



**INTERIM CONDENSED
FINANCIAL STATEMENT
FOR THE 1ST QUARTER
ENDED SEPTEMBER 30, 2017
(Un-Audited)**





REPORT OF THE DIRECTORS

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2017

Dear Shareholders,

Your Directors are pleased to present before you the condensed interim financial statements (un-audited) of the company for the First Quarter period ended September 30, 2017.

During the quarter under review the Net Sales were Rs.220.15 million as against sales of Rs.256.76 million for the corresponding period of immediate preceding year, representing decrease of 14.2%. As mentioned in our last annual report, import of Chinese tiles at cheaper rates has adversely affected sales performance of the company. Your company has suffered net loss after tax of Rs.17.56 million as compared to loss of Rs.29.76 million in the same period of last year. Loss per share for the quarter was Rs.1.21.

Demands for ceramics tiles have increased due to growth in the construction industry in the country. Your company will endeavor to compete with the imported tiles and increase its sales volume through rigorous market efforts, better quality products and competitive selling price. It is also hope that government will support local tiles manufacturing industry by restricting import of ceramics tiles from China by imposing anti-dumping duty and upward revision of Import Trade Prices.

On behalf of the Board, I sincerely thank our well wishers, shareholders, customers, dealers, banks, DFIS, suppliers of raw materials, 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

October 27, 2017



INTERIM CONDENSED BALANCE SHEET

AS AT SEPTEMBER 30, 2017 (UNAUDITED)

	September 2017 Rupees	June 2017 Rupees
ASSETS		
Non-current assets		
Property, plant and equipment	862,309,619	883,371,605
Long term deposits	<u>897,038</u>	<u>897,038</u>
	863,206,657	884,268,643
Current assets		
Stores and spares	12,182,178	11,475,790
Stock in trade	269,199,913	274,884,940
Trade debts	52,557,784	140,349,053
Loans and advances	1,762,644	931,099
Taxation - net	16,933,630	12,943,225
Refunds due from the government	50,455,988	50,519,628
Short term prepayments	47,643,951	31,229,420
Cash and bank balances	<u>25,303,435</u>	<u>3,227,590</u>
	476,039,523	525,560,745
TOTAL ASSETS	<u>1,339,246,180</u>	<u>1,409,829,388</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital	145,486,760	145,486,760
Unappropriated profit	<u>55,352,650</u>	<u>72,359,789</u>
	200,839,410	217,846,549
Surplus on revaluation of fixed assets	70,130,124	70,366,769
LIABILITIES		
Non-current liabilities		
Long term financing	479,640,789	477,380,464
Post employment benefits	92,596,814	89,891,817
Deferred taxation	<u>84,054,834</u>	<u>89,349,416</u>
	656,292,437	656,621,697
Current liabilities		
Trade and other payables	132,459,376	141,362,730
Markup accrued on loans	21,327,141	19,567,870
Short term borrowings - from banks	171,537,796	209,903,877
Long term financing	<u>86,659,896</u>	<u>94,159,896</u>
	411,984,209	464,994,373
Contingencies and Commitments	-	-
TOTAL EQUITY AND LIABILITIES	<u>1,339,246,180</u>	<u>1,409,829,388</u>

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, 2017

	September 2017 Rupees	September 2016 Rupees
Revenue	220,151,622	256,756,272
Cost of sales	(213,298,261)	(248,932,694)
Gross profit	6,853,361	7,823,578
Selling and distribution expenses	9,421,392	5,555,861
Administrative expenses	6,673,311	7,289,106
Other operating charges	85,229	-
	(16,179,932)	12,844,967
Operating (loss) / profit	(9,326,571)	(5,021,389)
Other income	-	2,600,000
Finance Cost	(13,211,795)	(15,017,385)
	(13,211,795)	(12,417,385)
Loss before taxation	(22,538,366)	(17,438,774)
Taxation	4,979,055	(12,324,381)
Loss after taxation	(17,559,311)	(29,763,155)
Earnings per share - Basic and diluted	(1.21)	(2.05)

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

Notes:

- 1 These accounts are unaudited and are being presented to the members in accordance to the requirements of SRO-764 (1) dated November 05, 2001 of Securities and Exchange Commission of Pakistan and in compliance with requirements of the Internal Accounting Standards (IAS) 34.
- 2 The accounting policies adopted for the preparation of these accounts are the same as those applied in the preparation of the accounts for the preceding year ended September 30, 2017.
- 3 The Financial Statements have been authorized for issue for the Board of Directors on October 27, 2017.


Chief Executive


Chief Financial Officer


Director



INTERIM CONDENSED CASH FLOW STATEMENT

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	September 2017 Rupees	September 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(22,538,366)	(17,438,774)
Adjustments for non cash charges and other items		
Depreciation	21,061,985	22,880,676
Provision for gratuity	2,704,997	2,385,272
Finance cost	13,211,795	15,017,385
	36,978,777	40,283,333
Cash flow from operating activities before working capital changes	14,440,411	22,844,559
Effect on cash flow due to working capital changes		
Decrease / (Increase) in stores and spares	(706,388)	(1,698,548)
Increase in stock in trade	5,685,027	(3,039,794)
Decrease / (Increase) in trade debts	87,791,269	4,686,954
Decrease in loans and advances	(831,545)	479,128
Increase in short term prepayments & balances with statutory authorities	(16,414,531)	9,343,065
(Decrease) / Increase in short term running finance	(38,366,081)	13,008,506
Increase / (Decrease) in trade and other payables	(8,903,354)	(36,011,965)
	28,254,397	(13,232,654)
Net cash generated from / (used in) operating activities	42,694,808	9,611,905
Finance cost paid	(3,715,535)	(13,312,148)
Income tax paid	(3,990,405)	(2,572,120)
Sales tax refundable	63,640	5,872,137
Gratuity paid	-	(527,870)
	(7,642,300)	(10,540,001)
Net cash used in operating activities	35,052,508	(928,096)



INTERIM CONDENSED CASH FLOW STATEMENT

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017

	September 2017 Rupees	September 2016 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	-	(2,204,866)
Net Cash used in investing Activities	-	(2,204,866)
	-	(3,132,962)
CASH FLOW FROM FINANCING ACTIVITIES		
Directors loan received	14,313,314	26,934,247
Long term loan paid	(27,289,977)	(26,624,032)
Net cash generated from financing activities	(12,976,663)	310,215
Net decrease in cash and cash equivalents	22,075,845	(2,822,747)
Cash and cash equivalents at the beginning of the year	3,227,590	8,659,641
Cash and cash equivalents at the end of the year	<u>25,303,435</u>	<u>5,836,894</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, 2017

	SEPTEMBER	
	2017	2016
	Rupees	Rupees
Loss after taxation	(17,559,311)	(29,763,155)
Other comprehensive income		
Transfer from surplus on revaluation of fixed assets on account of incremental depreciation - net of deferred tax	552,172	604,760
Total comprehensive loss for the year	<u>(17,007,139)</u>	<u>(29,158,395)</u>

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

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2017 (UNAUDITED)

	Share Capital	Unappropriated Profit	Total
Rupees.....		
Balance as at July 01, 2016	145,486,760	146,799,537	292,286,297
Total comprehensive loss for the year ended June 30, 2017	-	(74,439,748)	(74,439,748)
Balance as at June 30, 2017	<u>145,486,760</u>	<u>72,359,789</u>	<u>217,846,549</u>
Total comprehensive loss for the year ended September 30, 2017	-	(17,007,139)	(17,007,139)
Balance as at September 30, 2017	<u><u>145,486,760</u></u>	<u><u>55,352,650</u></u>	<u><u>200,839,410</u></u>

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


 Chief Executive


 Chief Financial Officer


 Director

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