



**INTERIM CONDENSED
FINANCIAL STATEMENTS
FOR THE 1ST QUARTER
ENDED SEPTEMBER 30, 2022
(Un-Audited)**

KARAM CERAMICS LIMITED





REPORT OF THE DIRECTORS

FOR THE FIRST QUARTER ENDED 30th SEPTEMBER 2022

Dear Shareholders

The Directors of your Company present to you the financial results of your Company for the first quarter ended September 30, 2022

The financial performance for the first quarter ended 30 September 2022 is summarized below:

Particulars	September 30, 2022	September 30, 2021
Net Sales	62,024,918	268,249,425
Cost of Sales	(158,271,658)	(242,239,652)
Gross (Loss) / Profit	(96,246,740)	26,009,773
Net (Loss) / Profit after taxation	(111,478,300)	12,715,251

Net sales were reported at Rs. 62.02 million during the three months period under review as against Rs. 268.24 million in the corresponding period of preceding year, Net sale has been decreased by Rs. 206 million.

The main reason of decline in sale during the period is that takeover of company is taken place in the month of July 2022 and down trend in the ceramics market and sharp decline in sales demand.

The gross loss for the period was Rs. (96.24) million against gross profit of Rs.26 million in the corresponding period of the preceding year showing a decrease of Rs. 122.25 million.

The (loss) / profit before and after taxation during the period under review stood at Rs. (114.11) million and Rs. (111.478) million as against Rs. 10.202 million and Rs. 12.715 million respectively during the corresponding period of preceding year,

On behalf of Directors, I would like to express gratitude to our well wisher, shareholders, customers, dealers, banks & DFIS, suppliers of raw material and plant and machinery, friends and all employees for their corporation and contribution towards the progress of the company.

On behalf of the Board


Syed Mazhar Ali Nasir
Chief Executive Officer



KARAM CERAMICS LIMITED

REPORT OF THE DIRECTORS

FOR THE FIRST QUARTER ENDED 30th SEPTEMBER 2022

کرم سیرامکس لمیٹڈ
30 ستمبر 2022ء کو ختم ہونے والی پہلی سہ ماہی کے لئے ڈائریکٹرز کی رپورٹ

محترم شیئر ہولڈرز،
آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر 2022ء کو ختم ہونے والی پہلی سہ ماہی کے لئے کمپنی کے مالیاتی نتائج پیش کر رہے ہیں۔

مالیاتی کارکردگی کا جائزہ:

30 ستمبر 2022ء کو ختم ہونے والی پہلی سہ ماہی کیلئے کمپنی کی مالی کارکردگی کا جائزہ درج ذیل ہے:

تفصیلات	30 ستمبر 2022ء	30 ستمبر 2021ء
خالص فروخت	62,024,918	268,249,425
فروخت کی لاگت	(158,271,658)	(242,239,652)
مجموعی (خسارہ)/ منافع	(96,246,740)	26,009,773
خالص (خسارہ)/ منافع	(111,478,300)	12,715,251

زیر جائزہ سہ ماہی کے دوران خالص فروخت مبلغ 62.02 ملین روپے رہی جو کہ گذشتہ سال کی اسی مدت کے دوران مبلغ 268.24 ملین روپے تھی۔

دوران مدت فروخت میں کمی کی بنیادی وجہ جولائی 2022ء کے مہینے میں کمپنی کا ٹیک اور ہونا اور سیرامکس مارکیٹ میں کمی کا رجحان اور فروخت کی طلب میں تیزی سے کمی ہے۔

دوران مدت گذشتہ سال کی اسی مدت کے مجموعی منافع مبلغ 26 ملین روپے کے مقابلے میں مبلغ (96.24) ملین روپے کا مجموعی خسارہ ہوا جو کہ جو کہ مبلغ 122.25 ملین روپے کی کمی کو ظاہر کرتا ہے۔

دوران جائزہ مدت قبل از اور بعد از ٹیکس (خسارہ)/ منافع مبلغ (114.11) ملین روپے اور مبلغ (111.478) ملین روپے رہا جو کہ گذشتہ سال اسی مدت میں مبلغ 10.202 ملین روپے اور 12.715 ملین روپے بالترتیب تھا۔

اظہار تشکر:

بورڈ آف ڈائریکٹرز کی جانب سے، میں ہمارے خیر خواہوں، شیئر ہولڈرز، صارفین، ڈیلرز، بینکوں اور DFIS، خام مال اور پلانٹ اور مشینری کے سپلائرز، دوستوں اور تمام ملازمین کا کمپنی کی ترقی میں تعاون و اعتماد کے لئے ان کا شکریہ ادا کرتا ہوں۔

جو وسط پورڈ
سیّد مظہر علی ناصر
چیف ایگزیکٹو آفیسر
کراچی: 26 نومبر 2022ء



KARAM CERAMICS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2022 (UNAUDITED)

	September 2022 Rupees	June 2022 Rupees
ASSETS		
Non-current assets		
Property, plant and equipment	1,025,580,291	1,040,756,705
Right-of-use assets	-	871,421
Long term security deposits	898,453	898,453
	<u>1,026,478,744</u>	<u>1,042,526,579</u>
Current assets		
Stores and spares	32,688,990	31,141,875
Stock in trade	738,757,361	618,481,474
Trade debts	32,322,608	6,559,905
Loans and advances - considered good	880,112	787,427
Advance tax	8,877,712	16,295,409
Refunds due from the government	45,852,024	45,852,024
Deposits, prepayments and other receivables	6,045,741	5,033,711
Short term investment	7,000,000	7,000,000
Cash and bank balances	35,465,484	4,761,561
	<u>907,890,031</u>	<u>735,913,387</u>
TOTAL ASSETS	<u>1,934,368,775</u>	<u>1,778,439,966</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital		
15,000,000(2022: 15,000,000) ordinary, shares of Rs.10 each	<u>150,000,000</u>	150,000,000
Issued, subscribed and paid-up capital	145,486,760	145,486,760
Unappropriated profit	(134,328,668)	(26,426,561)
Revaluation surplus on property, plant & equipment	415,593,146	421,521,806
Remeasurement of retirement, benefit obligation	<u>2,340,702</u>	<u>2,340,703</u>
	<u>429,091,940</u>	<u>542,922,707</u>
LIABILITIES		
Non-current liabilities		
Long term financing	1,268,104,378	613,952,693
Post employment benefits	24,765,439	90,330,501
Deferred taxation	53,056,106	54,048,315
	<u>1,345,925,923</u>	<u>758,331,509</u>
Current liabilities		
Trade and other payables	126,422,521	73,086,444
Markup accrued on loans	28,491,483	38,001,226
Short term borrowings	-	314,809,771
Long term financing	-	36,981,209
Unclaimed Dividend	513,191	513,191
Dividend payable	3,148,405	3,148,405
Lease liabilities	-	419,473
Provision for taxation	775,311	10,226,030
	<u>159,350,911</u>	<u>477,185,749</u>
Total liabilities	<u>1,505,276,834</u>	<u>1,235,517,258</u>
TOTAL EQUITY AND LIABILITIES	<u>1,934,368,775</u>	<u>1,778,439,966</u>


Chief Executive


Chief Financial Officer


Director



KARAM CERAMICS LIMITED

INTERIM CONDENSED PROFIT AND LOSS ACCOUNT

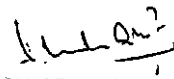
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	September 2022 Rupees	September 2021 Rupees
Revenue	62,024,918	268,249,425
Cost of sales	(158,271,658)	(242,239,652)
Gross profit / (Loss)	(96,246,740)	26,009,773
Selling and distribution expenses	3,634,149	1,743,376
Administrative expenses	6,952,697	5,407,120
	(10,586,846)	(7,150,496)
Operating profit / (Loss)	(106,833,586)	18,859,277
Other income	1,612,624	4,701,863
Finance cost	(8,895,802)	(13,358,858)
	(7,283,178)	(8,656,995)
Profit / (Loss) before taxation	(114,116,764)	10,202,281
Taxation	2,638,464	2,512,969
Profit / (Loss) after taxation	(111,478,300)	12,715,250
Earnings / (Loss) per share-basic diluted	(7.66)	0.87

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, 2022
- 3 The Financial statements have been authorized for the issue for the Board of Directors on November 26, 2022.


Chief Executive


Chief Financial Officer


Director



KARAM CERAMICS LIMITED

INTERIM CONDENSED CASH FLOW STATEMENT FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	September 2022 Rupees	September 2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
profit / (Loss) before taxation	(114,116,764)	10,202,281
Adjustments for non cash charges and other items		
Depreciation	21,745,346	23,995,897
Provision for gratuity	-	2,942,589
Gain on disposal of property, plant, and equipment	(554,841)	(4,701,863)
Finance cost	8,895,802	13,358,858
	<u>30,086,307</u>	<u>35,595,481</u>
Operating profit before working capital changes	(84,030,457)	45,797,762
 (increase) / decrease in current asset		
Stores and spares	(1,547,114)	(4,719,814)
Stock in trade	(120,275,886)	19,929,625
Trade debts	(25,762,703)	10,433,578
Loan and advances	(92,685)	491,000
short term deposits, prepayments, and other receivables	(1,012,030)	(12,993,106)
Increase / (decrease) in current, Trade and other payables	59,120,935	(54,870,419)
Receivable against sale of property	-	(50,500,000)
	<u>(89,569,483)</u>	<u>(92,229,136)</u>
Cash flows generated from operations	(173,599,941)	(46,431,374)
Finance cost paid	(15,698,437)	(16,646,806)
Income tax paid	(1,650,268)	(4,196,427)
Sales tax paid	(9,573,469)	2,445,987
Gratuity paid	(65,565,062)	(1,061,525)
	<u>(92,487,236)</u>	<u>(19,458,771)</u>
Net cash used in operating activities	(266,087,177)	(65,890,144)

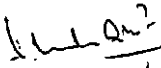


KARAM CERAMICS LIMITED

INTERIM CONDENSED CASH FLOW STATEMENT FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	September 2022 Rupees	September 2021 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(5,700,000)	-
Proceeds from disposal of property, plant and equipment	560,000	60,000,000
Net cash flows used in investing activities	(5,140,000)	60,000,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	617,170,476	40,322,061
Short term borrowings	(33,950,342)	(22,117,590)
Lease rentals paid	(429,605)	(73,378)
Net cash flows generated from financing activities	582,790,529	18,131,093
Net increase in cash and cash equivalents	311,563,352	12,240,949
Cash and cash equivalents at the beginning of the year	(276,097,868)	(193,295,985)
Cash and cash equivalents at the end of the year	35,465,484	(181,055,036)

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


Chief Executive


Chief Financial Officer

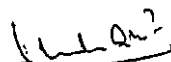

Director



INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	SEPTEMBER	
	2022	2021
	Rupees	Rupees
Profit / (Loss) after taxation	(111,478,300)	12,715,251
Other comprehensive income		
Items in subsequent periods that may be reclassified to profit or loss		
Surplus on revaluation of land and buildings	-	(55,213,140)
Deferred tax on surplus of buildings	-	1,500,211
	-	(53,712,929)
Total comprehensive income /(loss), for the year	<u>(111,478,300)</u>	<u>(40,997,678)</u>

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, 2022 (UNAUDITED)

	Share Capital	Unappropriated Profit	Surplus on revaluation of property, plant and equipment	Remeasurement of retirement benefit obligation	Total
	----- Rupees -----				
Balance at July 01, 2022	145,486,760	145,270,592	501,584,335	8,035,251	800,376,938
Loss after taxation for the year ended June 30, 2022	-	(251,759,683)	-	-	(251,759,683)
Other comprehensive income for the year					
Remeasurement of retirement benefit obligation	-	-	-	(8,020,491)	(8,020,491)
Deferred tax on retirement benefit obligation	-	-	-	2,325,942	2,325,942
				(5,694,549)	(5,694,549)
Surplus on revaluation of land and building - net of deferred tax	-	53,712,929	(53,712,929)	-	
Transferred from surplus on revaluation of property, plant and equipment incremental depreciation for the year - net of deferred tax	-	26,349,600	(26,349,600)	-	-
		80,062,529	(80,062,529)		
Balance as at June 30, 2022	145,486,760	(26,426,562)	421,521,806	2,340,702	542,922,706
Profit (Loss) after taxation for the quarter ended September 30, 2022		(111,478,300)			(111,478,300)
Other comprehensive income for the year					
Remeasurement of retirement benefit obligation	-	-	-	-	-
Deferred tax on retirement benefit obligation	-	-	-	-	-
Surplus on revaluation of land and building - net of deferred tax	-	-	-	-	-
Transferred from surplus on revaluation of property, plant and equipment incremental depreciation for the year - net of deferred tax	-	3,576,195	(5,928,660)	-	(2,352,465)
Balance as at September 30, 2022	<u>145,486,769</u>	<u>(134,328,668)</u>	<u>415,593,146</u>	<u>2,340,702</u>	<u>429,091,941</u>

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


Chief Executive


Chief Financial Officer


Director

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