

Shabbir Tiles and Ceramics Limited

Condensed Interim Financial Statements

For the Third Quarter and Nine Months Period Ended March 31, 2018
(UN-AUDITED)





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Shabbir Tiles and Ceramics Limited

COMPANY INFORMATION

BOARD OF DIRECTORS	RAFIQ M. HABIB ALI SULEMAN HABIB SYED MASOOD ABBAS JAFFERY ABDUL HAI M. BHAIMIA OWAIS-UL-MUSTAFA SALIM AZHAR FEROZE JEHANGIR CAWASJI	Chairman Director Chief Executive Officer Director Director Director Director
AUDIT COMMITTEE	FEROZE JEHANGIR CAWASJI ABDUL HAI M. BHAIMIA SALIM AZHAR	Member/Chairman Member Member
HUMAN RESOURCES AND REMUNERATION COMMITTEE	FEROZE JEHANGIR CAWASJI SALIM AZHAR SYED MASOOD ABBAS JAFFERY	Member/Chairman Member Member
CHIEF FINANCIAL OFFICER	WAQUAS AHMED	
COMPANY SECRETARY	OVAIS JAMANI	
AUDITORS	EY FORD RHODES Chartered Accountants	
LEGAL ADVISOR	Munawar Malik & Co. Advocate Supreme Court	
BANKERS	Habib Metropolitan Bank Limited Habib Bank Limited Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Allied Bank Limited Meezan Bank Limited	
REGISTERED OFFICE	15th Milestone, National Highway, Landhi, Karachi-75120. Phone: (021) 35015024-25, 35014044-45 Fax: (021) 35015545 / 35022920 E-mail: info@stile.com.pk URL: http://www.stile.com.pk	
KARACHI DISPLAY CENTRE & SALES OFFICE	Makro Cash & Carry, CAA, Near Star Gate, Main Shahrah-e-Faisal, Karachi. Phone: (021) 34601372-74 Fax: (021) 34601375	
LAHORE DISPLAY CENTRE & SALES OFFICE	90 CCA, D.H.A. Phase-4, Lahore. Phone: (042) 35117521	
ISLAMABAD DISPLAY CENTRE & SALES OFFICE	Plot No. 847, Muhammad Arcade Plaza, 1st Floor, B-Block, Satellite Town, Commercial Market, Rawalpindi. Phone: (051) 4944405-08 Fax: (051) 4944403	
PESHAWAR SALES OFFICE	3-Siyal Flats Opposite Kuwait Hospital, Abdara Chowk University Road, Peshawar. Phone: (091) 5846010/12 Fax: (091) 5846011	
SUKKUR OFFICE	Tooba Tower, Mezzanine Floor, Opposite Hira Medical Center, Sukkur. Phone: (071) 5615560	
MULTAN OFFICE	Jalil Centre, 2nd Floor, Abdali Road, Multan. Phone: (061) 4546439 / 4783097	
REGISTRAR AND SHARE TRANSFER OFFICE	Central Depository Company Limited CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahrah-e-Faisal, Karachi-74400. Phone: 111 111 500 Fax: 34326053 URL: www.cdcpakistan.com Email: info@cdcpak.com	
FACTORY:	UNIT-I 15th Milestone, National Highway, Landhi, Karachi-75120. Phones: (021) 35015024-25 / 35014044-45 Fax: (021) 35015545	
	UNIT-II Deh Khanto, Tappo Landhi, District Malir, Bin Qasim Town, Karachi. Phones: (021) 34102702 Fax: (021) 34102709	



Shabbir Tiles and Ceramics Limited

DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2018

The Directors are pleased to present their report for the third quarter ended March 31, 2018 together with the un-audited condensed interim financial statements of the Company as at and for the third quarter and nine months ended March 31, 2018.

Business Review:

Your company continued its focus on product development and innovations along with better cost absorptions and bringing efficiencies in the process. The completion of first phase of balancing and modernization of one of the facility has allowed the Company to produce and sell an improved product mix, which has both yielded better margins and also aided in penetration in the mid high segment of the tiles market. In addition, vital emphasis on working capital management has resulted in operating cash flow generation of Rs.1,381 million in the current period which is being used to reduce borrowings, brand promotion and technological upgrading.

Financial performance:

Net turnover for the period increased by 10.65%, whereas the cost of sales has been comparatively lower due to productivity improvement. As a result, gross profit margin for the current year has improved significantly from 10.87% to 21.90%. The overall profitability of the Company before tax grew to Rs. 204 million from a loss of Rs. 123 million in the same period last year.

The financial performance of the company for the nine months ended March 31, 2018 is summarized below:

Rs. in '000

Particulars	Nine months period ended		Variation
	Mar 31, 2018	Mar 31, 2017	
Turnover - net	4,274,903	3,863,450	11%
Gross profit	936,706	419,850	123%
Profit / (loss) before tax	203,693	(122,720)	266%
Profit / (loss) after tax	113,631	(125,038)	191%
Earnings / (loss) per share (Rs./ share)	0.47	(0.52)	190%

Future outlook and challenges:

Overall the construction and renovation sector is on the rise with changing sociological dynamics, especially in the urban areas; accordingly increasing tiles demand. With strong import policies of the Government to balance trade deficit, local industries will get a slight space to progress and contribute to economy. However, still low Import trade prices (ITP) of imported tiles remains a challenge and we believe ITP rationalization together with reduction in high energy cost is essential to provide a level playing field for the local tile manufacturers.

Despite challenging economic and operating environment, your Company, with the support of the Government is determined to overcome the challenges that lie ahead and become a leaner, more focused, and more efficient business with better cash and income returns.

We remain grateful to its stakeholders for their confidence in the company and their tireless efforts in driving the Company on the path of growth and prosperity.

On behalf of the Board of Directors

SYED MASOOD ABBAS JAFFERY
Chief Executive Officer

FEROZE JEHANGIR CAWASJI
Director

ڈائریکٹرز کی تجویز رپورٹ برائے حصص داران برائے تیسری سہ ماہی و نو ماہی اختتامیہ 31 مارچ 2018

انتہائی مسرت کے ساتھ ڈائریکٹرز تیسری سہ ماہی اختتامیہ 31 مارچ 2018 کی بابت اپنی رپورٹ بمعہ غیر آڈٹ شدہ مرکز عبوری مالیاتی دستاویزات برائے کمپنی بابت تیسری سہ ماہی و نو ماہی اختتامیہ 31 مارچ 2018 آپ کی خدمت میں پیش کر رہے ہیں۔

کاروباری جائزہ

آپ کی کمپنی کی جانب سے تمام تر توجہ مصنوعات کی ترقی و اختراع، پیداواری لاگت کو کم از کم کرنے اور کاروباری امور کو زیادہ مؤثر انداز سے چلانے پر مرکوز ہے۔ پہلے مرحلے میں ایک پیداواری سہولت کی بلیننگ اور تجدید کے کام کی تکمیل کے بعد کمپنی اب اس قابل ہو چکی ہے کہ مصنوعات کا پہلے سے زیادہ جدید امتزاج پیدا اور فروخت کیا جائے جس کے باعث ایک جانب تو کمپنی کے منافع پر مثبت اثرات مرتب ہوئے ہیں تو دوسری جانب مارکیٹ کے اعلیٰ متوسط طبقے تک رسائی بھی ہوئی ہے۔ مزید برآں، راس المال کے مؤثر انتظام پر دی جانے والی خاص توجہ کی وجہ سے کاروباری افعال سے رواں دورانیے کے دوران 1,381 ملین روپے کی نقد رقم کی ترسیل بھی ممکن ہو پائی ہے۔ ان رقم کو قرضوں کے حجم کو کم کرنے، مصنوعات کی تشہیر اور تکنیکی صلاحیتوں میں جدت پیدا کرنے کیلئے استعمال میں لایا جا رہا ہے۔

مالیاتی کارکردگی

زیر نظر عرصے کے دوران کل کاروباری حجم میں 10.65% اضافہ ہوا ہے، جبکہ لاگت برائے فروختگی میں نسبتاً کمی واقع ہوئی ہے جس کی وجہ پیداواری صلاحیت کی تجدید ہے۔ اس کے ثمرات اس صورت میں سامنے آئے ہیں کہ زیر نظر عرصے کے دوران خام منافع کی شرح میں خاطر خواہ اضافہ ہوا ہے جو کہ 10.87% سے بڑھ کر اب 21.90% ہو چکی ہے۔ گزشتہ سال کے اسی دورانیے کے مقابلے میں کمپنی کا قبل از ٹیکس منافع مجموعی طور پر 123 ملین روپے کے نقصان کے مقابلے میں بڑھ کر 204 ملین روپے ہو چکا ہے۔ رواں سال 31 مارچ 2018 کو ختم ہونے والی نو ماہی کے دوران مالیاتی کارکردگی کا خلاصہ درج ذیل ہے:

روپے ہزاروں میں

تفصیلات	نو ماہی اختتامیہ 31 مارچ 2018	نو ماہی اختتامیہ 31 مارچ 2017	فرق
کاروباری حجم - خالص	4,274,903	3,863,450	11%
مجموعی منافع	936,706	419,850	123%
منافع / (نقصان) قبل از ٹیکس	203,693	(122,720)	266%
منافع / (نقصان) بعد از ٹیکس	113,631	(125,038)	191%
آمدن / (نقصان) فی حصص (روپے/حصص)	0.47	(0.52)	190%

مستقبل اور اس کے مسائل

مجموعی طور پر تعمیراتی اور تزئین و آرائش کے کام عروج پر ہیں اور معاشرتی اقدار میں بھی تبدیلیاں رونما ہو رہی ہیں بالخصوص شہری طرز زندگی میں جس کی بدولت ٹائلز کی مانگ میں بھی اضافہ ہو رہا ہے۔ تجارت کے توازن میں پائے جانے والے خسارے کو کم کرنے کی غرض سے حکومت کی جانب سے مضبوط درآمدی پالیسی کی وجہ سے مقامی صنعت کو کسی حد تک ترقی کے مواقع ملیں گے اور اس سے ملکی معیشت پر بھی مثبت اثرات مرتب ہوں گے۔ تاہم کم درآمدی قیمتوں (آئی ٹی پی) کی وجہ سے اب بھی درآمد شدہ ٹائلز ایک مسئلہ بنی ہوئی ہیں اور ہم اس بات پر یقین رکھتے ہیں کہ اگر ٹائل سازی کی مقامی صنعت کو ترقی کے جائز مواقع فراہم کرنے ہیں تو توانائی کی لاگت کو کم کرنے کے ساتھ ساتھ درآمدی قیمتوں کو بھی معقول سطح پر لایا جانا ضروری ہے۔

ان تمام معاشی اور کاروباری مسائل کے باوجود آپ کی کمپنی اس بات کیلئے پرعزم ہے کہ حکومت کی حمایت کے ساتھ ہم ان مسائل پر قابو پالیں گے۔ اور یہ کہ آنے والے دنوں میں کمپنی کی توجہ نقصانات سے پاک اور زیادہ مؤثر کاروباری امور اور طریق ہائے کار پر مرکوز رہے گی جس کے باعث نقد رقم کی ترسیل اور منافع میں بھی اضافہ ہوگا۔ ہم کمپنی کو ترقی اور خوشحالی کی راہ پر گامزن کرنے کیلئے تمام شراکت داروں کی جانب سے ان کی مخلصانہ اور انتھک کوششوں کے لئے بے حد ممنون ہیں

مخانب بورڈ آف ڈائریکٹرز

فیروز جہانگیر کاؤس جی
ڈائریکٹر

سید مسعود عباس جعفری
چیف ایگزیکٹو آفیسر

کراچی: 28 اپریل 2018



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2018 (UN-AUDITED)

		March 31, 2018 (Un-audited)	June 30, 2017 (Audited)
	Note	(Rupees in `000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	3,399,043	2,840,968
Investment property		11,072	12,003
Long-term loans		40	39
Long-term deposits		14,219	7,347
		3,424,374	2,860,357
CURRENT ASSETS			
Stores and spare parts		362,451	247,647
Stock-in-trade	6	1,053,558	976,358
Trade debts	7	384,910	948,703
Loans and advances		20,030	23,124
Deposits, prepayments and other receivables		17,045	9,105
Taxation - net		179,016	150,923
Cash and bank balances		113,785	63,315
		2,130,795	2,419,175
		5,555,169	5,279,532
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
240,000,000 (June 30, 2017: 240,000,000) ordinary shares of Rs.5/- each		1,200,000	1,200,000
Issued, subscribed and paid-up capital		1,196,601	1,196,601
Reserves		712,596	598,965
		1,909,197	1,795,566
NON-CURRENT LIABILITIES			
Long-term loan	8	865,165	375,000
Deferred tax liability - net		145,689	85,510
		1,010,854	460,510
CURRENT LIABILITIES			
Trade and other payables		2,110,878	1,624,595
Accrued mark-up		19,092	14,035
Current maturity of long-term loan		250,000	250,000
Short-term borrowings		5,195	990,265
Sales tax payable		249,953	144,561
		2,635,118	3,023,456
CONTINGENCIES AND COMMITMENTS			
	9		
		5,555,169	5,279,532

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

WAQAS AHMED
Chief Financial Officer

SYED MASOOD ABBAS JAFFERY
Chief Executive Officer

FEROZE JEHANGIR CAWASJI
Director



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

	Nine months ended		Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	(Rupees in `000)			
Turnover - net	4,274,903	3,863,450	1,742,098	1,318,156
Cost of sales	(3,338,197)	(3,443,600)	(1,246,817)	(1,191,968)
Gross profit	936,706	419,850	495,281	126,188
Distribution costs	(535,584)	(388,262)	(236,679)	(69,243)
Administrative expenses	(129,505)	(116,075)	(49,743)	(52,266)
	(665,089)	(504,337)	(286,422)	(121,509)
Other income	27,926	30,250	6,458	10,585
Other charges	(15,096)	-	(13,182)	-
	12,830	30,250	(6,724)	10,585
Operating profit / (loss)	284,447	(54,237)	202,135	15,264
Finance costs	(80,754)	(68,483)	(24,281)	(24,665)
Profit / (loss) before taxation	203,693	(122,720)	177,854	(9,401)
Taxation				
- Current	(29,883)	(40,362)	(21,983)	(14,438)
- Deferred	(60,179)	38,044	(53,356)	2,915
	(90,062)	(2,318)	(75,339)	(11,523)
Profit / (loss) after taxation	113,631	(125,038)	102,515	(20,924)
	(Rupee)			
Earnings / (loss) per share – basic and diluted	0.47	(0.52)	0.43	(0.09)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

WAQUAS AHMED
Chief Financial Officer

SYED MASOOD ABBAS JAFFERY
Chief Executive Officer

FEROZE JEHANGIR CAWASJI
Director



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

	Nine months ended		Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	----- (Rupees in `000) -----			
Profit / (loss) after taxation	113,631	(125,038)	102,515	(20,924)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>113,631</u>	<u>(125,038)</u>	<u>102,515</u>	<u>(20,924)</u>

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

WAQUAS AHMED
Chief Financial Officer

SYED MASOOD ABBAS JAFFERY
Chief Executive Officer

FEROZE JEHANGIR CAWASJI
Director



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

Note	March 31, 2018	March 31, 2017
	----- (Rupees in `000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	203,693	(122,720)
Adjustments for:		
Depreciation on		
operating fixed assets	278,903	220,415
investment property	931	526
Finance costs	80,754	68,483
Provision for doubtful debts	15,858	36,231
Provision for slow moving stores and spare parts	5,240	877
Provision / (reversal) for slow moving stock-in-trade	11,628	(2,101)
Gain on disposal of operating fixed assets	(922)	(3,426)
	392,392	321,005
Operating profit before working capital changes	596,085	198,285
(Increase) / decrease in current assets		
Stores and spare parts	(120,044)	(88,266)
Stock-in-trade	(88,828)	(236,648)
Trade debts	547,935	(198,328)
Loans and advances	3,094	(3,035)
Deposits, prepayments and other receivables	(7,940)	(6,581)
	334,217	(532,858)
Increase in current liabilities		
Trade and other payables	486,283	372,336
Sales tax payable	105,392	120,855
	591,675	493,191
Cash generated from operations	1,521,977	158,618
Income tax paid	(57,975)	(81,963)
Finance costs paid	(75,697)	(58,726)
Long-term loans - net	(1)	177
Long-term deposits - net	(6,872)	100
Net cash generated from operating activities	1,381,432	18,206
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(841,923)	(254,600)
Proceeds from disposal of property, plant and equipment	5,866	4,506
Net cash used in investing activities	(836,057)	(250,094)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt/ (repayment) of long term loan - net	490,165	(187,500)
Net cash generated from / (used in) financing activities	490,165	(187,500)
Net increase / (decrease) in cash and cash equivalents	1,035,540	(419,388)
Cash and cash equivalents at the beginning of the period	(926,950)	(306,212)
Cash and cash equivalents at the end of the period	108,590	(725,600)

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

WAQAS AHMED
Chief Financial Officer

SYED MASOOD ABBAS JAFFERY
Chief Executive Officer

FEROZE JEHANGIR CAWASJI
Director



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Reserves			Total reserves	Total equity
Capital reserve		Revenue reserves				
Share premium		General reserve	Accumulated losses			
	----- (Rupees in `000) -----					
Balance as at June 30, 2016	1,196,601	449,215	478,000	(176,766)	750,449	1,947,050
Loss for the period	-	-	-	(125,038)	(125,038)	(125,038)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(125,038)	(125,038)	(125,038)
Balance as at March 31, 2017	1,196,601	449,215	478,000	(301,804)	625,411	1,822,012
Balance as at June 30, 2017	1,196,601	449,215	478,000	(328,250)	598,965	1,795,566
Profit for the period	-	-	-	113,631	113,631	113,631
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	113,631	113,631	113,631
Balance as at March 31, 2018	1,196,601	449,215	478,000	(214,619)	712,596	1,909,197

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

WAQAS AHMED
Chief Financial Officer

SYED MASOOD ABBAS JAFFERY
Chief Executive Officer

FEROZE JEHANGIR CAWASJI
Director



Shabbir Tiles and Ceramics Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2018 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Shabbir Tiles and Ceramics Limited (the Company) was incorporated in Pakistan as a public limited company, under the repealed Companies Act 1913 on November 7, 1978 and listed on the Pakistan Stock Exchange Limited. The Company is primarily engaged in the manufacture and sale of tiles and trading of allied building products. The registered office of the Company is situated at 15th Milestone, National Highway, Landhi, Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by 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 the provisions of and directives issued under the Companies Act, 2017 differ with the requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2017.

- 2.3 These condensed interim financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual financial statements for the year ended June 30, 2017.

3.1 New standards, amendments to approved accounting standards and new interpretations of IRFSs which became effective during the nine months period ended March 31, 2018

There are certain amendments to approved accounting standards that are mandatory for accounting periods beginning on July 1, 2017. However, these do not have any significant effect on the Company's financial reporting and operations and therefore, have not been disclosed in these condensed interim financial statements.

3.2 New standards, amendments to approved accounting standards and new interpretations of IRFSs that are not yet effective and have not been early adopted by the Company

There are certain amendments to approved accounting standards that are not mandatory for the Company's accounting periods beginning after July 1, 2017. However, these do not have any significant effect on the Company's financial reporting and operations and therefore, have not been disclosed in these condensed interim financial statements.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND FINANCIAL RISK MANAGEMENT

The preparation of condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2017.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2017.



Shabbir Tiles and Ceramics Limited

	Note	March 31, 2018 (Un-audited) (Rupees in `000)	June 30, 2017 (Audited)
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	2,733,444	2,707,126
Capital work-in-progress	5.2	665,599	133,842
		<u>3,399,043</u>	<u>2,840,968</u>
5.1 Operating fixed assets			
Opening Net Book Value (NBV)		2,707,126	2,590,540
Additions to property, plant and equipment - at cost	5.1.1	306,354	423,335
		<u>3,013,480</u>	<u>3,013,875</u>
Disposals during the period / year - at NBV	5.1.1	(1,133)	(2,017)
Depreciation charged during the period / year		(278,903)	(304,732)
Closing NBV		<u>2,733,444</u>	<u>2,707,126</u>

5.1.1 Additions and disposals of property, plant and equipment

	Additions (cost)		Disposals (NBV)	
	March 31, 2018 (Un-audited)	June 30, 2017 (Audited)	March 31, 2018 (Un-audited)	June 30, 2017 (Audited)
	(Rupees in `000)			
Buildings	8,538	21,300	-	-
Plant and machinery	292,835	393,521		594
Office equipment	1,570	2,104	9	-
Computers and accessories	1,330	2,001	1	12
Vehicles	2,081	4,409	1,123	1,411
	<u>306,354</u>	<u>423,335</u>	<u>1,133</u>	<u>2,017</u>

	March 31, 2018 (Un-audited) (Rupees in `000)	June 30, 2017 (Audited)
5.2 Capital work-in-progress		
Plant and machinery	637,728	132,359
Civil works	27,871	1,483
	<u>665,599</u>	<u>133,842</u>

5.2.1 Movement in capital work-in-progress

Balance at the beginning of the period / year	133,842	157,575
Additions during the period / year	801,273	157,775
Transfers to operating fixed assets	(265,704)	(181,508)
Disposal during the period / year	(3,812)	-
Closing Balance	<u>665,599</u>	<u>133,842</u>

6. STOCK-IN-TRADE

Includes stock-in-trade costing Rs. 92.137 million (June 2017: Rs. 79.210 million) which has been written down to Rs. 54.812 million (June 2017: Rs. 61.137 million) NRV.



Shabbir Tiles and Ceramics Limited

		March 31, 2018 (Un-audited)	June 30, 2017 (Audited)
		(Rupees in `000)	
7. TRADE DEBTS - unsecured	Note		
Unsecured			
Considered good		384,910	948,703
Considered doubtful		137,580	121,722
		<u>522,490</u>	<u>1,070,425</u>
Provision for doubtful debts		<u>(137,580)</u>	<u>(121,722)</u>
		<u>384,910</u>	<u>948,703</u>
8. LONG-TERM LOAN			
Loan - I - Habib Bank Limited	8.1	250,000	625,000
Loan - II - Faysal Bank Limited	8.2	865,165	-
Current maturity of long-term loan		<u>(250,000)</u>	<u>(250,000)</u>
		<u>865,165</u>	<u>375,000</u>

8.1 Represents loan obtained under conventional banking terms which carries markup at rate of three months KIBOR + 0.75% per annum, payable quarterly with one year grace period. The loan is repayable within five years in sixteen equal quarterly installments commenced from March 2016. The facility is secured against first pari-passu charge through equitable mortgage over land and building, and hypothecation over all present and future fixed assets of the company.

8.2 During the period, the Company obtained long term loan from Faysal Bank Limited under islamic banking terms which carries markup at rate of three months KIBOR + 0.70% per annum, payable quarterly with two years grace period. The loan is repayable within five years in ten equal semi-annual installments to commence from March 2020. The facility is secured against first pari-passu charge, mortgage and hypothecation over all present and future fixed assets including land, building, plant and machinery of the Company.

9. CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in the status of contingencies as reported in the audited financial statements of the Company for the year ended 30 June 2017.

	March 31, 2018 (Un-audited)	June 30, 2017 (Audited)
	(Rupees in `000)	
Commitments		
Outstanding letters of credit	<u>112,592</u>	<u>96,118</u>
Outstanding letters of guarantee	<u>467,631</u>	<u>319,909</u>
Commitments for rentals under Ijarah agreements	<u>1,763</u>	<u>2,236</u>
Commitments in respect of capital expenditure	<u>8,253</u>	<u>424,905</u>

10. CASH AND CASH EQUIVALENTS

	March 31, 2018 (Un-audited)	March 31, 2017 (Un-audited)
	----- (Rupees in `000) -----	
Cash and bank balances	113,785	75,999
Short-term borrowings	<u>(5,195)</u>	<u>(801,599)</u>
	<u>108,590</u>	<u>(725,600)</u>



Shabbir Tiles and Ceramics Limited

11. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Company comprise of companies with common directorship, staff retirement benefit, directors and key management personnel. Details of transactions with related parties during the period, are as follows:

	Nine months ended	
	March 31, 2018	March 31, 2017
	----- (Un-audited) -----	
	(Rupees in '000)	
Associated Companies		
Sales	19,145	17,393
Purchases of goods, material and services	41,210	93,287
Insurance premium	16,693	16,590
Insurance claims received	520	5,172
Rent and services charges paid	6,160	5,334
Rent income	540	540
Markup earned	99	168
Markup expense	11,340	12,289
Commission on letter of guarantee	2,512	1,166
Other related parties		
Contribution to provident fund	13,443	12,667
Key management personnel	17,305	13,416
	March 31, 2018	June 30, 2017
	(Un-audited)	(Audited)
	(Rupees in '000)	
Balances as at period / year end		
Trade debts	9,702	4,343
Trade and other payables	15,096	19,689
Bank balances	27,983	24,958
Short-term borrowing	5,195	551,060
Commitments		
Outstanding letters of credit	118,351	102,276
Outstanding letters of guarantee	467,631	307,909

12. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 28, 2018 by the Board of Directors of the Company.

13. GENERAL

Figures have been rounded off to the nearest thousands (in Rupees).

WAQUAS AHMED
Chief Financial Officer

SYED MASOOD ABBAS JAFFERY
Chief Executive Officer

FEROZE JEHANGIR CAWASJI
Director

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