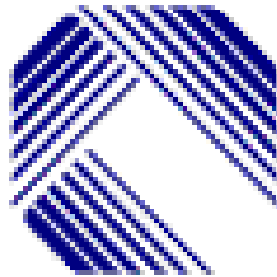


**CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
DECEMBER 31, 2018**



ICC Textiles Limited

DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, I hereby present the condensed interim financial statements of the company for the half year ended on December 31, 2018.

The company earned a profit after tax amounting to Rs. 21.951 million on revenue of Rs. 12.058 million comprising rental income as against after tax profit of Rs. 13.126 million against revenue of Rs. 4.229 million in the corresponding period resulting in earning per share of Rs. 0.74 (Jul-Dec 2017 Rs. 0.44 per share). Reason for enhanced revenue is renting out additional covered area of mills premises as substantial quantity of the textile machinery disposed off by June 30, 2018. This is as per our plan to consolidate company's position by repaying bank borrowings through sale of inefficient / obsolete machinery and sponsors funds injection, and to rent out vacant premises to generate revenue.

Without qualifying their conclusion, in their review report to the members, the auditors have drawn attention to note 1.2 in the condensed interim financial statements which describes that Company's accumulated loss is Rs. 719.068 million and at the end of the period its current liabilities exceeded its current assets by Rs. 138.829 million resulting in short fall of working capital. These conditions indicate existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern. Considering continuous support from sponsors / directors, the management's commitment and plan drawn up by the management elaborated in the cited note, we are of the view that there are no significant doubts about the company's ability to continue as a going concern. Therefore, these condensed interim financial statements have been prepared on going concern basis.

The bank borrowing which was at Rs. 473.596 million as of March 31, 2015 has been fully repaid by April 2018.

The members of the Company may recall that considering the negative textile sentiments coupled with depressed fabric demand, high cost of doing business, exceptionally high electricity and RLNG prices, in EOGM held on Dec 04, 2017 it was decided to dispose off the balance Sulzer looms with accessories, equipment and parts and to focus on renting out precious vacant factory building and open available land. However, considering intact huge textile infrastructure, we may consider investing in the new textile weaving technology in future. The present dismal state of the current financial environment prevailing in the country has slowed down the business activity in all spheres of the economy. The new political set up is making a huge effort, and although we are optimistic, the turnaround will take some time. We believe that our present rental income of Rs. 2.0 million per month has the potential to rise to Rs 5.0 million per month. During the period the Company's textiles operations remained suspended as non-efficient looms with allied equipment have already been sold out, accordingly profit and loss account of the discontinued operations has been separately prepared and included in the above cited results.

As always, our dedicated work force deserves appreciation for good work.

For and on behalf of the Board of Directors

Lahore:
Dated: March 01, 2019

PERVAIZ S. SIDDIQI
Chairman

JAVAID S. SIDDIQI
Chief Executive Officer



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of ICC Textiles Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of ICC Textiles Limited as at December 31, 2018 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six month period then ended (herein-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements 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 statements 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 statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to note 1.2 in the condensed interim financial information, which indicates that there is an inherent uncertainty in the Company's ability to generate sufficient cash flows from operations to meet its future obligations. This condition, along with other matters set forth in Note 1.2, indicate that a material uncertainty exist that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

The engagement partner on the review resulting in this independent auditor's report is Imran Afzal.

Grant Thornton Anjum Rahman

Dated: March 01, 2019

Lahore

Chartered Accountants

Member of Grant Thornton International Ltd

Offices in Karachi & Islamabad

ICC TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2018

		Un-audited Dec. 31, 2018 Rupees	Audited Jun 30, 2018 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
32,000,000 (June 2018: 32,000,000) ordinary shares of Rs. 10 each		320,000,000	320,000,000
Issued, subscribed and paid-up share capit:		300,011,200	300,011,200
Capital reserves			
Revaluation surplus	6	570,954,480	574,923,456
Revenue reserves			
Accumulated loss		(719,068,231)	(741,670,613)
		151,897,449	133,264,043
NON CURRENT LIABILITIES			
Long term financing from directors	7	562,981,061	551,524,401
Long term financing from commercial banks	8	-	-
Deferred liabilities	9	83,914,523	85,887,967
		646,895,584	637,412,368
CURRENT LIABILITIES			
Trade and other payables		98,422,365	91,949,559
Security deposits		5,756,363	5,546,163
Accrued interest / mark-up		52,858,347	29,833,050
Short term borrowings		35,842,185	35,810,966
Unclaimed dividend		1,662,656	1,662,656
		194,541,916	164,802,394
TOTAL EQUITY AND LIABILITIES		993,334,949	935,478,805
NON CURRENT ASSETS			
Property, plant and equipment	10	12,306,912	13,453,832
Investment property	11	910,819,885	844,019,885
Long term loans and advances		86,000	58,000
Long term deposits		1,469,034	1,629,034
		924,681,831	859,160,751
CURRENT ASSETS			
Stores, spares and loose tools		12,004,539	15,880,663
Stock in trade		933,161	734,477
Loans and advances		600,778	734,665
Short term prepayments and other receivables		1,336,455	1,392,421
Tax refunds due from Government		36,278,413	37,645,656
Cash and bank balances	12	4,559,793	1,362,310
		55,713,139	57,750,192
Non - current assets classified as held for sale	13	12,939,979	18,567,862
TOTAL ASSETS		993,334,949	935,478,805
CONTINGENCIES AND COMMITMENTS	14		

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

Chief Executive Officer

Director

Chief Financial Officer

ICC TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

	Note	Half Year Ended		Quarter Ended	
		31 Dec 2018 Rupees	31 Dec 2017 Rupees	31 Dec 2018 Rupees	31 Dec 2017 Rupees
REVENUE		12,057,869	4,229,110	5,735,211	1,908,000
DIRECT COST	15	(6,096,267)	(6,469,975)	(2,333,538)	(3,324,002)
GROSS PROFIT / (LOSS)		5,961,602	(2,240,865)	3,401,673	(1,416,002)
OPERATING EXPENSES					
ADMINISTRATIVE EXPENSES		(14,515,476)	(12,843,661)	(7,479,776)	(5,719,987)
DISTRIBUTION COST		-	(382,116)	0	(135,708)
OTHER EXPENSES		(451,571)	(427,088)	(253,978)	(235,166)
		(14,967,048)	(13,652,865)	(7,733,754)	(6,090,860)
OPERATING LOSS		(9,005,445)	(15,893,730)	(4,332,081)	(7,506,862)
OTHER INCOME		89	2,654	-	-
OPERATING LOSS		(9,005,356)	(15,891,076)	(4,332,081)	(7,506,862)
FINANCE COST	16	(31,247,098)	(25,024,020)	(17,187,635)	(12,532,349)
CHANGE IN FAIR VALUE OF INVESTMENT PROPERTY	11	66,800,000	48,501,125	66,800,000	48,501,125
PROFIT BEFORE TAXATION		26,547,546	7,586,029	45,280,284	28,461,914
TAXATION	17	(2,361,829)	(333,827)	(1,071,094)	64,801
PROFIT AFTER TAXATION FROM CONTINUING OPERATIONS		24,185,717	7,252,202	44,209,190	28,526,715
(LOSS) / PROFIT AFTER TAXATION FROM DISCONTINUED OPERATIONS	18	(2,234,311)	5,874,228	(3,303)	8,580,048
(LOSS) / PROFIT AFTER TAXATION		21,951,406	13,126,430	44,205,887	37,106,763
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified subsequently to profit or loss		-	-	-	-
Items that will not be reclassified to profit or loss					
Revaluation surplus arisen on property, plant and equipment (net of tax)		-	8,704,028	-	8,704,028
Revaluation decrease in non-current assets classified as held for sale (net of tax)		(3,318,000)	(11,592,411)	-	(11,592,411)
		(3,318,000)	(2,888,383)	-	(2,888,383)
TOTAL OTHER COMPREHENSIVE LOSS FOR THE PERIOD		(3,318,000)	(2,888,383)	-	(2,888,383)
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE PERIOD		18,633,406	10,238,047	44,205,887	34,218,380
(LOSS) / EARNING PER SHARE - BASIC AND DILUTED:					
- FROM CONTINUING OPERATIONS		0.81	0.24	1.47	0.95
- FROM DISCONTINUED OPERATIONS		(0.07)	0.20	(0.00)	0.29
		0.74	0.44	1.47	1.24

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

Chief Executive Officer

Director

Chief Financial Officer



ICC TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

Particulars	Issued, subscribed and paid-up share	Capital Reserves - Revaluation surplus	Revenue Reserves - Accumulated Losses	Total equity
Balance as at July 01, 2017 (audited)	300,011,200	603,715,735	(787,599,476)	116,127,459
Profit for the period after taxation	-	-	13,126,430	13,126,430
Other comprehensive loss for the period	-	(2,888,383)	-	(2,888,383)
Total comprehensive (loss)/income for the period - net of tax	-	(2,888,383)	13,126,430	10,238,047
Transfer to accumulated losses on account of incremental depreciation - net of tax	-	(17,697,811)	17,697,811	0
Balance as at December 31, 2017 (un-audited)	<u>300,011,200</u>	<u>583,129,541</u>	<u>(756,775,235)</u>	<u>126,365,506</u>
Balance as at July 01, 2018 (audited)	300,011,200	574,923,456	(741,670,613)	133,264,043
Profit for the period after taxation	-	-	21,951,406	21,951,406
Other comprehensive income for the period	-	(3,318,000)	-	(3,318,000)
Total comprehensive loss for the period - net of tax	-	(3,318,000)	21,951,406	18,633,406
Transfer to accumulated losses on account of incremental depreciation - net of tax	-	(650,976)	650,976	-
Balance as at December 31, 2018 (un-audited)	<u>300,011,200</u>	<u>570,954,480</u>	<u>(719,068,230)</u>	<u>151,897,449</u>

Chief Executive Officer

Director

Chief Financial Officer

ICC TEXTILES LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

	Note	December 31, 2018 Rupees	December 31, 2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations:			
Net cash (used in) continuing operations	21	(10,500,102)	(23,361,673)
Net cash generated / (used in) from discontinued operations	21	13,409,255	(4,338,182)
		2,909,153	(27,699,854)
Finance costs paid		(215,141)	(247,973)
Income taxes paid		(1,308,815)	1,242,193
Gratuity paid		(2,766,084)	(2,976,515)
		(4,290,040)	(1,982,295)
Net cash used in operating activities		(1,380,887)	(29,682,149)
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase / (decrease) in long term advances and deposits		132,000	42,000
Proceeds from sale of property, plant and equipment & assets held for sale		965,151	47,690,923
Net cash from investing activities		1,097,151	47,732,923
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) in short term borrowings		31,219	(373,432)
Repayment of long term financings from commercial banks- net		-	(15,000,000)
Long term loans obtained from directors		3,450,000	7,140,000
Net cash from / (used in) financing activities		3,481,219	(8,233,432)
Net increase in cash and cash equivalents		3,197,483	9,817,342
Cash and cash equivalents at the beginning of the period		1,362,310	455,207
Cash and cash equivalents at the end of the period		4,559,793	10,272,549

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

Chief Executive Officer

Director

Chief Financial Officer

ICC TEXTILES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2018 (UN-AUDITED)

1 THE COMPANY AND ITS OPERATIONS

- 1.1 ICC Textiles Limited (the Company) was incorporated in Pakistan on May 25, 1989 as a public limited Company under the Companies Ordinance, 1984. The shares of the Company are listed on the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of grey fabric and renting out vacant buildings and / or open area of the Company's premises. The registered office of the Company is situated at 242-A, Anand Road, Upper Mall, Lahore.
- 1.2 During the period, the Company's textile operations remained suspended as non-efficient looms have already been sold out and its accumulated loss is Rs. 719.068 million and at the end of the period its current liabilities exceeded its current assets by Rs. 138.829 million resulting in short fall of working capital. These conditions indicate existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern. Continuation of the Company as a going concern is dependent on its ability to attain satisfactory levels of profitability in the future and continuous financial support that would enable it to bring its liabilities to serviceable levels and availability of adequate working capital. Continuous support is required from:
- (a) principal lenders of the Company; and
 - (b) sponsors of the Company.

These condensed interim financial information has been prepared on going concern basis on the grounds that the Company will be able to achieve satisfactory levels of profitability in the future based on following plans drawn up by the management for this purpose and by bringing its liabilities to serviceable levels and availability of adequate working capital through adequate financial support from its lenders and sponsors.

To substantiate its going concern assumptions:

- i Currently, management's plan to consolidate the Company's position by settlement of banks' borrowings through sponsor's loans and sale of machinery is at final stage. In order to consolidate the Company's resources, due to uncertainty in securing the industrial gas connection, which is essential for cheaper and continuous gas based electricity, the Company had disposed off all its looms with allied equipment and parts, which were no more financially viable and were causing continuous losses. The members have further decided to focus on renting out additional area, however, as Company's textile infrastructure is intact, the Board of Directors will continue to monitor the general textile environment and may decide to invest in new textile weaving technology in future. Accordingly the Company has rented out portion of its factory buildings and labour colony to generate cash flows;
- ii Few directors of the Company have invested as long term interest bearing loans amounting to Rs. 3.450 million during the period from July 01, 2018 to December 31, 2018. The sponsors of the Company would also continue such support in future;
- iii As a result of implementation of the plan of Board of Directors, to consolidate the Company's position, approved in May 2015, the bank borrowing has been fully repaid by April 2018. This borrowing was Rs. 473.596 million as of Mar 2015.

These condensed interim financial information consequently does not include any adjustment relating to the realization of the assets and liquidation of its liabilities that might be necessary incase the Company is unable to continue as a going concern.

2 STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

ICC TEXTILES LIMITED

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by International Accounting Standard Board (IASB) as notified under the Companies Act 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where the requirements of IAS 34 differ with the provisions of and directives issued under the Companies Act, 2017, the provisions of and directives issued under the Companies Act 2017 have been followed.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial information is the same as those applied in the preparation of the financial statements for the year ended June 30, 2018.

For valuation of unfunded gratuity scheme (defined benefit plan), the Company follows a consistent practice of conducting actuarial valuation annually at each year end and also considers that the above does not have material impact on Company's condensed interim statement of profit or loss and basic & diluted earning /(loss) per share.

Any new standards, amendments to approved accounting standards and interpretation of IFRSs that became effective during the current accounting period were either considered not relevant to the Company's operations or did not have significant effect on the accounting policies of the Company.

Adoption of IFRS-9 has been deferred till 30 June 2019 and accordingly, changes, if any, would be incorporated in annual financial statements for the year ending June 30, 2019.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied to the preceding annual published financial statements of the Company for the year ended June 30, 2018.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2018.

	Note	Un-audited Dec 31, 2018 Rupees	Audited Jun 30, 2018 Rupees
6 SURPLUS ON REVALUATION OF OPERATING FIXED ASSETS-NET OF TAX			
Surplus on revaluation	6.1	615,068,770	620,738,736
Less: deferred tax arising on revaluation		44,114,290	45,815,280
		570,954,480	574,923,456
6.1 Opening balance of surplus on revaluation		620,738,736	668,375,265
Add: Surplus arising during the period		-	8,919,244
Less: Incremental Depreciation:			
Building		-	1,199,100
Plant & machinery		752,632	4,652,608
		752,632	5,851,708
Less: Revaluation surplus relating to plant & machinery disposed off		177,334	33,903,469
Less: Revaluation decrease in non current assets classified as held for sale	13.1	4,740,000	16,800,596
		615,068,770	620,738,736

ICC TEXTILES LIMITED

Un-audited Dec 31, 2018 Rupees	Audited Jun 30, 2018 Rupees
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7 LONG TERM FINANCING FROM DIRECTORS- unsecured

Interest free Loans	7.1	173,268,794	165,262,134
Interest bearing Loans - 1	7.2	169,712,267	166,262,267
Interest bearing Loans - 2	7.3	80,000,000	80,000,000
Interest bearing Loans - 3	7.4	140,000,000	140,000,000
		<u>562,981,061</u>	<u>551,524,401</u>

7.1 Interest free Loans			
Original Loan amounts		321,531,223	321,531,223
Less: Present Value adjustment		<u>206,132,600</u>	<u>206,132,600</u>
		115,398,623	115,398,623
Add: Interest charged to statement of profit and loss (Unwinding of discount)		<u>57,870,171</u>	<u>49,863,511</u>
		<u>173,268,794</u>	<u>165,262,134</u>

7.1.1 These interest free loans are repayable in lump sum on June 30, 2025 (2018: June 30, 2025).

7.1.2 These interest free loans have been measured at amortized cost by using the weighted average interest rate ranging from 8.06% to 11.64%.

7.2 These loans carry mark-up @ one month KIBOR plus 2% (ranging from 9.03% to 12.40%) and are repayable in lump sum on December 31, 2020.

7.3 The loan carries mark-up @ one month KIBOR plus 2% (ranging from 9.03% to 12.40%) and is repayable in lump sum on June 20, 2025.

7.4 The loan carries mark-up @ one month KIBOR plus 2% (ranging from 9.03% to 12.40%) and is repayable in lump sum on June 30, 2025.

8 LONG TERM FINANCING FROM COMMERCIAL BANKS - secured

Faysal Bank Limited	8.1	<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

8.1 Faysal Bank Limited

Original Loan amount	8.1.1	-	86,215,829
Less: Re- payments up to end of period		-	86,215,829
Less: Present Value adjustment		<u>-</u>	<u>8,604,541</u>
		-	(8,604,541)
Add: Interest charged to statement of profit or loss		-	8,604,541
Less: Current portion		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>

8.1.1 The loan was obtained from Faysal Bank Limited in accordance with Finance Facilities Settlement Agreement dated December 15, 2016. This was repayable by May 28, 2018, but fully repaid by the company in April 2018.

9 DEFERRED LIABILITIES

Staff retirement benefits-gratuity	39,800,233	40,072,687
Deferred taxation	<u>44,114,290</u>	<u>45,815,280</u>
	<u>83,914,523</u>	<u>85,887,967</u>

ICC TEXTILES LIMITED

		Un-audited Dec 31, 2018 Rupees	Audited Jun 30, 2018 Rupees
10 PROPERTY, PLANT AND EQUIPMENT			
10.1 OPERATING FIXED ASSETS			
Written down value - opening		13,453,832	242,182,764
Add: Surplus on revaluation of fixed assets during the period / year		-	13,184,709
Add: Cost of additions during the period/year	10.1.1	-	4,600
		<u>13,453,832</u>	<u>255,372,073</u>
Disposals during the period / year (W.D.V.)	10.1.2	<u>43,423</u>	<u>27,791,648</u>
Depreciation charge for the period / year		<u>1,103,497</u>	<u>9,239,753</u>
		<u>1,146,920</u>	<u>37,031,401</u>
Less: Transfer to non-current assets classified as held for sale		-	(71,467,850)
Less: Transfer to investment property	11	-	(133,418,990)
Written down value - closing		<u><u>12,306,912</u></u>	<u><u>13,453,832</u></u>
10.1.1 Cost of additions during the period / year			-
Office equipment		-	4,600
		<u>-</u>	<u>4,600</u>
10.1.2 Disposals during the period / year			
Cost		<u>1,167,515</u>	29,283,072
Less: Accumulated depreciation		<u>(1,124,092)</u>	(1,491,424)
Written down value		<u><u>43,423</u></u>	<u><u>27,791,648</u></u>
11 INVESTMENT PROPERTY			
Opening Balance:			
Free hold land		668,000,000	487,900,000
Buildings on freehold land		176,019,885	132,449,770
		<u>844,019,885</u>	<u>620,349,770</u>
Transferred from property, plant and equipment during the period/year			
Free hold land	2	-	88,125,000
Buildings on freehold land		-	45,293,990
		-	<u>133,418,990</u>
Carrying value before revaluation			
Free hold land		<u>668,000,000</u>	576,025,000
Buildings on freehold land		<u>176,019,885</u>	177,743,760
		<u>844,019,885</u>	<u>753,768,760</u>
Change in fair values during the period/year:			
Free hold land		<u>66,800,000</u>	91,975,000
Buildings on freehold land		-	(1,723,875)
		<u>66,800,000</u>	<u>90,251,125</u>
Fair values as at December 31/June 30:			
Free hold land		<u>734,800,000</u>	668,000,000
Buildings on freehold land		<u>176,019,885</u>	176,019,885
		<u><u>910,819,885</u></u>	<u><u>844,019,885</u></u>

ICC TEXTILES LIMITED

		Un-audited Dec 31, 2018 Rupees	Audited Jun 30, 2018 Rupees
12 CASH AND BANK BALANCES			
Cash in hand		132,475	24,357
Cash at banks:			
Current accounts		228,049	1,335,052
Deposits accounts		2,633	2,901
Cheques in hand		4,196,636	-
		4,427,318	1,337,953
		4,559,793	1,362,310
13 NON- CURRENT ASSETS CLASSIFIED AS HELD FOR SALE			
This represents realizable value of following assets classified as held for sale. The proceeds will be utilized to settle / reduce banks' finance facilities in order to reduce dependency on external debts and finance cost of the Company, as per plan approved by the Board of Directors:			
Plant and equipment:			
Sulzer looms, warping and sizing machine	13.1	12,939,979	18,567,862
Air jet looms with back process and allied equipment	13.2	-	-
		12,939,979	18,567,862
13.1 Sulzer Looms, warping and sizing machine			
Opening balance:			
1 Warping machine		2,080,000	2,080,000
1 Sizing machine		4,160,000	4,160,000
Others		12,327,862	-
		18,567,862	6,240,000
Carrying value of 16 sulzer dobby looms with accessories and allied equipment transferred from operating fixed assets		-	67,202,385
Decrease in revaluation surplus		(4,740,000)	(16,800,596)
Sale of other machinery / 23 Sulzer looms during the period/year		(887,883)	(38,073,927)
Closing balance (1 warping, 1 sizing and others)		12,939,979	18,567,862
13.2 Air-jet Looms with back process and allied equipment			
Opening balance (4 looms)		-	10,450,000
Sale of air jet looms and back process equipment during the period/year		-	(10,450,000)
Closing balance		-	-
14 CONTINGENCIES AND COMMITMENTS			
14.1 Contingencies			
There is no significant change in status of contingencies as disclosed in the preceding audited annual published financial statements of the Company for the year ended June 30, 2018.			

ICC TEXTILES LIMITED

Un-audited Dec 31, 2018 Rupees	Audited Jun 30, 2018 Rupees
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14.2 Commitments

There were no commitments to report at the date of statement of financial position (June 30, 2018: Nil).

	Half Year Ended		Quarter Ended	
	December 31, 2018 Rupees	December 31, 2017 Rupees	December 31, 2018 Rupees	December 31, 2017 Rupees
15 DIRECT COST				
Salaries, wages and other benefits	2,629,115	4,033,344	1,602,593	2,134,605
Depreciation	874,852	875,452	437,426	437,726
Others	2,592,300	1,561,179	293,519	751,671
	<u>6,096,267</u>	<u>6,469,975</u>	<u>2,333,538</u>	<u>3,324,002</u>
			Half Year Ended Un-audited Dec 31, 2018 Rupees	Half Year Ended Un-audited Dec 31, 2017 Rupees
16 FINANCE COST				
Mark up on long term loan from directors			21,311,283	13,218,998
Mark up on loan from associated company			1,900,364	146,479
Unwinding of discount			8,006,660	11,557,049
Bank charges			28,791	101,494
			<u>31,247,098</u>	<u>25,024,020</u>
17 TAXATION				
Current			2,587,619	938,863
Deferred tax			(225,790)	(605,036)
			<u>2,361,829</u>	<u>333,827</u>
			Half Year Ended	Quarter Ended
18 LOSS AFTER TAXATION FROM DISCONTINUED OPERATIONS				
Revenue	-	-	-	-
Direct cost	(2,080,703)	(10,923,449)	119,162	(4,319,747)
Gross loss	(2,080,703)	(10,923,449)	119,162	(4,319,747)
Operating Expenses:				
Administrative expenses	-	-	-	-
Distribution cost	-	-	-	-
Other expenses	(240,653)	-	-	-
	(240,653)	-	-	-
	<u>(2,321,356)</u>	<u>(10,923,449)</u>	<u>119,162</u>	<u>(4,319,747)</u>

ICC TEXTILES LIMITED

		December 31, 2018 Rupees	December 31, 2017 Rupees	December 31, 2018 Rupees	December 31, 2017 Rupees
Other income	18.2	33,845	9,451,522	(155,876)	7,979,983
(Loss) / profit before taxation		(2,287,511)	(1,471,927)	(36,714)	3,660,236
Taxation:					
- Current		-	-	-	-
- Deferred		53,200	7,346,155	33,411	4,919,812
		53,200	7,346,155	33,411	4,919,812
(Loss) / profit after taxation - discontinued operations		(2,234,311)	5,874,228	(3,303)	8,580,048

	Dec 31, 2018 Rupees	Dec 31, 2017 Rupees	Un-audited Dec 31, 2018 Rupees	Un-audited Dec 31, 2017 Rupees
18.1 Direct cost				
Depreciation	-	6,983,362	-	2,311,010
Other factory overheads	2,279,387	885,190	79,522	601,732
	2,279,387	10,923,449	79,522	4,319,747
(Increase)/Decrease in work in Process				
Opening work in process	-	272,832	272,832	272,832
Closing work in process	-	(272,832)	(272,832)	(272,832)
	-	-	-	-
Cost of goods manufactured	2,279,387	10,923,449	79,522	4,319,747
(Increase)/Decrease in finished goods				
Opening Stock	734,477	762,935	734,477	762,935
Closing Stock	(933,161)	(762,935)	(933,161)	(762,935)
	(198,684)	-	(198,684)	-
	2,080,703	10,923,449	(119,162)	4,319,747

	Half Year Ended Un-audited Dec 31, 2018 Rupees	Half Year Ended Un-audited Dec 31, 2017 Rupees
18.2 OTHER INCOME		
Income from non financial assets:		
Gain on disposal of fixed assets	33,845	9,451,522
	33,845	9,451,522

19 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated undertakings, directors and their close family members, key management personnel and major shareholders of the Company. Transactions with related parties are as follows:

ICC TEXTILES LIMITED

	Un-audited Dec 31, 2018 Rupees	Un-audited Dec 31, 2017 Rupees
Long term financing obtained from directors - interest bearing	3,450,000	7,140,000
Interest on short term borrowing debited by ICC (Pvt.) Limited	1,900,364	146,479
Interest on loan obtained from directors	21,311,282	13,218,998
Reimbursable expenses incurred on behalf of ICC (Pvt.) Limited	5,656,637	5,390,331
Unwinding of discount on interest free loan from directors	8,006,660	8,914,111
	Un-audited Dec 31, 2018 Rupees	Audited June 30, 2018 Rupees
Balances with related parties, except elsewhere stated in this condensed interim financial:		
Short term borrowings - associated undertaking	35,784,203	35,784,203

20 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

International Financial Reporting Standards (IFRS) 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

FINANCIAL INSTRUMENTS BY CATEGORY

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

ICC TEXTILES LIMITED

Description	Carrying Amount					Fair Value		
	Loans and receivables	Available for sale instruments	Fair value through profit & loss account	Other financial instruments	Total	Level 1	Level 2	Level 3
December 31, 2018 (Un-audited)								
Financial assets not measured at fair value								
Non-current								
Long term deposits	1,469,034	-	-	-	1,469,034	-	-	-
Long term loans and advances	86,000	-	-	-	86,000	-	-	-
Current								
Loans and advances	600,778	-	-	-	600,778	-	-	-
Cash and bank balances	4,559,793	-	-	-	4,559,793	-	-	-
	6,715,605	-	-	-	6,715,605			
Financial liabilities not measured at fair value								
Non-current								
Long term loan from directors	-	-	-	562,981,061	562,981,061	-	-	-
Current								
Trade and other payables	-	-	-	98,422,365	98,422,365	-	-	-
Mark-up accrued	-	-	-	52,858,347	52,858,347	-	-	-
Short term borrowings	-	-	-	35,842,185	35,842,185	-	-	-
	-	-	-	750,103,958	750,103,958	-	-	-
June 30, 2018 (Audited)								
Financial assets not measured at fair value								
Non-current								
Long term deposits	1,629,034	-	-	-	1,629,034	-	-	-
Long term loans and advances	58,000	-	-	-	58,000	-	-	-
Current								
Loans and advances	734,665	-	-	-	734,665	-	-	-
Cash and bank balances	1,362,310	-	-	-	1,362,310	-	-	-
	3,784,009	-	-	-	3,784,009	-	-	-
Financial liabilities not measured at fair value								
Non-current								
Long term loan from directors	-	-	-	551,524,401	551,524,401	-	-	-
Current								
Trade and other payables	-	-	-	91,949,559	91,949,559	-	-	-
Mark-up accrued	-	-	-	29,833,050	29,833,050	-	-	-
Short term borrowings	-	-	-	35,810,966	35,810,966	-	-	-
	-	-	-	709,117,976	709,117,976	-	-	-

ICC TEXTILES LIMITED

	July - Dec 2018		July - Dec 2017	
	Continuing Operations	Discontinued Operations	Continuing Operations	Discontinued Operations
	Rupees	Rupees	Rupees	Rupees
21 CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss) / profit for the period before taxation	26,547,546	(2,287,511)	7,586,029	(1,471,927)
Adjustment for:				
Depreciation on property, plant and equipment	1,103,497	-	1,728,281	6,392,552
(Gain) / Loss on disposal of property, plant and equipment	-	(33,845)	-	(9,451,522)
Unwinding of discount	-	8,006,660	-	11,557,049
Change in fair value of investment property	(66,800,000)	-	(48,501,125)	-
Staff gratuity	2,493,630	-	2,658,379	-
Finance cost	23,240,438	-	13,466,971	-
	<u>(39,962,435)</u>	<u>7,972,815</u>	<u>(30,647,494)</u>	<u>8,498,079</u>
	<u>(13,414,889)</u>	<u>5,685,304</u>	<u>(23,061,465)</u>	<u>7,026,152</u>
(Increase) / Decrease in current assets				
Stores, spares and loose tools	2,426,294	1,449,829	(274,571)	531,820
Stock in trade	-	(198,684)	-	-
Trade debts	-	-	(63,894)	-
Loans and advances	133,887	-	(34,966)	-
Short term prepayments and other receivables	144,406	-	73,223	-
	<u>2,704,587</u>	<u>1,251,145</u>	<u>(300,208)</u>	<u>531,820</u>
Increase / (Decrease) in current assets				
Trade and other payables	210,200	6,472,806	-	(11,896,154)
	<u>210,200</u>	<u>6,472,806</u>	<u>-</u>	<u>(11,896,154)</u>
Net cash (used in) / generated from operations	<u>(10,500,102)</u>	<u>13,409,255</u>	<u>(23,361,673)</u>	<u>(4,338,182)</u>

22 REPORTABLE SEGMENTS

The Company has following two strategic divisions, which are reportable segments.

REPORTABLE SEGMENTS

1. TEXTILES UNIT (DISCONTINUING OPERATIONS)

2. REAL ESTATE SEGMENT

NATURE OF OPERATIONS:

Manufacturing and sale of greige fabric

Renting out of Factory buildings and / or open area plus appreciation in investment

The management reviews internal management of each divisions.

22.1 INFORMATION ABOUT REPORTING SEGMENTS

Information to each reportable segment is given below.

22.1.1: SEGMENT STATEMENT OF PROFIT OR LOSS

ICC TEXTILES LIMITED

	Un-audited December 31, 2018			Un-audited December 31, 2017		
	Textiles	Real Estate	Total	Textiles	Real Estate	Total
Rupees.....		Rupees.....		
Sales	-	12,057,869	12,057,869	-	4,229,110	4,229,110
Cost of sales	(2,080,703)	(6,096,267)	(8,176,970)	(10,923,449)	(6,469,975)	(17,393,424)
Gross loss	(2,080,703)	5,961,602	3,880,899	(10,923,449)	(2,240,865)	(13,164,314)
Distribution cost	-	-	-	-	(382,116)	(382,116)
Administrative expenses	-	(14,515,476)	(14,515,476)	-	(12,843,661)	(12,843,661)
Other expenses	(240,653)	(451,571)	(692,224)	-	(427,088)	(427,088)
Other income	33,845	89	33,934	9,451,522	2,654	9,454,175
Operating loss	(2,287,511)	(9,005,356)	(11,292,867)	(1,471,927)	(15,891,076)	(17,363,003)
Change in fair value of investment property	-	66,800,000	66,800,000	-	48,501,125	48,501,125
Profit/(Loss) before taxation and unallocated income and expenses	(2,287,511)	57,794,644	55,507,132	(1,471,927)	32,610,049	31,138,122
Unallocated expenses:						
Finance cost	-	(31,247,098)	(31,247,098)	-	-	(25,024,020)
Taxation	53,200	(2,361,829)	(2,308,629)	7,346,155	(333,827)	7,012,329
Profit / (loss) after taxation	(2,234,311)	24,185,717	21,951,406	5,874,228	32,276,222	13,126,430
	Un-audited December 31, 2018			Audited June 30, 2018		
	Textiles	Real Estate	Total	Textiles	Real Estate	Total
Rupees.....		Rupees.....		
22.1.2: SEGMENT ASSETS AND LIABILITIES						
Segment assets for reportable segment	25,877,679	924,681,831	950,559,510	35,183,002	859,160,751	894,343,753
Unallocated corporate assets	-	-	42,775,439	-	-	41,135,052
Total assets as per balance sheet as at 31 December 2018/June 2018			<u>993,334,949</u>			<u>935,478,805</u>
Segment liabilities for reportable segment	-	5,756,363	5,756,363	-	5,546,163	5,546,163
Unallocated corporate liabilities	-	-	835,681,137	-	-	796,668,599
Total liabilities as per statement of financial position as at 31 December 2018/June 2018			<u>841,437,500</u>			<u>802,214,762</u>

23 GENERAL

- 23.1** The figures of condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2018 and 2017 were not subject to limited scope review by the auditors as scope of review covered only the cumulative figures.
- 23.2** These condensed interim financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.
- 23.3** Figures have been rounded off to the nearest rupee.
- 23.4** Corresponding figures are re-arranged and / or restated, wherever considered necessary, for the purpose of better presentation of the financial information. However, no significant restatement / re-arranging has been made except charging of markup to continuing operations.

24 DATE OF AUTHORIZATION

These condensed interim financial statements were authorised for issue on March 01, 2019 by the Board of directors of the Company .

Chief Executive Officer

Director

Chief Financial Officer