



**INTERIM CONDENSED
FINANCIAL STATEMENT
FOR THE 1ST QUARTER
ENDED SEPTEMBER 30, 2015
(Un-Audited)**





REPORT OF THE DIRECTORS

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2015

Dear Shareholders,

Your Directors are pleased to present before you the un-audited financial results of the company for the first quarter ended September 30, 2015.

During the quarter under review the Net Sales were Rs.298.22 million as against sales of Rs.324.95 million for the corresponding quarter of last year. Your company has earned net profit after tax of Rs.2.29 million as compared to Rs. 10.32 million with the same quarter of the previous year. Earnings per share for the quarter were Re.0.16. The management of your company will endeavor to increase sales volume and to show better performance in future.

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 28, 2015



INTERIM CONDENSED BALANCE SHEET

AS AT SEPTEMBER 30, 2015 (UNAUDITED)

	September 2015 Rupees	June 2015 Rupees
SHARE CAPITAL AND RESERVES		
Share capital	145,486,760	145,486,760
Unappropriated Profit	181,359,488	178,398,418
	326,846,248	323,885,178
Surplus on revaluation of fixed assets	74,032,335	74,694,552
NON-CURRENT LIABILITIES		
Long term financing	418,336,024	206,914,038
Bills payable	12,665,922	253,317,960
Deferred liability	91,904,862	89,352,475
Deferred taxation	73,349,546	77,462,090
	596,256,354	627,046,563
CURRENT LIABILITIES		
Trade and other payables	133,091,205	176,133,508
Mark up accrued on loans	13,367,022	9,285,328
Short term running finance	91,561,704	57,175,324
Current portion of long term financing	82,425,196	47,824,007
	320,445,127	290,418,167
	1,317,580,063	1,316,044,460
NON-CURRENT ASSETS		
Operating assets - At cost less accumulated depreciation	686,596,498	701,341,373
Capital Work in Progress	285,917,883	279,937,195
	972,514,381	981,278,568
Long Term Deposit	897,038	897,038
CURRENT ASSETS		
Stores and spares	9,045,372	11,198,449
Stock in trade	133,038,527	90,550,061
Trade debts - unsecured considered good	144,186,492	127,363,964
Loans and advances	1,855,561	11,551,275
Income Tax	28,383,503	27,436,109
Sales tax refundable	-	6,113,278
Trade deposits and prepayments	5,893,207	15,351,293
Cash and bank balances	21,765,982	44,304,423
	344,168,644	333,868,852
	1,317,580,063	1,316,044,458

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


IRSHAD KASSIM
 Director


MUNAWAR KASSIM
 Chief Executive



INTERIM CONDENSED PROFIT AND LOSS ACCOUNT

FOR THE FIRST QUARTER ENDED 30, SEPTEMBER, 2015

	September 2015 Rupees	September 2014 Rupees
Net Sales	298,222,744	324,959,557
Cost of sales	<u>(275,050,584)</u>	<u>(287,974,783)</u>
Gross Profit	23,172,160	36,984,774
Selling and distribution expenses	(6,364,030)	(10,674,323)
Administrative expenses	(4,799,285)	(5,428,557)
Other operating charges	(1,190,036)	(2,317,380)
Other operating income	-	435
Operating Profit	10,818,808	18,564,949
Finance cost	<u>(9,305,426)</u>	<u>(6,686,733)</u>
Profit before taxation	1,513,382	11,878,216
Taxation	785,471	(1,553,074)
Profit after taxation	<u>2,298,853</u>	<u>10,325,142</u>
Earning per share	<u>0.16</u>	<u>0.71</u>

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 International 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 June 30, 2015.
- 3 The Financial Statements have been authorized for issue for the Board of Directors on October 28, 2015.


IRSHAD KASSIM
 Director


MUNAWAR KASSIM
 Chief Executive



INTERIM CONDENSED CASH FLOW STATEMENT

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

	September 2015 Rupees	September 2014 Rupees
Profit before taxation	1,513,382	11,860,832
Adjustments for		
Depreciation	16,648,876	16,235,908
Provision for staff gratuity	2,966,949	2,857,608
Workers' profit participation fund	81,365	925,084
Workers' welfare fund	32,546	455,096
Financial charges	9,305,426	6,686,733
Bills payable plant and machinery	-	34,058,221
	29,035,162	61,218,650
(Increase) / Decrease in operating assets		
Stores and spares	2,153,077	2,385,508
Stock in trade	(42,488,466)	(6,610,087)
Trade debts	(16,822,528)	(8,941,005)
Loans and advances	9,695,715	(1,004,667)
Short-term prepayments	9,458,087	8,117,569
	(38,004,116)	(6,052,682)
Increase / (Decrease) in operating liabilities		
Short term running finance	34,386,380	20,647,142
Trade and other payables	(43,156,213)	(28,087,423)
	(8,769,833)	(7,440,281)
Cash generated from operations	(16,225,405)	59,586,519
Finance cost paid	(5,223,733)	(5,389,516)
Income tax paid	(4,274,468)	(7,269,938)
Sales tax refundable	6,113,278	-
Gratuity paid	(414,562)	(740,470)
	(3,799,485)	(13,399,924)
Net cash generated from operating activities	(20,024,889)	46,186,595



INTERIM CONDENSED CASH FLOW STATEMENT

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

	September 2015 Rupees	September 2014 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(7,884,688)	(54,216,208)
Net cash used in investing activities	(7,884,688)	(54,216,208)
CASH FLOWS FROM FINANCING ACTIVITIES		
Directors loan	10,000,000	7,000,000
Long term loan received	245,623,175	(9,600,000)
Long term loan paid	(9,600,000)	-
Bills payable against long term loan	(240,652,038)	-
Net cash (used in) / generated from financing activities	5,371,137	(2,600,000)
Net (decrease) /increase in cash and cash equivalents	(22,538,441)	(10,629,613)
Cash and cash equivalents at beginning of the year	44,304,423	18,332,948
Cash and cash equivalents at end of the period	21,765,982	7,703,335

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


IRSHAD KASSIM
 Director


MUNAWAR KASSIM
 Chief Executive



INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2015

	SEPTEMBER	
	2015	2014
	Rupees	Rupees
Profit after taxation	2,298,853	10,325,142
Other comprehensive income		
Incremental depreciation transfer from surplus on revaluation of fixed assets (net of deferred tax)	662,217	1,082,054
Total comprehensive income for the year	<u>2,961,070</u>	<u>11,407,196</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, 2015 (UNAUDITED)

	Share Capital	Unappropriated Profit	Total
Rupees.....		
Balance as at June 30, 2014	145,486,760	159,413,204	304,899,964
Dividend @10% paid during the year ended, relating to the year June 30, 2014		(14,548,676)	(14,548,676)
Total comprehensive income for the year 2015	-	33,533,890	33,533,890
Balance as at 30 June 2015	<u>145,486,760</u>	<u>178,398,418</u>	<u>323,885,178</u>
Total comprehensive income for quarter ended September 30, 2015	-	2,961,070	2,961,070
Balance as at September 30, 2015	<u>145,486,760</u>	<u>181,359,488</u>	<u>326,846,248</u>

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


IRSHAD KASSIM
 Director


MUNAWAR KASSIM
 Chief Executive

BOOK POST

UNDER
CERTIFICATE
OF POSTING

If undelivered please return to:

KARAM CERAMICS LIMITED
BC-6, Block-5, Scheme-5, Kehkashan Clifton, Karachi.

