions, and by embracing the best infrastructure and technology."

Highlights of 2015-2016

Strong Alignment of Businesses and IT

Our major focus at the beginning of the year was to strongly align the direction of our Businesses and Corporate IT. The Chief Financial Officer, Business Heads, Functional Heads and the Corporate IT team came together to identify business needs and suggest associated IT solutions. This joint objective setting exercise enabled us to set a clear direction for the year with a focus on achieving maximum efficiency and effectiveness through IT solutions aligned with the Company's business needs.

Enabling our Sales Force through Mobility

An innovative project was undertaken by Corporate IT and members of the Pharmaceuticals Division of the Life Sciences Business, with the aim of enabling our sales force and improving its productivity. A mobile-based solution, the Sales Force Effectiveness application, was developed to monitor the performance of our sales team, gather analytics and identify areas of improvement. The application has been launched country-wide at all major locations.

Microsoft SharePoint Migration (2007 to 2013)

In keeping with our promise to continuously upgrade and strengthen our systems, our Microsoft SharePoint intranet portal was upgraded from 2007 to 2013, a new, cutting-edge platform. This was a one-of-a-kind migration in Pakistan due to its complexity and uniqueness, and was successfully completed by our team.

SAP ERP at Animal Health and Nutraceuticals Plants

With the commencement of operations at our Animal Health and Nutraceuticals manufacturing facilities, SAP Enterprise Resource Planning (ERP) is now being used for all accounting, production, supply chain and quality management processes. The best business practices and controls have been implemented for sustainable and reliable operations with in-depth analysis and visibility across the value chain.

Revamp of ICI Pakistan Limited Website

The ICI Pakistan Limited website was completely revamped to better reflect the Company's brand identity and the diversity of our Businesses, while also showcasing the zeal and passion of our people and the value system of ICI Pakistan Limited.

Business Intelligence and Analytics

The Management has been equipped with analytics in the form of clear Key Performance Indicators (KPIs) in finance, sales, supply chain, production, maintenance, HR and other disciplines. Business Intelligence has also consolidated all corporate reporting from the Businesses and extracted KPIs for immediate analysis such as profitability of Businesses, their segments and a consolidated ICI Pakistan Limited view, in a one-click operation.



Corporate IT and Dell partnered for a hardware replacement project



The Corporate IT team at the Annual IT Conference

SAP SCM Planning (MRP) at Polyester Business

Improving reliability and robust planning across the value chain, the SAP Supply Chain Management (SCM) Planning solution has been implemented at the Polyester Business which will bring together the sales, production and supply chain teams in a more unified manner. The introduction of system-based planning will better equip the Polyester Business to face ever-changing business dynamics and challenges through effective coordination between its various stakeholders.

Moving to Cloud Computing with Microsoft Office 365

In the pursuit of introducing cutting-edge technology and the latest infrastructure practices, we are now moving towards cloud computing, which has revolutionised the way organisations operate, making them more agile and cost-effective than ever before. Microsoft Office 365 is the solution of choice and we will begin migration to cloud computing in 2016-17, whereby email, essential software and services along with collaboration and VoIP services will be migrated to the cloud.

SAP Success Factors

ICI Pakistan Limited's HR processes and talent management practices have remained a benchmark for the industry over the years. The SAP Success Factors talent management solutions have been evaluated for adoption. These will add great value to our processes and procedures with easy-to-use interfaces and the promise of a better employee engagement experience.

Team Dynamics

Our team is a blend of rich experience and youthful energy. It comprises talented individuals who are committed to providing first-class service to their colleagues. Our aim is to achieve the best levels in terms of processes, efficiencies and controls.

Future Outlook

Building upon the initiatives that were taken in 2015-16, our focus will transform from automation to enablement, leading towards the eventual digital transformation of the organisation. We will continue to look for opportunities and innovations that enable our Businesses to work smarter and faster through mobility and digital transformation while continuously investing in our people.

Health, Safety, Environment and Security

Our philosophy is to provide a safe working environment for our people by operating responsibly with minimum impact on the planet. We are committed to working towards a cleaner world, a safer workplace and quality manufacturing, for which we adhere to global standards.

ICI Pakistan Limited maintains an enduring commitment to the highest standards of health and safety for its employees, customers and contractors, as well as to the protection of the environment in the communities in which it operates. The Company's focus has been on assessing the effectiveness of existing regulatory frameworks and approaches to the management of hazard and risk within its Businesses, ensuring that these systems are sufficiently robust to safeguard employees and the public against accidents and ill-health.

Beliefs and Principles

Our aim is to deliver enduring value to our stakeholders by providing sustainable solutions to our customers. We believe this is essential to the success of our Company. To achieve this, we require processes that ensure sustainable business operations to not only meet our needs today but protect the planet's resources.

Thus, we continuously innovate and improve our HSE&S performance and work ethics through corporate leadership, the dedication of our employees and the application of the highest professional standards in our work.

The principles by which we operate are:

- **Work-related Injuries and Illnesses are Preventable**
  We believe that we must endeavour to protect those working at our sites, our business partners and our suppliers from accidental or deliberate harm, damage or loss. Therefore, our target is zero injury.

- **Discover Measures to Reduce Carbon Footprint**
  Carbon footprint can be minimised through pollution prevention, efficient utilisation of energy resources, conservation of water, reduction of natural resource consumption and emissions, and continuous minimisation and recycling of waste. Emissions from hazardous materials can be prevented and reduced by proactively implementing new technologies and utilising new products.

- **Continuous Improvement of our HSE&S Performance**
  We aim to improve continuously through strategic management, the dedication of our people and adherence to the highest professional and ethical standards. This will in turn benefit HSE&S performance, highlight safety and security and enhance measures for product stewardship that will provide business opportunities and competitive advantages.

- **Transparency**
  Our stakeholders have a right to information about our operations and HSE&S performance; transparency in this regard promotes and increases trust.

HSE&S Management System

The ICI Pakistan Limited HSE&S Management System comprises policies, standards and guidelines that cover all aspects of the Company's operations within the country. The system is aligned with the internationally recognised Responsible Care Management System (RCMS), ISO 14001:2004 and OHSAS 18001:2007.

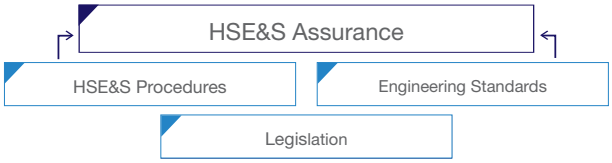
During 2015-16, all Businesses and locations aligned their local HSE&S procedures with the new management system. An HSE&S Management audit was also conducted to determine the baseline compliance level of the revised

procedures. In addition to this, all Businesses and locations aligned their local engineering procedures with the corporate versions.



HSE&S Assurance Process

To be successful, a system must have clearly outlined processes and a defined organisational structure for implementation. The HSE&S Management System is implemented at ICI Pakistan as follows:



Process	Structure
Learning Events/ Incident Reporting	Site/Location HSE&S Committee
Competence	Specialist HSE&S Forum
Procedural Compliance	Executive HSE&S Management Team
Management of Change	Site Communications Sessions
HSE&S Communications	Training Programme for All Staff Levels
Auditing	Management Audit, Specialist Audit, Operational Audit

Year in Review 2015-16

Health

Hundred percent compliance with Health Assessment (HAPI) and Work Environment (HYPI) monitoring programmes resulted in the conclusion of the year with no reportable occupational illness. Health awareness sessions on coronary heart disease, diabetes, cardiopulmonary resuscitation, active immunisation against pneumonia, basic lifesaving techniques, medical emergency handling and first aid were conducted at our Businesses and locations.

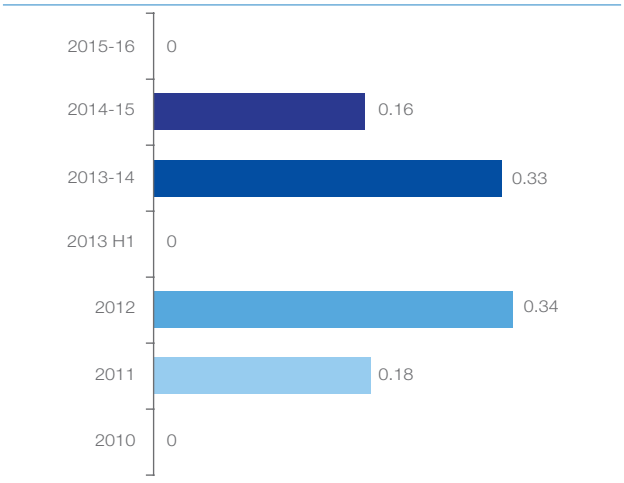
Following the first aid training conducted in May 2015, a refresher first aid training course was held this year at the Polyester plant site by Red Crescent Pakistan to ensure maximum retention and currency of knowledge. Regular refreshers of this nature are imperative to building an efficient and effective emergency response mechanism.

The Polyester Business also arranged typhoid vaccinations for employees, keeping in view the devastating effects of this disease, which is responsible for 0.2 million deaths per annum. This exercise is currently on-going and to date, 200 management and non-management employees have been vaccinated.

Health awareness e-campaigns on swine flu and the Congo virus were also conducted at the Mozang office.

Safety

The Company continued to demonstrate its unwavering commitment to Health, Safety, Environment and Security. There were no reportable injuries for employees, supervised contractors or independent contractors during the year. The HSE&S performance of the Businesses continues to improve as the Polyester, Soda Ash, Life Sciences and Chemicals Businesses achieved 7.98, 7.93, 1.40 and 5.06 million man-hours without injury respectively.



Total Reportable Injury Rate

A sharper focus on operational discipline and even stricter adherence to the Company's Health, Safety, Environment and Security Management system is being planned for 2016-17.

Environment

The Company continued to focus on reducing its Operational Eco Efficiency (OEE) footprint. The Soda Ash, Polyester and Chemicals Businesses reported compliance with liquid and air emissions on National Environmental Quality Standards (NEQS).

Security

ICI Pakistan Limited continually focuses on achieving zero harm to people and assets by adopting sustainable measures on security issues. People and asset security was ensured by assessing each new security threat and defining appropriate



Soda Ash Business conducts a safety drill as part of its HSE&S improvement plan



HSE&S Awareness workshop at Soda Ash

controls, and through review and frequent auditing. Modern surveillance techniques were utilised to ensure the security of people and assets at our plant sites and other locations.

HSE&S Awareness Workshops

It is our strong belief that for employees to contribute to achieving our health and safety goals, they must have an awareness of recognised safety standards and systems, and be able to identify unsafe and unhealthy situations.

The education and training of each employee plays an important role in achieving a truly safe, secure workplace. Companywide HSE&S Awareness Workshops were carried out to familiarise participants with the ICI Pakistan Limited HSE&S Policies underpinning the implementation of various procedures. The workshop content was designed to develop a thorough understanding of the system through active participation in group discussions and exercises.

The key objective of the workshop was not just to provide a better understanding of the Company's HSE&S Management System but also to assist the management in developing strategies to prevent accidents.

HSE&S Management Audit 2015-16 & Improvement Plans

The HSE&S Management Audit process, which commenced with audits of all manufacturing sites and locations last year across the Company, was completed during the year. Based on the auditors' findings and recommendations, the Businesses and locations are preparing their 2016-17 HSE&S improvement plans.

Chief Executive's Trophy

We evaluate the HSE&S performance of all our Businesses and locations annually against pre-determined criteria in order to fairly assess the performance objectives of every Business. The best-performing Business is awarded a trophy. This year, the baseline compliance level is set by the results of the HSE&S Management Audit and the Chief Executive's HSE&S Trophy will be announced on the basis of HSE&S Management Audit results in 2016-17.

Training

HSE&S trainings are a vital component of the Company's Safety Management System. These training programmes focus on health and safety concerns to deal with potential hazards in the best way possible. The programme helps employees better understand their job responsibilities, brings new ideas to the workplace, reinforces existing ideas and practices, and aligns our safety and health programme objectives with our actions. The following training sessions regarding HSE&S were conducted Companywide through the year:

- Refresher training on first aid
- Defensive driving training by the Motorway Police
- 'Working at heights' training
- Rescue 1122 team visit to Polyester Business
- Basic housekeeping
- Use of Personal Protective Equipment (PPEs)
- Hazard identification
- Emergency response drills
- 'Use Of Helmet' campaign
- 5S Training

World Water Day

World Water Day was celebrated at the Soda Ash Business with senior management communicating the importance of water management in every walk of life. An awareness session was also conducted at the Safety Improvement Team forum for employees and contractor staff. Special posters with messages on water management and conservation were displayed around the residential and works areas.

World No Tobacco Day

World No Tobacco Day is observed every year on May 31 by all UN member states. Following a 24-hour period of abstinence from tobacco use, attention is further drawn to the long term adverse impacts of tobacco use.

In May 2016, the Polyester Business devised smoking cessation strategies to motivate people to quit or reduce tobacco use. Contractors and safety supervisors were made aware of the devastating health impacts of tobacco smoking or chewing through a presentation delivered by the HSE&S and Training Department. Visuals on health impact used during the session captured great attention and three individuals from the New Coal Fired Boiler Area made a pledge to quit tobacco use.

The Life Sciences Business, in collaboration with the Surgical Oncology Society of Pakistan, organised an anti-smoking awareness walk in Lahore to reinforce the message that smoking causes untold suffering for individuals and their loved ones.



Arshaduddin Ahmed (GM Chemicals) addresses his team as they celebrate their HSE&S milestone of 19 years without LTI



Cake cutting ceremony held at the Chemicals Plant to celebrate 4.67 million man-hours of injury-free operation

Earth Day

Celebrated annually on April 22 worldwide, Earth Day aims to encourage people across the world to be more environmentally-conscious. Since its establishment, Earth Day has been widely supported in the corporate sector as an ideal day to declare a commitment to preserving and safeguarding the environment.

The Soda Ash Business celebrated this event by conducting awareness lectures, quizzes, and a poster competition. Pledges to preserve the environment were signed and a tree plantation drive was carried out afterwards. The Polyester Business celebrated this event with the students of the nearby Tibbi Harriya School, which is supported by the ICI Pakistan Foundation, by sharing best practices for environmental conservation with the students. An eco-painting competition was also carried out in which more than 50 students took part, and the winning student was awarded the title of Eco-Mentor. Tree plantation was also carried out at the training centre of the Polyester Business.

World Environment Day

World Environment Day is celebrated each year on June 5, marking the need for awareness, political consideration and action for environmental issues. The preservation of our environment is a key concern at ICI Pakistan Limited and therefore we have always supported Environment Day activities.

Every year Environment Day is celebrated under a specific theme/slogan, and this year the slogan was “Fight against Illegal Trade in Wildlife”. An awareness session was conducted that shared valuable information regarding the importance of wildlife, facts regarding endangered species, worldwide wildlife trafficking, negative impacts of illegal wildlife trade and the best possible ways to preserve wildlife resources. A quiz programme, awareness walk and environment related videos were also part of the event.

International Fire Fighters Day

International Fire Fighters Day was celebrated on May 4 with the Soda Ash fire fighters team which is always ready and willing to serve the community. Members of our senior management joined the staff and appreciated the fire fighters’ voluntary service to the local community.

Tree Plantation Drives

Companywide tree plantation drives were continued through the year, encompassing Soda Ash, Polyester, Life Sciences and Chemicals Businesses along with the Head Office in Karachi.

The Head Office organised a tree plantation drive at Abdullah Haroon Vocational Training Institute in the nearby community of Lyari during which volunteers and the institute’s students joined hands to plant nearly 450 saplings.

The Soda Ash Business planted approximately 12,000 trees at the plant site, residential areas, in the community and along the highway. The District Officer Environment and EPA Punjab Team, along with the senior management of Soda Ash participated in these activities, demonstrating their commitment towards a greener future.

The Animal Health Division of the Life Sciences Business planted 600 trees at their manufacturing facility as well as in the surrounding area along Multan Road. Similarly, the Polyester Business also conducted tree plantation activities at various occasions, planting a total of 5,000 trees to improve the environment and create awareness among the public about the world’s depleting resources and the need to protect and conserve them.

Behavior Based Safety (BBS) Programme

The primary objective of the BBS Programme is to create a positive and safe workplace for employees by developing positive safety recognition of management and peers through supportive leadership. The Programme continued at regular intervals to identify site employee behaviour and its associated impact on safety.

Community Investment

The CSR activities of ICI Pakistan Limited are managed through the ICI Pakistan Foundation, a registered trust run and managed by a Board of Trustees. Additionally, numerous other community activities are carried out directly by the Company itself.

The Foundation's philosophy places primary focus on four main areas: education, health, community and environment. However, it also supports civic development through investment in community projects, disaster relief and rehabilitation activities. This year, the ICI Pakistan Foundation formally incorporated all CSR initiatives under the umbrella of the Hamqadam Programme, which is further subdivided into the following relevant areas below.

Education

Vocational Training

Electrical Wireman Courses: Following three successful batches of the Household Electrical Wireman Course at our Polyester Manufacturing plant for Sheikhupura community youths, this year, the ICI Pakistan Foundation upgraded the programme to a three-phase Industrial Electrical Wireman Course. Fifteen students have been registered in the course which is being run in accordance with the TEVTA Punjab curriculum.

An Electrical Wireman short course was also initiated in our neighbouring community of Lyari, Karachi, located near the Head Office of ICI Pakistan Limited. Operated in partnership with the Abdullah Haroon Vocational Training Centre, Lyari, this course aims to improve employability for the youth of Lyari. Twenty-four students are registered thus far.

Ladies' Welfare Centre: Funds for the construction of a new facility for the Ladies' Welfare Centre in Khewra were provided. Originally established in 1970 to empower community women through vocational training, the Centre's classes impart marketable skills such as stitching, knitting, embroidery and cooking to girls and women from the Khewra community. To date, 1,200 students have received vocational training. The new, expanded facility will allow greater numbers of women to benefit from vocational training.

Computer Skills and Language: MS Office and English Language classes were initiated at the Abdullah Haroon Vocational Training Institute, Lyari, in collaboration with



ICI Pakistan Limited, in collaboration with Literate Pakistan, Jugnoo Sabaq, launches the second session of its Adult Literacy Programme, Karachi



The Polyester team gathers outside the Tibbi Hariya School



Asif Jooma (CE) and the Soda Ash team inaugurate the Staff Residential Estate Children's Park in Khewra

Literate Pakistan. By equipping young people from Lyari with computer literacy and fundamental English language skills, we hope to open doors to gainful employment and higher learning. Over 200 boys and girls have registered (150 girls and 70 boys) in the three-month course.

Adult Literacy: The second session of the Adult Literacy Programme, held in collaboration with Literate Pakistan's Jugnoo Sabaq, commenced in May 2016 at the Kakapir Village, Sandspit, Karachi. Currently, 20 female students are enrolled.

Primary Education Support: The ICI Pakistan Foundation has supported the Kakapir Village community school for over a decade. Currently, over 243 boys and girls are enrolled at the school, and the impact of our engagement with the community can be seen in the increased awareness of the importance of education that led to demand for adult literacy classes.

The Foundation also continued its support of the Government Boys and Girls Primary School, Tibbi Hariya, Sheikhupura.

Higher Education Support

Murshid Hospital School of Nursing Upgrade: As part of an ongoing focus on empowering women with education and improved career opportunities, the Foundation provided funds to upgrade Murshid Hospital's School of Nursing in Karachi to college level. Funds will be utilised to purchase books and equipment for a skills lab. Currently, 148 students, mostly women, are enrolled in the three-year diploma programme. Post upgrade, the school will offer a four-year degree programme for nursing students.

Pakistan Agricultural Coalition: In addition, the Foundation continues to contribute funds to the Pakistan Agricultural Coalition, Lahore, to set up an agricultural technical institute.



Pakistan Day Celebrations at the Children's Cancer Hospital, Karachi

Statement of Charity Account*

	PKR million	
	2015-2016	**2014-2015**
Education	11.04	3.64
Health	11.34	7.14
Environment	2	-
Others	-	0.5
Total PKR	24.38	11.28

* Amounts shown are actual committment



Mrs Suhail A Khan with the students of the Ladies Welfare Centre, Khewra



A lively tableau performance at the Children's Cancer Hospital, Karachi

Health

Hamqadam Community Clinic: The Foundation provided funds to set up a community clinic at Khewra. As Khewra is a remote area, the availability of female doctors has been an issue of concern. The Clinic is being run and managed by the Marie Adelaide Leprosy Centre (MALC), Karachi, and supervised by a lady doctor, a midwife/lady health visitor and other staff, especially to cater to mother-and-child healthcare issues, particularly pregnancy-related concerns. The Foundation also donated a state-of-the-art ambulance to the clinic for community use.

Eye Care Programme: Our longstanding eye care programme celebrated its silver jubilee this year, marking 25 years of successful eye care interventions. Held in collaboration with the Layton Rahmatullah Benevolent Trust (LRBT), the programme has benefitted deserving patients from the Khewra region and beyond. From July 2015 to June 2016, ten eye clinics were held, during which period 4,422 OPDs, 740 major/minor surgeries and 3,287 refractions were performed.

Child Life Foundation: The Foundation completed its first year of a three-year pledge made to the Child Life Foundation, which operates and manages the Paediatric Emergency ward in Civil and Jinnah Hospitals, Karachi, treating one child every minute.

Livestock

A livestock wellbeing programme was started for dairy farmers, introducing the 'Cattle Crush,' which is the name given to an especially manufactured cage or pen that restrains animals safely for the duration of veterinary procedures. This safe restraining method prevents injury to both, veterinary staff/handlers and animals themselves. A total of 25 units are being installed in remote areas across Pakistan, particularly in the KPK and Potohar region.

Community

Independence Day with Paediatric Patients: Company volunteers arranged Independence Day celebrations for paediatric patients at Karachi's Civil Hospital and National Institute of Cardiovascular Diseases (NICVD) under the banner of our Hamqadam programme. Young patients participated enthusiastically in this fun-filled activity, and the management teams at both public sector facilities were highly appreciative of the effort.

Sustainability Awareness at SOS Village: Volunteers engaged with children to educate them on recycling and reusing everyday household materials. Over 150 children participated in this activity, eagerly embracing the concept of minimising waste and finding new uses for discarded objects, producing remarkably creative objects out of simple items.



Ilm-o-Hunar (Education)

Zindagi Sehat kay Saath (Health)

Hamqadam (Community)

Aap ka Mawaishi Aap ka Sarmaya (Livestock)

Saaf Mahol Taza Hawa (Environment)



Independence Day festivities at the Civil Hospital, Karachi



Dr. Nadeem Baig (Executive Director NICVD) with ICI Pakistan Limited Volunteers at Independence Day celebrations

Environment

Allama Iqbal Municipal Park: The Foundation renovated the Allama Iqbal Municipal Park at Pind Dadan Khan, Khewra. Besides landscaping and tree plantation, the park also features playground equipment for the community's children.

Tree Plantation: Earth Day and World Environment Day were celebrated with tree plantation drives at Khewra; Sheikhupura; Life Sciences' Multan Road facility, Lahore; and in Lyari, Karachi. Over 1,000 saplings were planted in total.

Biodegradable Envelopes: We continue to utilise biodegradable envelopes (as opposed to regular paper envelopes) to mail the Company's annual reports to its stakeholders. This initiative helped save: 27 trees; 4.86 cubic yards of landfill space; 3.2 barrels of oil; 11,340 gallons of water; and 6,642 kilowatt hours of electricity.

Energy Conservation: To create awareness for the conservation and protection of natural resources, the Company participated in international Earth Hour by switching off unnecessary lights at all our sites at the designated time.

Governance & Compliance

SPEED & CONFIDENCE COMBINED

Our Governance and Compliance policies ensure that while we maintain our speed towards our ultimate goal, Cultivating Growth, we never compromise on accountability and integrity.

This section includes the Board of Directors report, details of business performance and activities, and our Governance, Compliance and Risk Management policies.



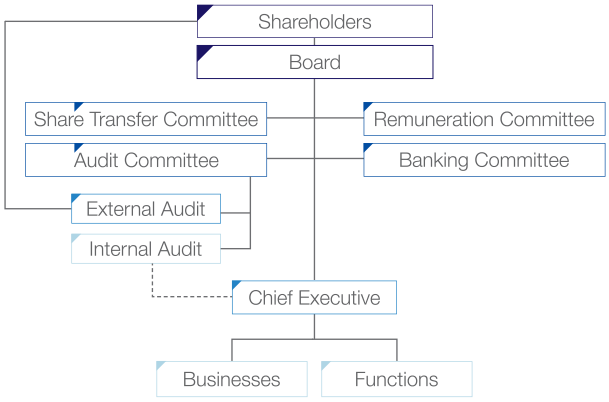


Corporate Governance & Compliance

The corporate governance structure of ICI Pakistan Limited (the 'Company') is based on the Company's Articles of Association and statutory, regulatory and other compliance requirements applicable to companies listed on the stock exchange, complemented by several internal procedures. These procedures include a risk assessment and control system, as well as a system of assurances on compliance with applicable laws, regulations and the Company's Code of Conduct.

Corporate Governance Statement

ICI Pakistan Limited is a public limited company established under the laws of Pakistan. The shares of the Company are listed on the Pakistan Stock Exchange Limited (PSX).



Major External Regulations

- Companies Ordinance, 1984 and other allied laws
- Listing Regulations/Rule book of the Pakistan Stock Exchange (PSX).
- Code of Corporate Governance and Securities Act 2015.
- CDC Regulations
- Other SECP Regulations, Circulars, Notifications and Guidelines etc.

Major Internal Regulations

- The Articles of Association of the Company
- Code of Conduct
- Significant policies
- Financial Remits

The Board of Directors is responsible for governing the organisation by establishing Board policies; setting the goals, objectives and strategies the Company is required to adopt, and formulating policies and guidelines for achieving the said goals and objectives. The Board is accountable to the shareholders for the discharge of its fiduciary function. The management is responsible for implementation of the aforesaid goals and strategies in accordance with the policies and guidelines laid down by the Board of Directors. In order to facilitate the smooth running of the day-to-day affairs of the Company, the Board entrusts the Chief Executive (CE) with necessary powers and responsibilities. The CE is, in turn, assisted by an Executive Management Team (EMT) comprising the Chief Financial Officer and the Heads of Businesses and Functions. The Board is also assisted by a number of sub-committees comprising mainly of independent/non-executive directors.

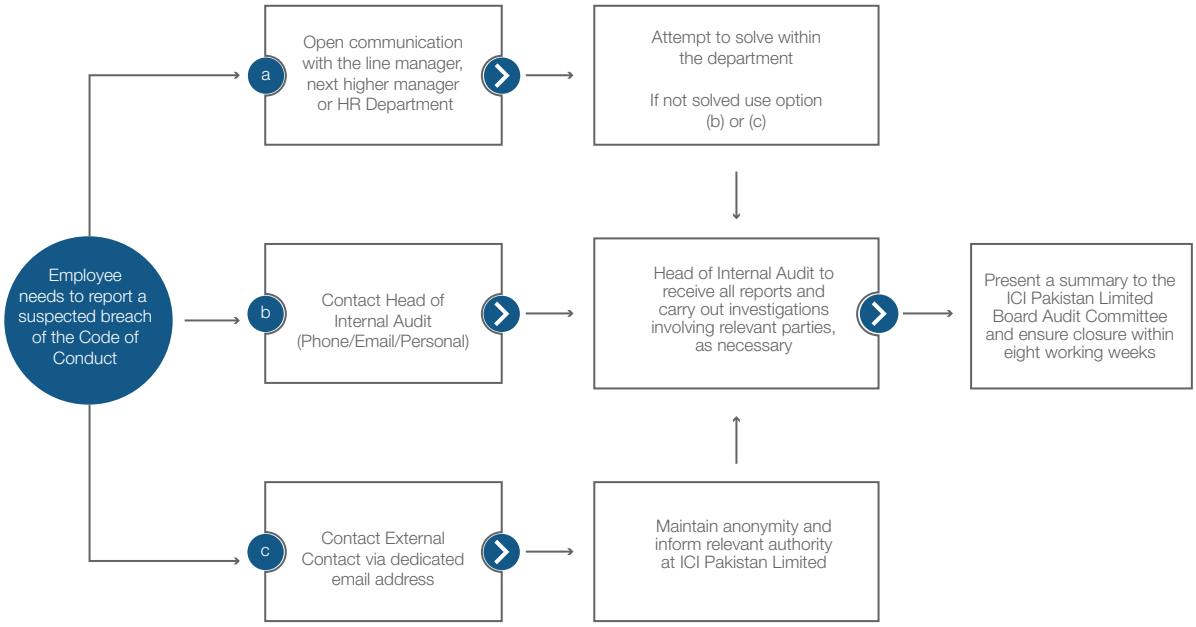
Code of Conduct

ICI Pakistan Limited has always held in high esteem the best practices of corporate governance and believes in widely propagating values and ethics for strict adherence by all employees, contractors, suppliers and others while doing business for the Company. Even before the introduction of the requirement in the Code of Corporate Governance (CCG) in 2002, ICI Pakistan Limited had a comprehensive Code of Conduct in place. In order to apprise employees of the Code of Conduct, the Company organises training sessions and induction programmes on a regular basis to ensure compliance at all levels. Furthermore, all employees are required to sign a declaration of compliance with the Code of Conduct upon joining the Company, as well as renewing this declaration electronically on a regular basis.

Speak Up (Whistleblowing Policy)

In order to facilitate strict adherence to the Code of Conduct, employees have access to the Company's Speak Up (whistleblowing) programme through which any employee can report suspected unethical dealings by any employee confidentially, either via telephone or e-mail, to the relevant HR Manager or the Head of Internal Audit. In addition, to further enhance anonymity, a third party (a renowned firm of Chartered Accountants) is hired and can be approached for filing of complaints. All complaints are thoroughly investigated and the results of the investigation are communicated to the complainant (given that a return address is provided). This process is overseen by the Board Audit Committee.

A Depiction of the Whistleblowing Process



Speak Up Reports During the Year

Number of Speak Up reports to Audit Committee during the year ending June 30, 2016	3
Number of Speak Up investigations completed and cases closed	3

Board Composition

The present Board of ICI Pakistan Limited comprises a well-balanced mix of executive, non-executive and independent directors. It has eight directors: two executive directors, four non-executive directors and two independent directors. The Chairman of the Board is a non-executive director. The positions of Chairman and Chief Executive are held by separate individuals with clearly defined roles and responsibilities.

ICI Pakistan Limited has had an Audit Sub Committee and an HR and Remuneration Sub Committee of the Board much prior to the introduction of the Code of Corporate Governance, comprising mainly of non-executive directors including the Chairman. The terms of reference of these Committees are provided in this report.

Internal Control

ICI Pakistan Limited has a sound system of internal control and risk management. The Board has an overall responsibility to oversee internal control processes. The Risk management and internal control processes are designed to safeguard the Company's assets and to appropriately address and/or mitigate emerging risks faced by the Company. The Company maintains a clear organisational structure with a well-defined chain of authority. Senior management has the responsibility of implementing procedures, monitoring risk and assessing the effectiveness of various controls. Comprehensive details regarding the Risk Management System are separately disclosed in these Financial Statements.

Insider Trading

The Company has a stringent policy on insider trading and securities transactions. The policy paper, which is circulated to all employees of the Company from time to time, lays down the procedure employees must follow while dealing in shares of the Company. Closed periods are announced by the Company prior to the announcement of financial results during which "Executives" (defined by the Board to be employees drawing a basic salary of PKR 2.4 million or above in a year) and some finance staff are barred from dealing in the Company's shares. These individuals can deal in the Company's shares only outside the closed periods. Any transaction carried out by an Executive in the shares of the Company has to be reported to the Company Secretary within four days of execution of the transaction with relevant details of purchase/sale of shares.

Competition Law

As embodied in our Code of Conduct, ICI Pakistan Limited supports the principles of free enterprise and fair competition. The Company competes vigorously but fairly with its competitors within the framework of applicable laws – all to provide better and increasingly useful products and more efficient services to our customers.

The Legal Department conducted a comprehensive Competition Law Training for relevant employees in 2014-2015. We continue to ensure compliance with competition laws. Additionally, all employees are apprised of relevant competition laws in the Code of Conduct, for which each employee signs a declaration of compliance upon joining the Company and on a regular basis thereafter.

United Nations Global Compact (UNGC)

ICI Pakistan Limited remains committed to making the UNGC's Ten Principles a part of our strategy, culture and day-to-day operations. The Ten Principles form a set of core values in the areas of human rights, labour standards, the environment and anti-corruption.

Adequate Disclosure

At ICI Pakistan Limited, it is our endeavour to continue to be transparent in all our dealings with all stakeholders. This is achieved through adequate and comprehensive disclosure of all communications to our shareholders and other stakeholders, including our financial statements.

All critical accounting estimates, rules and procedures governing extraordinary transactions, or any changes in accounting policies along with their financial impact, are disclosed in the notes to our financial statements. We follow the Companies Ordinance, 1984, and applicable IAS and IFRS (International Accounting Standards and International Financial Reporting Standards). In addition, we endeavour to provide as much supplementary information in our financial statements as possible.

Annual General Meeting (AGM)

The Company holds its AGM of the shareholders in light of The Companies Ordinance, 1984, Listing Regulations, Code of Corporate Governance and its Articles of Association. We request all our shareholders to participate in the AGM and other general meetings as and when covered. We also ensure that a copy of the annual report containing the agenda and notice of our AGM is dispatched to every shareholder at her/his registered address within the stipulated time.

During the last Annual General Meeting of the Company, no issues were raised by the shareholders present. Queries raised with regard to polyester staple fibre (Polyester Business), Morinaga products manufacturing facility in the country and coal fired boilers at Khewra (Soda Ash Business), were responded to accordingly.

Ownership and Control Structure

Complete disclosure of ICI Pakistan Limited's shareholding structure is given in the pattern of shareholding pursuant to the Companies Ordinance, 1984, and the Code of Corporate Governance in the printed accounts of the Company. Our share capital is comprised of ordinary shares. No other class of shares is issued by the Company. Yunus Brothers Group (YBG) holds 86.68% shares in the Company, details of which are disclosed in the pattern of shareholding. The rest of the shares are held by the general public and institutions.

Related Party Transactions

We maintain a complete and updated list of related parties. All transactions with related parties are carried out on an unbiased, arm's-length basis as per formulas approved by the Board of Directors. A complete list of all related party transactions is compiled and submitted to the Audit Committee every quarter. The Internal Audit Function ensures that all Related Party Transactions are done on an arm's length basis and releases a quarterly report to that effect to the Board Audit Committee. After review by the Audit Committee transactions are placed before the Board for their consideration and approval.

Material Interests of Board Members

Directors are required to disclose, at the time of appointment and on an annual basis, the directorships or memberships they hold in other corporate bodies. This is in pursuance with Section 214 of the Companies Ordinance, 1984, which also requires Directors to disclose all material interests. We use this information to help us maintain an updated list of related parties. In case any conflict of interest arises, the matter is referred to the Board's Audit Committee.

Offices of the Chairman and CE

In compliance with good governance practices, the position of the Chairman of the Board of Directors and the office of the Chief Executive are held by separate incumbents with clear demarcation of roles and responsibilities.

Brief Roles & Responsibilities of Chairman and CE

The Chairman`s primary role is to ensure that the Board is effective in its tasks of setting and implementing the Company's direction and strategy. The Chairman is responsible for assessing and making recommendations regarding the effectiveness of the Board, the committees and individual directors in fulfilling their responsibilities, besides avoidance of conflicts of interest. The Chairman represents the Non-Executive Directors of the Board and is entrusted with the overall supervision and direction of the Board's proceedings, and has the power to set the agenda, give directions and sign the minutes of the Board meetings.

The Chief Executive is the senior most full-time executive of the Company to whom all Business and functional heads report. He is responsible for presentation of the Company's aims and policies to the government and all stakeholders.

The Chief Executive is responsible for the performance of the Company, in accordance with the Business strategy as adopted by the Board. The Chief Executive reports to the Board of Directors.

The responsibilities of the Chief Executive include:

- Formulating and successfully implementing company policy after Board approval.
- Directing strategy towards the profitable growth and operation of the Company.
- Developing strategic operating plans that reflect the longer-term objectives and priorities established by the Board.
- Maintaining an ongoing dialogue with the Chairman of the Board to keep him fully informed of all significant developments.
- Putting in place adequate operational planning and financial control systems.
- Ensuring that the operating objectives and required standards of performance are understood by all Company employees.
- Monitoring of operating and financial results against budget.
- Taking remedial action where necessary and informing the Board of significant changes.
- Ensuring that the Company is in compliance with all applicable laws.
- Building and maintaining an effective executive team and appropriate succession plans.

Chief Executive Performance Criteria

The performance of the Chief Executive is evaluated on a blend of quantitative value and qualitative values-driven objectives. Quantitative value-driven objectives relate to growth and financial performance of the Company while qualitative values relate to the Company's performance on sustainability parameters. Underpinning both these objectives is the "how" component, which measures what processes and policies were implemented and complied with.

Evaluation of the Board's Performance

The Board evaluates its performance by looking at the overall performance of the Company. Every member of the Board tries to attend all the meetings of the Board and to actively participate in its proceedings. Discussions are held on various strategic issues. The Board ensures that the Company adopts the best practices of corporate governance in all areas of its operations and has a robust internal control system. The Board closely monitors major capital expenditure projects including balancing, modernisation and replacement. Succession planning and compliance with all regulatory requirements are also areas which the Board focuses closely on throughout the year. The Board is fully cognisant of the Company's commitment to its sustainability strategy based on social, economic and environmental factors and has issued appropriate policy guidelines to ensure continued maintenance of performance in these areas.

In line with global best practices, ICI Pakistan Limited has developed and successfully implemented a methodology for self-evaluation of the Board's performance as an entity on the basis of factors i.e. board composition, leadership and planning, board effectiveness, board accountability, strategy and performance, organisation, risk management, ethics and compliance.

Internal and External Audit

Our Internal Audit function plays a pivotal role in providing the Board with objectivity in evaluating and improving the effectiveness of risk management and related control systems throughout the Company. The Head of Internal Audit independently reports to the Audit Committee and administratively to the Chief Executive. KPMG has been hired to perform internal audits within the Company. The Head of Internal Audit ensures that the audit plan, as approved by the Audit Committee, is effectively and seamlessly implemented via close coordination with KPMG.

Internal audits are executed across all Businesses by our independent internal auditors and all findings are reported to the Senior Management and the Audit Committee of the Board. Action plans are followed up rigorously to ensure that timely corrective action is implemented for the effective functioning of controls. The Board, through the Audit Committee, has reviewed the assessment of risks, internal control and disclosure procedures and suggested remedial actions where applicable. The role of the Audit Committee is to assist the Board in fulfilling its oversight responsibility regarding the integrity of ICI Pakistan Limited's financial statements, risk management and internal control, compliance with legal and regulatory requirements, the external auditors' performance, qualifications and independence, and the performance of the internal audit function. The external auditors are appointed by the shareholders on a yearly basis at the AGM at the recommendation of the Board of Directors. The partner in charge of our audit is rotated every five years as per local regulations.

Risk Management

The Board has the overall responsibility of overseeing the risk management processes, which include both risk management and internal control procedures. The Company's processes, which are documented and regularly reviewed, are designed to safeguard assets and address risks that the Businesses might face or that may impact business continuity. These are, in turn, reported to the Board and senior management for timely action where required, to ensure uninterrupted operations.

The Company maintains a clear organisational structure with a well-defined chain of authority. Senior management is responsible for implementing procedures, monitoring risk and assessing the effectiveness of various controls.

During the year, the Board approved a robust Enterprise Risk Management (ERM) framework which is integrated within the organisation to help address risks in a timely manner. The model is based on comprehensive, interactive and management-oriented systems and processes. These enable early identification, evaluation and assessment, and appropriate responses to risks that could materially affect the achievement of strategic, operational, financial and/or compliance objectives.



Risk	Type	Risk Mitigation Plan	Risk Exposure Rating*
Changing economic conditions, government policies and law and order situation • Local competition • Risk of ad-hoc tariff adjustments on imports impacting local producers, such as ICI Pakistan Limited • Large scale cheap imports at uneconomical prices or dumping in Pakistan by major international manufacturers	**Strategic**	Continued commitment to customer centricity, product quality, innovation and supply chain efficiencies, along with a strong market footprint, can help us appropriately respond to challenges posed by weak economic and demand conditions. The Board and management endeavour to define and implement a clear strategy to overcome these strategic external risks by regularly benchmarking production efficiencies against competitors' to minimise cost. The Board and management continuously seek dialogue with policy makers through various business forums in the overall interest of domestic industries, and are actively vigilant with policies and proceedings of cases filed against anti-dumping. Training is also provided to update concerned stakeholders with regard to the law and order situation.	**High**
Exposure to liabilities arising from non-compliance with laws and regulations.	**Compliance**	We closely monitor changes in the regulatory environment and adapt to all significant changes in a timely manner. We are dedicated to compliance with all legal and regulatory requirements with special emphasis on conformity to our Code of Conduct. We operate under a comprehensive Competition Law compliance programme including training, monitoring and assessment.	**Medium**

Risk	Type	Risk Mitigation Plan	Risk Exposure Rating*
Inability to attract, engage and retain high potential/promotable talent.	**Strategic**	Our key focus remains on the growth and wellbeing of our intellectual capital. The re-launch of ICI Pakistan Limited's value driven competency framework (Success Factors) provides the roadmap for talent acquisition and development activities, ensuring that the right talent is available for the delivery of strategic ambitions. Advancing the wellbeing and engagement of our workforce is a high priority and we consider it a commitment that encompasses employee satisfaction and competitive benefits. The Board and management place great emphasis on attracting, educating, motivating and retaining our workforce, through further strengthening tools such as our Performance and Development Discussion, organisation health surveys and ensuring robust succession planning in the Company.	**Medium**
Overdependence on single source suppliers and major principals	**Operational/ Commercial**	We continuously engage our principals in a strategic view of business in Pakistan to align and create a common view of the business. We emphasise the satisfaction of our suppliers and work hard to outperform their expectations. We safeguard the Company's position through secured contracts and continue to seize opportunities to launch our own range of products/brands to reduce dependency on principals. We will further explore alternate suppliers and perform concrete and thorough research on their product ranges to have an alternate ready if required.	**Low to Medium**
Product risk Adverse events and reporting in the press on the quality or performance of products	**Operational/ Commercial**	Continued focus on quality control, at principal level and at business level (e.g. storage/transportation at correct temperatures, etc.) We also ensure detailed information is available on packaging, and training needs of staff are regularly monitored for reporting of adverse events. We also have defined standard operating procedures for crisis management and media handling. Moreover, our customer complaint management system aids in the timely review of the concerns and needs of every customer. We further conduct gap analyses to improve our testing methodologies so as to comply with our value of customer centricity.	**Low to Medium**

Risk	Type	Risk Mitigation Plan	Risk Exposure Rating*
Commodity Risk Reduction or increase in demand for seasonal imported goods versus plan/ outlook	**Operational/ Commercial**	Review plan on an on-going basis and in case of any changes in market dynamics, highlight issues/ scenarios to the principal in advance, negotiating quantities and prices.	**Low**
Failure to keep pace with technological advancements	**Strategic**	Our management highly values data security, automation of operations and technological advancement in the relevant industries. We have invested in a robust management reporting system, research and development, and lab infrastructure to improve in-house capabilities. We maintain close ties with our customers and consult them to remain updated on the changes taking place in the industry. Our business development team regularly issues a news bulletin containing information on new developments and changes taking place across the industry globally.	**Low**
HSE&S compliance risk HSE&S risks in production and supply chain processes can adversely affect our operations. These risks concern areas such as personal health and safety, product safety and operating eco-efficiency. An unlikely scenario can involve major incidents with high impact for our organisation as well as our local communities, which may cause business disruption and reputational damage.	**Health & Safety**	For us, compliance with HSE&S standards is our license to operate. The Company continues to focus on energy conservation, waste and operational efficiencies and eco-efficiency foot print reduction. A detailed report on HSE&S performance and development in 2015-16 is available in the report.	**Low**

Risk	Type	Risk Mitigation Plan	Risk Exposure Rating*
Fluctuation in exchange rates Continued depreciation of the Pakistani Rupee against the US Dollar has a negative impact on the financial results of our Businesses through erosion of margins, particularly in the Life Sciences Business, where prices of pharmaceutical products are capped by the Ministry of Health.	**Financial**	We have a centralised treasury and forward contracts are obtained from time to time to limit the exposure to foreign currency risk. However, the erosion of margins because of an inability to raise prices as highlighted is a risk the Company has to take, and one which is being partially mitigated through the introduction of generic brands and continuous engagement with policy makers in the government.	**Low**
Interest rate risk Risk of an increase in interest rates having an advance impact on the profitability of the Company.	**Financial**	The Company has availed financing for working capital requirements at competitive spreads and major borrowing is set on a floating rate. For other borrowings, the interest rate risk is at an acceptable level.	**Low**
Credit Risk Risk of default in payments by credit customers in the current challenging economic conditions, leading to adverse financial impact on the Company.	**Financial**	The Company's counterparty risk is sufficiently diversified with established limits for key customers. Credit reviews are regularly conducted to align the exposure in keeping with changing conditions while remaining within the bounds of the overall risk appetite of the Company.	**Low**
Liquidity Risk Risk of the Company being unable to fulfil its financial obligations due to non-availability of sufficient funds	**Financial**	The Company ensures optimum utilisation of cash generated by operations and has sufficient financial lines with various institutions to meet any funding requirements.	**Low**

*Risk exposure rating is based on the likelihood and impact of the risk on the entity as a whole, and translated as such, based on established criteria.

Board and Management Committees

Committees of the Board

Audit Committee with Brief Terms of Reference

The Audit Committee ensures that the Company has a sound system of internal financial and operational controls. Chaired by an Independent Director, the Committee serves as the eyes and ears of the Board, assisting it in the discharge of its fiduciary responsibilities.

The Audit Committee reviews the periodical financial statements of the Company and announcements of results to the stock exchange. An important responsibility of the Committee is to recommend to the Board the appointment of external auditors, facilitate the external audit and discuss with the external auditors major observations arising from interim and final audits. In doing so, the Committee also reviews the Management's response thereto.

In addition, the main responsibilities of the Audit Committee also include risk management; compliance with relevant statutory requirements; review of legal matters which may significantly impact financial statements; monitoring compliance with the best practices of corporate governance, investigating any violations thereof, and ensuring coordination between internal and external auditors are also the main responsibilities of the Audit Committee.

In carrying out its duties, the Audit Committee has the authority to discuss any issue within its remit directly with the management, internal auditors or external auditors, and may obtain outside legal or professional advice on the matter, if deemed necessary. The Audit Committee comprises three members, of whom two are Non-Executive Directors. The Chairman of the Committee is an Independent Director and the Head of Internal Audit acts as the Secretary to the Committee. The Chief Financial Officer and representatives of internal auditors attend Audit Committee meetings by invitation.

The Audit Committee meets at least four times a year. At least once a year, it meets external auditors independent of the CFO and the internal auditors.

Human Resource and Remuneration Committee

The Human Resource and Remuneration Committee is a Sub-Committee of the Board and is responsible for reviewing and recommending the selection, evaluation and compensation of the Chief Executive, the Executive Management Team, and the Head of Internal Audit.

Additionally, it also reviews and recommends HR management policies and the succession planning process for the position of the Chief Executive and his direct reports.

The Committee also takes into consideration the recommendations of the Chief Executive on such matters as key management positions and who reports directly to the CE, and obtains approval on such recommendations from the Board.

The Committee comprises five members; three Non-Executive Directors including the Chairman of the Committee, one Executive Director and one independent Director. The General Manager Human Resource acts as the Secretary to the Committee. The Committee meets at least once a year.

Banking Committee

This Committee comprising two Executive Directors and one Independent Director has been constituted to approve matters relating to opening, closing and day-to-day operations of bank accounts. The resolutions passed by the Banking Committee are subsequently ratified by the Board.

Share Transfer Committee

The Share Transfer Committee consists of two Executive and one Non-Executive Director. This Committee approves registration(s), transfers and the transmission of share(s). Resolution(s) passed by the Share(s) Transfer Committee are subsequently placed at Board meetings for ratification.

Management Committees

Executive Management Committee

The Chief Executive is the Chairman of the Executive Management Committee. The Committee comprises all Business and Functional Heads. This Committee meets once a month under the chairmanship of the Chief Executive and is responsible for strategic business planning, decision making and overall management of the Company.

HSE&S Management Committee

The Health, Safety, Environment and Security Committee monitors Companywide practices. It oversees the Health, Safety, Environment and Security functions of the Company and is also responsible for ensuring that all our operations are environment-friendly and compliant with the prevalent regulatory framework.

Succession Planning Forum

This forum is chaired by the Chief Executive and meets periodically to review the Company's succession planning and talent pipeline at all levels. This forum is supported by the following capability groups:

- Commercial Capability Group
- Technical Capability Group
- HR Capability Group
- Finance and IT Capability Group

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

M 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
M Abid Ganatra	Chief Financial Officer
M A Samie Cashmiri	Vice President Life Sciences & Strategy
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
Citibank N.A.
Deutsche Bank AG
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
HSBC Bank Middle East Limited
HSBC Bank Oman S.A.O.G.
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
Ernst & Young Ford Rhodes Sidat Hyder & Co.,
Chartered Accountants

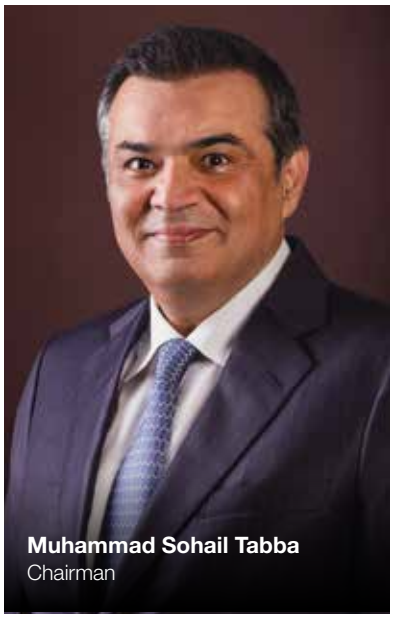
Registered Office

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

Shares Registrar

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

Our Board of Directors



Muhammad Sohail Tabba
Chairman



Muhammad Ali Tabba
Vice Chairman

Muhammad Sohail Tabba is a leading businessman in Pakistan with vast experience in the manufacturing, energy, real estate and cement sectors gained during an illustrious career spanning over two decades.

His association with the Yunus Brothers Group (YBG), one of the largest export houses of Pakistan, has successfully transformed the group's textile concerns into leading global players. These concerns include such names as Gadoon Textile Mills Limited and Lucky Knits Private Limited, where he serves as Chief Executive, and Yunus Textile Mills Limited and Lucky Textile Mills Limited where he serves as a Director on the Board.

Muhammad Sohail Tabba is also the Chief Executive of Lucky Energy Private Limited and Yunus Energy Limited in addition to Lucky One Private Limited. He is the Chairman of Lucky Paragon Readymix Concrete and a Director on the Board of Lucky Cement Limited – Pakistan's leading cement manufacturer and exporter.

Mr Tabba was appointed as a Non-Executive Director on the Board of ICI Pakistan Limited on December 28, 2012, and appointed as the Chairman of the Board of Directors of ICI Pakistan Limited on April 29, 2014.

Mr Tabba's philanthropic and social engagements include being the founding member of the Child Life Foundation and the Italian Development Council. He also serves as a Director for the Tabba Heart Institute and the Aziz Tabba Foundation. He has also previously served on the Board of Governors at Hamdard University Pakistan.

Appointed as Vice Chairman of ICI Pakistan Limited on December 28, 2012, Muhammad Ali Tabba has been Chief Executive of Lucky Cement Limited since 2005, succeeding his late father. He started his career as a Director with the Yunus Brothers Group (YBG) in 1991 and has since successfully reformed and expanded the companies he heads within the Group. He also serves as the Chief Executive of Yunus Textile Mills Limited, a leading name in the home textiles industry with subsidiaries in the US, Europe, Canada and France.

Mr Muhammad Ali Tabba is a distinguished leader and serves as a Board Member of the Trade Development Authority of Pakistan, the premier trade organisation of the country, which operates under the Federal Ministry of Commerce. He is also a Trustee of the Fellowship Fund for Pakistan (FFFP) which sponsors and sends one top Pakistani scholar annually to the Woodrow Wilson International Centre for Scholars, a Washington D.C.-based think-tank. In addition to these important roles, Mr Tabba is also on the Board of the Pakistan Business Council (PBC), a business advocacy forum comprising leading private-sector businesses. He has been nominated to the Board of the Pakistan-India Joint Business Council (PIJBC), which promotes trade between the two countries. Mr Tabba is also the Chairman of the All Pakistan Cement Manufacturers Association (APCMA), a regulatory body of cement manufacturers in Pakistan.

Mr Muhammad Ali Tabba is also a generous philanthropist with extensive engagements in many community welfare projects. He serves on the Board of Governors of numerous renowned universities, institutions and foundations. He is the Vice Chairman of a not-for-profit organisation, the Aziz Tabba Foundation (ATF), that works extensively in the fields of education, health and housing. The Foundation runs a state-of-the-art cardiac hospital, the Tabba Heart Institute and a kidney centre, the Tabba Kidney Institute. ATF's mission is to provide humanitarian and welfare service to the community at large from all over Pakistan.

Recognising his commitment to the social development sector of the country, in 2010, the World Economic Forum (WEF) bestowed the title of Young Global Leader (YGL) on Mr Tabba in recognition of his outstanding services and contributions.



Amina Abdul Aziz Bawany
Non-Executive Director

Appointed as Non-Executive Director on the Board of Directors of ICI Pakistan Limited on December 28, 2012, Amina Abdul Aziz Bawany holds a postgraduate degree in early years education with over ten years' experience in the education sector. She holds a key oversight position within the Yunus Brothers Group (YBG) and possesses a versatile skill set with experience in customer relations and sales, and is known for her attention to detail and excellent communication skills.

She is also on the boards of various charities that successfully raise funds for the medical and educational needs of underprivileged citizens of Pakistan.



Jawed Yunus Tabba
Non-Executive Director

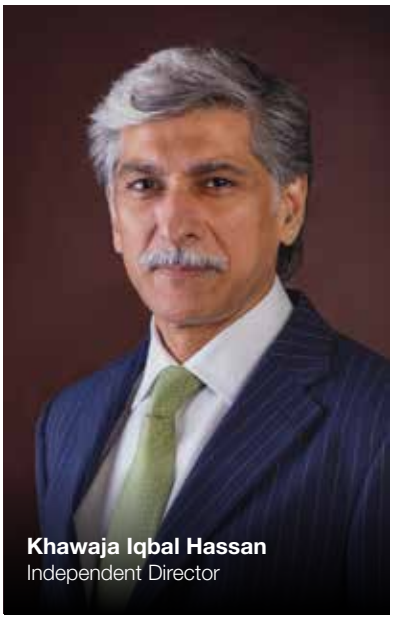
Appointed as Non-Executive Director on the Board of Directors of ICI Pakistan Limited on April 29, 2014, Jawed Yunus Tabba is the Chief Executive of Lucky Textile Mills Limited, which is amongst the top five home textile exporters of Pakistan.

Mr Tabba has rich experience in the textile industry and also manages the real estate project Lucky One, which, once completed, will be the largest retail shopping mall in Karachi. Jawed Yunus Tabba is also involved with the Aziz Tabba Foundation, which is the philanthropic foundation of the Yunus Brothers Group.

Our Board of Directors



Asif Jooma
Chief Executive



Khawaja Iqbal Hassan
Independent Director

Asif Jooma started his career in the corporate sector with ICI Pakistan Limited in 1983 and has over 30 years of extensive experience in senior commercial and leadership roles. Following his early years with ICI Pakistan Limited, and subsequently, Pakistan PTA Limited, Mr Jooma was appointed Managing Director of Abbott Laboratories Pakistan Limited in 2007. After serving there for nearly six years, he returned to ICI Pakistan Limited as Chief Executive in February 2013.

A Bachelor of Arts in Developmental Economics from Boston University, Mr Jooma has previously served as President of the American Business Council, President of the Overseas Investors Chamber of Commerce and Industry, member of the Board of Investment, Government of Pakistan and Chairman of the Pharma Bureau. Mr Jooma serves on the Board of NIB Bank Limited, Systems Limited and is the Chief Executive of NutriCo Pakistan Private Limited. He is on the Board of Governors of the Lahore University of Management Sciences (LUMS) and the Indus Valley School of Art and Architecture (IVSAA), and is also a Trustee of the Duke of Edinburgh's Awards Programme. Mr Jooma has attended Executive Development Programmes at INSEAD and Harvard Business School.

Khawaja Iqbal Hassan was appointed as an Independent Director on the Board of ICI Pakistan Limited on January 18, 2013.

Mr Hassan graduated cum laude from the University of San Francisco in 1980 with majors in Finance and Marketing. He started his career with Citibank N.A. where he held key positions in Saudi Arabia, Turkey and Pakistan. After leaving Citibank in 1994, Mr Hassan co-founded Global Securities Pakistan Limited, a former joint venture firm of UBS and then established NIB Bank Limited which was subsequently majority-acquired by Temasek Holdings of Singapore. He has served as Chief Executive Officer of both institutions.

Mr Hassan is presently a member of the Board of Directors of the State Bank of Pakistan and the Board of Governors of the Karachi Grammar School. He has previously served on the Boards of The Civil Aviation Authority of Pakistan (CAA), Pakistan Steel Mills Limited, Habib Bank Limited, National Fullerton Asset Management Company Limited, Citicorp Investment Bank Pakistan, The Pakistan Fund, Global Securities Pakistan Limited, NIB Bank Limited, The Lahore University of Management Sciences (LUMS), The Central Depository Company of Pakistan Limited and The Pakistan Centre for Philanthropy (PCP).

Mr Hassan is a former Vice Chairman of the Pakistan Bankers' Association and has served as Chairperson, Banking Sector Committee on Reform of Pakistan's Banking Companies Ordinance. He has also been a member of the Prime Minister of Pakistan's Task Forces on Foreign Exchange Reserves Management, Corporate Tax Reform and Capital Markets Reform.

In 2007, Mr Hassan was awarded the Sitara-i-Imtiaz by the Government of Pakistan for his meritorious contribution to national interests.



Kamal A Chinoy
Independent Director

Mr Kamal A Chinoy is Chief Executive of Pakistan Cables Limited. He graduated from the Wharton School, University of Pennsylvania, USA.

He serves on the Board of Directors of ICI Pakistan Limited, International Industries Limited, International Steels Limited, NBP Fullerton Asset Management Limited (NAFA), and Atlas Battery Limited, as well as being Chairman of Jubilee Life Insurance. He is also Honorary Consul General of the Republic of Cyprus.
Mr Kamal Chinoy is a member of the Executive Committee of the International Chamber of Commerce (ICC) Pakistan and Past President of the Management Association of Pakistan (MAP).
He also serves on the Board of Governors of Army Burn Hall Institutions.

He has previously served as the Chairman of the Aga Khan Foundation (Pakistan). He has also served as a Director of Pakistan Centre for Philanthropy, Pakistan Security Printing Corporation, Atlas Insurance and First International Investment Bank (an Amex JV). He has also served on the Undergraduate Admissions Committee of the Aga Khan University and the University of Pennsylvania Alumni Committee for Pakistan.
He is an advisor to Tharpak, a consortium of international companies interested in developing the Thar coal field.

Mr Chinoy is also a Certified Director, having been certified by the Pakistan Institute of Corporate Governance.



Muhammad Abid Ganatra
Executive Director & CFO

Appointed as a Director on the Board of Directors of ICI Pakistan Limited on December 28, 2012, and as the Chief Financial Officer of the company in April 2013, Mr Abid Ganatra has been associated with the Yunus Brothers Group (YBG) since 1994. He has more than 20 years of diversified experience in senior management positions with an emphasis on financial management, operational management, capital restructuring, mergers and acquisitions, corporate and legal affairs as well as taxation.

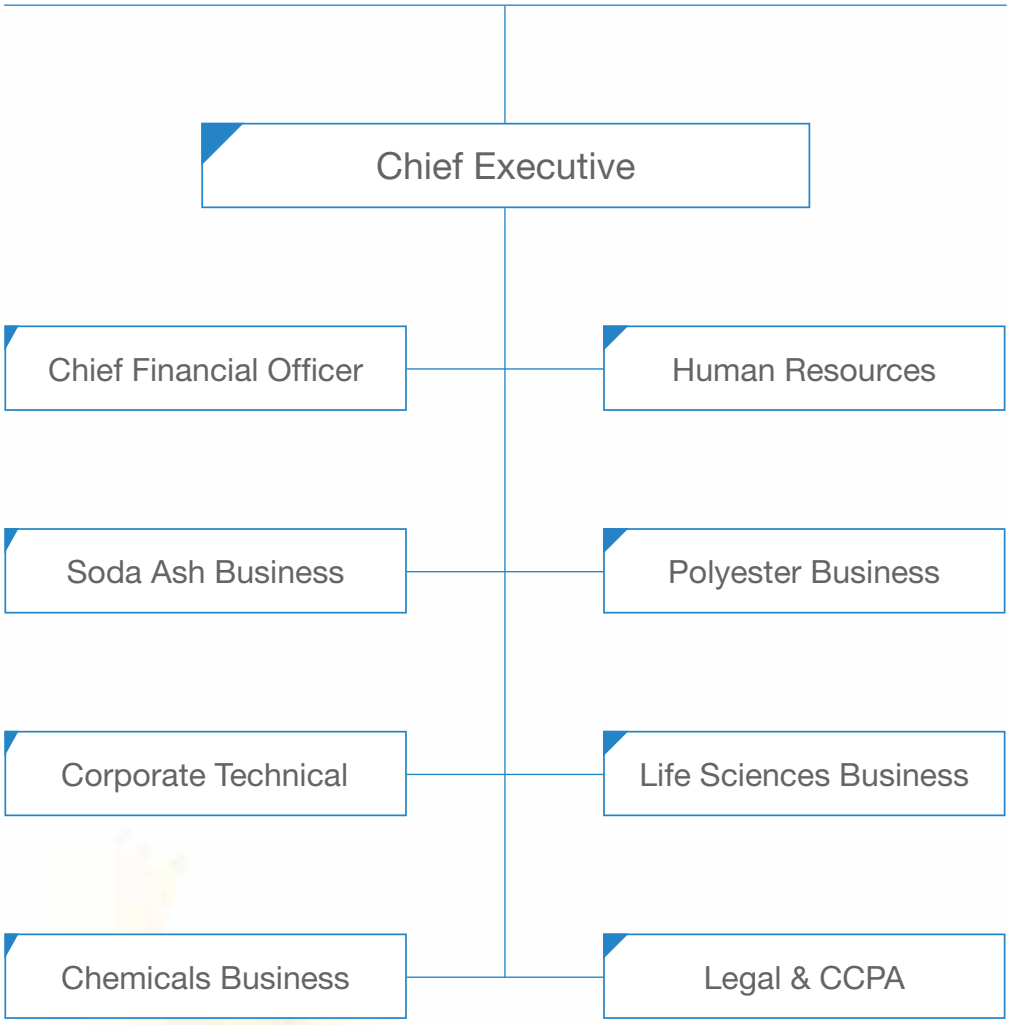
Mr Abid Ganatra is a fellow member of the Institute of Chartered Accountants and the Institute of Cost and Management Accountants of Pakistan. He holds a Bachelor's in Law and a Master's in Economics.

Our Executive Management Team




Suhail Aslam Khan
Vice President
Polyester & Soda Ash
M. A. Samie Cashmiri
Vice President
Life Sciences & Strategy
Saima Kamila Khan
General Counsel,
Company Secretary
& Head of CCPA
Asif Jooma
Chief Executive

Organisational Structure



Report of the Directors for the year ended June 30, 2016

The Directors are pleased to present their report, together with the audited financial statements of the Company for the year ended June 30, 2016.

Overview

Net Turnover of PKR 36,954 million for the year under review is 1% below net sales for the year ended June 2015, which was recorded at PKR 37,515 million. This is primarily attributable to lower revenues in the Polyester Business, which declined 15% in line with a downward correction of prices across the petrochemical chain.

Net Turnover in the Soda Ash Business grew by 7% on account of higher volumes, while the Life Sciences Business recorded a 13% growth in sales. Chemicals Business sales grew 5% compared to the same period last year (SPLY).

Operating profit for the year at PKR 3,479 million is 14% higher than the SPLY. Improved performances in the Soda Ash, Life Sciences and Chemicals Businesses compensated for the lower operating result in the Polyester Business. Performance of the Soda Ash Business was mainly driven by higher sales volumes and lower raw material and energy costs as a consequence of lower furnace oil and coal prices.

The new Dense Ash (DA) and Refined Sodium Bicarbonate (RSB) plants, as well as steam and power projects were commissioned successfully during the year, further enhancing the energy mix in the Soda Ash Business.

Earnings per share at PKR 30.78 is 34% higher, compared to PKR 23.02 for the SPLY.

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 2,730 million or PKR 29.56 EPS is 20% higher than the SPLY. The Company also completed a further 10% equity participation in NutriCo Pakistan Pvt. Ltd. ("Associate"), bringing its total investment in the Associate to 40%. During the year, the Company recognised PKR 407 million as 'Share of Profit from Associate.'

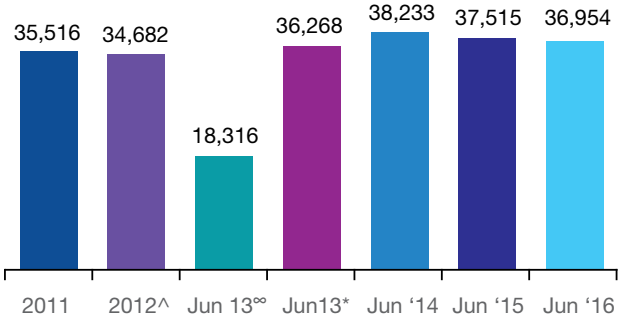
Financial Performance

PKR (m)	June-16	June-15	Increase/ Decrease %age
Turnover	42,689	42,594	0
Net Turnover	36,954	37,515	-1
Gross Profit	6,479	5,790	12
Operating Result	3,479	3,044	14
Profit Before Tax	3,498	2,703	29
Profit After Tax	2,843	2,126	34
Earnings Per Share (PKR)	30.78	23.02	34

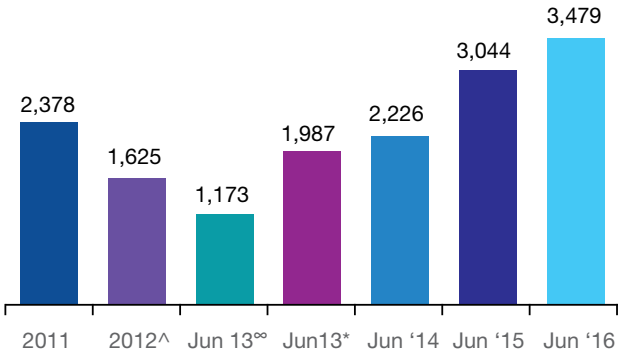
اردو کیلئے آخری صفحات ملاحظہ کریں۔

Six Years Financial Performance at a Glance

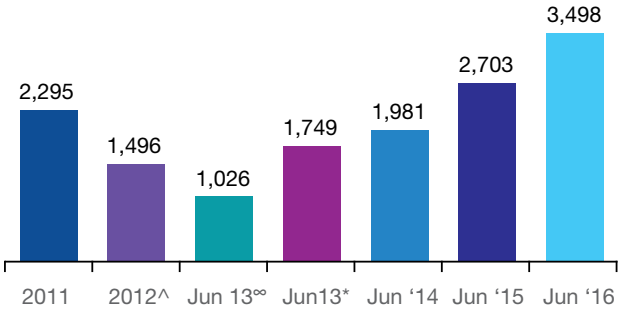
Net Turnover (PKR m)



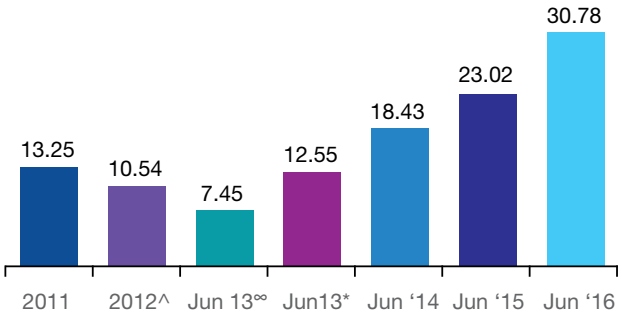
Operating Result (PKR m)



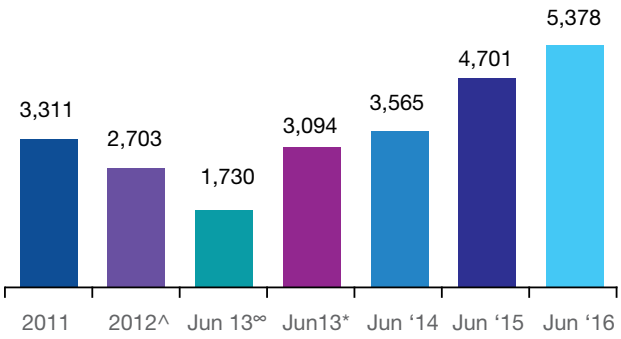
Profit Before Taxation (PKR m)



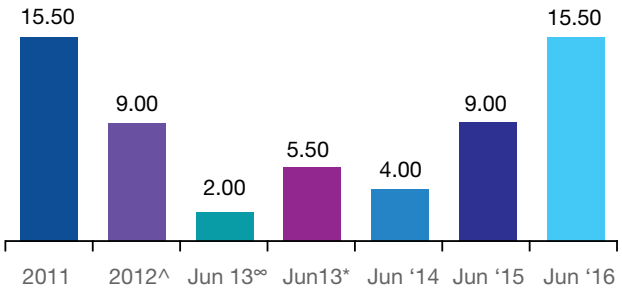
Earnings per Share (PKR)



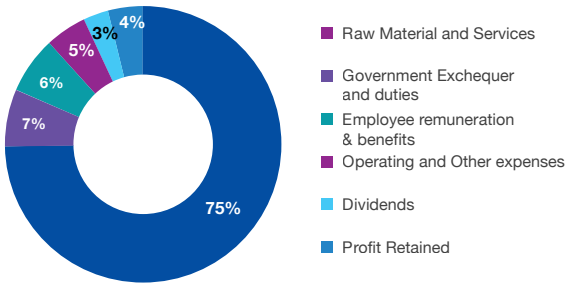
EBITDA (PKR m)



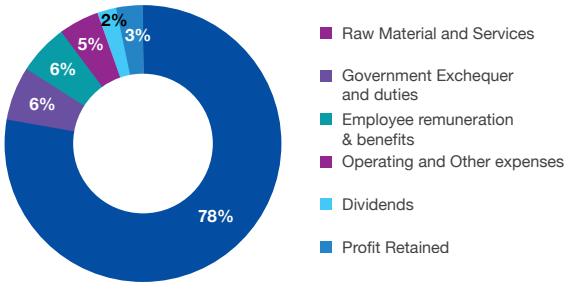
Dividend paid (PKR per Share)



30 June 2016



30 June 2015



^ RESTATED
∞ JUNE 13 CONTAINS RESULTS FOR THE SIX MONTHS PERIOD DUE TO CHANGE IN FISCAL YEAR
* 12 MONTHS PERIOD JUNE 2013

Value Addition and its distribution

PKR' 000

	30 June 2016	%	30 June 2015	%
Net Sales	**36,954,437**		37,515,328	
Sales Tax	**2,945,901**		2,602,114	
Net Sales including sales tax	**39,900,338**	**98%**	40,117,442	99%
Other operating Income	**687,697**	**2%**	293,547	1%
	40,588,035	**100%**	40,410,989	100%
Raw Material and Services	**30,329,577**	**75%**	31,424,651	78%
Government Exchequer and duties	**2,733,712**	**7%**	2,494,689	6%
Employee remuneration & benefits	**2,636,026**	**6%**	2,413,002	6%
Operating and other expenses	**2,045,534**	**5%**	1,952,939	5%
Dividends	**1,200,674**	**3%**	831,232	2%
Profit Retained	**1,642,512**	**4%**	1,294,476	3%
	40,588,035	**100%**	40,410,989	100%

Dividend

In view of the Company's earnings, the Board of Directors has recommended the Final Cash Dividend in respect of the financial year ended June 30, 2016, at the rate of 90 % i.e. PKR 9 /- per share of PKR 10/- each, subject to the approval of the Shareholders at the forthcoming Annual General Meeting. This, including the interim dividend of PKR 6.5/- per share already paid, makes a total dividend of PKR 15.5 /- per share.

Health, Safety, Environment and Security (HSE&S)

The Company continued to demonstrate its unwavering commitment to HSE&S, completing the year without a single reportable injury. No occupational illness was reported on account of compliance with the Company's various health assessment and work environment monitoring programmes. There was also a reduction of 4.8% in the total illness absence rate of employees as compared to last year. A sharper focus on operational discipline, and strict adherence to the Company's Health, Safety, Environment and Security Management system, was supported by management focus through the Behaviour-Based Safety (BBS) programme. This is a clear indicator of our resolve to maintain HSE&S as a core priority.

The HSE&S performance of Businesses continues to improve as the Polyester, Soda Ash, Life Sciences and Chemicals Businesses respectively achieved 7.98, 7.93, 1.40 and 5.06 million man-hours without reportable injury for employees and supervised contractors. Additionally, there were no reportable injuries to independent contractors.

The HSE&S Management Audit process, which commenced with audits of all manufacturing sites and locations last year across the Company, was completed during the year. Based on the auditors' findings and recommendations, the Businesses and Locations are preparing their 2016-17 HSE&S improvement plans, in order to further improve their HSE&S performance.

The HSE&S Management Committee, Corporate Crisis Management Team and Sustainability Council were reconstituted following organisational changes. ICI Pakistan Limited's Corporate Engineering Procedures were issued last year, with the Businesses aligning their local engineering procedures with the corporate version. In 2015-16, the Company's focus remained on energy conservation, waste reduction and Operational Eco Efficiency (OEE) footprint reduction, through the implementation of sustainability plans in all Businesses.

Based on feedback from users, EPM and Learning Event databases, which were updated through SharePoint, have been improved and effectively maintained to address the intended purpose and upcoming requirements, in collaboration with Corporate IT.

On account of recent development projects across the Company that include in-house steam, power and heating systems, there has been an increase in air emissions, waste, water withdrawal and energy consumption compared to set targets. However, all manufacturing sites have reported compliance with the National Regulations for liquid and air emissions.

A detailed report on HSE&S performance and development in 2015-16 is available on page 42 of the Annual Report.

Corporate Social Responsibility (CSR)

The CSR activities of ICI Pakistan Limited are managed through the ICI Pakistan Foundation, a registered trust run and managed by the Foundation's Board of Trustees. Additionally, numerous community activities are carried out directly by the Company itself.



Umar Mushtaq (Works Manager) shaking hands with the Winnington School cricket team



The Chemicals team executes its annual plant shutdown

The Foundation's philosophy places primary focus on four main areas: education, health, community and environment, while also supporting civic development through investment in community projects, disaster relief and rehabilitation activities. This year, the ICI Pakistan Foundation formally incorporated all its CSR initiatives under the umbrella of the Hamqadam Programme, which is further subdivided into the following areas:

Education (Ilm-o-Hunar)

Vocational Training

Electrical Wireman Courses Following three successful batches of the Household Electrical Wireman Course at our Polyester plant for Sheikhupura community youths, this year, the ICI Pakistan Foundation upgraded the programme to a three-phase Industrial Electrical Wireman Course. Fifteen students have been registered in the course, which is being run in accordance with the TEVTA, Punjab curriculum.

An Electrical Wireman short course was also initiated in the community of Lyari, Karachi, located near the ICI Pakistan Limited Head Office. Operated in partnership with the Abdullah Haroon Vocational Training Centre, Lyari, this course aims to improve employability for the youth of Lyari. Twenty-four students are registered thus far.

Ladies' Welfare Centre Funds for the construction of a new facility for the Ladies' Welfare Centre in Khewra were provided. Originally established in 1970 to empower community women through vocational training, the Centre's classes impart marketable skills such as stitching, knitting, embroidery and cooking to girls and women from the Khewra community. To date, 1,200 students have received vocational training. The new, expanded facility will allow greater numbers of women to benefit from vocational training.

Computer Skills and Language MS Office and English Language classes were initiated at the Abdullah Haroon Vocational Training Centre, Lyari, in collaboration with Literate Pakistan. By equipping young people from Lyari with computer literacy and fundamental English language skills, we hope to open doors to gainful employment and higher learning. Over 200 boys and girls have registered (150 girls and 70 boys) in the three-month course.

Adult Literacy

The second session of the Adult Literacy Programme, held in collaboration with Literate Pakistan's Jugnoo Sabaq, commenced in May 2016 at the Kakapir Village, Sandspit, Karachi. Currently, 20 female students are enrolled.

Primary Education Support

The ICI Pakistan Foundation has supported the Kakapir Village community school for over a decade. Currently, over 243 boys and girls are enrolled at the school, and the impact of our engagement with the community can be seen in the increased awareness of the importance of education that led to demand for adult literacy classes.

The Foundation also continued its support of the Government Boys and Girls Primary School, Tibbi Hariya, Sheikhupura.

Higher Education Support

Murshid Hospital School of Nursing upgrade As part of an ongoing focus on empowering women with education and improved career opportunities, the Foundation provided funds to upgrade Murshid Hospital's School of Nursing in Karachi to college level. Funds will be utilised to purchase books and equipment for a skills lab. Currently, 148 students, mostly women, are enrolled in the three-year diploma programme. Post upgrade, the school will offer a four-year degree programme for nursing students.

Pakistan Agricultural Coalition In addition, the Foundation continues to contribute funds to the Pakistan Agricultural Coalition, Lahore, to set up an agricultural technical institute.

Health (Zindagi Sehat Kay Saath)

Hamqadam Community Clinic The Foundation provided funds to set up a Hamqadam Community Clinic at Khewra. As Khewra is a remote area, the availability of female doctors has been an area of concern. The Clinic is being run and managed by the Marie Adelaide Leprosy Centre (MALC), Karachi, and supervised by a lady doctor, a midwife/lady health visitor and other staff, especially to cater to mother-and-child healthcare issues, particularly pregnancy-related concerns. The Foundation also donated a state-of-the-art ambulance to the clinic for community use.



Delegates from the China Tianchen Engineering Corporation assisting in the Khewra Expansion project



The Animal Health Division team celebrating World Environment Day 2016 by planting trees

Eye Care Programme Our longstanding eye care programme celebrated its silver jubilee this year, marking 25 years of successful eye care interventions. Held in collaboration with the Layton Rahmatullah Benevolent Trust (LRBT), the programme has benefitted deserving patients from the Khewra region and beyond. From July 2015 to June 2016, ten eye clinics were held, during which period 4,422 OPDs, 740 major/minor surgeries and 3,287 refractions were performed.

Child Life Foundation The Foundation completed its first year of a three-year pledge made to the Child Life Foundation, which operates and manages the Paediatric Emergency ward in Civil and Jinnah Hospitals, Karachi, treating one child every minute.

Livestock

A livestock wellbeing programme was started for dairy farmers, introducing the 'Cattle Crush,' which is the name given to an especially manufactured cage or pen that restrains animals safely for the duration of veterinary procedures. This safe restraining method prevents injury to both, veterinary staff/handlers and animals themselves. A total of 25 units are being installed in remote areas across Pakistan, particularly in the KPK and Potohar region.

Community

Independence Day with paediatric patients Company volunteers arranged Independence Day celebrations for paediatric patients at Karachi's Civil Hospital and National Institute of Cardiovascular Diseases (NICVD) under the banner of our Hamqadam programme. Young patients participated enthusiastically in this fun-filled activity, and the management teams at both public sector facilities were highly appreciative of the effort.

Sustainability awareness at SOS Village Volunteers engaged with children to educate them on recycling and reusing everyday household materials. Over 150 children participated in this activity, eagerly embracing the concept of minimising waste and finding new uses for discarded objects, producing remarkably creative objects out of simple items.

Environment (Saaf Mahol – Taaza Hawa)

Allama Iqbal Municipal Park The Foundation renovated the Allama Iqbal Municipal Park at Pind Dadan Khan, Khewra. Besides landscaping and tree plantation, the park also features playground equipment for the community's children.

Tree plantation Earth Day and World Environment Day were celebrated with tree plantation drives at Khewra; Sheikhupura; Life Sciences' Multan Road facility, Lahore; and in Lyari, Karachi. Over 1,000 saplings were planted in total.

Biodegradable envelopes We continue to utilise biodegradable envelopes (as opposed to regular paper envelopes) to mail the Company's annual reports to its stakeholders. This initiative helped save: 27 trees; 4.86 cubic yards of landfill space; 3.2 barrels of oil; 11,340 gallons of water; and 6,642 kilowatt hours of electricity.

Energy conservation To create awareness for the conservation and protection of natural resources, the Company participated in international Earth Hour by switching off unnecessary lights at all our sites at the designated time.

A detailed report on CSR performance in 2015-16 is available on page 46 of the Annual Report.

Human Resources

With a passionate team of over 1300, the Company continues to make people its focal point by promoting a culture of high performance, learning, trust and openness to deliver its brand promise of Cultivating Growth.

At ICI Pakistan Limited, we strongly believe that success comes when employees are engaged and aligned with the Company's vision, and when they feel valued and heard. In line with this belief, ICI Pakistan Limited partnered with Gallup to conduct the 'iMPOWER employee engagement survey. With a stellar performance across all businesses and functions, the engagement score for ICI Pakistan Limited stands at 4.16 on a five-point scale. This score reflects an impressive increase of 0.29 points from last year's score of 3.87 and is well ahead of Gallup's recommended trajectory score. In terms of percentile, this score places the Company at the 58th percentile compared with other companies in the Gallup Global Database, as opposed to the 35th percentile last year.



Polyester Business teamed up with Alif Laila, an NGO, to celebrate reading day at Tibbi Hariya School



The Animal Health Division demonstrates safe animal handling techniques to livestock farmers and veterinary care providers

In line with the ambition to be recognised as a company which offers its people the opportunity for ongoing learning, development and growth, talent movement remained a strategic priority for the Company with 14% movement across businesses and functions, providing our employees exposure to diverse roles across the Company.

To accelerate capability building, the Leadership Development Roadmap was launched, providing a structured and integrated talent development framework for ICI Pakistan Limited. This roadmap focuses on developing leadership capabilities at each level in the organisation, offering employees the unique opportunity to not only grow in their existing roles, but more importantly, to achieve their ongoing career aspirations.

Through 10 customised training modules, executive coaching sessions and Learning Projects, more than 540 managers so far have been part of this development journey.

To build better understanding of our managers on their HR role as line managers, a two day workshop, 'HR for Non-HR Managers,' was launched this year and was attended by 85 people managers. The Core Development Programme for engineers was relaunched with the help of both internal and external faculty, while functional and managerial trainings progressed as per the training need assessment. This year, a total of 27,448 man-hours were invested in employee training, focusing on functional and leadership development.

The Company continued to strengthen its talent pipeline by recruiting fresh graduates in the commercial, finance and technical streams through structured Trainee Programmes. Twenty-five graduates were recruited during the year following a comprehensive selection process from reputable institutes, whereas 195 experienced professionals joined the Company laterally.

The Performance and Development Discussion (P&DD) process continues to be an essential tool for providing regular and candid feedback to managers in addition to aligning their performance and development with Company strategy. The P&DD process was concluded as per guidelines, ensuring that employees continue to benefit from clear and credible assessment systems.

On International Women's Day this year, the Company launched 'iMPACT, a gender diversity forum, with a pledge to increase our female workforce from 5% today to 10% by 2018 through focused gender supportive initiatives.

A detailed report on Human Resources for 2015-16 is available on page 38 of the Annual Report.

Risk Management Framework

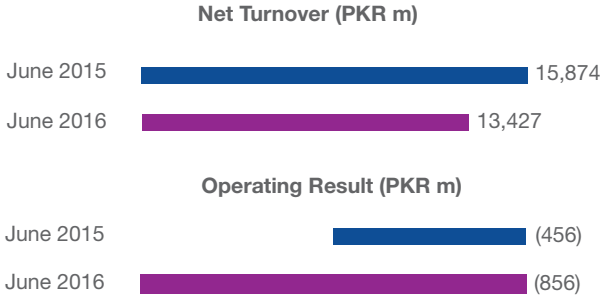
The Board has the overall responsibility of overseeing the risk management processes, which include both risk management and internal control procedures. The Company's processes, which are documented and regularly reviewed, are designed to safeguard assets and address risks that the Businesses might face or that may impact business continuity. These are, in turn, reported to the Board and senior management for timely action where required to ensure uninterrupted operations.

The Company maintains a clear organisational structure with a well-defined chain of authority. Senior management is responsible for implementing procedures, monitoring risk and assessing the effectiveness of various controls.

During the year, the Board approved a robust Enterprise Risk Management (ERM) framework which is integrated within the organisation to help address risks in a timely fashion. The model is based on comprehensive, interactive and management-oriented systems and processes. These enable early identification, evaluation and assessment and appropriate responses to risks that could materially affect the achievement of strategic, operational, financial and/or compliance objectives.

A detailed report on the risk management philosophy, key risks and tools used by the Company is available on page 56 of the Annual Report.

Polyester Staple Fibre Business (PSF)





Samie Cashmiri (VP Life Sciences & Strategy) addresses his team during their mission and vision roll-out



ICI Pakistan Limited holds corporate briefing at the Karachi Stock Exchange, now the Pakistan Stock Exchange

The current financial year continued to be challenging for the entire petrochemical chain mainly due to a slump in crude oil prices. Weak global demand coupled with OPEC members' inability to agree on production cuts further exacerbated the situation. This resulted in PTA & MEG prices falling by 20% and 25%, respectively, compared to the previous period.

The regional bearish price trend impacted domestic PSF margins, which were further squeezed due to aggressive domestic pricing coupled with dumping of PSF from China. The imposition of an anti-dumping duty of 3%-11% in the third quarter of 2015-16 for a period of 5 years on all Chinese PSF exporters, and the increase in net protection rate (NEP) to 4.5% for the domestic PSF industry (post Federal Budget 2016-17) are expected to provide much-needed support to domestic PSF prices.

In line with the Company's values, the Business continued to focus on its customers, successfully launching Black Fibre during the year. Optimal levels of production were achieved to meet customer demand, with production and sales volume both increasing by 3% over the SPLY. This increase in volume partially offset the 18% drop in PSF revenues (due to a decrease in selling price) and resulted in an overall decrease in net turnover of 15% over last year.

The commissioning of the in-house steam and power project eased the energy cost burden by replacing expensive alternate fuel with coal for electricity and steam generation. This change in the fuel mix, along with a decrease in fuel prices, curtailed energy costs by 22%. However, these savings were offset by weak unit margins; thereby increasing the Business's operating loss by 88% over the SPLY.

Going forward, prices in the petrochemical chain are expected to continue their search for a new equilibrium, in light of Brexit consequences and major producers' decisions on production cutbacks. On the domestic front, market sentiment will greatly depend on the continuous provision of cheaper energy to the textile industry along with consistent policy implementation by the Government. With the imposition of ADD on Chinese imports and increase in NEP, domestic margins are expected to show some recovery.

Soda Ash Business

Net Turnover (PKR m)



Operating Result (PKR m)



Net turnover for the year remained higher by 7% mainly on the back of higher sales volumes in the domestic market. The Soda Ash market grew by 8% over SPLY due to better performance of the silicate, glass, bazaar and detergent segments.

Growth in the glass segment was driven by increased construction activity and demand for carbonated drinks, which in turn led previously closed producers to restart their operations. Prices of Caustic Soda have stabilised which bodes well for demand from the paper segment. The silicate segment saw modest growth rates despite declining demand for laundry soap and gas curtailment. Demand for Sodium Bicarbonate was strong, absorbing the increase in domestic production.

Operating result for the year remained 25% higher than the SPLY. Higher production and sales volumes, along with a favourable energy mix and lower energy and imported raw material prices, were key contributors to this higher profitability.

Strong focus on improving reliability and production capability resulted in achieving highest ever production volume of 340,803 tons for the year, which remained higher by 10% compared to the SPLY.

In line with its growth aspiration, the Business continues to invest heavily in a number of projects. Of these projects, the new Dense Ash (DA) and Refined Sodium Bicarbonate (RSB) plants were commissioned successfully during the year. Two new power and steam generation projects were commissioned in the fourth quarter of the year. However, the 18MW steam turbine is in the final completion phase and it is expected that it will be available in first quarter of the new fiscal year.



Fathema Zuberi (GM HR) at the launch ceremony of the 'iMPACT initiative



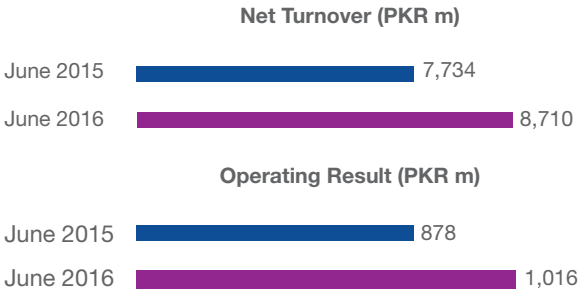
Volunteers from the Company held Independence Day celebrations at the National Institute of Cardiovascular Diseases

Further, the Business has also launched the 75 KTPA Soda Ash expansion project, with work currently progressing as per plan.

The Business will continue its efforts to grow its market share in the domestic market while exploring new export opportunities through continued capacity additions. The new 14 KTPA Refined Sodium Bicarbonate plant is expected to add value to the top and bottom line and further strengthen the Business's foothold in the domestic market.

Pricing pressure from overseas manufacturers, along with significant capacity additions in Turkey, remain a cause for concern going forward.

Life Sciences Business



The Life Sciences Business achieved an operating result of PKR 1,016 million for the year ended June 30, 2016, which is 16% above the SPLY. The Business delivered net turnover of PKR 8,710 million with all divisions posting their highest ever annual net turnover. The Animal Health and Agri Divisions posted double digit sales growth with net turnover of all segments posting higher net turnover compared to the SPLY.

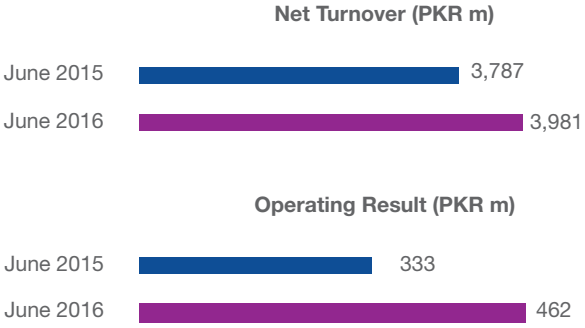
ICI Pakistan Limited received the Provisional Certificate for Enlistment as a manufacturer from DRAP for its Nutraceutical facility, which is a major milestone for the Pharmaceuticals Division. The Business leveraged this new facility by entering into tolling agreements with other pharmaceuticals companies.

The Animal Health Division entered into the bovine genetics business during the year, partnering with Cogent International, a leading bovine genetics firm and a pioneer in sexed semen.

The Agri Division performed strongly in the Agrochemicals and Vegetable Seeds segments despite a challenging year in the agriculture sector. Through new products and demand generation-focused activities, the Division has established itself as a credible player in the market.

The future outlook of the Business remains positive as it continues to strengthen its existing portfolio and launch new products across all Divisions, while continuing to explore opportunities for organic and inorganic growth.

Chemicals Business



Net turnover for the year at PKR 3,981 million is higher by 5% compared to the SPLY, primarily due to higher net turnover in all three Divisions, i.e., Specialty Chemicals (SC), Polyurethanes (PU) and General Chemicals (GC). Operating result for the year at PKR 462 million is 39% higher than the SPLY primarily due to better performance in SC & PU Divisions. Improved profitability was mainly driven by addition of new customers, increase in sales volumes and cost efficiencies.

The future outlook of the Business remains positive as it intends to remain committed to fulfilling customer needs, launching new products, increasing market share and bringing in further cost efficiencies.

Finance

The Company's balance sheet on June 30, 2016, remains on a strong footing, maintaining a current ratio of 1.15 (2015: 1.02) and quick ratio of 0.55 (2015: 0.49).

Net Turnover at PKR 36,954 million is 1% lower than the SPLY, mainly attributable to lower sales revenue in the Polyester Business; however, this deficit was partially offset by higher revenues in the Soda Ash, Life Sciences and Chemicals Businesses.

Gross profit for the year is 12% higher than the SPLY. This is principally due to increased volumes and an overall reduction in the cost of sales attributable to successful operation of energy projects, coupled with reduction in furnace oil, coal and raw material prices.

Sales and Distribution expenses for the year are 19% higher than the SPLY, essentially due to increased staff costs, higher advertising and publicity expenses and outward freight in line with the Businesses' growth. Administration and general expenses for the year were 9% lower than the SPLY.

Long term loans and short-term financing facilities were availed by the Company from various banks to manage capital expenditure and working capital funding requirements, however as a result of a reduction in interest rates and keen negotiations with banks, finance costs for the year are 5% lower compared to the SPLY. Other operating income is 134% higher than SPLY, primarily due to the dividend income from Associate and Subsidiary Company during the current year.

Tax charge is lower, primarily due to the increased tax credit on investment in plant and machinery, along with higher proportion of dividend in profits.

Profit after Tax (PAT) amounting to PKR 2,843 million is 34% higher than the SPLY.

Earnings per share of PKR 30.78 for the year is 34% higher than the SPLY.

Future Outlook

Going forward, demand generation on account of the China Pakistan Economic Corridor (CPEC) projects; relative political stability; lower inflation and reduced interest rates, coupled with expected improvement in energy availability following the reduction in oil prices; and the influx of LNG, combine to create an atmosphere for investment growth in the country. This will also encourage private sector investors to expand their businesses and maximise capacity utilisation.

Crude oil markets continue to search for a new equilibrium due to which the prices are expected to remain unpredictable. The operation of the steam and power project in the Polyester Business has eased the energy cost burden; however, declining margins are likely to keep the Business under pressure. In the Soda Ash Business, capacity expansion projects shall further improve the Business's performance in the future. The outlook for the Life Sciences and Chemicals Businesses also remains positive. The Company remains focused on fulfilling customer needs, energy conservation and launching new products and cost reduction initiatives, as well as strengthening relationships with existing customers and suppliers, while exploring opportunities for both organic and inorganic growth.

Acknowledgment

The results of the Company are a reflection of the unrelenting commitment and contribution of its people and the trust placed in the Company by its customers, suppliers, service providers and shareholders.

Auditors

The present auditors M/s EY Ford Rhodes, Chartered Accountants retired and being eligible, have offered themselves for reappointment for the new financial year.

As recommended by the Audit Committee, the Board has approved the proposal to appoint M/s EY Ford Rhodes, Chartered Accountants as the statutory auditors of the Company, subject to the approval of the Shareholders at the forthcoming Annual General Meeting of the Company.

Compliance with the Code of Corporate Governance

As required under the Code of Corporate Governance incorporated in the Listing Rules of the Stock Exchange in the country, the Directors are pleased to state as follows:

- The financial statements prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any deviation from these has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no doubts upon the Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance as detailed in the Listing Regulations.
- Key operating and financial data for the last 10 years is summarised on page 20.
- Outstanding taxes and levies are given in the Notes to the Financial Statements.
- The management of the Company is committed to good corporate governance, and appropriate steps are taken to comply with best practices.

Investment in Retirement Benefits

The value of net assets available for benefits in respect of staff retirement funds operated by the trustees of the funds as per their financial statements (audited) on June 30, 2015 were as follows:

		30-Jun-15 Value (PKR '000)	30-Jun-14 Value (PKR '000)
1	ICI Pakistan Management Staff Pension Fund	1,249,597	1,265,813
2	ICI Pakistan Management Staff Gratuity Fund	427,507	364,442
3	ICI Pakistan Management Staff Defined Contribution Superannuation Fund	531,243	436,660
4	ICI Pakistan Management Staff Provident Fund	1,012,617	906,841
5	ICI Pakistan Non-Management Staff Provident Fund	404,870	385,421

Directors' Attendance

During the period under review, six (06) Board meetings, four (04) Audit Committee meetings and two (02) Human Resource Remuneration Committee (HR&RC) meetings were held. Attendance by each Director/Member/CFO/Company Secretary of the respective Board/Sub-Committees was as follows:

Name of Director & Secretary	Board of Directors Meetings	Audit Committee Meetings	HR & Remunerations Committee Meetings
Mr Muhammad Sohail Tabba	5	-	2
Mr Muhammad Ali Tabba	6	3	2
Mr Jawed Yunus Tabba	5	3	1
Mrs Amina A Aziz Bawany	2	-	-
Mr Asif Jooma	6	-	1
Mr Khawaja Iqbal Hassan	6	4	2
Mr. Muhammad Abid Ganatra Director & CFO	6	4	-
Mr Kamal A Chinoy	4	-	-
Ms Saima Kamila Khan Company Secretary	6	-	-
Ms Fathema Zuberi Secretary to HR&RC	-	-	2
Mr Muhammad Ali Mirza Secretary to the BAC	-	4	-

Directors' Training

The majority of the Board members have the prescribed qualification and experience required for exemption from training programmes of Directors pursuant to the clause 5.19.7, of the Code of Corporate Governance ("CCG") (Chapter 5 of the PSX Rule Book). All the Directors are fully conversant with their duties and responsibilities as Directors of corporate bodies. The Board had arranged an orientation course of the CCG for its Directors in the previous years to apprise them of their roles and responsibilities.

Pattern of Shareholding

A statement showing the pattern of shareholding in the Company along with additional information as at June 30, 2016, appears on page numbers F 50 to F 52.

As at June 30, 2016, Lucky Holdings Limited together with Gadoon Textile Mills Limited and Lucky Textile Mills Limited held 86.68% shares, while institutions held 8.25%, and individuals and others held the balance 5.07%.

The highest and lowest market prices of ICI Pakistan Limited's shares during 2015-16 were as follows:

Highest	17 August 2015	566.94/-
Lowest	21 March 2016	410.00/-

During the year Mr. Kamal A Chinoy, Director, purchased 10,500 shares of the Company and 4 shares were inherited by him. The requisite returns in this respect were filed with the regulatory authorities in addition to informing the Board and the Stock Exchange of the said transaction as required under the CCG. Other than these, 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 financial year.

Group Financial Statements

The audited financial statements of the ICI Group for the year ended June 30, 2016 are attached. The ICI Pakistan Group comprises of ICI Pakistan Limited and ICI Pakistan PowerGen Limited, a wholly owned subsidiary.

Muhammad Sohail Tabba
Chairman

Asif Jooma
Chief Executive

Dated: August 30, 2016
Karachi

Statement of Compliance with the Code of Corporate Governance for the year ended June 30, 2016

This statement is being presented to comply with the Code of Corporate Governance (CCG) contained in clause no 5.19 of the Rule Book of the Pakistan Stock Exchange Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the CCG in the following manner:

1. The Company encourages representation of independent, non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes:

Category	Names
Independent Director	Mr. Khawaja Iqbal Hassan Mr. Kamal A Chinoy
Executive Director	Mr. Asif Jooma Mr. Muhammad Abid Ganatra
Non-Executive Director	Mr. Muhammad Sohail Tabba Mr. Muhammad Ali Tabba Mr. Jawed Yunus Tabba Mrs. Amina A Aziz Bawany

The independent director meets the criteria of independence under clause 5.19.i (b) of the CCG.

2. The Directors have confirmed that none of them is serving as a director for more than seven listed companies, including ICI Pakistan Limited.

3. All the resident directors of the Company are registered taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4. No casual vacancy occurred on the Board during the year.

5. The Company has prepared a 'Code of Conduct' and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedure besides being placed on the Company's website.

6. The Board has developed a vision statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other executive and non-executive Directors, have been taken by the Board.

8. During the year, six Board meetings were held which were all presided over by the Chairman and in his absence, by the Vice Chairman of the Board. Written notices of the all Board Meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. All the Board members have the prescribed education, experience and are fully conversant with their duties and responsibilities required under the Code of Corporate Governance. The Board is compliant with the training requirement and the criteria as prescribed in the CCG.

10. No new appointments of the Chief Financial Officer, Company Secretary and Head of Internal Audit were made during the year.

11. The Directors' report has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.

12. The financial statements of the Company were duly endorsed by the CEO and CFO before approval of the Board.

13 The Directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.

14. The Company has complied with all the corporate and financial reporting requirements of the CCG

15. The Board has an Audit Committee which has been in existence since 1992. It comprises of three members, of whom two are non-executive directors and the Chairman of the Committee is an independent director.

16. The meetings of the Audit Committee were held at least once every quarter prior to approval of financial results of the Company and as required by the CCG. The terms of reference of the Committee have been formed and advised to the Committee for compliance.

17. The Board has formed an HR & Remuneration Committee which has also been in operation since 1997. It comprises of five members, of whom three are non-executive directors including the Chairman of the Committee.

18. The Board has outsourced the internal audit function to M/s KPMG Taseer Hadi & Co. Chartered Accountants, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company. They are involved in the internal audit function on a full time basis. The Head of Internal Audit coordinates with the Internal Auditors and reports directly to the Board Audit Committee.

19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan (ICAP) that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the ICAP.

20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

21. The 'closed period', prior to the announcement of interim/ final results, and business decisions, which may materially affect the market price of the Company's securities, was determined and intimated to Directors, CEO, CFO, Head of Internal Audit, other Executives and stock exchange. ('Executive' as determined by the Board is an employee of the Company who is drawing a basic salary of Rs. 2.4 million or more in a year).

22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).

23. The Company has complied with the requirements of Access to insider information Regulation 2016.

24. We confirm that all other material principles contained in the CCG have been complied with

Muhammad Sohail Tabba
Chairman

Asif Jooma
Chief Executive

August 30, 2016
Karachi

Review Report

To the Members on Statement of Compliance with the Code of Corporate Governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of ICI Pakistan Limited (the Company) for the year ended 30 June 2016 to comply with the requirements of, Rule Book of Pakistan Stock Exchange Limited Chapter 5, Clause 5.19.23(b) of the Code of Corporate Governance, where the company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended 30 June 2016.



E&Y Ford Rhodes
Chartered Accountants

Date: 30 August, 2016
Karachi

Business Performance

RACING TOWARDS OUR GOALS

We hurtle towards our goals and targets with extraordinary speed because our direction is clear and we are confident we have the right teams and resources to carry us there.

This section outlines the performance and growth of ICI Pakistan Limited's four Businesses in 2015-16.





SODA ASH

When one considers the evolution of this iconic Business over the decades, what emerges is a truly remarkable story. On August 14, 1944, when the first 20 tons of soda ash were manufactured and packed, the plant's capacity was 18 kilotons per annum (KTPA). Today the Business stands at a capacity of 350 KTPA with the aim of expanding further to 500 KTPA. Few businesses in Pakistan have such a longstanding record of consistently delivering results throughout the years.

The Soda Ash Business of ICI Pakistan Limited produces soda ash and sodium bicarbonate. Soda ash is an inorganic chemical compound produced via the Solvay process, with rock salt and limestone being its key raw materials. Soda ash is regarded as one of the most important inorganic chemicals in the world due to its wide range of industrial applications in the production of everyday goods including glass, detergents, laundry soap and paper. The Business also manufactures food-grade sodium bicarbonate, commonly known as 'baking soda,' which is used in cooking as well as in tanneries, textiles, water purification and poultry feed.

With its dedication to continuous improvement and adherence to quality, the Business has remained the supplier of choice for over 72 years, a feat that is truly remarkable. Decades of perseverance and commitment have resulted in the Soda Ash Business becoming one of Pakistan's key industrial assets.



Asif Jooma (CE) inaugurates projects at Soda Ash



Suhail A Khan (VP Polyester & Soda Ash) presenting a shield at the Winnington School prize distribution ceremony

Market Overview

The soda ash market grew over 2015-16 with the glass, paper and detergent segments being the main growth engines. During the year in review, the falling prices of crude oil helped provide much-needed respite to the downstream industry in the form of reduced energy costs. An increase in construction activity as well as the rising demand for container glass boded well for the growth of the glass segment. The bazaar and detergent segments provided the impetus for market growth due to the high demand of branded/unbranded detergent. A growing population and the evident transition from laundry soap to detergents auger well for powder detergents, which will continue to dominate the downstream customer base. However, the falling prices of writing paper adversely affected the paper segment, which struggled to maintain operating rates for much of the year. Demand for sodium bicarbonate continued to remain high.

2015-16 Highlights / Business Performance

The Business achieved outstanding results in the year 2015-16 due to an all-round stellar performance from all business functions. Operating rates were increased leading to record-breaking levels of production and sales despite depressed market sentiments. Declining oil prices helped in keeping energy costs low. Tougher negotiations in procurement ensured cost savings and restricted unnecessary expenditure. Significant progress was made in export markets where the Business started exporting dense ash, along with light ash, to India on a regular basis.

In the end, it was our core value of being a 'customer centric' organisation which helped us in maintaining our key customer accounts in the face of rising competition from domestic and imported offerings. Thus, in 2015-16, the Business reached its *goal of growing three times in less than five years*.

Developments

The first half of the year saw the commissioning of the 84 KTPA Dense Ash project which took our Dense Ash capacity to 168 KTPA, ensuring the Business remained the preferred supplier of Dense Ash in Pakistan. The second half of the year witnessed the commissioning of the 14 KTPA refined sodium bicarbonate (RSB) project which raised capacity to 40 KTPA. This period also saw the commissioning of coal fired boilers 3 and 4. The RSB expansion project was necessary given high demand in the region and the Business's response to this demand ensured, once again, that we remained the preferred supplier for RSB in the region. Our two new coal fired boilers were commissioned to further reduce the Business's reliance on furnace oil and move to more cost effective alternatives.

Challenges

Price disparity in relation to imported product was the main challenge faced by the Business this year. In China, crumbling raw material and energy prices alongside flat market conditions forced manufacturers to target export markets at very competitive rates, which triggered a tangible threat for the Business. Changes in regulatory policies, coupled with political instability and energy issues remain a major stumbling block to daily business operations and the trading community at large. However the Business continues its efforts to create customised solutions, and to become and remain a partner of choice in today's competitive corporate world. We believe that by investing in expansion and energy efficiency projects and by cultivating bonds with our partners, the Business will be able to overcome its challenges and remain a 'jewel in the crown' of the industrial landscape of Pakistan.

Future Plans

ICI Pakistan Limited's Soda Ash Business has consistently delivered strong returns and contributed immensely to the local community. Inherent in this tradition is a focus on the future, and the Business is determined to remain the market leader in the soda ash and sodium bicarbonate industries in Pakistan. We anticipate high growth rates to continue in the glass, detergent and RSB segments owing to the expanding population of the country; urbanisation and the arrival of the Pak-China Economic Corridor, which will positively impact the energy and construction sectors. The Business will continue its efforts in solidifying its footprint by bolstering relationships with key regulatory authorities and customer accounts, and simultaneously searching for new avenues of investment that will lead to higher revenue streams for the Company. Energy and regulatory issues continue to undermine the potential of our downstream markets. However, the Business is bullish for the coming years of the Business community and will continue to invest for a better future for all stakeholders. Going forward, the year ahead will see the final phases of the first leg of the 150 KTPA Soda Ash expansion project, which will be a major step toward the Company's vision of expanding its local and international footprint. The road forward indeed has its hurdles and obstacles, but now more than ever, the Soda Ash Business is equipped to reach higher echelons of industrial excellence.



LIFE SCIENCES

At the heart of the Life Sciences Business is our mission to improve lives. From fighting viruses and bacteria in our bodies to advancing large-scale veterinary practices and farming, we strive to provide products which enhance the science of life – on all levels.



The Life Sciences team forms the letters 'ICI' during a team activity at their Annual Business Conference in Istanbul, Turkey

Animal Health

Market Overview

The agriculture sector contributes 19.8% to the national GDP and employs nearly 42.3% of the country's labour force. It supports other aspects of the economy by promoting aggregate demand for agro-based industrial goods and services, and accounts for a great proportion of foreign exchange earnings. The livestock sector, which constitutes 58.6% of the agriculture market, recorded a positive growth of 3.63% in 2015-16 against 3.99% growth during the same period last year. Gross value addition of livestock at a constant cost factor of 2005-06 has increased from PKR 1,247 billion in 2014-15 to PKR 1,292 billion in 2015-16, showing an increase of 3.63% over the same period last year. Population growth, urbanisation, increases in per capita income and export opportunities are a few of the main factors fuelling the demand of livestock and livestock products in the country.

The major products of livestock are milk and meat. With abundant natural resources in the shape of a large livestock population and a suitable climate, Pakistan has evolved to become the fourth largest global milk producer. Milk production increased by 3.2% and meat by 4.8% during 2015-16 compared to the previous year. However, the livestock market of Pakistan still remains largely unorganised; technology adoption is a challenge since the livestock population is scattered, with an average farm holding of fewer than six animals.

Despite these challenges, there continues to be a large gap in Pakistan's per capita consumption of milk and meat compared to the world average, and statistics depict an increase in demand for livestock products. This is driven by population growth, an improving GDP per capita income, remittances, export proceeds and general immunity from weather-related problems, thereby making the livestock sector a promising avenue for consistent growth.

The poultry sector is one of the most vibrant segments in the agriculture industry of Pakistan. This sector generates employment (direct and indirect) and income for about 1.5 million people. Poultry meat makes up 30% of total meat production in the country. Current investment in the poultry industry is estimated at more than PKR 200 billion. The poultry sector has shown robust growth of 8-10% annually, which reflects its inherent potential. This sector contributed 1.4% to the GDP during 2015-16, while its contribution to the agriculture and livestock markets stood at 6.9% and 11.7%, respectively. Value added poultry products at current factor cost have increased, PKR 140.5 billion (2014-15) to PKR 151.2 billion (2015-16), an increase of 7.6% compared to the previous year. The key features of the industry are rapid mechanisation, the introduction of integrated farming systems, superior bio-security and value addition through sizeable investments.



The Animal Health team at the University of Veterinary and Animal Sciences Job Fair



Attendees at a seminar for the Somatech relaunch

2015-16 Highlights

To further strengthen our portfolio, our Animal Health Division launched nine new products, eight in the livestock segment and one in the poultry segment.

Under our partnership with our principal Norbrook, four new products have been launched in the livestock segment including Maxyl LA (a long-acting, superior antibiotic); Strepcillin (a broad-spectrum combination against general infection); Masticlox (an antibiotic against lactating cow mastitis) and Multivor (a multivitamin injection for supportive therapy).

A further two intramammary antibiotics have also been launched from MSD Animal Health; Cobactin LC (a fourth-generation cephalosporin containing cefquinome sulphate) and Cepravin DC (a drying off intra-mammary therapy for dairy cattle), while one intra-uterine antibiotic from Matricure class was launched for the treatment of sub-acute and chronic endometritis in cows and repeat breeders. KNZ Salt Licks, a mineral preparation for large animals from AkzoNobel was also launched in 2015-16.

A superior multivitamin from Mervue Laboratory, Ireland, was launched for the poultry segment along with vitamin E selenium Avi Vit 33 Selenobooster.

The revenue of our own brands' portfolio under the umbrella of 'Farmer's Choice' crossed the PKR 1 billion mark, delivering sales of PKR 1.13 billion, a healthy growth of 26% over the same period last year, making our own brands a major component of the Division's comprehensive portfolio.

The Division's cattle feed, Farmer's Choice Vanda, grew strongly by 24%. Although sale of Somatech remained under stress due to regulatory issues, it managed to recover in the second half of the year, recording a growth of 2% over last year.

During 2015-16, our Animal Health Division entered into a commercial agreement with Cogent Breeding UK, a company known for its expertise in bovine genetics. We plan to expand our portfolio in the new area of artificial insemination, an initiative that will help improve livestock breeds and ultimately enhance meat and milk production. The division is currently evaluating the opportunity to enter into the production of bovine semen of indigenous breeds, as there is a current gap in the availability of quality bovine semen in the market.

Overall, our Animal Health Division has registered net sales of PKR 3.1 billion with a robust growth of 14% over the same period last year.

The Animal Health Division also completed the commissioning of our own manufacturing facility after successfully obtaining the Drug Manufacturing License and Product Registrations.

Customer Engagement

Our deep-set commitment to our customers defines how we do business. Customer Centricity is one of our core values and this drives us to develop farming communities and introduce sustainable farm management practices to enhance productivity. Awareness campaigns at the grassroots level



Veterinary professionals gather at the Peshawar Veterinary Hospital to discuss animal health care issues



Farmers gather for the Dairy Value Chain Project in Sukkur

across the country, coupled with excellent customer service are the main drivers of our approach to serving farmers.

Continuing our tradition, in 2015-16 the Animal Health Division arranged technical sessions for customers and invited foreign delegates to discuss current issues related to livestock and poultry. In addition, the Division arranged foreign trips for key customers to attend international conferences and exhibitions with the objective of enhancing awareness about the role of modern technology in increasing productivity and return on investment.

The team is regularly trained in product technologies as well as farm management practices. Their discussions with our end customers are built on finding solutions through the use of innovative technologies. Our interaction with customers is aimed at providing quality education that augments their understanding of animal health and safe farm practices. In addition, the Division organised awareness sessions and corner meetings to not only build rapport with our end customers, but also to highlight preventive measures and practices to increase awareness of major issues related to animal healthcare.

Challenges

The Animal Health industry continued to face serious challenges in terms of disease endemics and price fluctuations. The continued influx of cheap, low quality, locally produced and imported (Chinese) generics available continues to be a major challenge. The management of high aflatoxin levels in the inputs for animal feed concentrates (mainly maize, rice polish and cotton seed cake) has remained a major challenge to the livestock industry. Our Animal Health Division has continually provided guidance and technical support to farmers along with a supply of high quality feed concentrate (Farmer's Choice Vanda), contributing to the health of their animals.

Future Plans

We are determined to pursue our strategy of growth and innovation by developing a range of our own brands to cater to newer and wider segments of the animal health market. The Division is also working on strengthening its biological portfolio by adding new partners, both in the livestock and poultry sector.

Pharmaceuticals

Market Overview

The Pakistan pharmaceuticals market stood at PKR 303.2 billion on a moving annual total basis at the end of the financial year 2015-16, registering a growth of 19%. The top 13 players in Pakistan's pharmaceutical industry enjoy 51% of the total market share. A key phenomenon of the industry last year was the emergence of new brands that proved to be key drivers in generating extraordinary growth for the market. In addition, pricing was also a key driver for market growth, with a number of companies attaining price increases on some of their brands. Excluding these two factors, the market grew by 15%.

Business Performance

At the end of the fiscal year 2015-16, the net sales income of the Pharmaceuticals Division stood at PKR 3.75 billion, demonstrating a growth of 6% over the previous year. Our portfolio of ICI Pakistan Limited-owned brands registered a growth of 14% versus the same period last year, with Nutraceuticals leading the way with 32% growth. Key brands that drove business growth include Rejuva, Qco, Ketress, Icef, Arimidex, Zoladex and Zestril. Besides this, ICI Pakistan Limited flagship brands from the Astra Zeneca portfolio, including Tenormin, Meronem and Inderal continued to go from strength to strength. The performance of Synflex and Proxen in the pain management category was also in line with market growth and contributed PKR 446 million to the Division.

A key highlight of the year was the commercialisation of ICI Pakistan Limited's Nutraceuticals manufacturing facility. The facility was inspected, accredited and enlisted by DRAP (Drug Regulatory Authority of Pakistan). So far, since the grant of the manufacturing license, four products have been shifted from toll manufacturing to this facility. In-house R&D has enabled the Division to develop a strong product line, which is planned for market launch in the coming months. Furthermore, the Division has successfully started toll manufacturing for other pharmaceutical companies, resulting in capacity utilisation.

2015-16 has been a very strong year for the Division in terms of business development. In addition to the start-up of the Nutraceuticals manufacturing facility, strong new business alliances have been formed. One of these is with a leading European healthcare company, Ferrer, headquartered in Barcelona, Spain. Innovative new products have been introduced to the Pakistan market including, Ovaza (an Omega 3 supplement that helps lower blood triglyceride levels), OmegaForte (an Omega 3 supplement with added calcium and soy isoflavones to alleviate the symptoms of post-menopausal women), Mucodur (a topical solution for oral mucositis), and the exciting Repavaar range, a wide range of cosmeceuticals products including creams, gels, shampoos, rosehip oil and vitamin C ampoules, to name a few. The Division has also entered into a partnership with Clinova, a UK based multinational company. So far, OHS, a first-of-its-kind rehydration supplement, has been introduced in Pakistan, while a number of other products are in the pipeline for launch.

Strong initiatives have been taken to research and introduce new products that are being manufactured at the Nutraceuticals site including Cybela (the first once-a-day folic acid supplement for pregnancy support), Aptimax Plus (an appetite stimulant syrup combined with the benefits of lysine and vitamin C, largely targeted towards children), Rejuva sachet (a tasty orange flavoured line extension of the calcium and vitamin K supplement Rejuva) and Sunplus (a vitamin D softgel capsule available in once-a-month dosage form).

Another highlight of the year was the launch of the Sales Force Excellence programme. The programme employs a technological solution in the form of a specially developed application that helps to automate, document and organise key sales processes including sales team visits to doctors and chemists, as well as communication and activities carried out to improve sales call impact. As part of the programme, hand-held tablets have been provided to all members of the sales team, equipping our teams to better meet the demands of modern-day sales calls.



The Pharmaceuticals team at the launch of O.H.S hydration tablets



The Pharmaceuticals team at the Pharmaceuticals Career Ladder 2015-16

Challenges

A key challenge for Pharmaceuticals was to meet aspirations centred on robust business development, including new product development at our recently built Nutraceuticals facility, as well as the acquisition of new brands and companies. Also, as part of an extremely dynamic and competitive environment, we continued to face the challenge of driving organic growth in some of our key brands including Tenormin, Fortexone and Meronem. Yet another challenge the Division faced in 2015-16 was a constraint on supplies of some of our products. One reason for this was the shift from toll-manufacturing to manufacturing at our own facility.

The Division has developed robust plans to overcome these challenges in the coming year. Some of those plans are already in varying stages of execution and we feel confident that with the groundwork already laid, they will start bearing fruit in the near future.

Customer Engagement

Focused and aggressive customer engagement initiatives were undertaken for a number of brands. Ovaza conducted an international CME (Continued Medical Education) session in Barcelona that was attended by five leading physicians and cardiologists of Pakistan. Besides this, our CVS segment continued to service the community by conducting hypertension awareness camps across the country.

Crancare and Qco initiated exciting scientific campaigns with physicians to help them get better equipped with the latest scientific updates and clinical research. ICI Pakistan Limited participated in the Annual SOGP (Society of Obs and Gynae Pakistan) Conference in Lahore. We set up a stall to showcase our women's health portfolio and also invited a key opinion leader from Spain to deliver a talk on the role of omega 3 fatty acids in menopause. Our Pharmaceuticals Division also participated in all major annual health conferences, including Familycon, Pakistan Pediatrics Association Conference, Orthocon, Cardiocon, Pakistan Hypertension League, Pakistan Psychiatry Association Conference and Surgical Oncology Society of Pakistan.

Future Plans

The Pharmaceuticals Division shall continue to leverage the Nutraceuticals facility to develop new and innovative healthcare solutions for our customers and consumers. We also plan to partner with more companies to further accelerate our revenue from toll manufacturing. In addition, we are working on a focused plan to partner with further global healthcare players. With reference to this, we have recently signed an agreement with a leading UK based wound management solution provider, Smith & Nephew, with commercialisation expected in the next year. This along with other similar initiatives diversifies and expands our portfolio from purely pharmaceuticals to the rapidly growing segments of nutraceuticals, devices and cosmetology. We shall also continue to strengthen our existing partnerships with AstraZeneca, Ferrer and Clinova, and leverage them to introduce more brands in the Pakistan market.

One of the key future plans is to restructure our sales and marketing functions by further decentralising them, as well as increasing our foothold in the field. We also have strategised strong plans aimed at driving business through aggressive marketing initiatives. We shall continue to design and execute robust training programs to equip our teams academically and sharpen their sales and soft skills, as well as placing continued emphasis on following industry best practices.

Externally, new DRAP regulations will help shape the future line of action for our Nutraceuticals business. The new drug policy has now come into effect with likely price increases for certain products and reduction in others. We continue to evaluate the cumulative potential impact of the policy, and in close coordination with the Pharma Bureau, shall manage and protect our interests, along with those of our customers and principals.



Pharmaceuticals Division held a World No Tobacco Day walk to create awareness against tobacco use



Matin Amjad (GM, Pharmaceuticals, Life Sciences Business) presents an award at the Ovaza Detailing Competition



The International Maize and Wheat Improvement Centre awards five corn hybrids to ICI Pakistan Limited



The Agri team sharing comprehensive information with visitors at the Kissaan Mela

Agri

Market Overview

The agriculture sector is one of the most vital sectors of Pakistan's economy. This sector has contributed 19.8% to GDP and it remains by far the largest employer, absorbing 42.3% of the country's total labour force.

The growth and output of the agriculture sector is dependent on a number of external factors including environment, farm economics and weather. During 2015-16, the agriculture sector witnessed a decline of 0.19% where major crops declined by 7.18% while other crops fell by 6.2%.

The seeds industry has been dominated by the open pollinated variety (OPV) seed market with more than 73% share. Major crops such as wheat, sugarcane, cotton and rice continue to be the primary contributors to the agricultural sector. Within the seeds industry, a growing trend of hybridisation is observed.

Similar to the seeds industry, the vegetable seeds industry is also dominated by OPVs. It is a segment where many local distributors compete in an unorganised and unstructured manner.

The pesticides industry continues to be focused largely in the insecticides segment, with awareness for herbicides and fungicides remaining low.

Business Performance

The Agri Division has faced a challenging environment during the year under review. Domestic market conditions, lower international prices and government policies focused mainly on wheat have adversely affected farmers' ability to earn sustainable incomes. Major crops such as cotton and rice yielded low returns to farmers, while climatic conditions have also affected the yields of various crops.

The Seeds Segment had a difficult year, as sales of sunflower seeds were lower than last year owing to adverse farm economics of the crop. Recognising this, the Segment focused on enhancing and developing an alternate main product in the form of hybrid corn seeds, which proved to be a success. During the year, the Segment was also able to consolidate its position in the vegetable seeds segment, and achieved growth of 58% over the same period last year. This was made possible due to a strong footprint being created in various products such as hybrid okra, hybrid hot pepper, gourds and watermelon. The Agrochemicals Segment continued to perform above market and established three key brands, Ulala, Lancer Gold and Top Wheat.

Developments

In 2015-16, the Agri Division focused on consolidating its agrochemical and vegetable seeds portfolios while maintaining and strengthening its position in its existing portfolio of field crop seeds. A total of 20 new products were launched in 2015-16; these included 12 agrochemicals products, five field crop seeds products and three vegetable seeds products.

The Agri Division has also ventured into the silage business after identifying an opportunity in the industry where baled silage offers dairy farmers a viable substitute to fresh fodder. The product was test-marketed during 2015-16 and plans are underway to up-scale in 2016-17.

Another significant development was a collaboration with the International Maize and Wheat Improvement Centre (CIMMYT), a renowned global organisation working on publicly-funded maize and wheat research and related farming systems. We are proud to share that CIMMYT awarded five new hybrid corn varieties to ICI Pakistan Limited, and with this certification, the Agri Division is now authorised to produce and market hybrid corn across the country. These new hybrid corn varieties are scheduled for launch in 2016-2017.



The Agri Division's stall at the Kissaan Mela



Mr. Raghulal V. Bhaskaran (Marketing Head UPL), ICI Pakistan Limited's business partner visted Pakistan to evaluate business opportunities

Customer Engagement

The Division continues to focus on improving the lives of its customers, adapting to the varying needs of customers across the country.

Our sales and development staff regularly train farmers on the latest production technologies and on more efficient farm management practices. Last winter, we undertook the initiative of modifying seed drill machines used by the lower Sindh farming community in order to help them increase the yield of their sunflower crop. As a result of this innovation, on average, a 15% increase in yield has been observed against the yield obtained using unmodified drill machines.

In the agriculture industry, retail partners play a pivotal role in ensuring the availability of product to farmers. The Division undertook a series of business partner conferences to ensure close customer connect and improve partnerships through various trainings.

Challenges

Challenges faced during the period under review included slow economic growth, shortages of water and electricity, high input prices and a decrease in global agriculture commodity prices, all of which have jointly led to a decline in the ability of farmers to invest in farm inputs. Abrupt changes in weather patterns, such as prolonged rains, long dry spells and decreased winter seasons, have all affected the yields of crops.

Unorthodox market practices along with the complex supply chain model of the agricultural industry continue to be a major challenge. Farmers have limited access to formal credit and therefore, lack the financial capacity required to enhance the quality and yield of the crop. Furthermore, poor controls and a lack of standardisation have flooded the market with inferior-quality seeds and agrochemicals.

Future Plans

The Agri Division is geared to achieve aggressive growth in the coming years. We have undertaken strategic actions to prepare our Division for both, the realities of today, and the opportunities ahead of us. We are committed to consolidating our position with regard to our existing brands, and diversifying our portfolio to cater to the unmet needs of farmers going forward.

The Seeds Segment will be strengthened by minimising reliance on sunflower seeds and focusing on creating a footprint in other upcoming products. At the same time, the Agrochemicals and Vegetable Seeds Segments will drive stronger business development, bolstered by an expected pipeline of new partners and products in each segment.

Going forward, we believe that we are well positioned to deliver value-added products to growers and farmers, enabling us to expand our business and return value to our shareholders.



CHEMICALS

We take great pride in the fact that our Chemicals Business reaches across Pakistan to almost every home and industry. Our chemicals make their way from the food and beverage industry to medical applications, from building materials to sports equipment, from textiles to the shoe industry, and from vehicle seating to the cooling and refrigeration industries.

For decades we have evolved partnerships with trusted suppliers, continuously innovating to provide customers with cutting edge solutions.

General Chemicals

Market Overview and Business Performance

The General Chemicals (GC) Division caters to the trading segment of the Company. Representing more than 25 global manufacturers and suppliers in Pakistan, the Division offers a diverse range of chemicals to almost 41 industries, serving more than 300 customers. GC has consisted of four segments: Consumer Chemicals, Industrial Chemicals, Paints and Coatings, and Water Treatment Chemicals.

The GC Division had a challenging year in 2015-2016, as three of its four segments faced serious issues throughout the year that were difficult to overcome. The Water Treatment Chemicals segment struggled to convert new customers while dealing with the increasing threat of competitors lowering prices to acquire our customers. The Consumer Chemicals segment was impacted by the imposition of a regulatory duty which forced the segment to reduce its contribution margin, as customers were unwilling to accept price increases resulting from the newly imposed duty. Additionally, similar to Water Treatment Chemicals, the segment had to deal with aggressive pricing strategies from competitors, which reduced our market share with some key customers. The Paints and Coatings segment was challenged by stiff competition from Chinese imports of raw materials, lower indent business and changes in route-to-market of one of our major suppliers. Despite all these challenges, the GC Division delivered PKR 228 million, only 1% behind the same period last year. However, it stood 19% behind the budget.

Challenges

The GC Division is fully aware of what lies ahead and has developed strategies for each segment that will evolve as the year unfolds. A customer satisfaction survey was carried out, polling customers from all four segments, and the survey's results were a reflection of our challenges. The division will aim to re-acquire lost market share and customers while making efforts to diversify our portfolio through strategic partnerships with new suppliers and the introduction of new products.

Future Outlook

The GC Division was restructured for the upcoming year to ensure all segments were realigned with the nature of the business. The Paints and Coatings segment has been merged with Industrial Chemicals, while Water Treatment Chemicals has been placed with our Specialty Chemicals division. In addition to this, the GC Division has been bolstered by dedicated market research and business development teams which will strive to expedite, streamline and expand the process of new portfolio addition while diversifying the General Chemicals domain. The business currently has several projects in the development phase which will be materialising in the coming year to add more pillars to the General Chemicals Division.



Asif Jooma (CE) with US Consul General Brian Heath on a tour of the Chemicals Plant in Karachi



The Chemicals team at an engagement activity in Murree



Customers at the Textile Expo



The Chemicals team celebrates its HSE&S milestone of 19 years without Lost Time Injury

Polyurethanes

Market Overview and Business Performance

The year 2015-16 turned out to be a game-changer for the Polyurethanes (PU) Division. The Division was able to dramatically improve its contribution margin by increasing efficiency in raw material procurement, supported by greater accuracy of forecasting despite the volatility of oil prices which plunged to record lows before recovering steadily. This, coupled with other factors such as lower raw material costs, allowed the Division to maintain a healthy contribution margin while adjusting prices and remaining competitive in the market.

Substantial new business development was achieved by the sales team as they posted record volumes and contribution margin for the year at PKR 432 million, which was 31% higher than budget and 47% higher than the same period last year. This was accomplished by developing several new customers that contributed substantially to the bottom line; development of new products; formulation efficiencies; and timely sharing of market intelligence. The Division also conducted a comprehensive customer satisfaction survey which revealed key insights about our sales services, product quality and ordering process.

Challenges

Several new competitors have entered the market through traders and agents, and are pushing their products aggressively through low prices in an effort to challenge our market leadership. To counter such entrants, our priority is to extend our competitive edge and increase our market share in all segments through excellent customer service, development and implementation of value addition programmes and by focusing on continuous product improvement whilst maintaining competitive prices.

Future Plans

We are currently exploring new segments within the larger polyurethane industry and aim to make an entry into these during the upcoming year while sustaining our excellent relations with existing customers. Our focus will be to place our customers at the centre of our efforts and improve on all aspects of the customer experience.

In addition, we are investing significantly in our technical capabilities through the upgradation of our technical facility with cutting-edge equipment and through extensive training of our sales and technical teams.



Chemicals team during team building exercise at Mubarak Village



The Chemicals team executes its annual plant shutdown

Specialty Chemicals

Market Overview

Specialty Chemicals is the manufacturing division of the Chemicals Business and caters to industries that are critical to the economy of Pakistan. Key segments served are textiles, adhesives and crops. Our product range includes textiles auxiliaries for fabric processing, adhesives used in construction and crop protection emulsifiers used in pesticides.

In 2015-16, Specialty Chemicals posted its best ever numbers and became the second-largest of the three segments in the Chemicals Business. This achievement was driven by enhanced focus on customer relationship management, product diversification and market penetration.

Business Performance and Development

The Division delivered its best ever performance in 2015-16. The Crops segment, albeit the smallest, showed a growth of more than 100%. This growth can be attributed to new innovations and focus on customer base expansion. The Textile segment continued to be the biggest contributor with special focus on customer centricity and engagement.

In Adhesives, new developments in the furniture and fabric sectors helped diversify our options. We continue to work with our Indian suppliers to gain further penetration into the consumer market. Major groundwork was laid in the Crops segment to foster networks with international players and expand product reach.

Challenges

The environment at home continues to be challenging with a fluctuating law and order situation and regular energy crises. However, we delivered exceptionally last year and expect to continue to do so on the back of our expanding product portfolio, strong customer base and technology partners.

Future Plans

Techno-commercial innovation will continue to be the forte of the Specialty Chemicals Division as we continue to make strides in market share enhancement by creating value for our existing and new customer base.



POLYESTER

The Polyester Business of ICI Pakistan Limited continues to contribute to the growth of the domestic industry by providing a key raw material, Polyester Staple Fibre (PSF), to the textile industry of Pakistan. ICI Pakistan Limited introduced this superbly versatile product to the country in 1982, enabling our textile industry to diversify its product offering by complementing cotton, viscose and acrylic with polyester to meet ever-changing consumer needs.

Thirty-four years down the road, the unwavering commitment of the Business to customer centricity and innovation has ensured that it continues to serve its loyal customer base in the best manner possible. This claim is substantiated by the fact that our average period of association with our customers is an impressive 12.5 years.

PSF is manufactured by the polymerisation of two main raw materials, pure terephthalic acid (PTA) and mono-ethylene glycol (MEG), both of which are derivatives of crude oil. This man-made fibre is an essential raw material in the textile value chain as it is consumed by the spinning industry for the manufacturing of different polyester yarns. The yarn is then subsequently converted into a variety of value-added products by the downstream industry.



The Polyester team and members of EPD gather outside the plant to celebrate Environment Day 2016

Market Overview

Crude oil, which is the main raw material of PSF feedstock, was heavily influenced by a lingering oil glut situation further exacerbated by depressed global oil demand and instability in major global economies. Therefore, crude prices decreased during the period under review compared to the same period last year on an overall average basis despite the fact that some support was provided to the market by supply disruptions in some key crude-producing nations, and by discussions of a potential output freeze by OPEC and non-OPEC members. Feedstock prices of paraxylene (PX), PTA and MEG exhibited a bearish outlook throughout the period under review in line with the crude oil market.

Global cotton demand exceeded supply for the first time in six years. However, international prices for the natural fibre, which serves as both, a substitute for and complement to PSF, still remained under pressure due to the threat of de-stocking of huge stockpiles in China. On the domestic front, cotton prices remained bearish and only started to recover by the end of the period under review after a massive shortfall of cotton production in the country due to a variety of factors.

The global PSF market continued to bear the brunt of weakness in feedstock pricing, capacity overhang in China and sluggish downstream demand. On the domestic front, demand for domestic PSF improved marginally due to a slight reduction in dumped imports of PSF from China after the imposition of Anti-Dumping Duties. However, the domestic PSF industry was unable to reap the full benefit of this positive development because of the low magnitude of the Anti-Dumping Duty, increase in dumped imports from non-Chinese sources, and an increase in polyester-based yarn imports.

Business Performance

During the period under review, domestic PSF producers were challenged by similar pressures as the oversupplied regional industry. The situation worsened for the domestic PSF industry due to the continued imports of PSF, predominantly from China, and the prevailing oversupply in the domestic industry. These factors impacted the profitability of the Business, with margins remaining under pressure. Despite such adverse market conditions, the Business was able to deliver a stellar performance on the sales front with a growth of 3% over the same period last year by selling 118,882 MT of PSF during the period under review.



The Polyester team in Moscow for the fifth customer conference the 'Russian Escape 2015'

Key Initiatives

- The Business was able to secure a positive final determination in its Anti-Dumping Duties (ADD) case filed against dumped PSF imports from China in March 2015 with the National Tariff Commission (NTC). In its final determination announced in Februrary 2016, NTC acknowledged the incidence of dumping by Chinese PSF exporters and imposed ADD ranging between 2.82% and 11.51% on PSF imports from China.

- The Business successfully implemented a cost saving initiatives project to provide some support to profitability in the face of continued pressure on margins arising from uncontrollable factors.

- The Business was successful in utilising its previously idle batch assets to manufacture various product variants, which contributed positively to the Business bottom line.

- The Business enhanced its product offering range with the successful launch of Terylene Black (black polyester fibre) to meet the spinning industry demand of coloured yarn production. The product received widespread appreciation from customers, and the Business has already gained a healthy market share in this segment, which has traditionally been dominated by imports.

- In line with our core value of customer centricity, the Business organised the 'Russian Escape', the fifth Polyester Business Customer Conference, in Russia. This bi-annual conference provided us the opportunity to strengthen, appreciate and showcase long-standing relationships with our customer base. The conference concluded with overwhelmingly positive feedback from customers and showcased ICI Pakistan Limited as a truly customer-centric organisation that lives up to customers' expectations even in difficult times.

- The Business implemented several innovations on the manufacturing front to improve plant efficiencies and product quality, while substantially reducing business costs.

- The Business undertook a textile industry mapping project, which provided in-depth analysis of the entire textile value chain for the first time in the history of the Business.

- The Business carried out an independent customer feedback survey to better understand customer perceptions about its products and services. The survey has enabled the Business to identify strengths and improvement areas to better satisfy our customer needs.

- Several initiatives were undertaken by the Business during the year to strengthen employee engagement. The positive results of these initiatives were clearly evident through the substantial increase in the Business-wide engagement score in the annual employee engagement survey conducted by the Company through Gallup.



Asif Jooma (CE) and Suhail A. Khan (VP, Polyester & Soda Ash) presenting a long association award to Mian Jehangir Alam Monnoo



The Polyester team at the 'Russian Escape 2015' in September

Challenges

The regional PSF industry remains under pressure as addition of more capacity in China further aggravates the persistent issues of this oversupplied industry. This continued oversupply results in increased competition from Chinese exporters in the form of illegal dumping as they look for export outlets to liquidate their inventories.

On the domestic front, downstream demand remains sluggish with textile exports remaining below expectations as a variety of factors force the textile industry to operate well below potential, one being its higher costs of doing business.

Future outlook

Going forward, the current oversupply situation in global PSF markets has been forecasted to persist. Feedstock prices will continue to be dictated largely by the trend in the crude oil market. Global cotton stocks are expected to fall modestly in the initial forecast for 2016-17. However, China's policy regarding release of cotton stockpiles is a key factor that will impact global cotton markets. Also, after a dismal year where production fell short of target by almost 35%, the domestic cotton market will be driven by the size of the next season's crop.

In the domestic downstream industry, the availability of energy to the textile sector will be the key driver of yarn and value-added product exports, and ultimately, demand for PSF. Also, the performance of the domestic PSF industry will be greatly dependent on the Government's provision of necessary tariff protection to the domestic PSF industry.

The absence of trade defence measures against non-Chinese imports and a very low Anti-Dumping Duty on key Chinese exporters might continue to put pressure on volumes and margins for the domestic industry.

The Business, however, is braced for all possible challenges and opportunities in the future and has the requisite strength and personnel to take advantage of any growth opportunity provided to the domestic industry.

Sustainability Performance

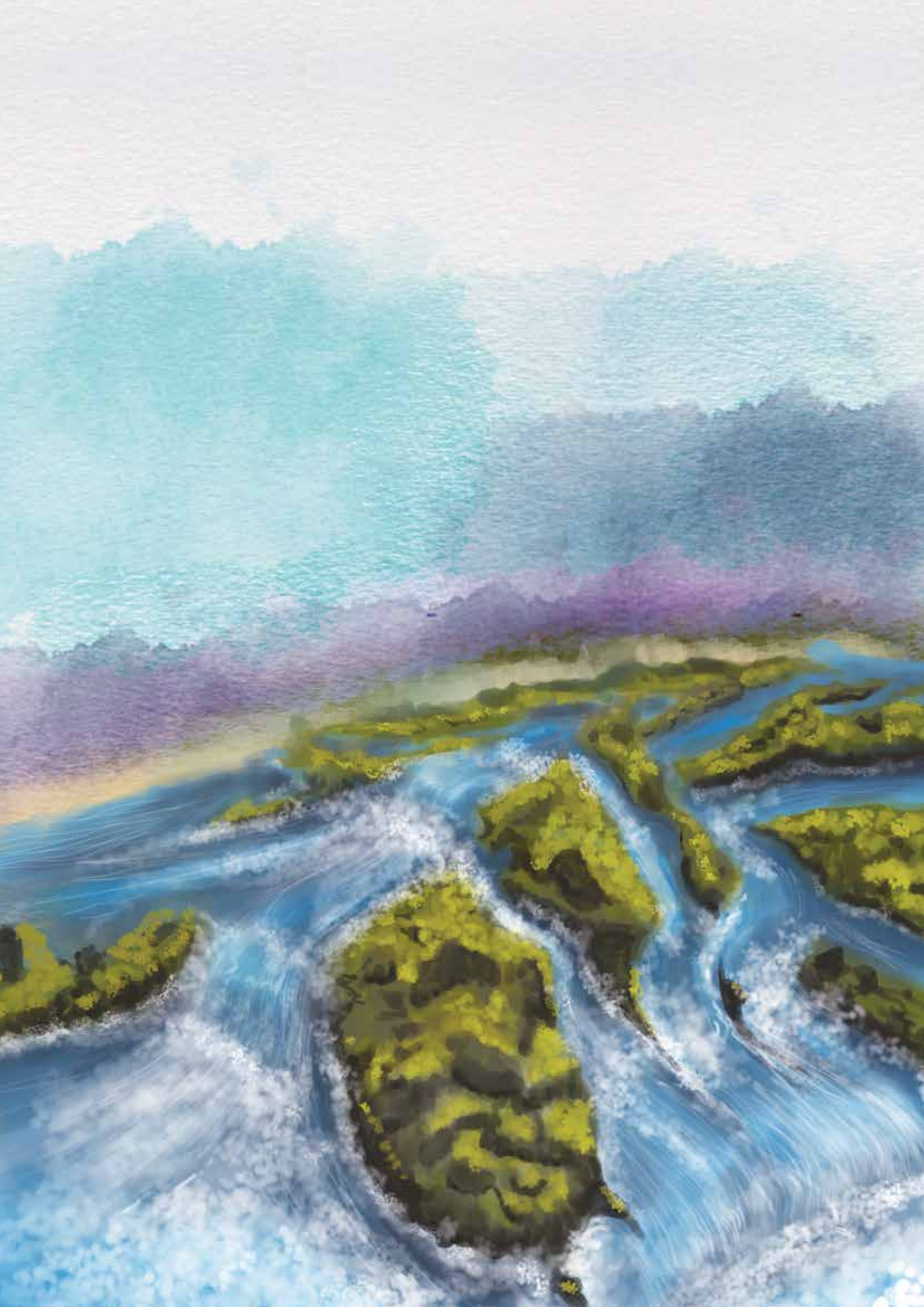
A FORCE FOR GOOD

Being successful today is only part of the challenge. Operating sustainably for decades to come is the real test.

We work hard to make our operations more sustainable in the long run, so that we remain a force for good – creating opportunity, managing resources, and fostering growth, everywhere we go.

This section is a comprehensive report on the Company's sustainability strategy, KPIs, targets and performance.





Leadership Statement

Dear Stakeholders,

I present to you the ICI Pakistan Limited Sustainability Report 2015-16. This is our Company's eighth sustainability report and our first effort at reporting in accordance with the Global Reporting Initiative (GRI) G4 Reporting Framework, Core option.

Transparency and disclosure are at the heart of sustainability reporting. They are also central to the way we work at ICI Pakistan Limited; a fact reflected by our Company value of Integrity and Responsibility, which specifically identifies 'ethical and responsible behaviour' and 'uncompromising integrity' as being at the very core of all we do.

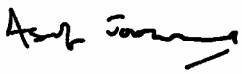
At ICI Pakistan Limited, we have always set our sights on growth, progress and expansion. Cultivating Growth is our promise, and one that we take very seriously. However, we understand that for ongoing growth to be viable – not just for the immediate future, but for years to come – it must be carried out in a sustainable, responsible manner.

As a diverse, growing manufacturing and trading concern, it is vital that we monitor and manage our operations and processes so as to create maximum value for our shareholders, while making the minimum impact on the world around us. This includes practical and strategic use of resources, integrity and responsibility in our dealings with our stakeholders, and stringent monitoring of our environmental impact.

Our Sustainability Council, a multi-functional team consisting of individuals from all business and functional areas of the Company, steers our sustainability agenda, formulating strategy and setting targets to align sustainability-related objectives with our Company's overall goals. We welcome your feedback on the contents of this report. We understand that sustainability is a complex, evolving process, and are committed to making inroads in new areas while building on our key strengths.

Our intent is to continue to share information on our sustainability-related practices with our stakeholders, and the world at large. This is because we want you to know that we make every effort to integrate sustainable practices into our operations at every step. We truly believe that sustainable business is the only way forward in today's world of finite resources and increasing demand.

Warm Regards,



Asif Jooma,
Chief Executive
ICI Pakistan Limited

Highlights for 2015-16

- The HSE&S Management Audit process, which commenced with audits of all manufacturing sites and locations last year across the Company, was completed during the year. Based on the auditors' findings and recommendations, Businesses and locations are preparing their 2016-17 HSE&S improvement plans.

- The Leadership Development Road Map rolled out in 2015-16 is a structured and integrated talent development framework for all management staff. The roadmap focuses on developing leadership capabilities at each level in the organisation, ensuring sustainable talent development.

- No occupational illness was reported, on account of compliance with the Company's various Health Assessment and Work Environment monitoring programmes.

- A reduction of 4.8% was achieved in the total illness absence rate of employees compared to last year, through a sharper focus on operational discipline and even stricter adherence to the Company's Health, Safety, Environment and Security (HSE&S) Management system through the Behaviour-Based Safety (BBS) programme.

- There were no reportable injuries to employees, supervised contractors or any independent contractors, resulting in a zero reportable injury rate for the year.

- Due to the prevailing challenging energy situation, the use of coal and furnace oil increased, negatively impacting gaseous emissions, waste generation and total energy consumption per ton of production.

- Water consumption per ton of production increased due to significant construction, developmental projects and steam based power plants, but still remained within target.

- A total of 3,431 man-days for training were successfully completed.

Sustainability Council

Objective

The Council's objective is to assist the Board in fulfilling its oversight responsibility to the shareholders with regard to sustainability of the Company's operations. The Council's scope includes development, implementation and monitoring of the Company's Health, Safety, Environment and Security (HSE&S) policies and practices. The overall aim is, therefore, to foster the ongoing sustainable growth of ICI Pakistan Limited.

Responsibilities of the Council

- Define sustainability KPIs, measurement matrices and establish targets.*
- Review partnerships and relationships, both current and proposed, with stakeholders, i.e., customers, regulators, communities, shareholders and suppliers.
- Formulate and execute communication strategies relating to the Company's sustainable growth.
- Introduce new and innovative technologies that will further the goal of sustainability within the Company, and implement actions to protect such technologies.

*Since our coal based projects are now in operation, we intend to review our sustainability KPIs and targets for the next five years in 2016-17. The next Sustainability Report, covering 2016-17, will be based on revised KPIs and targets.

Sustainability Council Stakeholders

CEO		
Human Resources Committee	Sustainability Council	Executive Management Committee
Audit Committee	HSE&S Management Committee	

Sustainability Strategy

ICI Pakistan Limited has engaged in sustainability reporting for the past eight years. In 2013-14, the Company successfully reconstituted and established its Sustainability Council, adopting a structure which in subsequent years has enabled the Council to undertake more thorough and comprehensive reviews of sustainability performance across all ICI Pakistan Limited Businesses. The Sustainability Council is a multi-disciplinary team, comprising members from all Business and functional areas of the Company.

Foster a Culture of Excellence

We aim to build an environment in which people constantly strive to deliver more, and we endeavour to achieve this through attracting and retaining the best talent.

Operate with Responsibility

We strive to build lasting partnerships with all our stakeholders and create processes which continually evolve to ensure that we operate responsibly.

Environmental Stewardship

We want to be the leaders in innovation and developing solutions for cleaner, greener systems to reduce our impact on the environment.

Socioeconomic Value

We work to create value in our local communities by providing the tools required for capacity building.

Transparency

We ensure that all processes and operations at our Businesses and functions are transparent. Our stakeholders have a right to information; transparency in this regard promotes and increases trust.



Sustainability Framework

Our Sustainability Framework covers the following areas:

Economic Performance
Integrity Management
Sourcing

Social Performance
Health, Safety and Security
Employment Practices
Community Investment

Environmental Performance
Emissions Control
Water Usage
Waste Management
Product Stewardship
Energy Efficiencies

About the Report

We started on our voluntary sustainability reporting journey in 2008. This year we present the eighth ICI Pakistan Limited Sustainability Report, which has been prepared in accordance with the Global Reporting Initiative (GRI) G4 Reporting Framework, Core option.

Report Boundary

The report covers the four core Businesses and corporate functions of the Company. We have four manufacturing sites, three corporate offices and five regional/Business offices. The data in this report covers all these locations.

Employee data includes management and non-management staff. Community Investment is handled by the ICI Pakistan Foundation, which is a separate legal entity registered as a Trust. All monetary amounts in this report are given in Pakistani Rupees, unless otherwise indicated.

Reporting Period

The reporting period is July 31, 2015, to June 30, 2016. Data has mainly been obtained from our financial management reporting systems, the corporate HR information management system, and our reporting systems for Health, Safety, Environment & Security (HSE&S) performance indicators.

Report Content

The Key Performance Indicators (KPIs) shared in this report were set in 2010. As part of an important exercise towards integrating sustainability within the organisation, a stakeholder dialogue was conducted during that year, and KPIs were established for the next five years.

These KPIs set targets for 2016, which will serve to guide us. As was done last year, the content of this report has been developed in accordance with the KPIs and our performance against them. The content of this report has been decided upon by the Sustainability Council and has been developed in accordance with our Sustainability Framework based on the triple bottom line concept of economic, social and environmental parameters.

Data Collection

Collection

Our data on environment, health, safety and security is derived from our EPM (Enterprise Performance Management) database. Our reporting cycle takes place on a quarterly basis and related information is gathered and input by the respective Businesses and functions for review by the Corporate Health, Safety and Environment (HSE) Manager. The Corporate HSE Manager is responsible for data for ICI Pakistan Limited as a whole. Data pertaining to integrity management, employment practices, sourcing and community investment is compiled and monitored by the Sustainability Council members responsible for each area. Where limitations in collecting data exist, we have attempted to include appropriate explanations in the report.

Accuracy

We are confident of the overall reliability of the data reported, but recognise that some of this data is subject to a certain degree of uncertainty, inherent to limitations associated with measuring and calculating data. Senior managers within the organisation approved the content and the quantitative data used in the sustainability facts and figures relating to their respective areas of responsibility.

Consistency

The KPIs set and data reported in previous years have served as a baseline and reporting standard for subsequent years. Any additional developments shall be reported accordingly; however, the reporting framework already established shall be a consistent baseline standard.

Assurance & Verification

Our sustainability performance is monitored through a multi-disciplinary Sustainability Council. This Sustainability Report forms part of our sustainability reporting and is designed for general readership only. United Registrar of Systems (URS) has conducted an independent verification and assurance of data presented in this report. The indicators for our sustainability reporting are selected from the G4 Reporting Framework issued by the Global Reporting Initiative (GRI). GRI is a multi-stakeholder international network of thousands of sustainability experts. The GRI G4 Reporting Framework is the most widely accepted global standard for corporate responsibility reporting.

Contact Us

Our stakeholders are important partners in our sustainability journey. Therefore, we encourage feedback on our Sustainability Report. If you would like to comment on the report or find out about our Sustainability strategy and programme, please email us at:
sustainability.council@ici.com.pk

A soft copy of this report and additional information on the Company, including our business units and products, is available on our website at www.ici.com.pk

If you are unable to access these resources or need further information, please contact:
Muhammad Azhar Zaman – Manufacturing Support and Business Development Manager
ICI Pakistan Limited
63 Mozang Road, Lahore, Pakistan
muhammadazhar.zaman@ici.com.pk

Syed Adnan Ali – Manufacturing Support Engineer
ICI Pakistan Limited
63 Mozang Road, Lahore, Pakistan
adnan.ali@ici.com.pk

Stakeholder Engagement

Our stakeholders are central to our operations. They are important partners in our ongoing sustainability journey and therefore, it is vital that we engage with them, understand their needs and concerns, and strive to provide greater value for them.

ICI Pakistan Limited's core values of Customer Centricity and Passion for People underpin our stakeholder engagement approach, where our core groups of stakeholders are engaged with in various ways. Customer engagement is gauged at the level of each Business by surveys conducted and feedback collected through various channels. Community engagement is maintained by CSR teams at each Business, and through effective coordination with labour unions at our plant and manufacturing sites. Employee engagement is driven from a corporate level across the Company. Chief Executive's sessions are conducted Companywide as a platform for employees to address concerns, giving the Chief Executive a chance to share information and answer questions. In each area of stakeholder engagement, concerns and suggestions are registered and actions outlined accordingly.

A stakeholder of the Company is defined as any individual or group associated with ICI Pakistan Limited, whether an employee, a supplier, distributor or a shareholder.

Stakeholder engagement initiatives undertaken in 2015-16 are as follows:

Customer Engagement

The Chemicals Business participated in the Pakistan Coating Show 2016 at the Lahore International Expo Center. ICI Pakistan Limited was one of the co-sponsors for the event and utilised this opportunity to showcase its paints and coatings range. The Specialty Chemicals Division of the Chemicals Business, along with its Turkish partner MKS Devo, arranged a three-day customer conference in Istanbul. The main purpose of the conference was to introduce customers to the suppliers and provide awareness regarding the applications of sulphur black dye, which is used to dye denim. Similarly, the adhesives segment conducted a customer engagement activity that included ICI Pakistan Limited's adhesive customers and other stakeholders. The objective was to provide customers awareness about the product's quality and also to highlight some important facts on product use and misuse.

The Animal Health Division also routinely organises farmer gatherings to better educate farmers; a large gathering held in collaboration with Nestle at the periphery of Jhang was attended by 200 potential customers. Visiting farmers were educated on the importance of proper animal care with emphasis on how ICI Pakistan Limited's products can help them achieve enhanced animal health and productivity. Similarly, a Farmer's Day event hosted by Nestle Pakistan was sponsored. This event was attended by almost 250 farmers from Rahim Yar Khan and provided our teams the opportunity to speak with farmers about new animal nutrition products and to share information about proper animal care during the hot summer months.

The Polyester Business organised the Business's fifth customer conference, the Russian Escape 2015, in September. Conference attendees included the Polyester Business's customers as well as executives and senior management of the Business. The event helped strengthen bonds with customers, demonstrating that ICI Pakistan Limited is a truly customer-centric organisation and upholds customer expectations even in challenging circumstances.. The Polyester Business also attended Heimtextil, an international trade fair for home and contract textiles, to interact with different segments from the textile industry, understand innovations in product diversity and analyse the direction in which global trends are moving.

Trainings and Awareness

The Chemicals Business held a training session on 5S and its implementation. 5S is a workplace method built around a series of five Japanese words starting with the letter 'S' to promote better efficiency and effectiveness. The attendees were systematically walked through the five S's through interactive and engaging exercises.

An HSE&S awareness course was held in Lahore. This is a mandatory course for all employees for the integration of



The Pakistan Coatings show 2016 was held in Lahore in January



The Polyester team at the Hotel Kempinski after the Business Conference session

health and safety into our workplace. This course is aimed at ensuring basic familiarity with the HSE&S Policies and the HSE&S Management System. A firefighting session for all Mozang Office-based staff was conducted in Lahore that included practical firefighting training at a designated area. A general health session, followed by a personal hygiene awareness session was also arranged for kitchen staff.

The Polyester Business production team attended a refresher training session on the fibre process organised by our internal HSE and Training Department. The session highlighted the importance of small, routine checks in creating a quality product, as well as focusing on the customer's viewpoint in terms of strategy and challenges.

The Soda Ash Business conducted a session to enhance participants' awareness of the HSE&S management system and basic concepts of HSE&S. The workshop was designed to be interactive and to provide hands-on experience to the participants. An awareness campaign on safe driving was also launched, with major focus on the use of helmets by motorcyclists. Handouts with messages explaining the importance of helmets were distributed to all employees followed by an awareness session. Banners were also prominently placed across the location. In addition, an emergency drill was conducted at site and the response was observed. Suggestions for improvements were gathered for the next drill; these related primarily to upgrades on equipment, such as replacement of sirens for better coverage of the area, etc. Another improvement action identified was refresher awareness sessions for the teams on emergency response.

Health and Environment

The Life Sciences Business promoted sustainability by visiting SOS Children's Village in Karachi to celebrate Universal Children's Day. The volunteers used their time with the children to conduct a series of activities with emphasis on the 3Rs: Recycle, Reuse and Reduce, in order to make the celebration meaningful and educational. In line with the concept of reusing and recycling, the children created and displayed beautiful objects crafted from everyday household items. The Animal Health Division celebrated World Environment Day 2016 with a tree plantation drive planting trees; 600 trees were planted at the Multan Road facility. The Polyester Business also celebrated Earth Day and World Environment Day by planting trees. 5,000 trees were planted in the presence of Environmental Protection Agency (EPA) officials. Tree plantation activities are performed in collaboration with the Environmental Protection Agency (EPA), Frontier Works Organization (FWO) and other similar entities. Similarly, 12,000 trees were planted in Khewra and about 450 in Karachi. To ensure that trees planted continue to thrive and flourish, trees planted at our Company's own sites are cared for by our own administrative teams. However when the plantation is carried out in collaboration with a third party, they take on the responsibility of ensuring that trees are cared for.

The Polyester Business collaborated with Critical Green, a research organisation, to bring in innovative solutions for waste water treatment through bioremediation, an environmentally sound approach to waste management. Pilot experiments are currently in progress. Similarly, modifications at draw line 4 resulted in reduced waste generation, along with smooth operations. In addition, the Business has also treated its waste water to be used as soft water, an initiative that will save 43.8 million litres of fresh water per annum. The Polyester Business also conducted a typhoid vaccination drive at its plant site, through which 200 staff members were vaccinated. The Business conducted an awareness session at the nearby Tibbi Hariya School educating students about environmental conservation, after which the students were engaged in an Eco-Painting Competition to drive home their learning. Tree plantation was also carried out at the end of the day. In addition, a health awareness session on coronary heart disease and diabetes was conducted at the site, offering the opportunity for many queries and concerns to be addressed by a visiting specialist.



Volunteers from the Life Sciences Business team visited the SOS Children's Village, Karachi



Polyester Business conducts environmental awareness session at the Tibbi Hariya School

The Soda Ash Business held a flower show to usher in the spring season of 2016. The show included an awareness session on the impact of gardening and horticulture on our environment.

Sustainability

The Chemicals Business consolidated its inventory at a single location, an extensive exercise that required a total of 93 trips to transport materials. However, the logistics team concluded this exercise without spillage, damage or safety hazards. The Chemicals plant also hosted a visit by the US Consul General, along with other delegations, during the year. During his visit, the Consul General was briefed about the Business's HSE&S performance and its market standing within the chemicals industry. The Business's manufacturing processes and the range of products produced and handled daily were also showcased.

Life Sciences' Animal Health Division participated in an Annual Job Fair held at the University of Veterinary and Animal Sciences during the year. A total of 300 students visited ICI Pakistan Limited's stall expressing their interest in the product range and the opportunity to work with the Company.

In an effort to share best practices and knowledge, the Pepsico Management visited the Polyester Plant to discuss safety hazards, environmental aspects and their impact, and emergency protocols. Subsequently, the Polyester team visited the Pepsico and Interloop facilities for a similar visit. On the cost-saving front, the Business took the initiative to enhance performance by minimising the plant critical load, which results in significant daily cost savings. The team also worked on installation of a new Siemens S7-300 and HMIs, a control system for the plant that added to sustainable operations, better quality control and reliability. The Business also completed a filter life improvement project that will contribute to savings. In another initiative to boost efficiency and productivity, SAP modules were designed for specific processes that include sales and operations planning, demand management, master production scheduling, capacity planning and material requirement planning.

To build better understanding of our managers on their HR role as line managers, a two-day workshop, 'HR for Non-HR Managers,' was launched this year and was attended by 85 people managers. Various guest speakers from the industry were invited to share industry best practices in HR with the participants. To accelerate capability building, the Company launched the Leadership Development Roadmap, a structured and integrated talent development framework that aims to ensure the sustainable growth and development of leadership. The Company also conducted a Graduate Recruit Drive for university graduates that included career fairs, networking nights and mock interviews at various universities.

Community Service

The Pharmaceutical Division of the Life Sciences Business held breast cancer awareness campaigns in the cities of Islamabad, Jamshoro and Nawabshah. A seminar with a free mammography session was organised at NIMRA Jamshoro, and a similar session was held at NORIN Nawabshah for patients. About 300 participants including doctors, nurses and other paramedical staff attended the event for the discussion on identification of symptoms, prevention techniques and treatment options. There were many questions by the participants on the nature of the disease and its treatment options. The Animal Health Division also conducted a total of 20 seminars encompassing more than 400 farmers and professionals nationwide regarding safe animal handling, minimising and eliminating risk of injury.

In the spirit of giving back to the community, the Polyester Business CSR team celebrated a reading day with the children of Tibbi Hariya School. The event was organised to introduce the children to the world of literature and promote their interest in reading and education.

The Soda Ash Business inaugurated the Hamqadam Community Clinic, a purpose-built healthcare facility which caters primarily to women and children. Maternal and child healthcare had long been a pressing need for local families. The Business also inaugurated the Staff Residential Estate Children's Park to provide a healthy recreational outlet to



The US Consul General tours the plant and Head Office



The Animal Health team at the Livestock Farmers' Day in Rahim Yar Khan

employees and members of the local community. The Business has also renovated the Allama Iqbal Municipal Park in Pind Dadan Khan. The project was completed with the support of ICI Pakistan Limited, in collaboration with the Tehsil Municipal Authority. The Soda Ash Business also constructed a dedicated facility for its longstanding Ladies Welfare Club. This vocational training centre employs qualified trainers to teach underprivileged women and girls from the local community valuable, marketable skills such as knitting, quilting, crochet, stitching, embroidery and cooking, that equip them to earn a sustainable living. In another initiative, the Soda Ash Business donated a number of books to the Raja Ghazanfar Ali Khan Public Library in Pind Dadan Khan, most of which were historical books related to the Pakistan movement and local communities' contributions to the creation of Pakistan. The Business also conducted a breast cancer awareness session at Lady Winnington Hospital, Khewra. The event was jointly organised by the Life Sciences and Soda Ash Businesses, and featured a lecture by a leading oncologist from Islamabad on the importance of breast self-examination as well as the prevalence, causes and treatment options for the disease.

ICI Pakistan Limited launched an MS Office and English Language Course in collaboration with its IT Department and Literate Pakistan's Jugnoo Programme, at the Abdullah Haroon Vocational Training Centre in Lyari. The three-month course was formally launched under the banner of the Ilm-o-Hunar Programme, and 224 boys and girls have enrolled. Of these, 200 students completed the training successfully. An encouraging outcome of this course was the marked improvement in the levels of the students' abilities reported back by some of their teachers. Also at the Abdullah Haroon Vocational Training Institute, a foundation course on electrical wiring known as the Electrical Wireman Course was arranged to provide young people from this troubled community the opportunity to earn an honest and sustainable living. A total of 24 students enrolled in this course, of which we are pleased to report 20 completed the course successfully. We intend to remain engaged with the Institute to stay updated on their progress.

Employee Engagement

The Chemicals Business hosted an annual picnic for its plant, technical and warehouse staff. This recreational opportunity allowed staff to take a break from work and enjoy a relaxed day together. Swimming and other sports competitions were arranged, allowing the team to truly engage and have a great experience together. The Chemicals plant, supply chain, HR, finance and technical departments also held a team building



The Soda Ash Business conducts safe driving awareness campaign at the Khewra site



On Earth Day, the Polyester Business commits to planting 5,000 trees in 2015-16

exercise at Mubarak Village, the second largest fishing village in Karachi. Post this event, an Annual Sales Conference was held in Nathiagali to cascade strategy for 2015-16. The conference included 62 participants from the North and South regions. The team also participated in various team-building activities including a strenuous trek up Mushkpuri peak. The theme of the event was 'Unlocking Potential.'

The Life Sciences Business held its Annual Business Conference in Istanbul. This event served as a platform to review progress against key strategic advantages that the Business aspires to, and to create strategies for the growth and improved performance of each Division. The event also included team-building activities including mental and physical team tasks, a formal gala dinner, performances by popular entertainers, and visits to notable tourist locations.

More than 50 fellow colleagues from the Polyester Business gathered at a popular bowling alley in Lahore for a bowling competition and dinner. The event served as a great opportunity for team members to get together outside of the workplace and forge stronger bonds. The Technical Services department held an outbreak session in Murree to build bonds within the team and gear up for future challenges. All participants thoroughly enjoyed the event that served as a platform to improve employee engagement and communication across the board. Teams from Soda Ash Business also undertook outbreak sessions at Islamabad. The activity also gave the team the opportunity to unwind and formulate for improvement in the upcoming year.

ICI Pakistan Limited partnered with Gallup to conduct the 'iMPOWER employee engagement survey, because we strongly believe that success comes when employees are engaged and aligned with the Company's vision, and when they feel valued and heard. The Company aims to be a top performer in employee engagement by 2018. The survey generated a response rate of 97%. The same survey was conducted later this year, resulting in a participation rate of more than 99%. Subsequent action planning sessions and outbreaks are planned for the upcoming years to enable us to reach the 75th percentile globally by 2018.

Key Performance Indicators

Integrity Management		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Code of Conduct confirmed incidents	number	10	23	20	5	NR	1	1	0	0
Code of Conduct acceptance*	% employees	100	100	100	100	100	100	100	100	100**
Management audits including reassurance audits	number	6	11	9	7	6	6	0	6	6
Serious incidents - Level 3	number	1	1	1	1	0	0	0	0	0
Serious incidents - Level 1, 2	number	0	2	0	0	0	0	0	0	0
Serious loss of containment - Cat D	number	0	0	0	0	0	0	0	0	0
Regulatory actions - Level 3	number	0	0	0	0	0	0	0	0	0

*Number of Management and Non-Management Employees.

**We aim to achieve 100% acceptance by including contractual staff as well.

Sourcing		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Vendor Policy signed by key suppliers	%	88	83.8	85	92	92	88	94	87	96
Vendor Policy signed by Central NPR Suppliers*	%	x	x	28**	28	28	38	63	40	-
Supportive Supplier Visits	number	21	79	31	59	35	99	92	-	146

*Major Public Sector Utility suppliers not included in this analysis.

**Monitoring started in 2011 only by Polyester Business.

Employment Practices		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Women Executives*	%	0	0	0	0	0	25	25	25	12
On-line P&D Discussion participation	%	77	80	83	NR	NR	98	98	98	90
Management Development Programme	No. of Managers	34	121	211	NR	NR	NR	NR	572	338
Employee** Engagement Index	%		75	82	87	NR	NR	77	99.6	80

*Functional and Business Head positions

**Managers Only

Community Investment		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Community Programme Investment	PKR Million	16.5	42.5*	24.3	6	7.45	17.45	20	20	30

*This amount includes contribution by stakeholders including ICI Pakistan Limited staff and parent company contribution for floods.

Health, Safety and Security		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Fatalities	number	0	0	0	1	0	0	0	0	0
Total reportable injury rate employees/ supervised contractors	\million hours	0.18	0	0.18	0.34	0	0.33	0.16	0	0
Occupational illness rate employees	\million hours	0	0	0	0	0	0	0	0	0
Total illness absence rate employees	%	1.79	1.92	1.76	1.72	1.83	1.51	1.23	1.17	1.76
Fatalities: employees, supervised and independent contractors	number	1	0	0	0	0	0	0	0	0
Total reportable injury rate independent contractors	\million hours	0.52	0	0	0	0	0.56	0	0	0
Lost time injury independent contractors	number	1	0	0	0	0	2	0	0	0
% sites with BBS Programme	%	0	100	100	100	100	100	100	100	100
Distribution incidents	number	1	1	1	0	0	0	0	0	0
Motor vehicle incident with injury	number	0	1	2	0	0	0	1	0	0

Emissions Control		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total COD emissions	te	105.37	52.59	53.78	39.52	17.82	16.43	18.05	15.99	49.96
Per ton production	kg/te	0.15	0.11	0.13	0.10	0.10	0.04	0.04	0.03	0.10
Total VOC emissions	te	161.25	81.81	72.34	57.12	1.33	3.23	3.45	3.56	77.72
Per ton production	kg/te	0.23	0.18	0.17	0.14	0.01	0.01	0.01	0.01	0.16
Total NOx emissions	te	422.42	430.70	422.93	420.28	206.06	798.34	1209.18	1611	409
Per ton production	kg/te	0.61	0.93	0.99	1.03	1.14	1.93	2.75	3.40	0.83
Total SOx emissions	te	1431.4	2209.12	2672.9	2590.15	1402.4	4338.97	3091.74	3562.32	2430
Per ton production	kg/te	2.05	4.76	6.29	6.35	7.75	10.50	7.02	7.53	4.95
Total Direct CO_2 emissions (Scope 1)	million te	0.47	0.39	0.35	0.35	0.13	0.43	0.52	0.62	0.37
Per ton production	kg/te	676.1	834.7	829.5	847.95	737.50	1038.11	1196.13	1318.70	753
Total Indirect CO_2 emissions (Scope 2)	te	39907	2447	5642	3235.61	706.86	2413.32	2384.20	1501.56	2324
Per ton production	kg/te	57.3	5.3	13.33	7.93	3.91	5.84	5.42	3.17	4.7

Water Usage		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total fresh water use	million m3	6.49	4.59	4.12	3.48	1.57	3.49	3.73	4.22	4.36
Per ton production	m3/te	9.8	9.9	9.7	8.53	8.7	8.44	8.47	8.91	8.9
% of sites with sustainable fresh water	%	25	25	25	25	33	33	33	33	100

Waste Management		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total waste	kte	19.015	4.412	2.73	2.28	0.43	12.88	22.20	28.94	4.191
Per ton production	kg/te	27.32	9.53	6.44	5.60	2.35	31.18	50.44	61.13	8.53
Total hazardous waste	kte	0.31	0.54	0.52	0.53	0.001	0.0076	0.24	0.006	0.51
Per ton production	kg/te	0.45	1.17	1.22	1.30	0.003	0.001	0.001	0.013	1.04
Total non-reusable waste	kte	0.408	0.295	0.384	0.385	0.001	0.0076	0.24	0.006	0.28
Per ton production	kg/te	0.59	0.64	0.90	0.94	0.00	0.001	0.001	0.013	0.57
Total non-reusable hazardous waste	kte	0.151	0.251	0.327	0.323	0.001	0.008	0.24	0.006	0.238
Per ton production	kg/te	0.22	0.54	0.77	0.79	0.00	0.00	0.001	0.013	0.48
Total hazardous waste to landfill	kte	0	0	0	0	0	0	0	0	0
Per ton production	kg/te	0	0	0	0	0	0	0	0	0

Product Stewardship		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Product Eco-premium solutions	% sales	-	-	15.7	*	NR	NR	NR	NR	30

*Data not available due to demerger of Paints Business

Energy Usage		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total energy consumption	1000Tj	6.5	4.8	4.3	4.3	2.1	4.9	5.7	6.5	4.6
Per ton production	GJ/te	9.3	10.4	10.1	10.4	11.62	11.84	13.03	13.86	9

NR: Not Reported

Economic Performance

Management Approach

One of our core values is ‘Integrity and Responsibility’ and we apply this principle in our daily operations, in our projects and in the way we do business. We aim for the highest standards in all our dealings and aim to partner with suppliers who not only endorse our values but incorporate them in their businesses. It is our belief that a strict focus on ethics and responsibility will result in business value for all involved stakeholders. Thus, we make sure that our actions speak louder than words.

Economic Highlight

Addressing Economic Issues in Khewra While Catering to Mother-and-Child Healthcare

The remote region of Khewra, where our Soda Ash plant is based, faced a pressing need for a quality healthcare facility to cater to women and young children. Families from this community of over 80,000 struggled with the lack of an adequate facility for years, with pregnant women and young children having to travel long distances through inhospitable terrain to receive the medical care they need.

In response to this longstanding need, ICI Pakistan Limited established the Hamqadam Community Clinic. Formally inaugurated on March 1, 2016, the Clinic had already opened its doors to the public in February 2016, and is run and managed in collaboration with the Marie Adelaide Leprosy Centre (MALC).

In just a few short months of operation (February to June 2016) the Clinic had seen a total of 2,740 outpatient cases, of which 1,948 cases involved women and 792 involved children. The healthcare benefits of the facility were clear.

However, an initiative of this sort does much more than just cater to the immediate medical needs of a community. Its effects are much more far-reaching, especially in terms of indirect economic impact.

There are several aspects to this impact. One is the immediate reduction of travel costs and other expenses incurred by residents while traveling to distant healthcare facilities. Especially where the patient is a woman or a child, it is common for more than one person to accompany the patient on this journey, thereby compounding the financial burden of healthcare on families in this already impoverished community.

A second aspect of indirect economic impact is the long-term, cumulative effect of improved health and well-being on a community's productivity.

A third, and perhaps most evident economic aspect of the Hamqadam Community Clinic, is that of improving livelihoods by creating employment opportunities within an isolated community where few exist. Currently, four out of the total five staff members employed at the clinic are residents of the Khewra community, and include a lady health visitor, a technician, a driver and a general assistant.

Therefore, in addition to addressing an urgent community healthcare need, the Clinic also has the effect of contributing to improving employment opportunities and providing livelihoods to those in a remote region with few other viable employment prospects.



The ICI Pakistan Limited team with members of the Hamqadam Community Clinic staff



Suhail A Khan (VP Polyester & Soda Ash), Asif Jooma (CE) and Mervyn Lobo (CEO MALC) inaugurate the Hamqadam Community Clinic

Integrity Management

In line with our Company values, we have a responsibility to ensure and maintain high standards of integrity in all our operations. And we encourage our employees to do the same. Our business principles are transparent and are reflected in our Code of Conduct, adherence to which is required by every employee of the Company.

With respect to our most valuable resource, our people, we believe in and adhere to the principles of non-discrimination, freedom of association and other internationally recognised expectations for business ethics. We maintain an open dialogue with employees through the Performance and Development Discussion (P&DD) tool and actively develop our talent through a variety of training and development opportunities.

The Values and Code of Conduct of ICI Pakistan Limited are available for all stakeholders on our website: www.ici.com.pk

Key Performance Indicators

Integrity Management		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Code of Conduct confirmed incidents	number	10	23	20	5	NR	1	1	0	0
Code of conduct acceptance*	% employees	100	100	100	100	100	100	100	100	100**
Management audits including reassurance audits	number	6	11	9	7	6	6	0	6	6
Serious incidents - Level 3	number	1	1	1	1	0	0	0	0	0
Serious incidents - Level 1, 2	number	0	2	0	0	0	0	0	0	0
Serious loss of containment - Cat D	number	0	0	0	0	0	0	0	0	0
Regulatory actions - Level 3	number	0	0	0	0	0	0	0	0	0

*Number of Management and Non-Management employees.

**Going forward we aim to achieve 100% acceptance by including contractual staff as well.

2015-16 Overview

The HSE&S Management Audit process, which commenced with audits of all manufacturing sites and locations last year across the Company, was completed during the year. Based on the auditors' findings and recommendations, the Businesses and locations are preparing their 2016-17 HSE&S improvement plans.

Code of Conduct acceptance is a standard part of the Performance and Development Discussion (P&DD) system at ICI Pakistan Limited. Each employee is required to read and acknowledge the Code of Conduct, and to renew this acknowledgement annually.

No serious incidents, Level 1, 2, or 3, were reported during the year.

Sourcing

When it comes to sourcing, we seek solutions beyond our own manufacturing cycle. We work closely with our supply chain partners to promote sustainability in their operations, not only ensuring the continuity of our own supply chain, but also raising the standards of our partners' business operations.

Key Performance Indicators

Sourcing		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Vendor Policy signed by key suppliers	%	88	83.8	85	92	92	88	94	87	96
Vendor Policy signed by Central NPR Suppliers*	%	x	x	28**	28	28	38	63	40	-
Supportive Supplier Visits	number	21	79	31	59	35	99	92	-	146

*Major public sector utility suppliers not included in this analysis.

**Monitoring started in 2011 only by Polyester Business.

2015-16 Overview

We ensure that 100% of our critical suppliers have signed the Vendor Policy. However, the percentage of central non-product related suppliers signing the Vendor Policy decreased to 40% owing to the fact that many new non-product related suppliers are being inducted at different locations because of major expansions and growth, and the process is yet to be completed. This deviation is on our radar and we intend to enhance it in the coming months.

Our programme of on-site visits to critical suppliers aims to identify and develop these critical suppliers as sustainable business partners. Through formal feedback and follow-up visits, we work together with our suppliers to improve their overall sustainability. Although progress this year remains slow, we are actively working to improve the number of supplier visits in line with our Businesses' future plans.

Social Performance

Management Approach

A safe workplace is a healthy workplace. For us, nothing means more than the safety of our people and the people we work with. Our aim is to empower employees and communities and find ways to enable them in a culture that is conducive to professional growth. We endorse and practise equal opportunities and are committed to equitable treatment of all employees, irrespective of origin, race or gender. We have a passion for people and this is a fundamental part of our DNA as a responsible Company.

Social Highlight

Opening Doors in a Troubled Community

Dogged by poverty and unemployment, coupled with rising crime rates over years of political unrest, the area of Lyari, near our Company's Head Office premises in Karachi, became infamous over the years as a turbulent and troubled locality.

Focusing on the development and uplift of the communities near which we operate has always been one of the mainstays of our social development initiatives at ICI Pakistan Limited. To build ties with the community, we engaged with the Abdullah Haroon Vocational Training Institute, which provides vocational training to young people from Lyari. Initial visits to the institute confirmed the potential for substantial impact to be made through even the simplest of initiatives; the young people of Lyari proved to be bright, resourceful and eager to learn.

In response to this, we decided to set up two different programmes. The first was a three-month IT and English language training course aimed at those pursuing formal education. This course was designed to strengthen students' chances of succeeding at higher education and/or lead to improved employment opportunities. The second programme was a basic electrical wiring foundation course, intended for those who required a more skill-based approach to earn a sustainable livelihood.

In collaboration with the Corporate IT Department of ICI Pakistan Limited, we arranged an MS Office training course. We then approached our partners at local NGO Literate Pakistan's Jugnoo Programme, to conduct English language courses in conjunction with this training. The course was planned in such a manner that the modules supported each other and provided improvement of vital skills. A fundamental understanding of English is vital to successfully operating all basic software, and knowledge of MS Office software is a necessary prerequisite in today's education and business landscape.

The response from both parties was enthusiastic, and on May 16, 2016, we formally launched both courses under the banner of the Ilm-o-Hunar Programme. The response from the community has been overwhelming, with a total of 200 boys and girls having successfully completed the three-month training. It is encouraging to learn that some of the students' teachers have reported a marked improvement in the students abilities as a result of this course. It is also worth noting that 65% of these students are young women, many of whom have to overcome the pressures of a conservative society to continue with their education. Of the 24 students enrolled in the electrical wiring course, 20 completed the course successfully and are now equipped with an employable skill.



65% of the MS Office and English Language Course students are young women



Students successfully complete the Electrical Wireman Course

Employment Practices

A culture of excellence in human resource management owes a great deal to development, training and growth opportunities. We strive to attract and retain the brightest talent, investing in structured leadership development and training programmes that allow our people to enhance their potential through continuous learning. We are committed to providing a safe and healthy working environment with fair policies and practices, where our employees are inspired and encouraged to live our Company values every day.

Total number of employees: 1,337*
Management: 938
Non-Management: 399

*As of June 30, 2016

Key Performance Indicators

Employment Practices		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Women Executives*	%	0	0	0	0	0	25	25	25	12
On-line P&D Discussion participation	%	77	80	83	NR	NR	98	98	98	90
Management Development Programme	No. of Managers	34	121	211	NR	NR	NR	NR	572	338
Employee** Engagement Index	% favourable		75	82	87	NR	NR	77	99.6	80

*Functional and Business Head positions

**Managers Only

2015-16 Overview

The Company's online performance management system, the Performance and Development Discussion, (P&DD) is well-established and efforts are made to ensure maximum participation by employees in this process.

Launched during the year, the Leadership Development Road Map / Leadership Development Journey is a structured and integrated talent development framework for all ICI Pakistan Limited management employees. This unique talent development intervention focuses on sustainably developing leadership capabilities at each level in the organisation, offering employees the opportunity to not only grow in their existing roles, but also to achieve their ongoing career aspirations.

During 2015-16 more than 572 managers successfully completed these development interventions. Since last year, ICI Pakistan Limited has partnered with Gallup to launch and run iMPOWER, an employee engagement survey designed to take stock of organisational levels and effectiveness.

With a stellar performance across all Businesses and functions, the engagement score for ICI Pakistan Limited stands at 4.16 on a five-point scale. This score reflects an impressive increase of 0.29 points from last year's score of 3.87 and is well ahead of Gallup's recommended trajectory score. In terms of percentile, this score places the Company at the 58th percentile compared with other companies in the Gallup Global Database, as opposed to the 35th percentile last year.

Community Investment

At ICI Pakistan Limited we have a long history of working to support and uplift the communities in which we live and operate. Our community investment activities are managed through the ICI Pakistan Foundation, a separate legal entity with its own Board of Trustees. The Foundation is governed by a Trust Deed that outlines policies and procedures and defines the scope of community investment activities. The accounts of the Foundation are audited by certified chartered accountants.

The Foundation's philosophy focuses on four main areas: education, health, community and environment, while also supporting civic development through investment in community projects, disaster relief and rehabilitation activities. This year, the ICI Pakistan Foundation formally incorporated all its CSR initiatives under the umbrella of the Hamqadam Programme.

Key Performance Indicators

Community Investment		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Community Programme Investment	PKR Million	16.5	42.5*	24.3	6	7.45	17.45	20	20	30

*This amount includes contribution by stakeholders including ICI Pakistan Limited staff and parent company contribution for floods.

2015-16 Overview

The ICI Pakistan Foundation upgraded the Household Electrical Wireman Course at our Polyester plant for Sheikhupura community youths to a three-phase Industrial Electrical Wireman Course. An Electrical Wireman short course was also initiated in the community of Lyari, Karachi. Funds were provided for the construction of a new facility for the Ladies' Welfare Centre, a vocational training centre in Khewra, for women from the local community.

A three-month MS Office and English Language course was initiated at a training Centre in Lyari, in collaboration with Literate Pakistan, for over 200 Lyari youth. The second session of the Adult Literacy Programme, also held in collaboration with Literate Pakistan, commenced at the Kakapir Village, Karachi with 20 female students. The ICI Pakistan Foundation continues its support of the Kakapir Village community school as well as the Government Boys and Girls Primary School, Tibbi Hariya, Sheikhupura.

The Foundation provided funds to upgrade Murshid Hospital's School of Nursing in Karachi to college level to offer a four-year degree programme for nursing students. In addition, the Foundation continues to contribute funds to the Pakistan Agricultural Coalition, Lahore, to set up an agricultural technical institute.

The Foundation provided funds to set up a Hamqadam Community Clinic at Khewra in collaboration with the Marie Adelaide Leprosy Centre (MALC), Karachi, to cater to mother-and-child healthcare issues. The Foundation also donated a state-of-the-art ambulance to the clinic for community use.

The longstanding eye care programme at Khewra in collaboration with the Layton Rahmatullah Benevolent Trust (LRBT) celebrated 25 years of successful eye care interventions this year. The Foundation completed its first year of a three-year pledge made to the Child Life Foundation, for operation of the paediatric emergency ward at Civil and Jinnah Hospitals, Karachi.

A livestock wellbeing programme for dairy farmers, introduced the 'Cattle Crush,' a cage or pen that restrains animals safely for the duration of veterinary procedures. These units have been installed in remote areas across Pakistan, particularly in the KPK and Potohar regions.

Company volunteers arranged Independence Day celebrations for paediatric patients at Karachi's Civil Hospital and National Institute of Cardiovascular Diseases. Volunteers also engaged with children at SOS Village on Children's Day to educate them on recycling.

The Foundation renovated the Allama Iqbal Municipal Park at Pind Dadan Khan, Khewra, for the community's use. Earth Day and World Environment Day were celebrated with tree plantation drives at Khewra, Sheikhupura, Life Sciences' Multan Road facility, Lahore and in Lyari, Karachi. Over 1,000 saplings were planted in total. We continue to utilise biodegradable envelopes to mail the Company's annual reports to stakeholders.

To create awareness for the conservation and protection of natural resources, the Company participated in international Earth Hour by switching off unnecessary lights at all our sites at the designated time.

Health, Safety and Security

At ICI Pakistan Limited, the health, safety and security of our people are of paramount importance. Zero harm is the underlying premise of our HSE&S philosophy – we believe all workplace accidents are preventable and place high priority on making our systems, processes and working environment continually safer for our employees in line with accepted standards and corporate guidelines.

By ensuring the occupational health and safety of employees, contractors and suppliers on Company premises, we not only create a safer workplace, but also improve the efficiency and sustainability of the Company's operations in terms of reduced damages-related costs and fewer disruptions to operations and procedures.

Key Performance Indicators

Health, Safety and Security		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Fatalities	number	0	0	0	1	0	0	0	0	0
Total reportable injury rate employees/ supervised contractors	\million hours	0.18	0	0.18	0.34	0	0.33	0.16	0	0
Occupational Illnesses Rate Employees	\million hours	0	0	0	0	0	0	0	0	0
Total illness absence rate employees	%	1.79	1.92	1.76	1.72	1.83	1.51	1.23	1.17	1.76
Fatalities employees, supervised and independent contractors	number	1	0	0	0	0	0	0	0	0
Total reportable injury rate independent contractors	\million hours	0.52	0	0	0	0	0.56	0	0	0
Lost time injury independent contractors	number	1	0	0	0	0	2	0	0	0
% sites with BBS program	%	0	100	100	100	100	100	100	100	100
Distribution incidents	number	1	1	1	0	0	0	0	0	0
Motor vehicle incident with injury	number	0	1	2	0	0	0	1	0	0

2015-16 Overview

The Company continued to demonstrate its unwavering commitment to HSE&S, completing the year without a single reportable injury. No occupational illness was reported on account of compliance with the Company's various health assessment and work environment monitoring programmes. There was also a reduction of 4.8% in the total illness absence rate of employees as compared to last year. A sharper focus on operational discipline, and strict adherence to the Company's Health, Safety, Environment and Security Management system, was supported by management focus through the Behaviour-Based Safety (BBS) programme. This is a clear indicator of our resolve to maintain HSE&S as a core priority.

The HSE&S performance of the Businesses continues to improve as the Polyester, Soda Ash, Life Sciences and Chemicals Businesses achieved 7.98, 7.93, 1.40 and 5.06 million man-hours respectively without reportable injury for employees and supervised contractors. Additionally, there were no reportable injuries to independent contractors. After the implementation of a certified HSE&S Management System in 2013-14, all Businesses and locations aligned their local HSE&S procedures. In 2015-16, a Company-wide HSE&S Management Audit process was completed across all Businesses (Soda Ash, Polyester, Chemicals and Life Sciences) and corporate offices (Head Office, Karachi and Mozang Office, Lahore). Based on the auditors' findings and recommendations, improvement plans are being devised at the respective Businesses and locations. The Management Audit process has established a baseline compliance level that will help gauge HSE&S improvements more accurately in future.

The focus remained on energy conservation, waste and Operational Eco Efficiency (OEE) footprint reduction through the implementation of sustainability plans in all Businesses.

Environmental Performance

Management Approach

One of our philosophies is that what we take from the planet, we must endeavour to give back. No organisation can thrive if our landscapes are diminished and our natural resources are depleted. We understand that our operations have an impact on the planet and its climate, and therefore our core objectives include methods by which we can mitigate this impact.

Pakistan is a beautiful country with incredible biodiversity. Our sites stretch from north to south, and our products cover the breadth of this land. We are part of nature, not separate from it, and it is our duty to strive for environmental responsibility within the Company and beyond. In this spirit, environmental objectives are comprehensively integrated into our corporate and business goals and we ensure that we fully comply with the National Environment Legislation.



Environmental Hightlight 1

Exploring Bioremediation for Waste Water Treatment

Waste management solutions abound in today's industrial world. But often, these solutions involve the use of chemicals or processes that themselves could potentially pose a threat. This is where bioremediation differs. It is a process that utilises naturally occurring organisms to break down or neutralise waste substances. Bioremediation has been adopted as the most cost-effective, socially feasible and environmentally sound approach in 52 countries globally. In addition to its other benefits, bioremediation removes chemicals which cannot be removed through other conventional waste water treatment options.

In the search for innovative waste water treatment solutions, our Polyester Business collaborated with Critical Green, an Islamabad-based research organisation, to explore the feasibility of this process at our site. Critical Green focuses on resolving water security issues in Pakistan, with a special focus on cost-effective, sustainable and socially acceptable methods of water recycling.

As a result of the Polyester Business's keen interest, a team from Critical Green along with researchers from Quaid-i-Azam University carried out multiple visits to our Polyester plant site to better understand the exact nature of activities carried out at the plant. As a result of this collaboration, a pilot study of experimental solutions is currently being conducted at the Quaid-i-Azam University's laboratory. Based on the results of this study, we hope to implement effective methods of removing pollutants from waste water using bioremediation techniques at our Polyester manufacturing site.

Environmental Hightlight 2

Tree Plantation Drives to Improve our Environment

One of the simplest and most effective ways to positively counter environmental impact remains the act of planting a tree. As a tree matures, it can consume up to 48 pounds of carbon dioxide per year, thereby making the planting of trees one of the most cost-effective methods of eliminating carbon dioxide from the atmosphere.

As a manufacturing company, we are keenly conscious of our environmental impact and believe every effort counts when it comes to offsetting this impact and improving the environment that sustains us all. We carried out tree plantation drives at several of our major locations during the year, planting over 18,050 trees in total at our sites and neighbouring locations, across the country. The benefits of tree plantation include greenery, cooling shade, and of course, reductions in carbon dioxide levels in the atmosphere, improving air quality in the areas in which they are planted and creating a healthier environment overall.

Fittingly, our larger manufacturing sites were the ones that planted the greatest number of trees. At our Soda Ash plant in Khewra, approximately 12,000 trees were planted over the year. At our Polyester plant in Sheikhupura, the total number of trees planted was 5,000.

At our Animal Health Division Manufacturing facility at Multan Road, Lahore, tree plantation efforts were given symbolic meaning by engaging the local community to make the initiative more inclusive, and to engage stakeholders while carrying out this environmental initiative. 600 trees were planted, some on ICI Pakistan Limited premises, and others on shared public land. Here, trees were planted beside a canal that runs along Multan Road. This guaranteed the ready availability of water, ensuring the sustainability of the newly planted trees.

In Karachi, a team of volunteers collaborated with students and faculty at the Abdullah Haroon Vocational Training Institute in Lyari, which neighbours the Company's Head Office, to plant 450 saplings. Lyari is a densely populated, polluted locality, and by planting trees there, we hope to provide some relief to residents in the form of greenery, shade and of course, improved air quality.



The Animal Health team plants trees along Multan Road, Lahore

Emissions Control

As a Company, we constantly strive to balance the impact of our production processes with efficient and careful management of energy and natural resources. The goal is always to minimise emissions and discharge, and subsequently, environmental impact. We seek innovative methods to reduce energy consumption and minimise waste through source reduction, recycling and environmentally sound waste disposal.

Key Performance Indicators

Emissions Control		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total COD emissions	te	105.37	52.59	53.78	39.52	17.82	16.43	18.05	15.99	49.96
Per ton production	kg/te	0.15	0.11	0.13	0.10	0.10	0.04	0.04	0.03	0.10
Total VOC emissions	te	161.25	81.81	72.34	57.12	1.33	3.23	3.45	3.56	77.72
Per ton production	kg/te	0.23	0.18	0.17	0.14	0.01	0.01	0.01	0.01	0.16
Total NOx emissions	te	422.42	430.70	422.93	420.28	206.06	798.34	1209.18	1611	409
Per ton production	kg/te	0.61	0.93	0.99	1.03	1.14	1.93	2.75	3.40	0.83
Total SOx emissions	te	1431.4	2209.12	2672.9	2590.15	1402.4	4338.97	3091.74	3562.32	2430
Per ton production	kg/te	2.05	4.76	6.29	6.35	7.75	10.50	7.02	7.53	4.95
Total Direct CO_2 emissions (Scope 1)	million te	0.47	0.39	0.35	0.35	0.13	0.43	0.52	0.62	0.37
Per ton production	kg/te	676.1	834.7	829.5	847.95	737.50	1038.11	1196.13	1318.70	753
Total Indirect CO_2 emissions (Scope 2)	te	39907	2447	5642	3235.61	706.86	2413.32	2384.20	1501.56	2324
Per ton production	kg/te	57.3	5.3	13.33	7.93	3.91	5.84	5.42	3.17	4.7

*COD and VOC emissions were high until 2012 and decreased thereafter due to the demerger of the Paints Business from the ICI Pakistan Limited portfolio

**Unprecedented natural gas curtailment periods caused increased use of high sulphur furnace oil and coal, thereby causing high CO_2 emissions

2015-16 Overview

Operational eco-efficiency KPIs on gaseous emissions have been significantly affected by changes in the energy mix of ICI Pakistan Limited, with coal forming 51% of the energy mix during 2015-16. Gas curtailment and the unreliability of the national grid are major contributors to the Businesses' increased use of coal. However, all air emissions fall within National Environmental Quality Standards (NEQS) limits.

Gaseous emissions at the Soda Ash plant are being controlled by the increased usage of RB3 type coal in the fuel mix of local and imported coal. The current coal mix ratio is 70:30 for imported and local coal, respectively. At our Polyester plant, 100% imported coal is used in the coal fired boilers as it minimises gaseous emissions. 455 tons of CO_2 have been saved due to the energy conservation plan implemented in 2015-16. At our Chemicals plant, CO_2 emissions have been reduced by 8% through effective maintenance planning and the efficient utilisation of fuel, while production during the same period increased by 2%.

There has been an 11% reduction in COD levels, while no significant deviation in VOC emissions was observed. Indirect CO_2 emissions were reduced due to less dependency on the national grid (the Polyester plant is now completely independent of the national grid).

Water Usage

Careful management of this vital natural resource remains a key focus of the Company's sustainability strategy. Water usage is critical to the continuity of our operations and as such, we have put in place systems to ensure responsible management of fresh water, utilising recycled waste water where feasible in our manufacturing processes and other operations.

Key Performance Indicators

Water Usage		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total fresh water use	million m3	6.49	4.59	4.12	3.48	1.57	3.49	3.73	4.22	4.36
Per ton production	m3/te	9.8	9.9	9.7	8.53	8.7	8.44	8.47	8.91	8.9
% of sites with sustainable fresh water	%	25	25	25	25	33	33	33	33	100

2015-16 Overview

Water consumption figures for 2015-16 are slightly higher than figures for the previous year but are still within target.

Several major construction projects at the Soda Ash plant site necessitate the use of water, including Jhelum River Line 4, the Reverse Osmosis and Continuous Electro-Deionisation (RO EDI) plant, CFB boilers and 18 MW steam turbine. It is worth noting that despite ongoing work on these major projects, water consumption figures are still within target. This is due to our water consumption impact being offset by various water conservation projects which include recycling of sampling and permeate water from the RO & EDI site. 772,800 m3 of water is reused while 927,351 m3 of water is recycled, including steam condensate. This totals 39% of total water withdrawal at the Soda Ash plant site.

The Polyester Business also used 36,500 m3 of EDI reject water during the year 2015-16. In addition to this, 13,000 m3 of effluent-treated water was used for horticulture via 27 sprinklers.

The Chemical Business recycles and reuses a total of 1,410 m3 of water which is 10.1% of the total water supply used in the Business's manufacturing processes.

Waste Management

While the production of waste is an inevitable by-product of any manufacturing process, we strive to minimise our impact in this area by employing the 3R concept in our waste management system. We focus on the reduction and improved processing of waste, actively participating in waste-management initiatives, implementing global practices and following these simple principles:

- Reduce
- Reuse
- Recycle
- Convert waste to energy
- Dispose

Key Performance Indicators

Waste Management		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total waste	kte	19.015	4.412	2.73	2.28	0.43	12.88	22.20	28.94	4.191
Per ton production	kg/te	27.32	9.53	6.44	5.60	2.35	31.18	50.44	61.13	8.53
Total hazardous waste	kte	0.31	0.54	0.52	0.53	0.001	0.0076	0.24	0.006	0.51
Per ton production	kg/te	0.45	1.17	1.22	1.30	0.003	0.001	0.001	0.013	1.04
Total non-reusable waste	kte	0.408	0.295	0.384	0.385	0.001	0.0076	0.24	0.006	0.28
Per ton production	kg/te	0.59	0.64	0.90	0.94	0.00	0.001	0.001	0.013	0.57
Total non-reusable hazardous waste	kte	0.151	0.251	0.327	0.323	0.001	0.008	0.24	0.006	0.238
Per ton production	kg/te	0.22	0.54	0.77	0.79	0.00	0.00	0.001	0.013	0.48
Total hazardous waste to landfill	kte	0	0	0	0	0	0	0	0	0
Per ton production	kg/te	0	0	0	0	0	0	0	0	0

2015-16 Overview

Waste at the Soda Ash and Polyester plants has increased after the commissioning of coal fired boilers, HTM heaters and the power plant project. This is due to an increase in fly ash and slag, which is a result of the use of coal. Both Businesses are currently exploring options for reusing their fly ash and slag waste, either at their own sites or at other local plants.

The following waste reduction initiatives have been completed at various sites:

Polyester

- HTM heater slag usage in CFB boiler
- Installation of drip detector at bank 6 in place of slub catchers, in order to reduce waste produced by spinning breaks
- Reduction in G2R/G3 generation

Soda Ash

- Diversion of calciners 1/2 condensate in case of contamination
- Free brine recovery improvement

Product Stewardship

As a responsible manufacturer, we pay close attention to product stewardship across our Businesses, taking steps to minimise the impact of our products on the environment and on human health.

A shared responsibility, product stewardship requires collaboration and involvement from stakeholders at every step of the product life cycle. To this end, we share our HSE&S best practices with vendors and suppliers in order to ensure better utilisation of resources, minimisation of waste and a greater overall awareness of this important duty.

Key Performance Indicators

Product Stewardship		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Product Eco-premium solutions	% sales	-	-	15.7	*	NR	NR	NR	NR	30

*Data not available due to demerger of Paints Business.

2015-16 Overview

Our Life Sciences Business completed 18 new product development briefs (NPDBs) of which commercialisation review will be carried out after a two-year testing period.

The Chemicals Business completed 17 NPDBs in 2015-16. Of these, 10 products were successfully commercialised. On the eco-friendly front, MKS Devo's Sultan Black liquid sulphur dye was introduced into the denim industry. Unlike conventional powdered sulphur dyes currently being used, this product has a green footprint. Going forward, with more stringent demands on environmental compliance being imposed by overseas importers, such products will become standard fixtures in recipes.

In a similar scenario, Fevicryl fabric glue was introduced to the finished garments segment. A water-based glue specifically designed for clothing, Fevicryl is a far superior alternative to the various makeshift solvent-based adhesives currently being used in the industry.

The Polyester Business continues to seek opportunities to improve its products in line with emerging environmental needs. One such initiative has been the full-scale trial of APEO/NPEO-free spin finish usage on our fibre, in order to make the product more environmentally friendly. APEO/NPEO usage has been shown to be toxic to marine life and could also pose a threat to human wellbeing. The Business plans to move gradually towards full scale conversion to APEO/NPEO-free spin finishes.

Energy Efficiencies

While the ongoing national energy crisis underscores the need for renewable energy solutions for the future, as a Company we have always been committed to finding better, more sustainable energy solutions. Therefore, the conservation of energy and the reduction of our carbon emissions remains an ongoing priority.

Key Performance Indicators

Energy Usage		2009	2010	2011	2012	2013 H1	2013-14	2014-15	2015-16	2015-16
										Target
Total energy consumption	1000Tj	6.5	4.8	4.3	4.3	2.1	4.9	5.7	6.5	4.6
Per ton production	GJ/te	9.3	10.4	10.1	10.4	11.62	11.84	13.03	13.86	9

2015-16 Overview

Natural gas shortages have led ICI Pakistan Limited to invest in coal-based technologies for generating both steam and power. ICI Pakistan Limited's manufacturing facilities at Sheikhupura (Polyester) and Khewra (Soda Ash) have seen significant investments in coal fired boilers and steam turbines. Intrinsically, these power plants are energy intensive because of their base parasitic loads which are significantly higher than similar capacity units operating on natural gas. This excessive energy consumption is reflected in higher per tonne energy during the year 2015-16.

Our manufacturing sites continue to maintain a keen focus on optimal utilisation of available natural gas, day-to-day process optimisation, thorough monitoring of key energy parameters, hardware modification, creating shop-floor-level awareness, taking timely actions to apprehend any operational abnormality, and preventive maintenance approach. Some examples of these initiatives are as follows:

Soda Ash Site

- Continuing work on steam reduction at distillers
- ICI Pakistan Limited salt mine electrification improvement project
- Replacement of old blowback compressors with more efficient machines
- Installation of wash water Plate Heat Exchanger (PHE) to recover heat from water used for washing.
- Modification/improvement of FMC-4 to increase process heat recovery
- Zero steam leakage philosophy applied by ongoing surveys of steam circuit to minimise steam leakages

Polyester Site

- Use of HTM Heater slag in CFB Boiler to minimise LOI (loss of ignition) i.e. consumption of unburnt carbon
- Area lights of CFB switched to photo cell operation
- Steam turbine area station load reduced from 2.0 MW to 1.8 MW
- Steam conservation by bringing HMI from spinning to draw line through efficient control
- Line # 5 AC - EC stoppage during line stoppage
- Use of string up gun at bank 2 and 3 to stop vacuum pumps electricity consumption
- Batch Polymer and CFB MCC lights turned off when idle

Chemicals Plant

- The Chemicals plant achieved 15% reduction in energy consumption based on compliance with preventive maintenance plans, resulting in higher efficiencies

G4 Content Index

GENERAL STANDARD DISCLOSURES		
General Standard Disclosures		Section/Response
STRATEGY AND ANALYSIS		
G4-1	Statement from Senior decision-maker	Overview & Strategy: CE Message, Director's Report; Sustainability Performance: Leadership Statement
ORGANISATIONAL PROFILE		
G4-3	Name of Organisation	ICI Pakistan Limited at a Glance
G4-4	Primary brands, products and/ or services	ICI Pakistan Limited at a Glance, Business Performance
G4-5	Location of the organisation's headquarters	Company Information
G4-6	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	ICI Pakistan Limited at a Glance, Business Performance
G4-7	Nature of ownership and legal form	ICI Pakistan Limited at a Glance, Corporate Governance and Compliance
G4-8	Markets served (including geographic breakdown, sectors served and types of customers/ beneficiaries	ICI Pakistan Limited at a Glance, Business Performance
G4-9	Scale of Organisation	ICI Pakistan Limited at a Glance, Business Performance, Financial statements

G4-10	Employment type and gender	As of June 30, 2016 Total number of employees: 1,337 Management: 938 Non-management: 399
G4-11	Employees covered by bargaining agreements	399
G4-12	Organisation's supply chain	Economic Performance: Sourcing
G4-13	Significant changes regarding the organisation's size, structure, ownership or supply chain	ICI Pakistan Limited at a Glance, Overview and Strategy: Director's Report, Economic Performance: Sourcing
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Governance and Compliance: Risk Management, Sustainability Performance: Sustainability Council
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or endorses	Governance & Compliance; Corporate Governance & Compliance
G4-16	Membership of associations and national or international advocacy organisations	Pakistan Business Council (PBC), Pakistan Institute of Corporate Governance (PICG), MAP, OICCI
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	Entities included in organisation's consolidated financial statements or equivalent documents	Entities included in the consolidated financial statements are ICI Pakistan PowerGen Limited and NutriCo Pakistan (Pvt) Limited. See Consolidated Financial Statements. Additionally, ICI Pakistan PowerGen Limited and NutriCo Pakistan (Pvt) Limited are not covered by this sustainability report.
G4-18	Process for defining report content and aspect boundaries	Sustainability Performance: About the Report
G4-19	Material aspects idenitifed in process for defining report content	Sustainability Performance: About the Report
G4-20	Aspect boundaries within the organisation	Sustainability Performance: About the Report
G4-21	For each material aspect report the aspect boundary outside the organisation.	Sustainability Performance: About the Report
G4-22	Restatements of information provided in previous reports	N/A
G4-23	Significant changes in Scope and Aspect boundaries	N/A

STAKEHOLDER ENGAGEMENT		
G4-24	List of stakeholder groups engaged by the organisation	Sustainability Performance: Stakeholder Engagement
G4-25	Basis of identification and selection of stakeholders with whom to engage	Sustainability Performance: Stakeholder Engagement
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Sustainability Performance: Stakeholder Engagement
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	Sustainability Performance: Stakeholder Engagement
REPORT PROFILE		
G4-28	Reporting period (e.g., fiscal/ calender year) for information provided	July 2015 - June 2016 (FY 2015-16) See Governance and Compliance: Director's Report, Sustainability Performance: About the Report
G4-29	Date of most recent previous report (if any)	July 2013 - June 2014 (FY 2013-14) See Overview and Strategy: Awards & Achievements.
G4-30	Reporting cycle (annual, biennial, etc)	Annual. See Governance and Compliance: Director's Report
G4-31	Contact point for questions	See Sustainability Performance: About the Report
G4-32	GRI guidelines and external assurance	See Sustainability Performance: About the Report
G4-33	Organisation's policy and current practice regarding assurance	See Sustainability Performance: About the Report

GOVERNANCE		
G4-34	Governance structure of the organisation, including committees responsible for decision-makring on economic, environmental and social impacts.	See Governance and Compliance: Corporate Governance and Compliance, Board and Management Committees; Sustainability Performance: Sustainability Council
ETHICS AND INTEGRITY		
G4-56	Organisation's values, principles and standards	See Our Vision, Our Values, Code of Conduct, Coporate Governance and Compliance

SPECIFIC STANDARD DISCLOSURES

Indicators		Section/Response
CATEGORY: ECONOMIC		
MATERIAL ASPECT: ECONOMIC PERFORMANCE		
G4-EC1	Direct economic value generated and distributed	See Financial Statements
MATERIAL ASPECT: MARKET PRESENCE		
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	The ratio of entry level wage to minimum wage (set by minimum wage rules) is 2.07. This is same for all ICI Pakistan Limited employees irrespective of gender.
G4-EC6	Proportion of senior management hired from the local community at significant locations of operation	Karachi: 66%; Lahore: 100%; Sheikhupura: Nil; Khewra: Nil; Significant Location: Karachi, Lahore, Khewra, Sheikhupura; Senior Management: G37 plus excluding EMT; Local: Residing and belonging to the significant location identified ICI Pakistan Limited is an equal opportunity employer and there are no geographical boundaries. Individuals within senior management at Sheikhupura reside in Lahore, and are provided transport accordingly. However, keeping in view the definition of local, the percentage of this indicator in Khewra and Sheikhupura is nil due to the non-availability of sufficiently qualified individuals among the local community.

MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS		
G4-EC7	Development and impact of infrastructure investments and services supported	See Community Investment in Social Performance
MATERIAL ASPECT: PROCUREMENT PRACTICES		
G4-EC9	Proportion of spending on local suppliers at significant locations of operation	Soda Ash: 67%, Polyester: 70%, Life Sciences: 64%, Chemicals: 18%
CATEGORY: ENVIRONMENTAL		
MATERIAL ASPECT: MATERIALS		
G4-EN1	Materials used by weight or volume	Non-renewables: 2194.55 ktons, 214.64 kL, 112.35M others; Renewables: 10,761 ktons, 1.68M others (others include packaging material with units each, half boxes, pet straps, meter, roll, pieces etc.) The nature of our manufacturing processes is such that use of renewable materials as raw materials is not viable however, we use renewable materials for packaging purposes in most of our operations.
G4-EN2	Percentage of materials used that are recycled input materials	We use almost 99% of ammonia as recycled input material at our Soda Ash plant. The manufacturing processes at other sites are such that use of recycled raw material from within the process is not viable.
MATERIAL ASPECT: ENERGY		
G4-EN3	Energy consumption within the organisation	Non-renewable: 6503.42 (Natural Gas, Furnace Oil, Coal, Diesel); Renewable: 0.036 TJ (Solar); Electricity: 61.17 TJ; Total: 6564.62 TJ Standard calorific values of fuels are used for conversion. Heating, cooling and steam requirements at our manufacturing sites are met by installed utility equipment that consumes fuel and/or electricity therefore, the figures are inclusive of these utilities.
G4-EN4	Energy consumption outside of the organisation	The energy consumed for these processes is within the organisation.
G4-EN5	Energy intensity	See Energy Efficiencies in Environmental Performance for details. The figures are based on EN3. The Life Sciences Business has a diversified portfolio with varying measurement units while the energy figure is cumulative, therefore it cannot be included here. However, no fuel is used and electricity consumption is 8.14 TJ in plant operations.
G4-EN6	Reduction of energy consumption	See Energy Efficiencies in Environmental Performance

MATERIAL ASPECT: WATER		
G4-EN8	Total water withdrawal by source	Surface Water: 0.521 Mm3; Ground water: 3.657 Mm3, Municipal Water Supply: 0.04 Mm3
G4-EN10	Percentage and total volume of water recycled and reused	See Water Usage in Environmental Performance
MATERIAL ASPECT: BIODIVERSITY		
G4-EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	See Health and Environment in Stakeholder Engagement Our manufacturing sites have in place a procedure for the conservation of flora and fauna to preserve biodiversity, and conduct various surveys for periodic assessments accordingly.
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	See Health and Environment in Stakeholder Engagement
G4-EN13	Habitats protected or restored	See Health and Environment in Stakeholder Engagement
MATERIAL ASPECT: EMISSIONS		
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	See Emissions Control in Environmental Performance
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	See Emissions Control in Environmental Performance
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	See Emissions Control in Environmental Performance
G4-EN18	Greenhouse gas (GHG) emissions intensity	See Emissions Control in Environmental Performance The Life Sciences Business has a diversified portfolio with varying measurement units, while emissions are cumulative therefore cannot be included here. However, no fuel is used in plant operations and emissions (only Scope 2) equal 216.79 tons.
G4-EN19	Reduction of greenhouse gas (GHG) emissions	See Emissions Control in Environmental Performance
G4-EN20	Emissions of ozone-depleting substances (ODS)	Manufacturing sites at ICI Pakistan Limited control new substances through a procedure outlining the introduction of new chemical systems that includes risk assessments regarding potential effects on health and environment. A list of all chemical substances along with stocks is maintained and updated regularly. No chemical classified as an ODS is listed in the CSI so far
G4-EN21	NOX, SOX, and other significant air emissions	See Emissions Control in Environmental Performance

MATERIAL ASPECT: EFFLUENTS AND WASTE		
G4-EN22	Total water discharge by quality and destination	1.04 Mm3 planned water discharge to drains after effluent treatment at various sites
G4-EN23	Total weight of waste by type and disposal method	See Waste Management in Environmental Performance
G4-EN24	Total number and volume of significant spills	ICI Pakistan Limited has a system in place to monitor 'loss of containment' incidents categorised by level of severity. There was no reportable significant spillage incident in 2015-16.
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	Hazardous waste is managed by our sites and disposed of via standardised procedures including incineration, landfilling etc. 9.9 tons of hazardous waste was transported this year.
MATERIAL ASPECT: PRODUCTS AND SERVICES		
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	See Product Stewardship in Environmental Performance
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	Our manufacturing sites have laboratories in place that monitor product quality. There have been no incidents of reclamations during 2015-16.
MATERIAL ASPECT: COMPLIANCE		
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	ICI Pakistan Limited has various systems in place to monitor its environmental emissions i.e. Quarterly Corporate Reporting, Smart Reporting to the EPA etc. There has been no incident of non-compliance with laws or regulations during 2015-16.
MATERIAL ASPECT: TRANSPORT		
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce	Transportation of goods for ICI Pakistan Limited is handled by third party contractors and relevant Company HSE&S Policies are included in transportation contracts. However, ICI Pakistan Limited's HSE&S Procedures and other metrics such as DRAs and CEFIC Protocol in practice help identify areas of improvement. Other actions such as freight consolidation and reduction of paper usage are also being executed to mitigate environmental impact.

MATERIAL ASPECT: OVERALL		
G4-EN31	Total environmental protection expenditures and investments by type	Prevention and Environmental Management Cost: 5.61 M PKR Waste Disposal, Emissions Treatment and Remediation Cost: 63.33 M PKR
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT		
G4-EN32	Percentage of new suppliers that were screened using environmental criteria	ICI Pakistan Limited's Vendor Policy and Code of Conduct is signed by all critical suppliers and clearly mentions criteria for vendor screening, including focus on company's environmental footprint. Moreover, all the suppliers considered are ISO certified, which includes this criterion.
MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS		
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistelblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.
CATEGORY: SOCIAL		
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK		
MATERIAL ASPECT: EMPLOYMENT		
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	Hiring: 197 Management Employees, 186 Male, 11 Female (all at Middle Management Level); Age: 89 Nos. under 30 years, 106 Nos. 30-50 years, 02 Nos. above 50 years Turnover: (Voluntary, Dismissal, Retirement, Death included) 114 Total leavers @ 12%; 106 Male, 8 Female; Age: 35 Nos. below 35 years, 67 Nos. 30-50 years, 12 Nos. above 50 years
MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS		
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	4 weeks

MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY		
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes	Our manufacturing sites have different systems in place to promote such programmes. Monthly joint management and worker safety meetings are one such process, steered by line managers and occasionally section head of all functional departments. The agenda is set by the HSE&S department and feedback is recorded. Similarly, monthly meetings between heads of departments and site heads chaired by the HSE & Training manager are also conducted to review monthly performance on health and safety. These meetings ensure 100% participation by the workforce.
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Social Performance: Health, Safety, Environment & Security
G4-LA8	Health and safety topics covered in formal agreements with trade unions	Overview & Strategy: Health, Safety, Environment & Security
MATERIAL ASPECT: TRAINING AND EDUCATION		
G4-LA9	Average hours of training per year per employee by gender, and by employee category	Male: 3.91, Female: 3.81 G30: 3.08; G31: 2.79; G32: 3.36; G33: 4.24; G34: 4.65; G35: 7.94; G36: 6.67; G37: 7.77; G38: 8.29; Trainee: 5.04; WL-4: 5.06 The data mentioned is in man days.
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	99 % as of August 25, 2016. This is a continuous process that covers all management employees through online objectives, career discussions and year end assessments.
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY		
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	There are different governance bodies formed relating to different policies which makes providing these figures a challenge.

MATERIAL ASPECT: EQUAL REMUNERATION FOR WOMEN AND MEN		
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	ICI Pakistan Limited is an equal opportunity employer and salary and remuneration is solely based on market competitiveness, relevant grade of the individual in the company, experience etc. There is no discrimination based on gender.
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES		
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria	ICI Pakistan Limited's Vendor Policy and Code of Conduct is signed by all critical suppliers and clearly mentions criteria for vendor screening, including focus on company's environmental footprint. Moreover, all the suppliers considered are ISO certified, which includes this criterion.
MATERIAL ASPECT: LABOR PRACTICES GRIEVANCE MECHANISMS		
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistelblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.
SUB-CATEGORY: HUMAN RIGHTS		
MATERIAL ASPECT: INVESTMENT		
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. In addition to that, 428 man days of trainings are conducted on human rights policies. 30% of employees were covered in 2015-16 but this is a continuous process for all employees.
MATERIAL ASPECT: NON-DISCRIMINATION		
G4-HR3	Total number of incidents of discrimination and corrective actions taken	ICI Pakistan Limited has in place a Speak Up whistleblowing programme encompassing all stakeholders to register any such instance. No incident was reported.
MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. There has been no such incident reported during 2015-16.

MATERIAL ASPECT: CHILD LABOR		
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	ICI Pakistan's Vendor Policy and Code of Conduct are signed by all important suppliers and clearly mention criteria for vendor screening, including focus on the Company's environmental footprint. Moreover, all suppliers considered are ISO certified, which also includes this criterion.
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR		
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	ICI Pakistan Limited's Vendor Policy and Code of Conduct are signed by all important suppliers and clearly mention criteria for vendor screening, including focus on the Company's environmental footprint. Moreover, all suppliers considered are ISO certified, which also includes this criterion.
MATERIAL ASPECT: SECURITY PRACTICES		
G4-HR7	Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations	100% of security staff is trained on the various security and safety procedures of ICI Pakistan Limited that cover relevant human rights procedures. Security guards are provided by a contractor and training of all guards is mandatory for safe working at our sites. Refresher courses are repeated frequently.
MATERIAL ASPECT: INDIGENOUS RIGHTS		
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistleblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.
MATERIAL ASPECT: ASSESSMENT		
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. Various other mechanisms, are present to address relevant issues and actions are planned accordingly when required.
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	ICI Pakistan Limited's Vendor Policy and Code of Conduct is signed by all critical suppliers and clearly mentions criteria for vendor screening, including focus on company's environmental footprint. Moreover, all the suppliers considered are ISO certified, which includes this criterion.

MATERIAL ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS		
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	ICI Pakistan Limited has in place a Speak Up whistleblowing programme encompassing all the stakeholders to register any instance. One incident was reported but not confirmed after investigation.
SUB-CATEGORY: SOCIETY		
MATERIAL ASPECT: LOCAL COMMUNITIES		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	Social Performance: Community Investment
G4-SO2	Operations with significant actual and potential negative impacts on local communities	ICI Pakistan takes community into consideration by having a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programs, active coordination and extended support. Speak Up program encompassing all the stakeholders is also in place to register any instance. There has been no incident of grievances during 2015-16.
MATERIAL ASPECT: ANTI-CORRUPTION		
G4-SO5	Confirmed incidents of corruption and actions taken	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. There has been no such incident reported during 2015-16.
MATERIAL ASPECT: PUBLIC POLICY		
G4-SO6	Total value of political contributions by country and recipient/beneficiary	No political contribution however, ICI Pakistan Limited has a strong history of community service and adding to the development of the country. Social Performance: Community Investment.
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR		
G4-SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	All new joiners go through the Code of Conduct policy on the ICI Pakistan Limited website. All existing employees acknowledge the information and compliance to Code of Conduct policy during the yearly online performance appraisal process. However, there has been no such incident reported during 2015-16.
MATERIAL ASPECT: COMPLIANCE		
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistleblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.

MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY		
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society	ICI Pakistan's Vendor Policy and Code of Conduct are signed by all important suppliers and clearly mention criteria for vendor screening, including focus on the Company's environmental footprint. Moreover, all suppliers considered are ISO certified, which also includes this criterion.
MATERIAL ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY		
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	ICI Pakistan Limited takes the community into consideration by appointing a key contact at each location of signification operation. This bridge is strengthened through annual gatherings, community investment programmes, active coordination and extended support. A Speak Up whistleblowing programme encompassing all stakeholders is also in place to register any instance or complaints. There has been no incident of grievances during 2015-16.
SUB-CATEGORY: PRODUCT RESPONSIBILITY		
MATERIAL ASPECT: CUSTOMER HEALTH AND SAFETY		
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Environmental Performance: Product Stewardship
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	ICI Pakistan Limited Vendor Policy and Code of Conduct are signed by all important suppliers and clearly mention criteria for vendor screening, including focus on the Company's environmental footprint. Moreover, all suppliers considered are ISO certified, which also includes this criterion.
MATERIAL ASPECT: PRODUCT AND SERVICE LABELING		
G4-PR3	Type of product and service information required by the organisation's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	ICI Pakistan Limited has issued a Standard Technical Notes Information Package which provides guidelines and information regarding properties and components of product, packaging and labelling, storage, application, sourcing of the product, safe use at each stage, proper disposal and others. These procedures and routines cover the entire product line of the Soda Ash and Polyester Business. The Material Safety Data Sheet provides further information about the safety and environmental impacts of the product. Similarly, Life Sciences Business conform to Pharmaceuticals Drap Act 2012, Drug Labeling Rules 1976, The Agricultural Pesticides Ordinance 1973, Punjab Fertilizer (Control) Order 1973, Seed Act 1976 and Truth in Labelling Rule 1991 for its product portfolio. Cross examination and authenticity check is conducted by Variety Evaluation Committee. Chemicals Business has "New Product Development Brief" and "New Material Acceptance Checklist" for their product portfolio.

G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	ICI Pakistan Limited follows recognised standards and procedures, in addition there are systems in place to cross examine and authenticate this information. There have been no incidents of non-compliance during 2015-16.
G4-PR5	Results of surveys measuring customer satisfaction	Polyester Business scored well above competitors in Technical Services and Sales Services. The Agri Division of Life Sciences showed overall satisfaction and high ratings regarding products and services. Chemicals Business also scored well above competition average. Action planning is done by each Business to further improve their scores.
MATERIAL ASPECT: MARKETING COMMUNICATIONS		
G4-PR6	Sale of banned or disputed products	The registration of Somatech was reinstated through an interim order of the Sindh High Court.
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	ICI Pakistan Limited follows recognised standards and procedures, in addition there are systems in place to cross examine and authenticate this information. There has been no incident of non-compliance during 2015-16.
MATERIAL ASPECT: CUSTOMER PRIVACY		
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Customer centricity being one of the core values of ICI Pakistan Limited, we operate in close coordination with our customers. All existing employees acknowledge the information and compliance to Code of Conduct policy as well during the yearly online performance appraisal process. There has been no such incident reported during 2015-16.
MATERIAL ASPECT: COMPLIANCE		
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	ICI Pakistan Limited follows recognised standards and procedures, in addition there are systems in place to cross examine and authenticate the information. There has been no incident of non-compliance during 2015-16.

Independent Assurance Statement

Scope and objectives

ICI Pakistan Limited (ICI) commissioned United Registrar of Systems (URS) to undertake an independent assurance of its Sustainability Report for the period July 2015 to June 2016 (the "Report").

URS has developed a set of protocols for the Assurance of Sustainability Reports based on current best practice guidance provided in the Global Reporting Initiative (hereinafter referred to as GRI) Sustainability Reporting Guidelines. Also we have evaluated the client's report for adherence to the Principles of stakeholder inclusiveness, materiality and responsiveness. These protocols follow differing options for Assurance and are dependent upon the reporting history and capabilities of the Reporting Organization.

We understand that the reported economic data and information provided are based on data from the Annual Report for 2015-2016, which are subject to a separate audit process. The review of financial data taken from the Annual Report is not within the scope of our work.

The assurance comprised of pre-assurance work, discussion with relevant custodians responsible for CSR activities, review of documentation and records where relevant.

Responsibilities of ICI Pakistan Limited and of the Assurance provider

The management of ICI has sole responsibility for the preparation of the Report. In performing our assurance work, our responsibility is to the management of ICI, however our statement represents our independent opinion and is intended for information of all of ICI's stakeholders. URS was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement.

Basis of our opinion

URS undertook the following activities:

- Review of the current sustainability issues that could affect ICI and are of interest to stakeholders;
- Review of ICI's approach to stakeholder engagement and recent outputs from these activities at different locations of their business;
- Review of information provided to us by ICI on its reporting and management processes relating to the Principles;
- Review of the processes and supporting evidence for claims and data in the report. These were largely prioritized on the materiality of issues.
- A review of the processes undertaken by ICI to understand how they have applied reporting principles set out within the GRI G4 guidelines.
- An independent assessment of ICI's reporting in accordance with the Core Option of the GRI G4 Reporting Guidelines.

We believe that the information we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Assurance Opinion

On the methodology described above, URS is satisfied that the information and data contained within ICI's Sustainability Report of 2015-2016 is reliable and provides a fair and balanced representation of ICI's Sustainability initiatives.

We believe that ICI has chosen an appropriate level of assurance for this stage in their reporting. The current ICI report is the eighth report to be assured by URS and this has been ICI's first attempt to report against the GRI G4 guidelines.

The contents of this report are adequately in line with the "Core" elements of the GRI G4 guidelines. The material aspects and their boundaries are properly defined. Disclosures of identified material aspects and stakeholder engagement are correctly located in the report. Disclosures on Management Approach components, such as goals and targets, specific actions taken to achieve the expected results, may be further enhanced in the next report.

Observations

Without affecting our assurance opinion we also provide the following observations.

Stakeholder Inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

ICI is committed to being accountable to its stakeholders and to integrating inclusivity into its management approach. A variety of engagement efforts such as surveys and communication with employees, local communities, suppliers and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, ICI may proactively consider more direct two way involvement of stakeholders and reporting on the outcome of this engagement in future sustainability reports.

Materiality

The process for determining the issues that are most relevant to an organization and its stakeholders.

We noted ICI's endeavors for clearer and focused reporting, including its transition to the G4 guidelines. The materiality exercise has helped prioritize the sustainability program and report and we look forward to seeing how this is refined in the next year.

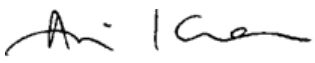
We have observed that ICI's sustainability program includes topics that are being managed and for which data are collected across the different business Groups. Even though some of these data are considered material by the business, currently only limited performance information is reported externally in some of the focus areas of the sustainability agenda. We recommend using the updates to stakeholder engagement and materiality processes to consider reviewing the entire data and information ICI discloses in its sustainability report.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback. Future reporting would benefit from more reporting on the results of stakeholder feedback from this report.

ICI's data collection procedures and controls are good; however we recommend that they should continue to develop measurable, quantitative sustainability targets for both the medium and long term.



Ali Khan
Chief Executive
United Registrar of Systems – Pakistan
September 16, 2016

Financial Performance

ZEROING IN ON OUR TARGETS

ICI Pakistan Limited, over the years has shown the results of firm determination and unyielding drive to perform better than the rest.

This section outlines the performance and growth of ICI Pakistan Limited's four Businesses in 2015-16.



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ICI Pakistan Limited
Financial Statements

Auditors' Report to the Members

We have audited the annexed unconsolidated balance sheet of **ICI Pakistan Limited** (the Company) as at **30 June 2016** 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 2016** 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.



Date: 30 August, 2016

Karachi

E&Y Ford Rhodes
Chartered Accountants
Shariq Ali Zaidi

Unconsolidated Balance Sheet
As at June 30, 2016

Amounts in PKR '000

	Note	**June 30, 2016**	June 30, 2015
ASSETS			
Non-current assets			
Property, plant and equipment	3	**17,040,334**	14,236,363
Intangible assets	4	**16,460**	28,318
		17,056,794	14,264,681
Long-term investments	5	**1,462,976**	1,222,976
Long-term loans	6	**356,330**	324,610
Long-term deposits and prepayments	7	**33,594**	30,777
		1,852,900	1,578,363
		18,909,694	15,843,044
Current assets			
Stores, spares and consumables	8	**811,963**	653,582
Stock-in-trade	9	**5,296,746**	4,921,766
Trade debts	10	**1,640,447**	1,431,370
Loans and advances	11	**391,342**	323,696
Trade deposits and short-term prepayments	12	**428,713**	412,133
Other receivables	13	**726,683**	909,710
Taxation - net		**2,236,155**	2,054,870
Cash and bank balances	14	**146,287**	119,612
		11,678,336	10,826,739
Total assets		**30,588,030**	26,669,783

Amounts in PKR '000

	Note	June 30, 2016	June 30, 2015
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
1,500,000,000 (June 30, 2015: 1,500,000,000) ordinary shares of PKR 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		**13,183,294**	11,483,846
Total equity		**14,416,528**	12,717,080
Surplus on revaluation of property, plant and equipment	17	**829,645**	576,458
Non-current liabilities			
Provisions for non-management staff gratuity	18	**90,867**	87,422
Long-term loans	19	**3,652,586**	1,493,943
Deferred tax liability - net	20	**1,430,789**	1,181,167
		5,174,242	2,762,532
Current liabilities			
Trade and other payables	21	**7,731,736**	7,717,908
Accrued mark-up		**77,663**	56,658
Short-term borrowings and running finance	22	**1,964,433**	1,883,592
Current portion of long-term loans		**393,783**	955,555
		10,167,615	10,613,713
Total equity and liabilities		**30,588,030**	26,669,783
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, 2016

Amounts in PKR '000

	Note	**For the year ended June 30, 2016**	For the year ended June 30, 2015
Turnover	25.1	**42,689,368**	42,593,948
Sales tax, commission and discounts	24	**(5,734,931)**	(5,078,620)
Net turnover		**36,954,437**	37,515,328
Cost of sales	25.2	**(30,475,911)**	(31,725,574)
Gross profit		**6,478,526**	5,789,754
Selling and distribution expenses	27	**(2,118,142)**	(1,781,989)
Administration and general expenses	28	**(881,677)**	(963,658)
Operating result		**3,478,707**	3,044,107
Other charges	29	**(284,840)**	(231,373)
Finance costs	30	**(383,298)**	(402,787)
		(668,138)	(634,160)
Other income	31	**687,697**	293,547
Profit before taxation		**3,498,266**	2,703,494
Taxation	32	**(655,080)**	(577,786)
Profit after taxation		**2,843,186**	2,125,708
Basic and diluted earnings per share (PKR)	33	**30.78**	23.02

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, 2016

Amounts in PKR '000

	For the year ended June 30, 2016	For the year ended June 30, 2015
Profit after taxation	**2,843,186**	2,125,708
Items to be reclassified to profit or loss in subsequent periods:		
Loss on hedge during the year	**(2,285)**	(461)
Income tax relating to hedging reserve	**731**	128
	(1,554)	(333)
Adjustments for amounts transferred to initial carrying amounts of hedged item - capital work-in-progress	**1,554**	333
	-	-
Items not to be reclassified to profit or loss in subsequent periods:		
Actuarial (loss) / gain on defined benefit plans	**(18,030)**	167,444
Income tax effect	**4,070**	(49,811)
	(13,960)	117,633
Total comprehensive income for the year	**2,829,226**	2,243,341

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, 2016

Amounts in PKR '000

	For the year ended June 30, 2016	For the year ended June 30, 2015
Cash flows from operating activities		
Profit before taxation	**3,498,266**	2,703,494
Adjustments for:		
Depreciation and amortisation - note 3.5 and 4.1	**1,899,238**	1,657,278
Loss / (gain) on disposal of operating fixed assets - note 29 and 31	**2,701**	(5,532)
Provision for staff retirement benefit plan - note 18.1.1	**25,925**	38,071
Provision for non-management staff gratuity and eligible retired employees' medical scheme	**32,450**	11,583
Interest on short-term bank deposits	**(2,067)**	(649)
Dividend from investment in equity shares - note 31	**-**	(40,000)
Dividend from subsidiary - note 31	**(150,000)**	-
Dividend from associate - note 31	**(458,375)**	(150,000)
Interest expense	**324,229**	354,795
Provision for doubtful debts - note 40.6	**10,190**	26,195
Provision for slow moving and obsolete stock-in-trade note 9.1	**22,254**	36,000
Provision for slow moving and obsolete stores and spares - note 8.2	**4,060**	15,044
Provisions and accruals no longer required written back - note 31	**(369)**	(9,936)
	5,208,502	4,636,343
Movement in:		
Working capital (Ref. 1)	**(385,950)**	453,029
Long-term loans	**(31,720)**	(71,133)
Long-term deposits and prepayments	**(2,817)**	(2,935)
Cash generated from operations	**4,788,015**	5,015,304
Payments for :		
Staff retirement benefit plans - note 18.1.2	**(65,511)**	(60,477)
Non-management staff gratuity and eligible retired employees' medical scheme	**(29,677)**	(24,088)
Taxation	**(709,498)**	(824,476)
Interest	**(303,223)**	(357,846)
Net cash generated from operating activities	**3,680,106**	3,748,417
Cash flows from investing activities		
Capital expenditure	**(4,518,496)**	(3,855,116)
Proceeds from disposal of operating fixed assets	**11,010**	11,995
Interest received on bank deposits	**795**	649
Investment in associate	**(240,000)**	(720,000)
Dividend from investment in equity shares	**-**	40,000
Dividend received	**608,375**	150,000
Net cash used in investing activities	**(4,138,316)**	(4,372,472)

Amounts in PKR '000

	For the year ended June 30, 2016	For the year ended June 30, 2015
Cash flows from financing activities		
Long-term loans obtained / (repaid)	**1,596,871**	(737,529)
Dividends paid	**(1,192,827)**	(817,123)
Net cash generated from / (used in) financing activities	**404,044**	(1,554,652)
Net decrease in cash and cash equivalents	**(54,166)**	(2,178,707)
Cash and cash equivalents at the beginning of the year	**(1,763,980)**	414,727
Cash and cash equivalents at the end of the year	**(1,818,146)**	(1,763,980)
Ref. 1: Movement in working capital		
(Increase) / decrease in current assets		
Stores, spares and consumables	**(162,441)**	(109,370)
Stock-in-trade	**(397,236)**	(375,130)
Trade debts	**(219,270)**	(599,216)
Loans and advances	**(67,276)**	(122,639)
Trade deposits and short-term prepayments	**6,554**	(12,062)
Other receivables	**184,299**	511,085
	(655,370)	(707,332)
Increase in current liabilities		
Trade and other payables	**269,420**	1,160,361
	(385,950)	453,029
Cash and cash equivalents at the end of the year comprise of:		
Cash and bank balances - note 14	**146,287**	119,612
Short-term borrowings and running finance - note 22	**(1,964,433)**	(1,883,592)
	(1,818,146)	(1,763,980)

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, 2016

Amounts in PKR '000

	Issued, subscribed and paid-up capital	Capital reserves	Unappropriated profit	Total
As at July 01, 2014	**923,591**	**309,643**	**10,004,193**	**11,237,427**
Final dividend for the year ended June 30, 2014 @ PKR 4.00 per share	-	-	(369,436)	(369,436)
Interim dividend for the year ended June 30, 2015 @ PKR 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**
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)
	-	**-**	**(1,200,674)**	**(1,200,674)**
Profit for the year	-	-	2,843,186	2,843,186
Other comprehensive income for the year, net of tax	-	-	(13,960)	(13,960)
Total comprehensive income	**-**	**-**	**2,829,226**	**2,829,226**
Transfer from surplus on revaluation of property, plant and equipment - incremental depreciation for the year - net of deferred tax - note 17	-	-	70,896	70,896
	-	**-**	**70,896**	**70,896**
As at June 30, 2016	**923,591**	**309,643**	**13,183,294**	**14,416,528**

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, 2016

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 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

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 PKR '000

	As at June 30, 2016	As at June 30, 2015
3. Property, plant and equipment		
3.1 The following is a statement of property, plant and equipment:		
Operating fixed assets - note 3.2	**15,878,014**	12,573,587
Capital work-in-progress - note 3.7	**1,162,320**	1,662,776
	17,040,334	14,236,363

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, 2016									
Net carrying value basis										
Opening net book value (NBV)	**468,308**	**-**	**123,116**	**727,144**	**1,144,223**	**9,889,973**	**-**	**22,826**	**197,997**	**12,573,587**
Addition / transfer - note 3.2.1	**22,713**	**-**	**92,052**	**42,856**	**832,025**	**3,685,378**	**-**	**4,347**	**65,516**	**4,744,887**
Revaluation	**28,697**	**-**	**13,842**	**3,826**	**82,529**	**322,014**	**-**	**-**	**-**	**450,908**
Disposal (at NBV)	**-**	**-**	**(39)**	**-**	**(6,966)**	**(5,665)**	**-**	**(622)**	**(420)**	**(13,712)**
Depreciation charge - note 3.5	**-**	**-**	**(13,566)**	**(69,169)**	**(121,985)**	**(1,597,679)**	**-**	**(11,093)**	**(64,164)**	**(1,877,656)**
Closing net book value	**519,718**	**-**	**215,405**	**704,657**	**1,929,826**	**12,294,021**	**-**	**15,458**	**198,929**	**15,878,014**
Gross carrying value basis										
Cost / revaluation	**519,718**	**562,166**	**359,553**	**2,963,939**	**3,088,418**	**28,630,883**	**297**	**127,628**	**708,059**	**36,960,661**
Accumulated depreciation	**-**	**(562,166)**	**(144,148)**	**(2,259,283)**	**(1,158,592)**	**(16,336,861)**	**(297)**	**(112,171)**	**(509,129)**	**(21,082,647)**
Closing net book value	**519,718**	**-**	**215,405**	**704,656**	**1,929,826**	**12,294,022**	**-**	**15,457**	**198,930**	**15,878,014**
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, 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	

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
3.2.1	Additions to plant and machinery include transfer from capital work-in-progress. It also includes borrowing cost for various projects determined using capitalization rate of 6.00% (June 30, 2015: 9.20%) amounting to:	**132,085**	109,705

3.2.2	Operating fixed assets include the following major spare parts and stand by equipment:		
	Cost	**399,471**	384,087
	Net book value	**160,745**	181,539

3.3 Subsequent to revaluations on October 1, 1959, September 30, 2000, December 15, 2006 and December 31, 2011 which had resulted in a surplus of PKR 14.207 million, PKR 1,569.869 million, PKR 667.967 million and PKR 712.431 million respectively as at June 30, 2016, further revaluation was conducted resulting in revaluation surplus net of deferred tax liability of PKR 320.701 million. 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:

	As at June 30, 2016	As at June 30, 2015
Cost	**8,111**	8,111
Net book value	**4,168**	4,900

		For the year ended June 30, 2016	For the year ended June 30, 2015
3.5	The depreciation charge for the year has been allocated as follows:		
	Cost of sales	**1,820,918**	1,553,688
	Selling and distribution expenses	**20,862**	15,015
	Administration and general expenses	**35,876**	43,007
		1,877,656	1,611,710

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, 2016	As at June 30, 2015
Net book value		
Freehold land	**191,741**	169,028
Buildings	**2,420,733**	1,743,972
Plant and machinery	**11,553,572**	9,471,538
	14,166,046	11,384,538

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
3.7	Capital work-in-progress comprises of:		
	Civil works and buildings	**443,249**	327,797
	Plant and machinery	**528,556**	844,743
	Miscellaneous equipment	**28,825**	88,840
	Advances to suppliers / contractors	**70,571**	353,678
	Designing, consultancy and engineering fee	**91,119**	47,718
		1,162,320	1,662,776
3.7.1	This includes interest charged in respect of long-term loans obtained for various projects determined using capitalization rate of 5.48% (June 30, 2015: 8.83%) amounting to:	**5,498**	30,873
3.7.2	The following is the movement in capital work-in-progress during the year:		
	Balance at the beginning of the year	**1,662,776**	896,051
	Addition during the year	**4,183,925**	4,167,569
		5,846,701	5,063,620
	Transferred to operating fixed assets during the year	**(4,684,381)**	(3,400,844)
	Balance at the end of the year	**1,162,320**	1,662,776

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

	Mode of sale	Cost	Accumulated depreciation	Net book value	Sale proceeds	Particulars of buyers
As at June 30, 2016						
Plant and machinery						
65 Ktpa plant, Sodium bicarbonate plant and commissioning cost	Scrap	27,813	23,967	4,859	644	Ghouri Scrap Dealer Mandi Bahauddin
Building on leasehold land						
Infrastructure refurbishment	Bidding	14,261	7,545	6,716	1,020	Awan Brothers Karimpura, Khewra and Ghouri Scrap Dealer Mandi Bahauddin
Furniture and equipments						
HP server for PIII and IBM	Scrap	5,824	5,534	290	320	M/s Sh. Auyoub, Sheikhupura
Rolling stock & vehicles						
Fleet car	Auction	622	-	622	4,615	Syed Nadeem Raza Ali, Karachi
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

Amounts in PKR '000

4 Intangible assets

	As at June 30, 2016		
	Software	**Licenses**	**Total**
Net carrying value basis			
Opening net book value (NBV)	**1,980**	**26,338**	**28,318**
Addition / transfer	**6,096**	**3,628**	**9,724**
Amortisation charge - note 4.1	**(1,546)**	**(20,036)**	**(21,582)**
Closing net book value	**6,530**	**9,930**	**16,460**
Gross carrying amount			
Cost	**179,407**	**200,674**	**380,081**
Accumulated amortisation	**(172,877)**	**(190,744)**	**(363,621)**
Closing net book value	**6,530**	**9,930**	**16,460**
Rate of amortisation % per annum	**20**	**20 to 50**	

	As at June 30, 2015		
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
Rate of amortisation % per annum	20	20 to 50	

	For the year ended June 30, 2016	For the year ended June 30, 2015
4.1 The amortisation charge for the year has been allocated as follows:		
Cost of sales	**4,491**	14,219
Selling and distribution expenses	**2,632**	4,649
Administration and general expenses	**14,459**	26,700
	21,582	45,568

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
5.	**Long-term investments**		
	Unquoted - at cost		
	Subsidiary		
	– ICI Pakistan PowerGen Limited (wholly owned)		
	7,100,000 ordinary shares (June 30, 2015: 7,100,000) of PKR 100 each - note 5.1	**710,000**	710,000
	Provision for impairment loss - note 5.2	**(209,524)**	(209,524)
		500,476	500,476
	Associate		
	- NutriCo Pakistan (Private) Limited 40% ownership (June 30, 2015: 30%) - note 5.3		
	200,000 ordinary shares (June 30, 2015: 125,000) of PKR 1,000 each and premium of PKR 3,800 (June 30, 2015: PKR 4,760) per share	**960,000**	720,000
	Others		
	Equity security available-for-sale		
	– Arabian Sea Country Club Limited		
	250,000 ordinary shares (June 30, 2015: 250,000) of PKR 10 each	**2,500**	2,500
		1,462,976	1,222,976
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, 2016:	**831,156**	871,533

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.

5.3 During the year, the Company invested remaining PKR 240 million against right issue in NutriCo Pakistan (Private) Limited upon approval of shareholders in EOGM resulting in increase in shareholding from 30% to 40% effective from April 01, 2016.

		As at June 30, 2016	As at June 30, 2015
6.	**Long-term loans**		
	Considered good		
	Due from executives and employees - note 6.1	**356,330**	324,610

6.1 Due from executives and employees

	Motor car	House building	Total	Total
Due from executives - note 6.2, 6.3 and 6.4	**222,846**	**59,008**	**281,854**	245,006
Receivable within one year	**(35,603)**	**(33,028)**	**(68,631)**	(53,352)
	187,243	**25,980**	**213,223**	191,654
Due from employees - note 6.3			**177,367**	164,926
Receivable within one year			**(34,260)**	(31,970)
			143,107	132,956
			356,330	324,610
Outstanding for period:				
- less than three years but over one year			**274,688**	125,397
- more than three years			**81,642**	199,213
			356,330	324,610

6.2	Reconciliation of the carrying amount of loans to executives:		
	Balance at the beginning of the year	**245,006**	202,734
	Disbursements during the year	**124,213**	108,155
	Received during the year	**(87,365)**	(65,883)
	Balance at the end of the year	**281,854**	245,006

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:	**301,009**	245,006

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
7.	**Long-term deposits and prepayments**		
	Deposits	**28,209**	27,323
	Prepayments	**5,385**	3,454
		33,594	30,777
8.	**Stores, spares and consumables**		
	Stores - note 8.1	**99,618**	55,811
	Spares - note 8.1	**744,789**	663,018
	Consumables	**115,074**	103,300
		959,481	822,129
	Provision for slow moving and obsolete stores and spares - note 8.2	**(147,518)**	(168,547)
		811,963	653,582
8.1	The above amounts include stores and spares in transit:	**69,357**	27,516
8.2	Movement of provision for slow moving and obsolete stores and spares is as follows:		
	Balance at the beginning of the year	**168,547**	184,735
	Charge for the year - note 28	**4,060**	15,044
	Write-off during the year	**(25,089)**	(31,232)
	Balance at the end of the year	**147,518**	168,547
9.	**Stock-in-trade**		
	Raw and packing material includes in-transit PKR 814.638 million (June 30, 2015: PKR 430.910 million) - note 9.3	**2,269,497**	2,070,383
	Work-in-process	**140,179**	96,034
	Finished goods include in-transit PKR Nil (June 30, 2015: PKR 348.217 million)	**3,019,011**	2,882,416
		5,428,687	5,048,833
	Provision for slow moving and obsolete stock-in-trade - note 9.1		
	- Raw material	**(11,381)**	(13,659)
	- Finished goods	**(120,560)**	(113,408)
		(131,941)	(127,067)
		5,296,746	4,921,766
9.1	Movement of provision for slow moving and obsolete stock-in-trade is as follows:		
	Balance at the beginning of the year	**127,067**	97,708
	Charge for the year - note 28	**22,254**	36,000
	Write-off during the year	**(17,380)**	(6,641)
	Balance at the end of the year	**131,941**	127,067

9.2 Stock amounting to PKR 338.822 million (June 30, 2015: PKR 498.295 million) is measured at net realisable value and expense amounting to PKR 10.999 million (June 30, 2015: PKR 9.465 million) has been charged to cost of sales.

9.3	Raw and packing materials held with various toll manufacturers:	**242,400**	556,110

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
10.	**Trade debts**		
	Considered good		
	- Secured	**354,530**	168,723
	- Unsecured	**1,579,697**	1,474,293
		1,934,227	1,643,016
	Considered doubtful	**43,955**	40,987
		1,978,182	1,684,003
	Provision for:		
	- Doubtful debts - note 40.4 and 40.6	**(43,955)**	(40,987)
	- Discounts payable on sales	**(293,780)**	(211,646)
		(337,735)	(252,633)
		1,640,447	1,431,370

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	**265**	1,273
Unsecured		
Yunus Textile Mills Limited	**179**	15,190
Lucky Textile Mills Limited	**948**	4,231
Lucky Knits (Private) Limited	**472**	499
Oil & Gas Development Company Limited	**14**	-
NutriCo Pakistan (Private) Limited	**2,393**	11,095
Feroze 1888 Mills Limited	**331**	377
	4,602	32,665

11.	**Loans and advances**		
	Considered good		
	Loans due from:		
	Director and executives - note 11.1	**82,097**	59,667
	Employees	**34,260**	31,970
		116,357	91,637
	Advances to:		
	Executives	**10,604**	8,118
	Employees	**411**	319
	Contractors and suppliers	**261,572**	219,513
	Others	**2,398**	4,109
		274,985	232,059
		391,342	323,696
	Considered doubtful	**-**	-
		391,342	323,696

11.1 The maximum aggregate amount of loans due at the end of any month during the year from:

Directors	**14,142**	9,315
Executives	**68,691**	12,401

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
12.	**Trade deposits and short-term prepayments**		
	Trade deposits	**37,796**	28,194
	Short-term prepayments	**390,917**	383,939
		428,713	412,133
13.	**Other receivables**		
	Considered good		
	Duties, sales tax and octroi refunds due	**474,309**	328,126
	Commission and discounts receivable	**28,046**	25,002
	Receivable from principal - note 13.1	**184,950**	483,504
	Others	**39,378**	73,078
		726,683	909,710
	Considered doubtful	**1,622**	1,622
		728,305	911,332
	Provision for doubtful receivables - note 13.2	**(1,622)**	(1,622)
		726,683	909,710
13.1	This includes receivable from a foreign vendor in relation to margin support guarantee:	**118,528**	401,706
13.2	Movement of provision for doubtful receivables		
	Balance at the beginning of the year	**1,622**	20,237
	Write-off during the year	**-**	(18,615)
	Balance at the end of the year	**1,622**	1,622
14.	**Cash and bank balances**		
	Cash at banks:		
	- Short-term deposits - note 14.1	**135,878**	106,000
	- Current accounts	**4,696**	9,047
	Cash in hand	**5,713**	4,565
		146,287	119,612

14.1 Represent security deposits from customers that are placed with various banks at pre-agreed rate maturing at various dates. These are interest based arrangements. The mark-up on these deposits ranges from 6.00% to 7.00% (June 30, 2015: 10.00%) and these term deposits are readily encashable without any penalty.

Amounts in PKR '000

As at June 30, 2016 (Numbers)	As at June 30, 2015		As at June 30, 2016	As at June 30, 2015
15. Issued, subscribed and paid-up capital				
83,734,062	83,734,062	Ordinary shares of PKR 10 each fully paid in cash	**837,341**	837,341
211,925	211,925	Ordinary shares of PKR 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 PKR 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 As at June 30, 2016, Lucky Holdings Limited together with Gadoon Textile Mills and Lucky Textile Mills Limited held 86.67% (June 30, 2015: 86.72%) shares, while institutions held 8.25%, and individuals and others held the balance of 5.08%.

	As at June 30, 2016	As at June 30, 2015
16. Capital reserves		
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 PKR 0.902 million received on shares issued for the Company's Polyester Plant installation in 1980 and share premium of PKR 464.357 million representing the difference between nominal value of PKR 10 per share of 12,618,391 ordinary shares issued by the Company and the market value of PKR 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.

	As at June 30, 2016	As at June 30, 2015
17. Surplus on revaluation of property, plant and equipment		
Balance at the beginning of the year	**576,458**	639,372
Revaluation surplus - note 3.2 and 3.3	**450,908**	-
Deferred tax liability recognised on surplus - note 20	**(130,207)**	-
	320,701	-
Adjustment due to change in tax rate - note 20.1	**3,382**	4,630
Transferred to unappropriated profit in respect of incremental depreciation during the year - net of deferred tax	**(70,896)**	(67,544)
Balance at the end of the year	**829,645**	576,458

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
18.	**Provisions for non-management staff gratuity**	**90,867**	87,422

18.1 Staff retirement benefits

		2016				2015			
			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	**16,554**	**38,673**	**55,227**	**3,389**	16,808	37,326	54,134	3,158
	Interest cost	**85,424**	**52,368**	**137,792**	**7,661**	113,592	69,378	182,970	9,455
	Expected return on plan assets	**(123,707)**	**(44,814)**	**(168,521)**	**-**	(152,025)	(48,038)	(200,063)	-
	Past service cost / (reversal)	**-**	**1,427**	**1,427**	**(1,427)**	-	1,030	1,030	(1,030)
	Net (reversal) / charge for the year	**(21,729)**	**47,654**	**25,925**	**9,623**	(21,625)	59,696	38,071	11,583
	Other comprehensive income:								
	Loss / (gain) on obligation	**54,496**	**28,629**	**83,125**	**1,579**	16,941	(33,989)	(17,048)	3,448
	(Gain) on plan assets	**(43,712)**	**(22,962)**	**(66,674)**	**-**	(104,216)	(49,628)	(153,844)	-
	Net (gain) / loss	**10,784**	**5,667**	**16,451**	**1,579**	(87,275)	(83,617)	(170,892)	3,448
18.1.2	**Movement in the net assets / (liability) recognised in the balance sheet are as follows:**								
	Opening balance	**410,328**	**(112,336)**	**297,992**	**(87,422)**	301,428	(196,734)	104,694	(77,842)
	Net reversal / (charge) - note 18.1.1	**21,729**	**(47,654)**	**(25,925)**	**(9,623)**	21,625	(59,696)	(38,071)	(11,583)
	Other comprehensive (income) / loss	**(10,784)**	**(5,667)**	**(16,451)**	**(1,579)**	87,275	83,617	170,892	(3,448)
	Contributions / payments during the year	**-**	**65,511**	**65,511**	**7,757**	-	60,477	60,477	5,451
	Closing balance	**421,273**	**(100,146)**	**321,127**	**(90,867)**	410,328	(112,336)	297,992	(87,422)
18.1.3	**The amounts recognised in the balance sheet are as follows:**								
	Fair value of plan assets - note 18.1.5	**1,453,265**	**555,929**	**2,009,194**	**-**	1,365,979	470,938	1,836,917	-
	Present value of defined benefit obligation - note 18.1.4	**(1,031,992)**	**(656,075)**	**(1,688,067)**	**(90,867)**	(955,651)	(583,274)	(1,538,925)	(87,422)
	Net asset / (liability)	**421,273**	**(100,146)**	**321,127**	**(90,867)**	410,328	(112,336)	297,992	(87,422)

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

18.1.4	**Movement in the present value of defined benefit obligation:**								
	Opening balance	**955,651**	**583,274**	**1,538,925**	**87,422**	973,534	575,925	1,549,459	77,842
	Current service cost	**16,554**	**38,673**	**55,227**	**3,389**	16,808	37,326	54,134	3,158
	Interest cost	**85,424**	**52,368**	**137,792**	**7,661**	113,592	69,378	182,970	9,455
	Benefits paid	**(80,133)**	**(48,296)**	**(128,429)**	**(7,757)**	(165,224)	(66,396)	(231,620)	(5,451)
	Actuarial loss / (gain)	**54,496**	**28,629**	**83,125**	**1,579**	16,941	(33,989)	(17,048)	3,448
	Past service cost / (reversal)	**-**	**1,427**	**1,427**	**(1,427)**	-	1,030	1,030	(1,030)
	Closing balance	**1,031,992**	**656,075**	**1,688,067**	**90,867**	955,651	583,274	1,538,925	87,422
18.1.5	**Movement in the fair value of plan assets:**								
	Opening balance	**1,365,979**	**470,938**	**1,836,917**	**-**	1,274,962	379,191	1,654,153	-
	Expected return	**123,707**	**44,814**	**168,521**	**-**	152,025	48,038	200,063	-
	Contributions	**-**	**65,511**	**65,511**	**-**	-	60,477	60,477	-
	Benefits paid	**(80,133)**	**(48,296)**	**(128,429)**	**-**	(165,224)	(66,396)	(231,620)	-
	Actuarial gain	**43,712**	**22,962**	**66,674**	**-**	104,216	49,628	153,844	-
	Closing balance - note 18.1.7	**1,453,265**	**555,929**	**2,009,194**	**-**	1,365,979	470,938	1,836,917	-

Amounts in PKR '000

18.1.6 Historical information	June 30				December 31
	2016	2015	2014	2013	2012
Present value of defined benefit obligation	**1,778,934**	1,626,347	1,627,301	1,699,987	2,264,010
Fair value of plan assets	**(2,009,194)**	(1,836,917)	(1,654,153)	(1,655,974)	(1,509,900)
Net (asset) / liability	**(230,260)**	(210,570)	(26,852)	44,013	754,110

18.1.7 Major categories / composition of plan assets are as follows:	**2016**	2015
Debt instruments	**72.37%**	77.04%
Equity at market value	**26.95%**	23.37%
Cash / Others	**0.67%**	-0.41%

Fair value of plan asset	**Pension**	**Gratuity**	Pension	Gratuity
	As at June 30, 2016		As at June 30, 2015	
Investment				
National savings deposits	**256,738**	**17,051**	262,604	15,580
Government bonds	**852,610**	**327,732**	820,415	310,846
Mutual funds - equity	**60,873**	**38,750**	-	-
Corporate bonds	**-**	**-**	-	5,777
Shares	**274,215**	**167,694**	285,632	143,569
Cash	**8,829**	**11,590**	4,807	764
Benefits due	**-**	**(6,888)**	(7,479)	(5,598)
Total	**1,453,265**	**555,929**	1,365,979	470,938

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 the year	**239,346**	206,290

18.1.8 The principal actuarial assumptions at the reporting date were as follows:	**2016**	2015
Discount rate	**7.75%**	9.33%
Future salary increases - Management	**5.75%**	7.25%
Future salary increases - Non-management	**3.25%**	4.67%
Future pension increases	**2.50%**	4.00%

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

Assumption	**1% Increase**	**1 % Decrease**
Discount rate	**(90,986)**	**102,009**
Salary increase	**68,684**	**(62,440)**
Pension increase	**34,504**	**(31,154)**

	As at June 30, 2016 (Unaudited)	As at June 30, 2015 (Audited)
18.1.10 During the year, the Company contributed in the fund as follows:		
Provident fund	**78,419**	68,222
Defined contribution superannuation fund	**67,207**	58,470

18.2 Provident fund

Size of the fund (net assets)	**1,113,253**	1,018,560
Cost of investments made (actual investments made)	**1,046,679**	969,253
Percentage of investments made (cost of investments)	**94%**	95%
Fair value of investments	**1,106,842**	994,698

Amounts in PKR '000

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, 2016 (Unaudited)		As at June 30, 2015 (Audited)	
	Investments	**% of investment as size of the fund**	Investments	% of investment as size of the fund
On fair value				
Pakistan Investment Bonds	**591,735**	**53%**	581,239	58%
Treasury Bill	**-**	**-**	8,552	1%
Regular Income Certificates	**19,034**	**2%**	18,000	2%
Mutual Funds	**138,215**	**12%**	97,346	10%
Shares	**357,858**	**32%**	289,561	29%
	1,106,842	**100%**	994,698	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.

		As at June 30, 2016	As at June 30, 2015
19	**Long-term loans**	**3,652,586**	1,493,943
	Loans from banking companies / financial institutions - note 19.1:		
	Interest based arrangement		
	Long-term finance facility		
	United Bank Limited (UBL)	**1,282,342**	221,719
	Faysal Bank Limited (FBL)	**74,717**	-
	MCB Bank	**217,086**	-
	Other long-term loan		
	Allied Bank Limited (ABL)	**416,668**	750,001
	United Bank Limited (UBL)	**2,000,000**	800,000
	Shariah compliant		
	Islamic term finance		
	Standard Chartered Bank (Pakistan) Limited (SCB)	**-**	400,000
	Meezan Bank Limited (MBL)	**55,556**	277,778
		4,046,369	2,449,498
	Current portion shown under current liabilities	**(393,783)**	(955,555)
		3,652,586	1,493,943

19.1 Terms and conditions of these loans are as follows:

Lenders	**Mark-up / Profit rate**	**Limit**	**Loan duration**	**Grace period**
United Bank Limited	SBP Rate + 50 bps	1,500,000	10 Years	2 Years
Faysal Bank Limited	SBP Rate + 45 bps	250,000	10 Years	2 Years
MCB Bank	SBP Rate + 30 bps	1,500,000	10 Years	2 Years
Meezan Bank Limited	3MK + 25 bps	500,000	3 Years	9 Months
Allied Bank Limited	3MK + 25 bps	1,000,000	4 Years	1 Year
United Bank Limited	3MK + 25 bps	2,000,000	5 Years	2 Years

These loans are secured against the fixed assets of Polyester and Soda Ash Business amounting to PKR 2,500 million and PKR 6,375 million respectively. Mark-up is payable on quarterly basis.

Amounts in PKR '000

		As at June 30, 2016				As at June 30, 2015		
		Opening	**Charge/ (Income)**	**Recognized in surplus on revaluation**	**Closing**	Opening	Charge	Closing
20	**Deferred tax liability - net**							
	Deductible temporary differences							
	Provisions for retirement benefits, doubtful debts and others	**(230,018)**	**(9,258)**	**-**	**(239,276)**	(259,368)	29,350	(230,018)
	Retirement fund provisions	**(15,421)**	**(4,070)**	**-**	**(19,491)**	(65,232)	49,811	(15,421)
	Taxable temporary differences							
	Property, plant and equipment - note 20.1	**1,426,606**	**132,743**	**130,207**	**1,689,556**	1,418,318	8,288	1,426,606
		1,181,167	**119,415**	**130,207**	**1,430,789**	1,093,718	87,449	1,181,167

		As at June 30, 2016	As at June 30, 2015
20.1	Charge during the year includes amount adjusted in surplus on revaluation of property, plant and equipment on account of change in tax rate of:	**3,382**	4,630
21	**Trade and other payables**		
	Trade creditors - note 21.1 and 21.2	**1,747,144**	1,764,655
	Bills payable	**2,556,974**	2,962,835
	Accrued expenses - note 21.3	**1,846,717**	1,448,765
	Technical service fee / royalty - note 21.4	**19,778**	21,401
	Workers' profit participation fund - note 21.5	**188,002**	148,200
	Workers' welfare fund	**169,625**	98,334
	Distributors' security deposits - payable on termination of distributorship - note 21.6	**101,113**	104,761
	Contractors' earnest / retention money	**10,245**	10,946
	Running account with customers - note 21.7	**301,656**	155,339
	Unclaimed dividends	**70,648**	62,802
	Payable for capital expenditure	**547,635**	811,979
	Accrual for compensated absences - note 21.8	**31,249**	31,249
	Others	**140,950**	96,642
		7,731,736	7,717,908
21.1	This amount includes payable to ICI Pakistan PowerGen Limited, a related party on account of purchase of electricity:	**454,082**	543,022
21.2	This amount includes exchange loss on forward exchange contracts:	**-**	3,380
21.3	This amount includes Pensioner medical liability of:	**10,602**	9,696
21.4	This amount includes royalty payable to Lucky Holdings Limited, the Holding Company:	**18,993**	20,701

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
21.5	**Workers' profit participation fund**		
	Balance at the beginning of the year	**148,200**	107,446
	Allocation for the year - note 29	**184,314**	142,434
		332,514	249,880
	Interest on funds utilised in the Company's businesses at 86.25% (June 30, 2015: 30%) per annum - note 30	**3,692**	2,746
	Payment to the fund	**(148,204)**	(104,426)
	Balance at the end of the year	**188,002**	148,200

21.6 Interest on security deposits from certain distributors is payable at mark-up ranging from 6.00% to 7.00% (June 30, 2015: 10%) per annum as specified in the respective agreements.

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

Gadoon Textile Mills	**-**	238
Yunus Textile Mills	**106**	267
Fazal Textile Mills	**-**	342
Lucky Cement Limited	**1,039**	-
	1,145	847

21.8 This figure is based on actuarial valuation and estimation.

22	**Short-term borrowings and running finance**	**1,964,433**	1,883,592

Short-term borrowings and running finance facility from various banks aggregated to PKR 7,281 million (June 30, 2015: PKR 5,171 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 + 0.22% on utilized limits (June 30, 2015: relevant KIBOR + 0.10% to 1.00% per annum with an average mark-up rate of relevant KIBOR + 0.28% 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	**Export refinance**	**388,741**	241,962

The Company has export refinance facility of upto PKR 1,200 million (June 30, 2015: PKR 800 million) available from Faysal Bank Limited as at June 30, 2016 out of which PKR 388.741 million was utilized (June 30, 2015: PKR 241.962 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 3.5%) + 0.25% per annum (June 30, 2015: SBP rate 5% + 0.25% per annum).

22.2	**Money market**	**300,000**	-

During the year the Company had obtained a money market loan of PKR 300 million from United Bank Limited for a term of 1 month at plain Kibor.

22.3	**Short-term running finance - secured**	**1,275,692**	1,641,630

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
23	**Contingencies and commitments**		
23.1	Claims against the Company not acknowledged as debts are as follows:		
	Local bodies	**1,100**	8,527
	Others	**28,529**	28,529
		29,629	37,056

23.1.1 Collectorate of customs - classification issue in PCT heading

Collectorate of customs raised demand of PKR 71.938 million during 2014-15 against the Company on the ground that Company is classifying two of its imported product in wrong PCT Heading. Company took 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. As a consequence of this, PKR 3.514 million has been waived during current year reducing the demand to PKR 68.924 million. Furthermore, during the year ended June 30, 2016, further two consignments were withheld by Directorate General of Intelligence and Investigation of FBR for the same reasons. 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.

		As at June 30, 2016	As at June 30, 2015
23.3	Commitments in respect of capital expenditure including various projects of the Soda Ash business:	**2,193,478**	2,627,142
23.4	Commitments for rentals under operating lease / Ijarah contracts in respect of vehicles are as follows:		
	Year		
	2015-16	**-**	57,839
	2016-17	**64,050**	45,988
	2017-18	**44,247**	23,848
	2018-19	**28,227**	6,641
	2019-20	**6,550**	-
		143,074	134,316
	Payable not later than one year	**64,050**	57,839
	Payable later than one year but not later than five years	**79,024**	76,477
		143,074	134,316
23.5	Outstanding foreign exchange contracts entered into by the Company amounted to:	**-**	383,000

Amounts in PKR '000

24. Operating segment results

	Polyester		Soda Ash		Life Sciences		Chemicals		Company	
	For the year ended June 30, 2016	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015
Sales										
Afghanistan	**-**	-	**34,502**	3,343	**-**	-	**8,711**	4,755	**43,213**	8,098
India	**-**	-	**704,327**	818,352	**-**	-	**-**	-	**704,327**	818,352
United Kingdom	**-**	-	**-**	-	**-**	-	**2,192**	-	**2,192**	-
	-	-	**738,829**	821,695	**-**	-	**10,903**	4,755	**749,732**	826,450
Inter-segment	**-**	-	**-**	-	**-**	-	**4,610**	14,662	**4,610**	14,662
Local	**14,235,639**	16,673,511	**12,653,113**	11,385,584	**10,265,352**	9,106,882	**4,739,851**	4,549,642	**41,893,955**	41,715,619
	14,235,639	16,673,511	**13,391,942**	12,207,279	**10,265,352**	9,106,882	**4,755,364**	4,569,059	**42,648,297**	42,556,731
Commission / toll income	**-**	-	**-**	-	**-**	-	**45,681**	51,879	**45,681**	51,879
Turnover	**14,235,639**	16,673,511	**13,391,942**	12,207,279	**10,265,352**	9,106,882	**4,801,045**	4,620,938	**42,693,978**	42,608,610
Sales tax	**(414,677)**	(326,967)	**(1,848,888)**	(1,658,439)	**(141,338)**	(125,378)	**(540,998)**	(491,330)	**(2,945,901)**	(2,602,114)
Commission and discounts	**(393,753)**	(472,358)	**(702,375)**	(414,120)	**(1,413,689)**	(1,247,771)	**(279,213)**	(342,257)	**(2,789,030)**	(2,476,506)
	(808,430)	(799,325)	**(2,551,263)**	(2,072,559)	**(1,555,027)**	(1,373,149)	**(820,211)**	(833,587)	**(5,734,931)**	(5,078,620)
Net turnover	**13,427,209**	15,874,186	**10,840,679**	10,134,720	**8,710,325**	7,733,733	**3,980,834**	3,787,351	**36,959,047**	37,529,990
Cost of sales - note 26	**(13,765,271)**	(15,792,527)	**(7,432,444)**	(7,288,848)	**(6,195,958)**	(5,614,000)	**(3,086,848)**	(3,044,861)	**(30,480,521)**	(31,740,236)
Gross profit	**(338,062)**	81,659	**3,408,235**	2,845,872	**2,514,367**	2,119,733	**893,986**	742,490	**6,478,526**	5,789,754
Selling and distribution expenses - note 27	**(243,280)**	(238,369)	**(310,371)**	(278,420)	**(1,266,174)**	(1,017,286)	**(298,317)**	(247,914)	**(2,118,142)**	(1,781,989)
Administration and general expenses - note - 28	**(274,325)**	(298,843)	**(241,827)**	(279,111)	**(232,148)**	(224,288)	**(133,377)**	(161,416)	**(881,677)**	(963,658)
Operating result	**(855,667)**	(455,553)	**2,856,037**	2,288,341	**1,016,045**	878,159	**462,292**	333,160	**3,478,707**	3,044,107
24.1 Segment assets - note 24.5 and 25.3	**8,085,224**	8,726,169	**16,782,250**	14,144,573	**7,011,907**	6,261,565	**3,152,394**	2,644,678	**26,888,899**	23,391,937
24.2 Unallocated assets									**3,699,131**	3,277,846
									30,588,030	26,669,783
24.3 Segment liabilities - note 24.5 and 25.4	**12,368,868**	12,038,656	**2,034,908**	2,193,698	**2,187,208**	2,355,636	**734,635**	720,757	**9,182,743**	8,923,695
24.4 Unallocated liabilities									**6,159,114**	4,452,550
									15,341,857	13,376,245
24.6 Depreciation and amortization - note 3.5 and 4.1	**819,631**	651,348	**1,016,718**	944,005	**29,723**	26,474	**33,166**	35,451	**1,899,238**	1,657,278
24.7 Capital expenditure	**222,744**	1,869,978	**3,937,224**	2,224,678	**47,953**	87,956	**46,234**	29,492	**4,254,155**	4,212,104

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

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 PKR '000

		For the year ended June 30, 2016	For the year ended June 30, 2015
25.	**Reconciliations of reportable segment turnover, cost of sales, assets and liabilities**		
25.1	**Turnover**		
	Total turnover for reportable segments - note 24	**42,693,978**	42,608,610
	Elimination of inter-segment turnover - note 24	**(4,610)**	(14,662)
	Total turnover	**42,689,368**	42,593,948
25.2	**Cost of sales**		
	Total cost of sales for reportable segments - note 26	**30,480,521**	31,740,236
	Elimination of inter-segment purchases - note 26	**(4,610)**	(14,662)
	Total cost of sales	**30,475,911**	31,725,574

		As at June 30, 2016	As at June 30, 2015
25.3	**Assets**		
	Total assets for reportable segments	**26,888,899**	23,391,937
	Taxation recoverable	**2,236,155**	2,054,870
	Long-term investments - note 5	**1,462,976**	1,222,976
	Total assets	**30,588,030**	26,669,783
25.4	**Liabilities**		
	Total liabilities for reportable segments	**9,182,743**	8,923,695
	Short-term borrowing and running finance - note 22	**1,964,433**	1,883,592
	Long-term loan - note 19	**4,046,369**	2,449,498
	Accrued mark-up	**77,663**	56,658
	Unclaimed dividends - note 21	**70,648**	62,802
	Total liabilities	**15,341,856**	13,376,245

Amounts in PKR '000

26. Cost of sales

	Polyester		Soda Ash		Life Sciences		Chemicals		Company	
	For the year ended June 30, 2016	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015
Raw and packing materials consumed										
Opening stock	**665,385**	878,010	**405,275**	552,167	**690,608**	636,348	**295,456**	272,819	**2,056,724**	2,339,344
Purchases										
Inter-segment	**4,106**	14,662	**-**	-	**504**	-	**-**	-	**4,610**	14,662
Others	**10,982,051**	12,796,443	**2,506,983**	2,140,074	**2,030,953**	1,869,484	**1,427,390**	1,681,793	**16,947,377**	18,487,794
	10,986,157	12,811,105	**2,506,983**	2,140,074	**2,031,457**	1,869,484	**1,427,390**	1,681,793	**16,951,987**	18,502,456
	11,651,542	13,689,115	**2,912,258**	2,692,241	**2,722,065**	2,505,832	**1,722,846**	1,954,612	**19,008,711**	20,841,800
Closing stock - note 9	**(644,917)**	(665,385)	**(625,823)**	(405,275)	**(767,844)**	(690,608)	**(219,532)**	(295,456)	**(2,258,116)**	(2,056,724)
Raw material consumed	**11,006,625**	13,023,730	**2,286,435**	2,286,966	**1,954,221**	1,815,224	**1,503,314**	1,659,156	**16,750,595**	18,785,076
Salaries, wages and benefits - note 26.1	**436,141**	396,114	**751,389**	742,219	**25,203**	5,585	**58,076**	49,005	**1,270,809**	1,192,923
Stores and spares consumed	**188,411**	169,137	**144,872**	113,416	**(691)**	2	**11,304**	14,829	**343,896**	297,384
Conversion fee paid to contract manufacturers	**-**	-	-	-	**376,652**	399,695	**9,382**	10,554	**386,034**	410,249
Oil, gas and electricity	**1,029,957**	1,328,146	**2,825,500**	2,882,548	**-**	-	**18,023**	14,434	**3,873,480**	4,225,128
Rent, rates and taxes	**1,649**	1,008	**1,338**	1,185	**13,983**	4,000	**30,062**	18,369	**47,032**	24,562
Insurance	**19,194**	16,772	**27,232**	25,957	**34**	14	**1,306**	1,894	**47,766**	44,637
Repairs and maintenance	**11,812**	6,587	**1,463**	856	**3,281**	290	**5,380**	5,269	**21,936**	13,002
Depreciation and amortisation charge - note 3.5 and 4.1	**801,217**	627,248	**999,894**	924,969	**6,051**	487	**18,247**	15,203	**1,825,409**	1,567,907
Technical fees	**-**	-	**-**	-	**3,035**	1,386	**2,876**	2,793	**5,911**	4,179
Royalty	**-**	-	**-**	-	**3,605**	2,635	**-**	-	**3,605**	2,635
General expenses	**211,454**	179,196	**188,528**	169,304	**7,413**	1,115	**29,684**	17,367	**437,079**	366,982
Opening stock of work-in-process	**72,137**	143,343	**-**	-	**13,391**	16,447	**10,506**	5,551	**96,034**	165,341
Closing stock of work-in-process - note 9	**(96,152)**	(72,137)	**-**	-	**(36,743)**	(13,391)	**(7,284)**	(10,506)	**(140,179)**	(96,034)
Cost of goods manufactured	**13,682,445**	15,819,144	**7,226,651**	7,147,420	**2,369,435**	2,233,489	**1,690,876**	1,803,918	**24,969,407**	27,003,971
Opening stock of finished goods	**484,382**	395,205	**182,030**	24,303	**1,668,871**	1,291,836	**433,725**	366,603	**2,769,008**	2,077,947
Finished goods purchased	**-**	62,560	**157,720**	299,155	**4,090,211**	3,780,829	**1,414,880**	1,320,782	**5,662,811**	5,463,326
	14,166,827	16,276,909	**7,566,401**	7,470,878	**8,128,517**	7,306,154	**3,539,481**	3,491,303	**33,401,226**	34,545,244
Closing stock of finished goods - note 9	**(401,556)**	(484,382)	**(133,957)**	(182,030)	**(1,922,505)**	(1,668,871)	**(440,433)**	(433,725)	**(2,898,451)**	(2,769,008)
Provision for slow moving and obsolete stocks - note 28	**-**	-	**-**	-	**(10,054)**	(23,283)	**(12,200)**	(12,717)	**(22,254)**	(36,000)
	13,765,271	15,792,527	**7,432,444**	7,288,848	**6,195,958**	5,614,000	**3,086,848**	3,044,861	**30,480,521**	31,740,236

26.1 Staff retirement benefits

Salaries, wages and benefits include amount in respect of staff retirement benefits:	**35,853**	29,710

27. Selling and distribution expenses

	Polyester		Soda Ash		Life Sciences		Chemicals		Company	
	For the year ended June 30, 2016	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015
Salaries and benefits - note 27.1	**44,052**	51,474	**42,058**	36,762	**609,675**	490,878	**142,537**	95,828	**838,322**	674,942
Repairs and maintenance	**149**	97	**1,241**	2,087	**4,783**	4,740	**2,771**	2,545	**8,944**	9,469
Advertising and publicity expenses	**25,100**	2,544	**10,902**	6,473	**207,042**	143,544	**10,677**	7,331	**253,721**	159,892
Rent, rates and taxes	**527**	416	**3,136**	2,294	**13,847**	8,546	**1,363**	1,227	**18,873**	12,483
Insurance	**-**	-	**312**	317	**10,887**	9,767	**3,245**	2,695	**14,444**	12,779
Lighting, heating and cooling	**125**	118	**2,328**	2,227	**4,482**	3,709	**4,772**	7,780	**11,707**	13,834
Depreciation and amortisation charge - note 3.5 and 4.1	**-**	-	**108**	92	**14,403**	13,972	**8,983**	5,600	**23,494**	19,664
Outward freight and handling	**18,287**	7,405	**127,031**	116,473	**106,930**	89,805	**72,058**	74,544	**324,306**	288,227
Travelling expenses	**9,486**	9,621	**3,806**	3,249	**167,703**	144,124	**21,638**	21,200	**202,633**	178,194
Postage, telegram, telephone and telex	**1,578**	1,166	**1,771**	1,388	**18,096**	19,917	**3,651**	3,577	**25,096**	26,048
Royalty	**134,272**	158,742	**108,407**	101,347	**-**	-	**-**	-	**242,679**	260,089
General expenses	**9,704**	6,786	**9,271**	5,711	**108,326**	88,284	**26,622**	25,587	**153,923**	126,368
	243,280	238,369	**310,371**	278,420	**1,266,174**	1,017,286	**298,317**	247,914	**2,118,142**	1,781,989

27.1 Staff retirement benefits

Salaries and benefits include amount in respect of staff retirement benefits:	**6,629**	11,758

28. Administration and general expenses

Salaries and benefits - note 28.1	**169,001**	178,663	**150,715**	165,383	**121,191**	118,139	**85,988**	82,952	**526,895**	545,137
Repairs and maintenance	**3,341**	3,089	**3,889**	3,601	**5,935**	5,970	**763**	1,133	**13,928**	13,793
Advertising and publicity expenses	**1,454**	1,781	**1,730**	1,915	**564**	967	**419**	457	**4,167**	5,120
Rent, rates and taxes	**6,017**	9,041	**3,047**	7,164	**1,747**	2,731	**659**	1,548	**11,470**	20,484
Insurance	**1,058**	596	**1,265**	713	**4,220**	4,824	**399**	227	**6,942**	6,360
Lighting, heating and cooling	**6,573**	5,625	**4,526**	3,984	**12,654**	10,849	**4,525**	861	**28,278**	21,319
Depreciation and amortisation charge - note 3.5 and 4.1	**18,414**	24,100	**16,716**	18,944	**9,269**	12,015	**5,936**	14,648	**50,335**	69,707
Provision for doubtful debts - note 40.6	**548**	2,956	**-**	-	**6,752**	2,218	**2,890**	21,021	**10,190**	26,195
Provision for slow moving and obsolete stock-in-trade- note 9.1	**-**	-	**-**	-	**10,054**	23,283	**12,200**	12,717	**22,254**	36,000
Provision for slow moving and obsolete stores and spares - note 8.2	**-**	-	**4,060**	15,044	**-**	-	**-**	-	**4,060**	15,044
Travelling expenses	**7,834**	7,784	**5,518**	5,299	**8,491**	6,759	**2,318**	4,739	**24,161**	24,581
Postage, telegram, telephone and telex	**3,244**	3,179	**2,649**	2,899	**4,100**	2,648	**1,571**	1,481	**11,564**	10,207
General expenses	**56,841**	62,029	**47,712**	54,165	**47,171**	33,885	**15,709**	19,632	**167,433**	169,711
	274,325	298,843	**241,827**	279,111	**232,148**	224,288	**133,377**	161,416	**881,677**	963,658

28.1 Staff retirement benefits

Salaries and benefits include amounts in respect of staff retirement benefits:	**22,073**	8,650

Amounts in PKR '000

		For the year ended June 30, 2016	For the year ended June 30, 2015
29.	**Other charges**		
	Auditors' remuneration - note 29.1	**4,932**	4,439
	Donations - note 29.2	**20,000**	20,145
	Workers' profit participation fund - note 21.5	**184,314**	142,434
	Workers' welfare fund	**71,393**	55,173
	Loss on disposal of operating fixed assets	**2,701**	-
	Others	**1,500**	9,182
		284,840	231,373
29.1	**Auditors' remuneration**		
	Statutory audit fee	**2,756**	2,505
	Half yearly review and other certifications	**1,271**	1,120
	Out of pocket expenses	**905**	814
		4,932	4,439

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.

30.	**Finance costs**		
	Mark-up	**260,200**	292,444
	Interest on workers' profit participation fund - note 21.5	**3,692**	2,746
	Discounting charges on receivables	**55,748**	59,230
	Exchange losses	**59,070**	47,467
	Guarantee fee and others	**4,588**	900
		383,298	402,787
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 - note 31.2	**2,067**	649
		4,047	2,629
	Income from non-financial assets		
	Scrap sales	**60,309**	68,403
	Sales from scrap raw materials	**12,754**	11,795
	Gain on disposal of operating fixed assets	**-**	5,532
	Provisions and accruals no longer required written back	**369**	9,936
	Dividend from investment in equity shares	**-**	40,000
	Dividend from associate	**458,375**	150,000
	Dividend from subsidiary	**150,000**	-
	Sundries	**1,843**	5,252
		687,697	293,547

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.

31.2 These are interest-based arrangements.

Amounts in PKR '000

		For the year ended June 30, 2016	For the year ended June 30, 2015
32.	**Taxation**		
	Current	**528,213**	535,518
	Deferred	**126,867**	42,268
	Net tax charged - note 32.1	**655,080**	577,786
32.1	**Tax reconciliation**		
	Profit before taxation	**3,498,266**	2,703,494
	Tax @ 32% (June 30, 2015: 33%)	**1,119,445**	892,153
	Effect of credit under section 65B	**(355,500)**	(245,834)
	Effect of change in tax rate on opening deferred tax liability	**(41,612)**	(36,922)
	Tax impact due to change of FTR ratio	**-**	(51,183)
	Dividend from Powergen (taxed at 0% instead of 32%)	**(48,000)**	-
	Super tax	**91,709**	75,289
	Tax effect of dividend taxed at 12.5% instead of 32% (June 30, 2015: taxed at 10.00% instead of 33%)	**(89,383)**	(43,700)
	Tax effect of items not deductible for tax purposes	**-**	5,410
	Others	**(21,579)**	(17,427)
	Net tax charged	**655,080**	577,786
	Average effective tax rate	**18.73%**	21.37%
33.	**Basic and diluted earning per share (EPS)**		
	Profit after taxation for the year	**2,843,186**	2,125,708
		Number of shares	
	Weighted average number of ordinary shares in issue during the year	**92,359,050**	92,359,050
		PKR	
	Basic and diluted earning per share (EPS)	**30.78**	23.02

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, 2016	For the Year ended June 30, 2015	**For the year ended June 30, 2016**	For the Year ended June 30, 2015	**For the year ended June 30, 2016**	For the Year ended June 30, 2015	**For the year ended June 30, 2016**	For the Year ended June 30, 2015
Managerial remuneration	**49,844**	47,375	**32,117**	30,716	**807,571**	726,562	**889,532**	804,653
Retirement benefits	**8,197**	7,754	**5,712**	5,463	**177,700**	155,569	**191,609**	168,786
Group insurance	**45**	29	**45**	29	**5,605**	4,242	**5,695**	4,300
Rent and house maintenance	**1,096**	961	**-**	-	**235,874**	207,184	**236,970**	208,145
Utilities	**844**	656	**-**	-	**59,640**	52,059	**60,484**	52,715
Medical expenses	**85**	59	**335**	45	**48,165**	36,098	**48,585**	36,202
	60,111	56,834	**38,209**	36,253	**1,334,555**	1,181,714	**1,432,875**	1,274,801
Number of persons as at the balance sheet date	**1**	1	**1**	1	**574**	521	**576**	523

34.1 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 leased car, certain household equipment and maintenance when needed.

Amounts in PKR '000

		For the year ended June 30, 2016	For the year ended June 30, 2015
34.2	Remuneration paid to Chairman during the year:	**-**	-
34.3	During the year fee paid to non-executive directors for attending board and other meetings which is not part of remuneration amounts to:	**2,813**	4,375

		As at and for the year ended June 30, 2016	As at and for the year ended June 30, 2015
34.4	Total number of employees as at the balance sheet date	**1,325**	1242
	Average number of employees during the year	**1,303**	1204

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 companies, 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:

Relationship with the company	Nature of transaction	For the year ended June 30, 2016	For the year ended June 30, 2015
Holding Company	Dividend	**896,952**	625,591
	Royalty	**242,679**	260,089
Subsidiary Company	Purchase of electricity	**456,720**	829,302
	Sale of goods and material	**13,825**	5,320
Associated companies	Purchase of goods, materials and services	**101,833**	44,459
	Sale of goods and materials	**1,477,802**	1,457,755
	Dividend	**143,755**	99,523
	Reimbursement of expenses	**61,760**	43,197
Key management personnel	Remuneration paid	**182,620**	157,650
	Post employment benefits	**30,850**	29,210

35.1 As at June 30, 2016 ICI's finished goods amounting to PKR 73 million (June 30, 2015: PKR 27 million) and PKR 24 million (June 30, 2015: PKR Nil) were kept at warehouses of Fazal Textile Mills and Gadoon Textile Mills respectively. No rental expense is charged for this arrangement. Had it been an arm's length transaction, rental equivalent to market value of PKR 1.2 million (June 30, 2015: PKR 0.960 million) and PKR 0.600 million (June 30, 2015: PKR Nil) respectively would have been charged.

36. Plant capacity and annual production

- in metric tonnes:

	For the year ended June 30, 2016		For the year ended June 30, 2015	
	Annual Name Plate Capacity	**Production**	Annual Name Plate Capacity	Production
Polyester	**122,250**	**118,859**	122,250	115,711
Soda Ash	**350,000**	**337,869**	350,000	308,499
Chemicals - note 36.2	**-**	**12,950**	-	13,299
Sodium Bicarbonate	**40,000**	**29,330**	26,000	27,840

36.1 Production of Soda Ash as compared to last year was greater due to commissioning of coal fired boilers 3 and 4, dense ash and light ash projects. Annual name plate capacity of Sodium Bicarbonate also increased due to commissioning of RSB project. Out of total production of 337,869 metric tonnes soda ash, 26,396 metric tonnes were transferred for production of Sodium Bicarbonate.

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

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, 2016	As at June 30, 2015
Fixed rate instruments		
Financial assets - note 14	**135,878**	106,000
Financial liabilities - note 19 and 21	**(1,675,258)**	(326,480)
	(1,539,380)	(220,480)
Variable rate instruments		
Financial liabilities - note 19 and 22	**(4,436,656)**	(4,111,371)
	(4,436,656)	(4,111,371)

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 PKR 44.367 million (June 30, 2015: PKR 41.114 million).

Amounts in PKR '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:

	CNY	EURO	USD	GBP
		As at June 30, 2016		
Other receivables	**3,583**	**406**	**18,944**	**49**
Cash and bank balances	**-**	**-**	**-**	**-**
	3,583	**406**	**18,944**	**49**
Trade and other payables	**-**	**(140,419)**	**(1,801,105)**	**(5,978)**
Gross balance sheet exposure	**3,583**	**(140,013)**	**(1,782,161)**	**(5,929)**
		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)

Significant exchange rates applied during the year were as follows:

	Average rate		Spot rate	
	For the year ended June 30, 2016	For the year ended June 30, 2015	**As at June 30, 2016**	As at June 30, 2015
PKR per	**PKR**		**PKR**	
EURO	**115.73**	121.72	**116.80**	112.95
USD	**104.35**	101.46	**104.83**	101.80
GBP	**155.15**	159.58	**141.43**	159.90
CNY	**16.22**	-	**15.78**	-

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 PKR 19.245 million (June 30, 2015: PKR 29.681 million). The following table demonstrates the sensitivity to the change in exchange rates. As at June 30, 2016, 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, 2016 and June 30, 2015 would be as follows:

	Increase / decrease in exchange rates	Effect on Profit before tax (CNY)	Effect on Profit before tax (EURO)	Effect on Profit before tax (USD)	Effect on Profit before tax (GBP)
2016					
Pak Rupee	**+1%**	**(36)**	**1,400**	**17,822**	**59**
Pak Rupee	**-1%**	**36**	**(1,400)**	**(17,822)**	**(59)**
2015					
Pak Rupee	+1%	-	1,203	17,508	10,970
Pak Rupee	-1%	-	(1,203)	(17,508)	(10,970)

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 regularly 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 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, 2016	As at June 30, 2015
40.1	**Financial assets**		
	Long-term investments - note 5	**962,500**	722,500
	Long-term loans - note 6	**356,330**	324,610
	Long-term deposits - note 7	**28,209**	27,323
	Trade debts - note 10	**1,640,447**	1,431,370
	Loans and advances - note 11	**391,342**	323,696
	Trade deposits - note 12	**37,796**	28,194
	Other receivables - note 13	**252,374**	581,584
	Bank balances - note 14	**140,574**	115,047
		3,809,572	3,554,324

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

40.3	**Financial assets**	
- Secured	**838,232**	593,407
- Unsecured	**2,971,340**	2,960,917
	3,809,572	3,554,324

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

Not past due	**1,855,857**	1,636,936
Past due but not impaired:		
Not more than three months	**160,408**	120,055
Past due and impaired:		
More than three months and not more than six months	**8,805**	3,709
More than six months and not more than nine months	**734**	177
More than nine months and not more than one year	**22,545**	8,328
More than one year	**27,395**	26,848
	219,887	159,117
Provision for:		
- Doubtful debts - note 10	**(43,955)**	(40,987)
- Doubtful loans and advances - note 11	**-**	-
	(43,955)	(40,987)
	2,031,789	1,755,066

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

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
40.5	The maximum exposure to credit risk for past due at the balance sheet date by type of counterparty was:		
	Wholesale customers	**10,962**	22,657
	Retail customers	**172,969**	111,125
	End-user customers	**35,956**	25,335
		219,887	159,117
	Provision for:		
	- Doubtful debts - note 10	**(43,955)**	(40,987)
		175,932	118,130

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	**40,987**	**-**	**40,987**	100,956
Additional provision - note 28	**10,190**	**-**	**10,190**	26,195
Written off during the year	**(7,222)**	**-**	**(7,222)**	(86,164)
Balance at the end of the year	**43,955**	**-**	**43,955**	40,987

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, 2016	As at June 30, 2015
Textile and chemicals	**475,256**	511,797
Glass	**63,940**	72,237
Paper and board	**32,157**	92,091
Pharmaceuticals	**235,235**	323,162
Paints	**36,855**	18,181
Banks	**146,287**	119,612
Loans, advances and others	**1,232,301**	778,585
	2,222,031	1,915,665
Provision for:		
- Doubtful debts - note 10	**(43,955)**	(40,987)
	2,178,076	1,874,678

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.

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 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, 2016	
Financial liabilities			
Trade creditors - note 21	**1,747,144**	**(1,747,144)**	**(1,747,144)**
Bills payable - note 21	**2,556,974**	**(2,556,974)**	**(2,556,974)**
Accrued mark-up	**77,663**	**(77,663)**	**(77,663)**
Accrued expenses - note 21	**1,846,717**	**(1,846,717)**	**(1,846,717)**
Technical service fee / royalty - note 21	**19,778**	**(19,778)**	**(19,778)**
Distributors' security deposits - payable on termination of distributorship - note 21	**101,113**	**(108,191)**	**(108,191)**
Contractors' earnest / retention money - note 21	**10,245**	**(10,245)**	**(10,245)**
Unclaimed dividends - note 21	**70,648**	**(70,648)**	**(70,648)**
Payable for capital expenditure - note 21	**547,635**	**(547,635)**	**(547,635)**
Others - note 21	**140,950**	**(140,950)**	**(140,950)**
Long-term loans - note 19	**4,046,369**	**(4,046,369)**	**(393,783)**
Short-term borrowings and running finance - note 22	**1,964,433**	**(1,964,433)**	**(1,964,433)**
	13,129,669	**(13,136,747)**	**(9,484,161)**

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, 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 and running finance - note 22	1,883,592	(1,883,592)	(1,883,592)
	11,674,534	(11,683,962)	(10,190,019)

Amounts in PKR '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, 2016 and June 30, 2015 is as follows:

	As at June 30, 2016	As at June 30, 2015
Long-term loans - note 19	**4,046,369**	2,449,498
Short-term borrowings and running finance - note 22	**1,964,433**	1,883,592
Total debt	**6,010,802**	4,333,090
Cash and bank balances - note 14	**(146,287)**	(119,612)
Net debt	**5,864,515**	4,213,478
Share capital	**923,591**	923,591
Capital reserves	**309,643**	309,643
Unappropriated profit	**13,183,294**	11,483,846
Equity	**14,416,528**	12,717,080
Capital	**20,281,043**	16,930,558
Gearing ratio	**28.92%**	24.89%

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 Companys'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 & 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 was decided on November 24, 2015 in which the issue of date of commissioning of PTA's plant & the tax depreciation claimed thereon and the issue of addition to income in respect of trial production stocks were decided in Company's favour however the issue of restriction of cost of capitalization of PTA plant was decided against the Company. The Company and FBR have filed the appeals on respective matters decided against them in Tribunal the hearing of which is yet to be conducted.

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. Consequently, FBR filed an appeal in the Sindh High Court however on June 13, 2016, the High Court maintained Tribunal's decision and the case was decided in favour of the Company. FBR has filed an appeal in the Supreme Court against the Sindh High Court's decision which is pending.

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. The High Court has decided the matter on June 13, 2016 in assessment year 2001-02 however no hearing has been conducted since then in the subject case assessment year 2002-2003.

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 PKR 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 standards

The Company has adopted the following new standards to IFRSs which became effective for the current year:

IFRS 10 – Consolidated Financial Statements
IFRS 11 – Joint Arrangements
IFRS 12 – Disclosure of Interests in Other Entities
IFRS 13 – Fair Value Measurements
IAS 27 (Revised 2011) – Separate Financial Statements
IAS 28 (Revised) – Investment in associates and joint ventures

The adoption of the above standards did not have any material effect on these unconsolidated financial statements.

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

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations:

Standards or Interpretation	Effective date (annual periods beginning on or after)
IFRS 2 – Share-based Payments – Classification and measurement of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 10 – Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investment in Associates – Investment 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)	Not yet finalised
IFRS 11 – Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)	January 01, 2016
IAS 1 – Presentation of financial statements: Disclosure initiative – clarification on materiality, disaggregation and subtotals, Note, Other Comprehensive Income (OCI) (Amendments)	January 01, 2016
IAS 7 – Financial Instruments: Disclosures - Disclosure Initiative - (Amendment)	January 01, 2017
IAS 12 – Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	January 01, 2017
IAS 16 – Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortisation (Amendment)	January 01, 2016
IAS 16 – Property, Plant and Equipment and IAS 41 Agriculture: Bearer Plants (Amendments)	January 01, 2016
IAS 27 – Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)	January 01, 2016

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 in September 2014. Such improvements are generally effective for accounting periods beginning on or after January 01, 2016. The Company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

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

Standard		IASB 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
IFRS 16 –	Leases	January 01, 2019

The Company expects that above new standards will not have any material impact on the Company's financial statements in the period of initial application.

45. Post balance sheet events - dividends

The Directors in their meeting held on August 30, 2016 have recommended a final dividend of PKR 9.00 per share (June 30, 2015: PKR 6.50 per share) in respect of year ended June 30, 2016. This dividend is in addition to interim dividend paid of PKR 6.50 per share during the current year. The unconsolidated financial statements for the year ended June 30, 2016 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 be 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, 2016.

46. Date of authorisation

These financial statements were authorised for issue in the Board of Directors meeting held on August 30, 2016.

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

Notes to the Unconsolidated Financial Statements

For the year ended June 30, 2016

	12 months			
	January - December			
	2007 Restated	**2008** Restated	**2009**	
Balance Sheet				
Equity	11,368,830	12,448,126	13,482,796	
Revaluation reserves	1,012,167	962,795	931,846	
Equity and Revaluation Reserve	**12,380,997**	**13,410,921**	**14,414,642**	
Non current liability	119,571	612,954	1,208,117	
Current liability	6,263,805	4,446,810	5,799,898	
Total equity and liabilities	18,764,373	18,470,685	21,422,657	
Non current assets	9,741,603	10,435,258	10,297,489	
Current assets	9,022,770	8,035,427	11,125,168	
Total assets	18,764,373	18,470,685	21,422,657	
Profit and Loss Account				
Turnover	25,988,351	31,921,873	32,399,181	
Net turnover	23,024,123	27,798,915	28,429,897	
Cost of sales	18,205,369	22,303,138	22,754,005	
Gross profit	4,818,754	5,495,777	5,675,892	
Operating result	2,984,004	3,052,360	3,027,654	
Profit before taxation	2,768,523	2,812,778	3,072,506	
Profit after taxation	1,784,800	1,862,738	2,044,738	
Summary of Cash Flows				
Cash generated from / (used in) operations	4,312,406	1,188,392	4,938,310	
Net cash generated from / (used in) operating activities	4,093,537	969,809	4,476,231	
Net cash used in investing activities	(1,397,436)	(1,780,969)	(938,043)	
Net cash generated from / (used in) financing activities	(868,583)	(832,815)	(1,041,018)	
Cash and cash equivalents at December 31 / June 30	3,615,056	1,971,081	4,468,251	

Amounts in PKR '000

				12 months			
				July - June			
	2010	2011 Restated	2012 Restated	2012-13 Restated	2013-14	2014-15	2015-16
	14,548,093	9,066,723	9,024,890	9,788,989	11,237,427	12,717,080	14,416,528
	907,352	824,207	740,656	698,536	639,372	576,458	829,645
	15,455,445	**9,890,930**	**9,765,546**	**10,487,525**	**11,876,799**	**13,293,538**	**15,246,173**
	1,093,190	1,340,306	1,593,267	3,067,815	3,486,365	2,762,532	5,174,242
	5,482,037	9,280,988	9,355,282	7,389,365	7,574,254	10,613,713	10,167,615
	22,030,672	20,512,224	20,714,095	20,944,705	22,937,418	26,669,783	30,588,030
	10,152,415	9,154,438	10,898,077	11,330,538	12,500,614	15,843,044	18,909,694
	11,878,257	11,357,786	9,816,018	9,614,167	10,436,804	10,826,739	11,678,336
	22,030,672	20,512,224	20,714,095	20,944,705	22,937,418	26,669,783	30,588,030
	39,532,506	38,348,591	37,809,433	39,627,119	42,698,659	42,593,948	42,689,368
	35,129,980	35,516,114	34,681,563	36,267,761	38,233,477	37,515,328	36,954,437
	28,443,690	30,910,029	30,688,097	32,193,170	33,581,636	31,725,574	30,475,911
	6,686,290	4,606,085	3,993,466	4,074,592	4,651,841	5,789,754	6,478,526
	3,712,566	2,378,449	1,624,634	1,986,737	2,225,934	3,044,107	3,478,707
	3,731,516	2,294,653	1,496,223	1,749,207	1,980,964	2,703,494	3,498,266
	2,428,826	1,531,430	973,661	1,158,701	1,702,216	2,125,708	2,843,186
	3,716,187	4,127,104	(1,963,689)	(164,272)	4,818,897	5,015,304	4,788,015
	2,334,428	2,875,020	(3,176,714)	(971,364)	3,806,585	3,748,417	3,680,106
	(752,830)	(509,814)	(2,125,793)	(940,727)	(2,400,932)	(4,372,472)	(4,138,316)
	(1,388,027)	(2,151,436)	(796,407)	1,453,483	933,274	(1,554,652)	404,044
	4,661,822	4,633,322	(1,465,592)	(1,924,200)	414,727	(1,763,980)	(1,818,146)

Pattern of Shareholding
as at June 30, 2016

No. of Shareholders	Categories		No. of Shares
	From	To	
6307	1	100	211,946
2622	101	500	629,197
633	501	1000	465,339
616	1001	5000	1,345,082
74	5001	10000	515,654
40	10001	15000	507,876
7	15001	20000	129,105
16	20001	25000	358,813
7	25001	30000	193,117
1	30001	35000	33,569
3	35001	40000	108,662
2	40001	45000	81,400
8	45001	50000	376,268
2	50001	55000	104,470
3	55001	60000	171,918
3	60001	65000	190,078
1	75001	80000	79,500
2	80001	85000	166,339
1	85001	90000	86,300
1	100001	105000	104,965
1	115001	120000	119,687
1	130001	135000	130,500
3	135001	140000	413,944
1	140001	145000	141,579
3	160001	165000	487,996
1	190001	195000	193,916
1	300001	305000	302,482
1	305001	310000	307,281
1	450001	455000	451,900
1	455001	460000	457,750
1	505001	510000	506,920
1	700001	705000	701,875
1	2225001	2230000	2,229,188
1	5075001	5080000	5,077,180
1	5980001	5985000	5,980,917
1	68995001	69000000	68,996,337
10369			**92,359,050**

Pattern of Shareholding
as at June 30, 2016

S.No.	Categories of Shareholders	No. of Shareholders	No. of Shares	Percentage
1	Directors, Cheif Executive Officer, and their spouses and minor children	3	531,019	0.57
2	Associated Companies, Undertakings and related Parties	3	80,054,434	86.68
3	NIT and ICP	0	0	0
4	Banks, Development Financial Institutions, Non Banking Financial Institutions	26	461,457	0.50
5	Insurance Companies	19	2,920,774	3.16
6	Modarabas and Mutual Funds	32	2,244,703	2.43
7	Shareholders holding 10%	1	68,996,337	74.70
8	General Public :			
	a. Local	10,105	3,907,867	4.23
	b. Foreign	2	1,119	0.00
9	Others	179	2,237,677	2.42
	Total (excluding : shareholders holding 10%)	**10,369**	**92,359,050**	**100.00**

Pattern of Shareholding
as at June 30, 2016

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	68,996,337	74.70
LUCKY TEXTILE MILLS LIMITED	1	5,077,180	5.50
	3	**80,054,434**	**86.68**
ii. Mutual Funds (name wise details)			
CDC - TRUSTEE AKD INDEX TRACKER FUND	1	2,838	0.00
CDC - TRUSTEE AL AMEEN ISLAMIC DEDICATED EQUITY FUND	1	193,916	0.21
CDC - TRUSTEE AL MEEZAN MUTUAL FUND	1	141,579	0.15
CDC - TRUSTEE AL-AMEEN SHARIAH STOCK FUND	1	322	0.00
CDC - TRUSTEE DAWOOD ISLAMIC FUND	1	5,000	0.01
CDC - TRUSTEE FAYSAL ASSET ALLOCATION FUND	1	63,500	0.07
CDC - TRUSTEE FAYSAL BALANCED GROWTH FUND	1	15,000	0.02
CDC - TRUSTEE FAYSAL ISLAMIC ASSET ALLOCATION FUND	1	40,500	0.04
CDC - TRUSTEE FIRST CAPITAL MUTUAL FUND	1	1,688	0.00
CDC - TRUSTEE FIRST DAWOOD MUTUAL FUND	1	5,000	0.01
CDC - TRUSTEE FIRST HABIB STOCK FUND	1	5,000	0.01
CDC - TRUSTEE LAKSON EQUITY FUND	1	130,500	0.14
CDC - TRUSTEE LAKSON TACTICAL FUND	1	17,750	0.02
CDC - TRUSTEE MCB PAKISTAN ASSET ALLOCATION FUND	1	86,300	0.09
CDC - TRUSTEE MCB PAKISTAN ISLAMIC STOCK FUND	1	60,000	0.06
CDC - TRUSTEE MCB PAKISTAN STOCK MARKET FUND	1	457,750	0.50
CDC - TRUSTEE MEEZAN BALANCED FUND	1	116	0.00
CDC - TRUSTEE MEEZAN ISLAMIC FUND	1	701,875	0.76
CDC - TRUSTEE MEEZAN TAHAFFUZ PENSION FUND - EQUITY SUB FUND	1	136,470	0.15
CDC - TRUSTEE NIT-EQUITY MARKET OPPORTUNITY FUND	1	33,569	0.04
CDC - TRUSTEE PAKISTAN CAPITAL MARKET FUND	1	40,900	0.04
CDC - TRUSTEE PAKISTAN SARMAYA MEHFOOZ FUND	1	25,000	0.03
CDC-TRUSTEE PAK. INT. ELEMENT ISLAMIC ASSET ALLOCATION FUND	1	61,600	0.07
CONFIDENCE MUTUAL FUND LTD	1	7	0.00
DOMINION STOCK FUND LIMITED	1	168	0.00
GOLDEN ARROW SELECTED STOCKS FUND	1	7	0.00
SAFEWAY MUTUAL FUND LIMITED	1	256	0.00
SECURITY STOCK FUND LIMITED	1	36	0.00
	28	**2,226,647**	**2.41**
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	11,599	0.01
MR. KHAWAJA IQBAL HASSAN	1	12,500	0.01
	3	**531,019**	**0.57**
iv. Executives	**49**	**12,386**	**0.01**
v. Public Sector Companies and Corporations	**2**	**2,229,832**	**2.41**
vi. Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Takaful, Modaraba and Pension Funds	**53**	**1,304,298**	**1.41**
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	68,996,337	74.70
LUCKY TEXTILE MILLS LIMITED	1	5,077,180	5.50
	3	**80,054,434**	**86.68**
viii. Others & General Public	**10,231**	**6,000,434**	**6.50**
Total (excluding : shareholders holding 5%)	**10,369**	**92,359,050**	**100**

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

During the year Mr. Kamal A Chinoy, Director purchased 10,500 shares of the Company and 4 shares were inherited by him. The requisite returns in this respect were filed with the regulatory authorities in addition to informing the Board and the Stock Exchange of the said transaction as required under the CCG. Other than these, 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 financial year.

Notice of 65th Annual General Meeting

Notice is hereby given that the Sixty-Fifth Annual General Meeting of ICI Pakistan Limited will be held on Tuesday, October 25, 2016, at 10:30 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, 2016, the report of the Auditors thereon and the report of the Directors.

2. To declare and approve Final Cash dividend @ 90% i.e. Rs. 9/- per ordinary share of Rs.10/- each for the year ended June 30, 2016, as recommended by the Directors, payable to the Members whose names appear in the Register of the Members as at October 18, 2016.

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

By Order of the Board



October 4, 2016
Karachi

Saima Kamila Khan
Company Secretary

1. Share Transfer Books of the Company will remain closed from October 19, 2016 to October 25, 2016 (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 18, 2016 will be considered in time, to entitle the transferees to the Final Cash 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/National Tax Certificate (CNIC/SNIC/NTN), 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 65th 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 Form" 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/SNIC (Mandatory)

Pursuant to the directives of the SECP, CNIC/SNIC numbers 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 2016, effective July 1, 2016, 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 20% 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.

Exemption from Deduction of Income Tax / Zakat

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate, are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

Form of Proxy

65th 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-Fifth Annual General Meeting of the Company to be held on October 25, 2016 and at any adjournment thereof.

As witness my / our hand / seal this _____ day of _____ 2016

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 Limited and its Subsidiary Company
Consolidated Financial Statements

Report of the Directors
for the year Ended June 30, 2016

The Directors are pleased to present their report together with the audited Group results of ICI Pakistan Limited for the year ended June 30, 2016. The ICI Pakistan Group comprises of ICI Pakistan Limited and ICI Pakistan PowerGen Limited (PowerGen), a wholly owned subsidiary.

The Directors' report, providing a commentary on the performance of ICI Pakistan Limited for the year ended June 30, 2016 has been presented separately.

Net turnover of PowerGen for the year stands at PKR 389 million which is 45% lower than the corresponding period last year. This was mainly due to 27% lower electricity sales on the back of lower demand from the Polyester plant of ICI Pakistan Limited after the commissioning of its own steam and power project. Additionally, 47% drop in fuel prices over the SPLY also contributed to lower net turnover. As a result, the operating profit declined by 19% compared to the corresponding period last year (PKR 91 million versus PKR 112 million in the SPLY).

Muhammad Sohail Tabba
Chairman / Director

Asif Jooma
Chief Executive

Dated: August 30, 2016

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 2016** 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 2016** and the results of their operations for the year then ended.

Date: August 30, 2016

Karachi

E&Y Ford Rhodes
Chartered Accountants
Shariq Ali Zaidi

Consolidated Balance Sheet
As at June 30, 2016

Amounts in PKR '000

	Note	June 30, 2016	June 30, 2015
ASSETS			
Non-current assets			
Property, plant and equipment	3	**17,164,769**	14,388,924
Intangible assets	4	**16,460**	28,318
		17,181,229	14,417,242
Long-term investments	5	**963,667**	774,724
Long-term loans	6	**357,637**	326,515
Long-term deposits and prepayments	7	**33,594**	30,777
		1,354,898	1,132,016
		18,536,127	15,549,258
Current assets			
Stores, spares and consumables	8	**861,544**	709,198
Stock-in-trade	9	**5,317,357**	4,943,409
Trade debts	10	**1,640,067**	1,431,094
Loans and advances	11	**392,362**	325,259
Trade deposits and short-term prepayments	12	**430,649**	413,250
Other receivables	13	**804,400**	984,272
Taxation - net		**2,234,248**	2,054,870
Cash and bank balances	14	**258,962**	120,447
		11,939,589	10,981,799
Total assets		**30,475,716**	26,531,057

Amounts in PKR '000

	Note	June 30, 2016	June 30, 2015
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
1,500,000,000 (June 30, 2015: 1,500,000,000) ordinary shares of PKR 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		**13,341,517**	11,755,187
Total equity		**14,574,751**	12,988,421
Surplus on revaluation of property, plant and equipment	17	**995,330**	722,369
Non-current liabilities			
Provisions for non-management staff gratuity	18	**90,867**	87,422
Long-term loans	19	**3,652,586**	1,493,943
Deferred tax liability - net	20	**1,430,789**	1,181,167
		5,174,242	2,762,532
Current liabilities			
Trade and other payables	21	**7,322,763**	7,212,275
Accrued mark-up		**77,663**	56,658
Short-term borrowings and running finance	22	**1,937,184**	1,833,247
Current portion of long-term loans		**393,783**	955,555
		9,731,393	10,057,735
Total equity and liabilities		**30,475,716**	26,531,057
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, 2016

Amounts in PKR '000

	Note	**For the year ended June 30, 2016**	For the year ended June 30, 2015
Turnover	25.1	**42,755,505**	42,714,445
Sales tax, commission and discounts	24	**(5,801,068)**	(5,199,116)
Net turnover		**36,954,437**	37,515,329
Cost of sales	25.2	**(30,382,757)**	(31,611,583)
Gross profit		**6,571,680**	5,903,746
Selling and distribution expenses	27	**(2,118,142)**	(1,781,989)
Administration and general expenses	28	**(882,030)**	(963,890)
Operating result		**3,571,508**	3,157,867
Other charges	29	**(291,692)**	(244,838)
Finance costs	30	**(384,245)**	(403,568)
		(675,937)	(648,406)
Other income	31	**83,919**	142,415
Share of profit from an associate	5	**407,318**	202,224
Profit before taxation		**3,386,808**	2,854,100
Taxation	32	**(656,987)**	(577,786)
Profit after taxation		**2,729,821**	2,276,314
Basic and diluted earnings per share (PKR)	33	**29.56**	24.65

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, 2016

Amounts in PKR '000

	For the year ended June 30, 2016	For the year ended June 30, 2015
Profit after taxation	**2,729,821**	2,276,314
Items to be reclassified to profit or loss in subsequent periods:		
Loss on hedge during the year	**(2,285)**	(461)
Income tax relating to hedging reserve	**731**	128
	(1,554)	(333)
Adjustments for amounts transferred to initial carrying amounts of hedged item - capital work-in-progress	**1,554**	333
	-	-
Items not to be reclassified to profit or loss in subsequent periods:		
Actuarial (loss) / gain on defined benefit plans	**(18,030)**	167,444
Income tax effect	**4,070**	(49,811)
	(13,960)	117,633
Total comprehensive income for the year	**2,715,861**	2,393,947

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, 2016

Amounts in PKR '000

	For the year ended June 30, 2016	For the year ended June 30, 2015
Cash flows from operating activities		
Profit before taxation	**3,386,808**	2,854,100
Adjustments for:		
Depreciation and amortisation - note 3.5 and 4.1	**1,954,311**	1,710,131
Loss / (gain) on disposal of operating fixed assets - note 29 and 31	**2,701**	(5,532)
Provision for staff retirement benefit plan - note 18.1.1	**26,084**	38,423
Provisions for non-management staff gratuity and eligible retired employees' medical scheme	**32,450**	11,675
Interest on short-term bank deposits	**(8,151)**	(649)
Dividend from investment in equity shares - note 31	**-**	(40,000)
Share of profit from associate - note 5	**(407,318)**	(202,224)
Interest expense	**324,240**	354,854
Provision for doubtful debts - note 40.6	**10,190**	26,195
Provision for slow moving and obsolete stock-in-trade - note 9.1	**22,254**	36,000
Provision for slow moving stores and spares - note 8.2	**4,060**	15,044
Provisions and accruals no longer required written back - note 31	**(369)**	(9,936)
	5,347,260	4,788,081
Movement in:		
Working capital (Ref. 1)	**(284,954)**	268,948
Long-term loans	**(31,122)**	(69,990)
Long-term deposits and prepayments	**(2,818)**	(2,935)
Cash generated from operations	**5,028,366**	4,984,104
Payments for :		
Staff retirement benefit plans - note 18.1.2	**(65,683)**	(60,787)
Non-management staff gratuity and eligible retired employees' medical scheme	**(29,677)**	(24,419)
Taxation	**(709,498)**	(824,476)
Interest	**(303,234)**	(357,904)
Net cash generated from operating activities	**3,920,274**	3,716,518
Cash flows from investing activities		
Capital expenditure	**(4,525,879)**	(3,778,146)
Proceeds from disposal of operating fixed assets	**11,010**	11,995
Interest received on bank deposits	**6,754**	649
Investment in associate	**(240,000)**	(720,000)
Dividend from investment in equity shares	**-**	40,000
Dividend from associate	**458,375**	150,000
Net cash used in investing activities	**(4,289,740)**	(4,295,502)

Amounts in PKR '000

	For the year ended June 30, 2016	For the year ended June 30, 2015
Cash flows from financing activities		
Long-term loans obtained / (repaid)	**1,596,871**	(737,529)
Dividends paid	**(1,192,827)**	(817,123)
Net cash generated from / (used in) financing activities	**404,044**	(1,554,652)
Net increase / (decrease) in cash and cash equivalents	**34,578**	(2,133,636)
Cash and cash equivalents at the beginning of the year	**(1,712,800)**	420,836
Cash and cash equivalents at the end of the year	**(1,678,222)**	(1,712,800)

Ref. 1: Movement in working capital

(Increase) / decrease in current assets		
Stores, spares and consumables	**(156,406)**	(106,574)
Stock-in-trade	**(396,202)**	(372,191)
Trade debts	**(219,163)**	(573,579)
Loans and advances	**(66,734)**	(122,280)
Trade deposits and short-term prepayments	**5,747**	(12)
Other receivables	**181,269**	504,413
	(651,489)	(670,223)
Increase in current liabilities		
Trade and other payables	**366,535**	939,171
	(284,954)	268,948
Cash and cash equivalents at the end of the year comprise of:		
Cash and bank balances - note 14	**258,962**	120,447
Short-term borrowings and running finance - note 22	**(1,937,184)**	(1,833,247)
	(1,678,222)	(1,712,800)

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, 2016

Amounts in PKR '000

	Issued, subscribed and paid-up capital	Capital reserves	Unappropriated profit	Total
As at July 01, 2014	**923,591**	**309,643**	**10,125,694**	**11,358,928**
Final dividend for the year ended June 30, 2014 @ PKR 4.00 per share	-	-	(369,436)	(369,436)
Interim dividend for the year ended June 30, 2015 @ PKR 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**
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)
	-	-	**(1,200,674)**	**(1,200,674)**
Profit for the year	-	-	2,729,821	2,729,821
Other comprehensive income for the year, net of tax	-	-	(13,960)	(13,960)
Total comprehensive income			**2,715,861**	**2,715,861**
Transfer from surplus on revaluation of property, plant and equipment - incremental depreciation for the year - net of deferred tax - note 17	-	-	71,143	71,143
	-	-	**71,143**	**71,143**
As at June 30, 2016	**923,591**	**309,643**	**13,341,517**	**14,574,751**

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, 2016

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 Pakistan Stock Exchange.

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 PKR '000

	As at June 30, 2016	As at June 30, 2015
3 Property, plant and equipment		
3.1 The following is a statement of property, plant and equipment:		
Operating fixed assets - note 3.2	**16,001,818**	12,713,226
Capital work-in-progress - note 3.7	**1,162,951**	1,675,698
	17,164,769	14,388,924

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, 2016									
Net carrying value basis										
Opening net book value (NBV)	**468,308**	**-**	**123,116**	**736,692**	**1,144,223**	**10,020,066**	**-**	**22,826**	**197,995**	**12,713,226**
Addition / transfer - note 3.2.1	**22,713**	**-**	**92,052**	**42,856**	**832,025**	**3,704,592**	**-**	**4,347**	**65,516**	**4,764,101**
Revaluation	**28,697**	**-**	**13,842**	**7,132**	**82,529**	**338,732**	**-**	**-**	**-**	**470,932**
Disposal (at NBV)	**-**	**-**	**(39)**	**-**	**(6,966)**	**(5,665)**	**-**	**(622)**	**(420)**	**(13,712)**
Depreciation charge - note 3.5	**-**	**-**	**(13,566)**	**(71,257)**	**(121,985)**	**(1,650,664)**	**-**	**(11,093)**	**(64,164)**	**(1,932,729)**
Closing net book value	**519,718**	**-**	**215,405**	**715,423**	**1,929,826**	**12,407,061**	**-**	**15,458**	**198,927**	**16,001,818**
Gross carrying value basis										
Cost / Revaluation	**519,718**	**562,166**	**359,553**	**3,037,044**	**3,088,418**	**29,535,206**	**297**	**127,628**	**708,073**	**37,938,103**
Accumulated depreciation	**-**	**(562,166)**	**(144,148)**	**(2,321,621)**	**(1,158,592)**	**(17,128,145)**	**(297)**	**(112,170)**	**(509,146)**	**(21,936,285)**
Closing net book value	**519,718**	**-**	**215,405**	**715,423**	**1,929,826**	**12,407,061**	**-**	**15,458**	**198,927**	**16,001,818**
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, 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	

3.2.1 Additions to plant and machinery include transfer from capital work-in-progress. It also includes borrowing cost for various projects determined using capitalization rate of 6.00% (June 30, 2015: 9.20%) amounting to: **132,085** 109,705

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
3.2.2	Operating fixed assets include the following major spare parts and stand by equipment:		
	Cost	**403,142**	387,758
	Net book value	**161,208**	182,247

3.3 Subsequent to revaluation on October 1, 1959, September 30, 2000, December 15, 2006 and December 31, 2011 which had resulted in a surplus of PKR 14.207 million, PKR 1,569.869 million, PKR 704.752 million and PKR 848.191 million respectively as at June 30, 2016, further revaluation was conducted resulting in revaluation surplus net of deferred tax liability of PKR 340.721 million. 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:

	As at June 30, 2016	As at June 30, 2015
Cost	**8,111**	8,111
Net book value	**4,168**	4,900

	For the year ended June 30, 2016	For the year ended June 30, 2015
3.5 The depreciation charge for the year has been allocated as follows:		
Cost of sales	**1,875,991**	1,606,541
Selling and distribution expenses	**20,862**	15,015
Administration and general expenses	**35,876**	43,007
	1,932,729	1,664,563

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, 2016	As at June 30, 2015
Net book value		
Freehold land	**191,741**	169,028
Buildings	**2,419,060**	1,744,387
Plant and machinery	**11,655,622**	9,607,359
	14,266,423	11,520,774

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
3.7	Capital work-in-progress comprises of:		
	Civil works and buildings	**443,249**	327,797
	Plant and machinery	**529,187**	857,665
	Miscellaneous equipment	**28,825**	88,840
	Advances to suppliers / contractors	**70,571**	353,678
	Designing, consultancy and engineering fee	**91,119**	47,718
		1,162,951	1,675,698
	This includes interest charged in respect of long-term loans obtained for various projects determined using capitalization rate of 5.48% (June 30, 2015: 8.83%) amounting to:	**5,498**	30,873
3.7.1	The following is the movement in capital work-in-progress during the year:		
	Balance at the beginning of the year	**1,675,698**	899,956
	Addition during the year	**4,183,927**	4,216,538
		5,859,625	5,116,494
	Transferred to operating fixed assets during the year	**(4,696,674)**	(3,440,796)
	Balance at the end of the year	**1,162,951**	1,675,698

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

	Mode of sale	Cost	Accumulated depreciation	Net book value	Sale proceeds	Particulars of buyers
As at June 30, 2016						
Plant and machinery						
65 KTPA plant, sodium bicarbonate plant and commissioning cost	Scrap	27,813	23,967	4,859	644	Ghouri Scrap Dealer Mandi Bahauddin
Building on leasehold land						
Infrastructure refurbishment	Bidding	14,261	7,545	6,716	1,020	Awan Brothers Karimpura, Khewra and Ghouri Scrap Dealer Mandi Bahauddin
Furniture and equipments						
HP server for PIII and IBM	Scrap	5,824	5,534	290	320	M/s Sh. Auyoub, Sheikhupura
Rolling stock & vehicles						
Fleet car	Auction	622	-	622	4,615	Syed Nadeem Raza Ali. Karachi
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 Distt 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

Amounts in PKR '000

4 Intangible assets

	As at June 30, 2016		
	Software	**Licenses**	**Total**
Net carrying value basis			
Opening net book value (NBV)	**1,980**	**26,338**	**28,318**
Addition / transfer	**6,096**	**3,628**	**9,724**
Amortisation charge - note 4.1	**(1,546)**	**(20,036)**	**(21,582)**
Closing net book value	**6,530**	**9,930**	**16,460**
Gross carrying amount			
Cost	**179,407**	**200,674**	**380,081**
Accumulated amortisation	**(172,877)**	**(190,744)**	**(363,621)**
Closing net book value	**6,530**	**9,930**	**16,460**
Rate of amortisation % per annum	**20**	**20 to 50**	

	As at June 30, 2015		
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
Rate of amortisation % per annum	20	20 to 50	

	For the year ended June 30, 2016	For the year ended June 30, 2015
4.1 The amortisation charge for the year has been allocated as follows:		
Cost of sales	**4,491**	14,219
Selling and distribution expenses	**2,632**	4,649
Administration and general expenses	**14,459**	26,700
	21,582	45,568

5 Long-term investments

	As at June 30, 2016	As at June 30, 2015
Unquoted - at equity method		
Associate		
- NutriCo Pakistan (Private) Limited 40% ownership (June 30, 2015: 30%) - note 5.1		
200,000 ordinary shares (June 30, 2015: 125,000 shares) of PKR 1,000 each and premium of PKR 3,800 (June 30, 2015: PKR 4,760) per share	**960,000**	720,000
Post acquisition profits at the beginning	**52,224**	-
Share of profit for the period	**407,318**	202,224
Dividend received	**(458,375)**	(150,000)
Carrying Value of Associate	**961,167**	772,224
Others		
Equity security available-for-sale		
- Arabian Sea Country Club Limited		
250,000 ordinary shares (June 30, 2015: 250,000) of PKR 10 each	**2,500**	2,500
	963,667	774,724

5.1 During the year, the Group invested remaining PKR 240 million against right issue in NutriCo Pakistan (Private) Limited upon approval of shareholders in EOGM resulting in increase in shareholding from 30% to 40% effective from April 01, 2016. NutriCo Pakistan (Private) Limited is involved in marketing and distribution of infant milk and nutritional products.

Amounts in PKR '000

		As at June 30, 2016 (Unaudited)	As at June 30, 2015 (Audited)
5.2	The summary of financial information of associate as at the balance sheet date is as follows:		
	Total assets	**4,102,643**	3,796,843
	Total liabilities	**1,699,730**	1,362,569
	Total equity and reserves	**2,402,913**	2,434,274
	Total revenue	**6,670,513**	4,921,867
	Profit for the year	**1,194,182**	1,019,982

		As at June 30, 2016	As at June 30, 2015
6	**Long-term loans**		
	Considered good		
	Due from executives and employees - note 6.1	**357,637**	326,515

6.1 Due from executives and employees

	Motor car	House building	Total	Total
Due from executives - note 6.2, 6.3 and 6.4	**223,277**	**59,017**	**282,294**	245,541
Receivable within one year	**(35,663)**	**(33,028)**	**(68,691)**	(53,412)
	187,614	**25,988**	**213,603**	192,129
Due from employees - note 6.3			**178,458**	166,687
Receivable within one year			**(34,424)**	(32,301)
			144,034	134,386
			357,637	326,515
Outstanding for period:				
- less than three years but over one year			**275,356**	126,193
- more than three years			**82,281**	200,322
			357,637	326,515

6.2	**Reconciliation of the carrying amount of loans to executives:**		
	Balance at the beginning of the year	**245,541**	205,011
	Disbursements during the year	**124,213**	108,154
	Received during the year	**(87,460)**	(67,624)
	Balance at the end of the year	**282,294**	245,541

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:	**301,495**	245,541
7	**Long-term deposits and prepayments**		
	Deposits	**28,209**	27,323
	Prepayments	**5,385**	3,454
		33,594	30,777

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
8	**Stores, spares and consumables**		
	Stores - note 8.1	**100,558**	60,745
	Spares - note 8.1	**807,960**	728,722
	Consumables	**121,244**	108,978
		1,029,762	898,445
	Provision for slow moving and obsolete stores and spares - note 8.2	**(168,218)**	(189,247)
		861,544	709,198
8.1	The above amounts include stores and spares in transit:	**70,287**	32,440
8.2	Movement of provision for slow moving and obsolete stores and spares is as follows:		
	Balance at the beginning of the year	**189,247**	205,435
	Charge for the year - note 28	**4,060**	15,044
	Write off during the year	**(25,089)**	(31,232)
	Balance at the end of the year	**168,218**	189,247
9	**Stock-in-trade**		
	Raw and packing material include in-transit PKR 818.525 million (June 30, 2015: PKR 433.803 million) - note 9.3	**2,290,108**	2,092,026
	Work-in-process	**140,179**	96,034
	Finished goods include in-transit PKR Nil (June 30, 2015: PKR 348.217 million)	**3,019,011**	2,882,416
		5,449,298	5,070,476
	Provision for slow moving and obsolete stock-in-trade - note 9.1		
	- Raw materials	**(11,381)**	(13,659)
	- Finished goods	**(120,560)**	(113,408)
		(131,941)	(127,067)
		5,317,357	4,943,409
9.1	Movement of provision for slow moving and obsolete stock-in-trade is as follows:		
	Balance at the beginning of the year	**127,067**	97,708
	Charge for the year - note 28	**22,254**	36,000
	Write-off for the year	**(17,380)**	(6,641)
	Balance at the end of the year	**131,941**	127,067

9.2 Stock amounting to PKR 338.822 million (June 30, 2015: PKR 498.295 million) is measured at net realisable value and expense amounting to PKR 10.999 million (June 30, 2015: PKR 9.465 million) has been charged to cost of sales.

9.3	Raw and packing materials held with various toll manufacturers:	**242,400**	556,110

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
10	**Trade debts**		
	Considered good		
	- Secured	**354,531**	168,723
	- Unsecured	**1,579,315**	1,474,018
		1,933,846	1,642,741
	Considered doubtful	**43,955**	40,987
		1,977,801	1,683,728
	Provision for:		
	- Doubtful debts - note 40.4 and 40.6	**(43,955)**	(40,987)
	- Discounts payable on sales	**(293,779)**	(211,647)
		(337,734)	(252,634)
		1,640,067	1,431,094

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

Unsecured		
Yunus Textile Mills Limited	**179**	15,190
Lucky Textile Mills Limited	**948**	4,231
Lucky Knits (Private) Limited	**472**	499
Oil & Gas Development Company Limited	**14**	-
NutriCo Pakistan (Private) Limited	**2,393**	11,095
Feroze1888 Mills Limited	**331**	377
	4,337	31,392

11	**Loans and advances**		
	Considered good		
	Loans due from:		
	Director and executives - note 11.1	**82,157**	59,729
	Employees	**34,424**	32,301
		116,581	92,030
	Advances to:		
	Executives	**10,768**	8,283
	Employees	**491**	319
	Contractors and suppliers	**261,572**	219,979
	Others	**2,950**	4,648
		275,781	233,229
		392,362	325,259
	Considered doubtful	-	-
		392,362	325,259
	Provision for doubtful loans and advances - note 40.4 and 40.6	-	-
		392,362	325,259

11.1 The maximum aggregate amount of loans due at the end of any month during the year from:

Directors	**14,142**	9,315
Executives	**68,691**	12,565

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
12	**Trade deposits and short-term prepayments**		
	Trade deposits	**38,001**	28,399
	Short-term prepayments	**392,648**	384,851
		430,649	413,250
13	**Other receivables**		
	Considered good		
	Duties, sales tax and octroi refunds due	**520,981**	373,717
	Commission receivable	**28,046**	25,002
	Receivable from principal - note 13.1	**184,950**	483,504
	Others	**70,423**	102,049
		804,400	984,272
	Considered doubtful	**1,622**	1,622
		806,022	985,894
	Provision for doubtful receivables - note 13.2	**(1,622)**	(1,622)
		804,400	984,272
13.1	This includes receivable from a foreign vendor in relation to margin support guarantee:	**118,528**	401,706
13.2	**Movement of provision for doubtful receivables**		
	Balance at the beginning of the year	**1,622**	20,237
	Write-off during the year	**-**	(18,615)
	Balance at the end of the year	**1,622**	1,622
14	**Cash and bank balances**		
	Cash at bank:		
	- Short-term deposits - note 14.1	**247,878**	106,000
	- Current accounts	**4,696**	9,046
	Cash in hand	**6,388**	5,401
		258,962	120,447

14.1 Represent security deposits from customer that are placed with various banks at pre-agreed rate maturing at various dates. These are interest based arrangements. The mark-up on these deposits ranging from 6.00% to 7.00% (June 30, 2015: 10.00%) and these term deposits are readily encashable without any penalty.

Amounts in PKR '000

As at June 30, 2016	As at June 30, 2015 (Numbers)		As at June 30, 2016	As at June 30, 2015
15 Issued, subscribed and paid-up capital				
83,734,062	83,734,062	Ordinary shares of PKR 10 each fully paid in cash	**837,341**	837,341
211,925	211,925	Ordinary shares of PKR 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 PKR 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 As at June 30, 2016, Lucky Holdings Limited together with Gadoon Textile Mills and Lucky Textile Mills Limited held 86.67% (June 30, 2015: 86.72%) shares while institutions held 8.25% and individuals and others held the balance of 5.08%.

16 Capital reserves

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 PKR 0.902 million received on shares issued for the Company's Polyester Plant installation in 1980 and share premium of PKR 464.357 million representing the difference between nominal value of PKR 10 per share of 12,618,391 ordinary shares issued by the Company and the market value of PKR 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 PKR '000

		As at June 30, 2016	As at June 30, 2015
17	**Surplus on revaluation of property, plant and equipment**		
	Balance at the beginning of the year	**722,369**	784,517
	Revaluation surplus - note 3.2 & 3.3	**470,929**	-
	Deferred tax liability recognised on surplus - note 20	**(130,207)**	-
		340,722	-
	Adjustment due to change in tax rate - note 20.1	**3,382**	4,630
	Transferred to unappropriated profit in respect of incremental depreciation during the year - net of deferred tax	**(71,143)**	(66,778)
	Balance at the end of the year	**995,330**	722,369
18	**Provisions for non-management staff gratuity**	**90,867**	87,422

18.1 Staff retirement benefits

		2016				2015			
			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	**16,554**	**38,832**	**55,386**	**3,389**	16,808	37,678	54,486	3,250
	Interest cost	**85,424**	**52,368**	**137,792**	**7,661**	113,592	69,378	182,970	9,455
	Expected return on plan assets	**(123,707)**	**(44,814)**	**(168,521)**	**-**	(152,025)	(48,038)	(200,063)	-
	Past service cost / (reversal)	**-**	**1,427**	**1,427**	**(1,427)**	-	1,030	1,030	(1,030)
	Net (reversal) / charge for the year	**(21,729)**	**47,813**	**26,084**	**9,623**	(21,625)	60,048	38,423	11,675
	Other comprehensive income:								
	Loss / (gain) on obligation	**54,496**	**28,629**	**83,125**	**1,579**	16,941	(33,989)	(17,048)	3,448
	(Gain) on plan assets	**(43,712)**	**(22,962)**	**(66,674)**	**-**	(104,216)	(49,628)	(153,844)	-
	Net (gain) / loss	**10,784**	**5,667**	**16,451**	**1,579**	(87,275)	(83,617)	(170,892)	3,448
18.1.2	**Movement in the net assets / (liability) recognised in the balance sheet are as follows:**								
	Opening balance	**410,328**	**(112,378)**	**297,950**	**(87,422)**	301,428	(196,734)	104,694	(78,081)
	Net reversal / (charge) - note 18.1.1	**21,729**	**(47,813)**	**(26,084)**	**(9,623)**	21,625	(60,048)	(38,423)	(11,675)
	Other comprehensive income / (loss)	**(10,784)**	**(5,667)**	**(16,451)**	**(1,579)**	87,275	83,617	170,892	(3,448)
	Contributions / payments during the year	**-**	**65,683**	**65,683**	**7,757**	-	60,787	60,787	5,782
	Closing balance	**421,273**	**(100,175)**	**321,098**	**(90,867)**	410,328	(112,378)	297,950	(87,422)
18.1.3	**The amounts recognised in the balance sheet are as follows:**								
	Fair value of plan assets - note 18.1.5	**1,453,265**	**556,791**	**2,010,056**	**-**	1,365,979	471,628	1,837,607	-
	Present value of defined benefit obligation - note 18.1.4	**(1,031,992)**	**(656,966)**	**(1,688,958)**	**(90,867)**	(955,651)	(584,006)	(1,539,657)	(87,422)
	Net asset / (liability)	**421,273**	**(100,175)**	**321,098**	**(90,867)**	410,328	(112,378)	297,950	(87,422)

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

18.1.4	**Movement in the present value of defined benefit obligation:**								
	Opening balance	**955,651**	**584,006**	**1,539,657**	**87,422**	973,534	576,305	1,549,839	78,081
	Current service cost	**16,554**	**38,832**	**55,386**	**3,389**	16,808	37,678	54,486	3,250
	Interest cost	**85,424**	**52,368**	**137,792**	**7,661**	113,592	69,378	182,970	9,455
	Benefits paid	**(80,133)**	**(48,296)**	**(128,429)**	**(7,757)**	(165,224)	(66,396)	(231,620)	(5,782)
	Actuarial loss / (gain)	**54,496**	**28,629**	**83,125**	**1,579**	16,941	(33,989)	(17,048)	3,448
	Past service cost / (reversal)	**-**	**1,427**	**1,427**	**(1,427)**	-	1,030	1,030	(1,030)
	Closing balance	**1,031,992**	**656,966**	**1,688,958**	**90,867**	955,651	584,006	1,539,657	87,422

		2016				2015			
		Funded		Unfunded		Funded		Unfunded
		Pension	Gratuity	Total		Pension	Gratuity	Total	
18.1.5	**Movement in the fair value of plan assets:**								
	Opening balance	**1,365,979**	**471,628**	**1,837,607**	**-**	1,274,962	379,571	1,654,533	-
	Expected return	**123,707**	**44,814**	**168,521**	**-**	152,025	48,038	200,063	-
	Contributions	**-**	**65,683**	**65,683**	**-**	-	60,787	60,787	-
	Benefits paid	**(80,133)**	**(48,296)**	**(128,429)**	**-**	(165,224)	(66,396)	(231,620)	-
	Actuarial gain	**43,712**	**22,962**	**66,674**	**-**	104,216	49,628	153,844	-
	Closing balance - note 18.1.7	**1,453,265**	**556,791**	**2,010,056**	**-**	1,365,979	471,628	1,837,607	-

18.1.6	**Historical information**	**June 30**				December 31
		2016	2015	2014	2013	2012
	Present value of defined benefit obligation	**1,779,825**	1,627,079	1,627,920	1,700,226	2,264,010
	Fair value of plan assets	**(2,010,056)**	(1,837,607)	(1,654,533)	(1,655,974)	(1,509,900)
	Net (asset) / liability	**(230,231)**	(210,528)	(26,613)	44,252	754,110

18.1.7	**Major categories / composition of plan assets are as follows:**	**2016**	2015
	Debt instruments	**72.34%**	77.01%
	Equity at market value	**26.94%**	23.36%
	Cash / Others	**0.72%**	-0.37%

	Fair value of plan asset	**Pension**	**Gratuity**	Pension	Gratuity
		As at June 30, 2016		As at June 30, 2015	
	Investment				
	National savings deposits	**256,738**	**17,051**	262,604	15,580
	Government bonds	**852,610**	**327,732**	820,415	310,846
	Mutual Funds	**60,873**	**38,750**		
	Corporate bonds	**-**	**-**	-	5,777
	Shares	**274,215**	**167,694**	285,632	143,569
	Cash	**8,829**	**12,452**	4,807	1,454
	Benefits due	**-**	**(6,888)**	(7,479)	(5,598)
	Total	**1,453,265**	**556,791**	1,365,979	471,628

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 the year:	**239,346**	206,290
		2016	2015
18.1.8	**The principal actuarial assumptions at the reporting date were as follows:**		
	Discount rate	**7.75%**	9.33%
	Future salary increases - Management	**5.75%**	7.25%
	Future salary increases - Non - Management	**3.25%**	4.67%
	Future pension increases	**2.50%**	4.00%

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

	Assumption	**1% Increase**	**1% Decrease**
	Discount rate	**(90,986)**	**102,009**
	Salary increase	**68,684**	**(62,440)**
	Pension increase	**34,504**	**(31,154)**

		As at June 30, 2016 (Unaudited)	As at June 30, 2015 (Audited)
18.1.10	During the year, the Group contributed in the fund as follows:		
	Provident fund	**78,611**	68,582
	Defined contribution superannuation fund	**67,426**	58,857
18.2	**Provident fund**		
	Size of the fund	**1,113,253**	1,018,560
	Cost of investments made	**1,046,679**	969,253
	Percentage of investments made	**94%**	95%
	Fair value of investments	**1,106,842**	994,698

Amounts in PKR '000

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, 2016 (Unaudited)		As at June 30, 2015 (Audited)	
	Investments	**% of investment as size of the fund**	Investments	% of investment as size of the fund
On fair value				
Pakistan Investment Bonds	**591,735**	**53%**	581,239	58%
Treasury Bill	**-**	**-**	8,552	1%
Regular Income Certificates	**19,034**	**2%**	18,000	2%
Mutual Funds	**138,215**	**12%**	97,346	10%
Shares	**357,858**	**32%**	289,561	29%
	1,106,842	**100%**	994,698	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.

		As at June 30, 2016	As at June 30, 2015
19	**Long-term loans**	**3,652,586**	1,493,943
	Loans from banking companies / financial institutions - note 19.1:		
	Interest based arrangement		
	Long-term finance facility		
	United Bank Limited (UBL)	**1,282,342**	221,719
	Faysal Bank Limited (FBL)	**74,717**	-
	MCB Bank	**217,086**	-
	Other long-term loan		
	Allied Bank Limited (ABL)	**416,668**	750,001
	United Bank Limited (UBL)	**2,000,000**	800,000
	Shariah compliant		
	Islamic term finance	**-**	400,000
	Standard Chartered Bank (Pakistan) Limited (SCB)	**55,556**	277,778
		4,046,369	2,449,498
	Current portion shown under current liabilities	**(393,783)**	(955,555)
		3,652,586	1,493,943

19.1 Terms and conditions of these borrowings are as follows:

Lenders	Mark-up / Profit rate	Limit	Loan duration	Grace period
United Bank Limited	SBP Rate + 50 bps	1,500,000	10 Years	2 Years
Faysal Bank Limited	SBP Rate + 45 bps	250,000	10 Years	2 Years
MCB Bank	SBP Rate + 30 bps	1,500,000	10 Years	2 Years
Meezan Bank Limited	3MK + 25 bps	500,000	3 Years	9 Months
Allied Bank Limited	3MK + 25 bps	1,000,000	4 Years	1 Year
United Bank Limited	3MK + 25 bps	2,000,000	5 Years	2 Years

These loans are secured against the fixed assets of Polyester and Soda Ash Business amounting to PKR 2,500 million and PKR 6,375 million respectively. Mark-up is payable on quarterly basis.

Amounts in PKR '000

		As at June 30, 2016				As at June 30, 2015		
		Opening	Charge/ (Reversal)	Recognized in surplus on revaluation	Closing	Opening	Charge	Closing
20	**Deferred tax liability - net**							
	Deductible temporary differences							
	Provisions for retirement benefits, doubtful debts and others	**(230,018)**	**(9,258)**	**-**	**(239,276)**	(259,368)	29,350	(230,018)
	Retirement funds provisions	**(15,421)**	**(4,070)**	**-**	**(19,491)**	(65,232)	49,811	(15,421)
	Taxable temporary differences	-						
	Property, plant and equipment - note 20.1	**1,426,606**	**132,743**	**130,207**	**1,689,556**	1,418,318	8,288	1,426,606
		1,181,167	**119,415**	**130,207**	**1,430,789**	1,093,718	87,449	1,181,167

		As at June 30, 2016	As at June 30, 2015
20.1	Charge during the year includes amount adjusted in surplus on revaluation of property, plant and equipment on account of change in tax rate of:	**3,382**	4,630
21	**Trade and other payables**		
	Trade creditors - note 21.1	**1,309,635**	1,224,198
	Bills payable	**2,557,323**	2,964,927
	Excise and custom duties	**-**	338
	Accrued expenses - note 21.3	**1,857,509**	1,464,383
	Technical service fee / royalty - note 21.2	**19,778**	21,401
	Workers' profit participation fund - note 21.4	**191,680**	152,453
	Workers' welfare fund	**181,209**	108,089
	Distributors' security deposits - payable on termination of distributorship - note 21.5	**101,113**	104,761
	Contractors' earnest / retention money	**10,245**	10,946
	Running account with customers - note 21.6	**302,686**	155,339
	Unclaimed dividends	**70,648**	62,802
	Payable for capital expenditure	**547,635**	812,437
	Provision for compensated absences - note 21.7	**31,249**	31,249
	Others	**142,053**	98,952
		7,322,763	7,212,275
21.1	This amount includes exchange loss on forward exchange contracts:	**-**	3,380
21.2	This amount includes royalty payable to Lucky Holdings Limited, the Holding Company.	**18,993**	20,701
21.3	This amount includes Pensioner medical liability of:	**10,602**	9,696

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
21.4	**Workers' profit participation fund**		
	Balance at the beginning of the year	**152,453**	114,557
	Allocation for the year - note 29	**189,030**	147,630
		341,483	262,187
	Interest on funds utilised in the Group's businesses at 86.25% (June 30, 2015: 30%) per annum - note 30	**3,704**	2,804
	Payment to the fund	**(153,507)**	(112,538)
	Balance at the end of the year	**191,680**	152,453

21.5 Interest on security deposits from certain distributors is payable at 7% (June 30, 2015: 10.00 %) per annum as specified in the respective agreements.

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

Gadoon Textile Mills	**-**	238
Yunus Textile Mills Limited	**106**	267
Fazal Textile Mills	**-**	342
Lucky Cement Limited	**1,039**	-
	1,145	847

21.7 This figure is based on actuarial valuation and estimation.

22	**Short-term borrowings and running finance**	**1,937,184**	1,833,247

Short-term borrowings and running finance facility from various banks aggregated to PKR 7,281 million (June 30, 2015: PKR 5,171 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 + 0.22% on utilized limits (June 30, 2015: relevant KIBOR + 0.10% to 1.00% per annum with an average mark-up rate of relevant KIBOR + 0.28% on utilized limits). These facilities are secured by hypothecation charge over the present and future stock-in-trade and book debts of the Group.

22.1	**Export refinance**	**388,741**	241,962

The Group has export refinance facility of upto PKR 1200 million (June 30, 2015: PKR 800 million) available from Faysal Bank Limited as at June 30, 2016 out of which PKR 388.741 million was utilized (June 30, 2015: PKR 241.962 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 3.5%) + 0.25% per annum (June 30, 2015: SBP rate 5% + 0.25% per annum).

22.2	**Money market**	**300,000**	-

During the year the Group had obtained a money market loan of PKR 300 million from United Bank Limited for a term of 1 month at plain Kibor.

22.3	**Short-term running finance - secured**	**1,248,443**	1,591,285

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
23	**Contingencies and commitments**		
23.1	Claims against the Group not acknowledged as debts are as follows:		
	Local bodies - note 23.1.1	**1,100**	8,527
	Others	**28,529**	28,529
		29,629	37,056

23.1.1 Collectorate of customs - classification issue in PCT heading

Collectorate of customs raised demand of PKR 71.938 million during 2014-15 against the Group on the ground that Group is classifying two of its imported product in wrong PCT Heading. Group took 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. As a consequence of this, PKR 3.514 million has been waived during current year reducing the demand to PKR 68.924 million. Furthermore, during the year ended June 30, 2016, further two consignments were withheld by Directorate General of Intelligence and Investigation of FBR for the same reasons. 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:	**2,193,478**	2,629,500

23.4 Commitments for rentals under operating lease / Ijarah contracts in respect of vehicles are as follows:

Year		
2015-16	**-**	57,839
2016-17	**64,050**	45,988
2017-18	**44,247**	23,848
2018-19	**28,227**	6,641
2019-20	**6,550**	-
	143,074	134,316
Payable not later than one year	**64,050**	57,839
Payable later than one year but not later than five years	**79,024**	76,477
	143,074	134,316

23.5	Outstanding foreign exchange contracts entered into by the Group amounted to:	**-**	383,000

Amounts in PKR '000

24. Operating segment results

		Polyester		Soda Ash		Life Sciences		Chemicals		Others - PowerGen		Group	
		For the year ended June 30, 2016	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015
	Sales												
	Afghanistan	**-**	-	**34,502**	3,343	**-**	-	**8,711**	4,755	**-**	-	**43,213**	8,098
	India	**-**	-	**704,327**	818,352	**-**	-	**-**	-	**-**	-	**704,327**	818,352
	United Kingdom	**-**	-	**-**	-	**-**	-	**2,192**	-	**-**	-	**2,192**	-
	Others	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
		-	-	**738,829**	821,695	**-**	-	**10,903**	4,755	**-**	-	**749,732**	826,450
	Inter-segment	**-**	-	-	-	**-**	-	**4,610**	14,662	**455,181**	829,302	**459,791**	843,964
	Local	**14,235,639**	16,673,511	**12,653,113**	11,385,584	**10,265,352**	9,106,882	**4,739,851**	4,549,642	**-**	-	**41,893,955**	41,715,619
		14,235,639	16,673,511	**13,391,942**	12,207,279	**10,265,352**	9,106,882	**4,755,364**	4,569,059	**455,181**	829,302	**43,103,478**	43,386,033
	Commission / toll income	**-**	-	**-**	-	**-**	-	**45,681**	51,879	**-**	-	**45,681**	51,879
	Turnover	**14,235,639**	16,673,511	**13,391,942**	12,207,279	**10,265,352**	9,106,882	**4,801,045**	4,620,938	**455,181**	829,302	**43,149,159**	43,437,912
	Sales tax	**(414,677)**	(326,967)	**(1,848,888)**	(1,658,439)	**(141,338)**	(125,378)	**(540,998)**	(491,330)	**(66,137)**	(120,497)	**(3,012,038)**	(2,722,611)
	Commission and discounts	**(393,753)**	(472,358)	**(702,375)**	(414,120)	**(1,413,689)**	(1,247,771)	**(279,213)**	(342,257)	-	-	**(2,789,030)**	(2,476,506)
		(808,430)	(799,325)	**(2,551,263)**	(2,072,559)	**(1,555,027)**	(1,373,149)	**(820,211)**	(833,587)	**(66,137)**	(120,497)	**(5,801,068)**	(5,199,117)
	Net turnover	**13,427,209**	15,874,186	**10,840,679**	10,134,720	**8,710,325**	7,733,733	**3,980,834**	3,787,351	**389,044**	708,805	**37,348,091**	38,238,795
	Cost of sales - note 26	**(13,765,271)**	(15,792,527)	**(7,432,444)**	(7,288,848)	**(6,195,958)**	(5,614,000)	**(3,086,848)**	(3,044,863)	**(297,630)**	(596,551)	**(30,776,411)**	(32,335,049)
	Gross profit	**(338,062)**	81,659	**3,408,235**	2,845,872	**2,514,367**	2,119,733	**893,986**	742,488	**91,414**	112,254	**6,571,680**	5,903,746
	Selling and distribution expenses - note 27	**(243,280)**	(238,369)	**(310,371)**	(278,420)	**(1,266,174)**	(1,017,286)	**(298,317)**	(247,914)	**-**	-	**(2,118,142)**	(1,781,989)
	Administration and general expenses - note 28	**(274,325)**	(298,843)	**(241,827)**	(279,111)	**(232,148)**	(224,288)	**(133,377)**	(161,416)	**(593)**	(472)	**(882,030)**	(963,890)
	Operating result	**(855,667)**	(455,553)	**2,856,037**	2,288,341	**1,016,045**	878,159	**462,292**	333,158	**90,821**	111,782	**3,571,508**	3,157,867
24.1	**Segment assets - note 24.5**	**8,085,224**	8,726,169	**16,782,250**	14,144,573	**7,011,907**	6,261,565	**3,152,394**	2,644,678	**388,902**	309,488	**27,277,801**	23,701,463
24.2	**Unallocated assets**											**3,197,915**	2,829,594
												30,475,716	26,531,057
24.3	**Segment liabilities - note 24.5**	**12,368,868**	12,038,656	**2,034,908**	2,193,698	**2,187,208**	2,355,636	**734,635**	720,757	**45,106**	37,342	**8,773,767**	8,418,062
24.4	**Unallocated liabilities**											**6,131,868**	4,402,205
												14,905,635	12,820,267
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**	**819,631**	651,348	**1,016,718**	944,005	**29,723**	26,474	**33,166**	35,451	**55,073**	52,853	**1,954,311**	1,710,131
24.7	**Capital expenditure**	**222,744**	1,869,978	**3,937,224**	2,224,678	**47,953**	87,956	**46,232**	29,492	**6,925**	48,969	**4,261,078**	4,261,073

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 PKR '000

		For the year ended June 30, 2016	For the Year ended June 30, 2015
25.	**Reconciliations of reportable segment revenues, cost of sales, assets and liabilities**		
25.1	**Turnover**		
	Total turnover for reportable segments - note 24	**43,149,159**	43,437,912
	Elimination of inter-segment turnover - note 24	**(4,610)**	(14,662)
	Elimination of inter-segment turnover from the subsidiary	**(389,044)**	(708,805)
	Total turnover	**42,755,505**	42,714,445
25.2	**Cost of sales**		
	Total cost of sales for reportable segments - note 26	**30,776,411**	32,335,049
	Elimination of inter-segment purchases - note 26	**(4,610)**	(14,662)
	Elimination of inter-segment purchases from the subsidiary	**(389,044)**	(708,805)
	Total cost of sales	**30,382,757**	31,611,582

		As at June 30, 2016	As at June 30, 2015
25.3	**Assets**		
	Total assets for reportable segments	**27,277,801**	23,701,463
	Taxation recoverable	**2,234,248**	2,054,870
	Long-term investments - note 5	**963,667**	774,724
	Total assets	**30,475,716**	26,531,057
25.4	**Liabilities**		
	Total liabilities for reportable segments	**8,773,767**	8,418,062
	Short-term borrowings and running finance - note 22	**1,937,184**	1,833,247
	Long-term loan - note 19	**4,046,369**	2,449,498
	Accrued mark-up	**77,663**	56,658
	Unclaimed dividends - note 21	**70,648**	62,802
	Total liabilities	**14,905,631**	12,820,267

Amounts in PKR '000

26. Cost of Sales

	Polyester		Soda Ash		Life Sciences		Chemicals		Others - PowerGen		Group	
	For the year ended June 30, 2016	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015
Raw and packing materials consumed												
Opening stock	**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
Purchases												
Inter-segment	**4,106**	14,662	**-**	-	**504**	-	**-**	-	**-**	-	**4,610**	14,662
Others	**10,982,051**	12,796,443	**2,506,983**	2,140,074	**2,030,953**	1,869,484	**1,427,390**	1,681,793	**194,507**	459,629	**17,141,884**	18,947,423
	10,986,157	12,811,105	**2,506,983**	2,140,074	**2,031,457**	1,869,484	**1,427,390**	1,681,793	**194,507**	459,629	**17,146,494**	18,962,085
	11,651,542	13,689,115	**2,912,258**	2,692,241	**2,722,065**	2,505,832	**1,722,846**	1,954,614	**216,150**	484,211	**19,224,861**	21,326,013
Closing stock - note 9	**(644,917)**	(665,385)	**(625,823)**	(405,275)	**(767,844)**	(690,608)	**(219,532)**	(295,456)	**(20,611)**	(21,643)	**(2,278,727)**	(2,078,367)
Raw and packaging material consumed	**11,006,625**	13,023,730	**2,286,435**	2,286,966	**1,954,221**	1,815,224	**1,503,314**	1,659,158	**195,539**	462,568	**16,946,134**	19,247,646
Salaries, wages and benefits - note 26.1	**436,141**	396,114	**751,389**	742,219	**25,203**	5,585	**58,076**	49,005	**17,603**	18,654	**1,288,412**	1,211,577
Stores and spares consumed	**188,411**	169,137	**144,872**	113,416	**(691)**	2	**11,304**	14,829	**20,617**	18,789	**364,513**	316,173
Conversion fee paid to contract manufacturers	**-**	-	**-**	-	**376,652**	399,695	**9,382**	10,554	**-**	-	**386,034**	410,249
Oil, gas and electricity	**1,029,957**	1,328,146	**2,825,500**	2,882,548	**-**	-	**18,023**	14,434	**1,768**	33,259	**3,875,248**	4,258,387
Rent, rates and taxes	**1,649**	1,008	**1,338**	1,185	**13,983**	4,000	**30,062**	18,369	**420**	420	**47,452**	24,982
Insurance	**19,194**	16,772	**27,232**	25,957	**34**	14	**1,306**	1,894	**1,255**	1,183	**49,021**	45,820
Repairs and maintenance	**11,812**	6,587	**1,463**	856	**3,281**	290	**5,380**	5,269	**130**	120	**22,066**	13,122
Depreciation and amortisation charge - note 3.5 and 4.1	**801,217**	627,248	**999,894**	924,969	**6,051**	487	**18,247**	15,203	**55,073**	52,853	**1,880,482**	1,620,760
Excise duty	**-**	-	**-**	-	**-**	-	**-**	-	**3,934**	7,171	**3,934**	7,171
Technical fees	**-**	-	**-**	-	**3,035**	1,386	**2,876**	2,793	**-**	-	**5,911**	4,179
Royalty	**-**	-	**-**	-	**3,605**	2,635	**-**	-	**-**	-	**3,605**	2,635
General expenses	**211,454**	179,196	**188,528**	169,304	**7,413**	1,115	**29,684**	17,367	**1,291**	1,534	**436,630**	366,776
Opening stock of work-in-process	**72,137**	143,343	**-**	-	**13,391**	16,447	**10,506**	5,551	**-**	-	**96,034**	165,341
Closing stock of work-in-process - note 9	**(96,152)**	(72,137)	**-**	-	**(36,743)**	(13,391)	**(7,284)**	(10,506)	**-**	-	**(140,179)**	(96,034)
Cost of goods manufactured	**13,682,445**	15,819,144	**7,226,651**	7,147,420	**2,369,435**	2,233,489	**1,690,876**	1,803,920	**297,630**	596,551	**25,265,297**	27,598,784
Opening stock of finished goods	**484,382**	395,205	**182,030**	24,303	**1,668,871**	1,291,836	**433,725**	366,603	**-**	-	**2,769,008**	2,077,947
Finished goods purchased	**-**	62,560	**157,720**	299,155	**4,090,211**	3,780,829	**1,414,880**	1,320,782	**-**	-	**5,662,811**	5,463,326
	14,166,827	16,276,909	**7,566,401**	7,470,878	**8,128,517**	7,306,154	**3,539,481**	3,491,305	**297,630**	596,551	**33,697,116**	35,140,057
Closing stock of finished goods - note 9	**(401,556)**	(484,382)	**(133,957)**	(182,030)	**(1,922,505)**	(1,668,871)	**(440,433)**	(433,725)	**-**	-	**(2,898,451)**	(2,769,008)
Provision for slow moving and obsolete stock-in-trade - note 28	-	-	-	-	**(10,054)**	(23,283)	**(12,200)**	(12,717)	**-**	-	**(22,254)**	(36,000)
	13,765,271	15,792,527	**7,432,444**	7,288,848	**6,195,958**	5,614,000	**3,086,848**	3,044,863	**297,630**	596,551	**30,776,411**	32,335,049

26.1 Staff retirement benefits

Salaries, wages and benefits include amounts in respect of staff retirement benefits:	**36,027**	30,172

27. Selling and distribution expenses

	Polyester		Soda Ash		Life Sciences		Chemicals		Others - PowerGen		Group	
	For the year ended June 30, 2016	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015	**For the year ended June 30, 2016**	For the year ended June 30, 2015
Salaries and benefits - note 27.1	**44,052**	51,474	**42,058**	36,762	**609,675**	490,878	**142,537**	95,828	**-**	-	**838,322**	674,942
Repairs and maintenance	**149**	97	**1,241**	2,087	**4,783**	4,740	**2,771**	2,545	**-**	-	**8,944**	9,469
Advertising and publicity expenses	**25,100**	2,544	**10,902**	6,473	**207,042**	143,544	**10,677**	7,331	**-**	-	**253,721**	159,892
Rent, rates and taxes	**527**	416	**3,136**	2,294	**13,847**	8,546	**1,363**	1,227	**-**	-	**18,873**	12,483
Insurance	**-**	-	**312**	317	**10,887**	9,767	**3,245**	2,695	**-**	-	**14,444**	12,779
Lighting, heating and cooling	**125**	118	**2,328**	2,227	**4,482**	3,709	**4,772**	7,780	**-**	-	**11,707**	13,834
Depreciation and amortisation charge - note 3.5 and 4.1	**-**	-	**108**	92	**14,403**	13,972	**8,983**	5,600	**-**	-	**23,494**	19,664
Outward freight and handling	**18,287**	7,405	**127,031**	116,473	**106,930**	89,805	**72,058**	74,544	**-**	-	**324,306**	288,227
Travelling expenses	**9,486**	9,621	**3,806**	3,249	**167,703**	144,124	**21,638**	21,200	**-**	-	**202,633**	178,194
Postage, telegram, telephone and telex	**1,578**	1,166	**1,771**	1,388	**18,096**	19,917	**3,651**	3,577	**-**	-	**25,096**	26,048
Royalty	**134,272**	158,742	**108,407**	101,347	**-**	-	**-**	-	**-**	-	**242,679**	260,089
General expenses	**9,704**	6,786	**9,271**	5,711	**108,326**	88,284	**26,622**	25,587	**-**	-	**153,923**	126,368
	243,280	238,369	**310,371**	278,420	**1,266,174**	1,017,286	**298,317**	247,914	**-**	-	**2,118,142**	1,781,989

27.1 Staff retirement benefits

Salaries and benefits include amount in respect of staff retirement benefits:	**6,629**	11,758

28. Administration and general expenses

Salaries and benefits - note 28.1	**169,001**	178,663	**150,715**	165,383	**121,191**	118,139	**85,988**	82,952	**-**	-	**526,866**	545,137
Repairs and maintenance	**3,341**	3,089	**3,889**	3,601	**5,935**	5,970	**763**	1,133	**-**	-	**13,928**	13,793
Advertising and publicity expenses	**1,454**	1,781	**1,730**	1,915	**564**	967	**419**	457	**-**	-	**4,167**	5,120
Rent, rates and taxes	**6,017**	9,041	**3,047**	7,164	**1,747**	2,731	**659**	1,548	**-**	-	**11,470**	20,484
Insurance	**1,058**	596	**1,265**	713	**4,220**	4,824	**399**	227	**-**	-	**6,942**	6,360
Lighting, heating and cooling	**6,573**	5,625	**4,526**	3,984	**12,654**	10,849	**4,525**	861	**-**	-	**28,278**	21,319
Depreciation and amortisation charge - note 3.5 and 4.1	**18,414**	24,100	**16,716**	18,944	**9,269**	12,015	**5,936**	14,648	**-**	-	**50,335**	69,707
Provision for doubtful debts - note 40.6	**548**	2,956	**-**	-	**6,752**	2,218	**2,890**	21,021	**-**	-	**10,190**	26,195
Provision for slow moving and obsolete stock-in-trade - note 9.1	**-**	-	**-**	-	**10,054**	23,283	**12,200**	12,717	**-**	-	**22,254**	36,000
Provision for slow moving stores and spares - note 8.2	**-**	-	**4,060**	15,044	**-**	-	**-**	-	**-**	-	**4,060**	15,044
Travelling expenses	**7,834**	7,784	**5,518**	5,299	**8,491**	6,759	**2,318**	4,739	**-**	-	**24,161**	24,581
Postage, telegram, telephone and telex	**3,244**	3,179	**2,649**	2,899	**4,100**	2,648	**1,571**	1,481	**-**	-	**11,564**	10,207
General expenses	**56,841**	62,029	**47,712**	54,165	**47,171**	33,885	**15,709**	19,632	**593**	472	**167,815**	169,943
	274,325	298,843	**241,827**	279,111	**232,148**	224,288	**133,377**	161,416	**593**	472	**882,030**	963,890

28.1 Staff retirement benefits

Salaries and benefits include amount in respect of staff retirement benefits:	**22,073**	8,650

Amounts in PKR '000

		For the year ended June 30, 2016	For the Year ended June 30, 2015
29	**Other charges**		
	Auditors' remuneration - note 29.1	**5,239**	4,772
	Donations - note 29.2	**20,000**	20,145
	Workers' profit participation fund - note 21.4	**189,030**	147,630
	Workers' welfare fund	**73,222**	57,187
	Loss on disposal of operating fixed assets	**2,701**	-
	Others	**1,500**	15,104
		291,692	244,838
29.1	**Auditors' remuneration**		
	Statutory audit fee	**3,034**	2,758
	Half yearly review and other certifications	**1,271**	1,120
	Out of pocket expenses	**934**	894
		5,239	4,772

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 Group are amongst the Trustees of the Foundation.

30	**Finance costs**		
	Mark-up	**260,200**	292,444
	Interest on workers' profit participation fund - note 21.4	**3,704**	2,804
	Discounting charges on receivables	**55,748**	59,230
	Exchange losses	**60,005**	48,190
	Guarantee fee and others	**4,588**	900
		384,245	403,568
31	**Other income**		
	Income from financial assets		
	Profit on short-term and call deposits - note 31.1	**8,151**	649
	Income from non-financial assets		
	Scrap sales	**60,803**	69,252
	Sales from scrap raw materials	**12,754**	11,795
	Gain on disposal of operating fixed assets	**-**	5,532
	Provisions and accruals no longer required written back	**369**	9,936
	Dividend from investment in equity shares	**-**	40,000
	Sundries	**1,842**	5,251
		83,919	142,415

31.1 These are interest-based arrangements.

32	**Taxation**		
	Current	**530,120**	535,518
	Deferred	**126,867**	42,268
	Net tax charged - note 32.1	**656,987**	577,786

Amounts in PKR '000

		For the year ended June 30, 2016	For the Year ended June 30, 2015
32.1	**Tax reconciliation**		
	Profit before taxation	**3,386,808**	2,854,100
	Tax @ 32% (June 30, 2015: 33%)	**1,083,779**	941,853
	Effect of profit of subsidiary	**(28,673)**	(32,467)
	Effect of share of profit from associate	**(130,342)**	(51,734)
	Effect of credit under section 65B	**(355,500)**	(245,834)
	Effect of change in tax rate on opening deferred tax liability	**(41,612)**	(36,922)
	Tax impact due to change of FTR ratio	**-**	(51,183)
	Super tax	**91,709**	75,289
	Tax effect of dividend taxed at 12.5% instead of 32% (June 30, 2015: taxed at 10.00% instead of 33%)	**-**	(9,200)
	Tax effect of items not deductible for tax purposes	**-**	5,410
	Others	**37,625**	(17,426)
	Net tax charged	**656,987**	577,786
	Average effective tax rate	**19%**	20%
33	**Basic and diluted earnings per share (EPS)**		
	Profit after taxation for the year	**2,729,821**	2,276,314
		Number of shares	
	Weighted average number of ordinary shares in issue during the year	**92,359,050**	92,359,050
		PKR	
	Basic and diluted earnings per share (EPS)	**29.56**	24.65

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, 2016	For the Year ended June 30, 2015	**For the year ended June 30, 2016**	For the Year ended June 30, 2015	**For the year ended June 30, 2016**	For the Year ended June 30, 2015	**For the year ended June 30, 2016**	For the Year ended June 30, 2015
Managerial remuneration	**49,844**	47,375	**32,117**	30,716	**808,215**	729,978	**890,176**	808,069
Retirement benefits	**8,197**	7,754	**5,712**	5,463	**177,853**	156,161	**191,762**	169,378
Group insurance	**45**	29	**45**	29	**5,612**	4,263	**5,702**	4,321
Rent and house maintenance	**1,096**	961	**-**	-	**236,006**	207,980	**237,102**	208,941
Utilities	**844**	656	**-**	-	**59,693**	52,263	**60,537**	52,919
Medical expenses	**85**	59	**335**	45	**49,154**	36,098	**49,574**	36,202
	60,111	56,834	**38,209**	36,253	**1,336,533**	1,186,743	**1,434,853**	1,279,830
Number of persons as at the balance sheet date	**1**	1	**1**	1	**575**	523	**577**	525

34.1 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 leased car, certain household equipment and maintenance when needed.

Amounts in PKR '000

		For the year ended June 30, 2016	For the Year ended June 30, 2015
34.2	Remuneration paid to Chairman during the year:	**-**	-
34.3	During the year fee paid to non-executive directors for attending board and other meetings which is not part of remuneration amounts to:	**2,813**	4,375

		As at and for the year ended June 30, 2016	As at and for the year ended June 30, 2015
34.4	Total number of employees as at the balance sheet date	**1,337**	1,255
	Average number of employees during the year	**1,315**	1,218

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:

Relationship with the company	Nature of transaction	For the year ended June 30, 2016	For the Year ended June 30, 2015
Holding Company	Dividend	**896,952**	625,591
	Royalty	**242,679**	260,089
Associated companies	Purchase of goods, materials and services	**101,833**	44,459
	Sale of goods and materials	**1,477,802**	1,457,755
	Dividend	**143,755**	99,523
	Reimbursement of expenses	**61,760**	43,197
Key management personnel	Remuneration paid	**182,620**	157,740
	Post employment benefits	**30,850**	29,120

35.1 As at June 30, 2016, ICI's finished goods amounting to PKR 73 million (June 30, 2015: PKR 27 million) and PKR 24 million (June 30, 2015: PKR Nil) were kept at warehouses of Fazal Textile Mills and Gadoon Textile Mills respectively. No rental expense is charged for this arrangement. Had it been an arm's length transaction, rental equivalent to market value of PKR 1.2 million (June 30, 2015: PKR 0.960 million) and PKR 0.600 million (June 30, 2015: PKR Nil) respectively would have been charged.

36 Plant capacity and annual production

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

	For the year ended June 30, 2016		For the year ended June 30, 2015	
	Annual Name Plate Capacity	**Production**	Annual Name Plate Capacity	Production
Polyester	**122,250**	**118,859**	122,250	115,711
Soda Ash	**350,000**	**337,869**	350,000	308,499
Chemicals - note 36.2	**-**	**12,950**	-	13,299
Sodium Bicarbonate	**40,000**	**29,330**	26,000	27,840
PowerGen - note 36.3	**122,640**	**29,178**	122,640	40,059

36.1 Production of Soda Ash as compared to last year was greater due to commissioning of coal fired boilers 3 and 4, dense ash and light ash projects. Annual name plate capacity of Sodium Bicarbonate also increased due to commissioning of RSB project. Out of total production of 337,869 metric tonnes soda ash, 26,396 metric tonnes was transferred for production of Sodium Bicarbonate.

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.

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, 2016	As at June 30, 2015
Fixed rate instruments		
Financial assets - Note 14	**247,878**	106,000
Financial liabilities - Note 19 and 21	**(1,675,258)**	(326,480)
	(1,427,380)	(220,480)
Variable rate instruments		
Financial liabilities - note 19 and 22	**(4,409,407)**	(4,061,026)
	(4,409,407)	(4,061,026)

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 PKR 44.094 million (June 30, 2015: PKR 40.610 million).

Amounts in PKR '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:

	CNY	EURO	USD	GBP	JPY
			As at June 30, 2016		
Other receivables	**3,583**	**406**	**18,944**	**49**	**-**
Cash and bank balances	**-**	**-**	**-**	**-**	**-**
	3,583	**406**	**18,944**	**49**	**-**
Trade and other payables	**-**	**(140,419)**	**(1,801,105)**	**(5,978)**	**(348)**
Gross balance sheet exposure	**3,583**	**(140,013)**	**(1,782,161)**	**(5,929)**	**(348)**
			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)

Significant exchange rates applied during the year were as follows:

	Average rate		Spot rate	
	For the year ended June 30, 2016	For the year ended June 30, 2015	**As at June 30, 2016**	As at June 30, 2015
PKR per	**PKR**		**PKR**	
EURO	**115.73**	121.72	**116.80**	112.95
USD	**104.35**	101.46	**104.83**	101.80
GBP	**155.15**	159.58	**141.43**	159.90
CNY	**16.22**	-	**15.78**	-
JPY	**0.89**	0.89	**1.02**	0.83

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 PKR 19.249 million (June 30, 2015: PKR 29.681 million). The following table demonstrates the sensitivity to the change in exchange rates. As at June 30, 2016, 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, 2016 and June 30, 2015 would be as follows:

	Increase / decrease in exchange rates	Effect on Profit before tax (CNY)	Effect on Profit before tax (EURO)	Effect on Profit before tax (USD)	Effect on Profit before tax (GBP)	Effect on Profit before tax (JPY)
2016						
Pak Rupee	**+1%**	**(36)**	**1,400**	**17,822**	**59**	**3**
Pak Rupee	**-1%**	**36**	**(1,400)**	**(17,822)**	**(59)**	**(3)**
2015						
Pak Rupee	+1%	-	1,203	17,508	10,970	21
Pak Rupee	-1%	-	(1,203)	(17,508)	(10,970)	(21)

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 regularly 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 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, 2016	As at June 30, 2015
40.1	**Financial assets**		
	Long-term investment - note 5	**963,667**	774,724
	Long-term loans - note 6	**357,637**	326,515
	Long-term deposits - note 7	**28,209**	27,323
	Trade debts - note 10	**1,640,067**	1,431,094
	Loans and advances - note 11	**392,362**	325,259
	Trade deposits - note 12	**38,001**	28,399
	Other receivables - note 13	**283,419**	610,555
	Bank balances - note 14	**252,574**	115,046
		3,955,936	3,638,915

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

40.3 Financial assets

- Secured	**814,236**	570,098
- Unsecured	**3,141,700**	3,068,817
	3,955,936	3,638,915

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

Not past due	**1,856,497**	1,638,221
Past due but not impaired:		
Not more than three months	**160,408**	120,055
Past due and Impaired:		
More than three months and not more than six months	**8,805**	3,709
More than six months and not more than nine months	**734**	177
More than nine months and not more than one year	**22,545**	8,328
More than one year	**27,395**	26,850
	219,887	159,119
Provision for:		
- Doubtful debts - note 10	**(43,955)**	(40,987)
	2,032,429	1,756,353

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

Amounts in PKR '000

		As at June 30, 2016	As at June 30, 2015
40.5	The maximum exposure to credit risk for past due at the reporting date by type of counterparty was:		
	Wholesale customers	**10,962**	22,657
	Retail customers	**172,969**	111,127
	End-user customers	**35,956**	25,335
		219,887	159,119
	Provision for:		
	- Doubtful debts - note 10	**(43,955)**	(40,987)
		175,932	118,132

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	**40,987**	**-**	**40,987**	100,956
Additional provision - note 28	**10,190**	**-**	**10,190**	26,195
Written off during the year	**(7,222)**	**-**	**(7,222)**	(86,164)
Balance at the end of the year	**43,955**	**-**	**43,955**	40,987

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 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, 2016	As at June 30, 2015
Textile and chemicals	**475,256**	511,797
Glass	**63,940**	72,237
Paper and board	**32,157**	92,091
Pharmaceuticals	**235,235**	323,162
Paints	**36,855**	18,181
Banks	**258,962**	120,447
Loans and advances and others	**1,226,553**	774,471
	2,328,958	1,912,386
Provision for:		
- Doubtful debts - note 10	**(43,955)**	(40,987)
	2,285,003	1,871,399

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.

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 analyses 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, 2016	
Financial liabilities			
Trade creditors - note 21	**1,309,635**	**(1,309,635)**	**(1,309,635)**
Bills payable - note 21	**2,557,323**	**(2,557,323)**	**(2,557,323)**
Accrued mark-up	**77,663**	**(77,663)**	**(77,663)**
Accrued expenses - note 21	**1,857,509**	**(1,857,509)**	**(1,857,509)**
Technical service fee / Royalty - note 21	**19,778**	**(19,778)**	**(19,778)**
Distributors' security deposits - payable on termination of distributorship - note 21	**101,113**	**(108,191)**	**(108,191)**
Contractors' earnest / retention money - note 21	**10,245**	**(10,245)**	**(10,245)**
Unclaimed dividends - note 21	**70,648**	**(70,648)**	**(70,648)**
Payable for capital expenditure - note 21	**547,635**	**(547,635)**	**(547,635)**
Others - note 21	**142,053**	**(142,053)**	**(142,053)**
Long-term loans - note 19	**4,046,369**	**(2,449,498)**	**(393,783)**
Short-term borrowings and running finance - note 22	**1,937,184**	**(1,937,184)**	**(1,937,184)**
	12,677,155	**(11,087,362)**	**(9,031,647)**

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, 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 and running finance - note 22	1,833,247	(1,833,247)	(1,833,247)
	11,104,210	(11,114,686)	(9,620,743)

Amounts in PKR '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, 2016 and June 30, 2015 is as follows:

	As at June 30, 2016	As at June 30, 2015
Long-term loans - note 19	**4,046,369**	2,449,498
Short-term borrowings and running finance - note 22	**1,937,184**	1,833,247
Total debt	**5,983,553**	4,282,745
Cash and bank balances - note 14	**(258,962)**	(120,447)
Net debt	**5,724,591**	4,162,298
Share capital	**923,591**	923,591
Capital reserves	**309,643**	309,643
Unappropriated profit	**13,341,517**	11,755,187
Equity	**14,574,751**	12,988,421
Capital	**20,299,342**	17,150,719
Gearing ratio	**28.20%**	24.27%

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 Group'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 & 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 was decided on November 24, 2015 in which the issue of date of commissioning of PTA's plant & the tax depreciation claimed thereon and the issue of addition to income in respect of trial production stocks were decided in Group 's favour however the issue of restriction of cost of capitalization of PTA plant was decided against the Group. The Group and FBR have filed the appeals on respective matters decided against them in Tribunal the hearing of which is yet to be conducted.

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. Consequently, FBR filed an appeal in the Sindh High Court however on June 13, 2016, the High Court maintained Tribunal's decision and the case was decided in favour of the Group. FBR has filed an appeal in the Supreme Court against the Sindh High Court's decision which is pending.

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. The High Court has decided the matter on June 13, 2016 in assessment year 2001-02 however no hearing has been conducted since then in the subject case assessment year 2002-2003.

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 PKR 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 interpretations 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 :

Amounts in PKR '000

44.1 New standards

The Group has adopted the following new standards to IFRSs which became effective for the current year:

IFRS 10 – Consolidated Financial Statements
IFRS 11 – Joint Arrangements
IFRS 12 – Disclosure of Interests in Other Entities
IFRS 13 – Fair Value Measurements
IAS 27 (Revised 2011) – Separate Financial Statements
IAS 28 (Revised) – Investment in associates and joint ventures

The adoption of the above standards did not have any material effect on these consolidated financial statements.

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

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations:

Standard or Interpretation		Effective date (annual periods beginning on or after)
IFRS 2 –	Share-based Payments – Classification and measurement of Share-based Payments Transactions (Amendments)	January 01, 2018
IFRS 10 –	Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investment in Associates – Investment 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)	Not yet finalised
IFRS 11 –	Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)	January 01, 2016
IAS 1 –	Presentation of financial statements: Disclosure initiative – clarification on materiality, disaggregation and subtotals, Note, Other Comprehensive Income (OCI) (Amendments)	January 01, 2016
IAS 7 –	Financial Instruments: Disclosures - Disclosure Initiative - (Amendment)	January 01, 2017
IAS 12 –	Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)	January 01, 2017
IAS 16 –	Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortisation (Amendment)	January 01, 2016
IAS 16 –	Property, Plant and Equipment and IAS 41 Agriculture: Bearer Plants (Amendments)	January 01, 2016
IAS 27 –	Separate Financial Statements: Equity Method in Separate Financial Statements (Amendment)	January 01, 2016

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 in September 2014. Such improvements are generally effective for accounting periods beginning on or after January 01, 2016. The Company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

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

Standard		IASB 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
IFRS 16 –	Leases	January 01, 2019

The Group expects that above new standards will not have any material impact on the Group's financial statements in the period of initial application.

45 Post balance sheet events - dividends

The Directors in their meeting held on August 30, 2016 have recommended a final dividend of PKR 9.00 per share (June 30, 2015: PKR 6.50 per share). This dividend is in addition to interim dividend paid of PKR 6.5 per share during the current year. The consolidated financial statements for the year ended June 30, 2016 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, 2016.

46 Date of authorization

These consolidated financial statements were authorised for issue in the Board of Directors meeting held on August 30, 2016.

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

ABL	Allied Bank Limited
ADD	Anti Dumping Duties
AGM	Annual General Meeting
APCMA	All Pakistan Cement Manufacturers Association
ATF	Aziz Tabba Foundation
BAC	Board Audit Committee
BBS	Behaviour Based Safety
CAA	Civil Aviation Authority
CAGR	Compound Annual Growth Rate
CCG	Code of Corporate Governance
CCPA	Corporate Communications and Public Affairs
CDC	Central Depository Company
CE	Chief Executive
CEO	Chief Executive Officer
CFB	Coal Fired Boiler
CFO	Chief Financial Officer
CGU	Cash Generating Unit
CIMMYT	International Maize and Wheat Improvement Centre
CIR	Commissioner Inland Revenue
CM	Contribution Margin
CME	Continued Medical Education
CO2	Carbon Dioxide
Co.	Company
COD	Chemical Oxygen Demand
CPEC	China Pakistan Economic Corridor
CSR	Corporate Social Responsibility
DA	Dense Ash
DCIR	Deputy Commissioner Inland Revenue
DFI	Development Financial Institutions
DNA	De oxy ribo nucleic acid
DRAP	Drug Regulatory Authority of Pakistan
E&Y	Ernst & Young
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest tax depreciation and amortization
EMT	Executive Management Team
EOGM	Extraordinary General Meeting
EPA	Environmental Protection Agency
EPD	Environment Protection Department
EPM	Enterprise Performance Management
EPS	Earnings per share
ERM	Enterprise Risk Management
ERP	Enterprise Resource Planning
FBR	Federal Board of Revenue
FFFP	Fellowship Fund for Pakistan
FTR	Final Tax Regime
FWO	Frontier Works Organization
FY	Financial Year
GC	General Chemicals
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GIDC	Gas Infrastructure Development Cess
GJ/Te	Giga joule per ton
GM	General Manager
GRI	Global Reporting Initiative
HAPI	Health Assessment Performance Index
HMI	Human Machine Interface
HR	Human Resources
HR&RC	Human Resource and Remuneration Committee
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
IBM	International Business Machines
ICAP	Institute of Chartered Accountants of Pakistan
ICC	International Chamber of Commerce
ICMAP	Institute of Cost and Management Accountants of Pakistan
IFAC	International Federation of Accountants
IFAS	Islamic Financial Accounting Standards
IFRSs	International Financial Reporting Standards
INSEAD	Institut Européen d'Administration des Affaires
ISO	International Standards Organisation
IT	Information Technology
IVSAA	Indus Valley School of Art and Architecture
JCR-VIS	Japan Credit Rating Vital Information Services
KIBOR	Karachi Inter Bank Offer Rate
KNZ	Royal Dutch Salt
KPI	Key Performance Indicators
KPK	Khyber Pakhtunkhwa
KPMG	Klynveld Peat Marwick Main Goerdeler
KSE	Karachi Stock Exchange Limited
KTPA	Kilotons per annum
L&D	Learning and Development
LA	Light Ash
LOI	Loss of Ignition
LRBT	Layton Rahmatullah Benevolent Trust
LTFF	Long Term Financing Facility
LTI	Lost Time Injury
LUMS	Lahore University of Management Sciences
m3/te	Meter Cube per ton
MALC	Marie Adelaide Leprosy Centre
MAP	Management Association of Pakistan
MBL	Meezan Bank Limited
MCB	Muslim Commerical Bank
MEG	Mono-Ethylene Glycol
MRP	Material Requirement Planning
MS	Microsoft
MSD	Merck Sharp & Dohme
MT	Metric Ton
MW	Megawatt
NAFA	NBP Fullerton Asset Management Limited
NBFI	Non-banking Financial Instituitions
NBP	National Bank of Pakistan
NBV	Net Book Value
NEP	Net Protection Rate
NEQS	National Environment Quality Standards
NGO	Non-Governmental Organisation
NICVD	National Institute of Cardiovascular Diseases
NOx	Nitrogen Oxide
NPR	Non-product related
NSI	Net Sales Income
NTC	National Tariff Commission
OCI	Other Comprehensive Income
ODS	Ozone-Depleting Substances
OEE	Operational Eco Efficiency
OHSAS	Occupational Health and Safety Administration Standards
OICCI	Overseas Investors Chamber of Commerce and Industry
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 Center for Philanthropy
PCT	Pakistan Customs Tariff
PHE	Plate Heat Exchanger
PICG	Pakistan Institute of Corporate Governance
PIJBC	Pakistan-India Joint Business Council
PKR	Pakistani Rupee
PPEs	Personal Protective Equipment
PSF	Polyester Staple Fibre
PSX	Pakistan Stock Exchange
PTA	Pure Terephthalic Acid
PU	Polyurethanes
PX	Paraxylene
Q	Quarter
R&D	Research and Development
RCMS	Responsible Care Management System
RISE	Reach Inspire Sustain Enable
ROCE	Return on Capital Employed
ROEDI	Reverse Osmosis and Continuous Electro-Deionisation
Rs	Rupees
RSB	Refined Sodium Bicarbonate
SAP	Systems Applications and Products
SBP	State Bank of Pakistan
SC	Specialty Chemicals
SCB	Standard Chartered Bank
SCM	Supply Chain Management
SECP	Securities and Exchange Commission of Pakistan
SOGP	Society of Obs and Gynae Pakistan
SOx	Sulphur Oxide
SPLY	Same period last year
SWOT	Strengths Weaknesses Opportunities and Threats
TEVTA	Technical Education Vocational Training Authority
TJ	Terajoule
UBL	United Bank Limited
UK	United Kingdom
UN	United Nations
UNGC	United Nations Global Compact
URS	United Registrar of Systems
USA	United States of America
USD	United States Dollar
VOC	Volatile Organic Compound
VoIP	Voice Over Internet Protocol
VP	Vice President
WEF	World Economic Forum
YBG	Yunus Brothers Group
YGL	Young Global Leader

ICI PAKISTAN LTD.

Admission Slip

The Sixty-fifth Annual General Meeting of ICI Pakistan Limited will be held on October 25, 2016, at 10.30 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

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 / SNIC 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)

Revised Treatment of Withholding Tax

Please further note that under Section 150 of the Income Tax Ordinance 2001, and pursuant to Finance Act 2016, withholding tax on dividend income will be deducted for 'Filer' and 'Non-Filer' shareholders @ 12.5% and 20% 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.**

Principal shareholder				**Joint – Holder 1**	
Folio/CDS Account #	Total Shares	Name and CNIC #	No. of Shares	Name and CNIC #	No. of Shares
Joint – Holder 2				**Joint – Holder 3**	
Name and CNIC #			No. of Shares	Name and CNIC #	No. of Shares

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]

ڈائریکٹرز رپورٹ

برائے مالی سال ختم شدہ 30 جون 2016

ڈائریکٹرز آئی سی آئی پاکستان لمیٹڈ کے آڈٹ شدہ گروپ رزلٹس برائے مالی سال ختم شدہ 30 جون 2016 پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

آئی سی آئی پاکستان گروپ ،آئی سی آئی پاکستان لمیٹڈ اور آئی سی آئی پاکستان PowerGen لمیٹڈ (PowerGen) ایک مکمل زیر ملکیت ادارہ پر مشتمل ہے۔

سال ختم شدہ 30 جون 2016 کے عرصہ کے دوران آئی سی آئی پاکستان لمیٹڈ کی کارکردگی کی وضاحت پر مشتمل ڈائریکٹرز رپورٹ علیحدہ سے پیش کی جا چکی ہے۔

PowerGen کا مجموعی کاروبار برائے سال ختم شدہ 30 جون 2016 389 ملین روپے بنتا ہے جو کہ گزشتہ سال کے مقابلے میں 45 فیصد کم ہے۔ جس کی اہم وجہ بجلی کی فروخت میں 27 فیصد کمی واقع ہونا ہے کیونکہ آئی سی آئی پاکستان لمیٹڈ کے پولیسٹر پلانٹ پر اس کے اپنے اسٹیم اور پاور پروجیکٹ کے قیام کی بدولت بجلی کی طلب میں بہت حد تک کمی واقع ہوئی ہے۔ اس کے ساتھ گزشتہ ایک سال میں 47 فیصد تک تیل کی قیمتوں میں کمی نے بھی مجموعی کاروباری آمدنی میں کمی واقع کی۔ اس پوری صورتحال میں آپریٹنگ منافع گزشتہ سال کے مقابلے میں 19 فیصد کم رہا (91 ملین روپے بمقابلہ 112 ملین روپے گزشتہ سال میں)۔

محمد سہیل ٹبا
چیئرمین

آصف جمعہ
چیف ایگزیکٹو

بتاریخ 30 اگست، 2016
کراچی۔

ڈائریکٹرز رپورٹ

برائے مالی سال ختم شدہ 30 جون 2016

پیٹرن آف شیئر ہولڈنگ (حصص رکھنے کا طریقہ):

شیئر ہولڈنگ کے عام طریقہ کار کی تفصیل بشمول شیئر ہولڈرز کی کچھ درجہ بندیوں میں شیئر ہولڈنگ کا طریقہ کار برائے سال ختم شدہ 30 جون 2016 صفحہ نمبر F 50 سے F 52 تک ملاحظہ کریں۔

30 جون 2016 کے مطابق، لکی ہولڈنگز لمیٹڈ بشمول گدون ٹیکسٹائل ملز اور لکی ٹیکسٹائل ملز لمیٹڈ نے 86.68 فیصد شیئرز اپنے نام رکھے ہوئے تھے جبکہ اداروں نے 8.25 فیصد افراد اور دیگر نے باقی 5.07 فیصد شیئر رکھے ہوئے تھے۔

آئی سی آئی پاکستان لمیٹڈ کے شیئرز کی سال 16-2015 کے دوران کم از کم اور زیادہ سے زیادہ مارکیٹ پرائس درج ذیل تھی:

زیادہ سے زیادہ	17 اگست 2015	566.94
کم از کم	21 مارچ 2016	410.00

سال کے دوران جناب کمال اے چنائے، ڈائریکٹر، نے کمپنی کے 10,500 شیئرز خریدے اور 4 شیئرز انہیں وراثت میں ملے۔ اس حوالے سے ریگولیٹری اتھارٹیز میں مشروط ریٹرن فائل کرنے کے ساتھ CCG کے تحت بورڈ اور اسٹاک ایکسچینج کو مذکورہ ٹرانزیکشن کے بارے میں اطلاع بھی دی گئی۔ اس کے علاوہ ڈائریکٹرز، سی ای او، سی ایف او، کمپنی سیکریٹری، رفیقِ حیات اور چھوٹے بچوں نے کمپنی کے شیئرز میں ٹرانزیکشن نہیں کی ہیں۔

گروپ کے مالیاتی گوشوارے:

سال ختم شدہ جون 30، 2016 کے لئے آئی سی آئی گروپ کے آڈٹ شدہ مالیاتی گوشوارے منسلک ہیں۔ آئی سی آئی پاکستان گروپ، آئی سی آئی پاکستان لمیٹڈ اور آئی سی آئی پاکستان پاور جن لمیٹڈ (ایک مکمل ماتحت سبسیڈری) پر مشتمل ہے۔

محمد سہیل ٹبا
چیئرمین

آصف جمعہ
چیف ایگزیکٹو

بتاریخ 30 اگست، 2016
کراچی۔

ڈائریکٹرز رپورٹ

برائے مالی سال ختم شدہ 30 جون 2016

ریٹائرمنٹ فوائد میں سرمایہ کاری:

ملازمین کے ریٹائرمنٹ فنڈ سے متعلق مجموعی اثاثوں کی قدر پر موجود فوائد کا انتظام فنڈز کے ٹرسٹیز کرتے ہیں۔ان کے فنانشل اسٹیٹمنٹ (آڈٹ شدہ) کے مطابق 30 جون 2015 کو ان کی تفصیل درج ذیل تھی:

	30 جون 2015	30 جون 2014
	قدر (PKR '000)	قدر (PKR '000)
1۔ آئی سی آئی پاکستان مینجمنٹ اسٹاف پینشن فنڈ	1,249,597	1,265,813
2۔ آئی سی آئی پاکستان مینجمنٹ اسٹاف گریجویٹی فنڈ	427,507	364,442
3۔ آئی سی آئی پاکستان مینجمنٹ اسٹاف ڈیفائنڈ کنٹری بیوشن سپر اینیویشن فنڈ	531,243	436,660
4۔ آئی سی آئی پاکستان مینجمنٹ اسٹاف پراویڈنٹ فنڈ	1,012,617	906,841
5۔ آئی سی آئی پاکستان نان مینجمنٹ اسٹاف پراویڈنٹ فنڈ	404,870	385,421

ڈائریکٹرز کی حاضری:

زیر جائزہ عرصے کے دوران، چھ (06) بورڈ میٹنگز، چار (04) آڈٹ کمیٹی میٹنگز اور دو (02) ہیومن ریسورس اینڈ رمیونریشن (حق الخدمت) کمیٹی (HR&RC) کی میٹنگز کا اہتمام کیا گیا۔ ہر ڈائریکٹر / ممبر / سی ایف او / متعلقہ بورڈ / کمپنی سیکریٹری اور سب کمیٹی بمعہ سیکریٹری کی حاضری درج ذیل ہے:

ڈائریکٹر کا نام اور سیکریٹری	بورڈ آف ڈائریکٹرز کی میٹنگز	آڈٹ کمیٹی کی میٹنگز	ہیومن ریسورس اینڈ رمیونریشن کمیٹی
جناب محمد سہیل ٹبا	5	_	2
جناب محمد علی ٹبا	6	3	2
جناب جاوید یونس ٹبا	5	3	1
مسز امینہ اے عزیز باوانی	2	_	_
جناب آصف جمعہ	6	_	1
جناب خواجہ اقبال حسن	6	4	2
جناب محمد عابد گناترا ڈائریکٹر اینڈ سی ایف او	6	4	_
جناب کمال اے چنائے	4	_	_
مس صائمہ کاملہ خان کمپنی سیکریٹری	6	_	_
فاطمہ زبیری سیکریٹری HR&RC	_	_	2
جناب محمد علی مرزا سیکریٹری BAC	_	4	_

ڈائریکٹرز کی ٹریننگ:

بورڈ ممبران کی اکثریت، کوڈ آف کارپوریٹ گورننس (CCG) کے شق نمبر 5.19.7 (PSX رول بک کے چیپٹر 5) کے مطابق ڈائریکٹرز کے تربیتی پروگرام کے استثنیٰ کے لئے مطلوب تجربہ اور تعلیم کی حامل ہے۔تمام ڈائریکٹرز کارپوریٹ باڈیز کے ڈائریکٹرز کی حیثیت سے اپنی ذمہ داریوں سے بخوبی واقف ہیں۔بورڈ نے اپنے ڈائریکٹرز کی گزشتہ سالوں میں ان کے کردار اور ذمہ داریوں سے وضاحت کے لئے CCG کے آگہی کورسز کا اہتمام کرایا تھا۔

پیٹرولیم مارکیٹ میں استحکام تک کروڈ آئل کی قیمتیں غیر یقینی کا شکار رہیں گی۔

پولیسٹر بزنس میں اسٹیم اور پاور پروجیکٹ کی بدولت توانائی کے اخراجات کے بوجھ میں کمی واقع ہوئی ہے جبکہ کم ہوتے ہوئے منافع نے کاروبار کو دباؤ میں رکھا ہوا ہے۔سوڈاایش میں پیداواری صلاحیت کو بڑھانے والے توسیعی منصوبے مستقبل میں کاروباری کارکردگی پر مثبت اثرات مرتب کریں گے۔لائف سائنسز اور کیمیکلز بزنس بھی اپنی مثبت پیش رفت کے باعث مستقبل میں مزید ترقی کے لئے پرامید ہیں۔

کمپنی اپنے صارف کی ضروریات کو پورا کرنے ،توانائی کے استعمال،نئی پروڈکٹس کے اجراء،اخراجات میں کمی کے اقدامات ،موجودہ کسٹمرز اور سپلائرز سے تعلقات میں استحکام کے لئے اور آرگینک اوران آرگینک ترقی کے لئے نئے مواقع تلاش کرنے پر اپنی بھرپور توجہ مرکوز کئے ہوئے ہے۔

اظہار تشکر:

کمپنی کے نتائج ملازمین کی انتھک محنت اور کوشش، صارفین، سپلائرز، سروس فراہم کرنے والوں اور حصص یافتگان کے کمپنی پر اعتماد کا واضح ثبوت ہیں۔

آڈیٹرز:

موجودہ آڈیٹرز میسرز اے ای اینڈ وائی فورڈ روڈز، چارٹرڈ اکاؤنٹنٹس ریٹائر ہورہے ہیں اور اہلیت کی بنیاد پر آنے والے مالیاتی سال کے لئے خود کو دوبارہ انتخاب کے لئے پیش کیا ہے۔

آڈٹ کمیٹی کی تجویز پر بورڈ نے میسرز اے ای اینڈ وائی فورڈ روڈز، چارٹرڈ اکاؤنٹنٹس کو کمپنی کے باضابطہ آڈیٹرز کے طور پر منظوری دی ہے، یہ انتخاب کمپنی کے آنے والے سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری سے مشروط ہے۔

کوڈ آف کارپوریٹ گورننس پر عمل درآمد (تجارتی انتظام کے قاعدے پر عمل درآمد):

پاکستان کے اسٹاک ایکسچینج کے لسٹنگ ریگولیشنز میں شامل کئے گئے کوڈ آف کارپوریٹ گورننس کے عین مطابق، ڈائریکٹرز بمسرت یہ اعلان کرتے ہیں:

- کمپنی انتظامیہ کی جانب سے تیار کئے گئے فنانشل اسٹیٹمنٹس میں معاملات کی واضح صورت، اس کے امور کے نتائج، کیش فلوز اور چینجز ان ایکویٹی کو واضح انداز میں پیش کیا گیا ہے۔
- کمپنی کے اکاؤنٹس بک درست انداز میں برقرار رکھے گئے ہیں۔
- فنانشل اسٹیٹمنٹس اور اکاؤنٹنگ اسٹیمیٹس کی تیاری مناسب اور محتاط انداز کی بنیاد پر متعلقہ اکاؤنٹنگ پالیسیز کے تحت کی گئی ہے۔
- فنانشل اسٹیٹمنٹس کی تیاری پاکستان میں لاگو انٹرنیشنل اکاؤنٹنگ کے معیاروں کے مطابق کی گئی ہے اور اس سے کسی طرح کے انحراف کو باقاعدہ واضح کیا گیا ہے۔
- انٹرنل کنٹرول کا سسٹم بہترین ہے اور اس پر مؤثر انداز میں عمل درآمد اور نگرانی کی جاتی ہے۔
- کمپنی کے استحکام اور آگے بڑھنے کی صلاحیت پر کسی بھی شک وشبے کی کوئی گنجائش نہیں۔
- لسٹنگ ریگولیشنز میں مفصل کارپوریٹ گورننس پر بہترین انداز میں عمل درآمد سے کسی طرح کا بھی انحراف دیکھنے میں نہیں آیا۔
- انتظام اور مالیات سے متعلق گزشتہ 10 سال کی اہم معلومات صفحہ نمبر 20 پر درج کی گئی ہے۔
- بقایا ٹیکسز اور محاصل کی معلومات فنانشل اسٹیٹمنٹس کے نوٹس میں دی گئی ہے۔
- کمپنی کی انتظامیہ بہتر کارپوریٹ گورننس کے لیے مستعد ہے اور بہترین تجربات پر عمل درآمد کے لئے مناسب اقدامات اٹھارہی ہے۔

ڈائریکٹرز رپورٹ

برائے مالی سال ختم شدہ 30 جون 2016

کاروبار اپنی مثبت پیش رفت کے سبب بہترین مستقبل رکھتا ہے، کیونکہ ہماری موجودہ پروڈکٹس میں استحکام اور تمام ڈویژن میں نئی پروڈکٹس کے اجراء سے ہم اپنے آرگینک اوران آرگینک ترقی کے راستے میں نئے مواقع کے لئے سرگرم ہیں۔

کیمیکلز بزنس:

کیمیکلز کا مجموعی کاروبار 3,981 ملین روپے رہا جو گزشتہ سال کے مقابلے میں 5 فیصد زائد ہے، بنیادی طور پر تمام 3 ڈویژنوں میں مثلاً اسپیشلٹی کیمیکلز (SC) پولی یوریتھن (PU) اور جنرل کیمیکلز (GC) نے اپنی مضبوط مارکیٹ کارکردگی جاری رکھی۔ سال کے لئے آپریٹنگ رزلٹ 462 ملین روپے ہے جو گزشتہ سال کے مقابلے میں 39 فیصد زائد ہے جس کی اہم وجہ SC اور PU ڈویژن کی بہتر کارکردگی ہے۔ منافع میں اضافہ کی وجہ نئے کسٹمرز کا اضافہ، سیلز میں اضافہ اور قیمتوں میں بہتری رہی۔

کاروبار اپنی مثبت پیش رفت کے سبب بہترین مستقبل رکھتا ہے کیونکہ کسٹمرز کی ضروریات کی تکمیل، نئی پروڈکٹس کے اجراء اور اپنے مارکیٹ شیئر میں اضافہ سے ہم بہت پرامید ہیں۔

فنانس:

کمپنی کی بیلنس شیٹ 30 جون 2016 کو بہترین پوزیشن میں ہے کیونکہ ہم نے اپنا کرنٹ ریشو 1.15 (2015: 1.02) اور کوئیک ریشو 0.55 (2015:0.49) برقرار رکھا ہوا ہے۔

کمپنی کا مجموعی کاروبار 36,954 ملین روپے رہا جو گزشتہ سال کے مقابلے میں 1 فیصد کم ہے، جس کی وجہ ہمارے پولیسٹر بزنس کے سیلز ریونیو میں کمی ہے، حالانکہ اس کمی کو سوڈا ایش، لائف سائنسز اور کیمیکلز کے بزنسز کے اضافی آمدنی نے جزوی طور پر کم کیا۔

اس سال کا گراس منافع گزشتہ سال کے مقابلے میں 12 فیصد زائد ہے۔ اس کی وجہ پیداوار میں اضافہ، ہمارے توانائی کے منصوبوں کے کامیابی سے کام کرنے کی بدولت سیلز کے اخراجات میں کمی کے ساتھ فرنس آئل، کوئلے اور خام مال کی قیمتوں میں کمی ہے۔

اس سال کے ہمارے سیلز اور ڈسٹری بیوشن کے اخراجات گزشتہ سال کی اسی مدت کے مقابلے میں 19 فیصد زیادہ ہیں۔ جس کی وجہ اسٹاف کاسٹ، ایڈورٹائزنگ اور تشہیری اخراجات کے علاوہ بیرونی مال برداری کے خرچوں میں اضافہ ہے جو کہ بزنس میں اضافے کی وجہ سے ہوئے ہیں۔ جبکہ انتظامی اور عمومی اخراجات گزشتہ سال کی اسی مدت کے مقابلے میں 9 فیصد کم رہے۔

کمپنی نے کئی بینکس سے طویل المدتی اور کثیر المدتی مالیاتی سہولیات حاصل کر رکھی ہیں تاکہ سرمایہ کاری اور امور کی انجام دہی کے لئے ضروری اخراجات کو پورا کیا جاسکے، جبکہ سود کی شرح میں کمی اور بینکس کے ساتھ مثبت تبادلہ خیال سے اس سال کے مالیاتی اخراجات گزشتہ سال کے مقابلے میں 5 فیصد کم رہے۔ اس کے علاوہ دیگر امور کی آمدنی گزشتہ سال کے مقابلے میں 134 فیصد زیادہ ہے جس کی وجہ اس سال ایسوسی ایٹ اور سبسیڈری کمپنی کی جانب سے منافع منقسمہ کی آمدن ہے۔

ٹیکس کی ادائیگی میں کمی کی وجہ یہ ہے کہ پلانٹ اور مشینری میں سرمایہ کاری پر ٹیکس کریڈٹ بڑھا، اس کے علاوہ منافع میں ڈیویڈنڈ کا ایک بڑا حصہ شامل تھا۔

منافع بعد از ٹیکس (پرافٹ آفٹر ٹیکس: PAT) گزشتہ سال کے مقابلے میں 34 فیصد اضافے کے ساتھ 2,843 ملین روپے رہا۔

ہر شیئر پر منافع (EPS) گزشتہ سال کے مقابلے میں 34 فیصد اضافے کے ساتھ 30.78 روپے رہا۔

مستقبل پر نظر:

مزید براں! چائنا پاکستان اکنامک کوریڈور (CPEC) کے منصوبے، سیاسی استحکام، مہنگائی میں کمی اور سود کی شرح میں کمی، توانائی کی فراہمی میں متوقع بہتری اور تیل کی قیمتوں میں کمی؛ LNG کا توانائی ذرائع میں شامل ہونا ایسے عوامل ہیں جو ملک میں سرمایہ کاری کے بڑھنے کا ماحول پیدا کر رہے ہیں۔ اس سے پرائیویٹ سیکٹر کے سرمایہ کار بھی اپنے کاروبار کی وسعت اور اپنی صلاحیتوں کے زیادہ سے زیادہ استعمال پر توجہ کریں گے۔

سوڈاایش بزنس:

اس سال مقامی مارکیٹ میں سیلز میں اضافے کے باعث مجموعی کاروبار میں 7 فیصد اضافہ ہوا۔ سلیکیٹ، شیشہ، کاغذ اور ڈٹرجنٹ کے شعبوں میں خاطر خواہ اضافہ کی بدولت گزشتہ سال کے مقابلے میں سوڈ اایش کا کاروبار 8 فیصد بڑھا۔

گزشتہ سال کے مقابلے میں بڑھتی ہوئی تعمیراتی سرگرمیوں کی وجہ سے اور کاربونیٹڈ ڈرنکس کی طلب کے باعث گلاس سیگمنٹس میں اضافہ ہوا جس کے باعث بند پڑے ہوئے پیداواری یونٹس نے دوبارہ اپنے آپریشن شروع کر دیئے۔

کاسٹک سوڈا کی قیمتوں میں استحکام اور مارکیٹ میں کاغذ کے شعبے سے طلب کے باعث بہتری کی امید ہے۔ کپڑے دھونے کے صابن کی طلب میں کمی اور گیس کرٹلمنٹ کے باوجود ہمارے سلیکیٹ کے شعبے نے خاطر خواہ ترقی کی۔ سوڈیم بائی کاربونیٹ کی طلب میں زبردست اضافہ ہوا جس کی بدولت ہماری مقامی پیداوار بڑھی۔

سال کے دوران سوڈاایش کا آپریٹنگ منافع گزشتہ سال کے مقابلے میں 25 فیصد زائد رہا۔ پروڈکشن اور سیلز کی مقدار میں اضافے، توانائی کے اخراجات میں کمی، درآمدی خام مال کی قیمتوں میں کمی جیسے عوامل اچھے منافع کا سبب بنے۔

صلاحیتوں کو نکھارنے میں استحکام اور پیداواری صلاحیت کو بڑھانے کی سوچ کے نتیجے میں کاروبار نے اس سال سب سے زیادہ پیداواری مقدار یعنی 340,803 ٹن رہی جو کہ گزشتہ سال کے مقابلے میں 10 فیصد زائد ہے۔

کمپنی کی توسیعی سوچ کے پیش نظر، بزنس نے مختلف پروجیکٹس میں بڑی سرمایہ کاری کو جاری رکھا، ان پروجیکٹس میں اس سال ڈینس ایش اور ریفائنڈ سوڈیم بائی کاربونیٹ (آر ایس بی) کے نئے پلانٹس نے کام شروع کر دیا تھا اور سال کی چوتھی سہ ماہی میں دو نئے اسٹیم اور پاور جنریشن پروجیکٹس نے کام شروع کر دیا ہے۔ جبکہ 18 میگاواٹ کا اسٹیم ٹربائن اپنے تکمیلی مرحلے میں ہے اور امید کی جاسکتی ہے کہ نئے مالی سال کی پہلی سہ ماہی میں اپنا کام شروع کر دے گا۔

مزید براں کمپنی نے 75 KTPA سوڈاایش توسیعی پروجیکٹ بھی شروع کیا ہے جس پر منصوبے کے مطابق کام جاری ہے۔

کمپنی نے مقامی مارکیٹ میں اپنے حصے کو بڑھانے کی کوششیں جاری رکھی ہوئی ہیں اور اپنی صلاحیت میں مستقل اضافے کے ذریعے برآمدات کے نئے مواقع بھی تلاش کئے جارہے ہیں۔ اس ضمن میں ہمارا نیا 14 KTPA ریفائنڈ سوڈیم بائی کاربونیٹ کا توسیعی منصوبہ ہمارے اس کاروبار کے لئے بہت ہی اہمیت کا حامل ہے اور مقامی مارکیٹ میں اپنی گرفت مضبوط کرنے میں بہت اہم ثابت ہوگا۔

غیر ملکی مینوفیکچررز کی جانب سے قیمتوں کے دباؤ کے ساتھ اور ترکی میں کیپسٹی میں واضح اضافہ آنے والے دنوں میں باعث تشویش ہیں۔

لائف سائنسز بزنس:

ہمارے لائف سائنسز کے کاروبار نے 30 جون 2016 کو ختم شدہ سال کے لئے 1,016 ملین روپے کا آپریٹنگ رزلٹ حاصل کیا جو گزشتہ سال کے مقابلے میں 16 فیصد بہتر ہے۔ ہمارے اس بزنس نے 8,710 ملین روپے کا مجموعی کاروبار کیا جس میں تمام ڈویژنز نے اس سال سب سے زیادہ مجموعی کاروبار کیا۔ ہمارے اینمل ہیلتھ اور ایگری ڈویژن نے مجموعی طور پر ڈبل ڈجٹ سیلز گروتھ کے ساتھ تمام شعبوں کا سب سے زیادہ مجموعی کاروبار ریکارڈ کرایا ہے۔

آئی سی آئی پاکستان لمیٹڈ نے DRAP کی طرف سے اپنی نیوٹراسیوٹیکل فیسلٹی کے لئے مینوفیکچرر کے طور پر پروویژنل سرٹیفکیٹ فار انلسٹ منٹ حاصل کرلیا ہے جو کہ فارماسیوٹیکل ڈویژن کے لئے ایک اہم سنگ میل کی حیثیت رکھتا ہے۔ اس نئی سہولت کی بدولت بزنس نے دیگر فارماسیوٹیکل کمپنیوں کے ساتھ محصولاتی معاہدے (Toll Manufacturing) کرنا شروع کر دیئے ہیں۔

ہمارے اینمل ہیلتھ ڈویژن نے بووائن جینیٹکس کے کاروبار میں قدم رکھتے ہوئے کوجینٹ انٹرنیشنل کے ساتھ شراکت داری کی ہے جو ایک بووائن جینیٹکس کی ممتاز کمپنی اور سیکسڈ سیمین میں اولین فرم ہے۔

اس سال زرعی شعبے میں مشکل حالات کے باوجود ہمارے ایگری بزنس کے ایگرو کیمیکلز اور وجیٹیبل سیڈز کے شعبوں نے بہترین کارکردگی دکھائی۔ نئی پروڈکٹس اور مارکیٹ میں طلب کی سرگرمیوں پر توجہ مرکوز کرنے سے اس ڈویژن نے اپنے آپ کو مارکیٹ کا ایک مایہ ناز حصہ بنا دیا ہے۔

ڈائریکٹرز رپورٹ

برائے مالی سال ختم شدہ 30 جون 2016

کمپنی کی ہیومن ریسورسز سے متعلق کارکردگی کی تفصیلی رپورٹ برائے 2015-16 سالانہ رپورٹ کے صفحہ نمبر 38 پر ملاحظہ کریں۔

رسک مینجمنٹ فریم ورک:

کمپنی میں مجموعی طور پر بورڈ کو خطرات سے نمٹنے کے انتظام کی نگرانی سونپی ہوئی ہے ،جس میں خطرات سے نبرد آزما ہونا اور اندرونی نظام کے طریقے دونوں ہی آجاتے ہیں۔ کمپنی کے امور لکھے بھی جاتے ہیں اور ان کی نگرانی بھی کی جاتی ہے۔ وہ اس طرح مرتب کردہ ہیں کہ ہمارے اثاثے محفوظ رہیں اور ممکنہ خطرات جو کاروباری تسلسل کو متاثر کرسکتے ہیں ان پر بھی نظر ہو۔ اسی طرح بورڈ کو اعلیٰ انتظامیہ کو بھی اطلاع کا نظام وضع ہے کہ امور میں خلل ڈالنے والے عوامل پر بروقت ایکشن لیا جاسکے۔

کمپنی اختیارات کے حوالے سے ایک صاف وشفاف اور واضح انتظامی نظام کی حامل ہے۔ سینئر مینجمنٹ عمل درآمد کے امور چلانے، خطرات پر نظر رکھنے اور مختلف ضابطوں کے اثر کو جانچنے کی ذمہ دار ہے۔

دوران سال بورڈ نے ایک مربوط انٹر پرائز رسک مینجمنٹ (ERM) فریم ورک کی منظوری دی جو ادارے کو خطرات سے بروقت نبرد آزما ہونے میں معاون ہوگا۔ یہ فریم ورک ایک باہم مربوط اور مینجمنٹ کے لئے صحیح سمت کے تعین کا نمونہ ہوگا۔ اس سے خطرات کو ابتدا ہی میں پہچاننے، جائزہ لینے اور مناسب انداز میں ان کا سد باب کرنے میں مدد ملے گی اس کے بغیر کمپنی کے آپریشنل، فنانشل اور یا عمل درآمد کے مقاصد کی تکمیل متاثر ہوسکتی ہے۔

کمپنی کی رسک مینجمنٹ فریم ورک سے متعلق کارکردگی کی تفصیلی رپورٹ برائے 2015-16 سالانہ رپورٹ کے صفحہ نمبر 56 پر ملاحظہ کریں۔

پولیسٹر اسٹیپل فائبر بزنس (PSF):

پولیسٹر بزنس کے لئے حالیہ مالیاتی سال بھی پیٹرولیم مصنوعات خاص کر کروڈ آئل کی قیمتوں میں کمی کے باعث مشکل رہا۔ عالمی طور پر طلب میں کمی کے باوجود OPEC ممبران کی جانب سے پیداوار میں کمی لانے میں ناکامی نے صورتحال کو مزید بگاڑ دیا ہے جس کے نتیجے میں PTA اور MEG کی قیمتیں گزشتہ سال کے مقابلے میں بالترتیب 20 فیصد اور 25 فیصد گر چکی ہیں۔

ایشیائی مارکیٹس میں مقابلے کے رجحان اور چین سے پولیسٹر اسٹیپل فائبر کی ڈمپنگ کے باعث مقامی طور پولیسٹر اسٹیپل فائبر کے ریٹس زیر اثر رہے ہیں۔ چین سے پی ایس ایف ایکسپورٹرز پر 5 سال کے لئے اینٹی ڈمپنگ ڈیوٹیز (اے ڈی ڈی) کا 11 فیصد-3 فیصد حالیہ سال 16-2015 کی تیسری سہہ ماہی میں اطلاق اور نیٹ پروٹیکشن ریٹ (NEP) میں مقامی (PSF) انڈسٹری کیلئے وفاقی بجٹ برائے سال 17-2016 کے بعد 4.5 فیصد اضافہ سے امید کی جاسکتی ہے کہ PSF کی مقامی قیمتوں میں استحکام پیدا ہوگا۔

کمپنی کی اقدار کے مطابق کسٹمر کو اہمیت دینے کے پیش نظر اس سال کامیابی کے ساتھ بلیک فائبر کو متعارف کرایا گیا۔ صارفین کی ضروریات کے عین مطابق پیداواری سطح کو مناسب انداز میں برقرار رکھا گیا نتیجہ میں گزشتہ سال کے مقابلے میں اس سال پروڈکشن اور سیلز میں 3 فیصد ترقی ہوئی۔ پیداوار میں اضافے نے PSF کاروبار میں ہونے والی 18 فیصد قیمت میں کمی کی جزوی تلافی کرتے ہوئے مجموعی کاروبار میں 15 فیصد کمی رہ گئی۔

ان ہاؤس اسٹیم اور پاور پروجیکٹ کے قیام نے مہنگی بجلی کا بوجھ ہلکا کیا ہے اور اس کی وجہ سے اسٹیم اور بجلی کی جنریشن مہنگے فیول کے بجائے اب کوئلے (Coal) سے بھی کی جاتی ہے جو کہ فیول کے مقابلے میں بہت ہی کفایت کا حامل ہے۔ توانائی کے ذرائع میں کفایت اور تیل کی قیمتوں میں کمی کے سبب اس ضمن میں ہونے والے اخراجات میں 22 فیصد کمی واقع ہوئی جبکہ کمزور یونٹ مارجنز میں کمی کے سبب کاروبار کا انتظامی نقصان گزشتہ سال کے مقابلے میں 88 فیصد بڑھ گیا۔

مزید براں پیٹرولیم مصنوعات کی قیمتوں میں بڑے پروڈیوسرز کی جانب سے پیداوار میں کمی کے فیصلے سے قیمتوں میں استحکام کی امید کی جاسکتی ہے۔ مقامی طور پر ٹیکسٹائل انڈسٹری کو توانائی کی سستے ریٹس پر مسلسل فراہمی اور حکومتی پالیسی پر عمل درآمدی استحکام پر ہی پورے مارکیٹ کا دارومدار ہوگا۔ چین سے درآمدات پر ADD کا اطلاق اور NEP میں اضافہ کی بدولت کاروباری سرگرمیوں میں مثبت پیش رفت کی امید کی جاسکتی ہے۔

کمپنی کی سماجی بہبود کی ذمہ داری سے متعلق کارکردگی کی تفصیلی رپورٹ برائے 2015-16 سالانہ رپورٹ کے صفحہ نمبر 46 پر ملاحظہ کریں۔

ہیومن ریسورسز:

1300 سے زائد پرجوش افراد کی ٹیم کے ساتھ، کمپنی اعلیٰ کارکردگی کی ترویج کے ماحول، تربیت، اعتماد اور ترقی کو بڑھنے دو کے ہمارے برانڈ کے وعدے کے ساتھ کھلے ذہن کی بدولت لوگوں کا بنیادی محور بنی ہوئی ہے۔

آئی سی آئی پاکستان لمیٹڈ میں ہم اس بات پر بھرپور یقین رکھتے ہیں کہ کامیابی تب ہی ملتی ہے جب ملازمین کمپنی کے نظریے کے عین مطابق مصروف عمل رہتے ہوئے یہ سمجھتے ہوں کہ ان کی قدر کی جاتی اور ان کی بات کو سنا جاتا ہے۔ اس یقین کے ساتھ آئی سی آئی پاکستان لمیٹڈ نے گیلپ سے ''iMPOWER'' کے نام سے ایمپلائی انگیجمنٹ سروے کروایا۔ ہمارے تمام بزنسز اور فنکشنز کی مایہ ناز کارکردگی کی بدولت آئی سی آئی پاکستان کا انگیجمنٹ اسکور 5 پوائنٹ والے اسکیل پر 4.16 رہا۔ یہ اسکور گزشتہ سال کے مقابلے میں ہماری متاثر کن کارکردگی کا منہ بولتا ثبوت ہے۔ اس سال، گزشتہ سال کے 3.87 اسکور میں 0.29 پوائنٹس کا اضافہ ہوا جو گیلپ کی جانب سے مجوزہ اسکور سے بھی بہت آگے ہے۔ اس اسکور سے کمپنی گیلپ گلوبل ڈیٹا بیس میں دیگر کمپنیوں کے مقابلے میں 58 پرسنٹائل (صدویہ) پر رہی جو گزشتہ سال 35 پرسنٹائل تھا۔

اس جذبے کے ساتھ کہ اپنے ملازمین کو آگے بڑھنے کی تربیت، ترقی اور اضافہ کے مواقع فراہم کرنے والی کمپنی کے طور پر پہچانا جائے، ہم نے اپنے مایہ ناز ملازمین کی نقل وحرکت کو ترجیح بناتے ہوئے اپنے تمام بزنسز اور فنکشنز میں 14 فیصد ملازمین کا مختلف جگہوں پر تبادلہ کیا گیا تا کہ انہیں کمپنی کے مختلف کاموں پر عبور حاصل کرنے کے مواقع میسر ہوں۔

ملازمین کی صلاحیتوں میں نکھار لانے کے لئے لیڈرشپ ڈیولپمنٹ روڈمیپ شروع کیا گیا جو آئی سی آئی پاکستان لمیٹڈ کے لئے منظم اور مکمل ٹیلنٹ ڈیولپمنٹ فریم ورک (صلاحیتوں میں نکھار لانے کا ڈھانچہ) فراہم کر رہا ہے۔ یہ روڈمیپ پورے ادارے میں ہر سطح پر لیڈرشپ صلاحیتوں میں بہتری لانے پر توجہ مرکوز رکھتا ہے اور ملازمین کو نہ صرف اپنے موجودہ کردار میں ترقی کے مواقع پیش کرتا ہے بلکہ اس سے بھی زیادہ اہم بات یہ ہے کہ انہیں اپنی خواہش کے منصب پر پہنچنے کے لئے مواقع فراہم کرتا ہے۔

اس مقصد کے لئے خاص کردہ 10 تربیتی ماڈیولز، ایگزیکٹو کوچنگ سیشن اور تربیتی پروجیکٹ کی بدولت اس وقت تک 540 مینیجرز ترقی کے اس سفر کا حصہ بن چکے ہیں۔

اس سال اپنے مینیجرز کو لائن مینیجر کے طور پر اپنے ہیومن ریسورسز سے متعلق کردار کی بہتر سمجھ کے لئے ''نان ایچ آر کیلئے ایچ آر'' کے نام سے دو دن کا ورکشاپ شروع کیا ہے جس میں 85 مینیجرز نے حصہ لیا۔ انجینئرز کے لئے دی کور ڈولپمنٹ پروگرام کو ایک بار پھر شروع کیا گیا ہے جس میں داخلی اور خارجی فیکلٹی کا تعاون حاصل ہے، جبکہ کام اور انتظام سے متعلق تربیت ضرورت کے مطابق کروائی جاتی رہتی ہے۔ اس سال بھی ملازمین کی تربیت، ان کے کام اور انتظام کی صلاحیت میں ترقی لانے کے لئے 27,448 مین آورز کی سرمایہ کاری کی گئی۔

کمپنی نے اپنے کمرشل، فنانس اور ٹیکنیکل شعبوں میں منظم ٹرینی پروگرامز کے ذریعے حال ہی میں اپنی تعلیم مکمل کرنے والے گریجویٹس کی بھرتی سے اپنی صلاحیت کو مضبوط کرنے کا کام جاری رکھا ہوا ہے۔ ان پروگرامز کے تحت ممتاز اداروں کے 25 گریجویٹس کو ایک پیچیدہ انتخابی عمل کے بعد کمپنی میں ملازمت کا موقع فراہم کیا گیا جبکہ 195 تجربہ کار ماہرین کو بھی ملازمت دی گئی ہے۔

مینیجرز کو عمومی اور مخلص مشوروں کے ساتھ پرفارمنس اینڈ ڈیولپمنٹ ڈسکشن ''کارکردگی اور ترقی سے متعلق تبادلہ خیال'' (P&DD) کا مرحلہ بھی لازم ہے تا کہ ملازمین کی کارکردگی کے نتیجے میں انہیں ترقی کا موقع دیا جا سکے۔ P&DD کا عمل قواعد وضوابط کے مطابق اور اس بات کو یقینی بناتے ہوئے مکمل کیا گیا کہ ملازمین کو صاف وشفاف جائزے کے نظام سے فائدہ پہنچایا جائے۔

خواتین کے عالمی دن کے موقع پر اس سال کمپنی نے ''iMPACT'' کے نام سے صنفی متنوع فورم کا قیام عمل میں لایا گیا تا کہ ہم خواتین کے ساتھ تعاون کے اقدامات کرتے ہوئے 2018 تک کمپنی میں خواتین ملازمین کا تناسب 5 فیصد سے 10 فیصد تک بڑھا سکیں۔

ڈائریکٹرز رپورٹ

برائے مالی سال ختم شدہ 30 جون 2016

تعاون سے کھیوڑہ اور دیگر دور دراز علاقوں کے غریب مریضوں کو مفت علاج معالجے کی سہولت مہیا کر رہا ہے۔ جولائی 2015 سے جون 2016 تک 10 آنکھوں کے کلینک منعقد کئے جا چکے ہیں جن میں 4,422 مریضوں کو دیکھا گیا، 740 مریضوں کے بڑے یا چھوٹے آپریشن ہوئے اور 3,287 ریفریکشن کئے جا چکے ہیں۔

چائلڈ لائف فاؤنڈیشن:

آئی سی آئی پاکستان فاؤنڈیشن نے چائلڈ لائف فاؤنڈیشن کے ساتھ تین سالہ تعاون کا عہد کیا ہے۔ جس کا پہلا سال مکمل ہو گیا ہے۔ یہ فاؤنڈیشن سول ہسپتال، جناح ہسپتال، کراچی میں بچوں کے ایمرجنسی وارڈز میں ہر منٹ میں ایک بچے کو طبی امداد فراہم کر رہی ہے۔

لائیو اسٹاک (مال مویشی):

مال مویشیوں کی صحت کے حوالے سے ڈیری فارمرز کے لئے ایک پروگرام شروع کیا گیا، اس ضمن میں کیٹل کرش'' کے نام سے مویشی کے لئے ایک حفاظتی جنگلا خاص طور پر اس لئے بنوایا گیا ہے تا کہ جانور وٹرنری پرویسجر کے دوران زخمی ہونے سے محفوظ رہیں۔ بچاؤ کا یہ حفاظتی طریقہ وٹرنری اسٹاف اور جانور دونوں کو زخمی ہونے سے محفوظ رکھتا ہے۔ اس طرح کے 25 یونٹس پاکستان کے پسماندہ علاقوں، خاص طور پر خیبر پختونخوا اور پوٹھوہار کے علاقے میں نصب کئے جا رہے ہیں۔

معاشرہ (کمیونٹی):

بیمار بچوں کے ساتھ جشن آزادی کا دن منایا گیا: کمپنی کے رضا کاروں نے ہمقدم پروگرام کے بینر تلے کراچی کے سول ہسپتال اور نیشنل انسٹیٹیوٹ آف کارڈیو ویسکولر ڈیزیز (NICVD) میں مریض بچوں کے ساتھ جشن آزادی کی خوشیاں منانے کا اہتمام کیا۔ چھوٹے مریضوں نے اس تفریحی پروگرام میں بہت ذوق وشوق سے حصہ لیا اور دونوں سرکاری ہسپتالوں کی انتظامیہ نے اس کوشش کو بہت زیادہ سراہا۔

SOS ویلیج میں سسٹینیبلیٹی سے متعلق آگہی کا پروگرام:

کمپنی کے رضا کاروں نے ویلیج کے بچوں کو روزمرہ کی گھریلو اشیاء کو دوبارہ کارآمد بنانے اور استعمال کرنے کے طریقے بتائے۔ اس سرگرمی میں 150 سے زائد بچوں نے حصہ لیا۔ اُنہوں نے بڑے شوق کے ساتھ کچرے کو کم کرنے کے تصور کو حقیقت بنتے دیکھا اور ناکارہ چیزوں کو دوبارہ قابلِ استعمال اور سادہ سی چیزوں سے بہترین تخلیقی اشیاء بنانے میں بہت زیادہ دلچسپی لی۔

ماحول (صاف ماحول، تازہ ہوا):

علامہ اقبال میونسپل پارک: آئی سی آئی پاکستان فاؤنڈیشن نے کھیوڑہ، پنڈ دادن خان میں علامہ اقبال میونسپل پارک کی تزئین وآرائش کے ساتھ درخت لگانے اور گراؤنڈ کو ہرا بھرا کرنے کے لیے گھاس اگانے کا انتظام کیا اور پارک میں کھیل کے میدان کے لئے اسپورٹس کا ساز وسامان بھی مہیا کیا ہے۔

شجر کاری: یوم ارض (ارتھ ڈے) اور ماحولیات کا عالمی دن (ورلڈ انوائرنمنٹ ڈے) مناتے ہوئے کھیوڑہ، شیخوپورہ، ملتان روڈ لاہور پر لائف سائنسز کا پلانٹ اور لیاری کراچی میں شجر کاری مہم شروع کی گئی۔ اس مہم میں کُل 18,050 سے زائد درخت لگائے گئے۔

ماحول دوست لفافوں کا استعمال: کمپنی نے کاغذ کے لفافوں کی جگہ ماحول دوست پلاسٹک کے لفافوں کا استعمال جاری رکھا ہوا ہے جو کہ اپنے اسٹیک ہولڈرز کو کمپنی کی سالانہ رپورٹ بھیجنے کے لئے استعمال ہو رہے ہیں۔ اس اقدام کا مثبت اثر ماحول پر اسطرح سے پڑا کہ: 27 درخت، 4.86 کیوبک یارڈز لینڈ فل اسپیس، تیل کے 3.2 بیرل، 11,340 گیلن پانی اور 6,642 کلوواٹ آور بجلی کی بچت ہوئی۔

توانائی کا تحفظ: توانائی کے استعمال اور قدرتی وسائل کی حفاظت سے متعلق آگہی کے لئے کمپنی نے ساعتِ ارض (انٹرنیشنل ارتھ آور) میں شرکت کرتے ہوئے متعین وقت پر اپنے تمام سائٹس پر غیر ضروری لائٹس بند کر دیں۔

یہ سینٹر 1970 میں خواتین کو ووکیشنل ٹریننگ کے ذریعے بااختیار بنانے کے مقصد سے قائم کیا گیا تھا۔ سینٹر میں جاری کلاسز میں کھیوڑہ کی خواتین اور لڑکیوں کو سلائی، بُنائی، کڑھائی اور کھانہ پکانے جیسے ضروری ہنر سکھائے جاتے ہیں۔ اب تک 1200 طالبات نے ووکیشنل ٹریننگ حاصل کی ہے۔ سینٹر کی نئی اور بڑی عمارت میں زیادہ سے زیادہ خواتین کو ووکیشنل ٹریننگ کی سہولت حاصل ہوگی۔

کمپیوٹر اور لینگویج کی مہارتیں:

کمپیوٹر اور زبان میں مہارت کے لئے عبداللہ ہارون ووکیشنل ٹریننگ سینٹر، لیاری میں لٹریٹ پاکستان کے تعاون سے انگلش زبان اور MS آفس سکھانے کی کلاسز شروع کی گئیں۔ لیاری کے نوجوانوں کو کمپیوٹر کی تعلیم اور بنیادی انگریزی زبان سے واقفیت کے بعد ہم امید کرتے ہیں کہ ان کے لئے ملازمت کے حصول اور مزید تعلیم کے دروازے کھلیں گے۔ 3 ماہ کے اس کورس میں 200 سے زائد (150 لڑکیاں اور 70 لڑکے) طلباء نے داخلہ لیا۔

تعلیم بالغان:

تعلیم بالغان کا دوسرا اسیشن لٹریٹ پاکستان، جگنو سبق کے تعاون سے کا کا پیر گوٹھ، سینڈز پٹ، کراچی میں مئی 2016 میں شروع کیا گیا جس میں 20 خواتین کو داخل کیا گیا ہے۔

پرائمری تعلیم میں تعاون:

آئی سی آئی پاکستان فاؤنڈیشن ایک دہائی سے زائد عرصہ سے کا کا پیر گوٹھ کمیونٹی اسکول کے ساتھ تعاون جاری رکھے ہوئے ہے۔ اس وقت اس اسکول میں 243 بچے اور بچیاں داخل ہیں اور اس علاقے میں ہماری کوششیں تعلیم کی آگہی میں اضافے اور تعلیم بالغان کے کلاسز کے روپ میں دیکھی جاسکتی ہیں۔

فاؤنڈیشن نے گورنمنٹ بوائز اینڈ گرلز پرائمری اسکول ٹبی ہریہ، شیخوپورہ کے ساتھ بھی تعاون جاری رکھا ہوا ہے۔

اعلیٰ تعلیم میں تعاون:

مرشد ہسپتال اسکول آف نرسنگ کی اپ گریڈیشن: خواتین کو تعلیم کے ذریعے بااختیار بنانے اور ملازمت کے مواقع فراہم کرنے کے ہمارے نظریے کے پیش نظر آئی سی آئی پاکستان فاؤنڈیشن نے مرشد اسپتال کراچی کے نرسنگ اسکول کو کالج بنانے کے لئے فنڈز فراہم کئے جو کتابوں اور لیب کے ساز و سامان کی خریداری میں استعمال کئے جائیں گے۔ کالج میں اس وقت 148 طلباء جن میں زیادہ تر خواتین ہیں، کو تین سالہ ڈپلومہ پروگرام میں داخلہ دیا گیا ہے۔ اپ گریڈیشن کی تکمیل پر یہ اسکول نرسنگ اسٹوڈنٹس کو چار سالہ ڈگری پروگرام پیش کرے گا۔

پاکستان کی زراعت سے تعاون:

اس کے علاوہ آئی سی آئی پاکستان فاؤنڈیشن، پاکستان ایگریکلچرل کولیشن، لاہور کے ساتھ ایگریکلچرل ٹیکنیکل انسٹیٹیوٹ کے قیام میں تعاون جاری رکھے ہوئے ہے۔

ہیلتھ (زندگی صحت کے ساتھ):

ہمقدم کمیونٹی کلینک: آئی سی آئی پاکستان فاؤنڈیشن نے کھیوڑہ میں ہمقدم کمیونٹی کلینک کے قیام کے لئے فنڈز فراہم کئے، چونکہ کھیوڑا ایک پسماندہ علاقہ ہے، وہاں پر خواتین ڈاکٹرز کی موجودگی ایک بہت بڑا مسئلہ ہے۔ یہ کلینک میری ایڈیلیڈ لیپروسی سینٹر (MALC) کراچی کے زیر انتظام چلایا جارہا ہے اور اس کی نگرانی ایک لیڈی ڈاکٹر کررہی ہیں، ایک مڈوائف / لیڈی ہیلتھ وزیٹر اور دیگر ملازمین رکھے گئے ہیں تاکہ خاص طور پر ماں اور بچے کی صحت کے مسائل حل کئے جاسکیں، خاص طور پر حمل سے تعلق رکھنے والے مسائل پر زیادہ توجہ دی جاسکے۔ فاؤنڈیشن نے اس کمیونٹی کلینک کو ایک جدید سہولتوں سے آراستہ ایمبولینس بھی دی ہے تاکہ وہاں کی کمیونٹی کو آمدورفت کی پریشانی سے بھی بچایا جاسکے۔

آنکھوں کی دیکھ بھال کا پروگرام:

ہمارے بہت پرانے آئی کیئر پروگرام نے اس سال اپنی سلور جوبلی منائی، یہ پروگرام گزشتہ 25 سال سے کامیابی کے ساتھ آنکھوں کی حفاظت کے حوالے سے خدمات انجام دے رہا ہے۔ ہمارا یہ پروگرام لیٹن رحمت اللہ بینوولینٹ ٹرسٹ کے

ڈائریکٹرز رپورٹ

برائے مالی سال ختم شدہ 30 جون 2016

آئے بغیر پورے کئے۔اسی طرح آزاد کنٹریکٹرز کے ساتھ بھی کوئی حادثہ پیش آنے کی کوئی اطلاع نہیں ملی۔

HSE&S مینجمنٹ آڈٹ پروسیس جو گزشتہ سال کمپنی کے تمام سائٹس اور مقامات پر شروع ہوا تھا وہ اس سال تکمیل کو پہنچا۔آڈیٹرز کی نشاندہی اور تجاویز کی بنیاد پر کمپنی کے تمام شعبے، مقامات اور کاروبار 17-2016 میں HSE&S میں بہتری کے منصوبے تیار کر رہے ہیں تا کہ اپنی HSE&S میں مزید بہتری لا سکیں۔

انتظامی تبدیلیوں کے باعث HSE&S مینجمنٹ کمیٹی، کارپوریٹ کرائسز مینجمنٹ ٹیم اور سسٹین ایبلٹی کونسل کا دوبارہ قیام عمل میں لایا گیا۔

آئی سی آئی پاکستان لمیٹڈ کے کارپوریٹ انجینئرنگ طریقۂ کار (پروسیجر) بھی گزشتہ سال میں جاری کئے گئے تا کہ ہمارے بزنسز مقامی انجینئرنگ کے طریقۂ کار (پروسیجر) کو کارپوریٹ شکل میں ڈھال سکیں۔سال 16-2015 میں کمپنی نے اپنے تمام بزنسز میں سسٹین ایبلٹی کے منصوبوں پر عمل درآمد کے ذریعے زیادہ تر توجہ توانائی کے استعمال، فضلے میں کمی لانے اور استعدادِ کار (OEE) کے اثرات میں کمی پر مرکوز رکھی۔

صارفین کی جانب سے تجاویز کی بنیاد پر شیئر پوائنٹ کے ذریعے اپ ڈیٹ کئے گئے EPM اور لرننگ ایونٹ ڈیٹا بیس میں بہتری کے ساتھ موثر انتظامات کئے گئے تا کہ مجوزہ مقصد کا حصول اور آنے والی ضروریات کو پورا کیا جا سکے، اس کے لئے کارپوریٹ آئی ٹی کا تعاون حاصل رہا۔

پوری کمپنی میں جاری ترقیاتی منصوبوں میں ان ہاؤس اسٹیم، پاور اور ہیٹنگ سسٹم کی بدولت ہوا کے اخراج، فضلہ اور پانی کی نکاسی اور توانائی کے استعمال کے مقررہ ٹارگٹس کے مقابلے میں زیادہ کامیابی ملی۔جبکہ تمام مینوفیکچرنگ سائٹس پانی اور ہوا کے اخراج سے متعلق ملکی قوانین پر بھی عمل پیرا ہیں۔

کمپنی کی HSE&S کارکردگی اور بہتری سے متعلق تفصیلی رپورٹ برائے سال 16-2015 کے لئے سالانہ رپورٹ کا صفحہ نمبر 42 ملاحظہ کریں۔

سماجی بہبود کی کاروباری ذمہ داری (CSR):

آئی سی آئی پاکستان لمیٹڈ اپنی سماجی بہبود کی ذمہ داری آئی سی آئی پاکستان فاؤنڈیشن کے زیر انتظام سرانجام دیتی ہے، جو ایک رجسٹرڈ ٹرسٹ ہے اور اسے فاؤنڈیشن کے بورڈ آف ٹرسٹیز چلاتے ہیں۔اس کے علاوہ بہت سارے دیگر سماجی بہبود کے کام کمپنی اپنے طور پر بھی انجام دیتی ہے۔

آئی سی آئی فاؤنڈیشن بنیادی طور پر چار شعبوں میں اپنی توجہ مرکوز رکھے ہوئے ہے: تعلیم، صحت، معاشرہ اور ماحول۔اس کے علاوہ کمپنی شہری ترقی کے لئے بھی کمیونٹی پروجیکٹس، امدادی کاموں اور بحالی کے کاموں میں سرمایہ کاری کرتی ہے۔اس سال آئی سی آئی پاکستان فاؤنڈیشن نے اپنے سماجی بہبود کے اقدامات کو باضابطہ طور پر "ہمقدم" پروگرام کا نام دیا ہے۔کمپنی ہمقدم پروگرام کے تحت درج ذیل شعبوں میں کام کر رہی ہے۔

تعلیم (علم و ہنر)

ووکیشنل ٹریننگ

الیکٹریکل وائر مین کورسز: ہمارے شیخوپورہ کے پولیسٹر پلانٹ نے کمیونٹی کے نوجوانوں کو گھریلو الیکٹریکل وائر مین کورس کے تین بیچ کامیابی کے ساتھ ہمکنار کرانے کے بعد اس سال آئی سی آئی پاکستان فاؤنڈیشن نے اس پروگرام کو اپ گریڈ کرتے ہوئے تھری فیز انڈسٹریل الیکٹریکل وائر مین کورس متعارف کرایا۔اس کورس میں 15 طلباء کو داخل کیا گیا ہے، جنہیں TEVTA، پنجاب کے نصاب کے مطابق تربیت دی جا رہی ہے۔

کراچی میں آئی سی آئی پاکستان کی ہیڈ آفس کے قریب لیاری میں الیکٹریکل وائر مین کا شارٹ کورس متعارف کرایا گیا ہے۔اس کورس کا انتظام عبداللہ ہارون ووکیشنل ٹریننگ سینٹر، لیاری کے ساتھ شراکت داری کے تحت کیا جا رہا ہے جس کا مقصد لیاری کے نوجوانوں کی صلاحیتوں میں نکھار لایا جائے اور اُنہیں ہنر سکھایا جائے تا کہ ان کے لئے ملازمت کے دروازے کھل سکیں، اس کورس میں اب تک 20 طلباء نے داخلہ لیا ہے۔

خواتین کی بہبود کا سینٹر (لیڈیز ویلفیئر سینٹر):

کھیوڑہ میں لیڈیز ویلفیئر سینٹر کی نئی عمارت کی تعمیر کے لئے ہم نے فنڈز فراہم کئے۔

ڈائریکٹرز رپورٹ

برائے مالی سال ختم شدہ 30 جون 2016

کمپنی کے ڈائریکٹرز اپنی رپورٹ برائے مالی سال ختم شدہ 30 جون 2016 ڈائریکٹرز رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

جائزہ:

کمپنی کا زیر جائزہ مالی سال کا مجموعی کاروبار 36,954 ملین روپے رہا جو گزشتہ مالی سال ختم شدہ جون 2015 کے مقابلے میں 1 فیصد کم ہے۔ گزشتہ مالی سال کا کاروبار 37,515 ملین روپے تھا۔ اس کمی کا تعلق ہمارے پولیسٹر بزنس کے کاروبار میں کمی ہے جس میں تمام پیٹرولیم مصنوعات کی قیمتوں میں مندی کے رجحان کے باعث 15 فیصد کمی ہوئی۔

ہمارے سوڈا ایش بزنس کا مجموعی کاروبار بہتر حجم کے باعث 7 فیصد بڑھا، جبکہ لائف سائنسز بزنس نے سیلز میں 13 فیصد اضافہ ریکارڈ کیا۔ کیمیکلز بزنس کی سیلز بھی گزشتہ مالی سال کے مقابلے میں 5 فیصد بڑھی ہے۔

زیر جائزہ مالی سال کا آپریٹنگ منافع 3,479 ملین روپے رہا جو گزشتہ مالی سال کے اسی عرصہ کے مقابلے میں 14 فیصد زیادہ ہے۔ سوڈا ایش، لائف سائنسز اور کیمیکلز بزنسز میں خاطر خواہ کارکردگی سے پولیسٹر کاروبار کی نسبتاً کمزور کارکردگی سے ممکنہ طور پر آپریٹنگ منافع پڑنے والے اثرات کی بہت حد تک تلافی ہوئی۔

سوڈا ایش بزنس کی بہترین کارکردگی سیلز کے حجم میں اضافے، فرنیس آئل اور کوئلے کی قیمتوں میں کمی کے سبب سستے خام مال اور سستی توانائی کے مرہون منت ہے۔

زیر جائزہ مالی سال میں ہمارے نئے ڈینس ایش (DA) اور ریفائنڈ سوڈیم بائی کاربونیٹ (RSB) پلانٹس کے ساتھ اسٹیم اور پاور پروجیکٹس نے کامیابی کے ساتھ اپنا کام شروع کر دیا ہے، اس کے علاوہ سوڈا ایش بزنس میں مکس توانائی کو تقویت ملی۔

اس سال آمدن فی شیئر منافع 30.78 روپے ہے جو گزشتہ مالی سال کے 23.02 روپے کے مقابلے میں 34 فیصد زیادہ ہے۔

اس سال مجموعی طور پر (بشمول کمپنی کے مکمل ماتحت ادارے آئی سی آئی پاکستان پاور جن لمیٹڈ) منافع بعد از ٹیکس 2,730 روپے یا منافع فی شیئر 29.56 روپے ہے جو گزشتہ مالی سال کے مقابلے میں 20 فیصد زیادہ ہے۔ کمپنی نے NutriCo پاکستان پرائیویٹ لمیٹڈ (''ایسوسی ایٹ'') میں 10 فیصد مزید ایکوئٹی (شراکت) مکمل کی، جس کے بعد ایسوسی ایٹ میں مجموعی سرمایہ کاری 40 فیصد ہو چکی ہے۔ اس مالی سال کے دوران کمپنی نے 407 ملین روپے ''ایسوسی ایٹ کی طرف سے منافع کا حصہ'' حاصل کیا۔

ڈیویڈنڈ (منافع منقسمہ):

کمپنی کی آمدنی کو مدِ نظر رکھتے ہوئے، بورڈ آف ڈائریکٹرز نے 30 جون 2016 کو اختتام پذیر ہونے والے سال کے لئے حتمی نقد ڈیویڈنڈ (منافع منقسمہ) 90 فیصد کے تناسب سے دینے کی تجویز دی ہے جو کہ ہر 10 روپے کے شیئر پر 9 روپے بنتا ہے، اور اس کی ادائیگی آنے والے سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری سے مشروط ہے۔ اس کے علاوہ عبوری منافع منقسمہ (انٹرم ڈیویڈنڈ) 6.5 روپے فی شیئر کے حساب سے پہلے ہی دیا جا چکا ہے، اس طرح مجموعی منافع منقسمہ (ڈیویڈنڈ) 15.5 روپے فی شیئر بنتا ہے۔

ہیلتھ، سیفٹی، انوائرنمنٹ اور سیکیورٹی (HSE&S):

کمپنی نے HSE&S کے حوالے سے اپنے غیر متزلزل یقین کا اظہار جاری رکھا ہوا ہے جس کی بدولت اس سال کوئی بھی حادثہ رونما نہیں ہوا۔ کمپنی کی طرف سے مختلف قسم کے صحت کے جائزے اور کام کے ماحول کی نگرانی کے پروگراموں کی بدولت کام کے دوران بیماری کا بھی کوئی واقعہ پیش نہیں آیا۔ گزشتہ سال کے مقابلے میں ملازمین کی بیماری کے باعث غیر حاضری میں بھی 4.8 فیصد کمی دیکھی گئی انتظامی قواعد پر بھرپور توجہ، ہیلتھ، سیفٹی، انوائرنمنٹ اور سیکیورٹی کے انتظام میں کوئی کسر چھوڑے بغیر یہ کارکردگی حاصل کی گئی جس میں رویوں کی بنیاد پر سیفٹی (BBS) پروگرام سے بھی مدد ملی۔ یہ ثبوت ہے کہ ہم HSE&S پر عمل درآمد کو یقینی بنانا اپنی اولین ترجیح سمجھتے ہیں۔

ہمارے بزنسز کی HSE&S کارکردگی مستقل بنیادوں پر بہتر رہی ہے جیسا کہ پولیسٹر، سوڈا ایش، لائف سائنسز اور کیمیکلز بزنسز نے بالترتیب 7.93, 7.98 1.40 اور 5.06 ملین مین آور ملازمین اور زیر نگرانی کنٹریکٹرز کو کوئی حادثہ پیش

فارم برائے پراکسی (Form of Proxy)

65واں سالانہ اجلاس عام

میں / ہم ---------------- کا (مکمل پتہ) --

بحیثیت آئی سی آئی پاکستان لمیٹڈ کے ممبر / ممبران ------------------------ حصص کے مالک، بذریعہ ہذا کا (مکمل پتہ) ----------------

------------------------- یا ان کی عدم موجودگی کی صورت میں -------------------------

کا (مکمل پتہ) ----------------- جو کمپنی کا / کے ممبر / ممبرز بھی ہے / ہیں، ۲۵ اکتوبر ۲۰۱۶ کو منعقد ہونے والے اور / یا ملتوی ہونے والے کمپنی کے سالانہ اجلاس عام میں میری / ہماری جانب سے ووٹ دینے کے لئے میری / ہماری پراکسی مقرر کرتا ہوں / کرتی ہوں / کرتے ہیں۔

بطور گواہ میں / ہم نے بروز ------ بتاریخ -------- 2016 کو میرے / ہمارے ہاتھ سے مہر لگائی۔

مذکورہ کی جانب سے دستخط شدہ ____________________

مندرجہ ذیل گواہان کی موجودگی میں

گواہ:

1- دستخط: --

نام: --

پتہ: --

کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر: ----------------

2- دستخط --

نام: --

پتہ: --

کمپیوٹرائزڈ قومی شناختی کارڈ یا پاسپورٹ نمبر: ----------------

فولیو / سی ڈی سی اکاؤنٹ نمبر

دستخط

دستخط کمپنی کے رجسٹر میں درج شدہ نمونے کے دستخط کے مطابق ہونے چاہئیں۔

نوٹ:

ا۔ یہ پراکسی فارم ہر طرح سے مکمل صورت اور دستخط شدہ لازماً کمپنی کے رجسٹرڈ آفس آئی سی آئی ہاؤس، 5 ویسٹ وہارف، کراچی پر سالانہ اجلاس عام کے انعقاد کے وقت سے 48 گھنٹے قبل موصول ہو جائیں۔

۲۔ کسی فرد کو بطور پراکسی شرکت کی اجازت نہیں دی جائیگی تاوقتیکہ وہ کمپنی کا / کی ممبر نہ ہو۔ ماسوائے یہ کہ ایک کارپوریشن کسی ایسے فرد کا تقرر کر سکتی ہے جو ممبر نہ ہو۔

۳۔ اگر کسی ممبر نے ایک سے زائد پراکسی کا تقرر کیا اور کمیٹی کے کسی ممبر کی جانب سے پراکسی کی ایک سے زائد دستاویز جمع کرائی گئیں تو پراکسی کی ایسی تمام دستاویزات غیر مؤثر تصور کی جائیں گی۔

برائے سی ڈی سی اکاؤنٹ ہولڈرز / کارپوریٹ ادارے

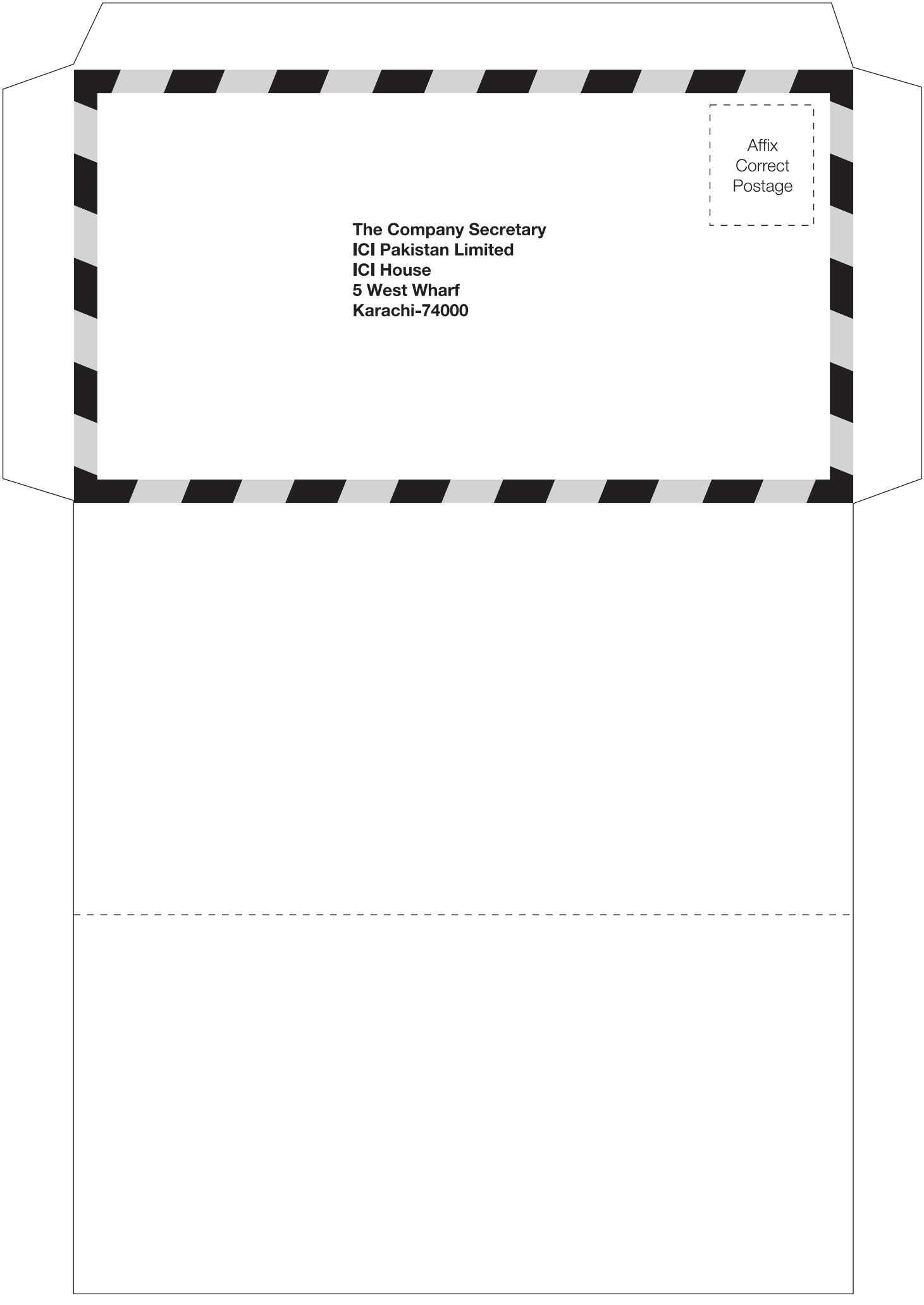
مذکورہ بالا کے علاوہ مندرجہ ذیل شرائط بھی پوری کرنا ہوں گی:

ا۔ پراکسی فارم دو افراد کی جانب سے گواہی کے ساتھ ہونا چاہئے جن کے نام، پتے اور سی این آئی سی نمبرز فارم پر درج ہوں۔

ب۔ بینی فیشل اونرز کے سی این آئی سی یا پاسپورٹ کی مصدقہ نقول پراکسی فارم کے ساتھ پیش کرنا ہوگی۔

ج۔ پراکسی کا اجلاس کے وقت اپنا اصل سی این آئی سی یا اصل پاسپورٹ فراہم کرنا ہوگا۔

د۔ کارپوریٹ ادارے کی صورت میں بورڈ آف ڈائریکٹرز، کی قرارداد / پاور آف اٹارنی مع نمونہ دستخط (اگر پہلے فراہم نہیں کئے گئے) پراکسی فارم کے ساتھ کمپنی کے پاس جمع کرانے ہوں گے۔


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