

Shabbir Tiles and Ceramics Limited

Condensed Interim Financial Statements
For the Half Year Ended December 31, 2016
(UNAUDITED)





CONTENTS

Company Information	2
Director's Report	3
Auditor's Report	5
Condensed Interim Balance Sheet	6
Condensed Interim Profit and Loss Account	7
Condensed Interim Statement of Comprehensive Income	8
Condensed Interim Cash Flow Statement	9
Condensed Interim Statement of Chages in Equity	10
Notes to the Condensed Interim Financial Statements	11



Shabbir Tiles and Ceramics Limited

COMPANY INFORMATION

BOARD OF DIRECTORS	RAFIQ M HABIB ALI SULEMAN HABIB ABDUL HAI M. BHAIMIA OWAIS-UL-MUSTAFA RAZA ANSARI SALIM AZHAR MUHAMMAD FAISAL	Chairman Director Director Chief Executive Officer Director Director Director
AUDIT COMMITTEE	MUHAMMAD FAISAL ABDUL HAI M. BHAIMIA RAZA ANSARI	Member/Chairman Member Member
HUMAN RESOURCES AND REMUNERATION COMMITTEE	SALIM AZHAR MUHAMMAD FAISAL OWAIS-UL-MUSTAFA	Member/Chairman Member Member
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	
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	Metro Cash & Carry, CAA, Near Star Gate, Main Shahrah-e-Faisal, Karachi. Phone: (021) 34601372-74 Fax: (021) 34601375	
LAHORE SALES OFFICE	Plot No. 523, Block # 15, Sector B-1, Quaid-e-Azam Town, (College Road), Lahore. Phone: (042) 35117521-24 Fax: (042) 35117520	
ISLAMABAD 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' REPORT TO THE SHAREHOLDERS FOR THE SECOND QUARTER & HALF YEAR ENDED DECEMBER 31, 2016

Dear Shareholders,

The Directors take pleasure in presenting their report along with unaudited condensed interim financial statements of the Company for the second quarter and half year ended December 31, 2016.

Your Company during the second quarter earned profit before tax of Rs. 16.983 million due to introduction of new sizes in attractive designs and high quality surface finish and maintaining operational efficiency with optimum material and energy usage. Overall for the six months period, the Company recorded a loss before tax of Rs. 113.319 million.

The financial performance for the period is summarized below:

	July – December	
	2016	2015
	Rupees in '000	
Turnover – net	2,545,294	2,258,006
Gross profit	293,662	333,914
Loss before tax	(113,319)	(31,343)
Loss after tax	(104,114)	(45,204)
Loss per share (Rs.)	(0.44)	(0.19)

Future outlook and challenges:

Your Company continues to face challenges against dumping of cheap Chinese tiles and is making utmost effort at Government level to achieve the desired results. The Company along with tiles association is closely working with National Tariff Commission (NTC) and Customs Valuation to safeguard the interest of domestic tiles manufacturing industry. Further, the recent notification to reduce the gas tariff for only independent power projects (IPPs) created anomaly, discrimination and hardships to industries as their tariff is higher. Government support is needed against the aforesaid concerns to provide a level playing field to domestic tiles industry. Your Company is focused to improve production and turnover with new sizes, latest surface finish varieties and modern designs.

We take this opportunity to thank all stakeholders for their continued support.

On behalf of the Board

OWAIS UL MUSTAFA
Chief Executive Officer

Karachi: February 16, 2017



Shabbir Tiles and Ceramics Limited

شمیر ٹائلز اینڈ سرامکس لمیٹڈ

ڈائریکٹروں کی رپورٹ برائے حصص داران

بابت دوسری سہ ماہی و شش ماہی برائے 31 دسمبر 2016

عزیز حصص داران

انتہائی مسرت کے ساتھ ڈائریکٹرز آپ کی خدمت میں کمپنی کی دوسری سہ ماہی و شش ماہی غیر آڈٹ شدہ و مختصر و جامع عبوری مالیاتی رپورٹ برائے 31 دسمبر 2016 پیش کر رہے ہیں۔
آپ کی کمپنی نے دوسری سہ ماہی کے دوران قلی از نکس 16,983 ملین روپے کا منافع کمایا جس کی بنیادی وجہ کمپنی کی جانب سے اعلیٰ معیار کی مصنوعات و نکس ڈائریکٹریوں، سائز اور بہترین سطحی فنشنگ کے ساتھ متعارف کروایا جانا اور خام مال اور توانائی کو کفایت کے ساتھ اور موثر انداز سے استعمال کیا جانا ہے۔ شش ماہی کے اختتام پر مجموعی طور پر کمپنی نے 113,319 ملین روپے قلی از نکس کا نقصان ریکارڈ کیا ہے۔

زیر نظر دورانیے کی مالیاتی کارکردگی سے متعلق مختصر جائزہ درج ذیل ہے:

جولائی - دسمبر	2016	2015
(روپے ہزاروں میں)		
کاروباری حجم	2,545,294	2,258,006
نام مبالغہ	293,662	333,914
(نقصان) قلی از نکس	(113,319)	(31,343)
نقصان بعد از نکس	(104,114)	(45,204)
نقصان فی حصص (روپے میں)	(0.44)	(0.19)

مستقبل اور اس کے مسائل

آپ کی کمپنی سستی پختی ساختہ ٹائلوں کی ڈیمینڈ کے مسائل سے ابھی تک دوچار ہے اور حکومتی سطح پر مسلسل کوشش کر رہی ہے تاکہ مطلوبہ نتائج کا حصول ممکن بنایا جاسکے۔ آپ کی کمپنی ٹائل ایسوسی ایشن کے تعاون سے ٹیٹل ٹیرف اور سکمز و یلوویشن کے ساتھ کام کر رہی ہے تاکہ مقامی ٹائل سازی کی صنعت کے مفادات کے تحفظ کو ممکن بنایا جاسکے۔ دریں اثناء حال ہی میں محض آزاد پاور پراجیکٹس کو ہی گیس نرخوں میں تخفیف کا ٹوٹس جاری کیا گیا ہے جس کی وجہ سے صنعتوں کے مابین ایک امتیازی اور غیر یقینی سی صورتحال پیدا ہو گئی ہے اور صنعت ان حالات میں مشکل سے دوچار ہے۔ مندرجہ بالا مسئلے میں ہمیں حکومت کی جانب سے زبردست حمایت کی ضرورت ہے تاکہ مقامی ٹائل سازی کی صنعت کو برابری کی بنیاد پر اپنا کردار ادا کرنے کا موقع مل سکے۔ آپ کی کمپنی کی توجہ اس جانب مرکوز ہے کہ نئے سائز، جدید سطحی فنشنگ، جدید ڈیزائنوں اور ورنش کی کو متعارف کروا کر پیداوار اور کاروباری حجم میں اضافہ پیدا کیا جائے۔

ہم اس موقع سے فائدہ اٹھاتے ہوئے بھرپور حمایت کیلئے تمام شراکت داران کا شکریہ ادا کرنا چاہتے ہیں۔

منجانب بورڈ

اولیس المصطفیٰ
چیف ایگزیکٹو آفیسر

کراچی 16 فروری 2017



EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

Tel: +9221 3565 0007-11
Fax: +9221 3568 1965
ey.khi@pk.ey.com
ey.com/pk

Auditors' report to the members on review of interim financial information

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Shabbir Tiles and Ceramics Limited** (the Company) as at **31 December 2016** and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the six-month period then ended (here-in-after referred to as "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants

Review Engagement Partner: Arif Nazeer

Karachi



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2016

		December 31, 2016 (Un-audited)	June 30, 2016 (Audited)
		(Rupees in '000)	
ASSETS	Note		
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,739,987	2,748,115
Investment property		6,399	6,750
Long-term loans		196	219
Long-term deposits		7,272	7,372
		<u>2,753,854</u>	<u>2,762,456</u>
CURRENT ASSETS			
Stores and spare parts		192,143	156,478
Stock-in-trade	5	796,212	639,870
Trade debts	6	1,072,883	919,174
Loans, advances, deposits, prepayments and other receivables		31,779	25,750
Taxation - net		75,533	53,009
Cash and bank balances		75,344	103,881
		<u>2,243,894</u>	<u>1,898,162</u>
TOTAL ASSETS		<u>4,997,748</u>	<u>4,660,618</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 240,000,000 (June 30, 2016: 240,000,000) ordinary shares of Rs.5/- each		<u>1,200,000</u>	<u>1,200,000</u>
Issued, subscribed and paid-up capital 239,320,000 (June 30, 2016: 239,320,000) Ordinary shares of Rs.5/- each		1,196,601	1,196,601
Reserves		<u>646,335</u>	<u>750,449</u>
		<u>1,842,936</u>	<u>1,947,050</u>
NON-CURRENT LIABILITIES			
Long-term finance		500,000	625,000
Deferred tax liability		<u>100,654</u>	<u>135,783</u>
		<u>600,654</u>	<u>760,783</u>
CURRENT LIABILITIES			
Trade and other payables		1,546,994	1,227,897
Accrued mark-up		4,336	3,172
Current maturity of long-term finance		250,000	250,000
Short-term borrowings		611,667	410,093
Sales tax payable		141,161	61,623
		<u>2,554,158</u>	<u>1,952,785</u>
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		<u>4,997,748</u>	<u>4,660,618</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


OWAIS UL MUSTAFA
Chief Executive Officer


ABDUL HAI M. BHAIMIA
Director



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

Note	Half year ended		Quarter ended	
	December 31 2016	December 31 2015	December 31 2016	December 31 2015
	----- (Rupees in '000) -----			
Turnover - net	2,545,294	2,258,006	1,375,471	1,188,693
Cost of sales	(2,251,632)	(1,924,092)	(1,114,237)	(1,014,541)
Gross profit	293,662	333,914	261,234	174,152
Distribution costs	(319,019)	(259,078)	(197,496)	(133,314)
Administrative expenses	(63,809)	(72,740)	(35,016)	(40,098)
	(382,828)	(331,818)	(232,512)	(173,412)
Other income	19,665	5,662	10,206	5,309
Operating (loss) / profit	(69,501)	7,758	38,928	6,049
Finance costs	(43,818)	(39,101)	(21,945)	(26,193)
(Loss) / profit before taxation	(113,319)	(31,343)	16,983	(20,144)
Taxation				
- Current	(25,924)	(22,544)	(13,814)	(11,821)
- Deferred	35,129	8,683	(5,265)	5,133
	9,205	(13,861)	(19,079)	(6,688)
Loss after taxation	(104,114)	(45,204)	(2,096)	(26,832)
Loss per share – basic and diluted	(0.44)	(0.19)	(0.01)	(0.11)

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


OWAIS UL MUSTAFA
Chief Executive Officer


ABDUL HAI M. BHAIMIA
Director



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

	Half year ended		Quarter ended	
	December 31 2016	December 31 2015	December 31 2016	December 31 2015
	----- (Rupees in '000) -----			
Loss after taxation	(104,114)	(45,204)	(2,096)	(26,832)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	<u>(104,114)</u>	<u>(45,204)</u>	<u>(2,096)</u>	<u>(26,832)</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

OWAIS UL MUSTAFA
Chief Executive Officer

ABDUL HAI M. BHAIMIA
Director



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

	December 31, 2016	December 31, 2015
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(113,319)	(31,343)
Adjustments for :		
Depreciation on:		
- property, plant and equipment	145,430	134,358
- investment property	351	340
Finance costs	43,818	39,101
Gain on disposal of property, plant and equipment	(887)	(896)
Provision for doubtful debts	9,882	25,502
Provision for slow moving stores and spare parts	776	1,743
	<u>199,370</u>	<u>200,148</u>
	86,051	168,805
(Increase) / decrease in current assets		
Stores and spare parts	(36,441)	(7,614)
Stock-in-trade	(156,342)	143,103
Trade debts	(163,591)	(82,500)
Loans, advances, deposits, prepayments and other receivables	(6,029)	(8,351)
	<u>(362,403)</u>	<u>44,638</u>
Increase in current liabilities		
Trade and other payables	319,097	220,333
Sales tax payable	79,538	16,975
Cash generated from operations	<u>122,283</u>	<u>450,751</u>
Income tax paid	(48,447)	(28,285)
Finance cost paid	(42,654)	(87,408)
Long-term loans	23	62
Long-term deposits	100	705
Net cash generated from operating activities	<u>31,305</u>	<u>335,825</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(137,608)	(34,768)
Proceeds from disposal of property, plant and equipment	1,192	2,054
Net cash used in investing activities	<u>(136,416)</u>	<u>(32,714)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term finance	(125,000)	(190,883)
Net cash used in financing activities	<u>(125,000)</u>	<u>(190,883)</u>
Net (decrease) / increase in cash and cash equivalents	<u>(230,111)</u>	<u>112,228</u>
Cash and cash equivalents at the beginning of the period	<u>(306,212)</u>	<u>(353,362)</u>
Cash and cash equivalents at the end of the period	<u><u>(536,323)</u></u>	<u><u>(241,134)</u></u>
CASH AND CASH EQUIVALENTS		
Cash and bank balances	75,344	51,780
Short-term borrowings	(611,667)	(292,914)
	<u>(536,323)</u>	<u>(241,134)</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


OWAIS UL MUSTAFA
Chief Executive Officer


ABDUL HAI M. BHAIMIA
Director



Shabbir Tiles and Ceramics Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

	Issued, subscribed and paid-up capital	Capital reserve	Revenue reserves		Total reserves	Total equity
		Share premium	General reserve	Accumulated loss		
	(Rupees in '000)					
Balance as at July 1, 2015	1,196,601	449,215	478,000	(60,134)	867,081	2,063,682
Loss for the period	-	-	-	(45,204)	(45,204)	(45,204)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(45,204)	(45,204)	(45,204)
Balance as at December 31, 2015	<u>1,196,601</u>	<u>449,215</u>	<u>478,000</u>	<u>(105,338)</u>	<u>821,877</u>	<u>2,018,478</u>
Balance as at July 1, 2016	1,196,601	449,215	478,000	(176,766)	750,449	1,947,050
Loss for the period	-	-	-	(104,114)	(104,114)	(104,114)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(104,114)	(104,114)	(104,114)
Balance as at December 31, 2016	<u>1,196,601</u>	<u>449,215</u>	<u>478,000</u>	<u>(280,880)</u>	<u>646,335</u>	<u>1,842,936</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


OWAIS UL MUSTAFA
Chief Executive Officer


ABDUL HAI M. BHAIMIA
Director



Shabbir Tiles and Ceramics Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (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 Companies Act 1913 (now the Companies Ordinance, 1984) on 07 November 1978 and is listed on Pakistan Stock Exchange Limited. The Company is primarily engaged in manufacture and sale of tiles and trading of allied building material 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 are unaudited but subject to limited scope review by auditors, except for the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2016 and December 31, 2015. These are required to be presented to the shareholders under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard (IAS) – 34, "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

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 Company's annual financial statements for the year ended 30 June 2016.

3. ACCOUNTING POLICIES

The accounting policies 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, 2016 except for the adoption of new and amended standards and interpretations as follows:

New/revised standards, interpretations and amendments

The Company has adopted the following amendments to IFRS which became effective for the current period:

- IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities : Applying the Consolidation Exception (Amendment)
- IFRS 11 - Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)
- IAS 1 - Presentation of Financial Statements: Disclosure Initiative (Amendment)
- IAS 16 - Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
- IAS 16 - Property, Plant and Equipment and IAS 41 Agriculture: 'Agriculture - Bearer Plants (Amendment)
- IAS 27 - Separate Financial Statements: Equity Method in Separate 'Financial Statements (Amendment)

In addition to the above standard and interpretation, improvements to various accounting standards have also been issued by the IASB and are generally effective for current period. The adoption of the above amended standard / improvement and interpretation did not have any material effect on these condensed interim financial statements.



Shabbir Tiles and Ceramics Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

	Note	December 31, 2016 (Un-audited) (Rupees in `000)	June 30, 2016 (Audited)
4. PROPERTY, PLANT AND EQUIPMENT			
Opening Net Book Value (NBV)	4.1	2,590,540	2,735,753
Additions to property, plant and equipment (cost)	4.1	178,831	126,185
Disposals during the period / year (NBV)	4.1	2,769,371	2,861,938
Depreciation charged during the period / year	4.2	(306)	(3,617)
Closing NBV		(145,430)	(267,781)
Capital work-in-progress		2,623,635	2,590,540
		116,352	157,575
		<u>2,739,987</u>	<u>2,748,115</u>

4.1 Additions and disposals of property, plant and equipment

	Additions (cost)		Disposals (NBV)	
	December 31, 2016 (Un-audited)	June 30, 2016 (Audited)	December 31, 2016 (Un-audited)	June 30, 2016 (Audited)
	(Rupees in `000)			
Building	6,732	-	-	-
Plant and machinery	169,474	122,255	54	-
Office equipment	864	1,261	-	-
Computers and accessories	1,761	916	-	143
Vehicles	-	1,753	252	3,474
	<u>178,831</u>	<u>126,185</u>	<u>306</u>	<u>3,617</u>

	December 31, 2016 (Un-audited) (Rupees in `000)	June 30, 2016 (Audited)
4.2 Capital work in progress - Plant and Machinery		
Balance at the beginning of the period/year	157,575	20,896
Additions during the period/year	124,431	262,864
Transfer to property, plant and equipment	(165,654)	(126,185)
	<u>116,352</u>	<u>157,575</u>

5. STOCK-IN-TRADE

Includes stock in trade costing Rs. 72.433 million (June 30, 2016: Rs. 52.955 million) which has been written down to its net realizable value of Rs. 59.672 million (June 30, 2016: Rs. 42.210 million).

	December 31, 2016 (Un-audited) (Rupees in `000)	June 30, 2016 (Audited)
6. TRADE DEBTS - unsecured		
Considered good	1,072,883	919,174
Considered doubtful	86,979	77,097
Less: Provision against doubtful debts	(86,979)	(77,097)
	<u>1,072,883</u>	<u>919,174</u>

7. CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in the status of contingencies as reported in the annual financial statements of the Company for the year ended 30 June 2016.



Shabbir Tiles and Ceramics Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)

	December 31, 2016 (Un-audited) (Rupees in `000)	June 30, 2016 (Audited) (Rupees in `000)
Commitments		
Outstanding letters of credit	133,949	123,039
Outstanding letters of guarantee	310,909	307,909
Commitments for rentals under Ijara Agreements	2,710	2,867
Commitments in respect of Capital Expenditure	27,600	6,158

8. TRANSACTIONS WITH RELATED PARTIES

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

	Half Year Ended	
	December 31, 2016 ----- (Un-audited) ----- (Rupees in `000)	December 31, 2015 ----- (Un-audited) ----- (Rupees in `000)
Associated Companies		
Sales	7,363	8,830
Purchases of goods, materials and services	62,308	35,609
Insurance premium	11,762	12,391
Insurance claims received	4,390	57
Rent and services charges paid	3,639	3,291
Rent income	360	360
Markup earned	56	108
Markup expense	5,652	6,253
Commission on letter of guarantee	1,089	873

Other related parties

Contribution to Provident Fund	8,656	7,197
Key management personnel compensation	9,132	8,763

	December 31, 2016 (Un-audited) (Rupees in `000)	June 30, 2016 (Audited) (Rupees in `000)
--	--	---

Balances as at period / year end		
Trade debts	2,844	3,201
Trade and other payables	15,715	17,301
Bank balances	39,477	40,559
Short-term borrowing	372,623	410,093

Commitments		
Outstanding letters of credit	161,549	129,197
Outstanding letters of guarantee	310,909	307,909

9. GENERAL

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

10. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 16th February 2017 by the Board of Directors of the Company.


OWAIS UL MUSTAFA
Chief Executive Officer


ABDUL HAI M. BHAIMIA
Director

BOOK POST

PRINTED MATTER
UNDER POSTAL CERTIFICATE



if undelivered, please return to:

Shabbir Tiles and Ceramics Limited

15th Milestone, National Highway,

Landhi, Karachi-75120

Phones: (021) 35015024-25, 35014044-45

Fax: (021) 35015545 E-mail: info@stile.com.pk

URL: <http://www.stile.com.pk>

Printed at A4print