

# **SHABBIR TILES AND CERAMICS LIMITED**

Condensed Interim Financial Statements

For the Third Quarter and Nine Months Ended

March 31, 2024

(Un-Audited)



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## Shabbir Tiles and Ceramics Limited

**COMPANY INFORMATION**

## BOARD OF DIRECTORS

Rafiq M. Habib  
 Syed Masood Abbas Jaffery  
 Muhammad Salman Burney  
 Imran Ali Habib  
 Abdul Hai M. Bhaimia  
 Feroze Jehangir Cawasji  
 Farhana Mowjee Khan

Chairman  
 Chief Executive Officer  
 Director  
 Director  
 Director  
 Director  
 Director

## AUDIT COMMITTEE

Feroze Jehangir Cawasji  
 Imran Ali Habib  
 Abdul Hai M. Bhaimia  
 Farhana Mowjee Khan

Chairman  
 Member  
 Member  
 Member

HUMAN RESOURCES AND  
REMUNERATION COMMITTEE

Feroze Jehangir Cawasji  
 Muhammad Salman Burney  
 Farhana Mowjee Khan  
 Syed Masood Abbas Jaffery

Chairman  
 Member  
 Member  
 Member

## CHIEF FINANCIAL OFFICER

Waqas Ahmed

## COMPANY SECRETARY

Ovais Jamani

## AUDITORS

A.F. Ferguson & Co  
 Chartered Accountants

## LEGAL ADVISOR

Sohail and Partners

## BANKERS

Habib Metropolitan Bank Limited  
 Habib Bank Limited  
 Dubai Islamic Bank Pakistan Limited  
 Faysal Bank Limited  
 Allied Bank Limited  
 Meezan Bank Limited  
 Bank Al Falah Limited

REGISTERED OFFICE  
AND FACTORY UNIT-1

15th Milestone, National Highway  
 Landhi Industrial Area, Karachi-75120  
 Phone: (021) 38183610-3  
 E-mail: info@stile.com.pk

Fax: (021) 38183615  
 URL: <http://www.stile.com.pk>

REGISTRAR AND SHARE TRANSFER  
OFFICE

CDC Share registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S  
 Main Shahrah-e-Faisal, Karachi-74400. Phone: 0800 23275  
 URL: [www.cdcsrsl.com](http://www.cdcsrsl.com) Email: info@cdcsrsl.com

## FACTORY UNIT-2

Deh Khanto, Tappo Landhi, District Malir, Bin Qasim Town, Karachi  
 Phone: (021) 34102702 Fax: (021) 34102709

ISLAMABAD  
(BUILDING MATERIAL PRODUCTS)

Plot No 1, ANF Empty Parking Road, Yamaha Chowk Road, Model Town,  
 Humak, Islamabad.

LAHORE  
(BUILDING MATERIAL PRODUCTS)

78-A , Factory Adda, Dina Nath main Multan Road, 46KM, Lahore

Shabbir Tiles and Ceramics Limited

**COMPANY INFORMATION****STILE EMPORIUM AND DESIGN STUDIOS  
AND SALES OFFICES**

STAR GATE EMPORIUM, KARACHI	Metro Cash & Carry, CAA, Near Star Gate, Main Shahrah-e-Faisal, Karachi. Phone: (021) 34601372-74
FACTORY EMPORIUM, KARACHI	15th Milestone, National Highway, Landhi Industrial Area, Karachi Phone: (021) 38183610-3
DHA BUKHARI EMPORIUM, KARACHI	39-C, Bukhari Commercial area, Lane 15, Main Khayaban-e-Ittehad Road DHA Phase 6, Karachi Phone: (021) 37249564
DHA 26TH STREET EMPORIUM, KARACHI	26th Street Plot C-8-C, DHA Phase 5, Tauheed Commercial, Karachi. Phone: (021) 37228922
BUILD MATE EMPORIUM, KARACHI	Build Mate 82-B, Midway Commercial, Bahria Town, Karachi Phone: 0307-0228246
NEW TOWN EMPORIUM, KARACHI	Shop No. 3, KDA Scheme No. 7, Chandni Chowk (New Town), Karachi Phone: (021) 34921011 , 0300-2006509
DHA EMPORIUM, LAHORE	DHA Lahore 164, CCA , Phase 4, Lahore Phone: (042) 37185710-12
THOKAR NIAZ BAIG EMPORIUM, LAHORE	Metro Cash & Carry, Thokar Niaz Baig Multan Road, Lahore Phone: 0301-8245893
LIVIN EMPORIUM, LAHORE	Ferozepur Road: 83 - Main Ferozepur Road, Main Ichhra, Lahore Phone: 0301-8207942
MUREE ROAD EMPORIUM, RAWALPINDI	Al Shareef Plaza, Ground Floor, Shamsabad, Murree Road, Rawalpindi Phone: (051) 4935521-23
ISLAMABAD METRO EMPORIUM	Metro Islamabad: Metro Cash & Carry, Sector I-11/4, Islamabad Phone: (051) 8469524
PESHAWAR EMPORIUM	162/408 Tahkal Payan, University Road , Peshawar Phone: (091) 3028068
FAISALABAD EMPORIUM	Talha Heights , Main Susan Road, P-243, 2A, Faisalabad Phone: (041) 8739988
HYDERABAD EMPORIUM	Shop no. 13 & 14, Fortune Arcade, Jamshoro Road, next to KFC Near Qasim Chowk, Hyderabad. Phone: 0300-8540459
MULTAN EMPORIUM	Officers Colony, Main Bosan Road, Chungi No. 9, Next to Crystal Mall, Multan. Phone: (061) 2078492
BAHAWALPUR EMPORIUM	Ground Floor, Commercial Building, Khawat No. 199/197, Moza Bandra Multan Road, Bahawalpur. Phone: 0300-2032142
WAH CANTT EMPORIUM	Khan Plaza, Khasra No 434, GT Road, near Raja Saab Mall, Wah Cantt Phone: (051) 4926281
GUJRANWALA EMPORIUM	Main GT Road, Chan da Qila, opposite Haji Murad Trust Eye Hospital, Gujranwala Phone : 0315-2780820
GILGIT BALSTISTAN EMPORIUM	Shop no. 14, Akbar Market, Khomar Yarkot, Gilgit Phone: 05811-553865 , 0300-8285725
DERA GHAZI KHAN EMPORIUM	Plot No. A-1/2, New Defence View Housing Scheme, Jampur Road, Dera Ghazi Khan. Phone: 0315-2781937-38
SUKKUR EMPORIUM	Shop No. 80, Opposite JS Bank, Military Road, Sukkur Phone: (071) 5816848 , 0315-3008046
RAHIM YAR KHAN EMPORIUM	Commercial Plot No. 1, New Officers Colony, Club Road, Near Jullundur Mall Rahim Yar Khan. Phone: 0300-8216848

**SHABBIR TILES AND CERAMICS LIMITED**  
**DIRECTORS' REPORT TO THE SHAREHOLDERS**  
**FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2024**

The Directors are pleased to present the financial results of your Company for the third quarter and nine months ended March 31, 2024.

The Country continues to confront an enduring economic crisis marked by fiscal shortfalls, external imbalances, and inadequate foreign exchange reserves. This has posed challenges to the construction sector, both in terms of individual homeowners and also to the overall commercial construction sector. Simultaneously, with record high interest rates mortgage housing finance demand has reduced and falls short of its potential, especially in comparison to similar emerging economies.

The company also faced a significant & formidable challenge from very substantial increases in Energy costs, particularly gas expenses & electricity, as well as heightened freight costs, attributed to axle load restrictions and soaring diesel prices.

All of the above posed significant challenges to the company's net profitability. However your Company demonstrated resilience by preserving its market share, achieving a commendable net turnover of Rs. 3.923 billion. However, margins were adversely impacted by these costs pressures and impact of price competition.

*Rs. in ' 000*

Particulars	For the quarter ended		For the nine months ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Turnover – net	3,923,282	4,140,556	12,355,756	10,497,831
Gross profit	873,054	1,179,411	2,909,129	2,123,938
Earnings before interest, tax and dep	320,452	568,539	1,330,334	756,491
Profit before tax	65,297	343,477	581,111	71,091
Profit / (loss) after tax	49,648	143,056	315,992	(53,246)
Earnings/ (loss) per share (Rs. / share)	0.21	0.60	1.32	(0.22)

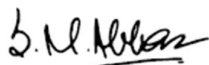
#### **FUTURE OUTLOOK**

Looking ahead, following the elections & successful completion of the IMF program & with projected economic reforms it is hoped that there will be a positive impact on real estate development in the country & construction due to improved investor confidence & economic outlook.

Industry experts are emphasizing many strategic investment opportunities within Pakistan's real estate sector. It is hoped that Government will recognize & understand critical impact of the construction sector on the overall economy & align policy initiatives & make efforts to capture the interest of both domestic and international investors to energize this sector.

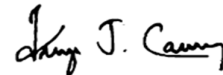
On behalf of the Board of Director we would like to thank our stakeholders for their continued support and our shareholders for their confidence in the leadership of the Board and management team of the Company. With your continuous support and by the grace of the Almighty, we remain committed to delivering good performance.

On behalf of the Board of Director



**SYED MASOOD ABBAS JAFFERY**

Chief Executive Officer



**FEROZE JEHANGIR CAWASJI**

Director

شعبہ ٹائلز اینڈ سرامکس لمیٹڈ  
حصص یافتگان کے لئے ڈائریکٹرز رپورٹ  
برائے تیسری سہ ماہی اور نو ماہ اختتامیہ 31 مارچ 2024

ڈائریکٹرز آپ کی کمپنی کی تیسری سہ ماہی اور نو ماہ اختتامیہ 31 مارچ 2024 کے مالیاتی نتائج پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

ملک کو مالیاتی خسارے، بیرونی عدم توازن اور غیر ملکی زر مبادلہ کے ناکافی ذخائر کی وجہ سے معاشی بحران کا سامنا ہے۔ یہ مندی نہ صرف انفرادی مکان مالکان کے لیے چیلنجز کا باعث بنتی ہے بلکہ وسیع پیمانے پر معیشت پر بھی اثر ڈالتی ہے۔ اس کے ساتھ ہی، قرض کی صنعت، جو ہاؤسنگ فنانس کے لیے اہم ہے، ابھرتی ہوئی معیشت کے مقابلے میں اپنی صلاحیت سے کم ہے۔ ہاؤسنگ فنانس تک محدود رسائی، بلند شرح سود، اور پیچیدہ قانونی فریم ورک، ٹائلز کی صنعت کی ترقی میں رکاوٹ کا باعث ہے۔

گیس اور بجلی کے بڑھتے ہوئے نرخ، مال برداری کے بڑھتے ہوئے اخراجات، ایکسل لوڈ کی پابندیاں اور ڈیزل کی قیمتوں میں اضافہ کی وجہ سے کمپنی کو خالص منافع کے حصول لیے مشکلات کا سامنا ہے البتہ، آپ کی کمپنی نے اپنے مارکیٹ شیئر کو محفوظ رکھتے ہوئے 3.923 بلین روپے کا قابل ستائش خالص کاروبار حاصل کیا۔ تاہم، ان اخراجات کے دباؤ اور قیمت کے اثرات سے مارجن پر منفی اثر پڑا ہے۔

مالیاتی کارکردگی کا خلاصہ ذیل میں دیا گیا ہے۔

روپے ہزاروں میں

نو ماہ اختتامیہ		تیسری سہ ماہی		تفصیلات
31 مارچ 2023	31 مارچ 2024	31 مارچ 2023	31 مارچ 2024	
10,497,831	12,355,756	4,140,556	3,923,282	خالص فروخت
2,123,938	2,909,129	1,179,411	873,054	مجموعی منافع
756,491	1,330,334	568,539	320,452	آمدنی قبل از شرح سود، ٹیکس اور فرسودگی (EBITDA)
71,091	581,111	343,477	65,297	منافع قبل از ٹیکس
(53,246)	315,992	143,056	49,648	(نقصان) / منافع بعد از ٹیکس
(0.22)	1.32	0.60	0.21	آمدنی / (نقصان) فی حصص (روپے / حصص)

## مستقبل کا نقطہ نظر

آگے دیکھتے ہوئے، انتخابات اور آئی ایم ایف پروگرام کی کامیاب تکمیل اور متوقع اقتصادی اصلاحات کے بعد امید کی جاتی ہے کہ سرمایہ کاروں کے اعتماد اور معاشی نقطہ نظر میں بہتری آئے گی جس کی وجہ سے ملک میں ریئل اسٹیٹ کی ترقی اور تعمیرات پر مثبت اثرات مرتب ہوں گے

صنعت کے ماہرین پاکستان کے ریئل اسٹیٹ سیکٹر کے اندر سٹریٹجک سرمایہ کاری کے مواقع پر زور دے رہے ہیں۔ امید ہے کہ حکومت مجموعی معیشت پر تعمیراتی شعبے کی اہمیت کو سمجھے گی اور ایسے اقدامات کرے گی جس سے اس شعبے کو تقویت ملے گی اور ملکی اور بین الاقوامی سرمایہ کاروں کی توجہ حاصل ہوگی۔

بورڈ آف ڈائریکٹرز کی جانب سے ہم اپنے صارفین کی مسلسل حمایت اور کمپنی کے بورڈ اور انتظامی ٹیم کی قیادت پر اعتماد کے لیے اپنے حصص یافتگان کا شکریہ ادا کرنا چاہیں گے۔ اللہ تعالیٰ کے فضل و کرم سے اور آپ کے مسلسل تعاون سے ہم اچھی کارکردگی پیش کرنے کے لیے پرعزم ہیں۔

برائے و مخانب۔ بورڈ آف ڈائریکٹرز

*Ang J. Cassy*

فیروز جہانگیر کاوسی

ڈائریکٹر

*S. M. Abbas*

سید مسعود عباس جعفری

چیف ایگزیکٹو آفیسر

کراچی: 29 اپریل 2024

**SHABBIR TILES AND CERAMICS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS AT MARCH 31, 2024**

		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	3,008,213	3,342,400
Investment property		3,620	4,551
Right-of-use assets	7	282,569	327,200
Long-term deposits		39,702	31,817
Deferred tax asset - net		48,496	41,089
		<u>3,382,600</u>	<u>3,747,057</u>
<b>CURRENT ASSETS</b>			
Stores and spare parts		819,109	728,936
Stock-in-trade	8	3,106,994	2,058,968
Trade debts	9	539,666	411,969
Prepayments, deposits and other receivables		51,921	116,773
Loans and advances		127,898	46,530
Short-term investments	10	262,000	1,337,306
Cash and bank balances		252,784	404,639
		5,160,372	5,105,121
<b>TOTAL ASSETS</b>		<u><u>8,542,972</u></u>	<u><u>8,852,178</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorised capital</b>			
240,000,000 (June 2023: 240,000,000) ordinary shares of Rs. 5 per share		<u>1,200,000</u>	<u>1,200,000</u>
<b>Issued, subscribed and paid-up share capital</b>			
239,320,475 (June 2023: 239,320,475) ordinary shares of Rs. 5 per share		1,196,600	1,196,600
Reserves		<u>1,819,623</u>	<u>1,503,631</u>
		3,016,223	2,700,231
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing - secured	11	513,286	536,712
Lease liability against right-of-use assets	12	204,291	224,112
Deferred income	13	73,393	77,094
Gas infrastructure development cess (GIDC) payable	14	-	46,998
		790,970	884,916
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,087,906	3,682,665
Current portion of term finance arrangements	11	34,774	22,820
Current portion of lease liability against right-of-use assets	12	146,936	156,112
Current portion of deferred income	13	5,254	5,494
Current portion of GIDC payable	14	828,150	767,915
Short-term borrowings		38,956	-
Unclaimed dividend		4,155	4,184
Unpaid dividend		2,478	2,761
Accrued markup		7,145	20,334
Sales tax payable		405,621	346,154
Taxation - net		174,404	258,592
		4,735,779	5,267,031
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>8,542,972</u></u>	<u><u>8,852,178</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>			

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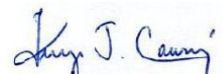
The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



**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 PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024**

	Nine Months ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- (Rupees in '000) -----			
Turnover - net	12,355,756	10,497,831	3,923,282	4,140,556
Cost of sales	(9,446,627)	(8,373,893)	(3,050,228)	(2,961,145)
<b>Gross profit</b>	<b>2,909,129</b>	<b>2,123,938</b>	<b>873,054</b>	<b>1,179,411</b>
Selling and distribution expenses	(1,926,340)	(1,592,548)	(688,284)	(629,616)
Administrative expenses	(306,272)	(282,690)	(101,647)	(97,728)
(Allowance) / Reversal for expected credit losses	(10,722)	(1,177)	(11)	12,969
	(2,243,334)	(1,876,415)	(789,942)	(714,375)
Other income	146,696	97,165	36,138	41,884
<b>Operating profit</b>	<b>812,491</b>	<b>344,688</b>	<b>119,250</b>	<b>506,920</b>
Finance costs	(143,006)	(144,130)	(48,866)	(48,187)
Other expenses	(88,374)	(129,467)	(5,087)	(115,256)
	(231,380)	(273,597)	(53,953)	(163,443)
<b>Profit before taxation</b>	<b>581,111</b>	<b>71,091</b>	<b>65,297</b>	<b>343,477</b>
Taxation				
- Current	(272,526)	(230,611)	(17,121)	(148,549)
- Deferred	7,407	106,274	1,472	(51,872)
	(265,119)	(124,337)	(15,649)	(200,421)
<b>Profit / (loss) after taxation</b>	<b>315,992</b>	<b>(53,246)</b>	<b>49,648</b>	<b>143,056</b>
	----- (Rupee) -----			
<b>Earnings / (loss) per share – basic and diluted</b>	<b>1.32</b>	<b>(0.22)</b>	<b>0.21</b>	<b>0.60</b>

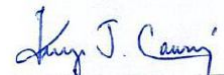
The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



**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 COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024**

	Nine Months ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	------(Rupees in '000)-----			
<b>Profit / (loss) after taxation</b>	315,992	(53,246)	49,648	143,056
Other comprehensive income	-	-	-	-
<b>Total comprehensive income / (loss) for the period</b>	<u>315,992</u>	<u>(53,246)</u>	<u>49,648</u>	<u>143,056</u>

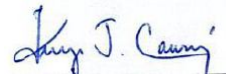
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**Waqas Ahmed**  
Chief Financial Officer



**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 NINE MONTHS ENDED MARCH 31, 2024**

	Reserves					Total equity
	Capital reserve	Revenue reserves		Total reserves		
	Share premium	General reserve	Unappropriated profit / (loss)			
	Issued, subscribed and paid-up capital					
----- (Rupees in '000) -----						
<b>Balance as at July 1, 2022 (Audited)</b>	1,196,600	449,215	478,000	718,293	1,645,508	2,842,108
Final Dividend @ 15% for the year ended June 30, 2022	-	-	-	(179,490)	(179,490)	(179,490)
Loss after taxation	-	-	-	(53,246)	(53,246)	(53,246)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(53,246)	(53,246)	(53,246)
<b>Balance as at March 31, 2023 (Un-audited)</b>	<u>1,196,600</u>	<u>449,215</u>	<u>478,000</u>	<u>485,557</u>	<u>1,412,772</u>	<u>2,609,372</u>
<b>Balance as at June 30, 2023 (Audited)</b>	1,196,600	449,215	478,000	576,416	1,503,631	2,700,231
Profit after taxation	-	-	-	315,992	315,992	315,992
Other comprehensive income	-	-	-	-	-	-
Total comprehensive profit for the period	-	-	-	315,992	315,992	315,992
<b>Balance as at March 31, 2024 (Un-audited)</b>	<u>1,196,600</u>	<u>449,215</u>	<u>478,000</u>	<u>892,408</u>	<u>1,819,623</u>	<u>3,016,223</u>

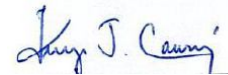
The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.



**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 CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2024**

	March 31, 2024	March 31, 2023
Note	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	581,111	71,091
<b>Adjustments for non-cash and other items:</b>		
Depreciation on:		
Operating fixed assets	6.1 504,353	444,899
Right-of-use assets	7.2 100,932	95,440
Investment property	932	931
Finance costs	143,006	144,130
Dividend income	(39,093)	(27,267)
Allowance for expected credit losses	10,722	1,177
Provision for slow moving stores and spare parts	20,188	24,435
Provision for slow moving and obsolete stock-in-trade	23,430	15,319
Unrealised gain	-	(1,221)
Amortisation of deferred income	13 (3,941)	(4,120)
Gain on disposal of operating fixed assets	(1,152)	(870)
	<u>759,377</u>	<u>692,853</u>
<b>Operating profit before working capital changes</b>	1,340,488	763,944
<b>(Increase) / decrease in current assets</b>		
Stores and spare parts	(110,361)	(111,020)
Stock-in-trade	(1,071,456)	(275,040)
Trade debts	(138,419)	(107,717)
Loans and advances	(81,368)	13,214
Trade deposits, short-term prepayments and other receivables	64,852	(22,967)
	(1,336,752)	(503,530)
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	(594,759)	319,194
Sales tax payable	59,467	89,289
	(535,292)	408,483
<b>Cash (used in) / generated from operations</b>	(531,556)	668,897
Income tax paid	(356,714)	(304,878)
Finance costs paid	(156,195)	(110,202)
Long-term deposits	(7,885)	(5,201)
<b>Net cash (used in) / generated from operating activities</b>	(1,052,350)	248,616
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure - fixed assets for own use	(178,239)	(483,628)
Proceeds from disposal of operating fixed assets	9,225	4,134
Investments made	(1,850,000)	(2,454,285)
Investments redeemed	2,645,626	2,506,279
Dividend received	39,093	27,267
<b>Net cash generated from / (used in) investing activities</b>	665,705	(400,233)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term financing obtained during the period	11 -	356,103
Repayment of long-term financing	(29,465)	(7,822)
Repayment of principal portion of lease liabilities	(85,298)	(85,925)
Dividend paid	(312)	(178,761)
<b>Net cash (used in) / generated from financing activities</b>	(115,075)	83,595
<b>Net decrease in cash and cash equivalents</b>	(501,720)	(68,022)
Cash and cash equivalents at the beginning of the period	777,548	590,856
<b>Cash and cash equivalents at the end of the period</b>	16 <u>275,828</u>	<u>522,834</u>

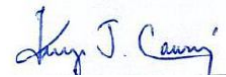
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Chief Financial Officer



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Director

**SHABBIR TILES AND CERAMICS LIMITED**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2024**

**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 (now the Companies Act, 2017) on November 07, 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.

1.2 Geographical location and addresses of all the business units other than those stated in note 1.3 are as under:

<b>Business Unit</b>	<b>Address</b>	<b>Production Facility</b>
Registered office & production plant (Unit 1):	15th Milestone, National Highway, Landhi, Karachi.	Tiles & building material products
Production plant (Unit 2):	Deh Khanto, Tappo Landhi, District Malir, Bin Qasim Town Karachi.	Tiles
Production plant (Islamabad):	Plot No 01, ANF road, Yamaha Chok Road, Model Town, Humak, Islamabad.	Building material products
Production plant (Lahore):	78-A Factory Adda, Dina Nath main Multan road, 46 KM Road, Lahore	Building material products

1.3 The Company also make sales through various sales outlets located across the country. Considering the quantum, the geographical locations and addresses of all the locations are not presented in these condensed interim financial statements.

**2 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 Standards 34; 'Interim Financial Reporting', (IAS 34) issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act),
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; and
- Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act and IFAS differ with the requirements of IAS 34, the provisions of and directives issued under the Act and IFAS have been followed.

**3 BASIS OF PREPARATION**

3.1 These condensed interim financial statements are un-audited and do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2023.

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

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2023.

#### 4.1 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

##### (a) Amendments to published accounting and reporting standards which became effective during the period

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

##### (b) Amendments to published accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

#### 5 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements in conformity with approved accounting and reporting 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, 2023.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended June 30, 2023.

	Note	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
----- (Rupees in '000) -----			
<b>6 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	6.1	2,860,761	2,743,070
Capital work-in-progress (CWIP)	6.2	147,452	599,330
		<u>3,008,213</u>	<u>3,342,400</u>
<b>6.1 Operating fixed assets</b>			
Opening Net Book Value (NBV)		2,743,070	2,390,644
Additions including transfers from CWIP during the period / year - at cost	6.1.1	630,117	970,554
		<u>3,373,187</u>	<u>3,361,198</u>
Disposals during the period / year at NBV	6.1.1	(8,073)	(3,263)
Depreciation charged during the period / year		<u>(504,353)</u>	<u>(614,865)</u>
Closing Net Book Value		<u>2,860,761</u>	<u>2,743,070</u>
<b>6.1.1 Additions and disposals of operating fixed assets</b>			
		<b>Additions at cost / transfers</b>	<b>Disposals at NBV</b>
		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
		----- (Rupees in '000) -----	
Building on freehold land		-	9,673
Plant and machinery		562,101	919,115
Office equipment		18,647	18,669
Computers and accessories		1,764	2,803
Vehicles		47,605	20,294
		<u>630,117</u>	<u>970,554</u>
		<u>8,072</u>	<u>3,263</u>
		<u>8,073</u>	<u>3,263</u>

	<b>Note</b>	<b>March 31, 2024 (Un-audited)</b>	<b>June 30, 2023 (Audited)</b>
		<b>----- (Rupees in '000) -----</b>	
<b>6.2 Capital work-in-progress</b>			
Plant and machinery		146,099	568,752
Office equipment		1,353	468
Advance against vehicles		-	30,110
	6.2.1	<u>147,452</u>	<u>599,330</u>
<b>6.2.1 Movement in capital work-in-progress</b>			
Balance at the beginning of the period / year		599,330	1,028,112
Additions during the period / year		160,485	500,956
Transfers to operating fixed assets	6.2.2	<u>(612,363)</u>	<u>(929,738)</u>
Balance at the end of the period / year		<u>147,452</u>	<u>599,330</u>
<b>6.2.2</b>	Includes vehicles of Rs. 12.937 million (June 2023: Rs. 12.844 million) purchased from Indus Motors Company Limited, a related party.		
		<b>March 31, 2024 (Un-audited)</b>	<b>June 30, 2023 (Audited)</b>
		<b>----- (Rupees in '000) -----</b>	
<b>7 RIGHT-OF-USE ASSETS</b>	<b>Note</b>		
Cost	7.1	666,612	610,311
Accumulated depreciation	7.2	<u>(384,043)</u>	<u>(283,111)</u>
		<u>282,569</u>	<u>327,200</u>
<b>7.1 Cost</b>			
Balance at the beginning of the period / year		610,311	496,947
Additions during the period / year		53,101	178,940
Disposal during the period / year		-	(67,517)
Remeasurement of lease liabilities		3,200	1,941
Balance at end of the period / year		<u>666,612</u>	<u>610,311</u>
<b>7.2 Accumulated Depreciation</b>			
Balance at beginning of the period / year		283,111	233,584
Charged during the period / year	7.3	100,932	117,044
On disposal during the period / year		-	(67,517)
Balance at end of the period / year		<u>384,043</u>	<u>283,111</u>
		<u>282,569</u>	<u>327,200</u>
<b>Depreciation rate %</b>		<u>10-33</u>	<u>10-33</u>
<b>7.3 Depreciation charge for the period has been allocated as follows</b>		<b>March 31, 2024 (Un-audited)</b>	<b>March 31, 2023 (Un-audited)</b>
		<b>----- (Rupees in '000) -----</b>	
Cost of sales- Manufacturing		23,619	27,293
Selling and distribution expenses		77,313	68,148
		<u>100,932</u>	<u>95,441</u>

		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
		----- (Rupees in '000) -----	
<b>8</b>	<b>STOCK-IN-TRADE</b>		
	Raw material - in hand	1,390,166	797,689
	- in transit	171,749	206,912
		<u>1,561,915</u>	<u>1,004,601</u>
	Work-in-process	92,245	109,518
	Finished goods	1,514,379	982,965
	Less: Provision for slow moving and obsolete stock-in-trade	(61,545)	(38,116)
		<u>3,106,994</u>	<u>2,058,968</u>
<b>8.1</b>	Includes stock-in-trade costing Rs. 901.183 million (June 2023: Rs. 766.563 million) which has been written down to its net realisable value (NRV) amounting to Rs. 349.021 million (June 2023: Rs. 254.766 million).		
		Note	
		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
		----- (Rupees in '000) -----	
<b>9</b>	<b>TRADE DEBTS</b>		
	<b>Unsecured</b>		
	Considered good	539,666	411,969
	Considered doubtful	167,892	157,975
		<u>707,558</u>	<u>569,944</u>
	Allowance for expected credit losses	(167,892)	(157,975)
		<u>539,666</u>	<u>411,969</u>
<b>10</b>	<b>SHORT-TERM INVESTMENTS</b>		
	<b>At amortised cost</b>		
	Term deposit receipts (TDRs) up to three months	10.1 62,000	276,000
	Treasury bills up to three months		96,909
	<b>At fair value through profit or loss</b>		
	Mutual fund units	<u>200,000</u>	<u>964,397</u>
		<u>262,000</u>	<u>1,337,306</u>
<b>10.1</b>	Represents term deposit receipts (TDRs) ranging from 7 days to 3 months term (June 2023: 15 days to 3 months) with commercial banks under conventional banking relationship carrying profit at the rate of 19% (2023: 17.5% to 20.25%) per annum, having latest maturity up to April 07, 2024 (June 2023: July 05, 2023). This includes a TDR with Bank Alfalah amounting to Rs. 56.00 million (June 2023: 56.00 million) which is placed under lien against the SBP refinance scheme for renewable energy as disclosed in note 11.		
		Note	
		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
		----- (Rupees in '000) -----	
<b>11</b>	<b>LONG-TERM FINANCING - SECURED</b>		
	<b>Conventional Banks</b>		
	SBP refinance scheme for renewable energy	11.1 & 11.3 258,060	269,532
	Term Loan	11.2 290,000	290,000
	Current maturity of long-term financing	(34,774)	(22,820)
		<u>513,286</u>	<u>536,712</u>



11.1 There is no material change in the terms and conditions of the long-term financing obtained from a conventional bank under State Bank of Pakistan's (SBP) Refinance Scheme for Renewable Energy as disclosed in the Company's annual audited financial statements for the year ended June 30, 2023.

11.2 There is no material change in the terms and conditions of the term loan obtained from Allied Bank Limited to finance the CAPEX requirement of the Company as disclosed in the Company's annual audited financial statements for the year ended June 30, 2023.

		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>11.3 Movement of long-term financing:</b>			
Balance at beginning of the period / year		269,532	232,537
Financing received during the period / year		-	50,806
Repayment made during the period / year		(29,465)	(10,715)
Recognised as deferred income		-	(24,317)
Unwinding of finance cost		17,993	21,221
Remeasurement of long-term financing		-	-
Balance at end of the period / year		<u>258,060</u>	<u>269,532</u>
Current maturity of long-term financing		<u>(34,774)</u>	<u>(22,820)</u>
		<u>223,286</u>	<u>246,712</u>
<b>12 LEASE LIABILITIES</b>			
Lease liabilities	12.1	351,227	380,224
Current maturity of lease liabilities		<u>(146,936)</u>	<u>(156,112)</u>
		<u>204,291</u>	<u>224,112</u>
<b>12.1 Movement of lease liabilities:</b>			
Balance at beginning of the period / year		380,224	310,080
Additions during the period / year		53,101	178,940
Remeasurement of lease liabilities		3,200	1,941
Unwinding of finance cost during the period / year		38,269	49,251
Payments made during the period / year		<u>(123,567)</u>	<u>(159,988)</u>
Balance at end of the period / year		<u>351,227</u>	<u>380,224</u>
<b>13 DEFERRED INCOME</b>			
Balance at beginning of the period / year		82,588	63,765
Recognised during the period / year		-	24,317
Amortized during the period / year		<u>(3,941)</u>	<u>(5,494)</u>
Balance at end of the period / year		78,647	82,588
Current maturity of deferred income		<u>(5,254)</u>	<u>(5,494)</u>
		<u>73,393</u>	<u>77,094</u>
<b>14 GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC) PAYABLE</b>			
Balance at beginning of the period / year		814,913	779,898
Unwinding of finance cost during the period / year		13,237	35,015
		<u>828,150</u>	<u>814,913</u>
Current maturity of GIDC payable		<u>(828,150)</u>	<u>(767,915)</u>
Balance at end of the period / year		<u>-</u>	<u>46,998</u>

- 14.1 There is no material change in the status of GIDC as disclosed in note 23.1 to the annual financial statement of the Company for the year ended June 30, 2023.

## 15 CONTINGENCIES AND COMMITMENTS

### 15.1 Contingencies

There is no change in the status of contingencies as disclosed in note 27.1 in the audited financial statements of the Company for the year ended June 30, 2023.

### 15.2 Commitments

- (i) Commitments in respect of outstanding letters of credit against raw materials and spares amounting to Rs. 441.006 million (June 2023: Rs. 757.131 million).

- (ii) Commitment in respect of bank guarantees issued by a commercial bank in favour of:

	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
	----- (Rupees in '000) -----	
Sui Southern Gas Company Limited	467,195	447,396
Nazir of Sindh High Court	384,713	384,713
Pakistan State Oil Company Limited	80,000	80,000
Excise and Taxation Department	171,281	148,381
K Electric Limited	16,516	16,516
Parco Pearl (Private) Limited	100,000	100,000
	<u>1,219,705</u>	<u>1,177,006</u>

	March 31, 2024 (Un-audited)	March 31, 2023
	----- (Rupees in '000) -----	
16 CASH AND CASH EQUIVALENTS		
Term deposit receipt up to three months	62,000	381,000
Market Treasury Bills up to three months	-	-
Cash and bank balances	252,784	141,834
Short-term running finance	(38,956)	-
	<u>275,828</u>	<u>522,834</u>

## 17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, staff retirement benefits, directors and key management personnel. All the transactions with related parties are entered into at agreed terms as approved by the Board of Directors of the Company. Balances outstanding with related parties have been disclosed in the respective notes to these financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	Nine Months ended	
	March 31, 2024	March 31, 2023
	----- (Rupees in '000) -----	
	----- (Un-audited) -----	
<b>Associated companies</b>		
Sales	16,003	10,694
Purchases of goods, material and services	236,144	169,688
Insurance premium	36,026	24,806
Insurance claims received	10,781	6,276
Rent and service charges paid	16,946	14,400
Donation paid	500	-

	<b>Nine Months ended</b>	
	<b>March 31,</b>	<b>March 31,</b>
	<b>2024</b>	<b>2023</b>
	----- (Rupees in '000) -----	
	----- (Un-audited) -----	
<b>Staff retirement benefits</b>		
Contribution to provident fund	28,161	25,529
<b>Key management personnel</b>		
Remuneration and other benefits	65,720	63,453
Fee for attending board meetings	2,900	2,500
	<b>March 31,</b>	<b>June 30,</b>
	<b>2024</b>	<b>2023</b>
	----- (Rupees in '000) -----	
	(Un-audited)	(Audited)
<b>Balances as at period / year end</b>		
Long-term security deposits	1,974	1,975
Trade debts	3,195	690
Bank balances	40,682	20,808
Trade and other payables	34,004	55,095

## 18 FAIR VALUE OF FINANCIAL INSTRUMENTS

- 18.1 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 the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of investments in units of open-end collective investment schemes (mutual funds) are based on the net assets quoted by the respective funds and the Mutual Fund Association of Pakistan at each reporting date. The estimated fair value of all other assets and liabilities are considered not to be significantly different from carrying values as the items are either short-term in nature or are periodically repriced.

- 18.2 International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a 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 asset or liability either directly or indirectly; and

Level 3: inputs for the asset or liability that are not based on observable market data.

<b>Assets</b>	<b>As at March 31, 2024 (Unaudited)</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	----- (Rupees in '000) -----			

Financial assets - fair value through profit or loss:  
- Short-term investments (units of mutual fund)

-	200,000	-	200,000
-	<b>200,000</b>	-	<b>200,000</b>

<b>Assets</b>	<b>As at June 30, 2023 (Audited)</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	----- (Rupees in '000) -----			

Financial assets - fair value through profit or loss:  
- Short-term investments (units of mutual fund)

-	964,397	-	964,397
-	<b>964,397</b>	-	<b>964,397</b>

**19 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on April 29, 2024 by the Board of Directors of the Company.

**20 GENERAL**

Figures have been rounded off to the nearest rupees in thousands unless otherwise stated.



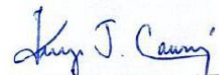
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Chief Financial Officer



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**Syed Masood Abbas Jaffery**  
Chief Executive Officer



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**Feroze Jehangir Cawasji**  
Director



**Unmatched Quality Tiles**

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