

**( UN-AUDITED )**

**CONDENSED INTERIM  
FINANCIAL INFORMATION  
FOR THE NINE MONTHS ENDED  
MARCH 31, 2023**



**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

### **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, 2023.

The company earned a profit after tax of Rs. 4.481 million on revenue of Rs. 39.620 million comprising rental income as against after tax profit of Rs. 39.884 million against revenue of Rs. 25.465 million in the corresponding period resulting in earning per share of Rs. 0.15 ( Jul-Mar 2022 Rs. 1.33 per share ). Following factors influenced the company's performance during the period:

- Revenue, comprising rental income, has been increased from Rs. 25.465 million to 39.620 million due to renting out of additional vacant covered area of factory buildings.
- Amortization of interest free loans from directors amounts to Rs. Nil ( Jul-Mar 2022: Rs. 5.334 million )
- Financial charges include loss on modification of terms of directors loans / Unwinding of discount amounts to Rs.79.997 million (2022: Rs.33.765 million), which is only a book entry being reversal of amortization of interest free loans, already accounted for as income.
- Financial charges includes interest on directors loans Rs. Nil ( 2022: 12.100 million ) .
- Positive Change in fair value of investment property amounts to Rs. 86.656 million ( 2022: Rs. 90.316 million )

Unfortunately, Pakistan, presently is passing through a major institutional crisis. The political and economic turmoil in the country has worsened since our last directors report. The unabated rise in inflation, energy cost and interest rates is taking a huge toll on the viability of all businesses. The delay in agreement with IMF continues to have a negative impact on our foreign exchange reserves and value of the Pakistan Rupee, which is fast depreciating. As informed earlier, due to the dismal economic conditions, some of our tenants have vacated the rental premises, for which we are negotiating with other prospective parties. We can only hope that good sense prevails, sooner than later, so that our political issues are resolved, paving the way for economic stability.

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 28, 2023

**ICC INDUSTRIES LIMITED**

( Formerly ICC TEXTILES LIMITED )

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2023**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>Mar 2023 Rupees</b>	<b>Jun 2022 Rupees</b>
<b>SHARE CAPITAL</b>			
<b>Authorised share capital</b>			
32,000,000 ordinary shares (June 2021: 32,000,000) of Rs.10 each		<b>320,000,000</b>	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		<b>300,011,200</b>	300,011,200
<b>DIRECTORS LOAN</b>		<b>701,979,634</b>	380,448,411
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - NET OF TAX</b>	5	<b>567,129,487</b>	567,241,653
<b>ACCUMULATED LOSS</b>		<b>(750,181,452)</b>	(754,774,270)
		<b>818,938,869</b>	492,926,994
<b>NON CURRENT LIABILITIES</b>			
Long term financing from directors	6	<b>0</b>	241,534,418
Deferred liabilities	7	<b>77,580,358</b>	73,850,397
		<b>77,580,358</b>	315,384,815
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<b>105,771,362</b>	107,543,377
Security deposits		<b>12,626,295</b>	12,626,295
Accrued mark-up		<b>176,647,055</b>	176,470,984
Short term borrowings		<b>35,784,203</b>	36,501,052
Un-claimed dividend		<b>1,662,656</b>	1,662,656
		<b>332,491,571</b>	334,804,364
<b>CONTINGENCIES AND COMMITMENTS</b>	8	<b>1,229,010,797</b>	1,143,116,173
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	9	<b>8,006,886</b>	8,511,877
Investment property	10	<b>1,189,489,985</b>	1,102,834,285
Long term loans and advances		<b>28,250</b>	17,500
Long term deposits		<b>1,469,034</b>	1,469,034
		<b>1,198,994,155</b>	1,112,832,696
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		<b>4,277,746</b>	4,270,008
Trade debts		<b>42,647</b>	42,646
Loans and advances		<b>3,740,016</b>	2,833,373
Short term prepayments and other receivables		<b>815,720</b>	1,486,836
Tax refunds due from Government		<b>16,587,272</b>	18,755,437
Cash and bank balances		<b>4,553,240</b>	2,895,177
		<b>30,016,641</b>	30,283,477
		<b>1,229,010,797</b>	1,143,116,173

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



Chief Executive Officer



Director



Chief Financial Officer

Lahore: Dated Apr 28, 2023

# 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, 2023

	Note	Jul 2022 to Mar 2023 Rupees	Jul 2021 to Mar 2022 Rupees	Jan-Mar 2023 Rupees	Jan-Mar 2022 Rupees
REVENUE		39,619,863	25,465,050	12,225,231	13,563,420
DIRECT COST	11	(9,149,108)	(7,037,348)	(2,967,652)	(2,033,976)
GROSS PROFIT / (LOSS)		30,470,755	18,427,702	9,257,580	11,529,444
ADMINISTRATION COST		(22,933,789)	(19,153,492)	(7,645,363)	(6,718,054)
OTHER EXPENSES		(665,478)	(658,570)	(197,108)	(204,036)
OTHER INCOME	12	2,929,312	5,339,745	2,929,312	-
OPERATING PROFIT / (LOSS)		9,800,801	3,955,385	4,344,422	4,607,354
FINANCE COST	13	(83,424,056)	(48,820,559)	(176,837)	(17,183,823)
CHANGE IN FAIR VALUE OF INVESTMENT PROPERTY		86,655,700	90,315,735	-	-
PROFIT / (LOSS) BEFORE TAXATION		13,032,445	45,450,561	4,167,584	(12,576,469)
TAXATION	14	(8,551,793)	(5,567,017)	(2,544,559)	(2,974,440)
PROFIT / (LOSS) AFTER TAXATION		4,480,652	39,883,544	1,623,025	(15,550,909)
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 LOSS FOR THE PERIOD		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		4,480,652	39,883,544	1,623,025	(15,550,909)
LOSS PER SHARE- BASIC AND DILUTED		0.15	1.33	0.05	(0.52)

## STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Paid-up Capital Rupees	Directors Loans Rupees	Revaluation Surplus Rupees	Accumulated (Loss) Rupees	Total Rupees
Balance as at July 01, 2021	300,011,200	-	567,725,840	(759,522,288)	(191,796,448)
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	-	-	(45,817)	45,817	-
Balance as at March 31, 2022	300,011,200	-	567,680,023	(719,592,927)	(151,912,904)
Balance as at July 01, 2022	300,011,200	380,448,411	567,241,653	(754,774,270)	492,926,994
Other comprehensive income for the period	-	-	-	-	-
Net loss for the period	-	-	-	4,480,652	4,480,652
Total comprehensive income for the period	-	-	-	4,480,652	4,480,652
Increase in directors loans during the period	-	321,531,223	-	-	321,531,223
Incremental depreciation - net of tax	-	-	(112,166)	112,166	-
Balance as at March 31, 2023	300,011,200	701,979,634	567,129,487	(750,181,452)	818,938,869

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



Lahore: Dated Apr 28, 2023

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, 2023**

Note	Jul 2022 to Mar 2023 Rupees	Jul 2021 to Mar-22 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>12,305,048</b>	<b>31,453,651</b>
Financial charges paid	(3,251,180)	(11,358,142)
Taxes paid	(6,429,446)	(4,674,600)
Gratuity paid	(163,760)	(578,400)
	<b>(9,844,385)</b>	<b>(16,611,142)</b>
<b>Net cash flow from operating activities (A)</b>	<b>2,460,663</b>	<b>14,842,509</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Long term loans & advances	(10,750)	(1,250)
Sale proceeds of property, plant and equipment & assets held for sale	-	2,136,752
Fixed capital expenditure	(75,000)	(90,000)
<b>Net cash flow from investing activities (B)</b>	<b>(85,750)</b>	<b>2,045,502</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short term borrowings - Secured	(716,849)	-
Long term loans from directors	-	(14,000,000)
<b>Net cash flow from financing activities (C)</b>	<b>(716,849)</b>	<b>(14,000,000)</b>
<b>Net Increase/(Decrease) in cash and bank balances (A+B+C)</b>	<b>1,658,064</b>	<b>2,888,011</b>
<b>Cash &amp; bank balances at the beginning of the period</b>	<b>2,895,176</b>	<b>1,849,042</b>
<b>Cash &amp; bank balances at the end of the period</b>	<b>4,553,240</b>	<b>4,737,053</b>

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



Chief Executive Officer



Director



Chief Financial Officer

Lahore: Dated Apr 28, 2023

**ICC INDUSTRIES LIMITED**

( Formerly ICC TEXTILES LIMITED )

**NOTES TO THE CONDENSED FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED MARCH 31, 2023**

- 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, 2022.

**5 LOANS FROM DIRECTORS**

	6	Mar 2023 Rupees	Jun 2022 Rupees
Interest free loan - 1		321,531,223	-
Interest bearing loan - 3		5,000,000	5,000,000
Interest bearing loan - 4		140,000,000	140,000,000
Interest free loan - 5		235,448,411	235,448,411
		<b>701,979,634</b>	<b>380,448,411</b>

These are interest free loans and are repayable at the discretion of the Company.

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

Interest free Loans - 1		321,531,223	321,531,223
Original Principal		206,132,600	206,132,600
Less: Present value adjustment		115,398,623	115,398,623
Add: Interest charged to profit and loss account		126,135,795	126,135,795
	<b>6.1.1</b>	<b>241,534,418</b>	<b>241,534,418</b>
Add: Loss on modification of terms of Directors Loans	<b>6.1.2</b>	79,996,805	-
		321,531,223	241,534,418
Less: Reclassified to loans from directors ( equity )		321,531,223	-
		-	241,534,418

6.1.1 These interest free loans had been measured at amortized cost by using the weighted average interest rate ranging from 8.06% to 11.64% ( June 2022: 8.06% to 11.64% )

6.1.2 These interest free loans were repayable to directors in lump sum on June 30, 2025. During the period, terms of these loans have been modified and now these are repayable at discretion of the company.

	Un-audited	Audited
	Mar 2023 Rupees	Jun 2022 Rupees
<b>7 DEFERRED LIABILITIES</b>		
Staff retirement benefits	37,095,063	31,705,756
Deferred taxation	40,485,295	40,591,699
	<b>77,580,358</b>	<b>72,297,455</b>

**8 CONTINGENCIES AND COMMITMENTS**

8.1 **Contingencies**

There are no other significant activities since June 30, 2022 affecting financial statements.

**9 PROPERTY, PLANT AND EQUIPMENT**

9.1 **OPERATING FIXED ASSETS**

Written down value - opening	8,511,877	6,904,838
Add: Transferred from non-current assets held for sale	-	2,196,000
Add: Cost of additions during the period/year	75,000	112,450
	<b>8,586,877</b>	<b>9,213,288</b>

Disposals during the period / year (W.D.V.)  
Depreciation charge for the period / year

	9.2	
	-	-
	579,991	701,410
	<b>579,991</b>	<b>701,410</b>
	<b>8,006,886</b>	<b>8,511,877</b>

9.2 **Disposals during the period / year**

Cost	-	-
Less: Accumulated depreciation	-	-
Written down value	-	-

**10 INVESTMENT PROPERTY**

Opening Balance:

Free hold land	898,460,000	826,650,000
Other charges	15,531,000	15,531,000
Buildings on freehold land	188,843,285	170,337,550
	<b>1,102,834,285</b>	<b>1,012,518,550</b>

Change in fair value during the period

Free hold land	27,555,000	71,810,000
Buildings on freehold land	59,100,700	18,505,735
	<b>86,655,700</b>	<b>90,315,735</b>

Closing Balance

Free hold land	926,015,000	898,460,000
Other charges	15,531,000	15,531,000
Buildings on freehold land	247,943,985	188,843,285
	<b>1,189,489,985</b>	<b>1,102,834,285</b>

	Jul 22 - Mar 23 Rupees	Jul 21 - Mar 22 Rupees
<b>11 DIRECT COST</b>		
Salaries, wages and other benefits	5,837,045	4,759,386
Depreciation	362,438	268,372
Others	2,949,625	2,009,590
	<b>9,149,108</b>	<b>7,037,348</b>
<b>12 OTHER INCOME</b>		
Markup waived off	2,929,312	-
Profit on sale of fixed assets	-	5,552
Amortization of interest free loans from directors	-	5,334,193
	<b>2,929,312</b>	<b>5,339,745</b>
<b>13 FINANCE COST</b>		
Mark up on long term loans from directors	-	12,099,958
Mark up on loan from associated company	3,424,385	2,950,401
Unwinding of discount	-	33,765,043
Loss on modification of terms of loans	6.1.2 79,996,805	-
Bank charges	2,865	5,157
	<b>83,424,056</b>	<b>48,820,559</b>
<b>14 TAXATION</b>		
- Current	8,597,610	5,612,498
- Deferred	(45,817)	(45,481)
	<b>8,551,793</b>	<b>5,567,017</b>

	Jul 22 - Mar 23 Rupees	Jul 21 - Mar 22 Rupees
<b>15 CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit (loss) for the year before taxation</b>	13,032,445	45,450,561
<b>Adjustments for:</b>		
Depreciation	579,991	503,484
(Gain)/Loss on disposal of property plant and equipment	-	(5,552)
Amortization of interest free loans	-	(5,334,193)
Unwinding of discount	-	33,765,043
Loss on modification of terms of loans	79,996,805	-
Change in fair value of investment property	(86,655,700)	(90,315,735)
Staff gratuity	3,939,536	2,662,668
Financial cost	3,427,251	15,055,516
	<b>1,287,883</b>	<b>(43,668,768)</b>
	<b>14,320,328</b>	<b>1,781,792</b>
<b>(Increase) / Decrease in current assets</b>		
Stores, spares and loose tools	7,738	(11,546)
Stock in trade	-	-
Trade debts	-	46,008
Loans and advances	906,643	(82,107)
Short term prepayments & other receivables	(671,116)	14,333,718
	<b>243,265</b>	<b>14,286,073</b>
<b>Increase / (Decrease) in current liabilities</b>		
Trade and other payables	(1,772,015)	4,783,973
Security deposits	-	10,601,813
<b>Net cash used in operations</b>	<b>12,305,048</b>	<b>31,453,651</b>

**16 DATE OF AUTHORISATION**

These accounts have been approved by the Board of Directors on April 28, 2023.

**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.



Chief Executive Officer



Director



Chief Financial Officer

Lahore: Dated Apr 28, 2023



## آئی سی اظہار سٹریٹ لٹیڈ

### ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم 31 مارچ 2023 کو ختم ہونے والی نو ماہی کی غیر محاسب شدہ عبوری معلومات پیش کرتے ہیں۔

مذکورہ عرصے کے دوران ادارے کی مجموعی فروخت 39.620 ملین روپے، اور بعد از ٹیکس منافع 4.481 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران مجموعی فروخت 25.465 ملین روپے اور بعد از ٹیکس منافع 39.884 ملین روپے رہا۔ مجموعی فروخت کر یہ داری آمدنی پر مشتمل ہے مندرجہ ذیل عوامل نے کمپنی کی کارکردگی کو متاثر کیا ہے:

- انویسٹمنٹ پراپرٹی کی مارکیٹ مالیت میں اضافہ 86.656 ملین روپے (2022: 90.316 ملین روپے) رہا۔

- کرایہ داری آمدن، مزید عمارت کرائے پر دینے کی وجہ سے 14.155 ملین روپے سے بڑھ کر 39.620 ملین روپے ہو گئی۔

- ڈائریکٹرز کے مہیا کردہ قرضوں پر سود Rs.Nil رہا۔ (2022: 12.100 ملین روپے)

- ڈائریکٹرز کے مہیا کردہ 321.531 ملین روپے کے بلا سود قرضوں کی واپسی کی تاریخ جو کہ 30 جون 2025 تھی کو تبدیل کیا گیا ہے اور اب ان قرضوں کی

واپسی کمپنی کی مرضی پر منحصر ہے نتیجاً ان قرضوں کو اصل کیش ویلیو پر equity میں گروپ کیا گیا ہے اور امور ٹائزیشن کی ایک لخت واپسی کی وجہ سے finance cost

79.997 ملین روپے سے بڑھ گئی ہے جو کہ صرف ایک book entry ہے۔

ملک کے مالی اور سیاسی حالات اور IMF سے معاملات تاخیر کا شکار ہونے کے مد نظر تمام کاروبار بری طرح متاثر ہوئے ہیں اور ہمارے کچھ کرایہ داروں نے عمارات خالی

کردی ہیں۔ ہم پر امید ہیں کہ تمام فریق عقل اور تحمل سے کام لیں گے اور ملک کے مالی اور سیاسی حالات میں بہتری کے مد نظر مستقبل میں بہتر کرایہ داری آمدنی کی

توقع کر سکتے ہیں۔

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

سلمان جاوید صدیقی

ڈائریکٹر

لاہور

اپریل 28، 2023