

**CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
DECEMBER 31, 2021.**



ICC Industries 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 |

Chief Financial Officer

- Mr. Javed Rashid

Company Secretary

- Mr. Shahid Ali Ahmad

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, 2021.

The company earned a profit after tax amounting to Rs. 55.434 million on revenue of Rs. 11.902 million, comprising rental income, as against profit after tax of Rs. 6.106 million against revenue of Rs. 3.659 million in the corresponding period resulting in profit per share of Rs. 1.85 (Jul-Dec 2020 profit per share of Rs. 0.20). The following factors influenced the company's performance during the period:

- Change in fair value of investment property amounts to Rs. 90.316 million(Jul – Dec 2020: Rs.50.100 million).
- Rental income has been increased from Rs. 3.659 million to Rs. 11.902 due to renting out of additional vacant covered area of factory buildings.
- Amortization of interest free loans amounts to Rs. 5.334 million (July – Dec 2020: Rs. 0.783 million.

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.704.013 million and at the end of the period its current liabilities exceeded its current assets by Rs.297.931 million and 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.


In the recent past, Company's business was adversely affected due to Covid19 spread and some of our tenants had terminated their rental agreements. While impact of Covid19 has been substantially improved, we managed to rent out major portion of our factory buildings in November, 2021 and thus we expect better results in future.

Our dedicated work force deserves appreciation for good work.

For and on behalf of the Board of Directors

Lahore: Dated March 01, 2022


Pervaiz S. Siddiqi
Chairman


Javaid S. Siddiqi
Chief Executive

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of ICC INDUSTRIES LIMITED

Report on review of interim financial statements

**Grant Thornton Anjum
Rahman**

1 - Inter Floor, Eden
Centre, 43-Jail Road,
Lahore, Pakistan.

T +92 42 37423621-23

F +92 42 37425485

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **ICC Industries Limited** as at **December 31, 2021** 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 (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 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.

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Emphasis of Matter

We draw attention to note 1.2 in the interim financial statements which describes that as at December 31, 2021, the Company's current liabilities exceeded its current assets by Rs. 297.931 million and its accumulated losses stood at Rs. 704.013 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.

Other Matter

The figures of condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2021 and 2020 have not been reviewed as we are required to review only the cumulative figures for the half year ended December 31, 2021.

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

Grant Thornton Anjum Rahman

Grant Thornton Anjum Rahman

Chartered Accountants

Lahore

Dated: March 01, 2022

UDIN: RR202110212pqEhQ9LH

ICC INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

	Note	Un-audited Dec 31, 2021 Rupees	Audited Jun 30, 2021 Rupees
EQUITY AND LIABILITIES			
EQUITY			
Authorized share capital 32,000,000 (June 2021: 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
Capital reserves			
Surplus on revaluation of property, plant and equipment	6	567,315,210	567,389,985
Revenue reserves			
Accumulated loss		(704,013,059)	(759,522,288)
		163,313,351	107,878,897
NON CURRENT LIABILITIES			
Long term financing from directors	7	578,312,729	575,529,060
Deferred liabilities	8	73,570,424	72,297,455
		651,883,153	647,826,515
CURRENT LIABILITIES			
Trade and other payables	9	110,719,518	102,753,430
Security deposits		12,626,295	2,024,482
Accrued interest / mark-up		175,240,456	169,969,442
Short term borrowings		35,784,203	35,784,203
Unclaimed dividend		1,662,656	1,662,656
		336,033,128	312,194,213
TOTAL EQUITY AND LIABILITIES		1,151,229,631	1,067,899,625
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	10	8,790,703	6,904,838
Investment properties	11	1,102,834,285	1,012,518,550
Long term loans and advances		33,500	22,500
Long term deposits		1,469,034	1,469,034
		1,113,127,522	1,020,914,922
CURRENT ASSETS			
Stores, spares and loose tools		4,275,351	4,262,773
Trade debts		42,646	88,654
Loans and advances		1,179,994	1,180,736
Short term prepayments and other receivables	12	661,801	14,977,918
Tax refunds due from Government-net		20,252,692	20,298,380
Cash and bank balances		11,689,626	1,849,042
		38,102,110	42,657,503
Non - current assets classified as held for sale	13	-	4,327,200
TOTAL ASSETS		1,151,229,631	1,067,899,625
CONTINGENCIES AND COMMITMENTS			
	14		

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

4/12

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, 2021

		Half Year Ended		Quarter Ended	
	Note	31 Dec 2021 Rupees	31 Dec 2020 Rupees	31 Dec 2021 Rupees	31 Dec 2020 Rupees
REVENUE (RENTAL INCOME)		11,901,630	3,659,120	9,832,510	1,590,000
DIRECT COST	15	(5,003,372)	(4,393,183)	(2,933,074)	(1,969,611)
GROSS PROFIT / (LOSS)		6,898,258	(734,063)	6,899,436	(379,611)
OPERATING EXPENSES :					
ADMINISTRATIVE EXPENSES		(12,435,438)	(12,847,520)	(6,495,353)	(6,959,670)
OTHER EXPENSES		(454,534)	(501,890)	(225,272)	(264,650)
		(12,889,972)	(13,349,410)	(6,720,625)	(7,224,320)
		(5,991,714)	(14,083,473)	178,811	(7,603,931)
OTHER INCOME		5,339,745	935,460	4,710,553	306,268
OPERATING (LOSS) / PROFIT		(651,969)	(13,148,013)	4,889,364	(7,297,663)
FINANCE COST	16	(31,636,736)	(29,939,727)	(16,833,897)	(15,136,888)
CHANGES IN FAIR VALUES OF INVESTMENT PROPERTIES	11	90,315,735	50,100,000	90,315,735	50,100,000
PROFIT BEFORE TAXATION		58,027,030	7,012,260	78,371,202	27,665,449
TAXATION	17	(2,592,577)	(906,128)	(2,295,226)	(608,777)
PROFIT AFTER TAXATION		55,434,452	6,106,132	76,075,975	27,056,672
OTHER COMPREHENSIVE INCOME					
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 FOR THE PERIOD		55,434,452	6,106,132	76,075,975	27,056,672
EARNING PER SHARE - BASIC AND DILUTED		1.85	0.20	2.54	0.90

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

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Chief Executive Officer

Director

Chief Financial Officer

ICC INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2021

Particulars	Issued, subscribed and paid-up share capital	Capital Reserves - Revaluation surplus	Revenue Reserves - Accumulated Losses	Total equity
Balance as at July 01, 2020	300,011,200	568,462,515	(724,272,986)	144,200,729
Loss for the period after taxation	-	-	6,106,132	6,106,132
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	-	-	6,106,132	6,106,132
Transfer to accumulated losses on account of incremental depreciation and disposal of revalued assets- net of tax	-	(700,100)	700,100	-
Balance as at December 31, 2020	300,011,200	567,762,415	(717,466,754)	150,306,861
Balance as at July 01, 2021	300,011,200	567,389,985	(759,522,288)	107,878,897
Profit for the period after taxation	-	-	55,434,452	55,434,452
Other comprehensive income for the period	-	-	-	-
Total comprehensive profit for the period	-	-	55,434,452	55,434,452
Transfer to accumulated loss on account of incremental depreciation and disposal of revalued assets - net of tax	-	(74,776)	74,776	-
Balance as at December 31, 2021	300,011,200	567,315,209	(704,013,059)	163,313,350

The annexed notes from 1 to 22 form an integral part of these 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, 2021

	Note	December 31, 2021 Rupees	December 31, 2020 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations:	20	29,011,723	(6,151,637)
Finance costs paid		(4,247,860)	(3,324,937)
Income taxes paid		(2,577,432)	2,664,468
Gratuity paid		(471,600)	(227,500)
		(7,296,892)	(887,969)
Net cash (used in) / from operating activities		21,714,831	(7,039,606)
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in long term advances and deposits		(11,000)	5,000
Proceeds from sale of property, plant and equipment & assets held for sale		2,136,752	3,900,000
Net cash from investing activities		2,125,752	3,905,000
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease) in short term borrowings		-	(463,660)
(Repayment of) / proceeds from long term financing from directors		(14,000,000)	3,850,460
Net cash (used in) / from financing activities		(14,000,000)	3,386,800
Net increase in cash and cash equivalents		9,840,583	252,194
Cash and cash equivalents at the beginning of the period		1,849,042	754,388
Cash and cash equivalents at the end of the period		11,689,625	1,006,582

The annexed notes from 1 to 22 form an integral part of these 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, 2021

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 The Company's current liabilities have exceeded its current assets by Rs. 297.931 million and its accumulated loss stood at Rs. 704.013 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. 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 textile machinery comprising of looms and allied equipment.
- ii The Company has rented out major portion of its 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 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, 2021

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 requirements of IAS 34, 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 preparation of these condensed interim financial statements is the same as those applied in preparation of the financial statements for the year ended June 30, 2021.

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 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 preparation of these condensed interim financial statements are same as those applied to the preceding annual published financial statements of the Company for the year ended June 30, 2021.

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, 2021.

		Un-audited	Audited
		Dec 31, 2021	Jun 30, 2021
		Rupees	Rupees
		Note	
6 SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
Surplus on revaluation	6.1	607,876,366	607,981,684
Less: deferred tax arising on revaluation	6.2	40,561,156	40,591,699
		<u>567,315,210</u>	<u>567,389,985</u>
6.1 Opening balance of surplus on revaluation		607,981,684	609,492,290
Less: Incremental Depreciation - P&M		105,318	209,402
Less: Revaluation surplus relating to assets disposed off		-	880,256
Less: Revaluation decrease in non-current assets held for sale		-	420,949
		<u>607,876,366</u>	<u>607,981,684</u>

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ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2021

		Un-audited Dec 31, 2021 Rupees	Audited Jun 30, 2021 Rupees
6.2 Related deferred tax liability on July 01		40,591,698	41,029,775
Tax effect on incremental depreciation & disposal of assets during the year		(30,542)	(316,001)
Tax effect on revaluation decrease in non-current assets classified as held for sale		-	(122,075)
		40,561,156	40,591,699

7 LONG TERM FINANCING FROM DIRECTORS- Unsecured

Interest free Loans - 1	7.1	230,316,350	219,627,016
Interest bearing Loans - 2		5,000,000	57,000,000
Interest bearing Loans - 3		140,000,000	140,000,000
Interest free Loans - 4	7.2	202,996,378	158,902,044
		578,312,729	575,529,060
7.1 Interest free Loans			
Original Principal		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 or loss (Unwinding of discount)		114,917,727	104,228,393
		230,316,350	219,627,016

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

7.1.2 These interest free loans have been measured at amortized cost by using weighted average interest rate ranging from 8.06% to 11.64%. (June 2021: 8.06% to 11.64%).

		Un-audited Dec 31, 2021 Rupees	Audited Jun 30, 2021 Rupees
7.2 Interest free Loans			
Original Principal	7.2.1	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 or loss (Unwinding of discount)		33,822,596	22,394,070
		202,996,378	158,902,044

7.2.1 A new loan amounting to Rs. 38,000,000 have been received during the period which is repayable in lump sum on March 31, 2023.

7.2.2 These interest free loans are repayable in lump sum on March 31, 2023.

7.2.3 These interest free loans have been measured at amortized cost by using weighted average interest rate ranging from 9.40% to 13.42%. (June 2021: 9.42% to 13.42%)

402

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2021

		Un-audited	Audited
		Dec 31, 2021	Jun 30, 2021
		Rupees	Rupees
8 DEFERRED LIABILITIES			
Staff retirement benefits-gratuity		33,009,268	31,705,756
Deferred taxation		40,561,156	40,591,699
		<u>73,570,424</u>	<u>72,297,455</u>
9 TRADE AND OTHER PAYABLES			
Creditors		11,115,162	10,958,334
Payable to related party		128,621	136,655
Accrued expenses		67,742,185	63,314,203
Final dues payable		14,687,875	15,499,891
Advance from customers		6,313,283	1,641,478
Others		10,732,393	11,202,869
		<u>110,719,518</u>	<u>102,753,430</u>
10 PROPERTY, PLANT AND EQUIPMENT		Un-audited	Audited
10.1 OPERATING FIXED ASSETS	Note	Dec 31, 2021	Jun 30, 2021
		Rupees	Rupees
Written down value - opening		6,904,838	8,154,125
Add: Transfer from non-current assets classified as held for sale		2,196,000	-
		<u>9,100,838</u>	<u>8,154,125</u>
Disposals during the period / year (W.D.V.)	10.1.1	-	585,336
Depreciation charge for the period / year		310,135	663,950
		<u>310,135</u>	<u>1,249,286</u>
		<u>8,790,703</u>	<u>6,904,838</u>
10.1.1 Disposals during the period / year			
Cost of assets disposed off		-	595,000
Less: Accumulated depreciation of such assets		-	(9,664)
		<u>-</u>	<u>585,336</u>

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ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Note	Un-audited Dec 31, 2021 Rupees	Audited Jun 30, 2021 Rupees
11 INVESTMENT PROPERTIES			
Opening Balance:			
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
Change in fair values during the period/year:			
Free hold land		71,810,000	50,100,000
Buildings on freehold land		18,505,735	-
		90,315,735	50,100,000
Fair values as at December 31/June 30:			
Free hold land		913,991,000	842,181,000
Buildings on freehold land		188,843,285	170,337,550
		1,102,834,285	1,012,518,550

11.1 Latest valuation of these properties has been carried out on December 31, 2021 by an independent valuer, M/s Arch-e' Decon.

12 SHORT TERM PREPAYMENTS AND OTHER RECEIVABLES

Cost of funds receivable from MCB amounting to Rs. 14,318,302 have been received during this period.

13 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Sulzer warping and sizing machine and allied equipment	13.1	-	4,327,200
		-	4,327,200
13.1 Sulzer warping and sizing machine and allied equipment			
Opening balance		4,327,200	8,297,710
Carrying value of assets disposed off		(2,131,200)	(3,162,563)
Decrease in revaluation surplus		-	(420,949)
Impairment of non-current assets held for sale		-	(386,998)
Transferred to operating fixed assets		(2,196,000)	-
Closing balance		-	4,327,200

14 CONTINGENCIES AND COMMITMENTS

14.1 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, 2021.

14.2 Commitments

There were no capital commitments to report as at 31 Dec 2021. (June 30, 2021: Rs. Nil).

Half Year Ended		Quarter Ended	
December 31, 2021 Rupees	December 31, 2020 Rupees	December 31, 2021 Rupees	December 31, 2020 Rupees
4,851,122	4,231,267	2,856,949	1,893,485
152,250	161,916	76,125	76,126
5,003,372	4,393,183	2,933,074	1,969,611

15 DIRECT COST

Salaries and other overheads
Depreciation

4711

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Un-audited Dec 31, 2021 Rupees	Un-audited Dec 31, 2020 Rupees
16 FINANCE COST		
Mark up on loan obtained from directors	7,675,789	9,700,040
Mark up on loan obtained from associated company	1,839,072	1,738,309
Unwinding of PV adjustment on loan amortization	22,117,862	18,497,712
Bank charges	4,013	3,666
	<u>31,636,736</u>	<u>29,939,727</u>
17 TAXATION		
Current	2,623,119	1,192,084
Deferred tax	(30,542)	(285,956)
	<u>2,592,577</u>	<u>906,128</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, 2021 Rupees	Un-audited Dec 31, 2020 Rupees
Remuneration of CEO & Executives	5,416,836	5,416,836
Long term financing obtained from directors	38,000,000	3,850,460
Long term financing repaid to directors	52,000,000	-
Interest on loan obtained from ICC (Pvt.) Limited	1,839,072	1,738,309
Interest on loan obtained from directors	7,675,789	9,700,040
Reimbursable expenses incurred on behalf of ICC (Pvt.) Limited	3,569,234	4,148,922
Unwinding of discount on interest free loan obtained from directors	22,117,862	18,497,712
Present value adjustment on interest free loans obtained from directors	5,334,192	783,272

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

	Un-audited Dec 31, 2021 Rupees	Audited Jun 30, 2021 Rupees
Short term borrowings - ICC (Pvt) Limited	35,784,203	35,784,203
Accrued interest on loans (Directors and ICC (Pvt.) Limited)	175,240,456	169,969,442
Trade and other payables - ICC (Pvt.) Limited	128,621	136,655
Remuneration payable to CEO	40,059,942	35,843,106
Remuneration payable to Executives	3,406,049	3,731,049

Chief Executive Officer and Executives are also entitled for retirement benefits under un-funded gratuity scheme.



ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2021

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
.....Rs.....				Rs.....			
December 31, 2021 (Un-audited)								
Financial assets not measured at fair value								
Long term deposits	-	-	1,469,034	1,469,034	-	-	-	-
Loans and advances	-	-	1,179,994	1,179,994	-	-	-	-
Trade debts	-	-	42,646	42,646	-	-	-	-
Cash and bank balances	-	-	11,689,626	11,689,626	-	-	-	-
	-	-	14,381,299	14,381,299	-	-	-	-
Financial liabilities not measured at fair value								
Long term financing from directors	-	-	578,312,729	578,312,729	-	-	-	-
Trade and other payables	-	-	110,719,518	110,719,518	-	-	-	-
Unclaimed dividend	-	-	1,662,656	1,662,656	-	-	-	-
Security deposits	-	-	12,626,295	12,626,295	-	-	-	-
Accrued interest / markup	-	-	175,240,456	175,240,456	-	-	-	-
Short term borrowings	-	-	35,784,203	35,784,203	-	-	-	-
	-	-	914,345,856	914,345,856	-	-	-	-

Description	Carrying amount				Fair Value			
	Fair value through profit/loss	Fair value through OCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
.....Rs.....				Rs.....			
June 30, 2021 (Audited)								
Financial assets not measured at fair value								
Long term deposits	-	-	1,469,034	1,469,034	-	-	-	-
Long term loans and advances	-	-	22,500	22,500	-	-	-	-
Loans and advances	-	-	1,180,736	1,180,736	-	-	-	-
Trade debts	-	-	88,654	88,654	-	-	-	-
Other receivables	-	-	14,318,302	14,318,302	-	-	-	-
Cash and bank balances	-	-	1,849,042	1,849,042	-	-	-	-
	-	-	18,928,268	18,928,268	-	-	-	-
Financial liabilities not measured at fair value								
Long term financing from directors	-	-	575,529,060	575,529,060	-	-	-	-
Trade and other payables	-	-	102,753,430	102,753,430	-	-	-	-
Unclaimed dividend	-	-	1,662,656	1,662,656	-	-	-	-
Security deposits	-	-	2,024,482	2,024,482	-	-	-	-
Mark-up accrued	-	-	169,969,442	169,969,442	-	-	-	-
Short term borrowings	-	-	35,784,203	35,784,203	-	-	-	-
	-	-	887,723,273	887,723,273	-	-	-	-

4/11/21

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

20 CASH FLOWS FROM OPERATING ACTIVITIES

Profit for the period before taxation
Adjustments for:
Depreciation
Loss / (gain) on disposal of assets
Unwinding of PV adjustments on loans
Amortization of interest free loans
Change in fair value of investment properties
Staff gratuity
Finance cost

Un-audited 31-Dec-21 Rupees	Un-audited 31-Dec-20 Rupees
58,027,030	7,012,260
310,135	339,497
(5,552)	(152,101)
22,117,862	18,497,712
(5,334,193)	(783,272)
(90,315,735)	(50,100,000)
1,775,112	2,349,699
9,518,874	11,442,015
(61,933,496)	(18,406,450)
(3,906,467)	(11,394,190)

(Increase) / Decrease in current assets

Stores, spares and loose tools
Trade debts
Loans and advances
Short term prepayments and other receivables

(12,578)	11,175
46,008	1,269,711
742	(152,617)
14,316,117	569,210
14,350,289	1,697,479

Increase / (Decrease) in current liabilities

Trade and other payables
Security deposits

7,966,088	4,499,072
10,601,813	(953,998)
18,567,901	3,545,074
29,011,723	(6,151,637)

Net cash generated from/(used in) operations

21 GENERAL

- 21.1** These condensed interim financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.
- 21.2** Figures have been rounded off to the nearest rupee.
- 21.3** 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.

22 DATE OF AUTHORIZATION

These condensed interim financial statements were authorised for issue on March 01, 2022 by the Board of directors of the Company.

Signature

Signature

Chief Executive Officer

Signature

Director

Signature

Chief Financial Officer

آئی سی ایٹسٹریٹ لمیٹڈ

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم 31 دسمبر 2021 کو ختم ہونے والی ششماہی کی غیر محاسب شدہ عبوری معلومات پیش کرتے ہیں۔

مذکورہ عرصے کے دوران ادارے کی مجموعی فروخت 11.902 ملین روپے، اور بعد از ٹیکس منافع 55.434 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران مجموعی فروخت 3.659 ملین روپے اور بعد از ٹیکس منافع 6.106 ملین روپے رہا۔ مجموعی فروخت کریداری آمدنی پر مشتمل ہے مندرجہ ذیل عوامل نے کمپنی کی کارکردگی کو متاثر کیا ہے:

- انویسٹمنٹ پراپرٹی کی مارکیٹ مالیت میں اضافہ 90.316 ملین روپے (50.100:2020 ملین روپے) رہا۔
- کرایہ داری آمدن، مزید عمارت کرائے پر دینے کی وجہ سے 3.659 ملین روپے سے بڑھ کر 11.902 ملین روپے ہو گئی۔
- بلا سود قرضوں کی امورٹائزیشن 0.783 ملین روپے سے بڑھ کر 5.334 ملین روپے ہو گئی۔

ادارے کے آڈیٹرز نے اپنی رپورٹ میں، اپنی رائے کو مشروط کئے بغیر، آپ کی توجہ مالی حسابات کی رپورٹ کے 1.2 نوٹ کی طرف مبذول کرائی ہے جس کے مطابق کمپنی کے موجودہ جاری واجبات اس کے موجودہ جاری اثاثوں سے 297.931 ملین روپے زیادہ ہیں اور ادارے کا موجودہ مجموعی خسارہ 704.013 ملین روپے ہے۔ یہ غیر یقینی حالات ادارے کے جاری رہنے کی صلاحیت بارے قابل ذکر شکوک و شبہات کی جانب اشارہ کرتے ہیں۔

یہ مالی رپورٹ ایک جاری کاروباری ادارے کی بنیاد پر تیار کی گئی ہے کیونکہ ادارہ مستقبل میں تسلی بخش منافع کمانے کی صلاحیت رکھتا ہے جس کا دارومدار ڈائریکٹرز کی جانب سے کاروباری سرمایہ فراہم کرنے پر ہے۔ اس مقصد کے لئے ڈائریکٹرز نے ادارے کے وسائل کو مجتمع کرتے ہوئے اور بینک کے واجبات کو ختم کرنے کے لئے نوٹ نمبر 1.2 میں دیئے گئے اقدامات کئے ہیں۔

ماضی قریب میں کمپنی کا کاربار 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 کم ہو چکے ہیں ہم اپنی ملز کی خالی عمارات کا بڑا حصہ 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

جاوید شفیق صدیقی

پرویز شفیق صدیقی

مارچ 01، 2022

چیف ایگزیکٹو آفیسر

چیرمین