

**CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
DECEMBER 31, 2023**



ICC Industries Limited

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

- Aamir Salman Rizwan
Chartered Accountants
275, Block H1,
M.A. Johar Town
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, we hereby present the condensed interim financial statements of the company for the half year ended on December 31, 2023.

The company suffered a loss after tax amounting to Rs. 6.339 million on revenue of Rs. 23.800 million, comprising rental income, as against profit after tax of Rs. 2.858 million against revenue of Rs. 27.394 million in the corresponding period resulting in loss per share of Rs. 0.21 (Jul-Dec 2022 profit per share of Rs. 0.10). Following factors influenced the company's performance during the period:

- Change in fair value of investment property amounts to Rs. Nil (Jul – Dec 2022: Rs.86.656 million).
- Rental income has been reduced from Rs. 27.395 million to Rs. 23.800 million due to lesser rented covered area of factory buildings.
- During the preceding period (Jul - Dec 2022), terms of interest free loans, provided by directors during May 2013 to June 2016 amounting to Rs. 321 million were modified. Previously these loans were repayable on June 30, 2025, now repayable at the discretion of the company and accordingly grouped as equity. Due to reversal of amortization of these interest free loans, finance cost of the company was increased by Rs. 79.997 million, which was just a book entry having no financial impact.

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. 761.987 million and at the end of the period its current liabilities exceeded its current assets by Rs. 259.797 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.

In recent past, Company's business was badly affected due to depressed business environment prevailing in the country mainly attributed to Global recession, political instability and high inflation. Some of our tenants had terminated their rental agreements, however, during the period under review, substantial portion of recently vacated area has been again rented out and we continue to focus on further enhancing the same. Moreover, with the conclusion of general elections and the imminent formation of next Government, we expect political stability leading to recovery of economy. Although we are optimistic, the turnaround will take some time.

The directors would like to record their appreciation for the continued commitment and hard work being carried out by the employees of the company.

For and on behalf of the Board of Directors



Lahore:
Dated: February 28, 2024

SALMAN JAVAID SIDDIQI
Director

JAVAID S. SIDDIQI
Chief Executive Officer



INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of ICC INDUSTRIES LIMITED

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of ICC Industries Limited as at December 31, 2023 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 these 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 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

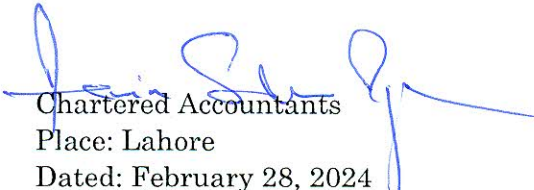
We draw attention to note 1.2 in the interim financial statements which describes that as at December 31, 2023, the Company's current liabilities exceeded its current assets by Rs. 259.797 million and its accumulated losses stood at Rs. 761.987 million. As stated in note 1.2, these events or conditions, along with other matters as set forth therein, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.



Other Matter

- i. The interim financial statements for the half year ended December 31, 2022 and the annual financial statements for the year ended June 30, 2023 were reviewed and audited respectively by another firm of Chartered Accountants, who vide their review report dated February 28, 2023 and audit report dated November 07, 2023 expressed an un-modified conclusion and an un-modified opinion on the interim financial statements and annual financial statements respectively.
- ii. The figures of condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2023 and 2022 have not been reviewed as we are required to review only the cumulative figures for the six-months period ended December 31, 2023.

The engagement partner on the review resulting in the independent auditor's report is Ahmad Salman Arshad.


Chartered Accountants
Place: Lahore
Dated: February 28, 2024
UDIN: RR20231038 4cp5w6K4gt

ICC INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

	Note	Un-audited Dec 31, 2023 (Rupees)	Audited June 30, 2023 (Rupees)
EQUITY AND LIABILITIES			
EQUITY			
Authorized share capital			
Shares of Rs. 10 each		<u>320,000,000</u>	<u>320,000,000</u>
Issued, subscribed and paid-up share capital		300,011,200	300,011,200
Loans from directors	7	755,128,431	750,464,913
Capital reserves			
Surplus on revaluation of property and equipment	8	573,631,452	574,037,796
Revenue reserves			
Accumulated loss		<u>(761,986,663)</u>	<u>(756,053,799)</u>
		<u>866,784,420</u>	<u>868,460,110</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred liabilities	9	81,154,791	78,802,249
CURRENT LIABILITIES			
Trade and other payables	10	110,313,476	107,950,036
Security deposits		12,764,045	12,626,295
Accrued interest/ mark-up		158,005,704	158,005,704
Short term borrowings		823,262	4,193,475
Unclaimed dividend		1,662,656	1,662,656
		<u>283,569,143</u>	<u>284,438,166</u>
TOTAL EQUITY AND LIABILITIES		<u><u>1,231,508,354</u></u>	<u><u>1,231,700,525</u></u>

The annexed notes from 1 to 21 form an integral part of these interim financial statements.



Chief Executive



Director



Chief Financial Officer

ICC INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023

	Note	Un-audited Dec 31, 2023 (Rupees)	Audited June 30, 2023 (Rupees)
ASSETS			
NON CURRENT ASSETS			
Property and equipment	11	16,774,624	17,594,994
Investment properties	12	1,189,489,985	1,189,489,985
Long term loans and advances		3,000	24,500
Long term deposits		1,469,034	1,469,034
		<u>1,207,736,643</u>	<u>1,208,578,513</u>
CURRENT ASSETS			
Stores, spares and loose tools		1,978,746	1,995,967
Trade debts		1,128,141	-
Loans and advances		2,024,501	2,625,586
Short term prepayments and other receivables		1,092,235	908,078
Tax refunds due from Government-net		15,690,485	16,529,529
Cash and bank balances		1,857,603	1,062,852
		<u>23,771,711</u>	<u>23,122,012</u>
TOTAL ASSETS		<u><u>1,231,508,354</u></u>	<u><u>1,231,700,525</u></u>

CONTINGENCIES AND COMMITMENTS

13

The annexed notes from 1 to 21 form an integral part of these interim financial statements.



Chief Executive



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, 2023

	Note	Half Year Ended		Quarter Ended	
		Un-audited Dec 31, 2023 (Rupees)	Un-audited Dec 31, 2022 (Rupees)	Un-audited Dec 31, 2023 (Rupees)	Un-audited Dec 31, 2022 (Rupees)
Revenue (rental income)		23,799,708	27,394,632	13,748,812	13,790,790
Direct cost	14	(8,188,942)	(6,181,457)	(3,630,328)	(3,074,733)
Gross profit		15,610,766	21,213,175	10,118,484	10,716,057
Administrative expenses		(16,349,644)	(15,288,432)	(8,094,633)	(7,943,710)
Other expenses		(492,275)	(468,370)	(256,628)	(231,548)
Operating (loss)/ profit		(1,231,153)	5,456,373	1,767,223	2,540,799
Finance cost	15	(135,622)	(83,247,222)	(4,350)	(75,841,282)
Other income		65,180	-	-	-
Change in fair value of investment properties	12	-	86,655,700	-	86,655,700
(Loss)/ profit before taxation		(1,301,595)	8,864,851	1,762,873	13,355,217
Taxation	16	(5,037,613)	(6,007,234)	(2,888,783)	(3,024,218)
(Loss)/ profit after taxation		(6,339,208)	2,857,617	(1,125,910)	10,330,999
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss		-	-	-	-
Items that will not be reclassified to profit or loss		-	-	-	-
Other comprehensive income for the period		-	-	-	-
Total comprehensive (loss)/ income for the period		(6,339,208)	2,857,617	(1,125,910)	10,330,999
(Loss)/ earning per share - basic and diluted		(0.21)	0.10	(0.04)	0.34

The annexed notes from 1 to 21 form an integral part of these interim financial statements.



Chief Executive



Director



Chief Financial Officer

ICC INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

Particulars	Issued, Subscribed and Paid-up Share Capital (Rupees)	Capital Reserves - Revaluation Surplus (Rupees)	Revenue Reserves - Accumulated Loss (Rupees)	Loans from Directors (Rupees)	Total Equity (Rupees)
Balance as at July 01, 2022 (audited)	300,011,200	567,241,653	(754,774,269)	380,448,411	492,926,995
Comprehensive income for the period					
Profit after taxation	-	-	2,857,617	-	2,857,617
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period ended December 31, 2022	-	-	2,857,617	-	2,857,617
Incremental depreciation - net of tax	-	(74,777)	74,777	-	-
Transfer of directors' loan during the period	-	-	-	321,531,223	321,531,223
Balance as at December 31, 2022 (un-audited)	<u>300,011,200</u>	<u>567,166,876</u>	<u>(751,841,875)</u>	<u>701,979,634</u>	<u>817,315,835</u>
Balance as at July 01, 2023 (audited)	300,011,200	574,037,796	(756,053,799)	750,464,913	868,460,110
Comprehensive income for the period					
Loss after taxation	-	-	(6,339,208)	-	(6,339,208)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period ended December 31, 2023	-	-	(6,339,208)	-	(6,339,208)
Incremental depreciation - net of tax	-	(406,344)	406,344	-	-
Loan obtained from directors	-	-	-	4,663,518	4,663,518
Balance as at December 31, 2023 (un-audited)	<u>300,011,200</u>	<u>573,631,452</u>	<u>(761,986,663)</u>	<u>755,128,431</u>	<u>866,784,420</u>

The annexed notes from 1 to 21 form an integral part of these interim financial statements.



Chief Executive



Director



Chief Financial Officer

ICC INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Note	Un-audited December 31, 2023 (Rupees)	Un-audited December 31, 2022 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	19	4,076,395	9,095,328
Finance cost paid		(135,622)	(321,102)
Income tax paid		(4,278,828)	(4,845,219)
Staff gratuity paid		(182,000)	(163,760)
		<u>(4,596,450)</u>	<u>(5,330,081)</u>
Net cash (used in)/ from operating activities		(520,055)	3,765,247
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease/ (increase) in long term loans and advances		21,500	(9,500)
Acquisition of property and equipment		-	(75,000)
Net cash from/ (used in) investing activities		21,500	(84,500)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of short term borrowings-related party		(3,514,203)	(716,849)
Net proceeds from bank borrowings		143,991	-
Proceeds from long term loans from directors		4,663,518	-
Net cash from/ (used in) financing activities		1,293,306	(716,849)
Net increase in cash and cash equivalents		794,751	2,963,898
Cash and cash equivalents at the beginning of the period		1,062,852	2,895,177
Cash and cash equivalents at the end of the period		1,857,603	5,859,075

The annexed notes from 1 to 21 form an integral part of these interim financial statements.



Chief Executive



Director



Chief Financial Officer

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

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. 259.797 million and its accumulated loss stood at Rs. 761.987 million. These conditions indicate existence of a material uncertainty that may cast significant doubt on 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 labor 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 a 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

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

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.

2 STATEMENT OF COMPLIANCE

2.1 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.

2.2 These condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2023.

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, 2023.

For valuation of un-funded gratuity scheme (defined benefit plan), the Company follows a consistent practice of conducting actuarial valuation annually at each year end and also

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

considers that above does not have material impact on the Company's condensed interim statement of profit or loss and basic and diluted earning/ (loss) per share.

4 NEW STANDARDS, AMENDMENTS TO APPROVED ACCOUNTING STANDARDS AND NEW INTERPRETATIONS

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 material effect on the accounting policies of the Company.

5 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, 2023.

6 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, 2023.

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Note	Un-audited Dec 31, 2023 (Rupees)	Audited June 30, 2023 (Rupees)
7 LOAN FROM DIRECTORS			
Loan - 1		321,531,223	321,531,223
Loan - 3		5,000,000	5,000,000
Loan - 4		140,000,000	140,000,000
Loan - 5		288,597,208	283,933,690
		<u>755,128,431</u>	<u>750,464,913</u>

- 7.1 These are interest free loans and are repayable to directors at the discretion of the Company. The directors' names and their respective shareholding is as follows;

Names		Shares held (Numbers)	Percentage of holding
Mr. Javaid S. Siddiqi		14,239,297	47.46%
Mr. Pervaiz S. Siddiqi		7,714,933	25.72%
Ms. Fauzia Javaid Siddiqi		2,374,088	7.91%
Mr. Asim Pervaiz Siddiqi		1,000	0.00%

	Note	Un-audited Dec 31, 2023 (Rupees)	Audited June 30, 2023 (Rupees)
8 SURPLUS ON REVALUATION OF PROPERTY AND EQUIPMENT			
Surplus on revaluation	8.1	616,772,481	617,344,797
Less: deferred tax arising on revaluation	8.2	(43,141,029)	(43,307,001)
		<u>573,631,452</u>	<u>574,037,796</u>
8.1 Opening balance of surplus on revaluation		617,344,797	607,772,764
Add: Surplus arising during the period/ year		-	9,780,952
Less: Incremental depreciation on property and equipment		(572,316)	(208,919)
		<u>616,772,481</u>	<u>617,344,797</u>

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Note	Un-audited Dec 31, 2023 (Rupees)	Audited June 30, 2023 (Rupees)
8.2 Related deferred tax liability on July 01		43,307,001	40,531,112
Deferred tax liability arising on revaluation		-	2,836,476
Tax effect on incremental depreciation of assets during the period/ year	16	(165,972)	(60,587)
		43,141,029	43,307,001
9 DEFERRED LIABILITIES			
Staff retirement benefits-gratuity		38,013,762	35,495,248
Deferred taxation		43,141,029	43,307,001
		81,154,791	78,802,249
10 TRADE AND OTHER PAYABLES			
Creditors		7,400,661	7,544,445
Payable to related party		193,896	65,120
Accrued expenses		83,369,156	78,887,733
Final dues payable		5,948,771	7,017,834
Advance from customers		2,410,201	3,148,820
Others		10,990,791	11,286,084
		110,313,476	107,950,036
11 PROPERTY AND EQUIPMENT			
11.1 Operating fixed assets			
Written down value - opening		17,594,994	8,511,877
Add: Purchases during the period/ year		-	75,000
Add: Surplus arising during the period/ year		-	9,780,952
		17,594,994	18,367,829
Less: Depreciation charged for the period/ year	11.2	(820,370)	(772,835)
		16,774,624	17,594,994

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Note	Un-audited Dec 31, 2023 (Rupees)	Audited June 30, 2023 (Rupees)
11.2 Allocation of depreciation			
Direct cost	14	690,481	483,030
Administrative expenses		129,889	289,805
		<u>820,370</u>	<u>772,835</u>
12 INVESTMENT PROPERTIES			
Free hold land		926,015,000	898,460,000
Other changes (recognition of related liabilities)		15,531,000	15,531,000
Buildings on freehold land		247,943,985	188,843,285
		<u>1,189,489,985</u>	<u>1,102,834,285</u>
Change in fair values during the period/ year:			
Free hold land		-	27,555,000
Other changes (recognition of related liabilities)		-	-
Buildings on freehold land		-	59,100,700
		-	<u>86,655,700</u>
Fair values as at the end of period/ year:			
Free hold land		926,015,000	926,015,000
Other changes (recognition of related liabilities)		15,531,000	15,531,000
Buildings on freehold land		247,943,985	247,943,985
		<u>1,189,489,985</u>	<u>1,189,489,985</u>

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, 2023.

13.2 Commitments

There were no commitments to report as at 31 Dec, 2023. (June 30, 2023: Rs. Nil).

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half Year Ended		Quarter Ended	
	Un-audited December 31, 2023 (Rupees)	Un-audited December 31, 2022 (Rupees)	Un-audited December 31, 2023 (Rupees)	Un-audited December 31, 2022 (Rupees)
14 DIRECT COST				
Salaries and other overheads	7,498,461	5,938,285	3,216,039	2,927,462
Depreciation	690,481	243,172	414,289	147,271
	8,188,942	6,181,457	3,630,328	3,074,733
			Un-audited Dec 31, 2023 (Rupees)	Un-audited Dec 31, 2022 (Rupees)
		Note		
15 FINANCE COST				
Mark up on loan obtained from associated company			128,775	3,248,313
Loss on modification of terms of loans			-	79,996,809
Bank charges			6,847	2,100
			135,622	83,247,222
16 TAXATION				
Current tax			5,203,585	6,037,777
Deferred tax		8.2	(165,972)	(30,543)
			5,037,613	6,007,234
17 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:				
Description			Amount (Rupees)	Amount (Rupees)
Associated Companies				
Interest on loan obtained from ICC (Private) Limited			128,775	3,248,313
Reimbursable expenses incurred on behalf of ICC (Private) Limited			2,843,578	2,575,785

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

Description	Amount (Rupees)	Amount (Rupees)
Receipts against reimbursable expenses incurred on behalf of ICC (Private) Limited	2,843,579	2,608,862
Short term borrowings repaid to ICC (Private) Limited	3,514,203	-
Key management personnel		
Long term financing obtained from directors	4,663,518	-
Loss on modification of terms of loans with directors	-	79,996,809
Remuneration of Chief Executive	1,200,000	1,200,000

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

Associated Companies

Short term borrowings - ICC (Private) Limited	-	35,784,203
Accrued interest on loans (Directors and ICC (Private) Limited)	158,005,704	179,400,295
Trade and other payables - ICC (Private) Limited	193,896	146,112

Key management personnel

Remuneration payable to Chief Executive	56,927,286	48,493,614
Remuneration payable to Executives	2,400,000	2,400,000

Chief Executive Officer and Executives are also entitled for retirement benefits under unfunded gratuity scheme.

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

18 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, 2023 (Un-audited)								
Financial assets								
Long term deposits	-	-	1,469,034	1,469,034	-	-	-	-
Long term loans and advances	-	-	3,000	3,000	-	-	-	-
Loans and advances	-	-	2,024,501	2,024,501	-	-	-	-
Trade debts	-	-	1,128,141	1,128,141	-	-	-	-
Cash and bank balances	-	-	1,857,603	1,857,603	-	-	-	-
	-	-	6,482,279	6,482,279	-	-	-	-
Financial liabilities								
Trade and other payables	-	-	110,313,476	110,313,476	-	-	-	-
Unclaimed dividend	-	-	1,662,656	1,662,656	-	-	-	-
Security deposits	-	-	12,764,045	12,764,045	-	-	-	-
Accrued interest/ markup	-	-	158,005,704	158,005,704	-	-	-	-
Short term borrowings	-	-	823,262	823,262	-	-	-	-
	-	-	283,569,143	283,569,143	-	-	-	-
June 30, 2023 (Audited)								
Financial assets								
Long term deposits	-	-	1,469,034	1,469,034	-	-	-	-
Long term loans and advances	-	-	24,500	24,500	-	-	-	-
Loans and advances	-	-	2,625,586	2,625,586	-	-	-	-
Trade debt	-	-	-	-	-	-	-	-
Cash and bank balances	-	-	1,062,852	1,062,852	-	-	-	-
	-	-	5,181,972	5,181,972	-	-	-	-
Financial liabilities								
Trade and other payables	-	-	107,950,036	107,950,036	-	-	-	-
Unclaimed dividend	-	-	1,662,656	1,662,656	-	-	-	-
Security deposits	-	-	12,626,295	12,626,295	-	-	-	-
Mark-up accrued	-	-	158,005,704	158,005,704	-	-	-	-
Short term borrowings	-	-	4,193,475	4,193,475	-	-	-	-
	-	-	284,438,166	284,438,166	-	-	-	-

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Note	Un-audited Dec 31, 2023 (Rupees)	Un-audited Dec 31, 2022 (Rupees)
19 CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/ profit before taxation		(1,301,595)	8,864,851
Adjustments for:			
Depreciation-property and equipment	11.2	820,370	389,265
Trade creditors written back		(65,180)	-
Loss on modification of terms of loans		-	79,996,805
Change in fair value of investment properties		-	(86,655,700)
Staff gratuity		2,700,514	2,626,361
Finance cost	15	135,622	3,250,413
		3,591,326	(392,856)
		2,289,731	8,471,995
(Increase)/ decrease in current assets			
Stores, spares and loose tools		17,221	(6,688)
Trade debts		(1,128,141)	-
Loans and advances		601,085	(581,570)
Short term prepayments and other receivables		(184,157)	793,781
Sales tax refundable		(85,714)	-
		(779,706)	205,523
Increase/ (decrease) in current liabilities			
Trade and other payables		2,428,620	417,810
Security deposits		137,750	-
		2,566,370	417,810
Cash generated from operations		4,076,395	9,095,328

20 GENERAL

- 20.1** These condensed interim financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.
- 20.2** Figures have been rounded off to the nearest rupee.
- 20.3** 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.

ICC INDUSTRIES LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2023

21 DATE OF AUTHORIZATION

These condensed interim financial statements were authorised for issue on February 28, 2024 by the Board of directors of the Company .



Chief Executive



Director



Chief Financial Officer

آئی سی اینڈ سٹریٹ لمیٹڈ

ڈائریکٹرز رپورٹ

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

مذکورہ عرصے کے دوران ادارے کی مجموعی فروخت 23.800 ملین روپے، اور بعد از ٹیکس نقصان 6.339 ملین روپے رہا جبکہ گزشتہ سال اسی مدت کے دوران مجموعی فروخت 27.394 ملین روپے اور بعد از ٹیکس منافع 2.858 ملین روپے رہا۔ مجموعی فروخت کریہ داری آمدنی پر مشتمل ہے مندرجہ ذیل عوامل نے کمپنی کی کارکردگی کو متاثر کیا ہے:

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

- کرایہ داری آمدن، چند کرایہ داروں کے عمارات خالی کرنے کی وجہ سے 27.395 ملین روپے سے کم ہو کر 23.800 ملین روپے ہو گئی۔

- گزشتہ سال 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 تھا 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 تھا اور امورٹائزیشن کی ایک لخت واپسی کی وجہ سے financ coste 79.997 ملین روپے سے بڑھ گئی تھی جو کہ صرف ایک book entry تھی۔

ادارے کے آڈیٹرز نے اپنی رپورٹ میں، اپنی رائے کو مشروط کئے بغیر، آپکی 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 259.797 ملین روپے زیادہ ہیں اور ادارے کا موجودہ مجموعی خسارہ 761.987 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 جمع کرتے ہوئے اور بینک کے واجبات کو ختم کرنے کے لئے نوٹ نمبر 1.2 میں دیئے گئے اقدامات کئے ہیں۔

گزشتہ سال کی آخری سہ ماہی میں ملک کے مجموعی مالی حالات کی وجہ سے ہمارا کرایہ داری کاروبار بھی متاثر ہوا اور ہمارے کچھ کرایہ داروں نے اپنے کرایہ داری معاہدے منسوخ کر دیئے تھے۔ موجودہ چھ ماہ کے دوران ہم مذکورہ خالی شدہ عمارات کا زیادہ تر حصہ کرایہ پردے چکے ہیں اور باقی کے لئے کوشش جاری ہے۔ ایکشن کے بعد ہم ملک کے مالی 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

لاہور

فروری 28، 2024

جاوید شفیق صدیقی

چیف ایگزیکٹو آفیسر

سلمان جاوید صدیقی

ڈائریکٹر