

**CONDENSED INTERIM  
FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED  
DECEMBER 31, 2020.**



**ICC Industries Limited**

# ICC Industries Limited

## Company Information

### Board of Directors

- Mr. Javaid S. Siddiqi Chief Executive
- Mr. Pervaiz S. Siddiqi Chairman
- Mrs. Fauzia Javaid
- Mr. Salman Javaid Siddiqi
- Mr. Asim Pervaiz Siddiqi
- Mr. Adnan Javaid Siddiqi
- Mr. Arsalan Javaid Siddiqi

### Audit Committee

- Mr. Salman Javaid Siddiqi Chairman
- Mr. Pervaiz S. Siddiqi Member
- Mrs. Fauzia Javaid Member
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### HR&R Committee

- Mr. Pervaiz S. Siddiqi Chairman
- Mr. Javaid S. Siddiqi Member
- Mr. Asim Pervaiz Siddiqi Member

### Company Secretary

- Mr. Shahid Ali Ahmad

### Chief Financial Officer

- Mr. Javed Rashid

### Auditors

- Grant Thornton Anjum Rahman  
Chartered Accountants  
01-Inter Floor, Eden Centre  
Jail Road, Lahore.

### Bankers

- MCB Bank Limited
- Faysal Bank Limited
- Bank AL Habib Limited
- United Bank Limited
- Allied Bank Limited
- Habib Metropolitan Bank Limited

### Legal Advisor

- Imtiaz Siddiqi Associates  
179/180-A, Scotch Corner, Upper Mall Scheme,  
Lahore-Pakistan. Tel: 042-35758573-35758574  
Fax: 042-35758572

### Shares Registrar

- Corplink (Pvt.) Ltd.  
Wings Arcade, 1-K Commercial Model Town, Lahore.  
Ph: 042-35916714, 35916719  
Fax : 042-35869037

### Registered Office

242-A, Anand Road,  
Upper Mall, Lahore.  
Ph: 042-35751765-67  
Fax : 042-35789206  
Web site : www.icctextiles.com

### Factory

32-K.M. Lahore-Multan Road,  
Sunder, Distt. Lahore.  
Ph: 042-35975426-27  
Fax : 042-35975428

# ICC INDUSTRIES LIMITED

## DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, we hereby present the condensed interim financial statements of the company for the half year ended on December 31, 2020.

The company earned a profit after tax amounting to Rs. 6.106 million on revenue of Rs. 3.689 million, comprising rental income, as against after tax loss of Rs. 50.140 million against revenue of Rs. 18.419 million in the corresponding period resulting in profit per share of Rs. 0.20 ( Jul-Dec 2019 loss per share Rs. 1.67 ). Company's business has been badly affected due to Covid19 spread. Our rental income has been substantially reduced as some of our tenants had terminated their rental agreements. Following factors influenced the company's performance during the period:

- Change in fair value of investment property-amounts to Rs. 50.100 million ( 2019: Rs. Nil).
- Slow down of business activity in the country attributed to Covid19.

Without qualifying their conclusion, in their review report to the members, the auditors have drawn attention to note 1.2 of the condensed interim financial statements which describes that Company's accumulated loss is Rs. 717.467 million and at the end of the period its current liabilities exceeded its current assets by Rs. 238.777 million. 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.

We continue to focus on renting out additional covered area of mills premises, to enhance our rental revenue, however, it may take some time as the impact of Covid19 is slowly improving with gradual restoration of business activity in the country.

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

For and on behalf of the Board of Directors



PERVAIZ S. SIDDIQI  
Director



JAVAID S. SIDDIQI  
Chief Executive

Lahore:  
Dated: March 02, 2021



# Grant Thornton

An instinct for growth™

**Grant Thornton Anjum Rahman**

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## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of ICC INDUSTRIES LIMITED

Report on review of condensed interim financial statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **ICC Industries Limited** as at **December 31, 2020** 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-months period then ended (here-in-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 interim 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 are 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

We draw attention to note 1.2 in the interim financial statements which describes that as at December 31, 2020, the Company's current liabilities exceeded its current assets by Rs. 238.777 million and its accumulated losses stood at Rs. 717.467 million. These factors, along with other matters as set forth in note 1.2 indicate existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

*ATX*

**Chartered Accountants**

Member of Grant Thornton International Ltd

Offices in Karachi & Islamabad



**Other Matter**

The figures for quarter ended December 31, 2020 and 2019 in the condensed interim statement of profit or loss and other comprehensive income have not been reviewed by us and we do not express a conclusion on them.

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

*Grant Thornton Ayaz Ali Khan*  
CHARTERED ACCOUNTANTS

Lahore

Dated: March, 03 2021

# ICC INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

	Note	Un-audited Dec 31, 2020 Rupees	Audited Jun 30, 2020 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Authorized share capital 32,000,000 ( June 2020: 32,000,000) ordinary shares of Rs. 10 each		320,000,000	320,000,000
Issued, subscribed and paid-up share capital		300,011,200	300,011,200
<b>Capital reserves</b>			
Surplus on revaluation of property, plant and equipment	6	567,762,415	568,462,515
<b>Revenue reserves</b>			
Accumulated loss		(717,466,754)	(724,272,986)
		150,306,861	144,200,729
<b>NON CURRENT LIABILITIES</b>			
Long term financing from directors	7	560,957,510	539,392,610
Deferred liabilities	8	76,310,708	74,474,465
		637,268,218	613,867,075
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	96,349,825	91,850,752
Security deposits		1,409,925	2,363,923
Accrued interest / mark-up		139,293,423	131,176,347
Short term borrowings		35,784,203	36,247,863
Unclaimed dividend		1,662,656	1,662,656
		274,500,032	263,301,541
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,062,075,112</b>	<b>1,021,369,345</b>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	10	7,229,292	8,154,124
Investment properties	11	1,012,518,550	962,418,550
Long term loans and advances		-	5,000
Long term deposits		1,469,034	1,469,034
		1,021,216,876	972,046,708
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		4,439,403	4,450,577
Trade debts		170,196	1,439,907
Loans and advances		1,077,844	925,227
Short term prepayments and other receivables		665,949	752,159
Tax refunds due from Government		28,363,115	32,882,669
Cash and bank balances		1,006,582	754,388
		35,723,089	41,204,927
Non - current assets classified as held for sale	12	5,135,147	8,297,710
<b>TOTAL ASSETS</b>		<b>1,062,075,112</b>	<b>1,021,549,345</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



# ICC INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	Note	Half Year Ended		Quarter Ended	
		31 Dec 2020 Rupees	31 Dec 2019 Rupees	31 Dec 2020 Rupees	31 Dec 2019 Rupees
REVENUE (RENTAL INCOME)		3,659,120	18,418,792	1,590,000	9,295,680
DIRECT COST	14	(4,393,183)	(5,449,929)	(1,969,611)	(1,569,491)
GROSS (LOSS) / PROFIT		(734,063)	12,968,863	(379,611)	7,726,189
<b>OPERATING EXPENSES :</b>					
ADMINISTRATIVE EXPENSES		(12,847,520)	(14,768,842)	(6,959,670)	(7,687,533)
OTHER EXPENSES	15	(501,890)	(3,288,520)	(264,650)	(271,571)
		(13,349,410)	(18,057,362)	(7,224,320)	(7,959,104)
		(14,083,473)	(5,088,499)	(7,603,931)	(232,915)
OTHER INCOME		935,460	-	306,268	-
OPERATING LOSS		(13,148,013)	(5,088,499)	(7,297,663)	(232,915)
FINANCE COST	16	(29,939,727)	(42,352,108)	(15,136,888)	(21,251,786)
CHANGES IN FAIR VALUES OF INVESTMENT PROPERTIES	11	50,100,000	-	50,100,000	-
PROFIT / (LOSS) BEFORE TAXATION		7,012,260	(47,440,607)	27,665,449	(21,484,701)
TAXATION	17	(906,128)	(2,699,698)	(608,777)	(2,132,170)
PROFIT / (LOSS) AFTER TAXATION		6,106,132	(50,140,305)	27,056,672	(23,616,871)
<b>OTHER COMPREHENSIVE INCOME</b>					
Items that may be reclassified subsequently to profit or loss		-	-	-	-
Items that will not be reclassified to profit or loss		-	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD		-	-	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		6,106,132	(50,140,305)	27,056,672	(23,616,871)
EARNING/(LOSS) PER SHARE - BASIC AND DILUTED		0.20	(1.67)	0.90	(0.79)

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

*CHIEF*



Chief Executive Officer



Director



Chief Financial Officer

# ICC INDUSTRIES LIMITED


## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2020

Particulars	Issued, subscribed and paid-up share capital	Capital Reserves - Revaluation surplus	Revenue Reserves - Accumulated Losses	Total equity
<b>Balance as at July 01, 2019</b>	300,011,200	572,329,953	(730,220,157)	142,120,996
Loss for the period after taxation	-	-	(50,140,305)	(50,140,305)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(50,140,305)	(50,140,305)
Transfer to accumulated losses on account of incremental depreciation and disposal of fixed assets- net of tax	-	(3,067,630)	3,067,630	-
<b>Balance as at December 31, 2019</b>	300,011,200	569,262,323	(777,292,832)	91,980,691
<b>Balance as at July 01, 2020</b>	300,011,200	568,462,515	(724,272,986)	144,200,729
Profit for the period after taxation	-	-	6,106,132	6,106,132
Other comprehensive income for the period	-	-	-	-
Total comprehensive profit for the period	-	-	6,106,132	6,106,132
Transfer to accumulated loss on account of incremental depreciation and disposal of fixed assets- net of tax	-	(700,100)	700,100	-
<b>Balance as at December 31, 2020</b>	300,011,200	567,762,415	(717,466,754)	150,306,861

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

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Chief Executive Officer

  
Director

  
Chief Financial Officer



# ICC INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	Note	December 31, 2020 Rupees	December 31, 2019 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash (used in) / generated from operations:</b>	20	(6,151,637)	7,330,060
Finance costs paid		(3,324,937)	(2,870,899)
Income taxes paid		2,664,468	(1,691,773)
Gratuity paid		(227,500)	(535,000)
		(887,969)	(5,097,672)
<b>Net cash (used in) / from operating activities</b>		<b>(7,039,606)</b>	<b>2,232,388</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Increase in long term advances and deposits		5,000	63,000
Purchase of property plant and equipment		-	(43,830)
Proceeds from sale of property, plant and equipment & assets held for sale		3,900,000	1,900,000
<b>Net cash from investing activities</b>		<b>3,905,000</b>	<b>1,919,170</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
(Decrease) in short term borrowings		(463,660)	(158,552)
(Repayment of) / proceeds from long term financing from directors		3,850,460	(1,470,000)
<b>Net cash from / (used in) financing activities</b>		<b>3,386,800</b>	<b>(1,628,552)</b>
<b>Net increase in cash and cash equivalents</b>		<b>252,194</b>	<b>2,523,006</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>754,388</b>	<b>973,834</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>1,006,582</b>	<b>3,496,840</b>

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

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Chief Executive Officer

  
Director

  
Chief Financial Officer

# ICC INDUSTRIES LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2020

### 1 THE COMPANY AND ITS OPERATIONS

1.1 ICC Industries Limited (Formerly ICC Textiles Limited) "the Company" was incorporated in Pakistan on May 25, 1989 as a public limited Company under the repealed Companies Ordinance, 1984 ( Now Companies Act, 2017 ). The shares of the Company are listed on the Pakistan Stock Exchange. The principal activity of the Company is renting out vacant buildings and / or open area of the Company's premises located at 32-Km Multan Road, Sundar, Lahore.

1.2 During half year ended at December 31, 2020, the Company has incurred gross loss amounting to Rs. 734,063. Similarly, the Company's current liabilities have exceeded its current assets by Rs. 238.777 million and its accumulated loss stood at Rs. 717.467 million. The Company has also disposed off most of its plant & machinery. Further, trading in shares of the Company has been suspended. 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 from its lenders and sponsors.

These condensed interim financial statements have 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 In order to consolidate the Company's resources, due to uncertainty in securing industrial gas connection, which was essential for cheaper and continuous gas based electricity, the Company had disposed off all its looms.
- ii The Company has rented out its partial factory buildings and labour colony to generate cash flows;
- iii Bank borrowings had been fully repaid by April 2018;
- iv During the year 2015, the Company had also repaid long term loan amounting to Rs. 14.896 million and had reduced the running finance facilities from Rs. 480 million to Rs. 330 million, as 37 sulzer looms were disposed off and one director of the Company sold his property to MCB Bank Limited under buy-back arrangement, and advanced such proceeds amounting to Rs. 140 million as long term loan to the Company for partial settlement of the finance facilities;
- v Directors of the Company have decided to convert interest bearing loans extended to the Company amounting to Rs. 187.644 million into interest free loans w.e.f Mar 31, 2020 and also extended further long term interest free loans during the year to meet working capital requirements of the Company. The sponsors of the Company would continue such support in future;
- vi Few directors of the Company had also invested Rs. 321.531 million through long term interest free loans during May 2013 to June 2016 to meet working capital requirements of the Company;
- vii During 2013, the Board of Directors of ICC (Private) Limited, an associated undertaking, had decided to write off following outstanding loans advanced to the Company:
  - Long term interest free loans amounting to Rs. 189.150 million with carrying value, in ICC Industries Limited books, amounting to Rs. 48.801 million; and
  - Short term interest bearing loans amounting to Rs. 30.850 million.

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# ICC INDUSTRIES LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2020

### 2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have 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:

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 provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, 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 statements is the same as those applied in the preparation of the financial statements for the year ended June 30, 2020.

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 the 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.

### 4 ACCOUNTING ESTIMATES AND JUDGMENTS

Basis of 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, 2020.

### 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, 2020.

### 6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

	Note	Un-audited	Audited
		Dec 31, 2020 Rupees	Jun 30, 2020 Rupees
Surplus on revaluation	6.1	608,506,234	609,492,290
Less: deferred tax arising on revaluation	6.2	40,743,819	41,029,775
		<u>567,762,415</u>	<u>568,462,515</u>
<b>6.1 Opening balance of surplus on revaluation</b>		<b>609,492,290</b>	<b>614,939,385</b>
Add: Surplus arising during the period/ year		-	593,303
Less: Incremental Depreciation:			
Plant & machinery		105,800	867,870
Less: Revaluation surplus relating to assets disposed off		880,256	3,817,997
Less: Revaluation decrease in non-current assets held for sale		-	1,354,531
		<u><b>608,506,234</b></u>	<u><b>609,492,290</b></u>

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# ICC INDUSTRIES LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2020

		Un-audited Dec 31, 2020 Rupees	Audited Jun 30, 2020 Rupees
<b>6.2 Related deferred tax liability on July 01</b>		41,029,775	42,609,432
Deferred tax liability arising during the period		-	172,058
Tax effect on incremental depreciation & disposal of assets during the year		(285,956)	(1,358,901)
Tax effect on revaluation decrease in non-current assets classified as held for sale		-	(392,814)
		<u>40,743,819</u>	<u>41,029,775</u>
<b>7 LONG TERM FINANCING FROM DIRECTORS- Unsecured</b>			
Interest free Loans - 1	7.1	209,441,154	199,734,727
Interest bearing Loans - 2		65,000,000	65,000,000
Interest bearing Loans - 3		140,000,000	140,000,000
Interest free Loans - 4	7.2	146,516,356	134,657,883
		<u>560,957,510</u>	<u>539,392,610</u>
<b>7.1 Interest free Loans</b>			
Original Principal		321,531,223	321,531,223
Less: Present Value adjustment		206,132,600	206,132,600
		<u>115,398,623</u>	<u>115,398,623</u>
Add: Interest charged to profit or loss (Unwinding of discount)		94,042,531	84,336,104
		<u>209,441,154</u>	<u>199,734,727</u>
<b>7.1.1</b> These interest free loans are repayable in lump sum on June 30, 2025.			
<b>7.1.2</b> These interest free loans have been measured at amortized cost by using the weighted average interest rate ranging from 8.06% to 11.64%. (June 2020: 8.06% to 11.64%)			
		Un-audited	Audited
		Dec 31, 2020	Jun 30, 2020
		Rupees	Rupees
<b>7.2 Interest free Loans</b>			
Original Principal		193,977,287	190,126,827
Less: Present Value adjustment		60,365,435	59,582,163
		<u>133,611,852</u>	<u>130,544,664</u>
Add: Interest charged to profit or loss (Unwinding of discount)		12,904,504	4,113,219
		<u>146,516,356</u>	<u>134,657,883</u>
<b>7.2.1</b> These interest free loans are repayable in lump sum on March 31, 2023.			
<b>7.2.2</b> These interest free loans have been measured at amortized cost by using the weighted average interest rate ranging from 9.45% to 13.42%. (June 2020: 9.44% to 13.42%)			

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# ICC INDUSTRIES LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	Un-audited	Audited
	Dec 31, 2020 Rupees	Jun 30, 2020 Rupees
<b>8 DEFERRED LIABILITIES</b>		
Staff retirement benefits-gratuity	35,566,889	33,444,690
Deferred taxation	40,743,819	41,029,775
	76,310,708	74,474,465

	Un-audited	Audited
	Dec 31, 2020 Rupees	Jun 30, 2020 Rupees
<b>9 TRADE AND OTHER PAYABLES</b>		
Creditors	9,951,240	10,773,858
Payable to associated undertaking	114,784	133,333
Accrued expenses	58,754,939	52,528,675
Final dues payable	13,326,330	14,664,321
Advance against sales	3,323,447	3,081,518
Income tax deducted at source	9,462,334	9,242,884
Sales tax withheld	1,307,022	1,318,834
E.O.B.I. Employees contribution	109,730	107,330
	96,349,825	91,850,752

	Note	Un-audited	Audited
		Dec 31, 2020 Rupees	Jun 30, 2020 Rupees
<b>10 PROPERTY, PLANT AND EQUIPMENT</b>			
<b>10.1 OPERATING FIXED ASSETS</b>			
Written down value - opening		8,154,125	12,295,695
Add: Surplus on revaluation of assets		-	593,303
Add: Additions during the period/year		-	88,830
		8,154,125	12,977,828
Disposals during the period / year (W.D.V.)	10.1.1	585,336	3,312,419
Depreciation charge for the period / year		339,497	1,511,285
		924,833	4,823,704
Written down value - closing		7,229,292	8,154,124
<b>10.1.1 Disposals during the period / year</b>			
Cost of assets disposed off		595,000	5,848,000
Less: Accumulated depreciation of such assets		(9,664)	(2,535,581)
		585,336	3,312,419

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# ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	Note	Un-audited Dec 31, 2020 Rupees	Audited Jun 30, 2020 Rupees
<b>11 INVESTMENT PROPERTIES</b>			
Opening Balance:			
Free hold land		792,081,000	772,375,000
Buildings on freehold land		170,337,550	171,973,225
		962,418,550	944,348,225
Change in fair values during the period/year:			
Free hold land		50,100,000	4,175,000
Buildings on freehold land		-	(1,635,675)
		50,100,000	2,539,325
Other changes ( recognition of related liabilities )		-	15,531,000
Fair values as at December 31/June 30:			
Free hold land		842,181,000	792,081,000
Buildings on freehold land		170,337,550	170,337,550
		1,012,518,550	962,418,550

## 12 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Note	Un-audited Dec 31, 2020 Rupees	Audited Jun 30, 2020 Rupees
<b>Sulzer warping and sizing machine and allied equipment</b>	<b>12.1</b>	5,135,147	8,297,710
		5,135,147	8,297,710
<b>12.1 Sulzer warping and sizing machine and allied equipment</b>			
Opening balance		8,297,710	11,638,675
Carrying value of assets disposed off		(3,162,563)	(1,408,220)
Decrease in revaluation surplus		-	(1,354,531)
Impairment of non-current assets held for sale		-	(578,214)
Closing balance		5,135,147	8,297,710

## 13 CONTINGENCIES AND COMMITMENTS

### 13.1 Contingencies

There is no significant change in status of contingencies as disclosed in the preceding annual audited financial statements of the Company for the year ended June 30, 2020.

### 13.2 Commitments

There were no commitments to report as at 31 Dec 2020. (June 30, 2020: Rs. Nil).

## 14 DIRECT COST

	Half Year Ended		Quarter Ended	
	December 31, 2020 Rupees	December 31, 2019 Rupees	December 31, 2020 Rupees	December 31, 2019 Rupees
Salaries and other overheads	4,231,267	4,816,868	1,893,485	1,328,181
Depreciation	161,916	633,061	76,126	241,310
	4,393,183	5,449,929	1,969,611	1,569,491

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# ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	Half Year Ended		Quarter Ended	
	December 31, 2020 Rupees	December 31, 2019 Rupees	December 31, 2020 Rupees	December 31, 2019 Rupees
<b>15 OTHER EXPENSES</b>				
Loss on disposal of fixed assets	-	2,789,777	-	-
Others	501,890	498,743	264,650	271,571
	<u>501,890</u>	<u>3,288,520</u>	<u>264,650</u>	<u>271,571</u>
			Un-audited	Un-audited
			Dec 31, 2020	Dec 31, 2019
			Rupees	Rupees
<b>16 FINANCE COST</b>				
Mark up on loan obtained from directors			9,700,040	30,736,798
Mark up on loan obtained from associated company			1,738,309	2,794,809
Unwinding of PV adjustment on loan amortization			18,497,712	8,815,078
Bank charges			3,666	5,423
			<u>29,939,727</u>	<u>42,352,108</u>
<b>17 TAXATION</b>				
Current			1,192,084	3,952,673
Deferred tax			(285,956)	(1,252,975)
			<u>906,128</u>	<u>2,699,698</u>

## 18 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:

	Un-audited Dec 31, 2020 Rupees	Un-audited Dec 31, 2019 Rupees
Long term financing obtained from directors	3,850,460	3,530,000
Long term financing repaid to directors	-	5,000,000
Interest on loan obtained from ICC (Pvt.) Limited	1,738,309	2,794,809
Interest on loan obtained from directors	9,700,040	30,736,798
Reimbursable expenses incurred on behalf of ICC (Pvt.) Limited	4,148,922	5,277,088
Reimbursable expenses incurred by ICC (Pvt.) Limited	8,043	376,382
Unwinding of discount on interest free loan obtained from directors	18,497,712	8,815,078
Present value adjustment on interest free loans obtained from directors	783,272	-

Balances with related parties, except elsewhere stated in this condensed interim financial statements:

	Un-audited Dec 31, 2020 Rupees	Audited Jun 30, 2020 Rupees
Short term borrowings - ICC (Pvt) Limited	35,784,203	35,784,203
Accrued interest on loans (Directors and ICC (Pvt.) Limited)	139,293,426	131,176,347
Trade and other payables - ICC (Pvt.) Limited	114,784	133,333
Remuneration payable to CEO	31,626,270	27,409,434
Remuneration payable to executives	3,053,629	2,853,629

Chief executive officer and executives are entitled for retirement benefits under un-funded gratuity scheme.

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# ICC INDUSTRIES LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2020

### 19 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

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.

Description	Carrying amount				Fair Value			
	Fair value through profit/loss	Fair value through OCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
December 31, 2020 (Un-audited)								
<b>Financial assets not measured at fair value</b>								
<b>Non-current</b>								
Long term deposits	-	-	1,469,034	1,469,034	-	-	-	-
<b>Current</b>								
Loans and advances	-	-	1,077,844	1,077,844	-	-	-	-
Trade debts	-	-	170,196	170,196	-	-	-	-
Cash and bank balances	-	-	1,006,582	1,006,582	-	-	-	-
	-	-	3,723,656	3,723,656	-	-	-	-
<b>Financial liabilities not measured at fair value</b>								
<b>Non-current</b>								
Long term financing from directors	-	-	560,957,510	560,957,510	-	-	-	-
<b>Current</b>								
Trade and other payables	-	-	96,349,822	96,349,822	-	-	-	-
Unclaimed dividend	-	-	1,662,656	1,662,656	-	-	-	-
Security deposits	-	-	1,409,925	1,409,925	-	-	-	-
Accrued interest / markup	-	-	139,293,426	139,293,426	-	-	-	-
Short term borrowings	-	-	35,784,203	35,784,203	-	-	-	-
	-	-	835,457,542	835,457,542	-	-	-	-
June 30, 2020 (Audited)								
<b>Financial assets not measured at fair value</b>								
<b>Non-current</b>								
Long term deposits	-	-	1,469,034	1,469,034	-	-	-	-
Long term loans and advances	-	-	5,000	5,000	-	-	-	-
<b>Current</b>								
Loans and advances	-	-	925,227	925,227	-	-	-	-
Trade debt	-	-	1,439,907	1,439,907	-	-	-	-
Cash and bank balances	-	-	754,388	754,388	-	-	-	-
	-	-	4,593,556	4,593,556	-	-	-	-
<b>Financial liabilities not measured at fair value</b>								
<b>Non-current</b>								
Long term financing from directors	-	-	539,392,610	539,392,610	-	-	-	-
<b>Current</b>								
Trade and other payables	-	-	91,850,752	91,850,752	-	-	-	-
Unclaimed dividend	-	-	1,662,656	1,662,656	-	-	-	-
Security deposits	-	-	2,363,923	2,363,923	-	-	-	-
Mark-up accrued	-	-	131,176,347	131,176,347	-	-	-	-
Short term borrowings	-	-	36,247,863	36,247,863	-	-	-	-
	-	-	802,694,151	802,694,151	-	-	-	-

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# ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

## 20 CASH FLOWS FROM OPERATING ACTIVITIES

	Un-audited 31-Dec-20 Rupees	Un-audited 31-Dec-19 Rupees
Profit / (Loss) for the period before taxation	7,012,260	(47,440,606)
Adjustment for:		
Depreciation on property, plant and equipment	339,497	834,950
Loss / (gain) on disposal of PPE	(152,101)	2,789,777
Unwinding of PV adjustment	18,497,712	8,815,078
Amortization of interest free loans	(783,272)	-
Change in fair value of investment properties	(50,100,000)	-
Staff gratuity	2,349,699	2,724,354
Finance cost	11,442,015	33,537,030
	<b>(18,406,450)</b>	<b>48,701,189</b>
	<b>(11,394,190)</b>	<b>1,260,583</b>
<b>(Increase) / Decrease in current assets</b>		
Stores, spares and loose tools	11,175	175,572
Trade debts	1,269,711	(4,887,880)
Loans and advances	(152,617)	(44,938)
Short term prepayments and other receivables	569,210	1,406,523
	<b>1,697,479</b>	<b>(3,350,723)</b>
<b>Increase / (Decrease) in current liabilities</b>		
Trade and other payables	4,499,072	8,081,563
Security deposits	(953,998)	1,338,637
	<b>3,545,074</b>	<b>9,420,200</b>
<b>Net cash (used in) / generated from operations</b>	<b>(6,151,637)</b>	<b>7,330,060</b>

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# ICC INDUSTRIES LIMITED

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2020

### 21 COVID - 19

During last year, the novel coronavirus (COVID-19) emerged at global level and on March 23, 2020, the Government of the Punjab announced a temporary lock down as a measure to reduce the spread of the COVID-19 which was lifted subsequently in June 2020. Due to such measures, the Company has suffered gross loss during the period as a tenant has vacated all of his area while another tenant has vacated a portion of his rented area.

### 22 GENERAL

**22.1** These condensed interim financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

**22.2** Figures have been rounded off to the nearest rupee.

**22.3** Corresponding figures are re-arranged and / or restated, wherever considered necessary, for the purpose of better presentation of the condensed interim financial statements. However, no significant re-arrangement has been made in these condensed interim financial statements.

### 23 DATE OF AUTHORIZATION

These condensed interim financial statements were authorised for issue on March 02 2021 by the Board of directors of the Company.

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Chief Executive Officer



Director



Chief Financial Officer