

Cultivating Growth

ICI Pakistan Limited
Report for the Quarter & Six Month
Ended December 31, 2013



ICI PAKISTAN

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Condensed Interim Consolidated Financial Information

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Company Information

Board of Directors

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

Audit Sub Committee

Khawaja Iqbal Hassan	Chairman
M Ali Tabba	Member
M Sohail Tabba	Member

HR & Remuneration Sub Committee

M Ali Tabba	Chairman
M Sohail Tabba	Member
Asif Jooma	Member
Khawaja Iqbal Hassan	Member

Chief Financial Officer

M Abid Ganatra

Company Secretary

Saima Kamila Khan

Executive Management Team

Asif Jooma	Chief Executive	M Asif Malik	Vice President Life Sciences Business
Fathema Zuberi	General Manager, Human Resources	Saima Kamila Khan	General Counsel & Company Secretary
M Abid Ganatra	Chief Financial Officer	Suhail Aslam Khan	Vice President, Polyester Business
M A Samie Cashmiri	General Manager, Chemicals and Strategy	Syed Iqbal Haider	General Manager, Technical

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.
Shahra-e-Faisal, Karachi
Tel: (021) 34380101-2
Fax : (021) 34380106

Review of the Directors

For the Quarter & Half Year Ended December 31, 2013

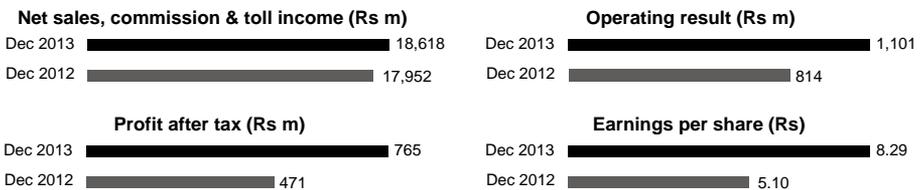
The Directors are pleased to present their review together with the un-audited financial statements of the Company for the first six months ended December 31, 2013.

Net sales income for the six months at Rs 18,618 million is 4% higher than the same period last year primarily due to higher sales in the Life Sciences and Chemicals businesses. Operating result for the period at Rs 1,101 million is higher by 35% compared to the same period last year due to strong growth in Soda Ash, achieved through a combination of cost optimization measures and operating efficiencies. The Life Sciences business performance was positively impacted largely due to better product mix which was further aided by a reduction in administration expenses which last year included one-off demerger costs.

The net profit after tax for the six months ended at Rs 765.4 million is 63% above the same period last year.

Earnings per share for the six months ended December 31, 2013 at Rs 8.29 is 63% higher as compared to the same period last year.

Six Months Ended December 31		
	2013	2012
Net sales income (Rs m)	18,618	17,952
Profit before taxation (Rs m)	937	723
Profit after taxation (Rs m)	765	471
Earnings per share (Rs)	8.29	5.10



Polyester Staple Fibre Business (PSF)



The domestic PSF market remained under pressure due to continuing oversupply in both domestic and regional markets, coupled with dumping of PSF from China. Aggressive pricing at uneconomic levels by Chinese exporters continued to prejudice domestic industry sales volumes as well as pricing, resulting in an operational loss for the business.

Review of the Directors

For the Quarter & Half Year Ended December 31, 2013

Net sales revenue declined by 3% over the corresponding period despite a decline in sales volumes of 8%. PSF prices increased by 5% over the corresponding period mainly due to raw material cost push as a result of 11% rupee devaluation. With margin over feedstock remaining depressed, coupled with lower sales volume and higher gas outage days, the business realized an operating loss of Rs 480 million during the current period as compared to operating profit of Rs 13 million in the corresponding period last year.

Going forward, any improvement in margins will depend on the outcome of the appeal filed with the Appellate Tribunal of the NTC, challenging the final determination of the anti-dumping duty application against Chinese imports. Industrial activity will also largely be driven by the Government's policy on provision of gas to the domestic textile industry as it looks to take advantage of the GSP Plus status for exports to the European Union.

Soda Ash Business

Net sales, commission & toll income (Rs m)		Operating result (Rs m)	
Dec 2013	4,107	Dec 2013	995
Dec 2012	3,887	Dec 2012	437

The domestic Soda Ash market continued to face headwinds in the form of gas shortages, volatile exchange rates and frequent law & order issues during the period. However, various marketing initiatives resulted in better sales volumes that were up 5% compared to the same period last year.

Despite difficult economic conditions, continued focus on efficiency improvement and better energy mix management resulted in a half year operating result of Rs 995 million which translates into a growth of 127% compared to the same period last year.

The Coal Fired Boiler project was commissioned during the period and has enhanced the energy management capability of the business during periods of low gas availability.

Going forward, energy supply issues, challenging trading conditions and continued under-invoicing and dumping from certain countries remain key concerns for the business.

Life Sciences Business

Net sales, commission & toll income (Rs m)		Operating result (Rs m)	
Dec 2013	3,237	Dec 2013	426
Dec 2012	2,699	Dec 2012	244

Net sales income of the business is higher by 20% compared to the same period last year. The Pharmaceuticals and Agri Divisions posted double digit growth with the business re-entering the Agro-Chemicals industry in December 2013. Pharma Sales were higher due to higher Cardiovascular & Oncology sales, while sales of the Agri Division benefited from higher Sunflower Seeds sales as compared to the same period

Review of the Directors

For the Quarter & Half Year Ended December 31, 2013

last year. Sales of the Animal Health segment were also higher in total with livestock sales partially offsetting the lower sales to the poultry segment.

The operating result of the business for the current period is higher by 74% as compared to the same period last year primarily due to better overall product mix, better cost control and absence of one-off demerger costs which were incurred in the same period last year.

The Animal Health segment could not commence operations of its leased manufacturing facility due to delay in regulatory approvals from the Drug Regulatory Authority of Pakistan (DRAP). The Seed Processing Plant at Sahiwal has commenced trial production and is scheduled to be fully utilized in H2 2013-14.

In the next six months, the business expects to strengthen its existing portfolio and launch new products in the Agro-Chemicals, Pharmaceuticals and Animal Health segments while exploring opportunities for organic and inorganic growth.

Chemicals Business

Net sales, commission & toll income (Rs m)		Operating result (Rs m)	
Dec 2013	 1,682	Dec 2013	 160
Dec 2012	 1,470	Dec 2012	 120

Net sales income for the six months at Rs 1,682 million is higher by 14% primarily due to better pricing and higher sales volume in the Polyurethanes segment. Net sales income of Trading and Specialty Chemicals segments remained in line with the same period last year. Consequently, operating result at Rs 160 million was higher by 33% on the back of effective margin management coupled with cost saving initiatives amounting to Rs 12 million.

Despite challenges such as energy outages and poor law and order situation faced by the country, the business has positioned itself to strengthen its footprint in the existing market segments, as well as identifying opportunities to enter new markets with a strong focus on cash, customers and costs.

Future Outlook

Going forward, declining margins in PSF and the on-going energy crisis continue to pose a challenge for the Company. Aggressive price offers for both Soda Ash and PSF at uneconomical prices will persist as a concern for both businesses. The Company remains focused on customers, energy conservation and costs.

Your Company has signed an MOU with Unibrands (Pvt) Limited to participate in the import and sales of Morinaga brand infant and nutritional formulas in the Pakistan market.



Muhammad Yunus Tabba
Chairman / Director



Asif Joorna
Chief Executive

February 20, 2014
Karachi

Auditors' Report to Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim unconsolidated balance sheet of ICI Pakistan Limited (the Company) as at 31 December 2013, the related condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated cash flow statement, condensed interim unconsolidated statement of changes in equity, and notes to the condensed interim unconsolidated financial statements for the six-months period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

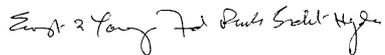
Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Date: 20 February 2014
Karachi



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

Condensed Interim Unconsolidated Balance Sheet (Unaudited)

As at December 31, 2013

Amounts in Rs '000

	Note	December 31 2013	June 30 2013
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	11,060,862	10,550,038
Intangible assets	5	23,577	45,123
		11,084,439	10,595,161
Long-term investments	6	502,976	502,976
Long-term loans	7	209,940	199,063
Long-term deposits and prepayments		29,970	33,338
		742,886	735,377
		11,827,325	11,330,538
Current Assets			
Stores, spares and consumables		537,081	558,736
Stock-in-trade	8	4,926,634	4,573,275
Trade debts		1,026,266	865,690
Loans and advances		251,931	158,716
Trade deposits and short-term prepayments		122,069	156,512
Other receivables		953,635	1,096,823
Taxation - net		1,586,495	1,474,066
Cash and bank balances		1,382,378	730,349
		10,786,489	9,614,167
Total Assets		22,613,814	20,944,705

EQUITY AND LIABILITIES

Share Capital and Reserves

Authorised capital 1,500,000,000 (June 30, 2013: 1,500,000,000) ordinary shares of Rs 10 each		15,000,000	15,000,000
Issued, subscribed and paid-up capital 92,359,050 (June 30, 2013: 92,359,050) ordinary shares of Rs 10 each		923,591	923,591
Capital reserves		309,643	309,643
Revenue reserves - Unappropriated profit		9,360,044	8,555,754
Total Equity		10,593,278	9,788,988
Surplus on Revaluation of Property, Plant and Equipment		659,626	698,536

LIABILITIES

Non-Current Liabilities

Provisions for non-management staff gratuity and eligible retired employees' medical scheme		111,770	119,392
Long-term loan	9	2,792,582	1,887,026
Deferred tax liability - net	10	1,182,054	1,101,111
		4,086,406	3,107,529

Current Liabilities

Current Portion of Long Term Borrowing		594,444	-
Trade and other payables		6,107,393	4,695,103
Short-term borrowings and running finance	11	572,667	2,654,549
		7,274,504	7,349,652

Contingencies and Commitments

Total Equity and Liabilities	12	22,613,814	20,944,705
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The annexed notes from 1 to 21 form an integral part of the condensed interim unconsolidated financial information.

Muhammad Yunus Tabba
Chairman / Director

Asif Jooma
Chief Executive

Muhammad Abid Ganatra
Chief Financial Officer

Condensed Interim Unconsolidated Profit and Loss Account (Unaudited)

For the Six Months Ended December 31, 2013

Polyester				Soda Ash			
For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated	For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated

Turnover - note 13

	4,993,168	10,000,060	5,209,875	10,048,293	2,545,907	5,005,310	2,262,651	4,629,345
Sales tax	(97,942)	(196,118)	-	-	(360,623)	(707,177)	(297,121)	(613,561)
Commission and discounts to distributors and customers	(105,027)	(209,089)	(73,423)	(115,737)	(109,493)	(191,442)	(61,176)	(128,851)
	(202,969)	(405,207)	(73,423)	(115,737)	(470,116)	(898,619)	(358,297)	(742,412)
Net sales, commission and toll income	4,790,199	9,594,853	5,136,452	9,932,556	2,075,791	4,106,691	1,904,354	3,886,933
Cost of sales - note 13 and 14	(4,862,041)	(9,890,595)	(4,984,241)	(9,643,715)	(1,562,384)	(2,913,433)	(1,659,074)	(3,167,896)
Gross profit	(71,842)	(295,742)	152,211	288,841	513,407	1,193,258	245,280	719,037
Selling and distribution expenses	(14,637)	(33,869)	(18,091)	(35,590)	(36,540)	(67,139)	(29,439)	(50,468)
Administration and general expenses	(82,384)	(150,663)	(148,837)	(239,952)	(74,868)	(130,780)	(156,121)	(231,942)
Operating result	(168,863)	(480,274)	(14,717)	13,299	401,999	995,339	59,720	436,627

Financial charges

Workers' profit participation fund
 Workers' welfare fund
 Other operating charges

Other operating income

Profit before taxation

Taxation - note 15

Profit for the period

Basic and diluted earnings per share

The annexed notes from 1 to 21 form an integral part of the condensed interim unconsolidated financial information.

**Condensed Interim Unconsolidated
Statement of Comprehensive Income (Unaudited)**
For the Six Months Ended December 31, 2013

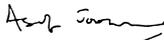
Amounts in Rs '000

	For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated
Profit for the period	458,640	765,381	169,141	470,934
Items not to be reclassified to profit or loss in subsequent periods:				
Actuarial gains on defined benefit plans	-	-	52,782	52,782
Tax effect	-	-	(18,474)	(18,474)
			34,308	34,308
Recognized actuarial losses	-	-	(62,301)	(62,301)
Tax effect	-	-	21,805	21,805
			(40,496)	(40,496)
Total comprehensive income for the period	458,640	765,381	162,953	464,746

The annexed notes from 1 to 21 form an integral part of the condensed interim unconsolidated financial information.



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer

Condensed Interim Unconsolidated Cash Flow Statement (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

	December 31 2013	December 31 2012 Restated
Cash Flows from Operating Activities		
Profit before taxation	937,055	723,117
Adjustments for:		
Depreciation and amortisation	593,011	550,023
(Gain) on disposal of property, plant and equipment	(1,006)	(11,402)
Provision for non-management staff gratuity and eligible retired employees' medical scheme	8,084	24,281
Provision for Staff Retirement Benefit Plan	23,196	91,096
Mark-up on bank deposits and on loan / stand-by facility to subsidiary	-	(34,032)
Interest / mark-up expense	153,143	73,812
	1,713,483	1,416,895
Movement in:		
Working capital	1,007,333	(3,270,021)
Long-term loans	(10,877)	(20,946)
Long-term deposits and prepayments	3,368	(11,406)
Cash generated from / (used in) operations	2,713,307	(1,885,478)
Payments for :		
Non-management staff gratuity and eligible retired employees' medical scheme	(15,706)	(9,060)
Staff Retirement Benefit Plan	(21,816)	(90,019)
Taxation	(203,160)	(439,673)
Interest / mark-up	(158,430)	(59,082)
Profit / mark-up received on bank deposits	-	14,318
Net cash generated from / (used in) operating activities	2,314,195	(2,468,994)
Cash Flows from Investing Activities		
Payments for capital expenditure	(1,086,597)	(1,128,669)
Proceeds from disposal of property, plant and equipment	6,644	17,909
Profit / mark-up received from subsidiary	-	30,143
Loan / standby finance facility to subsidiary company - net	-	22,221
Net cash used in investing activities	(1,079,953)	(1,058,396)
Cash Flows from Financing Activities		
Long-term borrowings	1,500,000	290,270
Dividend paid	(331)	(323,257)
Net cash generated from / (used in) financing activities	1,499,669	(32,987)
Net increase / (decrease) in cash and cash equivalents	2,733,911	(3,560,377)
Cash and cash equivalents at July 1	(1,924,200)	2,094,785
Cash and cash equivalents at December 31	809,711	(1,465,592)
Movement in Working Capital		
<i>(Increase) / decrease in current assets</i>		
Stores, spares and consumables	21,655	(47,141)
Stock-in-trade	(353,359)	(1,527,400)
Trade debts	(160,576)	168,956
Loans and advances	(93,215)	(41,528)
Trade deposits and short-term prepayments	33,062	(22,745)
Other receivables	143,188	(334,159)
	(409,245)	(1,804,017)
<i>Increase / (Decrease) in current liability</i>		
Trade and other payables	1,416,578	(1,466,004)
	1,007,333	(3,270,021)
Cash and cash equivalents at December 31 comprise of:		
Cash and bank balances	1,382,378	866,465
Short-term borrowings and running finance	(572,667)	(2,332,057)
Cash and bank balances	809,711	(1,465,592)

The annexed notes from 1 to 21 form an integral part of the condensed interim unconsolidated financial information.



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer

Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

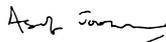
	Issued, subscribed and paid-up share capital	Capital reserves	Unappropriated profit	Total
Balance as on July 1, 2012 - restated	923,591	309,643	7,590,113	8,823,348
Interim dividend for the year 2012 @ Rs 3.50 per share*	-	-	(323,257)	(323,257)
Profit for the six months ended December 31, 2012	-	-	470,934	470,934
Other comprehensive income for the six months ended - net off taxation	-	-	(6,188)	(6,188)
	-	-	141,489	141,489
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the six months ended - net of deferred tax	-	-	60,053	60,053
	-	-	60,053	60,053
Balance as on December 31, 2012 - restated	923,591	309,643	7,791,655	9,024,890
Final dividend for the year 2012 @ Rs 2.00 per share	-	-	(184,718)	(184,718)
Profit for the six months ended June 30, 2013	-	-	687,767	687,767
Other comprehensive income for the six months ended - net off taxation	-	-	218,930	218,930
	-	-	721,979	721,979
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the six months ended - net of deferred tax	-	-	42,120	42,120
	-	-	42,120	42,120
Balance as on June 30, 2013	923,591	309,643	8,555,754	9,788,989
Profit for the six months ended December 31, 2013	-	-	765,381	765,381
Other comprehensive income for the six months ended - net off taxation	-	-	-	-
	-	-	765,381	765,381
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the six months ended - net of deferred tax	-	-	38,909	38,909
	-	-	38,909	38,909
Balance as on December 31, 2013	923,591	309,643	9,360,044	10,593,279

The annexed notes from 1 to 21 form an integral part of the condensed interim unconsolidated financial information.

* Interim dividend was declared post approval of demerger by High Court of Sindh on 92,359,050 shares.



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

1. STATUS AND NATURE OF BUSINESS

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

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

2. STATEMENT OF COMPLIANCE

The condensed interim unconsolidated financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This condensed interim unconsolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the period ended June 30, 2013.

The figures of the condensed interim unconsolidated profit and loss account and condensed interim unconsolidated statement of comprehensive income for the quarters ended December 31, 2013 and 2012 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half years ended December 31, 2013 and 2012.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of the financial statements for the preceding period ended June 30, 2013.

4. PROPERTY, PLANT AND EQUIPMENT

	December 31 2013	June 30 2013
Operating fixed assets - at net book value	9,975,093	8,000,684
Capital work-in-progress - at cost		
Civil works and buildings	327,925	290,318
Plant and machinery	733,386	2,244,847
Advances to suppliers / contractors	24,458	14,189
	Note 4.2	
	1,085,769	2,549,354
Total property, plant and equipment	11,060,862	10,550,038

4.1 Following is the cost of operating property, plant and equipment that have been added / disposed off during the six months ended December 31, 2013:

	Additions / Transfers		Disposals	
	December 31 2013	June 30 2013	December 31 2013	June 30 2013
Freehold Land	58,112	-	-	-
Buildings on freehold land	868	8,993	-	-
Buildings on leasehold land	397,608	14,383	1,085	6,911
Lime beds on freehold land	10,758	12,534	-	-
Plant and machinery	2,035,989	354,349	14,277	126,422
Vehicles	5,791	400	5,640	2,704
Furniture and equipment	40,848	14,311	1,090	315
Total	2,549,974	404,970	22,092	136,352

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

December 31 2013	June 30 2013
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4.2 The following is the movement in capital work-in-progress during the period

Opening balance	2,549,354	1,984,221
Add: Addition during the period	1,055,753	970,103
	3,605,107	2,954,324
Less: Transferred to operating fixed assets	2,519,338	404,970
Closing balance	1,085,769	2,549,354

5. INTANGIBLE ASSETS

Intangible assets - at net book value - note 5.1	23,577	45,123
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5.1 This includes additions of intangible assets of Rs 1.539 million during the period.

6. LONG-TERM INVESTMENTS

Unquoted

Subsidiary - ICI Pakistan PowerGen Limited (wholly owned) - note 6.1

7,100,000 ordinary shares (June 30, 2013: 7,100,000) of Rs 100 each

Less: Provision of impairment loss recognized in December 2011 - note 6.2

710,000	710,000
209,524	209,524
500,476	500,476

Others

Equity security available for sale - Arabian Sea Country Club Limited

2,500	2,500
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Total long-term investments	502,976	502,976
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6.1 The value of the Company's investment on the basis of net assets of the Subsidiary as disclosed in the unaudited condensed interim financial information for the period ended December 31, 2013 amounted to Rs 710.241 million (June 30, 2013: Rs 640.248 million).

6.2 In 2011 the Company reviewed the future economic benefits of the Subsidiary based on its estimated future cash flows. The recoverable amount of investment was estimated based on its discounted value in use. Based on the assessment, the carrying amount of investment was determined to be Rs 209.524 million higher than the recoverable amount. However, based on assessment at last balance sheet date i.e. June 30, 2013 no further provision or reversal is required.

7. LONG-TERM LOANS - Considered Good

Due from Directors, Executives and Employees - note 7.1	280,320	268,904
Less: Current portion shown under current assets		
Due from Directors, Executives and Employees - note 7.1	70,380	69,841
Total long-term loans	209,940	199,063

7.1 Loans for the purchase of motor cars and house building assistance 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.

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

8. STOCK-IN-TRADE

Reversal of impairment of inventory is booked in the current period by Rs. 9.633 million to bring inventory at its net realizable value of Rs. 469.421 million

December 31 2013	June 30 2013
---------------------	-----------------

9. LONG-TERM LOANS - note 9.1, 9.2 & 9.3	2,792,582	1,887,026
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9.1 Long-Term Financing Facilities

From banking companies / financial institutions:

Faysal Bank Limited	343,591	343,591
Habib Bank Limited	543,435	543,435
	887,026	887,026

The Company has obtained Long Term Finance Facility (LTFF) for imported and locally manufactured plant and machinery from Faysal Bank Limited of Rs. 343.591 million (limit: Rs. 500 million) and Habib Bank Limited of Rs. 543.435 million (limit: Rs 1,000 million) for a period of 7 years (including 2 year grace period), with the principal payable on semi annual basis. The mark-up is chargeable at fixed rate ranging from 9.65% to 9.85% payable on quarterly basis. These facilities are secured against first pari passu hypothecation charge on the Property, Plant and Equipment (PPE) of the Company's Soda Ash Business. The loans have been refinanced by the State Bank of Pakistan under Long Term Finance Facility (LTFF) for Export Oriented Projects.

9.2 Islamic Term Finance

From banking companies / financial institutions:

Standard Chartered Bank (Pakistan) Limited	1,000,000	1,000,000
Less: Current Portion of Long-Term Loan	400,000	-
	600,000	1,000,000

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

Meezan Bank Limited	500,000	-
Less: Current Portion of Long-Term Loan	111,111	-
	388,889	-

The Company has obtained long-term loan for Rs 500 million from Meezan Bank Limited under Islamic Diminishing Musharaka upto a limit of Rs. 500 million for a period of 3 years (including 9 month grace period). The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on quarterly basis. This facility is initially secured by a ranking charge to be subsequently replaced by a first pari passu hypothecation charge on the present and future Plant, Machinery and Equipment of the Company's Soda Ash Business located at Khewra.

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

December 31 2013	June 30 2013
---------------------	-----------------

9.3 Long-Term Loans

Allied Bank Limited	1,000,000	-
Less: Current Portion of Long Term Loan	83,333	-
	916,667	-

The Company has obtained long-term loan for Rs 1,000 million from Allied Bank Limited under Long-Term Loan upto a limit of Rs. 1,000 million for a period of 4 years (including 1 year grace period). The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on quarterly basis. This facility is initially secured by a ranking charge to be subsequently replaced by a first pari passu hypothecation charge on the present and future Plant, Machinery & Equipment of the Company's Soda Ash Business located at Khewra.

10 DEFERRED TAX LIABILITY

This comprises of the following:

Deferred tax liability		
Difference in tax and accounting bases of fixed assets	1,591,284	1,496,289
Deferred tax assets		
Retirement fund provision routed through OCI	(93,508)	(93,508)
Provisions	(315,722)	(301,670)
	1,182,054	1,101,111

11 SHORT-TERM BORROWINGS & RUNNING FINANCE

- note 11.1, 11.2 & 11.3	572,667	2,654,549
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Short-term borrowings and running finance facility from various banks aggregated to Rs. 4,921 million (June 30, 2013: Rs. 4,715 million) and carry mark-up during the period of relevant KIBOR + 0.20% per annum with an average mark-up rate of relevant KIBOR + 0.20% as at December 31, 2013 on utilized limits (June 30, 2013: relevant KIBOR + 0.40% to 0.75% per annum with an average mark-up rate of relevant KIBOR + 0.43% on utilized limits). These facilities are secured by hypothecation charge over the present and future stock-in-trade and book debts of the Company.

11.1 Short-Term Borrowings	-	2,126,000
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There are no short-term borrowings utilized as at current period end (June 30, 2013: Rs. 2,126 million at relevant KIBOR + 0.20% to 0.40%).

11.2 Export Refinance	170,000	130,000
------------------------------	----------------	---------

The Company has export refinance facility of Rs. 200 million (June 30, 2013: Rs. 200 million) available from Faysal Bank Limited as at December 31, 2013 out of which Rs. 170 million was utilized (June 30, 2013: Rs. 130 million). The export refinance facility carries mark-up at SBP rate + 0.25% per annum.

The above export refinance facility is secured by first pari passu hypothecation charge over the present and future stock-in-trade and book debts of the Company.

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

December 31 2013	June 30 2013
---------------------	-----------------

11.3 Short Term Running Finance - Secured	402,667	398,549
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The above short term running finance is secured by first pari passu hypothecation charge as mentioned in note 11.

12. CONTINGENCIES AND COMMITMENTS

12.1 Claims against the Company not acknowledged as debts are as follows:

Local bodies	12,167	12,735
Others	28,288	28,288
Total	40,455	41,023

12.2 There are no changes in the status of income tax contingencies as reported in the annual audited financial statements of the Company for the period ended June 30, 2013.

12.3 Guarantee issued by the Company to a bank on behalf of its subsidiary ICI Pakistan PowerGen Limited for availing funded facility.

	-	133,000
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12.4 Commitments in respect of capital expenditure (including coal fired projects of Soda Ash & Polyester Businesses)

	1,753,465	541,987
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12.5 Commitments for rentals under operating lease / Ijarah agreements in respect of vehicles are as follows:

Year		
2014	34,552	54,462
2015	63,776	43,304
2016	48,633	26,216
2017	30,714	9,013
2018	-	-
	177,675	132,995
Payable not later than one year	67,298	54,462
Payable later than one year but not later than five years	110,377	78,533
	177,675	132,995

12.6 Outstanding foreign exchange contracts as at December 31, 2013 entered into by the Company to hedge the anticipated future transactions amounted to Rs 1,428.052 million (June 30, 2013: Rs 1,166.117 million).

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

For the 3 months ended December 31 2013	For the 6 months ended December 31 2013	For the 3 months ended December 31 2012 Restated	For the 6 months ended December 31 2012 Restated
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13. TURNOVER

Inter-segment sales and purchases	2,116	3,370	34,604	36,175
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13.1 Inter-segment sales and purchases have been eliminated from the total.

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

13.3 Turnover includes export sales of Rs 152.069 million made to various countries during the period ended December 31, 2013.

14. COST OF SALES

Opening stock of raw and packing materials	2,102,335	2,069,329	2,177,985	1,790,807
Purchases	5,244,710	10,649,724	5,749,320	11,115,130
	7,347,045	12,719,053	7,927,305	12,905,937
Closing stock of raw and packing materials	(2,303,938)	(2,303,938)	(2,458,293)	(2,458,293)
Raw and packing materials consumption	5,043,107	10,415,115	5,469,012	10,447,644
Manufacturing costs	2,003,589	3,783,759	2,135,775	3,975,379
	7,046,696	14,198,874	7,604,787	14,423,023
Opening stock of work-in-process	151,361	232,840	131,465	213,571
	7,198,057	14,431,714	7,736,252	14,636,594
Closing stock of work-in-process	(219,145)	(219,145)	(147,963)	(147,963)
Cost of goods manufactured	6,978,912	14,212,569	7,588,289	14,488,631
Opening stock of finished goods	2,600,633	2,271,107	1,882,217	1,849,562
Finished goods purchased	1,255,580	2,426,323	1,606,085	2,371,566
	10,835,125	18,909,999	11,076,591	18,709,759
Closing stock of finished goods	(2,403,552)	(2,403,552)	(2,775,084)	(2,775,085)
Cost of Sales	8,431,573	16,506,447	8,301,507	15,934,674

15. TAXATION

Current	(78,618)	85,299	61,553	282,271
Prior year adjustment	(31,557)	(31,557)	-	-
Deferred	143,050	117,932	31,949	(30,086)
	32,875	171,674	93,502	252,185

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

16. TRANSACTIONS WITH RELATED PARTIES

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

	For the 3 months ended December 31 2013	For the 6 months ended December 31 2013	For the 3 months ended December 31 2012 Restated	For the 6 months ended December 31 2012 Restated
<i>Subsidiary Company</i>				
Purchase of goods, materials and services	244,370	525,681	276,273	536,283
Provision of services and other receipts	495	990	495	990
Return on loan to subsidiary	-	-	12,532	27,702
Sale of goods, materials and services	703	1,771	-	-
<i>Associated Companies</i>				
Purchase of goods, materials and services	21	1,318	36	5,210
Provision of services and other receipts	-	-	168	2,706
Sale of goods and materials	281,577	606,143	522,071	553,713
Royalty	68,660	137,015	-	-
Dividends	-	-	245,044	245,044
Staff retirements benefits	42,138	70,274	109,103	125,117
Paid to ANPL in respect of inter-unit current account	-	-	-	3,686,810

16.1 Transaction with key management personnel

Key management personnel received an amount of Rs 99.764 million (December 31, 2012: Rs 417.600 million). This includes, remuneration, special and demerger bonuses of Rs. 317 million to Key Management Staff including payment to Chief Executive on account of his early departure from the Company) on account of remuneration out of which Rs 15.447 million (December 31, 2012: Rs 16.048 million) relates to post employment benefits.

17. ESTIMATES

Judgments and estimates made by the management in the preparation of the condensed interim unconsolidated financial statements were the same as those that were applied to the financial statements as at and for the period ended June 30, 2013.

Notes to the Condensed Interim Unconsolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

18. NEW AMENDED AND REVISED STANDARDS & INTERPRETATIONS OF IFRSs

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

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

IFRS 7 – Financial Instruments : Disclosures – (Amendment)

-Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

Improvements to Accounting Standards Issued by the IASB

IAS 1 – Presentation of Financial Statements - Clarification of the requirements for comparative information

IAS 16 –Property, Plant and Equipment – Clarification of Servicing Equipment

IAS 32 – Financial Instruments : Presentation – Tax Effects of Distribution to Holders of Equity Instruments

IAS 34 – Interim Financial Reporting – Interim Financial Reporting and Segment Information for Total Assets and Liabilities

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any effect on the condensed interim financial statements.

19. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the represented financial statements as at and for the period ended June 30, 2013.

20. DATE OF AUTHORISATION

The condensed interim unconsolidated financial information was authorised for issue in the Board of Directors meeting held on February 20, 2014.

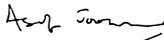
21. GENERAL

21.1 The corresponding figures of condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated cash flow statement and condensed interim unconsolidated statement of changes in equity have been restated in line with changes in accounting policies as stated in notes 2.13 to the unconsolidated financial statements for the period ended June 30, 2013 due to adoption of IAS 19 "Employee Benefits".

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



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer



ICI PAKISTAN

**ICI Pakistan Limited
and its Subsidiary Company**
*Condensed Interim Consolidated
Financial Statements*

Review of the Directors

For the Quarter & Half Year Ended December 31, 2013

The Directors are pleased to present their report together with the un-audited Group results of ICI Pakistan Limited for the second quarter ended December 31, 2013. The ICI Pakistan Group comprises of ICI Pakistan Limited and ICI Pakistan PowerGen Limited, a wholly owned subsidiary.

The Directors report, giving a commentary on the performance of ICI Pakistan Limited for the quarter ended December 31, 2013 has been presented separately.

Net sales revenue of PowerGen for the half year at Rs 449 million is 3% lower as compared to corresponding period due to lower electricity sales volume. This was due to lower demand from the Polyester plant of ICI Pakistan Limited. Lower sales revenue translated to lower operating result for the half year at Rs 75 million which is 18% lower compared to the corresponding period.



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive

February 20, 2014
Karachi

Condensed Interim Consolidated Balance Sheet (Unaudited)

As at December 31, 2013

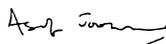
Amounts in Rs '000

	Note	December 31 2013	June 30 2013
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	11,223,972	10,727,467
Intangible assets	5	23,577	45,123
		11,247,549	10,772,590
Long-term investment	6	2,500	2,500
Long-term loans	7	212,704	202,071
Long-term deposits and prepayments		29,970	33,338
		245,174	237,909
		11,492,723	11,010,499
Current Assets			
Stores, spares and consumables		608,419	615,782
Stock-in-trade	8	4,960,864	4,594,877
Trade debts		1,051,713	891,186
Loans and advances		255,441	160,640
Trade deposits and short-term prepayments		131,257	161,888
Other receivables		1,024,707	1,188,212
Taxation - net		1,586,495	1,474,066
Cash and bank balances		1,549,206	836,143
		11,168,102	9,922,794
Total Assets		22,660,825	20,933,293
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital 1,500,000,000 (June 30, 2013: 1,500,000,000) ordinary shares of Rs 10 each		15,000,000	15,000,000
Issued, subscribed and paid-up capital 92,359,050 (June 30, 2013: 92,359,050) ordinary shares of Rs 10 each		923,591	923,591
Capital reserves		309,643	309,643
Revenue reserves - Unappropriated profit		9,418,974	8,545,000
Total equity		10,652,208	9,778,234
Surplus on Revaluation of Property, Plant and Equipment		804,440	843,037
LIABILITIES			
Non-Current Liabilities			
Provisions for non-management staff gratuity and eligible retired employees' medical scheme		112,009	119,631
Long-term loans	9	2,792,582	1,887,026
Deferred tax liability - net	10	1,182,054	1,101,111
		4,086,645	3,107,768
Current Liabilities			
Current Portion of Long Term Borrowings		594,444	-
Trade and other payables		5,950,421	4,549,705
Short-term borrowings and running finance	11	572,667	2,654,549
		7,117,532	7,204,254
Contingencies and Commitments	12		
Total Equity and Liabilities		22,660,825	20,933,293

The annexed notes 1 to 21 form an integral part of the condensed interim consolidated financial information.



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer

Condensed Interim Consolidated Profit and Loss Account (Unaudited)

For the Six Months Ended December 31, 2013

	Polyester				Soda Ash				Life Sciences			
	For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated	For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated	For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated
Turnover - note 13	4,993,168	10,000,060	5,209,875	10,048,293	2,545,907	5,005,310	2,262,651	4,629,345	2,113,822	3,664,323	1,755,134	3,117,501
Sales tax	(97,942)	(196,118)	-	-	(360,623)	(707,177)	(297,121)	(613,561)	(7,864)	(14,541)	(4,639)	(9,060)
Commission and discounts to distributors and customers	(105,027)	(209,089)	(73,423)	(115,737)	(109,493)	(191,442)	(61,176)	(128,851)	(224,404)	(412,619)	(247,751)	(409,435)
	(202,969)	(405,207)	(73,423)	(115,737)	(470,116)	(898,619)	(358,297)	(742,412)	(232,268)	(427,160)	(252,390)	(418,495)
Net sales, commission and toll income	4,790,199	9,594,853	5,136,452	9,932,556	2,075,791	4,106,691	1,904,354	3,886,933	1,881,554	3,237,163	1,502,744	2,699,006
Cost of sales - note 13 and 14	(4,862,041)	(9,890,595)	(4,984,241)	(9,643,715)	(1,562,384)	(2,913,433)	(1,659,074)	(3,167,896)	(1,344,126)	(2,334,623)	(1,095,242)	(1,980,751)
Gross profit	(71,842)	(295,742)	152,211	288,841	513,407	1,193,258	245,280	719,037	537,428	902,540	407,502	718,255
Selling and distribution expenses	(14,637)	(33,869)	(18,091)	(35,590)	(36,540)	(67,139)	(29,439)	(50,468)	(200,976)	(375,872)	(178,643)	(347,154)
Administration and general expenses	(82,384)	(150,663)	(148,837)	(239,952)	(74,868)	(130,780)	(156,121)	(231,942)	(55,277)	(100,577)	(67,143)	(127,322)
Operating result	(168,863)	(480,274)	(14,717)	13,299	401,999	995,339	59,720	436,627	281,175	426,091	161,716	243,779
Financial charges												
Workers' profit participation fund												
Workers' welfare fund												
Other operating charges												
Other operating income												
Profit before taxation												
Taxation - note 15												
Profit for the period												
Basic and diluted earnings per share												

The annexed notes 1 to 21 form an integral part of the condensed interim consolidated financial information.

**Condensed Interim Consolidated
Profit and Loss Account (Unaudited)**
For the Six Months Ended December 31, 2013

Amounts in Rs '000

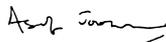
Chemicals				Others - PowerGen				Group			
For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated	For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated	For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated
982,204	2,043,809	886,312	1,734,179	244,370	525,681	276,273	536,283	10,632,985	20,710,132	10,079,368	19,493,142
(101,743)	(213,352)	(77,081)	(150,040)	(35,507)	(76,381)	(38,107)	(73,970)	(603,679)	(1,207,569)	(416,948)	(846,631)
(71,928)	(148,236)	(54,078)	(114,373)	-	-	-	-	(510,852)	(961,386)	(436,428)	(768,396)
(173,671)	(361,588)	(131,159)	(264,413)	(35,507)	(76,381)	(38,107)	(73,970)	(1,114,531)	(2,168,955)	(853,376)	(1,615,027)
808,533	1,682,221	755,153	1,469,766	208,863	449,300	238,166	462,313	9,518,454	18,541,177	9,225,992	17,878,115
(665,138)	(1,371,166)	(597,554)	(1,178,488)	(172,549)	(373,015)	(188,743)	(369,569)	(8,359,317)	(16,352,911)	(8,213,543)	(15,767,120)
143,395	311,055	157,599	291,278	36,314	76,285	49,423	92,744	1,159,137	2,188,266	1,012,449	2,110,995
(48,402)	(95,680)	(44,559)	(95,146)	-	-	-	-	(300,555)	(572,560)	(270,732)	(528,358)
(20,542)	(55,221)	(27,074)	(75,756)	(519)	(810)	(432)	(726)	(233,530)	(437,931)	(399,547)	(675,578)
74,451	160,154	85,966	120,376	35,795	75,475	48,991	92,018	625,052	1,177,775	342,170	907,059
								(75,281)	(170,549)	(69,722)	(124,184)
								(27,602)	(53,182)	(12,469)	(38,574)
								(10,701)	(20,552)	(4,813)	(15,030)
								(4,278)	(9,042)	(9,443)	(17,859)
								(117,862)	(253,325)	(96,447)	(195,647)
								17,109	82,600	52,307	72,079
								524,299	1,007,050	298,030	783,491
								(32,875)	(171,674)	35,060	(123,623)
								491,424	835,376	333,090	659,868

(Rupees)

5.32 9.04 3.61 7.14



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer

**Condensed Interim Consolidated
Statement of Comprehensive Income (Unaudited)**

For the Six Months Ended December 31, 2013

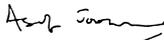
Amounts in Rs '000

	For the 3 months ended December 31, 2013	For the 6 months ended December 31, 2013	For the 3 months ended December 31, 2012 Restated	For the 6 months ended December 31, 2012 Restated
Profit for the period	491,424	835,376	333,090	659,868
Items not to be reclassified to profit or loss in subsequent periods:				
Actuarial gains on defined benefit plans	-	-	52,782	52,782
Tax effect	-	-	(18,474)	(18,474)
	-	-	34,308	34,308
Recognized actuarial (losses)	-	-	(62,301)	(62,301)
Tax effect	-	-	21,805	21,805
	-	-	(40,496)	(40,496)
Total comprehensive income for the period	491,424	835,376	326,902	653,680

The annexed notes 1 to 21 form an integral part of the condensed interim consolidated financial information.



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer

Condensed Interim Consolidated Cash Flow Statement (Unaudited)

For the Six Months Ended December 31, 2013

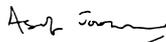
Amounts in Rs '000

	December 31 2013	December 31 2012 Restated
Cash Flows from Operating Activities		
Profit before taxation	1,007,050	783,520
Adjustments for:		
Depreciation and amortisation	613,452	570,917
(Gain) on disposal of property, plant and equipment	(1,125)	(11,402)
Provision for non-management staff gratuity and eligible retired employees' medical scheme	8,084	24,280
Provision for Staff Retirement Benefit Plan	23,381	118,455
Mark-up on bank deposits	-	(6,330)
Interest / mark-up expense	153,493	73,806
	1,804,335	1,553,246
Movement in:		
Working capital	1,008,402	(3,460,124)
Long-term loans	(10,633)	(19,468)
Long-term deposits and prepayments	3,368	(11,406)
Cash generated from / (used in) operations	2,805,472	(1,937,752)
Payments for :		
Non-management staff gratuity and eligible retired employees' medical scheme	(15,706)	(9,059)
Staff Retirement Benefit Plan	(21,816)	(90,019)
Taxation	(203,160)	(439,673)
Interest / mark-up	(158,780)	(57,169)
Profit / mark-up received on bank deposit	-	14,318
Net cash generated from / (used in) operating activities	2,406,010	(2,519,354)
Cash Flows from Investing Activities		
Payments for capital expenditure	(1,117,497)	(1,158,921)
Proceeds from disposal of property, plant and equipment	6,763	22,494
Net cash used in investing activities	(1,110,734)	(1,136,427)
Cash Flows from Financing Activities		
Long term financing	1,500,000	290,270
Dividend paid	(331)	(323,249)
Net cash generated from / (used in) financing activities	1,499,669	(32,979)
Net Increase / (decrease) in cash and cash equivalents	2,794,945	(3,688,760)
Cash and cash equivalents at July 1	(1,818,406)	2,260,820
Cash and cash equivalents at December 31	976,539	(1,427,940)
Movement in Working Capital		
<i>(Increase) / Decrease in current assets</i>		
Stores, spares and consumables	7,363	(54,827)
Stock-in-trade	(365,987)	(1,541,239)
Trade debts	(160,527)	168,978
Loans and advances	(94,801)	(42,657)
Trade deposits and short-term prepayments	29,065	(39,468)
Other receivables	163,505	(492,847)
	(421,382)	(2,002,060)
<i>Increase / (Decrease) in current liabilities</i>		
Trade and other payables	1,429,784	(1,458,064)
	1,008,402	(3,460,124)
Cash and cash equivalents at December 31 comprise of:		
Cash and bank balances	1,549,206	904,117
Short-term borrowings and running finance	(572,667)	(2,332,057)
Cash and bank balances	976,539	(1,427,940)

The annexed notes 1 to 21 form an integral part of the condensed interim consolidated financial information.



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer

Condensed Interim Consolidated Statement of Changes in Equity (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

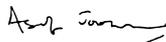
	Issued, subscribed and paid-up share capital	Capital reserves	Unappropriated profit	Total
Balance as on July 1, 2012 - restated	923,591	309,643	7,320,169	8,553,403
Interim dividend for the year 2012 @ Rs. 3.50 per share *	-	-	(323,257)	(323,257)
Profit for the six months ended December 31, 2012	-	-	659,868	659,868
Other comprehensive income for the six months ended - net off taxation	-	-	(6,188)	(6,188)
	-	-	330,423	330,423
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the six months ended - net of deferred tax	-	-	59,499	59,499
	-	-	59,499	59,499
Balance as on December 31, 2012 - restated	923,591	309,643	7,710,091	8,943,325
Final dividend for the year 2012 @ Rs 2.00 per share	-	-	(184,718)	(184,718)
Profit for the six months ended June 30, 2013	-	-	758,867	758,867
Other comprehensive income for the six months ended June 30, 2013	-	-	218,930	218,930
	-	-	793,079	793,079
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the six months ended - net of deferred tax	-	-	41,830	41,830
	-	-	41,830	41,830
Balance as on June 30, 2013	923,591	309,643	8,545,000	9,778,234
Profit for the six months ended December 31, 2013	-	-	835,376	835,376
Other comprehensive income for the six months ended December 31, 2013	-	-	-	-
	-	-	835,376	835,376
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the six months ended - net of deferred tax	-	-	38,598	38,598
	-	-	38,598	38,598
Balance as on December 31, 2013	923,591	309,643	9,418,974	10,652,208

The annexed notes 1 to 21 form an integral part of the condensed interim consolidated financial information.

* Interim dividend was declared post approval of demerger by High Court of Sindh on 92,359,050 shares.



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

1. STATUS AND NATURE OF BUSINESS

The Group consists of ICI Pakistan Limited; and ICI Pakistan PowerGen Limited. ICI Pakistan Limited ("the Company") is incorporated in Pakistan and is listed on the Karachi, Lahore and Islamabad Stock Exchanges. ICI Pakistan PowerGen Limited ("the Subsidiary") is incorporated in Pakistan as an unlisted public company and is a wholly owned subsidiary company of ICI Pakistan Limited. The Group is a subsidiary of Lucky Holding Limited (a subsidiary of Lucky Cement Limited). The Company is engaged in the manufacture of polyester staple fibre, POY chips, soda ash, specialty chemicals, sodium bicarbonate and polyurethanes; marketing of seeds, toll manufactured and imported pharmaceuticals and animal health products; and merchandising of general chemicals. It also acts as an indenting agent and toll manufacturer. 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.

The condensed interim consolidated financial information comprises the consolidated balance sheet of ICI Pakistan Limited and its subsidiary company, ICI Pakistan PowerGen Limited, as at December 31, 2013 and the related consolidated profit and loss account, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity together with the notes forming part thereof.

2. STATEMENT OF COMPLIANCE

The condensed interim consolidated financial information has been prepared in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of Companies Ordinance, 1984. This condensed interim consolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements as at and for the period ended June 30, 2013.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the financial statements for the preceding period ended June 30, 2013.

4. PROPERTY, PLANT AND EQUIPMENT

	December 31 2013	June 30 2013
Operating assets - at net book value	10,103,296	8,147,259
Capital work-in-progress - at cost		
Civil works and buildings	327,925	290,758
Plant and machinery	768,293	2,275,261
Advances to suppliers / contractors	24,458	14,189
	Note 4.2	
	1,120,676	2,580,208
Total property, plant and equipment	11,223,972	10,727,467

4.1 Following is the cost of operating property, plant and equipment that have been added / disposed off during the period ended December 31, 2013:

	Additions / Transfers		Disposals	
	December 31 2013	June 30 2013	December 31 2013	June 30 2013
Freehold Land	58,112	-	-	-
Buildings on freehold land	1,512	8,993	-	-
Buildings on leasehold land	397,608	14,383	1,085	6,911
Lime beds on freehold land	10,758	12,534	-	-
Plant and machinery	2,037,415	357,579	33,133	126,422
Vehicles	5,791	400	5,640	2,704
Furniture and equipment	40,848	14,311	1,090	315
Total	2,552,044	408,200	40,948	136,352

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

December 31 2013	June 30 2013
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4.2 The following is the movement in capital work-in-progress during the period

Opening balance	2,580,208	2,006,732
Add: Addition during the period	1,061,875	981,676
	3,642,083	2,988,408
Less: Transferred to operating fixed assets	2,521,407	408,200
Closing balance	1,120,676	2,580,208

5 INTANGIBLE ASSETS

Intangible assets - at net book value - note 5.1	23,577	45,123
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5.1 This includes additions of intangible assets of Rs 1.539 million during the period.

6. LONG-TERM INVESTMENT

Unquoted

Equity security available for sale - Arabian Sea Country Club Limited	2,500	2,500
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7. LONG-TERM LOANS - considered good

Due from Directors, Executives and Employees - note 7.1	285,173	272,953
Less: Current portion shown under current assets		
Due from Directors, Executives and Employees - note 7.1	72,469	70,882
Total long-term loans	212,704	202,071

7.1 Loans for the purchase of motor cars and house building assistance 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.

8. STOCK-IN-TRADE

Reversal of impairment of inventory is booked in the current period by Rs. 9.633 million to bring inventory at its net realizable value of Rs. 469.421 million.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

December 31 2013	June 30 2013
---------------------	-----------------

9. LONG-TERM LOANS - note 9.1, 9.2 & 9.3	2,792,582	1,887,026
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9.1 Long-Term Financing Facilities

From banking companies / financial institutions:

Faysal Bank Limited	343,591	343,591
Habib Bank Limited	543,435	543,435
	887,026	887,026

The Group has obtained Long-Term Finance Facility (LTFF) for imported and locally manufactured plant and machinery from Faysal Bank Limited of Rs. 343.591 million (limit: Rs. 500 million) and Habib Bank Limited of Rs. 543.435 million (limit: Rs 1,000 million) for a period of 7 years (including 2 year grace period), with the principal payable on semi annual basis. The mark-up is chargeable at fixed rate ranging from 9.65% to 9.85% payable on quarterly basis. These facilities are secured against first pari passu hypothecation charge on the Property, Plant and Equipment (PPE) of the Group's Soda Ash Business. The loans have been refinanced by the State Bank of Pakistan under Long-Term Finance Facility (LTFF) for Export Oriented Projects.

9.2 Islamic Term Finance

From banking companies / financial institutions:

Standard Chartered Bank (Pakistan) Limited	1,000,000	1,000,000
Less: Current Portion of Long-Term Loan	400,000	-
	600,000	1,000,000

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

Meezan Bank Limited	500,000	-
Less: Current Portion of Long-Term Loan	111,111	-
	388,889	-

The Group has obtained long-term loan for Rs 500 million from Meezan Bank Limited under Islamic Diminishing Musharaka upto a limit of Rs. 500 million for a period of 3 years (including 9 month grace period). The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on quarterly basis. This facility is initially secured by a ranking charge to be subsequently replaced by a first pari passu hypothecation charge on the present and future Plant, Machinery and Equipment of the Group's Soda Ash Business located at Khewra.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

December 31 2013	June 30 2013
---------------------	-----------------

9.3 Long-Term Loans

Allied Bank Limited	1,000,000	-
Less: Current Portion of Long Term Loan	83,333	-
	916,667	-

The Group has obtained long-term loan for Rs 1,000 million from Allied Bank Limited under Long-Term Loan upto a limit of Rs. 1,000 million for a period of 4 years (including 1 year grace period). The rental payment is charged at relevant KIBOR plus 0.25% p.a. payable on quarterly basis. This facility is initially secured by a ranking charge to be subsequently replaced by a first pari passu hypothecation charge on the present and future Plant, Machinery and Equipment of the Group's Soda Ash Business located at Khewra.

10. DEFERRED TAX LIABILITY

This comprises of the following:

Deferred tax liability

Difference in tax and accounting bases of fixed assets	1,591,284	1,496,289
Deferred tax assets		
Retirement fund provision routed through OCI	(93,508)	(93,508)
Provisions	(315,722)	(301,670)
	1,182,054	1,101,111

11 SHORT-TERM BORROWINGS & RUNNING FINANCE

- note 11.1, 11.2 & 11.3

572,667 2,654,549

Short-term borrowings and running finance facility from various banks aggregated to Rs. 4,946 million (June 30, 2013: Rs. 4,740 million) and carry mark-up during the period of KIBOR + 0.20% per annum with an average mark-up rate of relevant KIBOR + 0.20% as at December 31, 2013 on utilized limits (June 30, 2013: relevant KIBOR + 0.40% to 0.75% per annum with an average mark-up rate of relevant KIBOR + 0.43% on utilized limits). The facilities are secured by hypothecation charge over the present and future stock-in-trade and book debts of the Group.

11.1 Short-Term Borrowings

- 2,126,000

There are no short-term borrowings utilized as at the current period end (June 30, 2013: Rs. 2,126 million at relevant KIBOR + 0.20% to 0.40%).

11.2 Export Refinance

170,000 130,000

The Group has export refinance facility of Rs. 200 million (June 30, 2013: Rs. 200 million) available from Faysal Bank Limited as at Decemebr 31, 2013 out of which Rs.170 million was utilized (June 30, 2013: Rs. 130 million). The export refinance facility carries mark-up at SBP rate + 0.25% per annum.

The above export refinance facility is secured by first pari passu hypothecation charge over the present and future stock-in-trade and book debts of the Group.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

December 31 2013	June 30 2013
---------------------	-----------------

11.3 Short - Term Running Finance - Secured	402,667	398,549
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The above short - term running finance is secured by first pari passu hypothecation charge as mentioned in note 11.

12. CONTINGENCIES AND COMMITMENTS

12.1 Claims against the Group not acknowledged as debts are as follows:

Local bodies	29,878	30,446
Others	28,288	28,288
Total	58,166	58,734

12.2 There are no changes in the status of income tax contingencies as reported in the annual audited financial statements of the Group for the period ended June 30, 2013.

12.3 Commitments in respect of capital expenditure (including coal fired projects of Soda Ash & Polyester Businesses)	1,753,666	567,309
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12.4 Guarantee issued by the Group to a bank on behalf of its subsidiary ICI Pakistan PowerGen Limited for availing funded facility.	-	133,000
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12.5 Commitments for rentals under operating lease / Ijarah agreements in respect of vehicles are as follows:

Year		
2014	34,836	55,030
2015	64,344	43,872
2016	49,201	26,783
2017	31,282	9,581
2018	-	-
	179,663	135,266
Payable not later than one year	67,867	55,030
Payable later than one year but not later than five years	111,796	80,236
	179,663	135,266

12.6 Outstanding foreign exchange contracts as at December 31, 2013 entered into by the Group to hedge the anticipated future transactions amounted to Rs 1,428.052 million (June 30, 2013: Rs 1,166.117 million).

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

	For the 3 months ended December 31 2013	For the 6 months ended December 31 2013	For the 3 months ended December 31 2012 Restated	For the 6 months ended December 31 2012 Restated
13. TURNOVER				
Inter-segment sales and purchases	246,486	529,051	310,877	572,458
13.1 Inter-segment sales and purchases have been eliminated from the total.				
13.2 Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.				
13.3 Turnover includes export sales of Rs. 152.069 million made to various countries during the period.				
14. COST OF SALES				
Opening stock of raw and packing materials	2,126,386	2,090,931	2,210,095	1,807,239
Purchases	5,254,890	10,662,353	5,747,484	11,128,970
	7,381,276	12,753,284	7,957,579	12,936,209
Closing stock of raw and packing materials	(2,338,169)	(2,338,169)	(2,488,565)	(2,488,565)
Raw and packing materials consumption	5,043,107	10,415,115	5,469,014	10,447,644
Manufacturing costs	1,931,332	3,630,222	2,047,810	3,807,825
	6,974,439	14,045,337	7,516,824	14,255,469
Opening stock of work-in-process	151,361	232,840	131,465	213,571
	7,125,800	14,278,177	7,648,289	14,469,040
Closing stock of work-in-process	(219,145)	(219,145)	(147,963)	(147,963)
Cost of goods manufactured	6,906,655	14,059,032	7,500,326	14,321,077
Opening stock of finished goods	2,600,633	2,271,107	1,882,217	1,849,561
Finished goods purchased	1,255,580	2,426,323	1,606,084	2,371,566
	10,762,868	18,756,462	10,988,627	18,542,204
Closing stock of finished goods	(2,403,551)	(2,403,551)	(2,775,084)	(2,775,084)
Cost of sales	8,359,317	16,352,911	8,213,543	15,767,120
15. TAXATION				
Current	(78,618)	85,299	(67,009)	153,710
Prior year adjustment	(31,557)	(31,557)	-	-
Deferred	143,050	117,932	31,949	(30,087)
	32,875	171,674	(35,060)	123,623

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

Amounts in Rs '000

16. TRANSACTIONS WITH RELATED PARTIES

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

	For the 3 months ended December 31 2013	For the 6 months ended December 31 2013	For the 3 months ended December 31 2012 Restated	For the 6 months ended December 31 2012 Restated
<i>Associated Companies</i>				
Purchase of goods, materials and services	21	1,318	36	5,210
Provision of services and other receipts	-	-	168	2,706
Sale of goods and materials	281,577	606,143	522,071	553,713
Royalty	68,660	137,015	-	-
Dividends	-	-	245,044	245,044
Contribution to staff retirement benefit plans	42,138	70,274	109,103	125,117
Paid to Akzo Nobel Pakistan Limited in respect of inter-unit current account	-	-	-	3,686,810

16.1 Transactions with key management personnel

Key management personnel received an amount of Rs 99.764 million (December 31, 2012: Rs 417.600 million). This includes, remuneration, special and demerger bonuses of Rs. 317 million to Key Management Staff including payment to Chief Executive on account of his early departure from the Group) on account of remuneration out of which Rs 15.447 million (December 31, 2012: Rs 16.048 million) relates to post employment benefits.

17. ESTIMATES

Judgments and estimates made by the management in the preparation of the condensed interim consolidated financial statements were the same as those that were applied to the financial statements as at and for the period ended June 30, 2013.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the Six Months Ended December 31, 2013

18. NEW AMENDED AND REVISED STANDARDS & INTERPRETATIONS OF IFRSs

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

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

IFRS 7 – Financial Instruments : Disclosures – (Amendment)

-Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

Improvements to Accounting Standards Issued by the IASB

IAS 1 – Presentation of Financial Statements - Clarification of the requirements for comparative information

IAS 16 –Property, Plant and Equipment – Clarification of Servicing Equipment

IAS 32 – Financial Instruments : Presentation – Tax Effects of Distribution to Holders of Equity Instruments

IAS 34 – Interim Financial Reporting – Interim Financial Reporting and Segment Information for Total Assets and Liabilities

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any effect on the condensed interim financial statements.

19. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objective and policies are consistent with that disclosed in the financial statements as at and for the period ended June 30, 2013.

20. DATE OF AUTHORISATION

The condensed interim consolidated financial information was authorised for issue in the Board of Directors meeting held on 20th February, 2014.

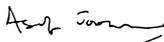
21. GENERAL

21.1 The corresponding figures of condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated cash flow statement and condensed interim consolidated statement of changes in equity have been restated in line with changes in accounting policies as stated in notes 2.13 to the consolidated financial statements for the period ended June 30, 2013 due to adoption of IAS 19 "Employee Benefits".

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



Muhammad Yunus Tabba
Chairman / Director



Asif Jooma
Chief Executive



Muhammad Abid Ganatra
Chief Financial Officer

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