

SHABBIR TILES AND CERAMICS LIMITED

Condensed Interim Financial Statements
For the Third Quarter and Nine Months Period ended
March 31, 2020
(Un-Audited)



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Shabbir Tiles and Ceramics Limited

COMPANY INFORMATION

BOARD OF DIRECTORS *

Rafiq M. Habib	Chairman
Syed Masood Abbas Jaffery	Chief Executive Officer
Muhammad Salman Burney	Director
Abdul Hai M. Bhaimia	Director
Feroze Jehangir Cawasji	Director
Farhana Mowjee Khan	Director

AUDIT COMMITTEE

Feroze Jehangir Cawasji	Chairman
Abdul Hai M. Bhaimia	Member
Farhana Mowjee Khan	Member

HUMAN RESOURCES AND
REMUNERATION COMMITTEE

Feroze Jehangir Cawasji	Chairman
Muhammad Salman Burney	Member
Syed Masood Abbas Jaffery	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
AND FACTORY UNIT-1

15th Milestone, National Highway
Landhi, Karachi-75120
Phone: (021) 38183610-3 Fax: (021) 38183615
E-mail: info@stile.com.pk 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 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 01, ANF Road, Yamaha Chowk, Road, Model Town, Humak
Islamabad.

LAHORE
(BUILDING MATERIAL PRODUCTS)

21 K.M , Ferozpur Road, Opposite , Ahmed CNG Pump, Lahore

* Mr. Ali S. Habib, the company's director, passed away on April 17, 2020. The casual vacancy will be filled with in the time stipulated under relevant law.

Shabbir Tiles and Ceramics Limited
COMPANY INFORMATION

STILE EMPORIUM AND DESIGN STUDIO AND
 SALES OFFICE, STAR GATE, KARACHI

Metro Cash & Carry, CAA, Near Star Gate, Main Shahrah-e-Faisal,
 Karachi.

Phone: (021) 34601372-74 Fax: (021) 34601375

STILE EMPORIUM AND DESIGN STUDIO
 FACTORY OUTLET, KARACHI

15th Milestone, National Highway, Landhi, Karachi

Phone: (021) 38183610-3 Fax: (021) 38183615

STILE EMPORIUM AND DESIGN STUDIO
 DHA , BUKHARI COMMERCIAL, KARACHI

Plot 22-C, Lane 4, Bukhari Commercial, DHA, Karachi.

Phone: (021) 37249564

STILE EMPORIUM AND DESIGN STUDIO
 DHA , 26TH STREET, KARACHI

26th Street Plot C-8-C, DHA Phase 5, Karachi.

Phone: (021) 37228922

STILE EMPORIUM AND DESIGN STUDIO
 AND SALES OFFICE, LAHORE

Plot 90-CCA, DHA-4, Lahore

Phone: (042) 37185710-12

STILE EMPORIUM, SANITAR LIFESTLYLE,
 LAHORE

E-105-1-C, Main Boulevard DHA Lahore

STILE EMPORIUM AND DESIGN STUDIO,
 LAHORE METRO

TNS 06, Thokal Niaz Baig, Multan Road, Lahore

STILE EMPORIUM AND DESIGN STUDIO
 AND SALES OFFICE, RAWALPINDI

Al Shareef Plaza, Ground Floor, Shamsabad, Murree Road, Rawalpindi

Phone: (051) 4935521-26 Fax: (051) 4935524

STILE EMPORIUM AND DESIGN STUDIO
 ISLAMABAD METRO

Plot No. 1-A-1, 11 Situated adjacent to Railway Carriage Factory,
 Islamabad

Phone: (051) 8469524

STILE EMPORIUM AND DESIGN STUDIO
 AND SALES OFFICE, PESHAWAR

162/408 Tahkal Payan, University Road , Peshawar

Phone: (091) 3028068

STILE EMPORIUM AND DESIGN STUDIO
 AND SALES OFFICE, FAISALABAD

Talha Heights , Main Susan Road, P-243, 2A, Faisalabad

Phone: (041) 8739988 / 8758899

STILE EMPORIUM AND DESIGN STUDIO
 AND SALES OFFICE - HYDERABAD

Shop no. 9, Auto Bhan Tower, Auto Bahn Road, Latifabad No. 3,
 Hyderabad.

Phone: (022) 6112857

SALES OFFICE - SUKKUR

Tooba Tower, Mezzanine Floor, Opposite Hira Medical Centre, Sukkur

Phone: (071) 5615560

SALES OFFICE - MULTAN

Jalil Centre, 2nd Floor, Abdali Road, Multan.

Phone: (061) 4546439/4783097



SHABBIR TILES AND CERAMICS LIMITED
DIRECTORS' REPORT TO THE SHAREHOLDERS
FOR THE THIRD QUARTER AND NINE MONTHS ENDED MARCH 31, 2020

The Directors presents to you the financial results of your Company for the third quarter and nine months period ended March 31, 2020.

BUSINESS CHALLENGES AND FINANCIAL PERFORMANCE

The quarter started well and was looking promising when the spread of covid-19 eventually led to a nationwide lockdown. This unprecedented Corona outbreak resulted in closure of markets and cessation of plant operations since last week of March.

By the grace of Allah, your Company is blessed with highly competent senior management team and a motivated and extremely loyal group of employees, who have been engaging remotely with debtors and customers for recoveries and finding new business opportunities to sell our existing inventories. You will also be pleased to learn that your Company is strongly capitalized and carry manageable debt burden. Our strategy of being conservative & cautious is helping us now in steering through the rough waters. The pressure of unabsorbed fixed cost remains a challenge though, which in case of extended lockdown period can become a significant problem.

The financial performance for the nine months period is summarized below:

Particulars	<i>Rs. ' 000</i>	
	March 31, 2020	March 31, 2019
Turnover – net	5,575,182	5,225,429
Gross profit	1,136,635	1,286,103
Earnings before interest, tax and depreciation (EBITDA)	577,227	856,688
(Loss) / profit before tax	(16,506)	353,398
(Loss) / profit after tax	(117,283)	243,307
(Loss) / earnings per share (Rs. / share)	(0.49)	1.02

During the nine months period, despite the first quarter loss of Rs. 115 million owing to the gas tariff increase, rupee devaluation, axle load restriction and documentation drive of economy, your Company managed to pull back well in the next six months with PBT of Rs. 48 million and Rs. 51 million in Q2 and Q3 respectively. However, the last ten days lock down in March 2020 disturbed the revenue and cashflow streams and resultantly, the Company incurred a loss of Rs. 17 million for nine months period ended March 31, 2020.

FUTURE OUTLOOK

Predicting future outlook, in these difficult times remains challenging. However, in view of recent stimulus given by the Government to the construction sector, we anticipate revival of this sector. It is very encouraging to see that a special incentive package, has been unveiled by the Prime Minister on April 3, 2020 for construction industry, given its importance as driver of economic growth. This should allow the allied industries associated with construction not only to grow but will also create more job opportunities in the medium to long term. In the short term though, any business activity is dependent on containment of Corona pandemic in the country.

While the objective of the Government is to revive the economy, however, in order to ensure sustainable success, it is also essential to make these initiatives beneficial for the local industries and their employees by providing a level playing field and safeguarding local tiles manufacturers from imports. While we support Government's initiatives of 'documentation' of economy, we feel that tax compliant companies should not be penalized through additional taxes on sales made to unregistered sector and be forced to pay Sales Tax on Retail Price being now placed in 3rd Schedule through Finance Act. We also request the Government to support the tile manufacturers by reducing the gas tariff which has increased from Rs. 600/MMBTU to Rs. 1,021/MMBTU in the last two years.

IN MEMORIAM

The Board of Directors of Shabbir Tiles and Ceramics Limited express their profound sadness and loss on the demise of their Board Member and Chairman House of Habib - Mr. Ali S. Habib.

The Company has lost a visionary leader - passionate, focused, entrepreneurial and a life - long learning enthusiast. Mr. Habib personally touched lives of so many during his 4 decades with the group, He will be missed for his persona which commanded immediate respect, for the immense wisdom he brought to every discussion, for constantly challenging the status quo, for always striving for perfection, for not believing in the word impossible, for his remarkable mind to analyze, and simplify & above all for being a truly remarkable human being.

Mr. Habib spent a large part of his life in building a conglomerate spanning business interests ranging from automobiles to auto-parts, ceramic tiles to packaging materials, property management to building material; and the energy sector amongst others. Under his leadership, HoH grew into a diverse portfolio of companies.

He started his career with Baluchistan Laminate which launched the famous fomite brand and then went on to manage Thal Jute which now employs 4000 people & has now grown into one of the largest & finest Jute Mills of Pakistan. He was the brain behind bringing MAKRO to Pakistan – one of the largest food retail chains in the world, the idea culminated into a successful JV with 8 stores nationwide. He also contributed towards the growth and expansion of Shabbir Tiles & Pakistan Paper-sack business which has now grown and diversified into food and retail packaging other than cement being its flagship product range.

However, his watershed contribution came in the form of transforming the Automobile Industry in Pakistan. Mr. Ali Habib was the pioneering force behind the JV with Toyota – the largest global automobile brand. Under his iconic leadership, unwavering support and hard-work, IMC has grown into one of the finest corporations of the Pakistan. This did not stop Mr. Ali Habib from further venturing into the automobile sector of the country – infact, it gave him a stepping stone to enter the auto-part manufacturing Industry of Pakistan. With his sheer zeal and entrepreneurship spirit he founded three Auto-Part companies which now cater to majority of the auto-parts demand across Pakistan.

Through his business acumen and foresight, he always believed in the power of strong partnerships, Our energy investments are testimony to the same. With his philosophy of creating positive impact across Pakistan Mr. Ali Habib contributed towards the Thar dream & became part of Sindh Engro Coal Mining Company (SECMC). Furthermore, he also ventured into setting up a JV for construction of a 330MW coal-fired plant which would further the mission of providing energy security to the country.

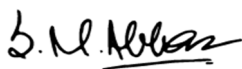
He dedicated a large part of his time towards social welfare & was a stalwart supporter of education in Pakistan who believed in the power and talent of youth. His philanthropic goals were even loftier. He remained personally invested in all social causes and actively participated by being on the Board of Governors of Habib Public Schools, and Habib University whilst also acting as a trustee on various social initiatives of the group which included Mohammedali Habib Welfare Trust; Habib Education Trust; and the Duke of Edinburgh's Award Program. He also served for a large part as a Board of Governor of Shaukat Khanum Memorial Trust.

Mr. Ali Habib had a profound effect on the world outside House of Habib. His last 06 months were spent advising the Government of Pakistan on Commerce, Industries and Trade and was working closely with the Prime Minister on increasing the country's exports. No force could have stopped him from making a larger impact with his brilliance.

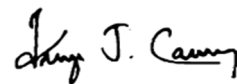
No words can adequately express our sadness at Mr. Ali Habib's passing or our gratitude for the opportunity to work with him. House of Habib has lost a visionary leader and the world has lost an amazing human being. Those who worked with him have lost a friend and an inspiring mentor. He will forever live in our hearts and we will honor his memory by dedicating ourselves to continue advancing the legacy he has left behind.

We also take this opportunity to thank all stakeholders including our shareholders and employees for their continued support and commitment to the Company.

On behalf of the Board of Directors



SYED MASOOD ABBAS JAFFERY
Chief Executive Officer



FEROZE JEHANGIR CAWASJI
Director

جناب علی حبیب نے ہاؤس آف حبیب کے باہر کی دنیا پر گہرے اثرات مرتب کیے۔ ان کے آخری 06 ماہ حکومت پاکستان کو تجارت اور صنعتوں سے متعلق مشورہ دینے میں صرف ہوئے اور وہ ملک کی برآمدات میں اضافہ پر وزیر اعظم کے ساتھ مل کر کام کر رہے تھے۔ کوئی طاقت ان کو، ان کی صلاحیتوں کا اثر ڈالنے سے نہیں روک سکتی تھی۔

ہمارے پاس مناسب الفاظ نہیں ہیں کہ ہم جناب علی حبیب کے انتقال پر دکھ کا اظہار کرسکیں یا ان کے ساتھ کام کرنے کے مواقع پر ان کا شکریہ ادا کرسکیں۔ ہاؤس آف حبیب نے ایک بصیرت افروز رہنما کھو دیا ہے اور دنیا نے حیرت انگیز انسان کھو دیا ہے۔ جن لوگوں نے اس کے ساتھ کام کیا وہ ایک دوست اور متاثر کن سرپرست کھو چکے ہیں۔ وہ ہمیشہ ہمارے دلوں میں زندہ رہیں گے اور ہم ان کی یادوں کا احترام کرتے ہوئے ان کی چھوڑی ہوئی میراث کو آگے بڑھاتے رہیں گے۔

ہم ملازمین کی کاوشوں اور ہمارے صارفین ، مالیاتی اداروں ، شیئر ہولڈرز اور بورڈ آف ڈائریکٹرز کے ممبروں کے تعاون پر ان کا شکریہ ادا کرتے ہیں۔

برائے و منجانب - بورڈ آف ڈائریکٹرز

Jimmy J. Cassey

فیروز جہانگیر کاوسجی
ڈائریکٹر

S. M. Abbas

سید مسعود عباس جعفری
چیف ایگزیکٹو آفیسر

کراچی: 25 اپریل ، 2020

اگرچہ حکومت کا مقصد معیشت کی بحالی ہے ، تاہم، حکومت کو اپنے اقدامات کو فائدہ مند بنانے اور پائیدار کامیابی کو یقینی بنانے کے لئے یہ ضروری ہے کہ مقامی صنعتوں اور ان کے ملازمین کے لئے ترقی کے بھرپور مواقع فراہم کئے جائیں اور مقامی ٹائلز مینوفیکچررز کو ٹائلز کی درآمدات سے محفوظ رکھا جائے۔ جب کہ ہم حکومت کی معیشت کو 'دستاویزات' کے کرنے کے اقدامات کی حمایت کرتے ہیں، ہمیں لگنا ہے کہ ٹیکس فرمانبردار کمپنیوں کو غیر رجسٹرڈ سیکٹر کو کی جانے والی فروخت پر اضافی ٹیکس کے ذریعے جرمانہ نہیں کیا جانا چاہئے بلکہ فنانس ایکٹ کے تیسرے شیڈول کے تحت خوردہ قیمت پر سیلز ٹیکس ادا کرنے پر پابند کرنا چاہیے۔ ہم حکومت سے یہ بھی اپیل کرتے ہیں کہ گیس کے نرخ جو کہ پچھلے دو سالوں میں 600 روپے / MMBTU سے بڑھ کر 1,021 روپے / MMBTU ہو چکے ہیں، ان کو کم کیا جائے تاکہ مقامی ٹائلز مینوفیکچررز کو تیاری لاگت میں آسانی ہو۔

بیادگار

شبیر ٹائلز اینڈ سیرامکس لمیٹڈ کے بورڈ آف ڈائریکٹرز اپنے بورڈ ممبر اور چیئرمین ہاؤس آف حبیب "جناب علی سلیمان حبیب" کے انتقال پر گہرے دکھ اور افسوس کا اظہار کرتے ہیں - کمپنی نے ایک عظیم لیڈر کو ہوا دیا ہے۔ جناب علی سلیمان حبیب نے گروپ کے ساتھ اپنے 4 دہائیوں کے دوران ذاتی طور پر بہت سے لوگوں کی زندگیوں کو متاثر کیا ہے۔ ان کو اپنی اس شخصیت کے لئے یاد کیا جائے گا جس میں عزت اور احترام ہے ، جس میں عقلمندی ہے جو وہ ہر بحث میں لائے ، جس میں مستقل مزاجی ہے ، جناب علی سلیمان حبیب وہ انسان تھے جو ہمیشہ کمال کے لئے کوشاں رہتے تھے ، ناممکن لفظ پر یقین نہیں رکھتے تھے ، ان کے پاس تجزیہ کرنے کے لئے ایک قابل دماغ تھا ، اور سب سے بڑھ کر وہ واقعی ایک قابل ذکر انسان تھے۔ جناب علی سلیمان حبیب نے اپنی زندگی کا ایک بڑا حصہ آٹوموبائل سے لے کر آٹو پارٹس تک ، سیرامکس ٹائلز سے لے کر پیکجنگ میٹریل تک ، پراپرٹی مینجمنٹ سے لے کر بلڈنگ میٹریل کے کاروبار کی تعمیر میں صرف کیا۔ اور اس کے علاوہ توانائی کا شعبے سے بھی منسلک رہے۔ ان کی قیادت میں ہاؤس آف حبیب گروپ کی کمپنیوں کے پورٹ فولیو میں نمایاں اضافہ ہوا۔

انہوں نے اپنا کیریئر کا آغاز بلوچستان لیمینٹ سے کیا جس نے مشہور برانڈ فومائٹ متعارف کرایا، اور اس کے بعد تھل جوٹ کا انتظام سنبھالا جس میں اب 4000 افراد ملازمت کرتے ہیں اور جس کا شمار پاکستان کی سب سے بڑی اور عمدہ جوٹ ملز میں ہوتا ہے۔ میکرو جو کہ دنیا کی سب سے بڑی فوڈ ریٹیل چین میں سے ایک ہے، اس کو پاکستان لائے کا سہرا ان کے ہی سر تھا کہ میکرو نے ملک بھر میں 8 اسٹورز کے ساتھ ایک کامیاب بزنس کی بنیاد رکھی۔ انہوں نے شبیر ٹائلز اور پاکستان پیپر سیک کے کاروبار کی ترقی اور توسیع میں بھی اہم کردار ادا کیا۔ پاکستان پیپر سیک کا کاروبار سیمنٹ کے علاوہ کھانے پینے کی مصنوعات اور خوردہ پیکجنگ تک پھیل چکا ہے۔

تاہم ، ان کی سب سے اہم خدمات پاکستان میں آٹوموبائل انڈسٹری کو تبدیل کرنے کی شکل میں سامنے آئی۔ جناب علی سلیمان حبیب، ٹویوٹا کمپنی کے جوائنٹ وینچر کرنے کے بانیوں میں سے ایک تھے جو کہ ایک بڑا عالمی آٹوموبائل برانڈ ہے۔ ان کی شاندار قیادت اور سخت محنت کی بدولت، انڈس موٹرز کمپنی کا شمار پاکستان کی ایک بہترین کارپوریشن میں ہوتا ہے۔ آٹوموبائل انڈسٹری کی کامیابی کے بعد جناب علی سلیمان حبیب نے آٹو پارٹ مینوفیکچرنگ انڈسٹری میں داخل ہونے کا فیصلہ کیا اور تین آٹو پارٹ کمپنیاں قائم کیں جو اب پورے پاکستان میں آٹو پارٹس کی زیادہ تر مانگ کو پورا کر رہی ہیں۔

اپنی کاروباری ذہانت اور دور اندیشی کی بدولت، وہ ہمیشہ مضبوط شراکت داری کی طاقت پر یقین رکھتے تھے ، جس کی مثال توانائی کے شعبے میں ان کی سرمایہ کاری ہے۔ جناب علی حبیب نے اپنے فلسفے کے ساتھ تھر کے پراجیکٹ میں اہم کردار ادا کیا اور وہ سندھ اینگرو کول مائننگ کمپنی کا حصہ بن گئے تاکہ ملک میں اس شعبے کے مثبت اثرات پیدا ہوں۔ مزید برآں ، انہوں نے 330 میگاواٹ کے کوئلے سے چلنے والے پلانٹ کی تعمیر کا بھی فیصلہ کیا جس سے ملک کو توانائی کی حفاظت فراہم کرنے کے مشن کو مزید تقویت ملے گی۔

انہوں نے اپنی عمر کا ایک بڑا حصہ معاشرتی بہبود کے لئے وقف کیا، وہ پاکستان میں تعلیم کے ایک مضبوط حامیوں میں سے تھے جو نوجوانوں کی طاقت اور صلاحیتوں پر یقین رکھتے تھے - ان کے انسان دوست اہداف اور بھی بلند تھے انہوں نے ذاتی طور پر تمام سماجی سرگرمیوں میں سرمایہ کاری کی اور حبیب پبلک اسکول اور حبیب یونیورسٹی کے بورڈ آف گورنرز میں شامل ہو کر تمام سماجی سرگرمی میں حصہ لیا۔ اس کے علاوہ محمدعلی حبیب ویلفیئر ٹرسٹ، حبیب ایجوکیشن ٹرسٹ، اور ڈیوک آف ایڈنگ ایوارڈ پروگرام کے مختلف سماجی اقدامات پر بطور ٹرسٹی کی حیثیت سے بھی کام کیا۔ انہوں نے شوکت خانم میموریل ٹرسٹ کے بورڈ آف گورنرز کے طور پر بھی بڑے پیمانے پر خدمات سر انجام دی ہیں۔

شبیر ٹائلز اینڈ سرامکس لمیٹڈ حصص یافتگان کے لئے ڈائریکٹرز رپورٹ برائے تیسری سہ ماہی اور نو ماہ اختتامیہ 31 مارچ 2020

ڈائریکٹرز آپ کی کمپنی کی تیسری سہ ماہی اور نو ماہ اختتامیہ 31 مارچ 2020 کے مالیاتی نتائج پیش کرتے ہیں۔

کاروباری چیلنجز اور مالی کارکردگی:

تیسری سہ ماہی کا آغاز اچھی طرح سے ہوا تھا اور اچھے نتائج کی امید تھی کہ کورونا وائرس کی وباء کے پھیلاؤ کے سبب ملک لاک ڈاؤن کی طرف چلا گیا۔ اس کے نتیجے میں مارچ کے آخری ہفتے سے مارکیٹیں بند ہو گئیں اور کمپنی کو فیکٹری آپریشن کو موقوف کرنا پڑا۔

اللہ کے فضل و کرم سے ، آپ کی کمپنی اعلیٰ مجاز کی سینئر مینجمنٹ ٹیم اور ملازمین کے حوصلہ افزا اور انتہائی وفادار گروہ پر مشتمل ہے ، جو صارفین اور قرض داروں کے ساتھ دور رہتے ہوئے بزنس روابط، کاروبار کے نئے مواقع کی تلاش، وصولی اور موجودہ تیار مصنوعات کی فروخت میں مصروف ہے۔ آپ کو یہ جان کر بھی خوشی ہوگی کہ آپ کی کمپنی کے پاس ایک مضبوط سرمایہ ہے جو قرضوں کا بوجھ اٹھانے کی صلاحیت رکھتا ہے۔ ہماری قدامت پسند اور محتاط حکمت عملی اب ان مشکل حالات میں ہماری مدد کر رہی ہے۔ اس کے علاوہ کمپنی کی بے جزب مقررہ لاگت کا دباؤ کمپنی کے لئے ایک چیلنج ہے ، جو ایک اہم مسئلہ بن سکتا ہے اگر لاک ڈاؤن کی مدت میں مزید توسیع کی جاتی ہے۔

ختم ہونے والی نو ماہی کے دوران مالیاتی کارکردگی کا خلاصہ درج ذیل ہے:

روپے ہزاروں میں

تفصیلات	31 مارچ 2020	31 مارچ 2019
خالص فروخت	5,575,182	5,225,429
مجموعی منافع	1,136,635	1,286,103
آمدنی قبل از شرح سود، ٹیکس اور فرسودگی (EBITDA)	577,227	856,688
(نقصان) / منافع قبل از ٹیکس	(16,506)	353,398
(نقصان) / منافع بعد از ٹیکس	(117,283)	243,307
(نقصان) / آمدنی فی حصص (روپے / حصص)	(0.49)	1.02

نو ماہ کی مدت کے دوران، جس میں صرف پہلی سہ ماہی میں 115 ملین روپے کا نقصان تھا، اس کے علاوہ گیس کے نرخوں میں اضافے ، روپے کی قدر میں کمی ، ایکسل بوجھ کی پابندی اور دستاویزات کی مہم جیسے چیلنجز کے باوجود کمپنی نے اگلے چھ ماہ کے دوران اچھی کارکردگی کا مظاہرہ کرتے ہوئے دوسری سہ ماہی میں 48 ملین روپے اور تیسری سہ ماہی میں 51 ملین روپے کا منافع قبل از ٹیکس کیا ہے۔ تاہم ، مارچ 2020 میں آخری دس دن میں کاروبار کی بندش نے آمدنی اور کیش فلو کے سلسلے کو متاثر کر دیا اور اس کے نتیجے میں ، کمپنی کو نو ماہ کی مدت 31 مارچ 2020 کے اختتام پر 17 ملین روپے کا قبل از ٹیکس نقصان ہوا ہے ۔

مستقبل کا نقطہ نظر

ان حالات میں مستقبل کے نقطہ نظر کی پیش گوئی کرنا، خاصہ مشکل ہے تاہم ، حکومت کی جانب سے حال ہی میں تعمیراتی شعبے کو دیئے گئے مراعات کے پیش نظر ، ہم اس شعبے کی بحالی کی توقع کرتے ہیں۔ یہ دیکھنا بہت حوصلہ افزا ہے کہ تعمیراتی صنعت کے لئے وزیر اعظم نے 3 اپریل 2020 کو خصوصی مراعات پیکج کی نقاب کشائی کی ہے جس سے یہ ظاہر ہوتا ہے کہ اقتصادی ترقی کے لئے اس شعبے کی کتنی اہمیت ہے ۔ اس اقدام سے تعمیراتی شعبے سے منسلک صنعتوں کی نہ صرف ترقی کی راہ ہموار ہوگی بلکہ درمیانی مدت سے طویل مدت تک ملازمت کے مزید مواقع پیدا ہوں گے تاہم قلیل مدت میں ، کسی بھی کاروباری سرگرمی کا انحصار ملک میں کورونا کے وبائی امراض پر منحصر ہے۔

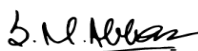
SHABBIR TILES AND CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

	Note	March 31, 2020 (Un-audited) ------(Rupees in `000)-----	June 30, 2019 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	2,810,973	3,116,316
Right-of-use assets	8	286,313	-
Investment property		8,588	9,519
Long-term loans		255	20
Long-term deposits		23,255	20,292
		<u>3,129,384</u>	<u>3,146,147</u>
CURRENT ASSETS			
Stores and spare parts		345,096	322,695
Stock-in-trade	9	1,310,552	1,494,300
Trade debts	10	636,206	148,251
Loans and advances		11,730	10,551
Deposits and prepayments		11,202	21,018
Taxation - net		65,102	316,825
Cash and bank balances		212,398	127,127
		<u>2,592,286</u>	<u>2,440,767</u>
		<u>5,721,670</u>	<u>5,586,914</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 240,000,000 (June 2019: 240,000,000) ordinary shares of Rs. 5/- each		1,200,000	1,200,000
Issued, subscribed and paid-up capital		1,196,600	1,196,600
Reserves		730,939	908,052
		<u>1,927,539</u>	<u>2,104,652</u>
NON-CURRENT LIABILITIES			
Long-term financing	11	209,300	449,100
Lease liabilities	12	201,334	-
Deferred taxation - net		203,627	200,013
		<u>614,261</u>	<u>649,113</u>
CURRENT LIABILITIES			
Trade and other payables		2,552,659	2,469,461
Current maturity of lease liabilities	12	90,188	-
Unclaimed dividends		2,812	2,812
Unpaid dividend		1,664	2,450
Accrued mark-up		5,314	9,860
Current maturity of long-term financing		59,800	49,900
Short-term borrowings		84,302	191,381
Sales tax payable		383,131	107,285
		<u>3,179,870</u>	<u>2,833,149</u>
CONTINGENCIES AND COMMITMENTS	13		
		<u>5,721,670</u>	<u>5,586,914</u>

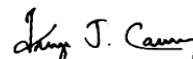
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WAQUAS AHMED
Chief Financial Officer



SYED MASOOD ABBAS JAFFERY
Chief Executive Officer



FEROZE JEHANGIR CAWASJI
Director

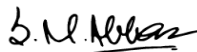
SHABBIR TILES AND CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2020
(UN-AUDITED)

	Nine months ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
----- (Rupees in `000) -----				
Turnover - net	5,575,182	5,225,429	1,864,251	2,051,514
Cost of sales	(4,438,547)	(3,939,326)	(1,447,521)	(1,552,994)
Gross profit	1,136,635	1,286,103	416,730	498,520
Selling and distribution costs	(889,237)	(687,825)	(278,331)	(237,743)
Administrative expenses	(228,053)	(187,396)	(81,681)	(55,089)
	(1,117,290)	(875,221)	(360,012)	(292,832)
Other income	35,520	40,243	13,954	13,332
Operating profit	54,865	451,125	70,672	219,020
Finance costs	(66,570)	(66,568)	(19,139)	(23,473)
Other expenses	(4,801)	(31,159)	(758)	(14,774)
	(71,371)	(97,727)	(19,897)	(38,247)
(Loss) / profit before taxation	(16,506)	353,398	50,775	180,773
Taxation				
- Current	(83,910)	(13,533)	(27,964)	(9,002)
- Prior	(13,253)		-	
- Deferred	(3,614)	(96,558)	(4,837)	(39,449)
	(100,777)	(110,091)	(32,801)	(48,451)
(Loss) / profit after taxation	(117,283)	243,307	17,974	132,322
----- (Rupee) -----				
(Loss) / earnings per share – basic and diluted	(0.49)	1.02	0.08	0.55

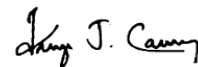
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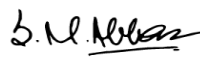
SHABBIR TILES AND CERAMICS LIMITED
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
 FOR THE THIRD QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2020
 (UN-AUDITED)

	Half year ended		Quarter ended	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
	----- (Rupees in `000) -----			
(Loss) / profit after taxation	(117,283)	243,307	17,974	132,322
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	(117,283)	243,307	17,974	132,322

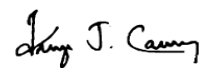
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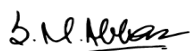
SHABBIR TILES AND CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020
(UN-AUDITED)

	Note	March 31, 2020 ----- (Rupees in `000) -----	March 31, 2019 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss) / profit before taxation		(16,506)	353,398
Adjustments for:			
Depreciation on:			
operating fixed assets	7.1	469,557	435,791
Right-of-use assets	8	56,675	-
investment property		931	931
Finance costs		66,570	66,568
Allowance for expected credit loss		29,562	(2,064)
Provision for slow moving stores and spare parts		21,956	27,534
Reversal of provision for slow moving stock-in-trade		(1,455)	(7,039)
Gain on disposal of operating fixed assets		(1,054)	(2,145)
		<u>642,742</u>	<u>519,576</u>
Operating profit before working capital changes		626,236	872,974
(Increase) / decrease in current assets			
Stores and spare parts		(44,357)	(20,104)
Stock-in-trade		185,203	(336,176)
Trade debts		(517,517)	68,732
Loans and advances		(1,179)	(10,360)
Deposits and prepayments		(300)	(15,402)
		<u>(378,150)</u>	<u>(313,310)</u>
Increase in current liabilities			
Trade and other payables		83,198	329,059
Sales tax payable		275,846	115,292
		<u>359,044</u>	<u>444,351</u>
Cash generated from operations		607,130	1,004,015
Net income tax refund / (paid)		154,560	(96,825)
Finance costs paid		(46,591)	(84,258)
Long-term loan - net		(235)	(30)
Long-term deposits - net		(2,963)	(10,219)
Net cash generated from operating activities		711,901	812,683
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(173,625)	(272,485)
Proceeds from disposal of operating fixed assets		10,465	5,047
Net cash used in investing activities		(163,160)	(267,438)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing - net		(229,900)	(80,027)
Lease rental paid	12.1	(65,875)	-
Dividend paid		(60,616)	(101,120)
Net cash used in financing activities		(356,391)	(181,147)
Net increase in cash and cash equivalents		192,350	364,098
Cash and cash equivalents at the beginning of the period		(64,254)	104,474
Cash and cash equivalents at the end of the period	14	<u>128,096</u>	<u>468,572</u>

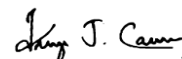
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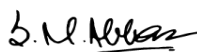
SHABBIR TILES AND CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020
(UN-AUDITED)

	Issued, subscribed and paid-up capital	Reserves				Total equity
		Capital reserve	Revenue reserves			
		Share premium	General reserve	Accumulated losses	Total reserves	
----- (Rupees in `000) -----						
Balance as at June 30, 2018	1,196,600	449,215	478,000	(133,844)	793,371	1,989,971
Final dividend @ 10% for the year ended June 30, 2018				(119,660)	(119,660)	(119,660)
Profit for the period	-	-	-	243,307	243,307	243,307
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period				243,307	243,307	243,307
Balance as at March 31, 2019	1,196,600	449,215	478,000	(10,197)	917,018	2,113,618
Balance as at June 30, 2019	1,196,600	449,215	478,000	(19,163)	908,052	2,104,652
Final dividend @ 5% for the year ended June 30, 2019	-	-	-	(59,830)	(59,830)	(59,830)
Loss for the period	-	-	-	(117,283)	(117,283)	(117,283)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(117,283)	(117,283)	(117,283)
Balance as at March 31, 2020	1,196,600	449,215	478,000	(196,276)	730,939	1,927,539

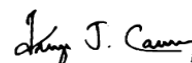
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SHABBIR TILES AND CERAMICS LIMITED
 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
 FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020
 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Shabbir Tiles and Ceramics Limited (the Company) was incorporated in Pakistan as a public limited company under the repealed Companies Act 1913 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. The registered office of the Company is situated at 15th Milestone, National Highway, Landhi, Karachi.

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 which 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.

3. BASIS OF PREPARATION

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, 2019.

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, 2019 except for the adoption of new standards, amendments and improvements of International Financial Reporting Standards (IFRSs) as disclosed in note 5.

5. NEW STANDARDS, AMENDMENTS AND IMPROVEMENTS OF IFRSs

The Company has adopted the following accounting standards and amendments of IFRSs and the improvements to accounting standards which became effective during the current period:

Standard or interpretation:

IFRS 16 – Leases

IFRS 9 – Prepayment features with negative compensation (Amendments)

IAS 19 – Plan amendment, curtailment or settlement (Amendments)

IAS 28 – Long term interests in associates and joint ventures (Amendments)

IFRIC 23 – Uncertainty over income tax treatments

Improvements to accounting standards issued by the IASB in December 2017

IFRS 3 Business combinations – Previously held interests in a joint operation

IFRS 11 Joint arrangements – Previously held interests in a joint operation

IAS 12 Income taxes – Income tax consequences of payments on financial instruments classified as equity

IAS 23 Borrowing costs – Borrowing costs eligible for capitalization

The adoption of the above standards, amendments and improvements to accounting standards did not have any material effect on the Company's financial statements except for IFRS 16. The impact of adoption of IFRS 16 are described below:

IFRS 16 - Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on statement of financial position model.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of July 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. Accordingly the information presented for prior years has not been restated. The Company elected to use the transition practical expedient allowing the standard to be applied only to lease contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

The new accounting policy in respect of leases is disclosed in note 5.1 to these financial statements. The impact of adoption of IFRS 16 as at July 01, 2019 is summarised below:

	(Rupees in `000)
Assets	
Right-of-use assets	272,178
Deposits and prepayments	<u>(10,117)</u>
	<u><u>262,061</u></u>
Liabilities	
Lease liabilities	<u>262,061</u>
	<u><u>262,061</u></u>

The right-of-use assets were recognised based on the amount equal to the lease liabilities adjusted for related prepayments and lease accruals (if any). Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. The Company did not have any sub-lease as at July 01, 2019.

The impact of adoption of IFRS 16 on condensed interim statement of profit or loss for the half year ended December 31, 2019 is summarized below:

	(Rupees in `000)
Decrease in rent, rate and taxes	40,466
Increase in depreciation expense	(36,178)
Increase in finance costs	<u>(17,328)</u>
	<u><u>(13,040)</u></u>

The lease liabilities as at July 01, 2019 can be reconciled to the operating lease commitments as at June 30, 2019 as follows:

	(Rupees in '000)
Operating lease commitments as at June 30, 2019	
Impact of discounting	(65,329)
Short-term leases	<u>327,390</u>
Total lease liability as at July 01, 2019	<u><u>262,061</u></u>
Average incremental borrowing rate as at July 01, 2019	<u><u>14.30%</u></u>

5.1 Summary of new accounting policies

Set out below are the new accounting policies of the Company upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated using straight line method. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the date of initial application if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

6. SIGNIFICANT ACCOUNTING JUDGMENTS, 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, 2019 except for significant judgement in determining the lease term of contracts with renewal options.

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, 2019.

	Note	March 31, 2020 (Rupees in `000) (Un-audited)	June 30, 2019 (Audited)
7. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	2,741,080	3,078,484
Capital work-in-progress	7.2	69,893	37,832
		<u>2,810,973</u>	<u>3,116,316</u>
7.1 Operating fixed assets			
Opening Net Book Value (NBV)		3,078,484	3,277,313
Additions during the period / year - at cost	7.1.1	141,564	403,547
		<u>3,220,048</u>	<u>3,680,860</u>
Disposals during the period / year - at NBV	7.1.1	(9,411)	(10,063)
Depreciation charged during the period / year		(469,557)	(592,313)
Closing NBV		<u>2,741,080</u>	<u>3,078,484</u>

7.1.1 Additions and disposals of operating fixed assets

	<u>Additions at cost / Transfers</u>		<u>Disposals at NBV</u>	
	<u>March 31, 2020</u>	<u>June 30, 2019</u>	<u>March 31, 2020</u>	<u>June 30, 2019</u>
	----- (Rupees in `000) -----			
	<u>(Un-audited)</u>	<u>(Audited)</u>	<u>(Un-audited)</u>	<u>(Audited)</u>
Buildings	4,735	56,403	-	-
Plant and machinery	128,268	330,729	7,481	7,889
Office equipment	4,270	13,798	-	-
Computers and accessories	1,761	2,617	-	38
Vehicles	2,530	-	1,930	2,136
	<u>141,564</u>	<u>403,547</u>	<u>9,411</u>	<u>10,063</u>
			<u>March 31, 2020</u>	<u>June 30, 2019</u>
			(Rupees in `000)	
			<u>(Un-audited)</u>	<u>(Audited)</u>
7.2 Capital work-in-progress		Note	<u>69,893</u>	<u>37,832</u>
Plant and machinery		7.2.1		
7.2.1 Movement in capital work-in-progress				
Balance at the beginning of the period / year			37,832	97,960
Additions during the period / year			131,686	254,516
Transfers to operating fixed assets			(99,625)	(314,644)
Balance at the end of the period / year			<u>69,893</u>	<u>37,832</u>
8 RIGHT-OF-USE ASSETS				
Balance at the beginning of the period / year			-	-
Impact of initial application of IFRS 16 as at July 01, 2019		5	272,178	-
Additions during the period			70,810	-
			<u>342,988</u>	-
Depreciation charged during the period			(56,675)	-
Balance at the end of the period / year			<u>286,313</u>	<u>-</u>
9 STOCK-IN-TRADE				
Includes stock-in-trade costing Rs. 117.548 million (June 2019: Rs. 157.715 million) which has been written down to its net realizable value (NRV) amounting to Rs. 57.939 million (June 2019: Rs. 78.480 million).				
			<u>March 31, 2020</u>	<u>June 30, 2019</u>
			(Rupees in `000)	
			<u>(Un-audited)</u>	<u>(Audited)</u>
10 TRADE DEBTS - unsecured				
Considered good			636,206	148,251
Considered doubtful			170,433	140,871
			<u>806,639</u>	289,122
Allowance for expected credit loss			(170,433)	(140,871)
			<u>636,206</u>	<u>148,251</u>
11 LONG-TERM FINANCING				
Represents diminishing musharaka facility amounting to Rs.1,000 million (June 2019: Rs.1,000 million) under islamic banking terms which carries markup at rate of three months KIBOR + 0.70%(June 2019: three months KIBOR + 0.7%) per annum, payable quarterly with two year's grace period. The facility is secured against first pari passu mortgage and hypothecation over all present and future fixed assets (Land, building, plant and machinery). The loan is repayable within five years in ten equal semi annual installments.				
			<u>March 31, 2020</u>	<u>June 30, 2019</u>
			(Rupees in `000)	
			<u>(Un-audited)</u>	<u>(Audited)</u>
12 LEASE LIABILITIES		Note		
Total lease liabilities		12.1	291,522	-
Current maturity of lease liabilities			(90,188)	-
			<u>201,334</u>	<u>-</u>

	Note	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
12.1 Reconciliation of total lease liabilities:			
Balance at the beginning of the period / year		-	-
Impact of initial application of IFRS 16 as at July 01, 2019	5	262,061	-
Additions during the period / year		70,811	-
Finance cost during the period / year		24,525	-
Payments during the period / year		(65,875)	-
Balance at the end of the period / year	12.2	<u>291,522</u>	<u>-</u>

12.2 The maturity analysis of lease liabilities including total lease payments and present value of total lease payments is as follows;

	March 31, 2020		June 30, 2019	
	Total lease payments	Present value of total lease payments	Total lease payments	Present value of total lease payments
	(Un-audited)		(Audited)	
	(Rupees in '000)			
Within one year	97,155	90,188	-	-
Later than one year but not later than five years	254,393	185,444	-	-
More than five years	38,382	15,890	-	-
Total lease payments	389,930	291,522	-	-
Finance cost	(98,408)	-	-	-
Present value of total lease payments	291,522	291,522	-	-

13 CONTINGENCIES AND COMMITMENTS

Contingencies

There are no material contingencies to report as at the reporting date.

Commitments

- Commitments in respect of outstanding letters of credit against raw materials and spares amounted to Rs. 172.805 million (June 2019: Rs. 65.349 million).
- Commitments in respect of capital expenditure amounted to 10.278 million (June 2019: Rs. 11.841 million) for the import of machinery.
- Commitment in respect of bank guarantees issued by Habib Metropolitan Bank, a related party, amounted to Rs. 704.374 million (June 2019: Rs. 662.374 million)

- Commitments for rentals under Ijarah finance agreements:

	March 31, 2020 (Un-audited)	June 30, 2019 (Audited)
Within one year	-	1,197
Later than one year but not later than five years	-	656
	<u>-</u>	<u>1,853</u>

14 CASH AND CASH EQUIVALENTS

	March 31, 2020 (Un-audited)	March 31, 2019 (Audited)
Cash and bank balances	212,398	468,572
Short-term borrowings	(84,302)	-
	<u>128,096</u>	<u>468,572</u>

15 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, staff retirement benefits, directors and key management personnel. 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, 2020	March 31, 2019
	----- (Un-audited) -----	
	(Rupees in '000)	
Associated companies		
Sales	31,790	12,126
Purchases of goods, material and services	52,325	51,790
Insurance premium	19,797	18,751
Insurance claims received	1,014	9,291
Rent and service charges paid	9,967	6,004
Rent income	594	594
Markup earned	6,253	5,789
Markup expense	1,125	87
Donation	2,483	1,565
Commission on letter of guarantee	1,880	3,265
Staff retirement benefits		
Contribution to provident fund	18,151	15,680
Key management personnel		
Remuneration and other benefits	40,570	39,339
Fee for attending board meetings	125	75
	March 31, 2020	June 30, 2019
	(Un-audited)	(Audited)
	(Rupees in '000)	
Balances as at period / year end		
Trade debts	8,506	1,673
Bank balances	188,209	48,853
Trade and other payables	10,900	18,414
Short-term borrowings	84,302	55,555
Commitments		
Outstanding letters of credit	183,083	77,190
Outstanding letters of guarantee	704,374	662,374

16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 25, 2020, by the Board of Directors of the Company.

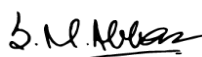
17 GENERAL

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

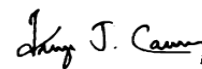
17.2 Certain comparative figures have been reclassified for better presentation, however, there are no material reclassification to report.



WAQUAS AHMED
Chief Financial Officer



SYED MASOOD ABBAS JAFFERY
Chief Executive Officer



FEROZE JEHANGIR CAWASJI
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