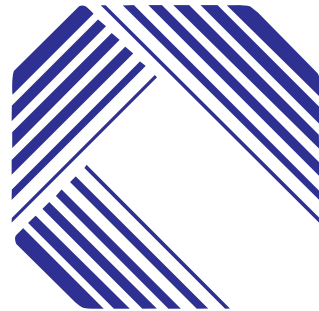


**(UN-AUDITED)**

**ACCOUNTS  
FOR THE QUARTER ENDING  
March 31, 2015**



**I C C Textiles Limited**

# I C C Textiles Limited

## DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, I hereby present the interim financial information of the company for the nine months ended on March 31, 2015.

The Sales decreased by 59% to Rs. 415.840 million during the period as compared to Rs. 1,013.522 million for the corresponding period of the previous year. The company incurred an after tax loss of Rs. 99.652 million as against an after tax loss of Rs. 52.564 million in the corresponding period resulting in loss per share of Rs. 3.32 (Jul - Mar 2014 Rs. 1.75).

Fabric sales in Sq Meters at 60 picks also reduced by 7.392 million ( 49% ) i.e from 15.096 million to 7.704 million as fabric production suffered badly due to severe scheduled and unscheduled electricity load shedding during the period. The negative impact felt by us was even more severe due to non-availability of an industrial gas connection. A gross injustice is being done to the sole Pepco based units who have been deprived of industrial gas connection thus placing them at an extreme disadvantage and creating a highly discriminating disparity when compared to the privileged units having their own gas based power plants.

Fuel and power cost decreased by Rs. 73,755 million ( 49.8% ) i.e. from Rs. 148.246 million during Jul 2013 to Mar 2014 to Rs. 74.491 million during the current period due to decrease in production due to cited load shedding. Going forward, we expect a decrease in Electricity charges due to substantial reduction in international oil price, although the government has been slow in passing this benefit to the industry upto now. Accordingly, due to reduction in furnace oil price, we are evaluating furnace based engine offers as alternate energy source. The company's plan to replace old Sulzer looms with air-jet looms is under progress.

There is an overdue partial installment of term loan obtained from MCB Bank amounting to Rs. 14.896 million and effort is being made to clear it as soon as possible.

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

For and on behalf of the Board of Directors

Lahore  
Dated: April 30, 2015

**SHAFIQ A. SIDDIQI**  
Chief Executive

**BALANCE SHEET  
AS AT MARCH 31, 2015**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>MARCH, 2015 Rupees</b>	<b>June 2014 Rupees</b>
<b>SHARE CAPITAL</b>			
<b>Authorised share capital</b> 32,000,000 ordinary shares (Jun. 2014: 32,000,000) of Rs.10 each		<u>320,000,000</u>	<u>320,000,000</u>
<b>Issued, Subscribed &amp; Paid up share capital</b> 30,001,120 ordinary shares (Jun. 2014: 30,001,120) of Rs.10 each fully paid in cash		<u>300,011,200</u>	<u>300,011,200</u>
<b>UNAPPROPRIATED LOSS</b>		<u>(676,293,750)</u>	<u>(592,182,052)</u>
		<u>(376,282,550)</u>	<u>(292,170,852)</u>
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>		<u>469,984,653</u>	<u>485,525,336</u>
<b>NON CURRENT LIABILITIES</b>			
Long term financing from directors	4	<u>69,038,686</u>	<u>52,184,883</u>
Long term financing from commercial banks		-	-
Deferred liabilities		<u>69,076,447</u>	<u>61,887,298</u>
Deferred taxation		<u>116,959,234</u>	<u>124,965,040</u>
		<u>255,074,367</u>	<u>239,037,221</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<u>150,560,277</u>	<u>152,455,451</u>
Accrued markup		<u>57,607,017</u>	<u>30,495,553</u>
Short term borrowings		<u>523,945,237</u>	<u>501,895,294</u>
Current portion of long term liabilities		<u>14,896,104</u>	<u>15,896,104</u>
		<u>747,008,635</u>	<u>700,742,402</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	5	<u>-</u>	<u>-</u>
		<u>1,095,785,105</u>	<u>1,133,134,107</u>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment		<u>891,120,587</u>	<u>933,610,584</u>
<b>LONG TERM LOANS AND ADVANCES</b>		<u>647,088</u>	<u>190,000</u>
<b>LONG TERM DEPOSITS AND PREPAYMENTS</b>		<u>1,629,034</u>	<u>1,629,034</u>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		<u>32,501,293</u>	<u>35,161,902</u>
Stock in trade		<u>68,192,057</u>	<u>76,581,261</u>
Trade debts		<u>29,925,598</u>	<u>20,595,390</u>
Loans and advances		<u>12,913,603</u>	<u>5,429,555</u>
Trade deposits and short term prepayments		<u>3,454,809</u>	<u>1,844,399</u>
Other receivables		<u>18,773,744</u>	<u>36,683,678</u>
Income tax refundable		<u>21,672,596</u>	<u>19,505,959</u>
Cash and bank balances		<u>14,954,697</u>	<u>1,902,343</u>
		<u>202,388,397</u>	<u>197,704,488</u>
		<u>1,095,785,105</u>	<u>1,133,134,106</u>

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

Lahore: Dated April 30, 2015

Chief Executive

Director

**PROFIT AND LOSS ACCOUNT  
FOR THE NINE MONTHS  
ENDED MARCH 31, 2015**

Note	Jul 2014 to Mar 2015 Rupees	Jul 2013 to Mar 2014 Rupees	Jan-Mar 2015 Rupees	Jan-Mar 2014 Rupees
<b>SALES</b>	415,839,998	1,013,522,066	141,144,616	243,205,968
<b>COST OF SALES</b>	487,893,428	1,058,227,912	165,636,617	262,148,270
<b>GROSS PROFIT / (LOSS)</b>	(72,053,430)	(44,705,846)	(24,492,001)	(18,942,302)
<b>OPERATING EXPENSES</b>				
Distribution cost	8,426,846	11,449,537	2,604,720	3,774,950
Administrative expenses	26,785,912	27,389,517	8,643,986	9,397,334
Other operating expenses	612,727	614,360	175,152	177,828
	35,825,485	39,453,414	11,423,858	13,350,111
<b>OPERATING PROFIT / (LOSS)</b>	(107,878,915)	(84,159,260)	(35,915,859)	(32,292,413)
<b>OTHER OPERATING INCOME</b>	51,453,087	85,557,758	26,769,757	4,788,995
	(56,425,828)	1,398,498	(9,146,102)	(27,503,418)
<b>FINANCIAL COST</b>	49,785,651	50,600,354	16,266,771	17,549,010
<b>LOSS BEFORE TAXATION</b>	(106,211,479)	(49,201,856)	(25,412,873)	(45,052,427)
<b>TAXATION</b>	(6,559,098)	3,362,578	(2,918,421)	117,825
<b>LOSS AFTER TAXATION</b>	(99,652,381)	(52,564,434)	(22,494,452)	(45,170,252)
<b>LOSS PER SHARE - BASIC AND DILUTED</b>	7 (3.32)	(1.75)	(0.75)	(1.51)

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

Chief Executive

Director

**CASH FLOW STATEMENT  
FOR THE NINE MONTHS  
ENDED MARCH 31, 2015**

	Jul 2014 to Mar 2015 Rupees	Jul 2013 to Mar 2014 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit / ( Loss ) for the period before taxation</b>	<b>(106,211,479)</b>	(49,201,856)
<b>Adjustments for:</b>		
Depreciation on property, plant and equipment	<b>35,104,526</b>	35,189,052
( Gain ) / Loss on disposal of property, plant and equipment	<b>(25,863,433)</b>	-
Amortization of interest free loans	<b>(25,586,563)</b>	(85,516,380)
Unwinding of discount	<b>4,780,165</b>	2,484,728
Staff gratuity	<b>11,574,365</b>	11,536,366
Financial cost	<b>45,005,486</b>	50,600,354
	<b>45,014,546</b>	14,294,120
	<b>(61,196,933)</b>	(34,907,736)
<b>(Increase) / Decrease in current assets</b>		
Stores, spares and loose tools	<b>2,660,609</b>	1,504,060
Stock in trade	<b>8,389,204</b>	44,796,107
Trade debts	<b>(30,013,792)</b>	(22,721,001)
Loans and advances	<b>(7,484,048)</b>	(1,343,364)
Trade deposits and short term prepayments	<b>(1,610,410)</b>	(1,392,751)
Other receivables	<b>17,909,934</b>	(6,010,341)
	<b>(10,148,502)</b>	14,832,709
<b>Increase / (Decrease) in current liabilities</b>		
Trade and other payables	<b>18,788,410</b>	(15,532,237)
<b>Cash generated from operations</b>	<b>(52,557,026)</b>	(35,607,265)
Financial charges paid	<b>(17,894,023)</b>	(37,580,840)
Taxes paid	<b>(3,613,345)</b>	(9,349,279)
Gratuity paid	<b>(4,385,216)</b>	(3,450,899)
	<b>(25,892,584)</b>	(50,381,018)
<b>Net cash flow from operating activities (A)</b>	<b>(78,449,610)</b>	(85,988,283)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Long term loans and advances	<b>(457,088)</b>	(86,000)
Long term deposits and prepayments	-	-
Sale proceeds of property, plant and equipment	<b>33,748,207</b>	-
Fixed capital expenditure	<b>(499,302)</b>	(1,526,685)
<b>Net cash flow from investing activities (B)</b>	<b>32,791,817</b>	(1,612,685)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Short term borrowings - secured	<b>22,049,943</b>	25,085,386
Long term financing from commercial banks - Secured	<b>(1,000,000)</b>	(31,792,206)
Long term loans from associated co.	-	-
Long term loans from directors	<b>37,660,202</b>	92,122,970
Dividend paid	-	-
<b>Net cash flow from financing activities (C)</b>	<b>58,710,145</b>	85,416,150
<b>Net Increase in cash and bank balances (A+B+C)</b>	<b>13,052,353</b>	(2,184,818)
<b>Cash and bank balances at the beginning of the period</b>	<b>1,902,343</b>	5,498,515
<b>Cash and bank balances at the end of the period</b>	<b>14,954,696</b>	3,313,698

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

Chief Executive

Director

**STATEMENT OF CHANGES IN  
EQUITY FOR THE NINE MONTHS  
ENDED MARCH 31, 2015**

	<b>Paid-up Capital Rupees</b>	<b>Unappropriated Loss Rupees</b>	<b>Total Rupees</b>
<b>Balance as at June 30, 2013</b>	<b>300,011,200</b>	<b>(535,938,713)</b>	<b>(235,927,513)</b>
Effect of retrospective change in accounting policy	-	419,895	419,895
Net loss for the nine months ended March 31, 2014	-	(52,564,434)	(52,564,434)
Incremental depreciation - net of tax	-	12,715,040	12,715,040
<b>Balance as at March 31, 2014</b>	<b>300,011,200</b>	<b>(575,368,213)</b>	<b>(275,357,013)</b>
<b>Balance as at June 30, 2014</b>	<b>300,011,200</b>	<b>(592,182,052)</b>	<b>(292,170,852)</b>
Net loss for the nine months ended March 31, 2015	-	(99,652,381)	(99,652,381)
Incremental depreciation - net of tax	-	15,540,683	15,540,683
<b>Balance as at March 31, 2015</b>	<b>300,011,200</b>	<b>(676,293,750)</b>	<b>(376,282,550)</b>

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

Chief Executive

Director

**NOTES TO THE ACCOUNTS FOR THE  
NINE MONTHS ENDED MARCH 31, 2015**

1. These accounts have been prepared in accordance with the requirements of International Accounting Standard No. 34 "Interim Financial Reporting".
2. The accounts are being submitted to the shareholders as required by Section 245 of The Companies Ordinance, 1984.
3. The accounting policies adopted for the preparation of the accounts are the same as those of applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2014.

	March 31, 2015 Rupees	June 30, 2014 Rupees
<b>4. LONG TERM FINANCING FROM DIRECTORS- Unsecured</b>		
Original Loan amounts	200,372,222	162,712,020
Less: present value adjustment	<u>(139,519,801)</u>	<u>(113,933,238)</u>
	<b>60,852,421</b>	<b>48,778,782</b>
Add: Interest charged to profit and loss account	<u>8,186,265</u>	<u>3,406,100</u>
	<b><u>69,038,686</u></b>	<b><u>52,184,882</u></b>

**5. CONTINGENCIES AND COMMITMENTS**

**5.1 Contingencies**

There have been no change in contingencies since the last audited financial statements.

**5.2 Commitments**

Commitments against irrevocable letters of credit were as under:

Import of machinery, raw material and stores	982,422	952,000
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	Jul 2014 to Mar 2015 Rupees	Jul 2013 to Mar 2014 Rupees
<b>6.</b> Following is the cost of fixed assets that have been added / disposed off during the nine months ended:		
Additions in fixed assets	499,302	1,526,685
Deletions in fixed assets	<b>12,521,548</b>	-
<b>7. EARNING PER SHARE - BASIC AND DILUTED</b>		
Profit / ( Loss ) after tax	<b>(99,652,381)</b>	(52,564,434)
Weighted average number of ordinary shares	<b>30,001,120</b>	30,001,120
Earning per share - Basic	<b><u>(3.32)</u></b>	<u>(1.75)</u>

**8. DATE OF AUTHORISATION**

These accounts have been approved by the Board of directors on April 30, 2015.

**9. COMPARITIVE FIGURES**

- have been rearranged wherever necessary, for the purpose of comparison.
- have been rounded off to the nearest rupee.

Chief Executive

Director

**BOOK POST**

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