
**INTERIM FINANCIAL INFORMATION
FOR THE 1ST QUARTER ENDED
SEPTEMBER 30, 2020
(UN-AUDITED)**



ICC Industries Limited



DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, we hereby present the interim financial information of the company for the 1st quarter ended on September 30, 2020.

The company suffered a loss after tax amounting to Rs. 20.951 million and registered revenue of Rs. 2.069 million as against after tax loss of Rs. 26.447 million against revenue of Rs. 9.123 million in the corresponding period resulting in loss per share of Rs. 0.70 (Jul 2019 - Sep 2019 Rs. 0.88 loss per share). Revenue comprising of rental income only attributed to disposal of all its looms & certain allied equipment, 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. The plan has been fully implemented i.e bank borrowings have been fully paid and we managed to rent out a substantial portion of mills premises.

However, as reported in recent directors' report to the members, company's business has been badly effected due to Covid19 spread, resulting in slow down of business activity in the country. Our rental income has been substantially reduced as some of our tenants have terminated their rental agreements.

We are now focusing on renting out available covered area, including space vacated during Covid19 period, to enhance our rental revenue, which we believe has a potential to generate reveue of Rs. 5 million per month. However, it may take some time depending on possibility of expected second waive of Covid19 and pace of restoration of business activity to normal level.

The directors appreciate the continued commitment, dedication and hard work shown by the employees of the company.

For and on behalf of the Board of Directors

PERVAIZ S. SIDDIQI
Director

JAVAID S. SIDDIQI
Chief Executive Officer

Lahore:
Dated: October 29, 2020



ICC INDUSTRIES LIMITED

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2020

EQUITY AND LIABILITIES	Note	September 2020 Rupees	June 2020 Rupees
SHARE CAPITAL			
Authorised share capital			
32,000,000 ordinary shares (June 2020: 32,000,000) of Rs.10 each		<u>320,000,000</u>	<u>320,000,000</u>
Issued, Subscribed & Paid up share capital			
30,001,120 ordinary shares (June 2020: 30,001,120) of Rs.10 each fully paid in cash		300,011,200	300,011,200
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX		568,103,397	568,462,515
ACCUMULATED LOSS		<u>(744,864,408)</u>	<u>(724,272,986)</u>
		<u>123,250,189</u>	<u>144,200,729</u>
NON CURRENT LIABILITIES			
Long term financing from directors	4	550,263,220	539,392,610
Deferred liabilities		75,502,633	74,474,465
		<u>625,765,853</u>	<u>613,867,075</u>
CURRENT LIABILITIES			
Trade and other payables		91,156,037	91,850,752
Security deposits		1,886,925	2,363,923
Accrued mark-up		135,054,257	131,176,347
Short term borrowings		35,784,203	36,247,863
Un-claimed dividend		1,662,656	1,662,656
		<u>265,544,078</u>	<u>263,301,541</u>
CONTINGENCIES AND COMMITMENTS	5	<u>1,014,560,120</u>	<u>1,021,369,345</u>
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment		7,394,208	8,154,124
Investment property		962,418,550	962,418,550
Long term loans and advances		0	5,000
Long term deposits		1,469,034	1,469,034
		<u>971,281,792</u>	<u>972,046,708</u>
CURRENT ASSETS			
Stores, spares and loose tools		4,444,221	4,450,577
Stock in trade		170,196	1,439,907
Loans and advances		1,016,669	925,227
Short term prepayments and other receivables		572,159	572,159
Tax refunds due from Government		28,933,107	32,882,669
Cash and bank balances		2,406,829	754,388
		<u>37,543,181</u>	<u>41,024,927</u>
Non-current assets classified as held for sale		5,735,147	8,297,710
		<u>1,014,560,120</u>	<u>1,021,369,345</u>

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

Lahore: Dated Oct 29, 2020

Chief Executive Officer

Director

Chief Financial Officer



ICC INDUSTRIES LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEP 30, 2020

	Note	Jul-Sep 2020 Rupees	Jul-Sep 2019 Rupees
REVENUE	7	2,069,120	9,123,112
DIRECT COST	8	(2,423,572)	(3,880,438)
GROSS (LOSS) / PROFIT		(354,452)	5,242,674
DISTRIBUTION COST		-	-
ADMINISTRATION COST		(5,887,850)	(7,081,308)
OTHER EXPENSES		(237,240)	(3,016,949)
OTHER INCOME		629,192	-
OPERATING LOSS		(5,850,350)	(4,855,583)
FINANCE COST	9	(14,802,839)	(21,100,322)
LOSS BEFORE TAXATION		(20,653,189)	(25,955,905)
TAXATION	10	(297,351)	(491,169)
LOSS AFTER TAXATION		(20,950,540)	(26,447,074)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		(20,950,540)	(26,447,074)
LOSS PER SHARE- BASIC AND DILUTED		(0.70)	(0.88)

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2020

	Paid-up Capital Rupees	Revaluation Surplus Rupees	Accumulated (Loss) Rupees	Total Rupees
Balance as at June 30, 2019	300,011,200	572,329,952	(730,220,156)	142,120,996
Other comprehensive income for the period			-	-
Net loss for the period			(26,447,074)	(26,447,074)
Incremental depreciation - net of tax		(3,264,482)	3,264,482	0
Balance as at September 30, 2019	300,011,200	569,065,470	(753,402,748)	115,673,922
Balance as at June 30, 2020	300,011,200	568,462,515	(724,272,986)	144,200,729
Other comprehensive income for the period			-	-
Net loss for the period			(20,950,540)	(20,950,540)
Incremental depreciation - net of tax		(359,118)	359,118	0
Balance as at September 30, 2020	300,011,200	568,103,397	(744,864,408)	123,250,189

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





Lahore: Dated Oct 29, 2020

Chief Executive Officer

Director

Chief Financial Officer



ICC INDUSTRIES LIMITED

STATEMENT OF CASH FLOWS FOR THE THE QUARTER ENDED SEP 30, 2020

	Note	Jul-Sep 2020 Rupees	Jul-Sep 2019 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Net cash (used in) / generated from operations	11	(4,554,500)	6,818,142
Financial charges paid		(1,824,934)	(139,530)
Taxes paid		2,942,828	(869,342)
Gratuity paid		-	(535,000)
		1,117,894	(1,543,872)
Net cash (used in) / generated from operating activities	(A)	(3,436,606)	5,274,270
CASH FLOW FROM INVESTING ACTIVITIES			
Long term loans & advances		5,000	60,000
Sale proceeds of property, plant and equipment & assets held for sale		3,310,000	1,900,000
Fixed capital expenditure		-	-
Net cash flow from investing activities	(B)	3,315,000	1,960,000
CASH FLOW FROM FINANCING ACTIVITIES			
Short term borrowings - Secured		(463,660)	(109,366)
Long term loans from directors		2,237,706	(2,400,000)
Net cash flow from financing activities	(C)	1,774,046	(2,509,366)
Net Increase in cash and bank balances	(A+B+C)	1,652,440	4,724,904
Cash & bank balances at the beginning of the period		754,388	973,834
Cash & bank balances at the end of the period		2,406,829	5,698,739

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

Lahore: Dated Oct 29, 2020


Chief Executive Officer


Director


Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE THE QUARTER ENDED SEP 30, 2020

- These accounts have been prepared in accordance with the requirements of International Accounting Standard No. 34 "Interim Financial Reporting".
- 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, 2020.

		Sep, 2019 Rupees	June 2020 Rupees
4 LONG TERM FINANCING FROM DIRECTORS- Unsecured			
Interest free loan	4.1	204,529,467	199,734,727
Interest bearing loan - 1	4.2	140,000,000	140,000,000
Interest bearing loan - 2	4.3	-	-
Interest bearing loan - 2	4.4	140,733,753	134,657,883
Interest bearing loan - 3	4.5	65,000,000	65,000,000
		550,263,220	539,392,610
4.1	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	89,130,844	84,336,104
		204,529,467	199,734,727

4.1.1	These interest free loans have been measured at amortized cost by using the weighted average interest rate ranging from 8.06% to 11.64% and are repayable in lump sum on Jun 30,2025		
4.2	This loan carries mark-up @ One Month KIBOR plus 2% and the loans are repayable in lump sum on June 2025.		
4.3	This loan carries mark-up @ One Month KIBOR plus 2% and the loans are repayable in lump sum on March 31, 2023. These loans have been converted in interest free loans in March 2020.		
4.4	Original Loan amounts	192,364,533	190,126,827
	Less: Present value adjustment	60,049,254	59,582,163
		132,315,279	130,544,664
	Add: Interest charged to profit and loss account	8,418,474	4,113,219
		140,733,753	134,657,883
4.4.1	These interest free loans have been measured at amortized cost by using the weighted average interest rate ranging from 9.40% to 13.42% and are repayable in lump sum on Mar 31, 2023.		
4.5	This loan carries mark-up @ One Month KIBOR plus 2% and the loan is repayable in lump sum on Jun 30, 2025.		
5	CONTINGENCIES AND COMMITMENTS		
5.1	Contingencies		
	There are no other significant activities since June 30, 2020 affecting financial statements.		
6	ADDITIONS / DELETIONS IN FIXED ASSETS DURING THE PERIOD	Jul-Sep 2020 Rupees	Jul-Sep 2019 Rupees
	Written down value - opening	8,154,124	12,295,695
	Cost of addition	-	-
	Disposal during the year - WDV	6.1 585,336	3,281,557
	Depreciation charge for the period	174,580	491,555
		759,916	3,773,112
		7,394,208	8,522,583
	6.1 Disposal during the period:		
	Cost	595,000	5,148,000
	Less: Accumulated depreciation	(9,664)	(1,866,443)
		585,336	3,281,557
7	REVENUE		
	Rental income	2,069,120	9,123,112
8	DIRECT COST		
	Salaries, Salaries, wages and benefits	1,612,035	1,653,437
	Fuel and Fuel and power	618,532	1,579,010
	Repair & Repair & maintenance	107,215	256,240
	Deprecia Depreciation	85,790	391,751
		2,423,572	3,880,438
9	FINANCE COST		
	Mark-up on:		
	- Financing from directors	4,834,293	15,330,713
	- Financing from associated company	866,409	1,412,652
	Unwinding of discount	9,099,995	4,354,510
	Bank charges	2,142	2,447
		14,802,839	21,100,322
10	TAXATION		
	- Current	444,033	1,957,820
	- Deferred	(146,682)	(1,466,651)
		297,351	491,169

11 CASH FLOW FROM OPERATING ACTIVITIES	Jul-Sep 2020 Rupees	Jul-Sep 2019 Rupees
Loss) before taxation	(20,653,189)	(25,955,905)
Adjustments for:		
Depreciation	174,580	491,556
(Gain)/Loss on disposal of property plant and equipment	(162,101)	2,789,777
Amortization of interest free loans	(467,091)	-
Amortization of transaction cost	-	-
Unwinding of discount	9,099,995	4,354,510
Staff gratuity	1,174,850	1,362,177
Financial cost	5,702,844	16,745,812
	<u>15,523,077</u>	<u>25,743,832</u>
	(5,130,112)	(212,073)
(Increase) / Decrease in current assets		
Stores, spares and loose tools	6,356	131,318
Stock in trade	-	-
Trade debts	1,269,711	(1,908,481)
Loans and advances	(91,442)	(269,324)
S.T prepayments & other receivables	562,700	(185,761)
	<u>1,747,325</u>	<u>(2,232,248)</u>
Increase / (Decrease) in current liabilities		
Trade and other payables	(694,715)	9,262,463
Security deposits	(476,998)	-
Net cash generated from operations	<u>(4,554,500)</u>	<u>6,818,142</u>

12 DATE OF AUTHORISATION

These accounts have been approved by the Board of Directors on October 29, 2020.

13 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 Oct 29, 2020

Chief Executive Officer

Director

Chief Financial Officer

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 ستمبر 2020 کو ختم ہونے والی سہ ماہی کی غیر محاسب شدہ عبوری معلومات پیش کرتے ہیں۔

مذکورہ عرصے کے دوران ادارے کی مجموعی فروخت 2.069 ملین روپے، اور بعد از ٹیکس نقصان 20.951 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران مجموعی فروخت 9.123 ملین روپے اور بعد از ٹیکس نقصان 26.447 ملین روپے رہا۔ مجموعی فروخت کر یہ داری آمدنی پر مشتمل ہے جس کی وجہ تمام ٹیکسٹائل مشینری کی فروخت ہے جو کہ ڈائریکٹرز کے منظور شدہ منصوبے کے مطابق ہے۔ جسکے مطابق کمپنی کے وسائل مجتمع کرنے کے لئے تمام بینکوں کے قرضہ جات بذریعہ مشینری کی فروخت اور مالکان کی جانب سے سرمائے کی فراہمی سے ادا ہونے تھے اور خالی عمارات کو کرایہ پر دینا مقصود تھا تا کہ آمدنی میں اضافہ ہو۔ منصوبہ مکمل ہو چکا ہے اور بینکوں کے تمام قرضہ جات ادا ہو چکے ہیں اور ہم نے خالی عمارات کا زیادہ تر حصہ کرایہ پر بھی دے دیا تھا، لیکن، جیسا کہ ڈائریکٹرز کی آخری سالانہ رپورٹ میں ذکر کیا گیا کمپنی کا کرایہ داری کا روبرار COVID-19 کی وجہ سے بری طرح متاثر ہوا ہے کیونکہ اس وبا کی وجہ سے ملک میں کاروباری سرگرمیاں ماند پڑ چکی ہیں۔ ہماری آمدنی خاصی کم ہو گئی ہے اور ہمارے کچھ کرایہ داروں نے کرایہ داری معاہدوں کی تسخیر کر دی ہے۔

اب ہماری توجہ خالی شدہ اور پہلے سے خالی رقبے کو کرایہ پر دیکر آمدنی میں اضافہ پر مرکوز ہے جو کہ ہم سمجھتے ہیں پانچ ملین روپے ماہوار تک بڑھائی جاسکتی ہے لیکن ہمارے خیال میں اس کے لئے وقت درکار ہوگا جس کا دار و مدار متوقع COVID-19 کی دوسری رو کی شدت اور ملکی کاروباری سرگرمیوں کی بحالی کی رفتار پر ہے۔

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

منجانب بورڈ آف ڈائریکٹرز



جاوید شفیق صدیقی

چیف ایگزیکٹو آفیسر

لاہور

اکتوبر 29، 2020



پرویز شفیق صدیقی

چیئرمین