

ANNUAL REPORT 2024



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

Chief Financial Officer

- Mr. Javed Rashid

Company Secretary

- Mr. Shahid Ali Ahmad

Auditors

- Reanda Haroon Zakaria Aamir
Salman Rizwan & Company
Chartered Accountants
275, Block H-1, 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

Website: www.icctextiles.com

Factory

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 36th Annual General Meeting of the Company will be held at the registered office of the Company, 242-A, Anand Road, Upper Mall, Lahore on Monday October 28, 2024 at 10:30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Annual General Meeting held on November 27, 2023.
2. To receive consider and adopt the audited financial statements of the Company for the year ended 30th June 2024 together with the Directors and Auditors Report thereon.
3. To appoint statutory auditors for the year ending 30th June 2025 and to fix their remuneration.
4. To transact any other business with the permission of the Chair.

Lahore
October 07, 2024

By Order of the Board



Company Secretary

NOTES:

1. The members register will remain closed from October 22, 2024 to October 28, 2024 (both days inclusive). Transfers received at Share Registrar Office, Corplink (Private) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore by the close of business on October 21, 2024 will be entertained.
2. A member eligible to attend and vote at this meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company at the registered office not later than 48 hours before the time for holding meeting.
3. Any individual Beneficial Owner of CDC, entitled to attend and vote at this meeting, must bring his/her original CNIC or Passport, Account and participant's I.D numbers, to prove his/her identity, and in case of proxy must enclose and attested copy of his/her CNIC or Passport. Representatives of corporate members should bring the usual documents required

for such purpose. The account/sub account holders of CDC will further have to follow the guidelines as laid down in Circular No.1 of 2000 dated January 26, 2000 issued by Securities & Exchange Commission of Pakistan

4. In accordance with the provisions of section 223 and 237 of the Companies Act, 2017, the audited financial statements of the Company for the year ended on June 30, 2024 are available on the Company's website (www.icctextiles.com.pk).
5. Shareholders are requested to immediately notify the change in address, if any to the Company's Share Registrar M/s Corplink (Pvt.) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore.
6. All shareholders who had not yet submitted the valid copies of CNIC, NTN certificate(s) and IBAN are requested to send the same to the Share Registrar. Shareholders of the Company who holds shares in scrip-less form on Central Depository Company of Pakistan Ltd. (CDC) are requested to update their IBAN details directly to their CDC participant (brokers/CDC) Investor Account Services.
7. As per section 72 of the Companies Act, 2017, every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four year from the commence of this Act i.e., May 30, 2017. The Shareholders having physical shareholding may open CDC Sub-account with any of the broker or investor account directly with CDC to place their physical share into scripless form.
8. Shareholders who could not collect their dividend/physical shares are advised to contact our Registered Office situated at 242-A, Anand Road, Upper Mall, Lahore to collect/enquire about their unclaimed dividend or shares, if any.
9. Members can also avail video conference facility. In this regard, please fill the following form and submit to registered address of the company 10 days before holding of the Annual General Meeting.

If the company receives consent from member holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to date of meeting, the company will arrange video conference facility in the city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of the Annual General Meeting along with complete information necessary to enable them to access the facility.

"I/WE, _____ of _____ being a member of ICC Industries Limited, holder of _____ Ordinary Shares as per Register Folio No. _____ hereby opt for video conference facility at _____ Email _____"

Signature of Member

The Company will intimate to the Members the venue of the video-link facility at least five (5) days before the date of the Meeting along with all the information necessary to enable them to access the facility.

Further, in compliance of circular no.4 of the 2021 dated February 15, 2021, members can opt to attend the AGM through Video-Link. Members who are willing to attend and participate at the AGM through Video-Link are required to register their particulars by sending an email at "shares@icctextiles.com" Such Members are requested to register by providing their credentials

as follows with subject "Registration for ICCIL's AGM 2024":

Name of shareholder	Number of shares held	Folio Number / CDC Account Number	CNIC No. with scanned copy (both side)	Cell Number	Email address

Video-Link and login will be shares with only those members whose emails containing all the required particulars are received at the given email at least 48 hours before the time of AGM.

ICC Industries Limited
(Formerly ICC Textiles Limited)

CHAIRPERSON’S REVIEW REPORT ON BOARD PERFORMANCE

ICC Industries Limited (“the Company”) has a seven member Board of Directors (“the Board”) and members have been vigilant in performing their individual and collective performance while working on the Board or in its committees.

The board is responsible for overall management of the company as it devices strategies and policies and thus played a vital role in company’s operations by ensuring a diligent governance framework for effective and prudent management of business matters.

The Composition of the Board is in accordance with the requirements of Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019. Accordingly, It comprises executive, non executive, female and independent directors.

During the financial year 2024 the BOD met five times. All its members are committed to serve the company with the same zeal, while taking into consideration all material facts, information and circumstances in a manner to ensure that appropriate decisions.

The Board has developed a mechanism for annual evaluation of Board’s own performance. in compliance with the provisions of Listed Companies (Code of Corporate Governance) Regulations 2019. For the year ended June 30, 2024 the Board’s overall performance and effectiveness has been found satisfactory and both executive and non executive directors have been fully involved in important decision making.



LAHORE:
October 07, 2024

PERVAIZ S. SIDDIQI
Chairman

ICC Industries Limited

(Formerly ICC Textiles Limited)

Directors' report to the members

On behalf of the board of directors, we take pleasure in presenting the audited financial statements of the company pertaining to the financial year ended on June 30, 2024.

Financial Highlights

The company suffered an after tax loss of Rs. 11.648 million and registered a revenue of Rs. 52.974 million as against an after tax loss of Rs. 5.206 million and revenue of Rs.45.322 million in the preceding period.

	Rupees
• Revenue	52,974,017
• Gross profit	32,884,970
• Operating loss	5,334,841
• Finance Cost	139,646
• Change in fair value of investment property	5,010,000
• Loss after tax	11,648,023
• Accumulated losses	762,666,240
• Earning / (Loss) per share	(0.39)

Period under Review

The following transactions / factors influenced the company's financial position and performance during this period:

- Revenue increased by Rs. 7.652 million, from Rs. 45.322 million to Rs. 52.974 million, mainly due to increased rental occupancy of our factory premises during the year, although full potential could not be achieved as the rental rates remained depressed amid challenging business sentiment prevailing in the country.
- Direct cost increased by Rs. 6.717 million largely driven by enhanced minimum wage requirements and necessary repairs and maintenance of our buildings.
- Preceding year's finance cost of Rs. 83.653 million included loss on modification of terms of directors loans and un-winding of discount thereof amounting to Rs. 79.997 million. This year we successfully repaid loans from associated company resulting in no external borrowings as of year end 2024. Moreover, all directors loans are interest free and repayable at the discretion of the company, hence, classified as equity loans.
- We experienced a positive change in fair value of the investment property amounting to Rs. 5.010 million (2023: Rs. 86.655 million). The same has been accounted for as change in fair value of investment property.
- The ongoing political and economic instability, coupled with soaring energy costs, high markup rates, and hyperinflation, significantly impacted our rental business.

Future Strategy and Prospects

The long awaited political and economic stability anticipated after the holding of National elections in Feb 2024 and restoration of the IMF program in Sep 2024 still remains far fetched. While the inflation figures have recently shown a sharp decline, the country's exchange reserves are steadily rising and the Pak Rupee is retaining its value, the persistent country's political polarization remains a critical barrier to attracting both domestic and foreign investment.

Some of our tenants have recently vacated their occupied area. While we are seeing a gradual decline in the bank markup rates, the extraordinary heavy taxation measures introduced in the latest budget have shattered the business confidence, further slowing economic momentum.

We remain hopeful that constructive dialogue will lead to a resolution of political issues, which is vital for restoring stability in our economic landscape. In the meantime, we are actively working to lease the recently vacated areas of our factory buildings, moreover, at higher rates.

Contingencies and commitments

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the statement of financial position relates and the date of Directors' Report, except as disclosed in the financial statements.

Outstanding Statutory Dues

There are no outstanding statutory payments on account of taxes, duties, levies and charges which are outstanding as on June 30, 2024 except for those disclosed in the financial statements.

Corporate Social Responsibility

Your company is a responsible corporate citizen and fully recognizes its responsibility towards community, employees and environment.

Gender Pay Gap

At our company male and female employees were working, however, after suspension of our textile operations in 2018 and subsequently sale of all textile machinery, presently we are in the business of renting out our vacant factory buildings and labour colony. According to our business requirements, we have only 28 employees mainly comprising of security guards, electricians and labour having no female employee.

Corporate and Financial Reporting Framework

In order to follow the SECP code of corporate governance, the following statements are given:

Presentation of Financial Statements

The financial statements, prepared by the management of the Company, fairly present its state of affairs, the result of its operations, cash flows and changes in equity.

Books of Accounts

Proper books of accounts have been maintained by the Company.

Accounting Policies

Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

International Financial Reporting Standards (IFRS)

International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements.

Internal Control System

The system of internal control is sound in design and has been effectively implemented and monitored.

Going Concern

Without qualifying their opinion, Company's auditors, in their report, have drawn your attention to note 1.2 to the financial statements, which describes that the Company's current liabilities exceeded its current assets by Rs. 261.819 million, and its accumulated losses stood at Rs. 762.666 million, whereas, current year after tax loss amounts to Rs. 11.648 million. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern.

These financial statements have, however, 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 plan drawn up by the management for this purpose and bringing its liabilities to serviceable levels and availability of the adequate working capital from its lenders and sponsors.

To substantiate its going concern assumption the directors had implemented a plan to consolidate the company's position by repaying the banks' borrowings through sponsors' loans and sale of inefficient textile machinery and renting out vacant buildings to generate revenue. In this regard, the company has taken steps mentioned in note 1.2 (i – v) to the financial statements.

Presently company is engaged in the business of renting out its covered area and has a potential to generate a substantial revenue. Therefore, there are no significant doubts about company's ability to continue as a going concern.

Corporate Governance

There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations of stock exchanges.

Operating and Financial Data

Key operating and financial data of last six years is as under:

SIX YEARS AT A GLANCE

	(Rs. in million)					
	2019	2020	2021	2022	2023	2024
Revenue :						
- Textiles (Rs.)	0.933	0	0	0	0	0
- Rental (Rs.)	23.462	33.811	9.987	39.028	45.322	52.974
Net profit/(loss) after tax-Rs.	4.393	(1.561)	(38.925)	3.279	(5.206)	(11.648)
Fixed assets (Rs.)	12.296	8.154	6.905	8.512	17.595	15.963
Investment property - Rs.	944.348	962.419	1,012.519	1,102.834	1,189.490	1,194.500
Retained earnings / (Accumulated Losses) - Rs.	(730.220)	(724.273)	(759.522)	(754.774)	(756.054)	(762.666)
Current ratio	0.22:1	0.16:1	0.14:1	0.09:1	0.08:1	0.08:1
Share breakup value - Rs.	4.74	4.81	3.60	17.96	30.28	30.29
Earnings per share - Rs.	0.15	(0.05)	(1.30)	0.11	(0.17)	(0.39)
Dividend	Nil	Nil	Nil	Nil	Nil	Nil

Staff Retirement Benefits

Value of unfunded gratuity scheme, based on actuarial valuation, at the period end was Rs. 38.294 million (2023: Rs. 35.495 million).

Remuneration of Directors

Remuneration of directors is determined by the company in general meeting. Presently only chief executive is entitled for remuneration as mentioned in note No. 36 to the financial statements. No remuneration is being paid to other directors.

Board and Committees Meetings

Composition of board and its committees is mentioned below. During the year July 2023 to June 2024, Five meetings of the Board of Directors, Seven meetings of audit committee and One meeting of HR & R committee were held.

Category	Names	
Independent Directors	Mr. Naveed Hashim Rizvi	Mr. Arif Mahmud Khan
Executive Director	Mr. Javaid S. Siddiqi	
Non-Executive Directors	Mr. Pervaiz S. Siddiqi	Mr. Salman Javaid Siddiqi
	Mr. Asim Pervaiz Siddiqi	
Female Director	Mrs. Fauzai Javaid	

Attendances by the Directors were as follows:

Name of Directors	Attendance	Remarks
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Board of Directors

Mr. Javaid S. Siddiqi	5
Mr. Pervaiz S. Siddiqi	4
Mrs. Fauzia Javaid Siddiqi	5
Mr. Salman Javaid Siddiqi	5
Mr. Asim Pervaiz Siddiqi	3
Mr. Arif Mahmud Khan	3
Mr. Naveed Hashim Rizvi	2

Audit Committee

Mr. Arif Mahmud Khan	7
Mr. Pervaiz S. Siddiqi	5
Mr. Salman Javaid Siddiqi	7

HR & R Committee

Mr. Naveed Hashim Rizvi	1
Mr. Pervaiz S. Siddiqi	1
Mr. Asim Pervaiz Siddiqi	1

Pattern of Shareholding

The Pattern of shareholding as required by the Code of Corporate Governance is attached with this report.

Trading of Company Shares

During the financial year, there was no trading in shares of the company by Directors, Company Secretary, CEO, CFO and Executives of the Company (including their spouses and minor children).

Audit Committee

The Audit Committee comprises 3 members, of whom 1 is Independent Director and 2 are non-executive directors.

HR And Remuneration Committee

The HR and Remuneration Committee comprise 3 members, of whom 1 is Independent Director and 2 are non-executive directors.

Auditors

M/S. Reanda Haroon Zakaria Aamir Salman Rizwan & Company Chartered Accountants will retire at the conclusion of the 36th Annual General Meeting. They have expressed their willingness for reappointment. The Audit Committee has recommended their reappointment, as external auditors of the company for the year ending on June 30, 2025.

Dividend

Considering the results for the year, the board is not recommending disbursement of any dividend for the period ended June 30, 2024.

Acknowledgement


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

For and on behalf of
the Board of Directors



LAHORE:
October 07, 2024

PERVAIZ S. SIDDIQI
Director



JAVAID S. SIDDIQI
Chief Executive Officer

ICC Industries Limited

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company: ICC Industries Limited

Year Ending : June 30, 2024

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:

- a. Male: 6
- b. Female: 1

2. The composition of board is as follows:

Category	Names
Independent Directors	Mr. Naveed Hashim Rizvi Mr. Arif Mahmud Khan
Executive Director	Mr. Javaid S. Siddiqi
Non-Executive Directors	Mr. Pervaiz S. Siddiqi Mr. Salman Javaid Siddiqi Mr. Asim Pervaiz Siddiqi
Female Director	Mrs. Fauzai Javaid

- 3. The Board comprises of minimum number of members which is seven (7). Requirement of independent directors are higher of two (2) or one third of the Board. The fraction of 0.33 for independent directors has not been rounded up as one (1), due to the reason that, considering nature and volume of company's business, the existing independent directors with requisite skills and knowledge are sufficient to take independent decisions for the company
- 4. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company.
- 5. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.
- 6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of significant policies along with their date of approved or updating is maintained by the Company.
- 7. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
- 8. The meetings of the board were presided over by the chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of board.

9. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
10. One director, Mr. Salman Javaid Siddiqi has completed his directors training program, whereas two directors i.e Mr. Javaid S. Siddiqi and Mr. Pervaiz S. Siddiqi are exempt from the requirements of the directors training program.. The Board will arrange directors training program for remaining directors in near future..
11. The Board has approved appointment of Chief Financial Officer, Company Secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the regulations.
12. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the board.
13. The board has formed committees comprising of members given below:
 - a) Audit Committee
 1. Mr. Arif Mahmud Khan - Chairman/Member
 2. Mr. Pervaiz S. Siddiqi - Member
 3. Mr. Salman S. Siddiqi - Member
 - b) HR & Remuneration Committee
 1. Mr. Naveed Hashim Rizvi - Chairman/Member
 2. Mr. Pervaiz S. Siddiqi - Member
 3. Mr. Asim Pervaiz Siddiqi - Member
14. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
15. The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following :
 - a) Audit Committee - 07 meetings
 - b) HR & Remuneration Committee - 01 meeting
16. The Board has set up an effective internal audit function which are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
17. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parents, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.
18. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
19. We confirm that all other requirements of the Regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulation have been complied with.

20. Explanation for non compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 & 36 :

S.No.	Requirement	Explanation of Non-Compliance	Regulation Number
1	<u>Nomination Committee</u> The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee.	29
2	<u>Risk Management Committee</u> The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the Board has not constituted a risk management committee and the functions are being performed by audit committee.	30
3	<u>Disclosure of significant policies on website</u> The Company may post key elements of its significant policies, brief synopsis of terms of reference of the Board's committees on its website and key elements of the directors' remuneration policy	Although these are well circulated among the relevant employees and directors, the Board shall consider posting such policies and synopsis on its website in future.	35
4	<u>Directors' Training</u> It is encouraged that by June 30, 2022, all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	3 out of 7 directors of the Company have either acquired Directors' Training Program certification or are exempt from Director's Training Program. The company has planned to arrange Directors' Training Program certification for remaining one director.	19
5	<u>Role of the Board and its members to address Sustainability Risks and Opportunities</u> The board is responsible for governance and oversight of sustainability risks and opportunities within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.	During the year, SECP introduced new regulation 10A on 12 June 2024. Currently, the management is assessing this amendment and compliance thereof, as applicable, will be performed in due course of time.	10(A)

LAHORE:
October 07, 2024


PERVAIZ S. SIDDIQI
Chairman


JAVAID S. SIDDIQI
Chief Executive

Independent Auditor's Review Report**To the members of ICC Industries Limited****Review Report on the Statement of Compliance Contained in the Listed Companies
(Code of Corporate Governance) Regulations, 2019**

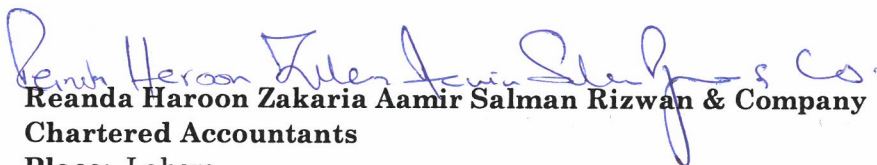
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of ICC Industries Limited for the year ended June 30, 2024 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2024.



Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

Place: Lahore**Dated:** October 07, 2024**UDIN:** CR202410384RdDxcCkAj

INDEPENDENT AUDITOR'S REPORT

To the members of ICC Industries Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of ICC Industries Limited (the Company), which comprise the statement of financial position as at June 30, 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2024 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty relating to Going Concern

We draw attention to note 1.2 to the financial statements, which states that the Company has incurred an after tax loss of Rs. 11.648 million during the year ended June 30, 2024 and, as of that date, its accumulated loss stood at Rs. 762.666 million. As stated in note 1.2, these events or conditions, along with other matters as set forth indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KH2024

Following are the Key audit matters:

Sr.#	Key Audit Matters	How the matter was addressed in our audit
(i)	<p>Investment property Refer to Note 17 to the annexed financial statements. The Company owns freehold land and building. As at June 30, 2024, the fair value of investment properties was Rs. 1.194 billion, representing 97% of the Company's total assets as at that date.</p> <p>The investment property forms a significant part of the company's total assets. The investment property is stated at fair value. The management assessed the fair value based on valuation carried out by independent qualified professional valuer with changes recognized in the statement of profit or loss.</p> <p>We identified valuation of investment properties as a key audit matter because the determination of the fair value involves significant judgement and estimation, particularly in selecting the appropriate valuation methodology and in determining the underlying assumptions, which increase the risk of error or potential management bias, and because the valuations are sensitive to the key assumptions applied.</p>	<p>Our audit procedures to assess the valuation of investment properties included the following:</p> <ul style="list-style-type: none"> • evaluating the qualifications, experience and competence of the external valuer engaged by management; • evaluating the valuation methodology used by the external valuer and assessed whether it is in accordance with the International Financial Reporting Standards; • assessing the key assumptions adopted in the valuation of investment property; • recalculating the fair value gain / loss on investment property during the year; • assessing the valuer's competence and capability; and • evaluating the adequacy of disclosures in financial statements.
(ii)	<p>Loan from related party As referred to in note 6 to the annexed financial statements. The Company has significant related party transactions and obtained significant financing amounting to Rs. 758,328,431/- from its directors. These loans include interest free loans. We identified the accuracy and completeness of the related party transactions and its disclosure as a</p>	<p>Our audit procedures among others comprised:</p> <ul style="list-style-type: none"> • obtaining an understanding of the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, recording and disclosure of related party transactions; • reviewing terms of loan from agreements;

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	key audit matter due to the significance of transactions with related parties.	<ul style="list-style-type: none"> • reviewing the minutes of meetings of the Board of Directors to ensure approval of related party transactions; • obtaining independent direct balance confirmation from directors; • evaluating adequacy and appropriateness of the disclosures in financial statements; and • evaluating compliance of relevant accounting policy of Company.
(iii)	<p>Correction of prior period error As referred to in note 4.7 to the annexed financial statements. During the year, the Company has corrected a material prior period error retrospectively by restating the comparative figures.</p> <p>The matter is considered key audit matter owing to use of judgement and complexity involved in identification and correction of a material prior period error.</p>	<p>Our audit procedures are described below:</p> <ul style="list-style-type: none"> • obtaining an understanding of the nature of prior period error; • performing recalculation to confirm impact of prior period error; • testing supporting evidence regarding correction of prior period error; • evaluating correction of prior period error is in accordance with the International Financial Reporting Standards; and • evaluating adequacy and appropriateness of the disclosures in financial statements.

Information Other than the Financial Statements and Auditor’s Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

Other Matter

The financial statements of the Company for the year ended June 30, 2023 were audited by another firm of Chartered Accountants, who expressed an unmodified opinion in the audit report dated November 07, 2023.

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


Chartered Accountants

Place: Lahore

Date: October 7, 2024

UDIN: AR202410384jIgz8hUA6

ICC INDUSTRIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

EQUITY AND LIABILITIES	Note	2024 Rupees	Restated 2023 Rupees	Restated 2022 Rupees
SHARE CAPITAL AND RESERVES				
Authorized share capital 32,000,000 (2023: 32,000,000) ordinary 'shares of Rs. 10				
		320,000,000	320,000,000	320,000,000
EQUITY				
Share capital				
Issued, subscribed and paid-up share capital	5	300,011,200	300,011,200	300,011,200
Loans from directors-related parties	6	758,328,431	750,464,913	380,448,411
Capital reserves				
Surplus on revaluation of property and equipment	7	613,204,457	614,054,982	607,258,839
Revenue reserves				
Accumulated loss		(762,666,240)	(756,053,799)	(754,774,269)
Total equity		908,877,848	908,477,296	532,944,181
LIABILITIES				
NON-CURRENT LIABILITIES				
Deferred tax liability	8	2,942,418	3,289,815	513,926
Staff retirement benefits - gratuity	9	38,294,325	35,495,248	33,319,284
Long term financing from directors - unsecured	10	-	-	241,534,418
Total non-current liabilities		41,236,743	38,785,063	275,367,628
CURRENT LIABILITIES				
Trade and other payables	11	109,917,325	107,950,036	107,543,378
Security deposits	12	13,802,995	12,626,295	12,626,295
Accrued markup	13	158,005,704	158,005,704	176,470,983
Short-term borrowings	14	-	4,193,475	36,501,052
Unclaimed dividend		1,662,656	1,662,656	1,662,656
Total current liabilities		283,388,680	284,438,166	334,804,364
Total liabilities		324,625,423	323,223,229	610,171,992
TOTAL EQUITY AND LIABILITIES		1,233,503,271	1,231,700,525	1,143,116,173

CONTINGENCIES AND COMMITMENTS 15

The annexed notes from 1 to 41 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ICC INDUSTRIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

ASSETS	Note	2024 Rupees	Restated 2023 Rupees	Restated 2022 Rupees
NON-CURRENT ASSETS				
Property and equipment	16	15,963,172	17,594,994	8,511,877
Investment properties	17	1,194,499,985	1,189,489,985	1,102,834,285
Long term loans and advances	18	16,000	24,500	17,500
Long term deposits	19	1,454,040	1,469,034	1,469,034
Total non-current assets		1,211,933,197	1,208,578,513	1,112,832,696
CURRENT ASSETS				
Stores, spare parts and loose tools	20	497,476	1,995,967	4,270,008
Trade debts	21	4,884,890	-	42,646
Loans and advances	22	1,654,459	2,625,586	2,833,373
Short term prepayments and other receivables	23	177,090	908,078	1,486,836
Tax refunds due from Government	24	13,553,282	16,529,529	18,755,437
Cash and bank balances	25	802,877	1,062,852	2,895,177
Total current assets		21,570,074	23,122,012	30,283,477
TOTAL ASSETS		1,233,503,271	1,231,700,525	1,143,116,173

The annexed notes from 1 to 41 form an integral part of these financial statements.

ICC INDUSTRIES LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Revenue	26	52,974,017	45,321,933
Direct cost	27	(20,089,047)	(13,372,007)
Gross profit		32,884,970	31,949,926
Administrative expenses	28	(35,252,327)	(32,037,167)
Other expenses	29	(3,033,737)	(4,191,154)
		(38,286,064)	(36,228,321)
Other income	30	(5,401,094)	(4,278,395)
Operating (loss)/ profit		66,253	5,863,163
Finance cost	31	(5,334,841)	1,584,768
Changes in fair value of investment properties	17	(139,646)	(83,653,028)
(Loss)/ profit before taxation		5,010,000	86,655,700
Taxation	32	(464,487)	4,587,440
Loss after taxation		(11,183,536)	(9,793,760)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified to profit or loss			
Actuarial gain on employees benefit obligations	9.5	4,185,057	3,778,458
Revaluation surplus on machinery (net of tax)		-	6,944,475
Total other comprehensive income for the year		4,185,057	10,722,933
Total comprehensive (loss)/ income for the year		(7,462,966)	5,516,613
Earning/(loss) per share - basic and diluted	33	(0.39)	(0.17)

The annexed notes from 1 to 41 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ICC INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2024

Description	Issued, subscribed and paid-up share capital	Capital reserves	Revenue reserves	Loan from directors	Total shareholders' equity
		Revaluation surplus	Accumulated loss		
	-----Rupees-----				
Balance at July 01, 2022	300,011,200	567,241,653	(754,774,269)	380,448,411	492,926,995
Effect of restatement	-	40,017,186	-	-	40,017,186
Balance at July 01, 2022 - restated	300,011,200	607,258,839	(754,774,269)	380,448,411	532,944,181
Loss after taxation	-	-	(5,206,320)	-	(5,206,320)
Other comprehensive income for the year	-	6,944,475	3,778,458	-	10,722,933
Total comprehensive loss for the year	-	6,944,475	(1,427,862)	-	5,516,613
Transfer to accumulated loss on account of incremental depreciation (net of tax)	-	(148,332)	148,332	-	-
Loan obtained from directors	-	-	-	370,016,502	370,016,502
Balance at June 30, 2023 - restated	300,011,200	614,054,982	(756,053,799)	750,464,913	908,477,296
Balance at July 01, 2023	300,011,200	614,054,982	(756,053,799)	750,464,913	908,477,296
Loss after taxation	-	-	(11,648,023)	-	(11,648,023)
Other comprehensive income for the year	-	-	4,185,057	-	4,185,057
Total comprehensive loss for the year	-	-	(7,462,966)	-	(7,462,966)
Transfer to accumulated loss on account of incremental depreciation (net of tax)	-	(850,525)	850,525	-	-
Loan obtained during the year	-	-	-	7,863,518	7,863,518
Balance at June 30, 2024	300,011,200	613,204,457	(762,666,240)	758,328,431	908,877,848

The annexed notes from 1 to 41 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ICC INDUSTRIES LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	38	4,976,190	12,070,689
Finance cost paid		(139,646)	(22,121,502)
Taxes paid		(8,468,974)	(7,714,152)
Gratuity paid		(307,000)	(163,760)
		(8,915,620)	(29,999,414)
Net cash used in operating activities		(3,939,430)	(17,928,725)
CASH FLOWS FROM INVESTING ACTIVITIES			
(Increase) / decrease in long term loans and advances		8,500	(7,000)
Interest received during the year		912	698
Purchase of fixed assets during the year		-	(75,000)
Net cash generated from/ (used in) investing activities		9,412	(81,302)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans obtained from directors		7,863,518	48,485,279
Repayment of short term borrowings		(4,193,475)	(32,307,577)
Net cash flows from financing activities		3,670,043	16,177,702
Net decrease in cash and cash equivalents		(259,975)	(1,832,325)
Cash and cash equivalents at the beginning of the year		1,062,852	2,895,177
Cash and cash equivalents at the end of the year	25.3	802,877	1,062,852

The annexed notes from 1 to 41 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 STATUS AND NATURE OF BUSINESS

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 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017). The shares of the Company are listed on Pakistan Stock Exchange. The principal activity of the Company is renting out vacant buildings and/ or open area of the Company's premises. The registered office of the Company is situated at 242-A, Anand Road, Upper Mall, Lahore and the Company's another premises is located at 32-Km Multan Road, Sundar, Lahore.

1.2 During the year ended June 30, 2024, the Company incurred an after tax loss of Rs. 11.648 million (2023: Rs. 5.206 million) and has accumulated loss of Rs. 762.666 million (2023: Rs. 756.053 million). As at the year end the current liabilities exceeded its current assets by Rs. 261.819 million (2023: Rs. 261.316 million) at the year end.

These conditions indicate existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as going concern and therefore, the Company may be unable to realize its assets and discharge its liabilities in normal course of business. Continuation of the Company as a going concern is dependent on its ability to attain satisfactory levels of profitability and liquidity in the future by bringing its liabilities to serviceable levels and availability of adequate working capital through continued support from its customers and :

- (a) the principal lenders of the Company; and
- (b) the sponsors of the Company.

These financial statements have been prepared on going concern basis on the grounds that the Company will be able to achieve satisfactory levels of profitability and liquidity in the future based on the plans drawn up by the management for this purpose, bringing its liabilities to serviceable levels and availability of the adequate working capital from its lenders and sponsors.

To substantiate its going concern assumption:

- 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 looms.
- ii The Company has rented out its factory buildings and labor colony to generate cash flows;
- iii Bank borrowings had been fully repaid;
- iv Directors of the Company have injected interest free loans to the company amounting to Rs.758 million;
- v During 2013, the Board of Directors of ICC (Private) Limited, an associated undertaking, had written 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.

The financial statements consequently do not include any adjustment relating to the realization of the assets and liquidation of its liabilities that might be necessary would the Company be unable to continue as a going concern.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

"These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards ('IFRS standards') issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standard, the provisions of and directive issued under the Companies Act, 2017 have been followed."

2.2 Standards, Interpretations and Amendments to the Approved Accounting Standards

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Effective date (annual reporting periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2.	January 1, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 1, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 1, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 1, 2023

The Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Company to provide useful entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and updates to the information disclosed in Note 4 Material accounting policies in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

2.3 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (annual reporting periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures'- Supplier finance arrangements	January 1, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 1, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 1, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 1, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 1, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 1, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 1, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'- Lack of Exchangeability	January 1, 2025
IFRS 17 Insurance Contracts	January 1, 2026

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

2.4 Basis of measurement

These financial statements have been prepared under the historical cost convention except for:

- staff retirement benefits which are measured at present value of defined benefit obligations (refer Note 9.5);
- Investment property at fair value and machinery at revalued amounts (refer Note 4.2 & 4.3);
- Provision for taxation and recognition of deferred tax-refer note 4.5;
- Impairment of financial assets -refer note 4.9;
- Surplus on Revaluation of Property and equipment-refer note 7.

2.5 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to the estimates and assumptions turning out to be wrong. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are discussed below:

Income taxes

In making the estimates for income taxes currently payable by the Company, the management looks at the current income tax law and the decisions of appellate authorities on certain issues in the past.

Trade debts and other receivables

Trade debts and other receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognized at fair value. The Company holds trade debts with objective of collecting contractual cash flows and therefore, measures its trade debts subsequently at amortized cost using the effective interest method. The Company reviews annually its trade debts for impairment.

Property and equipment

The Company's management determines the estimated useful lives and related depreciation charge for its Property and equipment. The estimates for revalued amounts of different classes of Property and equipment are based on valuation performed by external professional valuers and recommendations of technical teams of the Company. The said recommendation also includes estimates with respect to residual values and depreciable lives. Further, the Company reviews its assets for possible impairment on an annual basis. Any change in use of assets in future years might affect carrying amounts of the respective item of Property and equipment with a corresponding effect on the depreciation charge and impairment.

Stock in trade and stores, spare parts and loose tools

The Company's management reviews net realizable value (NRV) and impairment of stock in trade and stores, spare parts and loose tools to assess any diminution in the respecting carrying values and wherever required provision for NRV/ impairment is made. The difference in provision, if any, is recognized in statement of profit or loss for the year.

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Staff retirement benefits

Certain actuarial assumptions have been adopted as disclosed in Note 9.5 to the financial statements for the valuation of present value of defined benefit obligation. Any changes in these assumptions might affect unrecognized gains and losses in those years.

Provision for contingencies

The Company's management uses assumptions and estimates in disclosures and assessment of provision for the contingencies.

Investment property

Fair value of investment property is reviewed on yearly basis. The effect of any changes in estimate accounted for on a prospective basis. Further, determining adjustments for any differences in nature, location and condition of the investment property involves significant judgment.

3 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

4.1 Staff retirement benefits

The Company operates an unfunded gratuity scheme (defined benefit plan) covering all eligible directors and employees, payable at cessation of employment. The liability is provided on the basis of actuarial valuation applying Projected Unit Credit (PUC) Actuarial Method. The Company has a policy of carrying out actuarial valuation on annual basis with the assistance of independent actuarial appraisers to cover the obligations under the scheme.

Actuarial gains and losses are recognized in the other comprehensive income in the period in which they occur. Past-service costs are recognized immediately in the statement of profit or loss.

4.2 Property and equipment

Property and equipment are initially recognized at acquisition cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Company's management.

Furniture and fittings, vehicles, electrical appliances and office equipment

Subsequently, furniture and fittings, vehicles, electrical appliances and office equipment are measured using cost model i.e. cost less subsequent accumulated depreciation and impairment losses, if any. Depreciation is charged to statement of profit or loss on diminishing balance method at the rates as disclosed in Note 16 so as to write off the depreciable amount of the assets over their estimated useful lives.

Machinery

Machinery is subsequently measured using revaluation model at revalued amounts less accumulated depreciation and impairment losses, if any. Any surplus on revaluation of machinery is credited to the surplus on revaluation of property and equipment account. Revaluation is carried with sufficient regularity to ensure that the carrying amount of assets does not differ materially from the fair value. To the extent of incremental depreciation charged on revalued assets, related surplus on revaluation of property and equipment (net of deferred tax) is transferred directly to accumulated loss.

Depreciation on machinery is charged to statement of profit or loss on straight line method at rates disclosed in relevant Note 16 so as to write off the depreciable amount of these assets over their estimated useful lives.

Depreciation on additions to property and equipment is charged from the date of acquisition/ capitalization and depreciation on assets disposed off during the year is charged up to the date of disposal.

Gain / loss on disposal of property and equipment is reflected in statement of profit or loss during the year in which they are incurred. Normal repairs and maintenance are charged to statement of profit and loss as and when incurred. Major renewals and improvements are capitalized.

The assets' residual values and estimated useful lives are reviewed when revaluation of assets is performed and adjusted accordingly.

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

4.3 Investment property

Properties which are held to earn rentals or for capital appreciation or for both are classified as investment properties. Investment properties are initially recognized at cost including transaction costs. Subsequently, these are stated at their fair value. The fair value is determined annually by an independent professional valuer based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between knowledgeable willing parties in an arm length transaction. Any gain or loss arising from a change in fair value is charged to the statement of profit or loss.

When an item of property and equipment is transferred to investment property, following a change in its use, any difference arising at the date of transfer between the carrying amount of the item and its fair value is recognized in revaluation surplus of property, plant and equipment. Upon disposal, related revaluation surplus is transferred to retained earning. Any gain or loss arising at disposal is credited to statement of profit or loss.

When an investment property becomes owner-occupied, it is reclassified as property and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes for subsequent recording.

4.4 Revenue recognition

-Revenue is measured at the fair value of the consideration received or receivable. Revenue is generated through leasing out of investment properties under operating lease. Rental income derived from the leases is recognized on the straight line basis in accordance with the lease agreements. The revenue is recognized when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company.

4.5 Taxation

Current

The charge for current taxation is accounted for in accordance with applicable provisions of Income Tax Ordinance 2001.

Deferred

Deferred income tax asset is recognized for all deductible temporary differences and carry forward of unused tax losses, if any, to the extent that it is probable that taxable profits will be available against which such temporary differences and tax losses can be utilized. Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the date of statement of financial position. Deferred tax is charged or credited to the statement of profit or loss, except in the case of items credited or charged to equity or OCI in which case it is included in equity or statement of other comprehensive income.

4.6 Loan from Directors

Borrowings from directors are recorded at the amount of proceeds received. In subsequent periods, borrowings are stated at amortized cost using effective yield method. Finance costs are accounted for on an accrual basis and are included in current liabilities to the extent of the amount remaining unpaid. In accordance with TR-32, interest free loans repayable at discretion of entity are carried at face values and are included in equity.

4.7 Correction of prior period error

Deferred tax asset or liability is required to be calculated for the temporary differences between the carrying values of assets and liabilities and their tax base at the taxation rate at which the Company expects to realize or recover the assets and liabilities at the year end. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the entity expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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The Company had recognized deferred tax liability when it revalued its buildings. The buildings were later transferred to investment property in portions in 2017 & 2018. No deferred tax asset or liability arose on the temporary difference between the carrying value of the investment property and its tax base, when the Company applied the relevant taxation rate in accordance with the requirements of IAS12 "Income taxes" (IAS 12) relating to investment property. IAS 12 requires that such change in deferred tax is recognized in profit or loss, other comprehensive income or equity, depending upon where the transaction or event was earlier recognized. The Company did not comply with this requirement of IAS 12 which constitutes an error in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" (IAS 8). Resultingly, deferred tax liability remained overstated and surplus on revaluation was understated, for all the prior years since the recognition of investment property. Accordingly, the above mentioned prior period error has been corrected retrospectively in the current period by restating the opening balances of Surplus on Revaluation by the amount of deferred tax liability relating to the building, now classified as investment property and the deferred tax liability by the similar amount for the beginning of the earliest period presented i.e. year ended June 30, 2022. The effect of restatement is as follows:

	For the year ended June 30, 2023		
	As previously reported	As restated	Restatement
Effect on statement of financial position			
Deferred tax liability	43,307,001	3,289,815	40,017,186
Surplus on revaluation of property and equipment	574,037,796	614,054,982	40,017,186
Effect on statement of changes in equity			
Total shareholder's equity	868,460,110	908,477,296	(40,017,186)

	For the year ended June 30, 2022		
	As previously reported	As restated	Restatement
Effect on statement of financial position			
Deferred tax liability	40,531,112	513,926	40,017,186
Surplus on revaluation of property and equipment	567,241,653	607,258,839	(40,017,186)
Effect on statement of changes in equity			
Total shareholder's equity	492,926,995	532,944,181	(40,017,186)

The changes has been applied retrospectively resulting in restatements in statement of financial position and statement of changes in equity.

There is no effect of restatement on:

- Statement of profit or loss and other comprehensive income
- Statement of cash flows
- Earning per share - Basic and diluted

OTHER ACCOUNTING POLICIES INFORAMTION

4.8 Stores, spare parts and loose tools

These are stated at lower of cost & net realizable value. Cost is determined by applying moving average method except goods in transit which are stated at lower of cost.

Net realizable value means estimated selling price in the ordinary course of business less costs necessarily to be incurred to make sales.

4.9 Financial instruments

4.9.1 Financial assets

The Company classifies its financial assets at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets of the Company are classified as follows:

ICC INDUSTRIES LIMITED
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a) Financial assets at amortized cost

Financial assets at amortized cost are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets, impairment losses, foreign exchange gains and losses, and gain or loss arising on derecognition are recognized directly in profit or loss account.

b) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are those financial assets which are either designated in this category or not classified in any of the other categories. A gain or loss on debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss account in the period in which it arises.

Financial assets are initially measured at cost, which is the fair value of the consideration given and received respectively. These financial assets and liabilities are subsequently remeasured to fair value, amortized cost or cost as the case may be.

Any gain or loss on the recognition and de-recognition of the financial assets and liabilities is included in the statement of profit or loss account for the period in which it arises.

Where an election is made to present fair value gains and losses on equity instruments in other comprehensive income there is no subsequent reclassification of fair value gains and losses to profit or loss account following the derecognition of the equity instruments.

Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Assets or liabilities that are not contractual in nature and that are created as a result of statutory requirements imposed by the Government are not the financial instruments of the Company.

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortized cost and fair value through other comprehensive income. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company recognizes in profit or loss account, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

4.9.2 Financial liabilities

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortized costs are initially measured at fair value minus transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit or loss account.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortized cost using the effective yield method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the statement of profit or loss account.

4.9.3 Off-setting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the financial statements if the Company has a legally enforceable right to set-off the transaction and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

4.10 Impairment of non-financial assets

The carrying amounts of non-financial assets are assessed at each date of statement of financial position to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment, if any. An impairment is recognized as an expense in the profit or loss. The recoverable amount is the higher of an asset's fair value less cost of disposal and value-in-use. Value-in-use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment loss is reversed if there is a change in the estimates used to determine recoverable amounts. An impairment is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4.11 Provisions

A provision is recognized in the financial statements when the Company has legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made to the amount of obligation.

4.12 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank balances and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

4.13 Contingent liability

Contingent liability is disclosed when:

- There is possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or
- There is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.14 Other income

Profit on bank deposits are accounted for on time propotion basis using the applicable rate of interest.

4.15 Trade and other payables

Liabilities for trade and other amounts payable are initially measured at the fair value of the consideration to be paid in future for goods and services received. Subsequently, These are recognized at amortized cost.

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Note	2024 Rupees	2023 Rupees
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5 ISSUED, SUBSCRIBED AND PAID - UP SHARE CAPITAL

30,001,120 (2023 : 30,001,120) ordinary shares of Rs. 10 each fully paid in cash

300,011,200	300,011,200
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5.1 Reconciliation of issued, subscribed and paid - up capital

2024 Numbers	2023 Numbers		2024 Rupees	2023 Rupees
		Ordinary shares		
30,001,120	30,001,120	At beginning of the year	300,011,200	300,011,200
-	-	Issued during the year	-	-
30,001,120	30,001,120	At the end of the year	300,011,200	300,011,200

5.2 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

6 LOANS FROM DIRECTORS - RELATED PARTIES

- Unsecured

Loan - 1	6.1	321,531,223	321,531,223
Loan - 3	6.1	5,000,000	5,000,000
Loan - 4	6.1	140,000,000	140,000,000
Loan - 5	6.1	291,797,208	283,933,690
		758,328,431	750,464,913

6.1 These are interest free loans and are repayable to directors (related parties) at discretion of the Company.

6.2 Movement in loans obtained from directors

Opening balance		750,464,913	380,448,411
Add: Received during the year		7,863,518	48,485,279
Less: Repaid during the year		-	-
Add: Reclassified from long term financing - related parties	10	-	321,531,223
Closing balance		758,328,431	750,464,913

Note	2024 Rupees	2023 Rupees Restated
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7 SURPLUS ON REVALUATION OF PROPERTY AND EQUIPMENT

The revaluation surplus represents net cumulative increase in the carrying amount as a result of revaluation of property and equipment carried at revalued amount.

Surplus arising on revaluation-gross	7.1	616,146,875	617,344,797
Less: Deferred tax arising on surplus on revaluation	8.1	(2,942,418)	(3,289,815)
		613,204,457	614,054,982

7.1 Opening balance of surplus on revaluation		617,344,797	607,772,764
Add: Surplus arising during the year	7.1.1	-	9,780,952
Less: Incremental depreciation on machinery		(1,197,922)	(208,919)
		(1,197,922)	(208,919)
		616,146,875	617,344,797

7.1.1 Latest revaluation of machinery was carried out by Arch-e'l-decon (Evaluators, Surveyors, Architects and Engineers) as at June 30, 2023. The revaluation resulted in increase in carrying value of machinery amounting Rs. 9,780,952/-.

7.1.2 Incremental depreciation represents difference between actual depreciation on revalued property and equipment and equivalent depreciation based on historical cost of property and equipment.

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

7.2 Restriction on distribution

The surplus on revaluation of property and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of Company Act, 2017.

Note	2024 Rupees	2023 Rupees Restated
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8 DEFERRED TAX LIABILITY

Deferred tax liability	8.1	2,942,418	3,289,815
		<u>2,942,418</u>	<u>3,289,815</u>

8.1 Movement of deferred tax liability

Opening balance		3,289,815	513,926
Charged to other comprehensive income		-	2,836,476
Credited to profit or loss	32	(347,397)	(60,587)
Closing balance	8.2	<u>2,942,418</u>	<u>3,289,815</u>

8.2 Deferred tax liability on taxable temporary difference

Property and equipment		2,942,418	3,289,815
		<u>2,942,418</u>	<u>3,289,815</u>

Deferred tax assets on deductible temporary differences

Unused taxable business losses		(5,516,694)	(40,345,230)
Staff retirement benefit- gratuity		(11,105,354)	(10,293,622)
Workers' Welfare Fund		(230,619)	-
	8.3	<u>(16,852,667)</u>	<u>(50,638,852)</u>

8.3 Deferred tax asset as detailed above has not been recognized due to uncertainty regarding availability of taxable profits against which these deductible temporary difference can be utilized in the foreseeable future.

8.4 Unused taxable business losses amounting to Rs. 1,2248,078 , Rs. 2,981,731 and Rs. 3,793,273 will expire in the year 2025, 2027 and 2028 respectively.

8.5 There is no change in the corporate income tax rate for the year. Deferred tax assets and liabilities on temporary differences are measured at 29% (2023: 29%).

Note	2024 Rupees	2023 Rupees
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9 STAFF RETIREMENT BENEFITS - GRATUITY

Staff retirement benefits - gratuity	9.2	<u>38,294,325</u>	<u>35,495,248</u>
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9.1 Risks associated with scheme

The Company faces the following risks on account of defined benefit plan:

Final Salary Risk:

The risk that the final salary at the time of cessation of service is greater than what we assumed. Since the benefit is calculated on the final salary (which will closely reflect inflation and other macroeconomic factors), the benefit amount increases as salary increases.

Demographic risk:

Mortality risk- The risk that the actual mortality experience is different than the assumed mortality. This effect is more pronounced in schemes where the age and service distribution is on the higher side.

Withdrawal rate risk - The risk of actual withdrawals experience is different from assumed withdrawal probability. The significance of the withdrawal risk varies with the age, service and the entitled benefits of the beneficiary.

9.2 Changes in present value of defined benefit obligations:

Statement of financial position - reconciliation

Present value of the defined benefit obligation	9.3	38,294,325	35,495,248
Fair value of plan assets		-	-
Net liability recognized in balance sheet		<u>38,294,325</u>	<u>35,495,248</u>

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
9.3 Movement in defined benefit obligation			
Opening balance of defined benefit obligation		35,495,248	33,319,285
Current service cost		1,880,584	1,714,225
Interest expense on defined benefit obligation		5,718,050	4,403,956
Benefits due but not paid		(307,500)	-
Benefits paid directly by company		(307,000)	(163,760)
Remeasurement:			
Actuarial (gain)/ losses from change in financial assumptions		(22,160)	23,309
Experience adjustments		(4,162,897)	(3,801,767)
Closing balance of defined benefit obligation		38,294,325	35,495,248
9.4 Expense to be charged in profit or loss			
Current service cost		1,880,584	1,714,225
Interest expense on defined benefit obligation		5,718,050	4,403,956
		7,598,634	6,118,181
9.5 Total remeasurement of plan obligation			
Actuarial (gain)/ losses from change in financial assumptions		(22,160)	23,309
Experience adjustments		(4,162,897)	(3,801,767)
Total remeasurement chargeable in other comprehensive income		(4,185,057)	(3,778,458)
Significant actuarial assumption			
Discount rate used for interest cost in profit or loss charge		16.25%	13.25%
Discount rate used for year end obligation		14.75%	16.25%
Salary increase used for year end obligation			
Salary Increase FY2024		N/A	15.25%
Salary Increase FY2025 onward		13.75%	15.25%
		SLIC	SLIC
Mortality rate		2001 - 2005 Setback 1 Year	2001 - 2005 Setback 1 Year
Withdrawal rate		Age Based	Age Based
Retirement assumption		Age 60	Age 60
Average duration of defined benefit obligation		1.3 years	1 year
9.6 The present value of defined benefit obligation as at June 30 is as follows:			
		2024 Rupees	2023 Rupees
		2022 Rupees	2021 Rupees
		2020 Rupees	
		38,294,325	35,495,248
		33,319,285	31,705,756
		33,444,690	
	Note	2024 Rupees	2023 Rupees
9.7 Expense allocated in profit or loss			
Direct cost	27.1	1,378,050	997,912
Administrative expenses	28.1	6,220,584	5,120,269
	9.4	7,598,634	6,118,181
9.8 Sensitivity analysis			
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have resulted in present value of defined benefit obligation as stated below:			
	Note	2024 Rupees	2023 Rupees
Discount rate + 100 bps		37,816,232	35,063,594
Discount rate - 100 bps		38,815,176	35,965,670
Salary increase + 100 bps		38,826,000	35,969,577
Salary increase - 100 bps		37,797,960	35,052,766

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
10 LONG TERM FINANCING FROM DIRECTORS - unsecured			
Interest free loans -1			
Original principal		-	321,531,223
Less: Present value adjustment		-	(206,132,600)
		<u>-</u>	<u>115,398,623</u>
Add: Interest charged to statement of profit or loss (Unwinding of discount)		-	133,921,301
		<u>-</u>	<u>249,319,924</u>
Add: Loss on modification of terms of directors loans		-	72,211,299
		<u>-</u>	<u>321,531,223</u>
Less: Reclassified to equity (loan from sponsors)	6.2	-	(321,531,223)
Closing balance		<u>-</u>	<u>-</u>
10.1	Interest free loans had been measured at amortized cost by applying weighted average interest ranging Nil (2023: 8.06% to 11.64%)		
11 TRADE AND OTHER PAYABLES			
Creditors		7,354,897	7,544,445
Due to associated company	11.1	193,896	65,120
Accrued liabilities	11.3	86,985,993	78,887,733
Advances from customers-unsecured		-	3,148,820
Income tax deducted at source		8,824,127	9,980,462
Sales tax deducted at source		1,305,622	1,305,622
Final dues payable		4,457,553	7,017,834
Workers' welfare fund payable	11.4	795,237	-
		<u>109,917,325</u>	<u>107,950,036</u>
11.1	This represent the amount due to ICC (Private) Limited, an associated Company.		
11.2	The maximum aggregate amount due from ICC (Private) Limited at end of any month was Rs. 881,872/- (2023: Nil).		
11.3	This includes an amount of Rs. 61.145 million (2023: Rs. 52.711 million) payable to chief executive (related party).		
11.4	Movement in workers' welfare fund during the year		
Opening balance as at July 01		-	-
Add: Expense recognized during the year		795,237	-
Less: Payment made during the year		-	-
Closing balance as at June 30		<u>795,237</u>	<u>-</u>
11.5	Advance from customer of Rs. 3,148,820/- (2023: 5,295,362/-) has been recognized as revenue during the year.		
12 SECURITY DEPOSITS			
Security deposits - utilizable	12.1	13,802,995	12,626,295
		<u>13,802,995</u>	<u>12,626,295</u>
12.1	This amount represents security deposits from tenants which have not been kept in a separate bank account and are being utilized as working capital of the Company in accordance with written agreements executed with such tenants.		
13 ACCRUED MARKUP			
Accrued mark-up (interest on long term financing) - related parties (Directors)		158,005,704	158,005,704
		<u>158,005,704</u>	<u>158,005,704</u>
14 SHORT TERM BORROWINGS			
Banking companies - unsecured			
Commercial bank- current account (bank overdraft)		-	679,272
Related parties - unsecured			
Associated company- unsecured	14.1	-	3,514,203
		<u>-</u>	<u>4,193,475</u>

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

- 14.1 The short term financing had been obtained to meet working capital requirements of the company and to settle bank's borrowings. This was payable on demand to the associated Company. Such loan was paid during the year.
- 14.2 Mark-up was charged at same rates which are being charged by the bank to the associated company ICC (Private) Limited i.e. one month KIBOR plus 2.50% (2023: One month KIBOR plus 2.50%) per annum.

15 CONTINGENCIES AND COMMITMENTS

15.1 CONTINGENCIES

Forum	Tax Year	Instituted date	Description	Parties
ATIR	2010	November 10, 2011	The DCIR has raised the demand amounting Rs. 50,349,214/- u/s 124/161/205 of the Income Tax Ordinance, 2001 through ex-parte order dated 27-06-2024. Being aggrieved from the order appeal filed by the company before ATIR on 07-08-2024. The case is still pending before the forum.	ICC Industries Limited through its Authorized Representative vs Assistant/Deputy Commissioner Inland Revenue
ATIR	2009	April 27, 2010	The DCIR has raised the demand amounting Rs. 1,968,012/- u/s 161 of the Income Tax Ordinance, 2001 through order u/s 161/205 dated June 29, 2015 . Being aggrieved the Company filed appeal before CIR (A). The CIR (A) without considering the arguments confirmed the demand raised by DCIR by passing order u/s 129(1A) of the Income Tax Ordinance, 2001. Being aggrieved the company filed appeal before ATIR where ATIR confirmed the demand raised by the CIR (A) up to Rs. 825,000/- and remanded back the case to the assessing officer in respect of the remaining demand through order dated October 09,2020. No further correspondence have been received from the department till date.	ICC Industries Limited. through its Authorized Representative vs Deputy Commissioner Inland Revenue

15.2 Commitments

There were no commitments to report as at June 30, 2024 (2023: Nil).

Note	2024 Rupees	2023 Rupees
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16 PROPERTY AND EQUIPMENT

Operating fixed assets	16.1	15,963,172	17,594,994
		15,963,172	17,594,994

16.1 Operating fixed assets

DESCRIPTION	Cost or assessed value as on July 01, 2023	Cost of additions/ (deletion)	Surplus on revaluation-net	Depreciation elimination	Cost or assessed value as on June 30, 2024	Rate %	DEPRECIATION				Net book value as on June 30, 2024
							As on July 01, 2023	Depreciation elimination	Charge for the year	As on June 30, 2024	
Rupees						Rupees					
Machinery	15,109,689	-	-	-	15,109,689	9.09	-	-	1,373,456	1,373,456	13,736,233
Furniture and fittings	3,150,835	-	-	-	3,150,835	10	2,842,533	-	30,830	2,873,363	277,472
Vehicles	1,544,065	-	-	-	1,544,065	20	1,445,711	-	19,671	1,465,382	78,683
Electrical appliances	2,168,989	-	-	-	2,168,989	10	1,775,092	-	39,390	1,814,482	354,507
Office equipment	9,715,605	-	-	-	9,715,605	10	8,030,853	-	168,475	8,199,328	1,516,277
	31,689,183	-	-	-	31,689,183		14,094,189	-	1,631,822	15,726,011	15,963,172

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

DESCRIPTION	Cost or assessed value as on July 01, 2022	Cost of additions/ (deletion)	Surplus on revaluation- net	Depreciation elimination	Cost or assessed value as on June 30, 2023	DEPRECIATION					Net book value as on June 30, 2023
						Rate %	As on July 01, 2022	Depreciation elimination	Charge for the year	As on June 30, 2023	
Machinery	6,424,572	75,000	9,780,952	(1,170,835)	15,109,689	8.33	687,805	(1,170,835)	483,030	-	15,109,689
Furniture and fittings	3,150,835	-	-	-	3,150,835	10	2,808,277	-	34,256	2,842,533	308,302
Vehicles	1,544,065	-	-	-	1,544,065	20	1,421,123	-	24,588	1,445,711	98,354
Electrical appliances	2,168,989	-	-	-	2,168,989	10	1,731,326	-	43,766	1,775,092	393,897
Office equipment	9,715,605	-	-	-	9,715,605	10	7,843,658	-	187,195	8,030,853	1,684,752
	23,004,066	75,000	9,780,952	(1,170,835)	31,689,183		14,492,189	(1,170,835)	772,835	14,094,189	17,594,994

16.1.1 Depreciation for the year has been allocated as under :

	Note	2024 Rupees	2023 Rupees
Direct cost	27	1,373,456	483,030
Administrative expenses	28	258,366	289,805
		1,631,822	772,835

16.1.2 At the time of transfer of land and building to investment property on December 31, 2017, free - hold land and buildings on free - hold land were revalued by an independent valuer, Arch-e'-decon (Evaluators, Surveyors, Architects and Engineers) , not related to the company. M/s Arch-e'-decon (Evaluators, Surveyors, Architects and Engineers) are on approved panel of Pakistan Bank's Association (Panel I, II,III) and they have appropriate qualification and recent experience in the fair value measurement of property located at 32-Km Multan Road, Sundar, Lahore.

Revaluation resulting in surplus of Rs. 8.919 million and incorporated in the financial statements for the year ended June 30, 2018. Previously, seven revaluations had been carried out by Arch-e'-decon, an independent valuer. First revaluation was carried out during 2006, second during 2009, third during 2012, fourth during 2015, fifth during 2017, sixth during 2020 and seventh during 2023. The basis used for revaluation of machinery are as under:

Machinery: Value has been determined with reference to prevailing prices of similar plants and machinery depreciated to account for the age, usage and physical condition.

16.1.3 Plant and machinery represent values subsequent to revaluations. Had there been no revaluation, carrying amount of the revalued fixed assets would have been as follows:

	Note	2024 Rupees	2023 Rupees
Machinery		2,350,433	2,585,477

16.1.4 Forced sale value of machinery amounts to Rs. 10,302,174/- (2023: Rs. 12,086,400/-).

16.1.5 Fair value hierarchy

Particulars	2024				2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	-----Rupees-----				-----Rupees-----			
Property and equipment	-	-	-	-	-	15,109,689	-	15,109,689

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	Note	2024 Rupees	2023 Rupees
17 INVESTMENT PROPERTIES			
Investment property at fair value		1,194,499,985	1,189,489,985
		<u>1,194,499,985</u>	<u>1,189,489,985</u>
Fair value as at July 01			
Free hold land		941,546,000	913,991,000
Buildings on freehold land		247,943,985	188,843,285
		<u>1,189,489,985</u>	<u>1,102,834,285</u>
Changes in fair value during the year:			
Free hold land		5,010,000	27,555,000
Buildings on freehold land		-	59,100,700
		<u>5,010,000</u>	<u>86,655,700</u>
Fair value as at June 30			
Free hold land		946,556,000	941,546,000
Buildings on freehold land		247,943,985	247,943,985
		<u>1,194,499,985</u>	<u>1,189,489,985</u>

17.1 As of reporting date, investment properties comprise of freehold land and buildings on freehold land transferred from property and equipment on January 31, 2017 and December 31, 2017.

17.2 Latest valuation of these properties has been carried out as on June 30, 2024 by an independent valuer, M/s Arch-e' Decon not related to the company. M/s Arch-e'-decon (Evaluators, Surveyors, Architects and Engineers) are on approved panel of Pakistan Bank's Association (Panel I, II,III) and they have appropriate qualification and recent experience in the fair value measurement of property located at 32-Km Multan Road, Sunder, Lahore.

17.3 The different levels to measure fair value have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1],
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (i.e. derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Recurring fair value measurements

Valuation techniques used to derive level 2 fair values:

At the end of each financial year, the management updates its assessment of the fair value of the investment properties, taking into account the most recent independent valuation. The management determines the properties' value within a range of reasonable fair value Estimates. Level 2 fair value of investment properties has been derived using a sales comparison approach. Sale prices of comparable land and in close proximity are adjusted for differences in key attributes such as location and size of the property. The most significant input into this valuation approach is price per kanal and square feet.

17.4 The fair value was based on the market comparable approach that reflects recent transaction prices for similar properties of net income method, where the market rentals of all lettable units of the properties are assessed by reference to the rental achieved in the lettable units as well as other lettings of similar properties in the neighborhood.

17.5 Particulars of immovable investment property (i.e. land and building) are as follows:

Investment properties comprise of 167 kanal land and civil structure thereon having 250,720 Sq. feet covered area situated at 32 K.m Multan Road, Sunder, Lahore.

17.6 Investment properties are held to earn rental income and for long-term appreciation in value.

17.7 Forced sale value of such free hold land and buildings on free hold land on June 30, 2024 was Rs. 804,572,600 (2023: Rs. 787,112,750) and Rs. 210,752,387 (2023: Rs. 210,752,387) respectively.

17.8 Title of land is in former name of the Company i.e. ICC Textiles Limited.

17.9 Leasing arrangement

The investment properties are leased out under operating leases with rentals receivable monthly, as referred in note 25. The leases have terms between 2 month to 3 years. Minimum undiscounted lease payments receivable on leases of investment properties are as follows:

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	Note	2024 Rupees	2023 Rupees
Within one year		43,830,373	52,974,017
One to two year		14,000,866	43,830,373
After two years		2,773,623	14,000,866
17.10 Direct operating expenses arising from investment property that generated rental income:			
Store and spares consumed		539,044	110,680
Repair and maintenance		3,453,512	4,252,263
Salaries of permanent employees		9,001,301	7,344,058
		<u>12,993,857</u>	<u>11,707,001</u>
17.11 Rental income earned on investment properties	26	<u>52,974,017</u>	<u>45,321,933</u>
17.12 There is no restriction on the realizability of investment property and no other contractual obligation to purchase, construct or develop investment property or for repairs, maintenance and enhancement.			
18 LONG TERM LOANS AND ADVANCES			
Advances - secured and considered good	18.1	<u>16,000</u>	24,500
		<u>16,000</u>	<u>24,500</u>
18.1 Advances against salary			
- to employees		40,000	87,500
Less: transferred to current portion		(24,000)	(63,000)
		<u>16,000</u>	<u>24,500</u>
18.2 Advance to employees are secured against retirement benefits.			
19 LONG TERM DEPOSITS			
Security deposits	19.1	<u>1,454,040</u>	1,469,034
		<u>1,454,040</u>	<u>1,469,034</u>
19.1 Security deposits mainly include security deposits for electricity connection.			
20 STORES, SPARE PARTS AND LOOSE TOOLS			
Stores		104,679	1,519,158
Spare parts		-	82,188
Loose tools		392,797	394,621
		497,476	1,995,967
Provision for slow moving stores and spares		-	-
		<u>497,476</u>	<u>1,995,967</u>
20.1 The write down of stores and spare amounting to Rs. 1,477,486/- (2023: 2,283,785/-) is included in other expenses (refer note: 29)			
21 TRADE DEBTS			
Local - secured, considered good		4,884,890	-
Less: allowance for expected credit loss		-	-
		<u>4,884,890</u>	<u>-</u>
21.1 Ageing analysis of trade debts			
Past due 1-30 days		3,904,128	-
Past due 31-150 days		509,530	-
Past due over 150 days		471,232	-
		<u>4,884,890</u>	<u>-</u>

ICC INDUSTRIES LIMITED
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	Note	2024 Rupees	2023 Rupees
22 LOANS AND ADVANCES			
Advances -secured, considered good:			
- to chief executive - against expenses	22.1	-	746,003
- to other employees - against salaries and expenses	22.2	1,630,459	1,816,583
- current portion of long term advance		24,000	63,000
		<u>1,654,459</u>	<u>2,625,586</u>
		<u>1,654,459</u>	<u>2,625,586</u>
22.1 Reconciliation of advances to chief executive against expenses			
Opening balance		746,003	746,003
Issued during the year		-	-
Received during the year		(746,003)	-
Closing balance		<u>-</u>	<u>746,003</u>
22.2 The maximum aggregate amount due from chief executives at end of any month was Rs. 746,003/- (2023: Rs. 746,003/-).			
23 SHORT TERM PREPAYMENTS AND OTHER RECEIVABLES			
Prepayments against expenses		177,090	908,078
		<u>177,090</u>	<u>908,078</u>
24 TAX REFUNDS DUE FROM GOVERNMENT			
Income tax refundable		12,730,077	15,792,036
Sales tax refundable		823,205	737,493
		<u>13,553,282</u>	<u>16,529,529</u>
25 CASH AND BANK BALANCES			
Cash in hand		387,394	461,396
Cash at banks:			
Current accounts		409,561	596,446
Deposit accounts	25.1	5,922	5,010
		<u>415,483</u>	<u>601,456</u>
		<u>802,877</u>	<u>1,062,852</u>
25.1 Deposit accounts earn interest @ 15.4% per annum (2023: 15.80% per annum) .			
25.2 These bank accounts are in previous name of the Company "ICC Textiles Limited".			
25.3 Cash and cash equivalents included in the statement of cash flows comprise the following:			
Cash and bank balances		802,877	1,062,852
		<u>802,877</u>	<u>1,062,852</u>
26 REVENUE			
Rental income	26.1	52,974,017	45,321,933
		<u>52,974,017</u>	<u>45,321,933</u>
26.1 Rental income is earned on investment properties.			
27 DIRECT COST			
Salaries and other benefits	27.1	10,905,794	8,768,759
Fuel and power		3,455,167	1,502,824
Store and spares consumed		539,044	110,680
Repairs and maintenance		3,453,512	2,236,714
Depreciation on property and equipment	16.1.1	1,373,456	483,030
Others		362,074	270,000
		<u>20,089,047</u>	<u>13,372,007</u>
27.1 Salaries, wages and other benefits include post retirement benefits amounting to Rs. 1,378,050/- (2023: Rs. 997,912).			

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	Note	2024 Rupees	2023 Rupees
28 ADMINISTRATIVE EXPENSES			
Salaries and other benefits	28.1	22,472,058	20,606,055
Travelling and conveyance		12,850	33,380
Rent, rates and taxes		4,683,049	4,382,621
Printing and stationery		301,566	269,393
Communication		363,786	347,737
Vehicles running and maintenance		2,226,227	1,740,219
Entertainment		829,904	697,092
Repairs and maintenance		545,102	499,377
Utilities		1,752,895	1,326,658
Legal and professional		1,259,000	1,462,500
Subscription		429,560	163,542
Insurance		79,864	115,888
Advertisement		38,100	102,900
Depreciation on property and equipment	16.1.1	258,366	289,805
		<u>35,252,327</u>	<u>32,037,167</u>
28.1	Salaries and other benefits include post retirement benefits amounting to Rs. 6,220,584/- (2023: Rs. 5,120,269).		
29 OTHER EXPENSES			
Auditors' remuneration	29.1	615,000	950,550
Debit balances written off	29.2	14,994	801,436
Stores and spares written off	20.1	1,477,486	2,283,785
Workers' welfare fund	11.4	795,237	-
Others		131,020	155,383
		<u>3,033,737</u>	<u>4,191,154</u>
29.1 Auditors' remuneration			
Audit fee		500,000	500,000
Half yearly review		50,000	50,000
Code of Corporate Governance review		25,000	25,000
Free float review		10,000	10,000
CDC certification		30,000	30,000
Tax representation and consultancy fee		-	300,550
Out of pocket expenses		-	35,000
		<u>615,000</u>	<u>950,550</u>
29.2	This represents amount of security deposit written off during the year. (2023: Export rebate receivable amounting to Rs. 568,330/-)		
30 OTHER INCOME			
Interest on saving accounts		1,073	698
Liabilities written back		65,180	5,454,312
Scrap sales		-	408,153
		<u>66,253</u>	<u>5,863,163</u>
31 FINANCE COST			
Mark-up on financing from associated company	14	128,775	3,635,353
Unwinding of discount		-	7,785,503
Loss on modification of terms of loans	10	-	72,211,303
Bank charges		10,871	20,869
		<u>139,646</u>	<u>83,653,028</u>

ICC INDUSTRIES LIMITED
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	Note	2024 Rupees	2023 Rupees
32 TAXATION			
Current tax		11,530,933	9,854,347
Deferred tax	8.1	(347,397)	(60,587)
		<u>11,183,536</u>	<u>9,793,760</u>
32.1	The reconciliation of tax expense and product of accounting profit multiplied by the applicable tax rate and numerical reconciliation between the average effective tax rate and applicable tax rate is not provided as the amount of tax is charged under Income from Property under section 15 of income tax ordinance 2001.		
32.2 Major component of deferred tax income			
Deferred tax on incremental depreciation		(347,397)	(60,587)
		<u>(347,397)</u>	<u>(60,587)</u>
32.3	Tax on items recognized in other comprehensive income is not recognized.		
32.4	Provision for tax on rental income has been made at the current rate of corporate tax after taking into account allowable deductions / exemptions available under the Income Tax Ordinance, 2001.		

33 EARNING / LOSS PER SHARE - BASIC AND DILUTED

Earning per share is calculated by dividing profit / (loss) after tax for the period by weighted average number of shares outstanding during the year as follows:

	Note	2024	2023
Loss attributable to ordinary shareholders (Rs.)		(11,648,023)	(5,206,320)
Weighted average number of ordinary shares (number of shares)		<u>30,001,120</u>	<u>30,001,120</u>
Earnings/ Loss per share (Rs.) - Basic and diluted		<u>(0.39)</u>	<u>(0.17)</u>

33.1 No figure for diluted earnings per share has been presented as the company has not issued any instruments carrying options which would have an impact on earnings per share when exercised.

34 FINANCIAL ASSETS AND LIABILITIES

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market Risk

The Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

34.1 Credit risk and concentration of credit risk

Credit risk represents financial loss that would be recognized at reporting date if the counter parties fail completely to perform as contracted.

Credit risk arises principally from loans and advances, trade debts, deposits, other receivables and bank balances. Out of total financial assets of Rs. 8.812 million (2023: Rs. 4.720 million), the financial assets that are subject to credit risk amounted to Rs. 8.424 million (2023: Rs. 5.181 million).

The Company monitors credit quality of the financial assets with reference to historical performance of such assets and available external credit ratings.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rate. The table below shows the bank balances held with some major counterparties at date of the statement of financial position:

Banks	Rating		Agency	2024	2023
	Short term	Long term		Rupees	Rupees
Allied Bank Limited	A 1+	AAA	PACRA	28,660	28,660
MCB Bank Limited	A 1+	AAA	PACRA	336,759	554,472
Habib Metropolitan Bank Limited	A 1+	AA+	PACRA	34,281	8,634
National Bank of Pakistan	A 1+	AAA	PACRA	1,557	1,557
United Bank Limited	A 1+	AAA	VIS	4,503	4,503
Faysal Bank Limited	A 1+	AA	VIS	6,093	-
Bank Al Habib Limited	A 1+	AAA	PACRA	3,630	3,630
Total				415,483	601,456

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	Note	2024 Rupees	2023 Rupees
The aging of trade debts at reporting date is:			
Past due 1-30 days		3,904,128	-
Past due 31-150 days		509,530	-
Past due over 150 days		471,232	-
		4,884,890	-

34.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses different methods which assists it in monitoring cash flow requirements. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a reasonable period, including the servicing of financial obligation, with support from sponsors.

The following are contractual maturities of financial liabilities as at 30 June 2024:

	Note	Carrying amount Rupees	Less than one year Rupees	One to five years Rupees	More than five years Rupees
Trade and other payables	11	109,917,325	109,917,325	-	-
Security deposits	12	13,802,995	13,802,995	-	-
Accrued markup	13	158,005,704	158,005,704	-	-
Unclaimed dividend		1,662,656	-	-	-
Total		281,726,024	281,726,024	-	-

The following are contractual maturities of financial liabilities as at 30 June 2023:

	Note	Carrying amount Rupees	Less than one year Rupees	One to five years Rupees	More than five years Rupees
Trade and other payables	11	107,950,036	107,950,036	-	-
Security deposits	12	12,626,295	12,626,295	-	-
Accrued markup	13	158,005,704	158,005,704	-	-
Short term borrowings	14	4,193,475	4,193,475	-	-
Unclaimed dividend		1,662,656	1,662,656	-	-
Total		282,775,510	282,775,510	-	-

34.3 Market risk

Market risk is the risk that changes in market price, such as foreign exchange rates, markup rates and equity prices will affect the Company's value of its financial instruments.

a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates.

The Company is not materially exposed to any currency risk.

b) Interest/markup rate risk

The interest/markup rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the variable markup rate profile of the Company's significant interest bearing financial instruments was as follows:

	2024	2023	June 2024	June 2023
			Rupees	
Financial liabilities				
Short term borrowings	0.00%	25.04%	-	4,193,475
Financial assets				
Cash at bank - deposit accounts	15.40%	15.80%	5,922	5,010

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Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have decreased / (increased) loss for the year by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for 2023.

	Profit or loss 100 basis points	
	Increase Rupees	Decrease Rupees
As at 30 June 2024		
Cash flow sensitivity-Variable rate financial liabilities	-	-
As at 30 June 2023		
Cash flow sensitivity-Variable rate financial liabilities	35,142	(35,142)

The sensitivity analysis prepared is not necessarily indicative of the effects on loss for the year and assets / liabilities of the Company.

c) Equity price risk

Equity price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk as the Company does not hold investments whose fair value or future cash flows will fluctuate because of changes in fair value.

34.4 Financial instruments by categories

Description	Financial assets at amortised cost	
	2024 Rupees	2023 Rupees
Financial assets		
Security deposits	19 1,454,040	1,469,034
Trade debts	21 4,884,890	-
Long term loans and advances	18.1 16,000	24,500
Loans and advances	22 1,654,459	2,625,586
Short term prepayments and other receivables	23 177,090	908,078
Cash and bank balances	25 802,877	1,062,852
Total	8,989,356	6,090,050
Description	Financial liabilities at amortised cost	
	2024 (Rupees)	2023 (Rupees)
Financial liabilities		
Accrued markup	13 158,005,704	158,005,704
Trade and other payables	11 109,917,325	107,950,036
Security deposits	12 13,802,995	12,626,295
Unclaimed dividend	-	1,662,656
Short term borrowings	14 -	4,193,475
Total	283,388,680	284,438,166

34.5 Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

IFRS 13, 'Fair value Measurements' requires the Company to classify fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

There are no transfer during the year (2023: Nil).

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the categories as well as carrying amounts and fair values of financial assets according to their respective category, 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 not measured at fair value if the carrying amount is reasonable approximation of fair value:

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Description	Carrying amount (Rupees)			Fair Value			Total
	Amortised Cost	FVTPL	Total	Level 1	Level 2	Level 3	
	Rupees			Rupees			

June 30, 2024

Financial assets not measured at fair value

Long term deposits	1,454,040	-	1,454,040	-	-	-	-
Long term loans and advances	16,000	-	16,000	-	-	-	-
Loans and advances	1,654,459	-	1,654,459	-	-	-	-
Trade debts	4,884,890	-	4,884,890	-	-	-	-
Cash and bank balances	802,877	-	802,877	-	-	-	-
Total	8,812,266	-	8,812,266	-	-	-	-

June 30 2023

Financial assets not measured at fair value

Long term deposits	1,469,034	-	1,469,034	-	-	-	-
Long term loans and advances	24,500	-		-	-	-	-
Loans and advances	2,625,586	-	2,587,086	-	-	-	-
Cash and bank balances	1,062,852	-	1,062,852	-	-	-	-
Total	5,181,972	-	5,118,972	-	-	-	-

The company does not hold any financial liability at fair value.

34.6 Capital risk management

The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide adequate returns for shareholders and benefits for other stakeholders, and to maintain a strong capital base to support the sustained development of its businesses.

The Company manages its capital structure which comprises capital and reserves by monitoring return on net assets and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, appropriation of amounts to capital reserves or issue new shares.

The Company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectations of the shareholders. Debt is calculated as total borrowings ("long term financing", "Accrued mark up" and "short term borrowings" as shown in the statement of financial position). Total capital comprises shareholders' equity as shown in the balance sheet under "share capital, loan from directors, reserves and surplus on revaluation and net debt".

The salient information relating to capital risk management of the Company at year end were as follows:

	2024 Rupees	2023 Rupees
Total borrowings	158,005,704	161,519,907
Less: Cash and cash equivalents	802,877	1,062,852
Net debt	157,202,827	160,457,055
Total equity (including surplus on revaluation and loan from directors)	908,877,848	908,477,296
Total capital	1,066,080,675	1,068,934,351
Gearing ratio	14.75	15.01

35 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of associated companies, directors and their close family members, executives and major shareholders of the Company. Remuneration and benefits to executives of the Company are in accordance with the terms of their employment. Outstanding balances with related parties at reporting dates are disclosed in relevant notes. Transactions with related parties during the year and their balances at year end, other than those disclosed elsewhere in the financial statements, are as follows:

	Note	2024 Rupees	2023 Rupees
Associated Companies			
Interest expense on loan obtained from ICC (Private) Limited	35.1	128,775	3,635,353
Reimbursable expenses incurred on behalf of ICC (Private) Limited		5,727,324	5,489,536
Reimbursable expenses incurred by ICC (Private) Limited		-	20,267

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
Receipts against reimbursable expenses incurred on behalf of ICC (Private) Limited		5,856,100	5,441,622
Interest waived off by ICC (Private) Limited		-	2,929,312
Interest paid to ICC (Private) Limited		-	16,215,280
Short term borrowings repaid to ICC (Private) Limited		3,514,203	32,270,000
Key management personnel			
Long term financing obtained from directors		7,863,518	48,485,279
Receipts from CEO against advance extended to him		746,003	-
Loss on modification of terms of loans with directors		-	72,211,303
Remuneration of Chief Executive		8,433,672	8,433,672
Balances with related parties			
Associated Companies			
Short term borrowings- ICC (Private) Limited	35.2	-	3,514,203
Trade and other payables - ICC (Private) Limited		193,896	65,121
Key management personnel			
Accrued interest on loans from directors		158,005,704	158,005,704
Loan from directors	35.3	758,328,431	750,464,913
Payable against remuneration to Chief executive		61,144,122	52,710,450
Gratuity of Chief executive		18,152,315	16,721,358

35.1 Interest on short term borrowings is charged at the same rates which are charged by the banks to the associated company.

35.2 ICC (Private) Limited is an associate due to common directorship of Mr. Javaid S. Siddiqi and Mr. Pervaiz S. Siddiqi. Shareholding is disclosed in note 35.3.

35.3 The Company has received interest free loans from sponsors of the Company. The loan is repayable at the discretion of the Company. These are an un-secured loan.

Name of directors	Shares held (Number)	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%

36 REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

Description	2024			2023		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
	----- Rupees -----					
Managerial remuneration	5,816,328	-	1,600,000	5,816,328	-	1,600,000
House rent allowance	2,617,344	-	320,000	2,617,344	-	320,000
Other allowances	-	-	480,000	-	-	480,000
Staff retirement benefits-gratuity	729,750	-	209,824	701,207	-	199,852
	9,163,422	-	2,609,824	9,134,879	-	2,599,852

No. of person(s)	1	6	1	1	6	1
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36.1 The Chief Executive and Chief financial Officer are provided with the Company maintained car as per rules of the Company.

36.2 Chief Executive and executives are entitled for retirement benefits under un-funded gratuity scheme.

36.3 No meeting fee was paid to directors for attending meetings of the Board.

36.4 Other directors of the Company have opted not to take any remuneration from the Company voluntarily.

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

37 CHANGES IN FINANCING CASH FLOWS

	2024		
	Rupees		
	Short term borrowings	Loan from directors/ sponsors	Issued, subscribed and paid up capital
Opening balance	4,193,475	750,464,913	300,011,200
Receipt during the year	-	7,863,518	-
Repayment during the year	(4,193,475)	-	-
Closing balance	-	758,328,431	300,011,200

	2023		
	Rupees		
	Short term borrowings	Loan from directors/ sponsors	Issued, subscribed and paid up capital
Opening balance	36,501,052	380,448,411	300,011,200
Receipt during the year	-	370,016,502	-
Repayment during the year	(32,307,577)	-	-
Closing balance	4,193,475	750,464,913	300,011,200

	2024		2023	
	Rupees		Rupees	
38 CASH FLOWS FROM OPERATING ACTIVITIES				
(Loss) / profit for the year before taxation		(464,487)		4,587,440
Adjustments for non cash income and expenses:				
Depreciation on property and equipment	16.1.1	1,631,822		772,835
Loss on modification of terms of loans		-		72,211,303
Unwinding of discount		-		7,785,503
Interest income		(912)		(698)
Workers' welfare fund		795,237		-
Changes in fair value of investment properties	17	(5,010,000)		(86,655,700)
Staff retirement benefit- gratuity	9.4	7,598,634		6,118,181
Debit balances written off	29.2	14,994		-
Finance cost	31	139,646		3,656,222
		5,169,421		3,887,646
Change in working capital:		4,704,934		8,475,086
(Increase)/ decrease in current assets:				
Stores, spare parts and loose tools		1,498,491		2,274,041
Trade debts		(4,884,890)		42,646
Loans and advances		971,127		207,787
Short term prepayments and other receivables		730,988		578,758
Sales tax refundable		(85,712)		85,713
		(1,769,996)		3,188,945
Increase in current liabilities:				
Trade and other payables		864,552		406,658
Security deposits		1,176,700		-
		2,041,252		406,658
Increase in working capital		271,256		3,595,603
Cash generated from operations		4,976,190		12,070,689

ICC INDUSTRIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

39 NUMBER OF EMPLOYEES

Number of employees at the end of the year
Average number of employees during the year

2024 Number	2023 Number
28	27
30	27

40 GENERAL

- Figures in these financial statements have been rounded off to the nearest rupee.
- Corresponding figures have been re-arranged and/ or reclassified, where ever considered necessary, for the purpose of better presentation of the financial statements. However, no significant reclassification has been made in these financial statements except given below:

Description	Reclassified from	Reclassified to	2024 Rupees	2023 Rupees
Consumption of stores and spares	Repair and maintenance	Stores and spare consumed	539,044	110,680
Stores and spares write off	Repair and maintenance	Other expenses	1,477,486	2,283,785
Separate presentation deferred tax liability	Deferred liabilities	Deferred tax liability	2,942,419	3,289,816
Separate presentation staff retirement benefits-gratuity	Deferred liabilities	Staff retirement benefits - gratuity	38,294,325	35,495,248
Reclassification of advance to Executives	Advance to executive	Advance to other employees	1,200,000	1,200,000
Reclassification of advance to Chief Executive	Advance to executive	Advance to chief executive	-	734,003
Change of nomenclature	Plant and machinery	Machinery	13,736,233	15,109,689
Clubbing other cost into free hold land cost	Other changes	Free hold land	-	15,531,000

41 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been approved by the Board of Directors of the Company and authorized for issuance on October 07, 2024.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

FORM 34

**THE COMPANIES ACT, 2017
THE COMPANIES (GENERAL PROVISIONS AND FORMS) REGULATIONS, 2018
[Section 227(2)(f)]
PATTERN OF SHAREHOLDING OF THE SHARES
HELD BY THE SHAREHOLDERS AS AT JUNE 30, 2024**

No. of Shareholders	From	Shareholding To	Total Shares Held
191	1	100	13,219
985	101	500	457,480
108	501	1,000	106,047
137	1,001	5,000	397,401
33	5,001	10,000	256,388
24	10,001	15,000	296,802
9	15,001	20,000	148,337
8	20,001	25,000	183,117
1	25,001	30,000	29,000
1	30,001	35,000	35,000
1	35,001	40,000	36,000
1	45,001	50,000	47,000
1	80,001	85,000	85,000
1	90,001	95,000	92,000
2	95,001	100,000	198,309
1	115,001	120,000	119,500
1	120,001	125,000	125,000
5	125,001	130,000	633,612
1	135,001	140,000	139,900
1	145,001	150,000	150,000
1	155,001	160,000	158,900
1	165,001	170,000	168,950
2	175,001	180,000	354,720
1	195,001	200,000	200,000
1	200,001	205,000	200,300
1	230,001	235,000	235,000
2	235,001	240,000	473,000
1	240,001	245,000	241,000
1	270,001	275,000	271,120
1	2,190,001	2,195,000	2,194,788
1	4,455,001	4,460,000	4,457,918
1	7,710,001	7,715,000	7,714,933
1	9,780,001	9,785,000	9,781,379
1,527			30,001,120

PATTERN OF SHAREHOLDING
FORM-34 AS ON JUNE 30, 2024

Categories of Shareholders

	<u>Shares held</u>	<u>Percentage</u>
1 Directors, Chief Executive Officer and their spouse and minor children		
Mr. Javaid Shafiq Siddiqi	4,457,918	14.86
Mr. Javaid Shafiq Siddiqi (CDC)	9,781,379	32.60
Mr. Pervaiz Shafiq Siddiqi (CDC)	7,714,933	25.72
Mrs. Fauzia Javaid	179,300	0.60
Mrs. Fauzia Javaid (CDC)	2,194,788	7.32
Mr. Salman Javaid Siddiqi (CDC)	1,000	0.00
Mr. Asim Pervaiz Siddiqi (CDC)	1,000	0.00
Mr. Arif Mahmud Khan	500	0.00
Mr. Naveed Hashim Rizvi	500	0.00
	<u>24,331,318</u>	<u>81.10</u>

2 ASSOCIATED COMPANIES

- -

3 NIT & ICP

Investment Corp. of Pakistan 1,400 0.00

Public Sector Companies and Corporations

4 Banks Development Financial Institutions and Non Banking Financial Institutions

5,092 0.02

5 Insurance Companies

158,900 0.53

6 Modaraba and Mutual Funds

0 0.00

Total 163,992 0.55

7 General Public

a. Local 5,235,207 17.45

b. Foreign - -

8 Other (to be specified)

Joint Stock Companies 253,601 0.85

Pension Funds 15,073 0.05

Others 529 0.00

Total 269,203 0.90

Grand Total 30,001,120 100.00

9 Shareholders holding 10% or more voting interest

Mr. Javaid S. Siddiqi 14,239,297 47.46

Mr. Pervaiz S. Siddiqi 7,714,933 25.72

Total 21,954,230 73.18

10 Shareholders holding 5% or more voting interest

Mr. Javaid S. Siddiqi 14,239,297 47.46

Mr. Pervaiz S. Siddiqi 7,714,933 25.72

Mrs. Fauzia Javaid 2,374,088 7.91

Total 24,328,318 81.09

PROXY FORM

36th Annual General Meeting

I/We _____
of _____ being member(s) of ICC INDUSTRIES LIMITED, holding
_____ ordinary shares, hereby appoint _____ s/o
_____ Folio No. _____ of _____ or failing
him / her Mr. _____ S/o _____ CDC Part. ID & A/c # _____ of
_____ who is/are also member(s) of ICC INDUSTRIES LIMITED as my / our proxy in my/our
absence to attend and vote for me/us and on my/our behalf at the Thirty Fifth Annual General Meeting of the
Company to be held on October 28, 2024 and / or any adjournment thereof. As witness my / our hand/ seal
this _____ day of _____ Signed by the _____ in the
presence of

--	--	--

Member's Folio/CDC Account No.

Affix Rs.5/- Revenue Stamp

Recent Photograph of Proxy, who will
attend AGM through video conference

Witness 1

Witness 2

Signature _____

Signature _____

Name _____

Name _____

CNIC / Passport No. _____

CNIC / Passport No. _____

Address _____

Address _____

NOTES

- i. This proxy form duly completed and signed, must be received at the office of the Company's Share Registrar, not less than 48 hours before the time of holding the meeting.
- ii. No person shall act as proxy unless he/she himself/herself is a member of the Company, except that a corporation may appoint a person who is not a member.
- iii. If a member appoints more than one proxy and more than one instrument of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.

For CDC Account Holders/Corporate Entities

In addition to the above the following requirements have to be met:

- i. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- ii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the Proxy form.
- iii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature and recent photograph of the Nominee shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company.

پراکسی فارم آئی سی سی انڈسٹریز لمیٹڈ

میں / ہم _____ ولد / دختر / زوجہ _____ جو _____ سے متعلق ہیں،
آئی سی سی انڈسٹریز لمیٹڈ کے رکن / اراکین ہیں، اور _____ عمومی شیئرز رکھتے ہیں، بذریعہ (ممبر کا نام) _____ جو کہ
(شہر کا نام) _____ سے متعلق ہے، اور ان کا فوئیو نمبر اسی ڈی سی اکاؤنٹ نمبر _____ ہے، یا ان کے غیر حاضری رہنے کی صورت میں
(ممبر کا نام) _____ جو کہ (شہر کا نام) _____ سے متعلق ہے، اور ان کا فوئیو نمبر اسی ڈی سی اکاؤنٹ نمبر _____
_____ ہے جو آئی سی سی انڈسٹریز لمیٹڈ کے رکن / اراکین ہیں اور 28 اکتوبر، 2024 کو منعقد ہونے والے کمپنی کے 36 ویں سالانہ اجلاس یا اس
کے التواء میں ووٹنگ کیلئے میری / ہماری غیر موجودگی میں میرے / ہمارے پراکسی / مختار ہیں۔
بطور گواہی میرے / ہمارے دستخط / مہر، مورخہ _____ برائے ماہ _____ ثبت ہیں۔
درج ذیل گواہوں کی موجودگی میں میرے دستخط یہ ہیں

5/- روپے کا ریونیو اسٹیٹمنٹ
چسپاں کر کے دستخط کریں۔

پراکسی کا تازہ ترین فوٹو گراف جو ویڈیو لنک
کے ذریعے میٹنگ میں شرکت کرے گا،

ممبر (ز) کا / کے دستخط، جو کمپنی کے پاس رجسٹرڈ ہیں۔

ممبر (ز) کا / کے سی ڈی سی اکاؤنٹ نمبر

گواہ نمبر 2

گواہ نمبر 1

_____ دستخط

_____ دستخط

_____ نام

_____ نام

_____ شناختی / پاسپورٹ نمبر

_____ شناختی / پاسپورٹ نمبر

_____ پتہ

_____ پتہ

_____ شناختی کارڈ نمبر

_____ شناختی کارڈ نمبر

اہم نکات:

- 1- یہ پراکسی فارم اجلاس سے 48 گھنٹے قبل تک شیئر رجسٹرار آفس میں مکمل طور پر پُر اور دستخط کے ساتھ موصول ہو جانا چاہیے۔
- 2- CDC کوئی بھی شخص / خاتون اس وقت پراکسی کے طور پر کام کرے گا جب وہ خود کمپنی کا ایک رکن ہو، ماسوائے کارپوریشن کے جو کسی ایسے شخص کا تقرر کر سکتی ہے جو کمپنی کا رکن نہ ہو۔

3- اگر ایک رکن سے زائد پراکسی مقرر کرتا ہے اور ایک سے زائد پراکسی کے انسٹرومنٹ کمپنی کے پاس جمع کرا تا ہے تو پراکسی کے تمام انسٹرومنٹس غلط تصور کئے جائیں گے۔
سی ڈی سی اکاؤنٹ ہولڈرز / کارپوریٹ اداروں کیلئے:

مندرجہ بالا کے علاوہ مندرجہ ذیل ضروریات بھی پوری کی جائیں:

پراکسی فارم پر دو افراد جن کے نام شناختی کارڈ نمبر بمع پتہ کے موجود ہوں، بطور گواہ ضروری ہیں۔

حصص یافتگان اور پراکسی کے شناختی کارڈ نمبر یا پاسپورٹ کی مصدقہ نقول فارم کے ساتھ منسلک ہوں۔

کسی کاروباری ادارے کی نمائندگی کی صورت میں نامزد فرد کو اپنے بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ، دستخط کے نمونے اور کمپنی کے پراکسی فارم کے ہمراہ اجلاس کے وقت پیش کرنا لازمی ہوں گے۔

ڈائریکٹرز کے نام
ایچ آرایڈ آرکمیٹی

- | | |
|----------------------|-------|
| 1- نوید حاشم رضوی | 1 عدد |
| 2- پرویز شفیق صدیقی | 1 عدد |
| 3- سلمان جاوید صدیقی | 1 عدد |

پیئر آف شیئر ہولڈنگ

کوڈ آف کارپوریٹ گورننس کے تحت پیئر آف شیئر ہولڈنگز رپورٹ منسلک ہے۔

ادارے کے شیئرز کی خرید و فروخت

مالی سال کے دوران ڈائریکٹرز، چیف ایگزیکٹو آفیسر، کمپنی سیکریٹری، چیف فنانس آفیسر اور دیگر افسران (مجموعاً اہل و عیال) نے ادارے کے شیئرز کی کوئی خرید و فروخت نہیں کی ہے۔

آڈٹ کمیٹی

آڈٹ کمیٹی تین ممبران پر مشتمل ہے اور سب نان ایگزیکٹو ڈائریکٹرز ہیں۔

ایچ آرایڈ آرکمیٹی

ایچ آرایڈ آرکمیٹی تین ممبران پر مشتمل ہے اور سب نان ایگزیکٹو ڈائریکٹرز ہیں۔

آڈٹرز

آڈٹ کمیٹی نے 30 جون 2025 کو ختم ہونے والے سال کے لئے ادارے کے موجودہ آڈٹرز کی دوبارہ تقرری کی تجویز دی ہے۔

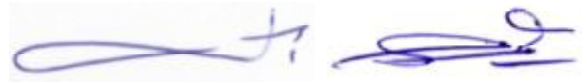
ڈیویڈنڈ

معاشی نتائج کے باعث بورڈ آف ڈائریکٹرز نے 30 جون 2024 کو ختم ہونے والے سال کے لئے کسی ڈیویڈنڈ کی تجویز نہیں دی ہے۔

اظہار تشکر

ادارے کے ڈائریکٹرز اپنے ملازمین کو ان کی لگن اور سخت محنت کی تعریف کرتے ہوئے خراج تحسین پیش کرتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز



جاوید شفیق صدیقی
چیف ایگزیکٹو آفیسر

پرویز شفیق صدیقی
ڈائریکٹر

لاہور

اکتوبر 07, 2024

کارپوریٹ اور مالی رپورٹنگ

کوڈ آف کارپوریٹ گورننس کی تعمیل کے بارے میں مندرجہ ذیل بیانات دیئے جا رہے ہیں۔

مالی حسابات کی اشاعت

ادارے کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریٹنگ کے نتائج، نقدی بہاؤ اور لیونگیٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کیا گیا ہے۔

کھاتہ جات

ادارے کے کھاتہ جات مناسب طور پر بنائے گئے ہیں۔

کھاتہ جات کی حکمت عملی

مالی حسابات کی تیاری میں مناسب حکمت عملی کو تسلسل کے ساتھ لاگو کیا گیا ہے۔ اور کھاتوں کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔

بین الاقوامی مالی رپورٹنگ معیار (IFRS)

مالی حسابات پاکستان میں لاگو بین الاقوامی مالی رپورٹنگ کے معیار کے مطابق بنائے گئے ہیں۔

داخلی کنٹرول کا نظام

داخلی کنٹرول کا نظام ڈیزائن میں مستحکم ہے اور اسے موثر طریقے سے لاگو کیا گیا ہے۔

ادارے کا کاروباری تسلسل

ادارے کے آڈیٹرز نے اپنی رپورٹ میں، اپنی رائے کو مشروط کئے بغیر، آپ کی توجہ سالانہ مالی حسابات کی رپورٹ کے 1.2 نوٹ کی طرف مبذول کرائی ہے جس کے مطابق کمپنی کے موجودہ واجبات اس کے موجودہ اثاثوں سے 261.819 ملین روپے زیادہ ہیں اور ادارے کا موجودہ مجموعی خسارہ 762.666 ملین روپے ہے۔ جبکہ موجودہ سال کا خسارہ 11.648 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 رہنے والے کاروباری ادارے کی بنیاد پر تیار کی گئی ہے کیونکہ ادارہ مستقبل میں تسلی بخش منافع کمانے کی صلاحیت رکھتا ہے۔ بورڈ آف ڈائریکٹرز کے منظور شدہ پلان کے مطابق کمپنی کے وسائل کو یکجا کیا گیا ہے۔ تمام کٹسائل مشینری فروخت کر کے اور ڈائریکٹرز نے قرضہ بلا سود مہیا کر کے بنکوں کے تمام قرضے ادا کر دیئے ہیں اور اب کمپنی اپنی خالی عمارت اور کالونی کو کرایہ پر دے کر آمدن حاصل کر رہی ہے۔

کارپوریٹ گورننس

اسٹاک ایکسچینج کے فہرستی قواعد و ضوابط میں شامل کارپوریٹ گورننس کے بہترین طریقوں سے کوئی انحراف نہیں کیا گیا۔

چھ سال کا مالیاتی گوشوارہ Directors' Report میں دیا گیا ہے۔

سٹاف رٹائرمنٹ بینیفٹ

گر پیوٹنٹی کی حقیقی قدر سال کے اختتام پر 38.294 ملین روپے ہے جو کہ 2023 کے اختتام پر 35.495 ملین روپے تھی۔

بورڈ اور کمیٹی کے اجلاس

سال جولائی 2023 سے جون 2024 کے دوران بورڈ آف ڈائریکٹرز کے 15 اجلاس منعقد ہوئے، آڈٹ کمیٹی کے 7 اور ایگزیکٹو آڈٹ کمیٹی کا ایک اجلاس منعقد ہوا جن کی حاضری حسب ذیل تھی۔

بورڈ آف ڈائریکٹرز کے نام	حاضری	آڈٹ کمیٹی
1- جاوید شفیق صدیقی	5 عدد	1- عارف محمود خان
2- پرویز شفیق صدیقی	4 عدد	2- پرویز شفیق صدیقی
3- فوزیہ جاوید	5 عدد	3- سلمان جاوید صدیقی
4- سلمان جاوید صدیقی	5 عدد	
5- عاصم پرویز صدیقی	3 عدد	
6- عارف محمود خان	3 عدد	
7- نوید حاشم رضوی	2 عدد	

آئی سی سی انڈسٹریز لمیٹڈ

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے، ہم 30 جون 2024 کو ختم ہونے والے مالی سال کی سالانہ آڈٹ شدہ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

مالیاتی کارکردگی

ادارے کی مجموعی فروخت 52,974.017 ملین روپے رہی اور بعد از ٹیکس نقصان 11,648.023 ملین روپے رہا جبکہ گزشتہ سال مجموعی فروخت 45,322.222 ملین روپے اور بعد از ٹیکس نقصان 5,206.206 ملین روپے تھا۔

مجموعی فروخت	52,974.017	روپے
مجموعی فائدہ	32,884.970	روپے
عملی نقصان	5,334.841	روپے
مالیاتی لاگت	139,646	روپے
انوٹسٹ پراپرٹی کی فیئر ویلیو میں تبدیلی	5,010,000	روپے
نقصان بعد از ٹیکس	11,648,023	روپے
جمع شدہ نقصان	762,666,240	روپے
نقصان فی حصہ شیئر	(0.39)	روپے

زیر جائزہ مدت

اس مالی سال کے دوران ادارے کی کارکردگی پر مندرجہ ذیل عوامل اثر انداز ہوئے:

- سال کے دوران فروخت میں اضافہ 7,652 ملین روپے ہوا، جو کہ 45,321.222 ملین روپے سے 52,974.017 ملین روپے ہوئی۔ جس کی وجہ ٹیکس کی بلنگ کے بڑے حصے کو کرائے پر دیا جانا ہے۔
- گزشتہ سال کی مالیاتی لاگت جو کہ 83,653 ملین روپے تھی میں ڈائریکٹرز کے قرضوں کی شرائط میں تبدیلی کی ایڈجسٹمنٹ جو کہ 79,997 ملین روپے تھی شامل تھی۔ کہنی اپنے تمام سودی قرضے ادا کر چکی ہے
- جائیداد کی مالیت میں اس سال 5,100 ملین روپے (2023: 86,655 ملین روپے) اضافہ ہوا۔
- پراپرٹی سے متعلقہ اخراجات میں 6,717 ملین روپے اضافہ کم سے اجرت اور مرمت کے اخراجات زیادہ ہونے کی وجہ سے ہوا۔

مستقبل کی حکمت عملی اور امکانات

ملکی حالات کے مد نظر، ہمارے کرایہ پر دینے ہوئے رقبے میں کمی ہوئی ہے اگرچہ IMF سے معاہدہ ہو جانے اور پاکستان کے دوست ممالک کی جانب سے مالی امداد کے باعث حالات خاصے بہتر ہوئے ہیں۔ لیکن سیاسی عدم استحکام ابھی بھی ایک بڑی رکاوٹ ہے۔ ہم امید کرتے ہیں کہ تمام فریق دانشمندی سے کام لیتے ہوئے حالات کو بہتر کرنے کی کوشش کریں گے۔ ہم کہنی کی مزید رقبے کو کرایہ پر دینے کی کوشش جاری رکھے ہوئے ہے

امکانات اور یقین دہانی

مالی سال کے اختتام اور ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کہنی کے مالی حالات پر اثر انداز ہونے والی کوئی بڑی مادی تبدیلیاں اور وعدے وقوع پر نہیں ہوئے جو اس بیلنس شیٹ سے متعلقہ ہوں۔ سوائے جن کا ذکر مالی حسابات میں کیا گیا ہے۔

بھائی قانونی واجبات

کوئی ٹیکسز، ڈیوٹیز، لیویز اور چارجز کی مدد میں قانونی ادائیگیاں نہیں ہیں جو 30 جون 2024 کو بھائیوں سوائے جن کا ذکر مالی حسابات میں کیا گیا ہے۔

تعمیمی سماجی ذمہ داری

آپکا ادارہ معاشرے، ملازم اور ماحول کے بارے میں اپنی تعظیمی ذمہ داری سے مکمل طور پر آگاہ ہے۔