



**INTERIM CONDENSED
FINANCIAL STATEMENT
FOR THE 1ST QUARTER
ENDED SEPTEMBER 30, 2019
(Un-Audited)**





REPORT OF THE DIRECTORS

FOR THE FIRST QUARTER ENDED 30th SEPTEMBER 2019

Dear Shareholders

Yours Directors are pleased to place before you un-audited financial results for the first quarter ended September 30, 2019.

This has been a very difficult Quarter, for after past Twelve (12) years, that we have come across such poor sales, not just poor sales, but the cost of production has literally doubled, which is mostly due to increase of Gas Charges, Electricity and so many other inflationary adjustments.

During the quarter under review the net sales for the quarter were Rs. 224.14 million as against sales of Rs. 282.18 million for the corresponding quarter of the last year, representing decrease of Rs. 58.04 million. This was due to increase in gas charges. The gross loss for the period was Rs. 24.32 million against gross profit of Rs. 39.93 million for the corresponding quarter of the previous year.

Loss before tax for the quarter under review was Rs. 42.05 million against profit before tax Rs. 10.76 million for the corresponding quarter of the immediate preceding year.

On behalf of Board of Directors, I thank our well-wishers, shareholders, customers, dealers, banks & DFI'S, suppliers of raw material and plant and machinery, friends and all employees for their cooperation and contribution towards the progress of the company.

On behalf of the Board

Munawarali Kassim
Chief Executive

Karachi: October 28, 2019

30 ستمبر 2019ء کو ختم ہونے والی سہ ماہی کے لئے ڈائریکٹرز کی رپورٹ

محترم شیئر ہولڈرز،

آپ کے ڈائریکٹرز 30 ستمبر 2019ء کو ختم ہونے والی سہ ماہی کے لئے غیر آڈٹ شدہ مالیاتی گوشوارے بشمول جمع شدہ مالیاتی حسابات کے بارے میں ڈائریکٹرز رپورٹ آپ کیلئے پیش کر رہے ہیں۔

گذشتہ بارہ سالوں کے بعد یہ ایک بہت ہی مشکل سہ ماہی رہی ہے کہ ہم اس طرح کی ناقص فروخت، نہ صرف ناقص فروخت بلکہ پیداواری لاگت کو نقلی طور پر دوگنا کر چکے ہیں جس کی زیادہ تر وجہ گیس چارجز، بجلی اور زیادہ افراط زر کی ایڈجسٹمنٹ میں اضافہ ہے۔

زیر جائزہ سہ ماہی کے دوران کمپنی کی صاف فروخت 224.14 ملین روپے رہی جس کا موازنہ گذشتہ سال کی اسی مدت کی فروخت 282.18 ملین روپے سے کیا جاسکتا ہے، جو کہ 58.04 ملین روپے کا اضافہ ہے جو کہ گیس چارجز میں اضافہ کے سبب ہوا۔ دوران مدت صاف خسارہ مبلغ 24.32 ملین روپے تھا جس کا موازنہ گذشتہ سال کی سہ ماہی کے صاف منافع مبلغ 39.93 ملین روپے سے کیا جاسکتا ہے۔

آپ کی کمپنی کو زیر جائزہ مدت کے دوران قبل از ٹیکس خسارہ مبلغ 42.05 ملین روپے ہوا جس کا موازنہ گذشتہ سال کی اسی مدت کے قبل از ٹیکس منافع مبلغ 10.76 ملین روپے سے کیا جاسکتا ہے۔

بورڈ کی جانب سے میں اپنے خیر خواہوں، شیئر ہولڈرز، صارفین، ڈیلرز، بینکس، ڈی ایف آئی ایس، خام مال، پلانٹ، اور مشینری، دوستوں اور تمام ملازمین کو ان کے تعاون اور کمپنی کی پروگریس میں حصہ لینے پر شکر گزار ہیں۔

بتوسط بورڈ

منور علی ایس قاسم
چیف ایگزیکٹو

مورخہ: 28 اکتوبر 2019ء



INTERIM CONDENSED BALANCE SHEET

AS AT SEPTEMBER 30, 2019 (UNAUDITED)

	September 2019 Rupees	June 2019 Rupees
ASSETS		
Non-current assets		
Property, plant and equipment	1,146,583,306	1,145,235,459
Long term deposits	897,038	897,038
	1,147,480,344	1,146,132,497
Current assets		
Stores and spares	10,436,288	11,149,252
Stock in trade	328,858,742	307,036,047
Trade debts	48,561,432	22,244,347
Loans and advances - considered good	2,350,732	2,575,299
Advance tax	20,527,063	17,067,473
Refunds due from the government	95,818,836	79,668,445
Short term deposits, prepayments and other receivables	23,464,822	5,277,791
Cash and bank balances	28,617,314	5,819,737
	558,635,229	450,838,391
TOTAL ASSETS	1,706,115,573	1,596,970,888
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital	145,486,760	145,486,760
Unappropriated profit	72,385,486	114,182,801
Revaluation surplus on property, plant & equipment	365,875,241	365,875,241
	583,747,487	625,544,802
LIABILITIES		
Non-current liabilities		
Long term financing - secured	402,076,768	312,183,922
Liabilities against assets subject to finance lease	1,171,377	1,171,377
Post employment benefits	104,615,698	99,988,922
Deferred taxation	153,058,645	156,114,366
	660,922,488	569,458,587
Current liabilities		
Trade and other payables	142,120,476	166,841,609
Markup accrued on loans	16,275,948	11,280,044
Short term borrowings from banks - secured	171,441,293	91,861,471
Long term financing - secured	98,171,552	101,349,857
Dividend payable	5,607,818	5,607,818
Liabilities against assets subject to finance lease	297,327	297,327
Provision for taxation	27,531,184	24,729,373
	461,445,598	401,967,499
Total liabilities	1,122,368,086	971,426,086
Contingencies and Commitments	-	-
TOTAL EQUITY AND LIABILITIES	1,706,115,573	1,596,970,888

The annexed notes form an integral part of these financial statements.


 Chief Executive


 Chief Financial Officer


 Director



INTERIM CONDENSED PROFIT AND LOSS ACCOUNT

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2019

	September 2019 Rupees	September 2018 Rupees
Revenue	224,144,886	282,179,945
Cost of sales	(248,464,859)	(242,247,546)
Gross profit	(24,319,973)	39,932,399
Selling and distribution expenses	2,989,041	9,416,541
Administrative expenses	6,849,205	5,487,422
Other expenses	-	4,477,856
	(9,838,246)	(19,381,819)
Operating profit	(34,158,219)	20,550,580
Other income	3,573,746	233,791
Finance cost	(11,466,752)	(10,021,121)
	(7,893,006)	(9,787,330)
Profit / (Loss) before taxation	(42,051,225)	10,763,250
Taxation	(1,087,855)	(592,058)
Profit / (Loss) after taxation	(43,139,080)	10,171,192
Earnings per share - basic and diluted	(2.97)	0.70

The annexed notes form an integral part of these financial statements.

Notes:

- 1 These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 and provision of and directive issued under the Companies Act, 2017
- 2 The accounting policies adopted for the preparation of these accounts are the same as those applied in the preparation of these accounts are the same as those applied in the preparation of the accounts for the preceding year ended June 30, 2019.
- 3 The Financial statements have been authorized for the issue for the Board of Directors on October 28, 2019.


Chief Executive


Chief Financial Officer


Director



INTERIM CONDENSED CASH FLOW STATEMENT

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2019

	September 2019 Rupees	September 2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	(42,051,225)	10,763,250
Adjustments for non cash charges and other items		
Depreciation	25,525,796	18,947,041
Provision for gratuity	4,626,776	3,204,960
Gain on disposal of property, plant and equipment	-	(233,791)
Finance cost	11,466,752	10,021,121
	<u>41,619,324</u>	<u>31,939,331</u>
Cash flows from operating activities before working capital changes	(431,901)	42,702,581
Effect on cash flow due to working capital changes		
(Increase) / Decrease in stores and spares	712,964	(3,359,401)
Increase in stock in trade	(21,822,695)	(3,711,220)
(Increase) / Decrease in trade debts	(26,317,085)	4,130,154
Decrease in loans and advances	224,567	154,321
Decrease in short term deposits, prepayments and other receivables	(18,187,031)	(123,244)
Increase in short term running finance	79,579,822	36,221,858
Increase in trade and other payables	(30,055,068)	(26,940,700)
	<u>(15,864,526)</u>	<u>6,371,768</u>
Cash flows generated from operations	(16,296,427)	49,074,349
Finance cost paid	(5,977,148)	(6,204,559)
Income tax paid	(3,382,794)	(5,805,426)
Sales tax paid	(10,893,251)	(44,560)
Gratuity paid	-	(582,925)
	<u>(20,253,193)</u>	<u>(12,637,470)</u>
Net cash flows generated from operating activities	(36,549,620)	36,436,879



INTERIM CONDENSED CASH FLOW STATEMENT

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2019

	September 2019 Rupees	September 2018 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(26,873,644)	(5,757,782)
Proceeds from disposal of property, plant and equipment	-	235,000
Net cash flows used in investing activities	<u>(26,873,644)</u>	<u>(5,522,782)</u>
	(26,873,644)	(5,522,782)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	86,234,862	(19,789,974)
Finance lease obligation	-	(68,104)
Lease rentals paid	(14,021)	-
Net cash flows used in financing activities	<u>86,220,841</u>	<u>(19,858,078)</u>
Net increase in cash and cash equivalents	<u>22,797,577</u>	11,056,019
Cash and cash equivalents at the beginning of the year	5,819,737	4,591,034
Cash and cash equivalents at the end of the year	<u><u>28,617,314</u></u>	<u><u>15,647,053</u></u>

The annexed notes form an integral part of these financial statements.


Chief Executive


Chief Financial Officer


Director



INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2019

	SEPTEMBER	
	2019 Rupees	2018 Rupees
Profit / (Loss) after taxation	(43,139,080)	10,171,192
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Deferred tax on retirement benefit obligation	1,341,765	-
	1,341,765	-
Total comprehensive income for the year	(41,797,315)	10,171,192

The annexed notes form an integral part of these financial statements.


Chief Executive


Chief Financial Officer


Director



INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2019 (UNAUDITED)

	Share Capital	Revenue reserve Unappropriated Profit	Surplus on revaluation of property, plant and equipment	Total
	Rupees			
Balance at July 01, 2018	145,486,760	89,233,636	68,473,608	303,194,004
Final Dividend for the year ended June 30, 2018 declared subsequent to year end	-	(11,638,941)	-	(11,638,941)
Profit after taxation for the year ended June 30, 2019	-	28,877,940	-	28,877,940
Other comprehensive income for the year				
Remeasurement of retirement benefit obligation	-	4,017,284	-	4,017,284
Deferred tax on retirement benefit obligation	-	117,037	-	117,037
	-	4,134,321	-	4,134,321
Surplus on revaluation of land and building - net of deferred tax	-	-	300,693,504	300,693,504
Transferred from surplus on revaluation of property, plant and equipment incremental depreciation for the year - net of deferred tax	-	3,575,845	(3,575,845)	-
Effect of change in tax rate	-	-	283,974	283,974
	-	3,575,845	297,401,633	300,977,478
Balance as at June 30, 2019	<u>145,486,760</u>	<u>114,182,801</u>	<u>365,875,241</u>	<u>625,544,802</u>
Final Dividend for the year ended June 30, 2019 declared subsequent to year end	-	-	-	-
Profit after taxation for the quarter ended September 30, 2019	-	(43,139,080)	-	(43,139,080)
Other comprehensive income for the year				
Deferred tax on retirement benefit obligation	-	1,341,765	-	1,341,765
Balance as at September 30, 2019	<u>145,486,760</u>	<u>72,385,486</u>	<u>365,875,241</u>	<u>583,747,487</u>

The annexed notes form an integral part of these financial statements.


Chief Executive


Chief Financial Officer


Director

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