



**INTERIM CONDENSED
FINANCIAL STATEMENT
FOR THE 1ST QUARTER
ENDED SEPTEMBER 30, 2016
(Un-Audited)**





REPORT OF THE DIRECTORS

FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016

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, 2016.

During the quarter under review the Net Sales were Rs.256.75 million as against sales of Rs.298.22 million for the corresponding period of immediate preceding year, representing decrease of 13.9%. 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.29.76 million as compared to profit of Rs. 2.29 million in the same period of last year. Loss per share for the quarter was Rs.2.05.

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, 2016



INTERIM CONDENSED BALANCE SHEET

AS AT SEPTEMBER 30, 2016 (UNAUDITED)

	September 2016 Rupees	June 2016 Rupees
SHARE CAPITAL AND RESERVES		
Share capital	145,486,760	145,486,760
Unappropriated Profit	117,641,142	146,799,537
	263,127,902	292,286,297
Surplus on revaluation of fixed assets	72,192,359	72,435,224
NON-CURRENT LIABILITIES		
Long term financing	527,303,672	523,551,889
Deferred liability	82,866,143	81,008,740
Deferred taxation	111,417,603	99,455,117
	721,587,418	704,015,746
CURRENT LIABILITIES		
Trade and other payables	97,608,782	133,620,747
Mark up accrued on loans	18,106,349	16,401,112
Short term running finance	230,272,315	217,263,809
Current portion of long term financing	109,159,900	112,601,468
	455,147,346	479,887,136
	1,512,055,025	1,548,624,403
NON-CURRENT ASSETS		
Operating assets - At cost less accumulated depreciation	930,811,724	951,487,537
Capital Work in Progress	16,669,771	16,669,771
	947,481,495	968,157,308
Long Term Deposit	897,038	897,038
CURRENT ASSETS		
Stores and spares	16,561,127	14,862,579
Stock in trade	218,044,234	215,004,440
Trade debts - unsecured considered good	255,994,436	260,681,390
Loans and advances	1,025,761	1,504,889
Income Tax	52,917,175	50,345,051
Sales tax refundable	-	5,872,137
Trade deposits and prepayments	13,296,865	22,639,930
Cash and bank balances	5,836,894	8,659,641
	563,676,492	579,570,057
	1,512,055,025	1,548,624,403

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, 2016

	September 2016 Rupees	September 2015 Rupees
Net Sales	256,756,272	298,222,744
Cost of sales	<u>(248,932,694)</u>	<u>(275,050,584)</u>
Gross Profit	7,823,578	23,172,160
Selling and distribution expenses	(5,555,861)	(6,364,030)
Administrative expenses	(7,289,106)	(4,799,285)
Other operating charges	-	(1,190,036)
Other operating income	<u>2,600,000</u>	-
Operating (Loss) / Profit	(2,421,389)	10,818,808
Finance cost	<u>(15,017,385)</u>	<u>(9,305,426)</u>
(Loss) / Profit before taxation	(17,438,774)	1,513,382
Taxation	(12,324,381)	785,471
(Loss) / Profit after taxation	<u>(29,763,155)</u>	<u>2,298,853</u>
(Loss) / Earning per share	<u>(2.05)</u>	<u>0.16</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 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, 2016
- 3 The Financial Statements have been authorized for issue for the Board of Directors on October 27, 2016.


IRSHAD KASSIM
Director


MUNAWAR KASSIM
Chief Executive



INTERIM CONDENSED CASH FLOW STATEMENT

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2016

	September 2016 Rupees	September 2015 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(17,438,774)	1,513,382
Adjustments for		
Depreciation	22,880,676	16,648,876
Provision for staff gratuity	2,385,272	2,966,949
Workers' profit participation fund	-	81,365
Workers' welfare fund	-	32,546
Financial charges	15,017,385	9,305,426
	40,283,333	29,035,162
(Increase) / Decrease in operating assets		
Stores and spares	(1,698,548)	2,153,077
Stock in trade	(3,039,794)	(42,488,466)
Trade debts	4,686,954	(16,822,528)
Loans and advances	479,128	9,695,715
Short-term prepayments	9,343,065	9,458,087
	9,770,805	(38,004,116)
Increase / (Decrease) in operating liabilities		
Short term running finance	13,008,506	34,386,380
Trade and other payables	(36,011,965)	(43,156,213)
	(23,003,459)	(8,769,833)
Cash generated from operations	9,611,905	(16,225,405)
Finance cost paid	(13,312,148)	(5,223,733)
Income tax paid	(2,572,120)	(4,274,468)
Sales tax refundable	5,872,137	6,113,278
Gratuity paid	(527,870)	(414,562)
	(10,540,001)	(3,799,485)
Net cash generated from operating activities	(928,096)	(20,024,889)



INTERIM CONDENSED CASH FLOW STATEMENT

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2016

	September 2016 Rupees	September 2015 Rupees
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,204,866)	(7,884,688)
Net cash used in investing activities	<u>(2,204,866)</u>	<u>(7,884,688)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Directors loan	25,000,000	10,000,000
Long term loan received	-	245,623,175
Adjustment of imputed interest	1,934,247	-
Long term loan paid	(26,624,032)	(9,600,000)
Bills payable against long term loan	-	(240,652,038)
Net cash (used in) / generated from financing activities	<u>310,215</u>	<u>5,371,137</u>
Net (decrease) /increase in cash and cash equivalents	<u>(2,822,747)</u>	<u>(22,538,441)</u>
Cash and cash equivalents at beginning of the year	8,659,641	44,304,423
Cash and cash equivalents at end of the period	<u>5,836,894</u>	<u>21,765,982</u>

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, 2016

	SEPTEMBER	
	2016 Rupees	2015 Rupees
(Loss) / Profit after taxation	(29,763,155)	2,298,853
Other comprehensive income		
Incremental depreciation transfer from surplus on revaluation of fixed assets (net of deferred tax)	604,760	662,217
Total comprehensive (Loss) / income for the year	<u>(29,158,395)</u>	<u>2,961,070</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, 2016 (UNAUDITED)

	Share Capital	Unappropriated Profit	Total
Rupees.....		
Balance as at June 30, 2015	145,486,760	178,398,418	323,885,178
Dividend @12% paid during the year ended, relating to the year June 30, 2015		(17,458,411)	(17,458,411)
Prior year income tax adjustment		(65,132)	(65,132)
Total comprehensive (loss) for the year 2016	-	(14,075,338)	(14,075,338)
Balance as at 30 June 2016	<u>145,486,760</u>	<u>146,799,537</u>	<u>292,286,297</u>
Total comprehensive (loss) for quarter ended September 30, 2016	-	(29,158,395)	(29,158,395)
Balance as at September 30, 2016	<u>145,486,760</u>	<u>117,641,142</u>	<u>263,127,902</u>

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


IRSHAD KASSIM
 Director


MUNAWAR KASSIM
 Chief Executive

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