

Thal Limited

Condensed Interim Financial Statements
For the the Half Year Ended December 31,
2016 (Un-audited)

Celebrating our
50th
year



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Thal Limited

DIRECTORS' REPORT TO THE SHAREHOLDERS



Dear Shareholders,

On behalf of the Board of Directors, I am pleased to share the Directors' Review along with the unaudited interim condensed financial accounts for the period ended December 31, 2016.

Financial Highlights

	Rupees in Millions	
	For the half year ended	For the half year ended
	Dec. 31, 2016	Dec. 31, 2015
Sales Revenue	7,598	6,978
Profit Before Taxation	3,424	1,007
Profit After Taxation	2,582	812
Earnings Per Share (Rs.)	31.87	10.03

The Board has approved an interim cash dividend of Rs. 3.75 per share i.e. 75% for the half year ended December 31, 2016.

Performance Overview:

Sales revenues for the first half of the year ended on December 31, 2016, was Rs. 7.6 billion as compared to Rs. 6.9 billion in the corresponding period of last year, showing an increase of 10%. Profit after tax for the period was higher by Rs 0.7 billion compared to the corresponding period last year mainly on account of gain on the divestment of shares in Metro Habib Cash & Carry Pakistan (Private) Limited. The basic & diluted Earnings Per Share (EPS) was Rs 31.87 compared to Rs 10.03 in the corresponding period last year.

Business Brief

Engineering Segment

With the continuous increase in the import of cars to around 18,200 units into the country during the first half of the year, the local auto industry continues to face challenge as this is severely impacting the growth of the auto vendor industry. The concerns of the auto parts industry are continuously being highlighted and discussed at the government level. The industry expects the government to revisit its Automotive Development Policy to discourage such imports which will not only save valuable foreign exchange for the country, but will also lead to increased job creation in the local auto parts industry.

Another challenge being faced by the local auto vendor industry is the government's efforts towards trade liberalization and signing of Free Trade Agreements (FTAs) with various countries. The Ministry of Commerce (MoC) has started negotiating the next phase of Pakistan-China FTA and is also negotiating the Pakistan-Thailand and Pakistan-Turkey FTAs. The management has put forward its opinion to the government to protect the auto parts industry and will continue its engagement on this issue through various business forums as well.

Despite continuous challenges, the sales revenue of the Engineering Segment of the Company for the first half of the year was Rs. 5.91 billion compared to Rs. 5.46 billion in the corresponding period last year, showing an increase of 8%. Although the overall auto sector registered a decline of 12% over the same period last year on account of the discontinuation of Punjab Government's Apna Rozgar Taxi Scheme, the growth in sales by the Engineering Segment was attributed to the launch of a new model by one of our main customers and improved performance in the commercial vehicle segment.

Moving forward, the Engineering Segment expects sales in the second half of 2016-17 to remain strong, in line with the performance during the first half of the year.

Building Materials & Allied Product Segment

Sales revenue of the Building Materials & Allied Products Segment during the period under review was Rs. 2.0 billion compared to Rs.1.9 billion in the last year, registering a growth of over 7%.

Jute Operations

The Jute Division has been able to maintain its market share, manage its cost and improve efficiency which has enabled it to face considerable challenges arising from current market conditions. Despite various external conditions, the management's prudent cost control measure, efficiency improvement initiatives and market retention strategies bore positive results, which will require further efforts in order to ensure the long term sustainability of the operations.

The export horizon is quite optimistic and we expect more penetration in the international market. In the local market, we foresee a healthy demand for grain sacks in the ensuing wheat season from the government food departments and also expect improvement in the local market conditions.

The outlook for the year remains positive as all indicators are showing that the grain sacks demand will remain strong and the business is striving to capitalize on the same, while it continues to focus on increasing sales of jute products in other segments.

Papersack Operations

The cement sector continues to show a healthy growth of 8.7% in the first half of the year in comparison to the corresponding period of the previous year. Unfortunately, the business was unable to capture this increase in demand due to severe competition in the market and lost volumes to import of cement bags from Sri Lanka, availing duty free status under FTA. The company has taken up this matter with the relevant government departments to counter this duty free import.

The volumes of industrial sacks & others have improved considerably as compared to last year.

An increase in custom duty on raw materials by 1% impacted the prices of products. However, the effect of the same could not be passed on to the customers because the prices of alternate packing products (woven polypropylene) remained at lower due to low prices of crude oil in the international market.

The outlook for the year remains positive as the business is focusing on keeping its material cost under control and has been largely successful.

Laminates Operations:

Through its focused approach, the business was able to improve sales while remaining cost effective. Local markets of HPL and boards performed well, whereas demand of technical grade melamite stayed low. Exports remained sluggish due to unethical practices of competitors coupled with lower demand.

For the remaining part of the year, the outlook for the business looks better as the business plans to add new designs and products. Moreover, we are anticipating good demand of technical melamite in the third quarter along with incremental share in the sale of Boards.

Subsidiaries

Thal Boshoku Pakistan (Pvt.) Ltd. (TBPK):

Revenue was down by 5% over the corresponding period for last year. The main reason for lower sales was lesser off-take by OEM customers.

Thal Limited



On the operations side, the team commitment was visible through improved operational efficiency. All customer supply requirements were met in time with zero defect. The Company continues its focus towards Health, Safety & Environment and on reducing carbon footprint.

Makro-Habib Pakistan Limited (MHPL):

The Honorable Supreme Court of Pakistan dismissed the MHPL's Review Petition for the Saddar Store and as a consequence, the Saddar store of MHPL was closed down on September 11, 2015.

As a later development on December 9, 2015, the Honorable Supreme Court of Pakistan accepted the Army Welfare Trust (AWT) request for restoration of its Review Petition. In its hearing on February 2, 2016, the Honorable Chief Justice Commented that while reviewing AWT's review petition, both MHPL and Ministry of Defense will also get a chance to argue their points on merit as they are respondent in AWT's petition.

The matter was last fixed for hearing on October 13, 2016 in which constitution of different bench from previous one was discussed and matter was referred to the Chief Justice for reconstitution of fresh bench, if required.

Habib METRO Pakistan (Private) Limited (HMPL):

The main business of HMPL is to own and manage retail store properties and accordingly, over 90% of the revenue is generated from rental income. The Company's holding is 60%.

During the half year ended 31 December 2016, HMPL declared interim dividend amounting to a total of Rs. 121 million.

The company is exploring various business opportunities to complement the cash & carry retail rental business and to enhance value from its store locations.

A-One Enterprises (Private) Limited (A-One)

A-One is a wholly owned subsidiary of Thal Limited. During the period, A-One's land situated at Multan Road, Lahore was acquired by the Lahore Development Authority (LDA) for the Metro Orange Line Project. A-One filed a writ petition for obtaining adequate relief for its land, for which LDA has paid almost all the compensation as demanded by A-One. However, the matter is still in court for the remaining portion of land.

Thal Power (Private) Limited

The Company has entered into a Joint Venture Agreement with Novatex Limited, for collaboration to develop a 330 MW mine mouth coal-fired power generation plant located at Thar, Sindh. This power plant will be based on lignite coal extracted from the mine operated by Sind Engro Coal Mining Company (SECMC).

The Company through its wholly owned subsidiary, Thal Power (Private) Limited has incorporated a JV project company, i.e., ThalNova Power Thar Private Limited ("ThalNova"), to initiate the preliminary development works of the aforementioned project and obtain the necessary regulatory and operational approvals and permissions required.

ThalNova has at present obtained the Letter of Intent ("LOI") and the Letter of Support ("LOS") from the Private Power Infrastructure Board ("PPIB") and is currently engaged in project development activities. The total project cost is estimated at approximately US\$ 500 million. Preliminary development expenses & commitments are being carried out by ThalNova, and are being funded equitably by the JVA partners. Whilst the project has sound fundamentals being based on indigenous resources and enjoys good support and encouragement from the government, it also presents significant challenges in achieving timely financial close. Discussions are underway with other potential equity partners to join in the ThalNova project.

METRO Habib Cash & Carry Pakistan (Private) Limited (MHCCP)

In line with Note 10.3 of the audited financial statements of Thal Limited for the year ended June 30, 2016, where Thal Ltd. holds a put option with respect to its holding in Metro Habib Cash & Carry Pakistan (Private) Limited (MHCCP) if MHCCP does not achieve certain specified financial performance targets, Thal Limited may require Metro Cash & Carry International Holding BV (Metro BV) to acquire the shares of MHCCP at a price to be determined on the basis of a predefined mechanism.

Based on the audited financial statements of MHCCP for the year ended September 30, 2016 which was approved by the Board of MHCCP on November 28, 2016, the Board of Thal Limited decided to exercise the put option to sell 201,529,290 shares of MHCCP at the price mutually determined by Thal Limited and Metro BV.

In line with the board's decision, Thal Limited exercised its put option and sold its shareholding for a sum of Rs. 2.12 billion on December 19, 2016 and transferred 201,529,290 shares to Metro BV.

Sindh Engro Coal Mining Company Limited (SECMC) :

SECMC is a joint venture between the Government of Sindh, Thal Limited, Engro Powergen Limited, Hub Power Company Limited, Habib Bank Limited, CMEC Thar Mining Investments Limited and SPI Mengdong. It is engaged in developing Pakistan's first open pit mining project at Thar Coal Block II. The project had achieved its Financial close on April 4, 2016.

For the first phase of the project, the Board of Directors of Thal Limited approved a total investment of Pak Rupee equivalent of US\$ 36.1 million, which includes equity investment of US\$ 24.3 million, US\$ 5 million for cost over-run and US\$ 6.8 million for debt servicing reserve. To date the Company has invested Rs. 899 million equivalent to US\$ 8.70 million.

Acknowledgement:

In the end we would like to thank the Almighty for all His blessings in these challenging times and convey our appreciation to all our Customers, Dealers, Bankers, Joint Venture and Technical Partners for their continued support and confidence in the Company. We also wish to recognize the efforts of all our team members who have worked diligently to achieve the results.

On behalf of the Board



(ASIF RIZVI)
Chief Executive Officer
Karachi: February 27, 2017.



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AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying unconsolidated condensed interim balance sheet of **Thal Limited** as at **31 December 2016** and the related unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statements of comprehensive income, cash flows and changes in equity, together with the notes forming part thereof (here-in-after referred to as "interim financial information") for the six-months period then ended. 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.

EY Forq Rhodes

Chartered Accountants
Review Engagement Partner: Riaz A. Rehman Chamdia
Date: 27 February 2017
Place: Karachi

Thal Limited

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT DECEMBER 31, 2016

	Note	December 31, 2016 (Un-audited) (Rupees in thousands)	June 30, 2016 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	804,088	651,261
Intangible assets		6,991	8,940
Investment property		1,009	1,018
Long-term investments	5	4,129,256	4,342,212
Long-term loans	6	217,423	60,446
Long-term deposits		8,254	8,119
Deferred tax asset - net		235,642	297,640
		<u>5,402,663</u>	<u>5,369,636</u>
CURRENT ASSETS			
Stores, spares and loose tools		90,498	83,123
Stock-in-trade	7	3,421,961	2,764,329
Trade debts		1,550,306	1,003,946
Loans and advances		66,053	40,651
Trade deposits and short-term prepayments		48,472	37,348
Interest accrued		2,102	2,748
Other receivables		4,314	3,747
Short-term investments	8	5,249,326	3,678,355
Income tax – net		-	279,216
Sales tax refundable		-	20,367
Cash and bank balances		400,437	402,159
		<u>10,833,469</u>	<u>8,315,989</u>
TOTAL ASSETS		<u>16,236,132</u>	<u>13,685,625</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital		500,000	500,000
100,000,000 (June 30, 2016: 100,000,000) ordinary shares of Rs.5/- each			
Issued, subscribed and paid-up capital		405,150	405,150
81,029,909 (June 30, 2016: 81,029,909) ordinary shares of Rs.5/- each			
Reserves		13,933,275	11,822,428
		<u>14,338,425</u>	<u>12,227,578</u>
NON-CURRENT LIABILITIES			
Long-term deposits		1,624	1,624
CURRENT LIABILITIES			
Trade and other payables		1,800,436	1,433,591
Short-term running finance		951	22,790
Accrued mark-up		-	42
Income tax – net	9	52,366	-
Sales tax payable		42,330	-
		<u>1,896,083</u>	<u>1,456,423</u>
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITIES AND LIABILITIES		<u>16,236,132</u>	<u>13,685,625</u>

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


Asif Rizvi
Chief Executive


Salman Burney
Director

Thal Limited

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

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Note	Half Year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2016	2015	2016	2015
	(Rupees in thousands)		(Rupees in thousands)	
Revenue – net	7,598,233	6,978,353	4,038,290	3,574,474
Cost of sales	(5,925,062)	(5,471,129)	(3,144,641)	(2,787,177)
Gross profit	1,673,171	1,507,224	893,649	787,297
Distribution costs	(106,208)	(101,970)	(44,615)	(44,653)
Administrative expenses	(315,106)	(270,221)	(166,525)	(139,303)
Other charges	(209,974)	(716,560)	(151,194)	75,440
	(631,288)	(1,088,751)	(362,334)	(108,516)
Other income	2,387,373	589,877	2,102,595	450,148
Operating profit	3,429,256	1,008,350	2,633,910	1,128,929
Finance costs	(4,400)	(1,435)	(2,163)	(799)
Profit before taxation	3,424,856	1,006,915	2,631,747	1,128,130
Taxation	(842,359)	(194,423)	(651,566)	(257,902)
Profit after taxation	2,582,497	812,492	1,980,181	870,228
	Rupees	Rupees	Rupees	Rupees
Basic and diluted earnings per share	12 31.87	10.03	24.44	10.74

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


Asif Rizvi
Chief Executive


Salman Burney
Director

Thal Limited

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

Note	Half Year ended		Quarter ended	
	December 31, 2016 (Rupees in thousands)	December 31, 2015 (Rupees in thousands)	December 31, 2016 (Rupees in thousands)	December 31, 2015 (Rupees in thousands)
Profit after taxation	2,582,497	812,492	1,980,181	870,228
Other comprehensive income				
Items to be reclassified to profit and loss account in subsequent periods:				
Gain / (loss) on revaluation of available for sale investments	34,787	(15,902)	14,876	(5,536)
Total comprehensive income for the period	<u>2,617,284</u>	<u>796,590</u>	<u>1,995,057</u>	<u>864,692</u>

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


Asif Rizvi
Chief Executive


Salman Burney
Director

Thal Limited

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



December 31, 2016
December 31, 2015
(Rupees in thousands)

CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation	3,424,856	1,006,915
Adjustments for non-cash charges and other items:		
Depreciation and amortisation	56,708	55,898
Finance costs	4,400	1,435
Profit earned on call deposits and short term investments	(91,657)	(106,214)
Liabilities no longer payable written back	-	(464)
Gain on revaluation of investments at fair value through profit and loss	(23,386)	(14,122)
Dividend income	(407,059)	(437,486)
Provision for impairment of trade debts	10,675	14,850
Reversal of provision for impairment of loan - Makro-Habib Pakistan Limited	(1,528)	-
Gain on disposal of investment in an associate - METRO Habib Cash & Carry Pakistan (Private) Limited	(1,835,895)	-
Provision for retirement benefits	2,827	2,590
Gain on disposal of property, plant and equipment	(2,590)	(2,966)
	(2,287,505)	(486,479)
(Increase) / decrease in current assets		
Stores, spares and loose tools	(7,375)	(2,970)
Stock-in-trade	(657,632)	(325,852)
Trade debts	(557,035)	(10,665)
Loans and advances	(23,874)	2,140
Trade deposits and short-term prepayments	(11,124)	39,110
Other receivables	(567)	10,204
Increase / (decrease) in current liabilities		
Trade and other payables	362,667	742,444
Sales tax payable	62,697	27,559
	(832,243)	481,970
Cash generated from operations	(305,108)	1,002,406
Finance costs paid	(4,442)	(1,488)
Retirement benefits paid	(5,114)	(5,731)
Income tax paid	(448,779)	(283,922)
Net cash (used in) / generated from operating activities	(153,227)	711,265

CASH FLOWS FROM INVESTING ACTIVITIES

Fixed capital expenditure	(207,802)	(61,832)
Long-term loans	(156,977)	(387)
Long-term deposits	(135)	(577)
Dividends received	407,059	437,486
Profit received on call deposits and short-term investments	85,966	90,302
Proceeds from disposal of property, plant and equipment	2,815	4,858
Proceeds from disposal of investment in an associate - METRO Habib Cash & Carry Pakistan (Private) Limited	2,120,000	-
Long-term investments made during the period	(36,362)	-
Short-term investments made during the period	(1,096,035)	(510,002)
Net cash generated from / (used in) investing activities	(1,118,529)	(40,152)

CASH FLOWS FROM FINANCING ACTIVITIES

Dividends paid	(499,972)	(405,005)
Net cash used in financing activities	(499,972)	(405,005)

NET INCREASE IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	(465,330)	266,108
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4,042,926	3,590,878
	4,508,256	3,856,986

Cash and bank balances	400,437	267,175
Short-term investments	4,108,770	3,599,345
Short-term running finance	(951)	(9,534)
	4,508,256	3,856,986

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

Asif Rizvi
Chief Executive

Salman Burney
Director

Thal Limited

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2016

	Issued, subscribed & paid-up capital	RESERVES				Gain / (loss) on changes in fair value of available for sale in- vestments	Total Equity
		Capital Reserve	General Reserve	Unappropri- ated profit			
(Rupees in thousands)							
Balance as at June 30, 2015 (Audited)	405,150	55,704	8,660,999	1,541,512	108,505	10,771,870	
Transfer to general reserve	-	-	1,136,000	(1,136,000)	-	-	
Final dividend @ Rs. 5 / share for the year ended June 30, 2015	-	-	-	(405,150)	-	(405,150)	
Profit for the period	-	-	-	812,492	-	812,492	
Other comprehensive income	-	-	-	-	(15,902)	(15,902)	
Total comprehensive income	-	-	-	812,492	(15,902)	796,590	
Balance as at December 31, 2015 (Un-audited)	405,150	55,704	9,796,999	812,854	92,603	11,163,310	
Balance as at June 30, 2016 (Audited)	405,150	55,704	9,796,999	1,875,317	94,408	12,227,578	
Transfer to general reserve	-	-	1,368,500	(1,368,500)	-	-	
Final dividend @ Rs. 6.25 / share for the year ended June 30, 2016	-	-	-	(506,437)	-	(506,437)	
Profit for the period	-	-	-	2,582,497	-	2,582,497	
Other comprehensive income	-	-	-	-	34,787	34,787	
Total comprehensive income	-	-	-	2,582,497	34,787	2,617,284	
Balance as at December 31, 2016 (Un-audited)	405,150	55,704	11,165,499	2,582,877	129,195	14,338,425	

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.


Asif Rizvi
Chief Executive


Salman Burney
Director

Thal Limited

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED DECEMBER 31, 2016

(UN-AUDITED)



1. THE COMPANY AND ITS OPERATIONS

- 1.1 Thal Limited (the Company) was incorporated on January 31, 1966 as a public company limited by shares under the Companies Act, 1913 (now the Companies Ordinance, 1984) and is listed on the Pakistan Stock Exchange.

The Company is engaged in the manufacture of jute goods, engineering goods, papersack and laminate sheets. The jute operation is at Muzaffargarh, engineering operation at Karachi, papersack operation at Hub and Gadoon and laminate operation located at Hub. The registered office of the Company is situated at 4th Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Shahrah-e-Faisal, Karachi.

- 1.2 These unconsolidated condensed interim financial statements are separate condensed interim financial statements of the Company in which investments in subsidiaries and associates are accounted for on the basis of direct equity interest and are not consolidated or accounted for using equity method.

2. BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial statements 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.

- 2.2 These unconsolidated 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 audited unconsolidated financial statements for the year ended June 30, 2016.

- 2.3 These unconsolidated condensed interim financial statements are un-audited but subject to limited scope review by the auditors except for the figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2016 and December 31, 2015.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's audited unconsolidated financial statements for the year ended June 30, 2016. The Company has adopted certain amended International Financial Reporting Standards which became effective during the period and referred to in note 6 to the audited unconsolidated financial statements for the year ended June 30, 2016. The adoption of such amended standards did not have any effect on these unconsolidated condensed interim financial statements.

	Note	December 31, 2016 (Un-audited) (Rupees in thousands)	June 30, 2016 (Audited)
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	559,827	583,658
Capital work-in-progress	4.2	244,261	67,603
		<u>804,088</u>	<u>651,261</u>

Thal Limited

4.1 The following additions and deletions were made in operating fixed assets during the period:

	Additions at cost		Deletions at book value	
	Half year ended December 31,		Half year ended December 31,	
	2016	2015	2016	2015
	(Un-audited)		(Un-audited)	
	----- (Rupees in thousands) -----			
Operating fixed assets				
Plant and machinery	2,247	33,153	-	-
Furniture and fittings	355	423	-	-
Vehicles	1	181	202	1,840
Office and mills equipment	2,962	7,962	23	12
Computer equipment	3,104	2,460	-	40
Jigs and fixtures	22,144	23,740	-	-
	30,813	67,919	225	1,892

4.2 During the period, capital work-in-progress amounting to Rs.3.235 million (December 31, 2015: Rs.24.942 million) was transferred to operating fixed assets.

	Note	December 31, 2016 (Un-audited) (Rupees in thousands)	June 30, 2016 (Audited)
5. LONG-TERM INVESTMENTS			
Investments in related parties			
Subsidiaries - unquoted, at cost			
Noble Computer Services (Private) Limited		1,086	1,086
Pakistan Industrial Aids (Private) Limited		10,000	10,000
Habib METRO Pakistan (Private) Limited		2,789,223	2,789,223
A-One Enterprises (Private) Limited		61,395	61,395
Thal Boshoku Pakistan (Private) Limited		104,500	104,500
Thal Power (Private) Limited		100	100
Makro-Habib Pakistan Limited (MHPL)		223,885	223,885
Less: Provision for impairment		(223,885)	(223,885)
		-	-
		<u>2,966,304</u>	<u>2,966,304</u>
Associates - at cost			
Quoted			
Indus Motor Company Limited		48,900	48,900
Habib Insurance Company Limited		561	561
Agriauto Industries Limited		9,473	9,473
Shabbir Tiles and Ceramics Limited		21,314	21,314
		<u>80,248</u>	<u>80,248</u>
Unquoted			
METRO Habib Cash & Carry Pakistan (Private) Limited (MHCCP)	5.1	-	284,105
Other investments - Available-for-sale			
Quoted- at fair value			
Habib Sugar Mills Limited		89,799	69,710
GlaxoSmithKline (Pakistan) Limited		508	451
Dynea Pakistan Limited		43,627	37,173
Allied Bank Limited		21,675	16,357
Habib Bank Limited		17,794	12,865
TPL Properties Limited	5.2	10,440	-
		<u>183,843</u>	<u>136,556</u>
Unquoted - at cost			
Sindh Engro Coal Mining Company Limited		898,861	862,499
TPL Properties Limited	5.2	-	12,500
		<u>898,861</u>	<u>874,999</u>
		<u>4,129,256</u>	<u>4,342,212</u>

Thal Limited

- 5.1 As described in note 10.3 of the audited unconsolidated financial statements for the year ended June 30, 2016, the Company held a put option with respect to its holding in Metro Habib Cash & Carry Pakistan (Private) Limited (MHCCP) whereby, if MHCCP does not achieve certain specified financial performance targets, the Company may require its parent, Metro Cash & Carry International Holding BV (Metro BV) to acquire the shares of MHCCP at a price to be determined on the basis of a predefined mechanism.

The Company exercised the put option on November 15, 2016 at a price of Rs.2,120 million as already notified to the Pakistan Stock Exchange.

- 5.2 During the current period, the shares of TPL Properties Limited were quoted on the Pakistan Stock Exchange.

6. LONG-TERM LOANS

These include unsecured interest free loan amounting to Rs.204.436 million (June 30, 2016: Rs.39.436 million) given to Thal Power (Private) Limited, a wholly owned subsidiary company. The loan is receivable after December, 2017.

	Note	December 31, 2016 (Un-audited) (Rupees in thousands)	June30, 2016 (Audited) (Rupees in thousands)
7. STOCK-IN-TRADE			
Raw material			
In hand		1,828,580	1,629,607
In transit		482,361	458,302
		<u>2,310,941</u>	<u>2,087,909</u>
Work-in-process		207,554	213,115
Finished goods		903,466	463,305
		<u>3,421,961</u>	<u>2,764,329</u>

- 7.1 This includes items amounting to Rs. 589.969 million (June 30, 2016: Rs.504.582 million) carried at net realizable value [Cost Rs.641.860 million (June 30, 2016: Rs.554.813 million)].

8. SHORT-TERM INVESTMENTS

- 8.1 These represent investments in Term Deposit Receipts amounting to Rs. 3,237.541 million (June 30, 2016: Rs.2,933.626 million), Government Treasury Bills amounting to Rs.893.365 million (June 30, 2016: Rs.744.729 million) and Mutual Funds amounting to Rs. 1,118.420 million (June 30, 2016: Nil).
- 8.2 Term deposit receipts include Rs.1,901.02 million (June 30, 2016: Rs.500.961 million) maintained with Habib Metropolitan Bank, a related party.

	Note	December 31, 2016 (Un-audited) (Rupees in thousands)	June30, 2016 (Audited) (Rupees in thousands)
9. INCOME TAX- net			
Group Tax Relief adjustments	9.1	(593,466)	(593,466)
Group Taxation adjustments	9.2	(3,752)	(278,440)
Income tax provision less tax payments – net		<u>649,584</u>	<u>592,690</u>
		<u>52,366</u>	<u>(279,216)</u>

- 9.1 In terms of the provisions of Section 59B of the Income Tax Ordinance, 2001 (the Ordinance), a subsidiary company may surrender its tax losses in favour of its Holding Company for set off against the income of its Holding Company subject to certain conditions as prescribed under the Ordinance.

Accordingly, the Company adjusted its tax liabilities for the tax years 2008 to 2010 by acquiring the losses of its subsidiary company and consequently an aggregate sum of Rs. 593.466 million equivalent to the tax value of the losses acquired has been paid to the subsidiary company.

Thal Limited

The original assessments of the Company for the tax years 2008 to 2010 were amended under Section 122(5A) of the Ordinance by the tax authorities by disallowing Group Relief claimed by the Company under Section 59B of the Ordinance aggregating to Rs.593.466 million. The Company preferred appeals against the said amended assessments before the Commissioner Inland Revenue (Appeals) who vide his orders dated 10th June 2011 and 11th July 2011 has held that the Company is entitled to Group Relief under Section 59B of the Ordinance. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the Commissioner Inland Revenue (Appeals) (CIR) Order. The ATIR has passed an order in favour of the Company for the above tax years; the Tax department filed reference application / appeal against the order of ATIR before the High Court of Sindh and with the Chairman ATIR which are under the process of hearings.

- 9.2** In terms of the provision of Section 59AA of the Income Tax Ordinance, 2001 (the Ordinance), the Company, MHPL and A-One Enterprises (Private) Limited have irrevocably opted to be taxed as one fiscal unit for the tax year 2017. Accordingly, the tax loss of MHPL has been adjusted against the taxable income of the Company.

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There were no material changes in the status of contingencies as reported in the audited unconsolidated financial statements for the year ended June 30, 2016 except the following:

- 10.1.1** Letter of guarantees issued by banks on behalf of the Company amounts to Rs. 2,148.084 million (June 30, 2016: Rs. 2,118.040 million).
- 10.1.2** Post dated cheques issued to Collector of Customs amount to Rs. 80.255 million (June 30, 2016: Rs.155.254 million).

10.2 Commitments

- 10.2.1** Letter of credits outstanding for raw material and spares amounts to Rs.1,318.808 million (June 30, 2016: Rs.1,347.522 million).
- 10.2.2** Commitments in respect of capital expenditure amount to Rs. 156.992 million (June 30, 2016: Rs.114.614 million).
- 10.2.3** Commitments for rentals under Ijarah agreements in respect of vehicles amount to Rs. 20.051 million (June 30, 2016: Rs.12.754 million).

11. OTHER INCOME

		Half year ended	
		December 31, 2016	December 2015
		(Un-audited)	
		(Rupees in thousands)	
Income from financial assets			
Dividend income	11.1	407,059	437,486
Profit earned on call deposits and short term investments		91,657	106,214
Gain on revaluation / redemption of investments			
at fair value through profit and loss		23,386	14,122
Others		2,385	3,216
		<u>524,487</u>	<u>561,038</u>
Income from non-financial assets			
Gain on disposal of investment in an associate - MHCCP	11.2	1,835,895	-
Others		26,991	28,839
		<u>1,862,886</u>	<u>28,839</u>
		<u>2,387,373</u>	<u>589,877</u>

- 11.1** Includes dividend income from a subsidiary company amounting to Rs.72.806 million (December 31, 2015: Rs.125.085 million) and associate companies amounting to Rs.331.073 million (December 31, 2015: Rs.309.267 million).
- 11.2** Represents gain on disposal of investment in MHCCP amounting to Rs.1,835.895 million (December 31, 2015: Nil) as a consequence of exercising the put option as explained in note 5.1 to these unconsolidated condensed interim financial statements.

Thal Limited

12. BASIC AND DILUTED EARNINGS PER SHARE

	Half year ended	
	December 31, 2016	December 2015
	(Un-audited)	
	(Rupees in thousands)	
There is no dilutive effect on the basic earnings per share of the Company, which is based on:		
Profit after taxation	<u>2,582,497</u>	<u>812,492</u>
	Number of shares	
	In thousands	
Weighted average number of ordinary shares of Rs. 5/- each in issue	<u>81,030</u>	<u>81,030</u>
	Rupees	
Basic and diluted earnings per share	<u>31.87</u>	<u>10.03</u>

13. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Company comprise subsidiaries and associate companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions and balances with related parties during the period, other than those disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

Relationship	Nature of transactions	Half year ended	
		December 31, 2016	December 31, 2015
		(Un-audited)	
		(Rupees in thousands)	
Subsidiaries	Professional Services acquired	52,883	48,380
	Purchase of goods	1,145	23,056
	Supplies purchased	394	6,214
	Rent received	2,638	2,511
	Service Fee	13,860	12,600
	Benefit against tax loss acquired	3,752	80,460
Associates	Sales of goods	4,510,624	3,192,706
	Insurance premium	13,059	15,444
	Purchase of assets	2,400	2,749
	Purchase of goods	61,576	86,195
	Supplies purchased	16,018	82
	Insurance claim received	1,801	7
	Mark-up and bank charges paid	768	994
	Profit received on call deposits and short-term investments	48,631	92,592
	Rent paid	2,919	398
Employee benefit plans	Contribution to provident fund	16,758	14,902
	Contribution to retirement benefit fund	3,078	2,200
Key management personnel	Key management personnel compensation	95,004	78,949

Thal Limited

December 31, 2016
(Un-audited)
(Rupees in thousands)

June 30, 2016
(Audited)

Balances

Loan to a subsidiary	-	6,000
Receivable from associates in respect of trade debts	685,205	338,664
Prepayments made to a subsidiary	8,814	-
Other receivables from subsidiaries	893	735
Other receivables from associates	1,075	249
Bank balances with associates	311,446	34,748
Payable to subsidiary in respect of Group Tax adjustment	2,224	-
Payable to subsidiaries in respect of trade and other payables	20	90
Payable to associates in respect of trade and other payables	8,973	12,737
Payable to associate in respect of short-term running finance	923	-

- 13.1 The investments in related parties are disclosed in note 5 and 8 to these unconsolidated condensed interim financial statements.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

"The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale. Investment in subsidiary companies and associates are carried at cost."

Available-for-sale financial assets and financial assets designated at fair value through profit and loss account which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date (Level 1 valuation). The estimated fair value of all other financial assets and liabilities is considered not significantly different from their book values.

There were no transfers amongst levels during the period.

15. NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors has proposed and approved an interim cash dividend of Rs. 3.75 per share for the half year ended December 31, 2016, in its meeting held on February 27, 2017.

16. GENERAL

- 16.1 Figures have been rounded off to the nearest thousands.
- 16.2 Corresponding figures have been re-arranged, wherever necessary. However, there were no significant re-arrangements to report.

17. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on February 27, 2017 by the Board of Directors of the Company.



Asif Rizvi
Chief Executive



Saman Burney
Director

Thal Limited

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT DECEMBER 31, 2016



	Note	December 31, 2016 (Un-audited)	June 30, 2016 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,009,176	936,399
Intangible assets		7,209	9,262
Investment property		6,902,982	6,948,303
Long-term investments	5	3,116,414	2,909,674
Long-term loans		12,987	15,009
Long-term deposits		12,036	13,996
Long-term prepayments		50,671	50,671
Deferred tax asset - net		53,174	148,651
		<u>11,164,649</u>	<u>11,031,965</u>
CURRENT ASSETS			
Stores, spares and loose tools		96,580	90,581
Stock-in-trade	6	3,486,725	2,824,550
Trade debts		1,623,802	1,048,514
Loans and advances		80,771	53,271
Trade deposits and short-term prepayments		103,811	52,849
Interest accrued		3,081	3,304
Other receivables		4,295	512,123
Short-term investments	7	8,512,707	5,594,911
Income Tax - net		-	296,541
Sales tax refundable		-	34,345
Cash and bank balances		767,981	937,128
		<u>14,679,753</u>	<u>11,448,117</u>
TOTAL ASSETS		<u><u>25,844,402</u></u>	<u><u>22,480,082</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
100,000,000 (June 30, 2016: 100,000,000) ordinary shares of Rs.5 each		500,000	500,000
Issued, subscribed and paid-up capital		405,150	405,150
81,029,909 (June 30, 2016: 81,029,909) ordinary shares of Rs. 5/- each			
Share deposit money		12	12
Reserves		16,856,867	14,061,440
Equity attributable to equity holders' of the parent		17,262,029	14,466,602
Non-controlling interest		6,040,402	5,907,241
		<u>23,302,431</u>	<u>20,373,843</u>
NON-CURRENT LIABILITIES			
Long-term deposits		312,035	311,155
CURRENT LIABILITIES			
Trade and other payables		2,124,020	1,765,523
Short-term borrowings		951	22,790
Deferred income		13,595	6,729
Sales tax payable		35,629	-
Accrued markup		-	42
Income Tax - net	8	55,741	-
		2,229,936	1,795,084
CONTINGENCIES AND COMMITMENTS			
	9		
TOTAL EQUITIES AND LIABILITIES		<u><u>25,844,402</u></u>	<u><u>22,480,082</u></u>

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.


 Asif Rizvi
 Chief Executive


 Salman Burney
 Director

Thal Limited

CONSOLIDATED 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 (Rupees in thousands)	December 31, 2015 (Rupees in thousands)	December 31, 2016 (Rupees in thousands)	December 31, 2015 (Rupees in thousands)
Revenue - net	8,096,651	8,022,294	4,303,273	3,952,514
Cost of sales	(6,267,437)	(6,371,060)	(3,324,876)	(3,093,013)
Gross Profit	1,829,214	1,651,234	978,397	859,501
Distribution costs	(110,683)	(108,475)	(47,029)	(46,585)
Administrative expenses	(672,062)	(627,546)	(349,386)	(277,391)
Other charges	(221,189)	(1,248,622)	(155,087)	(126,450)
	(1,003,934)	(1,984,643)	(551,502)	(450,426)
Other income	3,310,030	959,597	2,817,457	478,065
Operating Profit	4,135,310	626,188	3,244,352	887,140
Finance costs	(4,779)	(3,534)	(2,358)	(1,516)
	4,130,531	622,654	3,241,994	885,624
Share of net profit of associates - after tax	384,216	372,058	206,477	193,972
Profit before taxation	4,514,747	994,712	3,448,471	1,079,596
Taxation	(1,065,921)	(318,119)	(789,236)	(288,197)
Profit after taxation	3,448,826	676,593	2,659,235	791,399
Attributable to:				
- Equity holders of the Holding Company	3,267,130	510,170	2,565,999	685,929
- Non-controlling interest	181,696	166,423	93,236	105,470
	3,448,826	676,593	2,659,235	791,399
	Rupees	Rupees	Rupees	Rupees
Basic and diluted earnings per share attributable to the equity holders of the Holding Company	11			
	40.32	6.30	31.67	8.47

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.


Asif Rizvi
Chief Executive


Salman Burney
Director

Thal Limited



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

	Half Year ended		Quarter ended	
	December 31, 2016 (Rupees in thousands)	December 31, 2015 (Rupees in thousands)	December 31, 2016 (Rupees in thousands)	December 31, 2015 (Rupees in thousands)
Profit after taxation	3,448,826	676,593	2,659,235	791,399
Other comprehensive income				
<i>Items to be reclassified to profit and loss account in subsequent periods:</i>				
Gain / (Loss) on revaluation of available for sale investments	34,787	(15,902)	14,876	(5,536)
<i>Items not to be reclassified to profit and loss account in subsequent periods:</i>				
Share of actuarial (loss) / gain on remeasurement of defined benefit plans of associates	(53)	45	-	-
Total comprehensive income for the period, net of tax	3,483,560	660,736	2,674,111	785,863
Attributable to:				
- Equity holders of the Holding Company	3,301,864	494,313	2,580,875	680,393
- Non-controlling interest	181,696	166,423	93,236	105,470
	3,483,560	660,736	2,674,111	785,863

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.


Asif Rizvi
Chief Executive


Salman Burney
Director

Thal Limited

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

	December 31, 2016	December 31, 2015
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,514,747	994,712
Adjustments for non-cash charges and other items:		
Depreciation and amortization	204,171	205,633
Amortization of long-term prepayments	-	1,026
Share in profit of associates - after taxation	(384,216)	(372,058)
Finance costs	4,779	3,244
Profit earned on call deposits and short-term investments	(168,559)	(174,895)
Liabilities no longer payable written back	(2,946)	(464)
Gain on revaluation of investments at fair value through profit and loss	(37,531)	(16,609)
Dividend income	(3,180)	(3,134)
Provision for impairment of trade debts	11,731	14,850
Provision for slow moving stock	2,377	-
Provision for retirement benefits	2,827	2,590
Gain on disposal of investments in an associate - METRO Habib Cash & Carry Pakistan (Private) Limited	(2,120,000)	-
Provision for impairment of building	-	249,781
Reversal of Deferred Tax	-	68,215
Gain on disposal of property, plant and equipment	(195,787)	1,030
	<u>(2,686,334)</u>	<u>(20,791)</u>
	1,828,413	973,921
(Increase) / decrease in current assets		
Stores, spares and loose tools	(5,999)	(2,103)
Stock-in-trade	(664,552)	(149,445)
Trade debts	(587,019)	20,240
Loans and advances	(27,500)	1,682
Trade deposits and short-term prepayments	(50,962)	8,152
Other receivables	507,856	108,225
Increase / (decrease) in current liabilities		
Deferred income	6,866	(2,848)
Trade and other payables	397,738	631,079
Sales tax payable	69,974	29,604
	<u>(353,598)</u>	<u>644,586</u>
Cash generated from operations	1,474,815	1,618,507
Finance costs paid	(4,821)	(3,297)
Retirement benefits paid	(5,114)	(5,731)
Income tax paid	(618,162)	(470,701)
Net cash generated from operating activities	<u>846,718</u>	<u>1,138,778</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(296,013)	(121,193)
Long-term loans	2,023	(387)
Long-term deposits	1,960	(577)
Dividends received	334,253	312,401
Profit received on call deposits and short term investments	160,960	157,906
Long-term investments made during the period	(118,862)	-
Proceeds from disposal of investment in an associate METRO Habib Cash & Carry Pakistan (Private) Limited	2,120,000	-
Proceeds from disposal of property, plant and equipment	262,226	8,726
Short-term investments made during the period	(2,357,671)	(593,387)
Net cash generated from / (used in) investing activities	<u>108,876</u>	<u>(236,511)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(589,010)	(488,396)
Long-term deposit	880	970
Net cash used in financing activities	<u>(588,130)</u>	<u>(487,426)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	367,464	414,841
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6,001,336	5,256,285
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>6,368,800</u>	<u>5,671,126</u>
Cash and bank balances	767,981	528,679
Short-term investments	5,601,770	5,151,981
Short-term running finance	(951)	(9,534)
	<u>6,368,800</u>	<u>5,671,126</u>

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.


Asif Rizvi
Chief Executive


Salman Burney
Director

Thal Limited

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2016



	Issued, sub-scribed & paid-up capital	Share deposit money	RESERVES				Gain / (Loss) on changes in fair value of available for sale investments	Non-controlling interest	Total equity
			Capital reserve	General reserve	Unappropriated profit				
(Rupees in thousands)									
Balance as at June 30, 2015 (Audited)	405,150	12	67,929	8,702,874	3,334,888	108,508	5,790,139	18,409,500	
Transfer to revenue reserve -	-	-	1,136,000		(1,136,000)	-	-	-	
Final dividend @ Rs. 5/- per share for the year ended June 30, 2015	-	-	-	-	(405,150)	-	-	(405,150)	
Subsidiary Companies									
Final dividend @ Rs. 0.30/- per share for the year ended June 30, 2015	-	-	-	-	-	-	(40,811)	(40,811)	
Interim dividend @ Rs. 0.313/- per share for the period ended September 30, 2015							(42,579)	(42,579)	
Profit for the period	-	-	-	-	510,170	-	166,423	676,593	
Other comprehensive income	-	-	-	-	-	(15,857)	-	(15,857)	
Total comprehensive income	-	-	-	-	510,170	(15,857)	166,423	660,736	
Balance as at December 31, 2015 (Un-Audited)	405,150	12	67,929	9,838,874	2,303,908	92,651	5,873,172	18,581,696	
Balance as at June 30, 2016 (Audited)	405,150	12	67,929	9,838,874	4,060,410	94,227	5,907,241	20,373,843	
Transfer to revenue reserve	-	-	-	1,368,500	(1,368,500)	-	-	-	
Final dividend @ Rs. 6.25/- per share for the year ended June 30, 2015					(506,437)			(506,437)	
Subsidiary Companies									
Interim dividend @ Rs. 0.357/- per share for the quarter ended September 30, 2016							(48,535)	(48,535)	
Profit for the period	-	-	-	-	3,267,130	-	181,696	3,448,826	
Other comprehensive income	-	-	-	-	(53)	34,787	-	34,734	
Total comprehensive income	-	-	-	-	3,267,077	34,787	181,696	3,483,560	
Balance as at December 31, 2016 (Un-Audited)	405,150	12	67,929	11,207,374	5,452,550	129,014	6,040,402	23,302,431	

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.

Asif Rizvi
Chief Executive

Salman Burney
Director

Thal Limited

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

1 THE GROUP AND ITS OPERATIONS

- 1.1 Thal Limited (the Holding Company) was incorporated on January 31, 1966 as a public company limited by shares under the Companies Act, 1913 (now the Companies Ordinance, 1984) and is listed on the Pakistan Stock Exchange.

The Holding Company is engaged in the manufacture of jute goods, engineering goods, papersacks and laminate sheets. The registered office of the holding company is situated at 4th Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Sharaf Faisal, Karachi.

The Group comprises of the holding company and its subsidiaries, Noble Computer Services (Private) Limited, Pakistan Industrial Aids (Private) Limited, Makro-Habib Pakistan Limited, A-One Enterprises (Private) Limited, Habib METRO Pakistan (Private) Limited, Thal Boshoku Pakistan (Private) Limited and Thal Power (Private) Limited.

Noble Computer Services (Private) Limited is engaged in providing Internal Audit Services, I.T. related Services, Advisory Services, H.R Services and Management Services.

Pakistan Industrial Aids (Private) Limited is engaged in trading of various products.

Makro-Habib Pakistan Limited is engaged in a chain of wholesale / retail cash and carry stores.

A-One Enterprises (Private) Limited owns a land at Multan road, Lahore.

Habib METRO Pakistan (Private) Limited, main business is to own and manage properties.

Thal Boshoku Pakistan (Private) Limited is engaged in the manufacturing of Air cleaner set assembly, Seat track sub assembly and Seat side frame sub assembly for automobiles.

Thal Power (Private) Limited was incorporated on July 3, 2014.

These subsidiaries have been consolidated in these consolidated condensed interim financial statements.

2 BASIS OF PREPARATION

These consolidated condensed interim financial statements 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 consolidated condensed interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's audited consolidated financial statements for the year ended June 30, 2016.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended June 30, 2016. The Group has adopted certain amended International Financial Reporting Standards which became effective during the period and reported in note 7 to the audited consolidated financial statements for the year ended June 30, 2016. The adoption of such amended standards and interpretation did not have any effect on these consolidated condensed interim financial statements.

Thal Limited

4 PROPERTY, PLANT AND EQUIPMENT

	Note	December 31, 2016 (Un-audited) (Rupees in thousands)	June 30, 2016 (Audited)
Operating fixed assets	4.1	764,052	866,323
Capital work-in-progress	4.2	245,124	70,076
		<u>1,009,176</u>	<u>936,399</u>

4.1 The following additions and deletions were made in operating fixed assets during the period:

	Additions at cost		Deletions at book value	
	Half year ended December 31, 2016 (Un-audited)		Half year ended December 31, 2016 (Un-audited)	
	2015		2015	
	(Rupees in thousands)		(Rupees in thousands)	
Operating fixed assets				
Leasehold land	793	-	64,798	-
Plant and machinery	3,724	33,153	363	-
Furniture and fittings	803	423	-	-
Vehicles	8,063	4,747	1,253	4,495
Office and mills equipment	3,158	7,962	25	12
Computer equipment	4,435	3,380	-	81
Jigs and Fixtures	22,144	23,740	-	-
	<u>43,120</u>	<u>73,405</u>	<u>66,439</u>	<u>4,588</u>

4.2 During the period, capital work in progress amounting to Rs. 4.845 million (December 31, 2015 : 24.942 million) was transferred to operating fixed assets.

	Note	December 31, 2016 (Un-audited) (Rupees in thousands)	June 30, 2016 (Audited)
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5 LONG-TERM INVESTMENTS

Associates - stated as per equity method

Quoted

Indus Motor Company Limited	1,590,680	1,556,769
Habib Insurance Company Limited	45,438	41,856
Agriauto Industries Limited	262,458	247,946
Shabbir Tiles and Ceramics Limited	23,047	24,762
ThalNova Power Thar (Private) Limited	112,087	26,786

Un-Quoted

METRO Habib Cash & Carry Pakistan (Private) Limited	5.1	-	-
		2,033,710	1,898,119

Other investments - available for-sale

Quoted - at fair value

Habib Sugar Mills Limited	89,799	69,710
Dynea Pakistan Limited	43,627	37,173
Glaxo Smith Kline (Pakistan) Limited	508	451
Habib Bank Limited	17,794	12,865
Allied Bank Limited	21,675	16,357
TPL Properties Limited	10,440	-
	<u>183,843</u>	<u>136,556</u>

Un-Quoted - at cost

Sindh Engro Coal Mining Company Limited	5.2	898,861	862,499
TPL Properties Limited		-	12,500
		<u>898,861</u>	<u>874,999</u>
		<u>3,116,414</u>	<u>2,909,674</u>

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- 5.1 As described in Note 11.5 to the audited consolidated financial statements for the year ended June 30, 2016, the Group held a put option with respect to its holding in Metro Habib Cash & Carry Pakistan (Private) Limited (MHCCP) whereby, if MHCCP does not achieve certain specified financial performance targets, the Group may require its parent, Metro Cash & Carry International Holding BV (Metro BV) to acquire the shares of MHCCP at a price to be determined on the basis of a predefined mechanism.

The Holding Company exercised the put option on November 15, 2016 at a price of Rs. 2,120 million as already notified to the Pakistan Stock Exchange.

- 5.2 During the current period, the shares of TPL Properties Limited were quoted on the Pakistan Stock Exchange.

	Note	December 31, 2016 (Un-audited) - (Rupees in thousands)	June 30, 2016 (Audited)
6 STOCK-IN-TRADE			
Raw material			
In hand		1,862,657	1,651,970
In transit		494,693	475,437
		<u>2,357,350</u>	<u>2,127,407</u>
Work-in-process		207,554	213,115
Finished goods		924,198	484,028
Provision for obsolescence and shrinkage		(2,377)	-
		<u>921,821</u>	<u>484,028</u>
	6.1	<u>3,486,725</u>	<u>2,824,550</u>

- 6.1 This includes items amounting to Rs. 589.969 million (June 30, 2016 : Rs. 504.582 million) carried at net realizable value. [Cost Rs. 641.860 million (June 30, 2016 : Rs. 554.813 million)]

7 SHORT-TERM INVESTMENTS

- 7.1 This represents investment in Term Deposit Receipts amounting to Rs. 5,105 million (June 30, 2016 : Rs. 4,633 million), Government Treasury bills amounting to Rs. 893.365 million (June 30, 2016: 744.729 million) and mutual funds amounting to Rs. 2,515 million (June 30, 2016: 217.113).

- 7.2 Term deposit receipts include Rs. 1,782 million (June 30, 2016: Rs. 2,197 million) maintained with Habib Metropolitan Bank Limited, related party.

	Note	December 31, 2016 (Un-audited) (Rupees in thousands)	June 30, 2016 (Audited)
8 INCOME TAX - Net			
Group Tax Relief adjustments	8.1	(593,466)	(593,466)
Group Taxation adjustments	8.2	(3,752)	(278,440)
Income Tax provision less tax payments - net		<u>652,959</u>	<u>575,365</u>
		<u>55,741</u>	<u>(296,541)</u>

- 8.1 In terms of the provisions of Section 59B of the Income Tax Ordinance, 2001 (the Ordinance), a subsidiary company may surrender its tax losses in favour of its Holding Company for set off against the income of its Holding Company subject to certain conditions as prescribed under the Ordinance.

Accordingly, the Holding Company has adjusted its tax liabilities for the tax years 2008-2010 by acquiring the losses of its subsidiary company and consequently an aggregate sum of Rs. 593.466 million equivalent to the tax value of the losses acquired has been paid to the subsidiary company.

Thal Limited

The original assessments of the Company for the tax years 2008 to 2010 were amended under Section 122(5A) of the Ordinance by the tax authorities by disallowing Group Relief claimed by the Company under Section 59B of the Ordinance aggregating to Rs. 593.466 million. The Company preferred appeals against the said amended assessments before the Commissioner Inland Revenue (Appeals) who vide his orders dated 10th June 2011 and 11th July 2011 has held that the Company is entitled to Group Relief under Section 59B of the Ordinance. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the Commissioner Inland Revenue (Appeal) (CIR) Order. The ATIR has passed an order in favour of the Company for the above tax years; the Tax department filed reference application / appeal against the order of ATIR before the High Court of Sindh and with the Chairman ATIR which are under the process of hearings.

- 8.2 In terms of the provision of Section 59AA of the Income Tax Ordinance, 2001 (the Ordinance), the Holding Company, MHPL and A-One Enterprises (Private) Limited have irrevocably opted to be taxed as one fiscal unit for the tax year 2017. Accordingly, the tax loss of MHPL has been adjusted against the taxable income of the Company.

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual audited consolidated financial statements for the year ended June 30, 2016 except the following:

- 9.1.1 Letter of guarantees issued by banks on behalf of the Group amounts to Rs. 2,239.495 million (June 30, 2016 : Rs. 2,138.947 million).

- 9.1.2 Post dated cheques issued to collector of Customs amounts to Rs. 80.255 million (June 30, 2016 : Rs. 155.254 million)

9.2 Commitments

- 9.2.1 Letter of credits outstanding for raw material and spares amounts to Rs. 1,370.279 million (June 30, 2016 : Rs. 1,282.630 million).

- 9.2.2 Commitments for rentals under Ijarah agreements in respect of vehicles amount to Rs. 8.257 million (June 30, 2016 : Rs. 2.429 million).

- 9.2.3 Commitments for rentals under operating lease agreements in respect of Land amount to Rs. 2,894.165 million (June 30, 2016 : Rs. 2,909.376 million)

10 OTHER INCOME

	Half Year ended	
	December 31, 2016	December 31, 2015
	(Un-audited)	
	(Rupees in thousands)	
Income from financial assets		
Dividend income	3,180	3,134
Profit earned on call deposits and short-term investments	168,559	173,821
Gain on revaluation / redemption of investments		
at fair value through profit and loss	37,531	17,683
Others	3,803	3,216
	<u>213,073</u>	<u>197,854</u>
Income from non-financial assets		
Gain on disposal of investment in an		
associaite - MHCCP	2,120,000	-
Others	976,957	761,743
	<u>3,096,957</u>	<u>761,743</u>
	<u>3,310,030</u>	<u>959,597</u>

- 10.1 Represents gain on disposal of investment in MHCCP amounting to Rs.2,120 million (December 31, 2015: Nil) as a consequence of exercising the put option as explained in note 5.1 to these consolidated condensed interim financial statements.

Thal Limited

Half Year ended
December 31, December 31,
2016 2015
(Un-audited)
(Rupees in thousands)

11 BASIC AND DILUTED EARNINGS PER SHARE

There is no dilutive effect on the basic earnings per share of the Holding Company, which is based on:

Profit after taxation attributable to the equity holders of the Holding Company

3,267,130 510,170

Number of shares
in thousands

Weighted average number of ordinary shares of Rs. 5/- each in issue

81,030 81,030

Rupees

Basic and diluted earnings per share

40.32 6.30

12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Group comprise associate companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions and balances with related parties during the period, other than those disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

Relationship	Nature of transactions	Half year ended	
		December 31,	December 31,
		2016	2015
		(Un-audited)	
		(Rupees in thousands)	
Associates	Sales	4,626,996	3,263,002
	Professional Services rendered	186,952	69,175
	Rental Income on properties	728,535	675,215
	Professional Services acquired	2,388	-
	Insurance premium	14,213	17,123
	Purchase of assets	4,598	5,052
	Purchase of goods	62,075	115,037
	Insurance claim received	1,858	7
	Mark-up and bank charges paid	1,130	2,065
	Profit received	121,674	151,995
	Supplies purchased	17,390	710
	Licence fee, signage and others	134	-
	Rent Paid	3,603	1,031
Employee benefit plans	Contribution to provident fund	18,525	17,519
	Contribution to retirement benefit fund	3,078	2,200
Key management personnel	Key management personnel compensation	117,568	101,722

Thal Limited

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

Balances

Receivable from associates in respect of trade debts	695,828	350,295
Other receivables from associates	494	484
Bank balances with associates	366,331	67,235
Payable to associates in respect of trade and other payables	25,105	12,737
Payable to associate in respect of short term borrowings	923	-

- 12.1 The investments in related parties are disclosed in note 5 and 7 to these consolidated condensed interim financial statements.

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale. Investment in associates are carried using equity method of accounting.

Available-for-sale financial assets and financial assets designated at fair value through profit and loss account which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date (Level 1 Valuation). The estimated fair value of all other financial assets and liabilities is considered not significantly different from their book values.

There were no transfers amongst levels during the period.

	Half Year ended			
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	Engineering	Building material and allied products	Real estate management & others	Elimination
				Total

Rupees in thousands-

SALES REVENUE	5,916,562	5,460,271	1,921,523	175,463	726,133	(85,633)	8,096,651	8,022,294
SEGMENT RESULT	1,380,330	1,286,803	262,911	197,058	509,662	463,509	2,152,903	1,947,370

Unallocated corporate (expenses) / income:

Administrative & distribution costs

Other income

Operating profit

Finance cost

Other charges

Share in profit of associates

Taxation

	(4,779)	(3,534)
	(221,189)	(1,248,622)
	384,216	372,056
	(1,065,921)	(318,119)
	3,448,826	676,593

Thal Limited

	Quarter ended			
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	Engineering	Building material and allied products	Real estate management & others	Elimination
				Total

Rupees in thousands-

SALES REVENUE	3,059,454	2,808,086	1,181,793	982,080	89,094	209,127	4,303,273	3,952,514
SEGMENT RESULT	734,983	654,473	158,660	129,525	253,343	268,161	1,146,986	1,052,159

Unallocated corporate (expenses) / income:

Administrative & distribution costs

Other income

Operating profit

Finance cost

Other charges

Share in profit of associates

Taxation

	(2,358)	(1,516)
	(155,087)	(126,450)
	206,477	193,972
	(789,236)	(286,197)
	2,659,235	791,399

The Engineering segment is engaged in the manufacturing of automotive parts.

The Building material and allied products segment includes jute, papersack and laminate operations.

The Real estate management & others segment includes real estate management, trading and management services.

Thal Limited

15 NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Holding Company has approved an interim cash dividend of Rs. 3.75 per share for the half year ended December 31, 2016 in its meeting held on February 27, 2017.

16 GENERAL

16.1 Figures have been rounded off to the nearest thousands.

16.2 Corresponding figures have been re-arranged , wherever necessary. However, there were no significant re-arrangement to report.

17 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on February 27, 2017 by the Board of Directors of the Holding Company.



Asif Rizvi
Chief Executive



Salman Burney
Director

سندھ اینگروکول مائننگ کمپنی لمیٹڈ

ایس ای سی ایم سی حکومت سندھ، تھل لمیٹڈ، اینگرو پاور چین لمیٹڈ، حب پاور کمپنی لمیٹڈ، حبیب بینک لمیٹڈ، سی ایم ای سی تھر مائننگ انویسٹمنٹس لمیٹڈ اور ایس پی آئی مینگ ڈونگ کے مابین ایک مشترکہ منصوبہ ہے یہ پاکستان کے پہلے اوپن پٹ مائننگ پروجیکٹ بمقام تھرکول بلاک-II کی تیاری میں سرگرم عمل ہے۔ پروجیکٹ نے 4 اپریل 2016 کو اپنا فنانشل کلوز حاصل کر لیا تھا۔

پروجیکٹ کے پہلے مرحلے کیلئے تھل لمیٹڈ کے بورڈ آف ڈائریکٹرز نے 36.1 ملین امریکی ڈالر کے مساوی پاک روپے کی مجموعی سرمایہ کاری کی منظوری دی تھی جس میں 24.3 ملین امریکی ڈالر کی ایکویٹی انویسٹمنٹس، 5 ملین امریکی ڈالر برائے کاسٹ اووررن اور 6.8 ملین امریکی ڈالر برائے ڈیپٹ سروسنگ ریزورشل ہیں۔ اس پیلنس شیڈ کی تاریخ کے مطابق کمپنی نے 899 ملین روپے کی سرمایہ کاری کی جو 8.70 ملین امریکی ڈالر کے مساوی ہیں۔

اظہار تشکر

آخر میں ہم اللہ تعالیٰ کے بے حد شکر گزار ہیں کہ اس نے ہمیں چیلنج کے وقت میں اپنی رحمت سے نوازا۔ ہم اپنے کسٹمرز، ڈیلرز، بینکرز، جوائنٹ ویئر اور ٹیکنیکل پارٹنرز کے مسلسل تعاون اور کمپنی پر ان کے اعتماد کو سراہتے ہیں۔ ہم اپنے تمام ساتھی ملازمین کی کاوشوں کے بھی معترف ہیں جنہوں نے سخت محنت اور دل جمعی کے ساتھ بہترین نتائج کے حصول کے لئے کوششیں کیں۔

منجانب بورڈ



آصف رضوی

چیف ایگزیکٹو آفیسر

کراچی:

مورخہ: 27 فروری 2017

تھل پاور (پرائیویٹ) لمیٹڈ

کمپنی نے تھرسندھ میں واقع 330 میگاواٹ مائن ماؤتھ کول - فائرڈ پاور جرنیشن پلانٹ کو تیار کرنے کے لئے اشتراک کے سلسلے میں نوواٹیکس لمیٹڈ کے ساتھ ایک جوائنٹ وینچر ایگریمنٹ تشکیل دیا ہے۔ یہ پاور پلانٹ سندھ اینگروکول میننگ کمپنی (ایس ای سی ایم سی) کے ذریعے چلائی جانے والی مائن سے حاصل کردہ لیگنانٹ کول پراٹھار کرے گا۔

کمپنی نے اپنے مکمل ملکیتی ذیلی ادارے تھل پاور (پرائیویٹ) لمیٹڈ کے ذریعے ایک جوائنٹ وینچر کمپنی یعنی تھل نووا پاور تھل پرائیویٹ لمیٹڈ ("تھل نووا") کے ذریعے ابتدائی طور پر مذکورہ بالا پروجیکٹ کے ابتدائی ترقیاتی کاموں کا آغاز کرے گی اور اس سلسلے میں درکار تمام ضروری ریگولیٹری اور آپریشنل اجازت نامے اور منظوریوں حاصل کر رہی ہے۔

تھل نووا نے پرائیویٹ پاور انفراسٹرکچر بورڈ ("پی پی آئی بی") سے لیٹر آف انٹینٹ ("ایل آئی") حاصل کیا ہوا ہے اور موجودہ طور پر پروجیکٹ کی ابتدائی ترقیاتی سرگرمیوں میں مصروف ہے۔ پروجیکٹ کی مجموعی لاگت کا تخمینہ 500 ملین امریکی ڈالر لگایا گیا ہے۔ ابتدائی ترقیاتی اخراجات اور معاہدے تھل نووا کی جانب سے انجام دیے جارہے ہیں اور انہیں جوائنٹ وینچر ایگریمنٹ کے شراکت داروں کی جانب سے مساوی طور پر فنڈ زفر اہم کئے گئے ہیں۔ چونکہ پروجیکٹ مستحکم بنیادوں پر مقامی وسائل پر اٹھار کرتا ہے اور حکومت کی جانب سے بھی اسے مکمل تعاون اور حمایت حاصل ہے اس لئے اس نے فنانشل کلوز اور تکمیل میں تمام چیلنجوں کو خوش اسلوبی سے طے کر لیا جبکہ تھل نووا پروجیکٹ میں شمولیت کے لئے دیگر مستحکم ایکویٹی پارٹنرز کے ساتھ مذاکرات بھی جاری ہیں۔

میٹرو حبیب کیش اینڈ کیری پاکستان (پرائیویٹ) لمیٹڈ (ایم ایچ سی سی پی)

30 جون 2016 کو ختم ہونے والے سال کیلئے تھل لمیٹڈ کے آڈٹ شدہ مالیاتی حسابات کے نوٹ 10.3 کے مطابق جہاں تھل لمیٹڈ نے میٹرو حبیب کیش اینڈ کیری پاکستان (پرائیویٹ) لمیٹڈ (ایم ایچ سی سی پی) میں اپنی ہولڈنگ کے سلسلے میں ایک آپشن رکھا تھا کہ اگر ایم ایچ سی سی پی مخصوص مقررہ مالیاتی پرفارمنس اہداف حاصل نہ کر پائے تو تھل لمیٹڈ کو میٹرو کیش اینڈ کیری انٹرنیشنل ہولڈنگ بی وی (Metro BV) کی ضرورت ہو سکتی ہے تاکہ وہ ایم ایچ سی سی پی شیئرز ان نرخوں پر حاصل کر سکے جس کا تعین پہلے سے متعین میکنزم کی بنیاد پر کیا گیا ہو۔

30 ستمبر 2016 کو ختم ہونے والے سال کیلئے ایم ایچ سی سی پی آڈٹ شدہ مالیاتی حسابات پر منحصر، جن کی منظوری ایم ایچ سی سی پی، کے بورڈ نے 28 نومبر 2016 کو دی تھی، تھل لمیٹڈ کے بورڈ نے ایم ایچ سی سی پی کے 201,529,290 شیئرز تھل لمیٹڈ، میٹرو بی وی (Metro BV) کی جانب سے باہمی رضامندی سے طے کردہ نرخوں پر فروخت کرنے کا آپشن استعمال کرنے کا فیصلہ کیا۔

بورڈ کے فیصلے کے مطابق تھل لمیٹڈ نے اپنا آپشن استعمال کیا اور 19 دسمبر 2016 کو 2.12 بلین روپے مالیت کی اپنی شیئرز ہولڈنگ کو فروخت کر دیا اور 201,529,290 شیئرز میٹرو بی وی کو منتقل کر دیئے۔

آپریشنز کے شعبے میں ٹیم نے اپنی بہترین فنکشنل کارکردگی کے ذریعے اپنے عزم کا بھرپور اظہار کیا ہے۔ صارفین کو سپلائی کی تمام ضروریات صفر نقص کے ساتھ بروقت پوری کی گئیں اور کمپنی نے صحت، تحفظ اور ماحول کے ضمن اور کاربن فوٹ پرنٹ کو کم کرنے پر بھرپور توجہ دی۔

میکرو۔ حبیب پاکستان لمیٹڈ (ایم ایچ پی ایل)

فاضل سپریم کورٹ آف پاکستان نے صدر اسٹور کیلئے ایم ایچ پی ایل کی نظر ثانی پیشینہ مسٹر کردی تھی جس کے نتیجے میں ایم ایچ پی ایل کا صدر اسٹور 11 ستمبر 2015 کو بند کر دیا گیا۔

بعد ازاں 9 دسمبر 2015 کو ہونے والی ایک پیش رفت کے طور پر فاضل سپریم کورٹ آف پاکستان نے نظر ثانی پیشینہ کی بحالی کے لئے آر بی ویلفیئر ٹرسٹ (اے ڈبلیو ٹی) کی درخواست کو منظور کر لیا۔ اپنی 2 فروری 2016 کی سماعت میں معزز چیف جسٹس نے اے ڈبلیو ٹی کی نظر ثانی درخواست کا جائزہ لیتے ہوئے تبصرہ کیا کہ ایم ایچ پی ایل اور وزارتِ دفاع دونوں کو میرٹ پر اپنے نکات پر بحث میں حصہ لینے کا موقع دیا جائے گا جیسا کہ یہ دونوں اے ڈبلیو ٹی کی پیشینہ میں جوابداران ہیں۔

اس معاملے کی آخری سماعت 13 اکتوبر 2016 کو مقرر کی گئی تھی جس میں گزشتہ بیچ سے مختلف بیچ کے بنانے پر بحث کی گئی اور معاملہ نئے بیچ کی تشکیل کے لئے چیف جسٹس کو سپرد کر دیا جائے گا اگرچہ ضروری ہوا۔

حبیب۔ میٹروپاکستان (پرائیویٹ) لمیٹڈ (ایچ ایم پی ایل)

ایچ ایم پی ایل کا بنیادی کاروبار ریٹیل اسٹور کی املاک کی ملکیت اور اس کے انتظامات کرنا ہے اور اس سلسلے میں آمدنی کا 90 فیصد حصہ کرائے سے حاصل ہوتا ہے۔ اس میں کمپنی کی ہولڈنگ 60 فیصد ہے۔

31 دسمبر 2016 کو ختم ہونے والی ششماہی کے دوران ایچ ایم پی ایل نے مجموعی طور پر 121 ملین روپے کے عبوری منافع منقسمہ کا اعلان کیا۔

کمپنی کیش اینڈ کیری ریٹیل کرائے داری کا کاروبار کو فروغ دینے کے لئے مختلف کاروباری مواقع تلاش کرنے اور اس کے اسٹوری نئی لوکیشنز میں اضافے کیلئے کوشاں ہے۔

اے۔ ون انٹر پرائزز (پرائیویٹ) لمیٹڈ

اے ون مکمل طور پر تھل لمیٹڈ کا ملکیتی ذیلی ادارہ ہے سال کے دوران اے ون کی ملتان روڈ، لاہور میں واقع کمپنی کی اراضی کو لاہور ڈیپو لینڈ اتھارٹی (ایل ڈی اے) نے میٹرو اور نجی لائن پروجیکٹ کے لئے حاصل کی تھی۔ اے ون نے اپنی اراضی کیلئے مناسب ریلیف حاصل کرنے کی غرض سے ایک رٹ پیشینہ داخل کی جو کامیاب رہی اور ایل ڈی اے کی جانب سے اے ون کے مطالبے کے تحت زرتلانی ادا کیا گیا (حالانکہ زمین کا کچھ حصہ ابھی بھی عدالت کے فیصلے کا منتظر ہے)۔

سال کیلئے آئندہ امکانات مثبت رہیں گے کیونکہ تمام اشارے ظاہر کرتے ہیں کہ اناج کی بوریوں کی طلب مستحکم رہے گی اور کاروبار اسی طرح سے پھلے پھولے گا جبکہ اس امر پر بھی توجہ دی جاتی رہے گی کہ دیگر شعبوں میں جوٹ مصنوعات کی فروخت بڑھائی جائے۔

پیسٹک آپریشنز

سینٹ سیلٹر نے سال کی پہلی ششماہی میں گزشتہ سال کی اسی مدت کے مقابلے میں 8.7 فیصد کی ایک صحتمندانہ شرح نمو ظاہر کرنے کا سلسلہ جاری رکھا۔ بد قسمتی سے یہ شعبہ مارکیٹ میں سخت مسابقت کے باعث طلب میں اس اضافے کو سنبھالنے سے قاصر رہا اور حجم ضائع ہو گیا جس کی وجہ ایف اے کے تحت ڈیوٹی فری اسٹیٹس کی سہولت کے ذریعے سری لنکا سے سینٹ کے تھیلوں کی درآمد تھی۔ کمپنی نے اس ڈیوٹی فری درآمد کو روکنے کیلئے یہ معاملہ متعلقہ سرکاری حکاموں کے ساتھ اٹھایا ہے۔

صنعتی بوریوں اور دیگر کے حجم میں گزشتہ سال کے مقابلے میں قدرے بہتری آئی۔

خام مال پر کسٹم ڈیوٹی مصنوعات کے نرخوں میں 1 فیصد کے مساوی حد تک اضافہ کیا گیا۔ تاہم اس کے اثرات صارفین کو منتقل نہیں کئے جاسکے کیونکہ پیکنگ کی متبادل مصنوعات کی قیمتیں (ووون پوٹی پراپلین) بین الاقوامی مارکیٹ میں کروڈ تیل کے نرخوں کی چٹائی کے باعث کم ترین حد پر برقرار ہیں۔

سال کیلئے آئندہ امکانات مثبت رہیں گے کیونکہ شعبے نے اپنی میٹریل لاگت کو کنٹرول میں رکھا ہوا ہے اور وسیع پیمانے پر کامیاب رہا ہے۔

لیمینٹس آپریشنز

اپنی بھرپور توجہ طلب اپروچ کے ذریعے کاروبار اپنی فروخت بڑھانے اور لاگت کو باکفایت رکھنے میں کامیاب رہا۔ ایچ پی ایل او بورڈز کی مقامی مارکیٹوں نے بہتر کارکردگی کا مظاہرہ کیا جبکہ ٹیکنیکی گریڈ کے میلامائٹ کی طلب چٹائی سطح پر رہی۔ برآمدات روایتی طریقہ کار کے ساتھ کمتر طلب کے باعث کم ہو گئیں۔

سال کے باقی ماندہ حصے کیلئے کاروبار کے امکانات بہتر نظر آئے ہیں کیونکہ اس کاروبار میں نئے ڈیزائن اور نئی مصنوعات شامل کرنے کے منصوبے کا پلان ہے۔ مزید براں ہم تیسری سہ ماہی میں ٹیکنیکی میلامائٹ کی شاندار طلب کی توقع کے ساتھ بورڈز کی فروخت میں اضافی حصے کے منتظر ہیں۔

ذیلی ادارے

تھل بوشو کو پاکستان (پرائیویٹ) لمیٹڈ (ٹی بی پی کے)

ادوی ایم صارفین کی جانب سے مختصر آف ٹیک کے باعث گزشتہ سال اس مدت میں فروخت میں 5 فیصد کمی آئی۔

حکومت ایسی درآمدی حوصلہ شکنی کیلئے اپنی آٹو موٹیوڈیولپمنٹ پالیسی پر نظر ثانی کرے گی جس سے ملک کیلئے نہ صرف قابل قدر غیر ملکی زرمبادلہ بچایا جاسکے گا بلکہ مقامی آٹو پارٹس انڈسٹری میں روزگار کے نئے مواقع بھی پیدا کئے جاسکیں گے۔

مقامی آٹو پارٹس انڈسٹری کو درپیش ایک اور چیلنج حکومت کی جانب سے آزاد تجارت اور مختلف ممالک کے ساتھ فری ٹریڈ ایگریمنٹس (ایف ٹی ایز) پر دستخط کرنے کی کوششیں ہیں۔ وزارت تجارت (MoC) نے پاکستان-چین ایف ٹی اے کے اگلے مرحلے پر گفت و شنید کا آغاز کر دیا ہے اس کے علاوہ پاکستان-تھائی لینڈ اور پاکستان-ترکی ایف ٹی ایز پر بھی بات چیت جاری ہے۔ انتظامیہ نے آٹو پارٹس انڈسٹری کو بچانے کیلئے اپنا موقف حکومت کے سامنے رکھ دیا ہے اور اس معاملے پر نیز مختلف برنس فورمز پر بھی مسئلہ اٹھایا جا رہا ہے۔

مستقل جیلنجوں کے باوجود کمپنی کے شعبہ انجینئرنگ کا سلیز ریونیو سال کی پہلی ششماہی میں 5.91 بلین روپے رہا اور اس کے مقابلے میں گزشتہ سال کی اسی مدت میں یہ رقم 5.46 بلین روپے تھی جس سے 8 فیصد کا اضافہ ظاہر ہوتا ہے۔ اگرچہ مکمل آٹو سیلکرن گزشتہ سال کی اسی مدت کے دوران 12 فیصد کی کمی ظاہر کی گئی تھی جس کی وجہ پنجاب حکومت کی اپنا روزگار ٹیکسی اسکیم کو روک دینا تھا تاہم انجینئرنگ کے شعبے کی جانب سیلز میں اضافے کا سبب ہمارے مرکزی صارفین میں سے ایک کی جانب سے نئے ماڈل کا تعارف اور کمرشل وہیکل کے شعبے میں بہترین کارکردگی تھا۔

مستقبل کی جانب بڑھتے ہوئے انجینئرنگ کے شعبے میں توقع ہے کہ 2016-17 کی دوسری ششماہی میں فروخت سال کی پہلی ششماہی کے دوران کارکردگی کے مطابق مستحکم رہے گی۔

تعمیراتی سامان اور اس سے متعلق مصنوعات کا شعبہ

زیر جائزہ مدت کے دوران بلڈنگ میٹریل اور متعلقہ مصنوعات کے شعبے میں سیلز ریونیو 2.0 بلین روپے رہا اس کے مقابلے میں گزشتہ سال یہ رقم 1.9 بلین روپے تھی اور اس طرح 5 فیصد شرح نمو ظاہر ہوئی۔

جوٹ آپریشنز

جوٹ ڈویژن اپنے مارکیٹ شیئر کو برقرار رکھنے، اپنی لاگت کا انتظام کرنے اور کارکردگی بہتر بنانے کی صلاحیت کا حامل ہے جس نے اسے مارکیٹ کی موجودہ صورتحال کے باعث تمام تر جیلنجوں سے نمٹنے کا اہل بنایا۔ مختلف خارجی صورتحال کے باوجود انتظامیہ کے بروقت لاگت کنٹرول کرنے کے اقدامات، کارکردگی بہتر بنانے کے طریقے اور مارکیٹ میں موجود رہنے کی حکمت عملیوں کے مثبت نتائج برآمد ہوئے ہیں جس کیلئے مزید کوششیں کی جا رہی ہیں تاکہ تمام امور طویل مدت تک بخوبی انجام دیئے جائیں۔

برآمدی صورتحال بھی قدرے خوشگوار ہے اور ہمیں توقع ہے کہ بین الاقوامی مارکیٹ میں مزید اپنی جگہ بنالیں گے۔ مقامی مارکیٹ میں ہم سرکاری محکمہ خوراک کی جانب سے گندم کے آنے والے سیزن میں اناج کی بوریوں کے لئے ایک بھاری طلب کی توقع رکھتے ہیں اور امید ہے کہ مقامی مارکیٹ کی صورتحال میں بھی بہتری آئے گی۔

تھل لمیٹڈ

ڈائریکٹرز کی رپورٹ برائے شیئر ہولڈرز

عزیزم شیئر ہولڈرز،

بورڈ آف ڈائریکٹرز کی جانب سے میں ڈائریکٹرز کا جائزہ بمشول 31 دسمبر 2016 کو ختم ہونے والی مدت کے لئے غیر آڈٹ شدہ عبوری مجموعی مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔

فنانس کی خاص باتیں

روپے بلین میں		
برائے مدت ششماہی ختمہ 31 دسمبر 2015	برائے مدت ششماہی ختمہ 31 دسمبر 2016	
6,978	7,598	سیلز آمدنی
1,008	3,424	قبل از ٹیکس منافع
821	2,585	بعد از ٹیکس منافع
10.03	31.87	فی شیئر آمدنی، روپے میں

بورڈ نے ششماہی ختمہ دسمبر 2016 کیلئے ایک عبوری منافع منقسمہ 3.75 روپے فی شیئر یعنی 75 فیصد کی منظوری دی ہے۔

کارکردگی کا عمومی جائزہ

31 دسمبر 2016 کو ختم ہونے والے سال کی پہلی ششماہی کے لئے سیلز ریونیو 7.6 بلین روپے رہا جبکہ گزشتہ سال کی اسی مدت میں یہ رقم 6.9 بلین روپے تھی اور اس طرح 10 فیصد اضافہ ظاہر کیا۔ اس مدت کے لئے منافع بعد از ٹیکس گزشتہ سال کی اس مدت کے مقابلے میں بڑھ کر 0.7 بلین روپے رہا جس کی بنیادی وجہ میٹرو حبیب کیش اینڈ کیوری پاکستان (پرائیویٹ) لمیٹڈ میں سرمایہ کاری سے فائدہ تھا۔ بنیادی اور خالص آمدنی فی شیئر (ای پی ایس) 31.87 روپے تھا جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں 10.03 روپے رہی۔

کاروبار کی مختصر صورتحال

انجینئرنگ کا شعبہ

ملک میں سال کی پہلی ششماہی کے دوران لگ بھگ 18,200 یونٹس تک کاروں کی درآمد میں اضافے سے مقامی آٹو انڈسٹری کو مستقل طور پر چیلنجوں کا سامنا ہے کیونکہ اس کے آٹو اینڈ رائڈسٹری کی ترقی پر مضرت اثرات مرتب ہو رہے ہیں۔ آٹو پارٹس انڈسٹری کی تشویش مستقل طور پر بڑھ رہی ہے اور جسے سرکاری سطح پر زیر بحث لایا جا رہا ہے۔ انڈسٹری پر امید ہے کہ

Thal Limited

Corporate Information

Board of Directors

Rafiq M. Habib	Chairman
Sohail P. Ahmed	Vice Chairman
Asif Rizvi	Chief Executive
Asif Qadir	Independent Director
Ali S. Habib	Non-Executive Director
Mohamedali R. Habib	Non-Executive Director
Salman Burney	Non-Executive Director

Chief Financial Officer

Shahid Saleem

Company Secretary

Umair Riaz Siddiqi

Audit Committee

Asif Qadir	Chairman - Independent
Sohail P. Ahmed	Member
Mohamedali R. Habib	Member
Salman Burney	Member

Human Resources & Remuneration Committee

Salman Burney	Chairman
Asif Rizvi	Member
Ali S. Habib	Member

External Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisors

A. K. Brohi & Co., Karachi
K. A. Wahab & Co., Karachi
Fazal-e-Ghani Advocates, Karachi

Tax Advisors

EY Ford Rhodes
Chartered Accountants

Bankers

Habib Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
National Bank of Pakistan
Habib Metropolitan Bank Limited
Meezan Bank Limited
Albaraka Islamic Bank
Bank Al-Habib Limited
Faysal Bank Limited
Industrial & Commercial Bank of China Limited

Registered Office

4th Floor, House of Habib
3-Jinnah Cooperative Housing Society, Block 7/8
Sharaf Faisal, Karachi - 75350
PABX: 92(21) 3431-2030, 3431-2185
Fax: 92(21) 3431-2318, 3439-0868
E-mail: tl@hoh.net
Web: www.thallimited.com

Share Registrar

FAMCO Associates (Private) Limited
8-F, Next to Hotel Faran, Nursery, Block-6,
P.E.C.H.S.,
Sharaf-e-Faisal, Karachi,
Tel: 3438010-5, 34384621-3
Fax: 343.80,106 and 32428310
Email: info.shares@famco.pk
Website: www.famco.com.pk

