

( UN-AUDITED )

**CONDENSED INTERIM  
FINANCIAL INFORMATION  
FOR THE NINE MONTHS ENDED  
MARCH 31, 2022**



**ICC Industries Limited**  
( Formerly ICC Textiles Limited )

## **COMPANY INFORMATION**

### **Board of Directors**

Mr. Javaid S. Siddiqi	Chief Executive/Director
Mr. Pervaiz S. Siddiqi	Chairman/Director
Mrs. Fauzia Javaid	Director
Mr. Salman Javaid Siddiqi	Director
Mr. Asim Pervaiz Siddiqi	Director
Mr. Arif Mahmud Khan	Independent Director
Mr. Naveed Hashim Rizvi	Independent Director

### **Audit Committee**

Mr. Arif Mahmud Khan	Chairman
Mr. Salman Javaid Siddiqi	Member
Mr. Pervaiz S. Siddiqi	Member

### **HR&R Committee**

Mr. Naveed Hashim Rizvi	Chairman
Mr. Pervaiz 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](http://www.icctextiles.com)

### **Factory**

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

## 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 period nine months ended March 31, 2022.

The company earned a profit after tax of Rs. 39.884 million on revenue of Rs. 25.465 million comprising rental income as against after tax loss of Rs. 15.870 million against revenue of Rs. 5.726 million in the corresponding period resulting in earning per share of Rs. 1.33 ( Jul-Mar 2021 Rs. 0.53 loss per share ). Following factors influenced the company's performance during the period:

- Revenue, comprising rental income, has been increased from Rs. 5.726 million to 25.465 million due to renting out of additional vacant covered area of factory buildings.
- Amortization of interest free loans from directors amounts to Rs. 5.334 million ( Jul-Mar 2021: Rs. 1.054 million )
- Financial charges include Unwinding of discount amounts to Rs.33.765 million (2021: Rs.28.160 million), which is only a book entry being reversal of amortization of interest free loans, already accounted for as income.
- Positive Change in fair value of investment property amounts to Rs. 90.316 million ( 2021: Rs. 50.010 )

As reported in recent directors report to the members, our rental business was adversely affected due to the spread of Covid pandemic resulting in slow down of business activity in the country. Our rental income was also substantially reduced as some of our tenants had terminated their rental agreements. However, now Covid19 pandemic has been almost phased out and we were able to rent out major portion of our factory buildings in November, 2021, thus our results have been substantially improved and we expect better results in future.

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

For and on behalf of the Board of Directors



Chief Executive Officer



Director

Lahore: Dated Apr 29, 2022

# ICC INDUSTRIES LIMITED

( Formerly ICC TEXTILES LIMITED )

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

EQUITY AND LIABILITIES	Note	Mar 2022 Rupees	Jun 2021 Rupees
<b>SHARE CAPITAL</b>			
<b>Authorised share capital</b>			
32,000,000 ordinary shares (June 2021: 32,000,000) of Rs.10 each		320,000,000	320,000,000
<b>Issued, Subscribed &amp; Paid up share capital</b>			
30,001,120 ordinary shares (June 2021: 30,001,120) of Rs.10 each fully paid in cash		300,011,200	300,011,200
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX</b>			
		567,278,634	567,389,985
<b>ACCUMULATED LOSS</b>		(719,527,393)	(759,522,288)
		147,762,440	107,878,897
<b>NON CURRENT LIABILITIES</b>			
Long term financing from directors	5	380,857,664	575,529,060
Deferred liabilities	6	74,336,241	72,297,455
		455,193,905	647,826,515
<b>CURRENT LIABILITIES</b>			
Trade and other payables		107,537,403	102,753,430
Security deposits		12,626,295	2,024,482
Accrued mark-up		173,666,816	169,969,442
Short term borrowings		35,784,203	35,784,203
Current portion of long term liabilities		209,102,245	0
Un-claimed dividend		1,662,656	1,662,656
		540,379,618	312,194,213
<b>CONTINGENCIES AND COMMITMENTS</b>			
	7	1,143,335,963	1,067,899,625
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	8	8,687,354	6,904,838
Investment property	9	1,102,834,285	1,012,518,550
Long term loans and advances		23,750	22,500
Long term deposits		1,469,034	1,469,034
		1,113,014,423	1,020,914,922
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		4,274,318	4,262,773
Trade debts		42,646	88,654
Loans and advances		1,262,843	1,180,736
Short term prepayments and other receivables		644,200	14,977,918
Tax refunds due from Government		19,360,482	20,298,380
Cash and bank balances		4,737,053	1,849,042
		30,321,540	42,657,503
Non-current assets classified as held for sale	10	0	4,327,200
		1,143,335,963	1,067,899,625

The annexed notes form an integral part of these financial statements.

Chief Executive Officer

Director

Chief Financial Officer

Lahore: Dated Apr 29, 2022

# ICC INDUSTRIES LIMITED

( Formerly ICC TEXTILES LIMITED )

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE MONTHS AND QUARTER ENDED MAR 31, 2022

Note	Jul 2021 to Mar 2022 Rupees	Jul 2020 to Mar 2021 Rupees	Jan-Mar 2022 Rupees	Jan-Mar 2021 Rupees	
	<b>REVENUE</b>	25,465,050	5,726,120	13,563,420	2,067,000
	<b>DIRECT COST</b>	(7,037,348)	(6,411,445)	(2,033,976)	(2,018,262)
	<b>GROSS PROFIT / (LOSS)</b>	<b>18,427,702</b>	<b>(685,325)</b>	<b>11,529,444</b>	<b>48,738</b>
	<b>ADMINISTRATION COST</b>	(19,153,492)	(19,599,960)	(6,718,054)	(6,752,440)
	<b>OTHER EXPENSES</b>	(658,570)	(712,034)	(204,036)	(210,144)
	<b>OTHER INCOME</b>	5,339,745	1,206,254	-	270,794
	<b>OPERATING PROFIT / (LOSS)</b>	<b>3,955,385</b>	<b>(19,791,065)</b>	<b>4,607,354</b>	<b>(6,643,052)</b>
	<b>FINANCE COST</b>	(48,820,559)	(45,218,029)	(17,183,823)	(15,278,302)
	<b>CHANGE IN FAIR VALUE OF INVESTMENT PROPERTY PROFIT / (LOSS) BEFORE TAXATION</b>	<b>90,315,735</b>	<b>50,100,000</b>	<b>-</b>	<b>-</b>
	<b>TAXATION</b>	<b>(5,567,017)</b>	<b>(961,141)</b>	<b>(2,974,440)</b>	<b>(55,013)</b>
	<b>PROFIT / (LOSS) AFTER TAXATION</b>	<b>39,883,544</b>	<b>(15,870,235)</b>	<b>(15,550,909)</b>	<b>(21,976,367)</b>

### 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)

-	-	-	-
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Revaluation decrease in non-current assets  
classified as held for sale (net of tax)

-	-	-	-
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TOTAL OTHER COMPREHENSIVE LOSS FOR THE PERIOD

-	-	-	-
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TOTAL COMPREHENSIVE INCOME FOR THE PERIOD

39,883,544	(15,870,235)	(15,550,909)	(21,976,367)
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LOSS PER SHARE- BASIC AND DILUTED

1.33	(0.53)	(0.52)	(0.73)
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### STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Paid-up Capital Rupees	Revaluation Surplus Rupees	Accumulated (Loss) Rupees	Total Rupees
<b>Balance as at July 01, 2020</b>	300,011,200	568,462,515	(724,272,986)	144,200,729
Other comprehensive income for the period	-	-	-	-
Net loss for the period	-	-	(15,870,235)	(15,870,235)
Total comprehensive income for the period	-	-	(15,870,235)	(15,870,235)
Incremental depreciation - net of tax	-	(736,675)	736,675	-
<b>Balance as at March 31, 2021</b>	<b>300,011,200</b>	<b>567,725,840</b>	<b>(739,406,546)</b>	<b>128,330,494</b>
<b>Balance as at July 01, 2021</b>	<b>300,011,200</b>	<b>567,725,840</b>	<b>(759,522,288)</b>	<b>108,214,752</b>
Other comprehensive income for the period	-	-	-	-
Net loss for the period	-	-	39,883,544	39,883,544
Total comprehensive income for the period	-	-	39,883,544	39,883,544
Incremental depreciation - net of tax	-	(111,351)	111,351	-
<b>Balance as at March 31, 2022</b>	<b>300,011,200</b>	<b>567,614,489</b>	<b>(719,527,393)</b>	<b>148,098,296</b>

The annexed notes form an integral part of these financial statements.

Lahore: Dated Apr 29, 2022

Chief Executive Officer

Director

Chief Financial Officer

**ICC INDUSTRIES LIMITED**

( Formerly ICC TEXTILES LIMITED )

**STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED MARCH 31, 2022**

Note	Jul 2021 to Mar 2022 Rupees	Jul 2020 to Mar 2021 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>31,453,651</b>	<b>(4,966,227)</b>
Financial charges paid	(11,358,142)	(4,745,921)
Taxes paid	(4,674,600)	2,163,279
Gratuity paid	(578,400)	(477,500)
	<b>(16,611,142)</b>	<b>(3,060,142)</b>
<b>Net cash flow from operating activities</b>	<b>14,842,509</b>	<b>(8,026,369)</b>
( A )		
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Long term loans & advances	(1,250)	5,000
Sale proceeds of property, plant and equipment & assets held for sale	2,136,752	3,900,000
Fixed capital expenditure	(90,000)	-
<b>Net cash flow from investing activities</b>	<b>2,045,502</b>	<b>3,905,000</b>
( B )		
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short term borrowings - Secured	-	(463,660)
Long term loans from directors	(14,000,000)	5,270,690
<b>Net cash flow from financing activities</b>	<b>(14,000,000)</b>	<b>4,807,030</b>
( C )		
<b>Net Increase/(Decrease) in cash and bank balances</b>	<b>2,888,011</b>	<b>685,661</b>
( A+B+C )		
<b>Cash &amp; bank balances at the beginning of the period</b>	<b>1,849,042</b>	<b>754,388</b>
<b>Cash &amp; bank balances at the end of the period</b>	<b>4,737,053</b>	<b>1,440,050</b>

The annexed notes form an integral part of these financial statements.

Lahore: Dated Apr 29, 2022

Chief Executive Officer

Director

Chief Financial Officer

**ICC INDUSTRIES LIMITED**

( Formerly ICC TEXTILES LIMITED )

**NOTES TO THE CONDENSED FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED MARCH 31, 2022**

- These accounts have been prepared in accordance with the requirements of International Accounting Standard No. 34 "Interim Financial Reporting".
- As major portion of company's revenue is comprising rental income, accordingly, the company, with the approval of members and SECP, has changed its name from "ICC Textiles Limited" to "ICC Industries Limited".
- The accounts are being submitted to the shareholders as required by Section 237 of The Companies Act, 2017.
- The accounting policies adopted for the preparation of the accounts are the same as those of applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2021.

**5 LONG TERM FINANCING FROM DIRECTORS- Unsecured**

		Mar 2022 Rupees	Jun 2021 Rupees
Interest free loan - 1	5.1	235,857,664	219,627,016
Interest bearing loan - 2	5.2	5,000,000	57,000,000
Interest bearing loan - 3	5.3	140,000,000	140,000,000
Interest free loan - 4	5.4	-	158,902,044
		<b>380,857,664</b>	<b>575,529,060</b>

5.1	Original Loan amounts	321,531,223	321,531,223
	Less: Present value adjustment	206,132,600	206,132,600
		115,398,623	115,398,623
	Add: Interest charged to profit and loss account	120,459,041	104,228,393
		<b>235,857,664</b>	<b>219,627,016</b>

5.1.1 These interest free loans are repayable in lump sum on June 30, 2025.

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

5.2 The loan carry mark-up @ One Month KIBOR plus 2% and repayable in lump sum on June 30, 2025.

5.3 The loan carry mark-up @ One Month KIBOR plus 2% and repayable in lump sum on June 30, 2025.

5.4	Interest free loans:	235,448,411	197,448,411
	Less: Present value adjustment	66,274,629	60,940,437
		169,173,782	136,507,974
	Add: Interest charged to profit and loss account	39,928,463	22,394,070
		209,102,245	158,902,044
	Less: Current portion	209,102,245	-
		<b>-</b>	<b>158,902,044</b>

5.4.1 These interest free loans are repayable in lump sum on March 31, 2023. These interest free loans have been measured

at amortized cost by using the weighted average interest rate ranging from 9.40% to 13.42%.

**6 DEFERRED LIABILITIES**

Staff retirement benefits	33,790,024	31,705,756
Deferred taxation	40,546,217	40,591,699
	<u>74,336,241</u>	<u>72,297,455</u>

**7 CONTINGENCIES AND COMMITMENTS**

**7.1 Contingencies**

There are no other significant activities since June 30, 2021 affecting financial statements.

**8 PROPERTY, PLANT AND EQUIPMENT**

**8.1 OPERATING FIXED ASSETS**

	Un-audited Mar 2022 Rupees	Audited Jun 2021 Rupees
Written down value - opening	6,904,838	8,154,125
Add: Transferred from non-current assets held for sale	2,196,000	-
Add: Cost of additions during the period/year	90,000	-
	<u>9,190,838</u>	<u>8,154,125</u>

	Un-audited Mar 2022 Rupees	Audited Jun 2021 Rupees
Disposals during the period / year (W.D.V.)	-	585,336
Depreciation charge for the period / year	503,484	663,950
	<u>503,484</u>	<u>1,249,286</u>
	<u>8,687,354</u>	<u>6,904,838</u>

**8.2 Disposals during the period / year**

Cost	-	595,000
Less: Accumulated depreciation	-	(9,664)
Written down value	-	<u>585,336</u>

**9 INVESTMENT PROPERTY**

Opening Balance:

Free hold land	842,181,000	792,081,000
Buildings on freehold land	170,337,550	170,337,550
	<u>1,012,518,550</u>	<u>962,418,550</u>

Change in fair value during the period

Free hold land	71,810,000	50,100,000
Buildings on freehold land	18,505,735	-
	<u>90,315,735</u>	<u>50,100,000</u>

Other charges ( recognition of related liabilities ) during the period

- -

Closing Balance

Free hold land	913,991,000	842,181,000
Buildings on freehold land	188,843,285	170,337,550
	<u>1,102,834,285</u>	<u>1,012,518,550</u>

**10 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:**

Textiles allied equipment:

10.1

Note	Un-audited Mar 2022 Rupees	Audited Jun 2021 Rupees
	-	4,327,200
10.1 Opening balance:	4,327,200	8,297,710
Carrying value of assets disposed off during the period / year	(2,131,200)	(3,162,563)
Transfer of Generator to Operating Fixed Assets	(2,196,000)	-
Decrease in revaluation surplus	-	(807,947)
Closing balance	-	<u>4,327,200</u>

**11 DIRECT COST**

Salaries, wages and other benefits  
Depreciation  
Others

	Jul 21 - Mar 22 Rupees	Jul 20 - Mar 21 Rupees
	4,759,386	4,566,193
	268,372	236,386
	2,009,590	1,608,866
	<u>7,037,348</u>	<u>6,411,445</u>

**12 OTHER INCOME**

Interest income

- 87

Profit on sale of fixed assets	5,552	152,101
Amortization of interest free loans from directors	5,334,193	1,054,066
	<b>5,339,745</b>	<b>1,206,254</b>
<b>13 FINANCE COST</b>		
Mark up on long term loans from directors	12,099,958	14,469,875
Mark up on loan from associated company	2,950,401	2,583,481
Unwinding of discount	33,765,043	28,160,253
Bank charges	5,157	4,420
	<b>48,820,559</b>	<b>45,218,029</b>
<b>14 TAXATION</b>		
- Current	5,612,498	1,262,037
- Deferred	(45,481)	(300,896)
	<b>5,567,017</b>	<b>961,141</b>
<b>15 CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>Jul 21 - Mar 22</b>	<b>Jul 20 - Mar 21</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>Profit (loss) for the year before taxation</b>	<b>45,450,561</b>	<b>(14,909,094)</b>
<b>Adjustments for:</b>		
Depreciation	503,484	502,757
(Gain)/Loss on disposal of property plant and equipment	(5,552)	(152,101)
Amortization of interest free loans	(5,334,193)	(1,054,066)
Impairment of assets classified as held for sale	-	-
Unwinding of discount	33,765,043	28,160,253
Change in fair value of investment property	(90,315,735)	(50,100,000)
Staff gratuity	2,662,668	3,524,548
Financial cost	15,055,516	17,057,776
	<b>(43,668,768)</b>	<b>(2,060,833)</b>
	<b>1,781,792</b>	<b>(16,969,927)</b>
<b>(Increase) / Decrease in current assets</b>		
Stores, spares and loose tools	(11,546)	544
Stock in trade	-	-
Trade debts	46,008	1,269,711
Loans and advances	(82,107)	(185,795)
Short term prepayments & other receivables	14,333,718	(267,738)
	<b>14,286,073</b>	<b>816,722</b>
<b>Increase / (Decrease) in current liabilities</b>		
Trade and other payables	4,783,973	12,140,976
Security deposits	10,601,813	(953,998)
<b>Net cash used in operations</b>	<b>31,453,651</b>	<b>(4,966,227)</b>

**16 DATE OF AUTHORISATION**

These accounts have been approved by the Board of Directors on April 29, 2022.

**17 COMPARATIVE FIGURES**

- have been rounded off to the nearest rupee.
- have been re-arranged and / or reclassified, wherever considered necessary. However, no significant reclassification has been made in these financial statements.

Lahore: Dated Apr 29, 2022

Chief Executive Officer

Director

Chief Financial Officer



## ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم 31 مارچ 2022 کو ختم ہونے والی نو ماہی کی غیر محاسب شدہ عبوری معلومات پیش کرتے ہیں۔

نو ماہی کے دوران ادارے کی مجموعی فروخت 25.465 ملین روپے، اور بعد از ٹیکس منافع 39.884 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران مجموعی فروخت 5.726 ملین روپے اور بعد از ٹیکس نقصان 15.870 ملین روپے رہا۔ مجموعی فروخت کرایہ داری آمدنی پر مشتمل ہے۔

مندرجہ ذیل عوامل نے کمپنی کی کارکردگی کو متاثر کیا:

- انوسٹمنٹ پراپرٹی کی مارکیٹ مالیت میں اضافہ 90.316 ملین روپے (2021: 50.100 ملین روپے) رہا۔
- کرایہ داری آمدن مزید عمارت کرائے پر دینے کی وجہ سے 5.726 ملین روپے سے بڑھ کر 25.465 ملین روپے ہو گئی۔
- ڈائریکٹرز کے بلا سود قرضوں کی امور رٹائزیشن 1.054 ملین روپے سے بڑھ کر 5.334 ملین روپے ہو گئی۔
- مالی اخراجات میں ڈائریکٹرز کے بلا سود قرضوں کی Unwinding of discount 33.765 ملین روپے (2021: 28.160 ملین روپے) بھی شامل ہے جو کہ پہلے سے as آمدن Accounted for کی ہوئی بلا سود قرضوں کی امور رٹائزیشن کی صرف Reversal ہے اور اس کا مالی اخراجات کی ادائیگی سے کوئی تعلق نہیں ہے۔

جیسا کہ گزشتہ رپورٹ میں کہا گیا ماضی قریب میں کمپنی کا کاروبار COVID-19 کی وبا پھیلنے کی وجہ سے بری طرح متاثر ہوا اور ہمارے کچھ کرایہ داروں نے اپنے کرایہ داری کے معاہدے منسوخ کر دیئے۔ اب جب کہ COVID-19 کے اثرات بہت کم ہو چکے ہیں ہم اپنی ملز کی خالی عمارات کا بڑا حصہ نومبر 2021 سے کرائے پر دینے میں کامیاب رہے ہیں اور مستقبل کے بہتر مالی نتائج کے لئے پرامید ہیں۔

کمپنی کے ڈائریکٹرز ملازمین کی سخت محنت اور کام کے ساتھ لگن کے معترف ہیں

منجانب بورڈ آف ڈائریکٹرز

لاہور

اپریل 29, 2022

جاوید شفیق صدیقی

چیف ایگزیکٹو آفیسر

پرویز شفیق صدیقی

چیرمین