

KARAM CERAMICS LIMITED

INTERIM CONDENSED FINANCIAL STATEMENT  
FOR THE 3RD QUARTER  
ENDED MARCH 31, 2025  
(Un-Audited)

INTERIM CONDENSED FINANCIAL STATEMENT  
FOR THE 3RD QUARTER ENDED MARCH 31, 2023  
(Un-Audited)



wall tiles ♦ floor tiles ♦ wall facings ♦ sanitaryware ♦ dishware ♦ building material



## CONTENTS

Directors' Report ( English )-----	01
Directors' Report (Urdu)-----	02
Condensed Interim Statement Of Financial Position -----	03
Condensed Interim Profit and Loss Account-----	04
Condensed Interim Statement Of Cashflow -----	05-06
Condensed Interim Statement of Comprehensive Income -----	07
Condensed Interim Statement of Changes in Equity-----	07





## REPORT OF THE DIRECTORS FOR THE QUARTER ENDED 31ST MARCH 2025

Dear Shareholders,

The Directors present the financial performance of Karam Ceramics Limited for the quarter ended 31st March 2025.

### Financial Performance Overview:

Particulars	31 Mar 2025	31 Mar 2024
Net Sales	Rs. 496,599,881	Rs. 1,089,981,979
Cost of sales	Rs. (935,635,527)	Rs. (1,493,459,707)
Gross (Loss)	Rs. (439,035,646)	Rs. (403,477,728)
Net (Loss) after taxation	Rs. (467,764,190)	Rs. (453,718,192)

In the nine-month period under review, Karam Ceramics Limited witnessed substantial decline in net sales, amounting to Rs.496.6 million, representing a decrease of Rs.593.4 million in the corresponding period of the preceding year.

However, there was a notable escalation in cost of sales, which is due to inflation, gas charges and irregular production.

Additionally, due to decrease in sales, the company incurred a gross loss of Rs. (439) million, compared to Rs. (403.5) million in the same period of last year. Efforts are underway to implement operational efficiencies.

The loss before and after taxation for the period amounted to Rs. (473.1) million and Rs. (467.8) million, respectively, compared to Rs. (450.1) million and Rs. (453.7) million in the corresponding period of the preceding year.

### FUTURE OUTLOOK

Strategic initiatives are being pursued to reduce cost and improve operational efficiencies to foster sustainable growth.

We continue to have a positive outlook on the long-term growth potential of the business. The management remains fully committed towards managing these challenges.

### ACKNOWLEDGEMENT

On behalf of Directors, I would like to express gratitude to our, shareholders, customers, banks & DFI'S, suppliers of raw material, friends and all employees for their corporation and contribution towards the progress of the company.

On behalf of the Board

Mazhar Ali Nasir

Chief Executive officer

Karachi: April 29, 2025



## ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز،

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ 2025ء کو ختم ہونے والی ششماہی کے لیے کرم سیرامکس لمیٹڈ کی مالیاتی نتائج پیش کر رہے ہیں۔ مالیاتی کارکردگی کا جائزہ درج ذیل ہے:

تفصیلات	31 مارچ 2025ء	31 مارچ 2024ء
خالص فروخت	رقم : 496,599,881	رقم : 1,089,981,979
فروخت کی لاگت	رقم : (935,635,527)	رقم : (1,493,459,707)
مجموعی (خسارہ)	رقم : (439,035,646)	رقم : (403,477,728)
خالص (خسارہ) بعد از ٹیکس	رقم : (467,764,190)	رقم : (453,718,192)

زیر جائزہ نو ماہ کے دوران، کرم سیرامکس لمیٹڈ کی خالص فروخت میں خاطر خواہ کمی دیکھی گئی، جس کی رقم 496.6 ملین روپے تھی، جو گزشتہ سال کی اسی مدت میں 593.4 ملین روپے سے نمایاں طور پر کم ہے۔ تاہم فروخت کی لاگت میں قابل ذکر اضافہ ہوا جس کی وجہ مہنگائی، گیس چارجز اور بے قاعدہ پیداوار ہے۔

مزید برائے فروخت میں کمی کی وجہ سے کمپنی کو (439) ملین روپے کا نقصان ہوا۔ پچھلے سال کے مقابلے میں (403.5) کا نقصان ہوا۔ آپریشنل افادیت کو نافذ کرنے کی کوششیں جاری ہیں۔

دوران مدت قبل از ٹیکس خسارہ 473.1 ملین روپے رہا، جبکہ بعد از ٹیکس خالص خسارہ 467.8 ملین روپے رہا، جو گزشتہ سال کے اسی مدت کے مطابق 450.1 ملین روپے اور 453.7 ملین روپے کا خسارہ ظاہر کرتا ہے۔

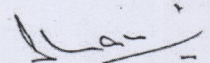
### مستقبل کا جائزہ:

پائیدار ترقی کو فروغ دینے کے لیے لاگت کو کم کرنے اور آپریشنل افادیت کو بہتر بنانے کے لیے اسٹریٹجک اقدامات کیے جا رہے ہیں۔ ہم کاروبار کی طویل مدتی ترقی کی صلاحیت پر مثبت نقطہ نظر رکھتے ہیں۔ انتظامیہ ان چیلنجز سے نمٹنے کے لیے پوری طرح پر عزم ہے۔

### اظہار تشکر:

ڈائریکٹرز کی جانب سے میں اپنے شیئر ہولڈرز، صارفین، بینکوں اور DFI'S، خام مال کے سپلائرز، دوستوں اور تمام ملازمین کا ان کارپوریشن اور کمپنی کی ترقی میں تعاون کے لیے شکریہ ادا کرنا چاہتا ہوں۔

بتوسط بورڈ



سید مظہر علی ناصر

چیف ایگزیکٹو آفیسر

9 اپریل 2025ء





**KARAM CERAMICS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2025**

	(Un-Audited) 31-Mar-25	(Audited) 30-Jun-24
	-----Rupees-----	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,210,969,986	1,270,245,989
Long term deposits	66,326,223	66,326,223
	<u>1,277,296,209</u>	<u>1,336,572,212</u>
<b>Current assets</b>		
Stores and spares	57,923,841	91,238,128
Stock in trade	92,082,784	586,865,413
Loans and advances - considered good	489,995	959,995
Advance tax	2,999,967	15,853,364
Refunds due from the government	40,726,080	77,886,084
Short term deposits, prepayments and other receivables	35,247	44,085
Cash and bank balances	18,868,988	11,484,767
	<u>213,126,901</u>	<u>784,331,836</u>
<b>TOTAL ASSETS</b>	<u>1,490,423,110</u>	<u>2,120,904,048</u>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Share capital	145,486,760	145,486,760
Unappropriated profit	(1,334,167,889)	(888,419,088)
Revaluation surplus on property, plant & equipment	530,358,545	552,373,934
Remeasurement of retirement benefit obligation	2,340,702	2,340,702
Subordinated loan	1,568,234,796	1,487,734,796
	<u>912,252,914</u>	<u>1,299,517,104</u>
	<u>1,490,423,110</u>	<u>2,120,904,048</u>
	-----Rupees-----	
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Post employment benefits	16,113,011	18,797,376
Deferred taxation	3,408,098	15,045,680
	<u>19,521,109</u>	<u>33,843,056</u>
<b>Current liabilities</b>		
Trade and other payables	275,778,387	444,557,584
Short term borrowings	116,500,000	111,500,000
Advance From customers	156,501,604	210,968,887
Unclaimed dividend	513,191	513,191
Dividend payable	3,148,406	3,148,406
Provision for taxation	6,207,499	16,855,812
	<u>558,649,086</u>	<u>787,543,888</u>
<b>Total liabilities</b>	<u>578,170,196</u>	<u>821,386,944</u>
<b>Contingencies and Commitments</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,490,423,110</u>	<u>2,120,904,048</u>

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

Chief Executive

Chief Financial Officer

Director





**KARAM CERAMICS LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT**  
**FOR THE QUARTER ENDED MARCH 31, 2025 - UNAUDITED**

	Cumulative		Quarter ended	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	-----Rupees-----		-----Rupees-----	
Revenue	496,599,881	1,089,981,979	295,805,741	478,753,612
Cost of sales	(935,635,527)	(1,493,459,707)	(499,165,206)	(538,323,733)
Gross profit	(439,035,646)	(403,477,728)	(203,359,465)	(59,570,121)
Selling and distribution expenses	4,075,615	26,112,381	784,416	7,425,734
Administrative expenses	26,291,062	21,660,404	11,446,664	5,105,948
	(30,366,676)	(47,772,785)	(12,231,079)	(12,531,683)
Operating profit	(469,402,322)	(451,250,513)	(215,590,544)	(72,101,803)
Other income	619,352	2,621,064	187,215	1,332,799
Finance cost	(4,411,302)	(1,476,550)	(1,732,596)	669,909
	(3,791,950)	1,144,514	(1,545,381)	2,002,708
Loss before levy and Income tax	(473,194,272)	(450,105,999)	(217,135,925)	(70,099,095)
Taxation	5,430,083	(3,612,193)	(377,148)	(680,751)
Profit / (loss) after taxation	(467,764,190)	(453,718,192)	(217,513,074)	(70,779,846)
Earnings per share - basic and diluted	(32.15)	(31.19)	(14.95)	(4.87)

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

1. These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 and provision and directives 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 the accounts for the preceeding year ended June 30, 2024.
3. These Condensed Interim were authorized for the issue by the Board of Directors on April 29, 2025.

Chief Executive

Chief Financial Officer

Director





**KARAM CERAMICS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASHFLOW**  
**FOR THE QUARTER ENDED MARCH 31, 2025 - UNAUDITED**

March  
2025  
-----Rupees-----  
June  
2024

**CASH FLOWS FROM OPERATING ACTIVITIES**

(Loss) / profit before taxation	(473,194,272)	(473,895,834)
Adjustments for non cash charges and other items		
Depreciation	64,654,317	81,030,327
Gain on disposal of property, plant and equipment	(97,539)	-
Exchange Loss		741,363
Finance cost	4,411,302	1,525,514
	68,968,080	83,297,204
Cash flows from operating activities before working capital changes	(404,226,192)	(390,598,630)
Effect on cash flow due to working capital changes		
Decrease in capital work in progress	-	(127,520,479)
Decrease in long term security deposit		(65,427,770)
Increase in stores and spares	33,314,287	(6,106,471)
Increase in stock in trade	494,782,629	66,875,175
Decrease / (Increase) in loans and advances	470,000	586,541
Increase in short term deposits, prepayments and other receivables	8,837	49,280
Refund due from government		(5,452,734)
(Decrease) / Increase in trade and other payables	(172,009,176)	265,357,832
(Decrease) / Increase in Advance from customer	(54,467,283)	199,682,259
	302,099,294	328,043,633
Cash flows (used) / generated from operations	(102,126,898)	(62,554,997)
Finance cost paid	(4,431,925)	(1,525,514)
Income tax paid	5,703,370	(10,400,631)
Sales tax paid	30,704,818	(10,616,856)
Gratuity paid	(2,684,365)	(3,333,098)
Workers' welfare fund paid		
	29,291,898	(25,876,099)
Net cash flows (used) / generated from operating activities	(72,835,001)	(88,431,096)

Chief Executive

Chief Financial Officer

Director





**KARAM CERAMICS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASHFLOW**  
**FOR THE QUARTER ENDED MARCH 31, 2025 - UNAUDITED**

March  
2025  
June  
2024  
-----Rupees-----

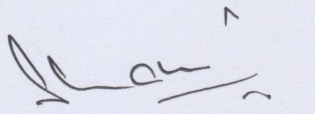
**CASH FLOWS FROM INVESTING ACTIVITIES**

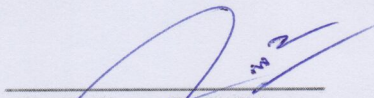
Addition to property, plant and equipment	(5,380,778)	(317,460)
Proceeds from disposal of property, plant and equipment	100,000	-
Net cash flows used in investing activities	(5,280,778)	(317,460)

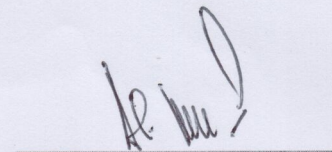
**CASH FLOWS FROM FINANCING ACTIVITIES**

Long term financing		35,000,000
Short term borrowings	5,000,000	21,500,000
Lease rentals paid		
Interest free loan from directors	80,500,000	
Net cash flows used in financing activities	85,500,000	56,500,000
Net increase in cash and cash equivalents	7,384,221	(32,248,556)
Cash and cash equivalents at the beginning of the period	11,484,767	43,733,323
Cash and cash equivalents at the end of the period	18,868,988	11,484,767

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

  
Chief Executive

  
Chief Financial Officer

  
Director





**KARAM CERAMICS LIMITED**  
**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**FOR THE QUARTER ENDED MARCH 31, 2025 - UNAUDITED**

	<b>UPTO 3RD QARTER</b>		<b>FOR THE QUARTER</b>	
	<b>31-Mar-25</b>	<b>31-Mar-24</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
	<b>-----Rupees-----</b>		<b>-----Rupees-----</b>	
Profit after taxation	<b>(467,764,190)</b>	(453,718,192)	<b>(217,513,074)</b>	(70,779,846)
Items not to be reclassified to profit or loss in subsequent period:				
Surplus on revaluation of property, plant and equipment	-	-	-	-
Deferred tax on revaluation surplus on property, plant and equipment	-	-	-	-
Total comprehensive income for the period	<b>(467,764,190)</b>	(453,718,192)	<b>(217,513,074)</b>	(70,779,846)

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**

	Share capital	Interest free Loan From directors	Unappropriated profit	Surplus on revaluation of property, plant and equipment	Remeasurement of retirement benefit obligation	Total
	<b>-----Rupees-----</b>					
Balance at July 01, 2023	145,486,760	1,452,734,796	(477,674,447)	397,807,166	2,340,702	1,520,694,977
Loss after taxation for the year ended June 30, 2024	-	-	(432,087,817)	-	-	(432,087,817)
Subordinated loan from directors	-	35,000,000	-	-	-	35,000,000
<b>Other comprehensive income for the year</b>						
Surplus on revaluation of land and building-net of deferred tax	-	-	-	175,909,944	-	175,909,944
Transferred from surplus on revaluation of property, plant and equipment incremental depreciation for the year - net of deferred tax	-	-	21,343,176	(21,343,176)	-	-
	-	-	21,343,176	154,566,768	-	175,909,944
<b>Balance as at June 30, 2024</b>	145,486,760	1,487,734,796	(888,419,088)	552,373,934	2,340,702	1,299,517,104
Final Dividend for the year ended June 30, 2019 declared subsequent to year end	-	-	-	-	-	-
Profit (Loss) after taxation for the period ended March 31, 2025	-	-	(467,764,190)	-	-	(467,764,190)
Loan received from directors	-	80,500,000	-	-	-	80,500,000
<b>Other comprehensive income for the year</b>						
Remeasurement of retirement benefit obligation	-	-	-	-	-	-
Deferred tax on retirement benefit obligation	-	-	-	-	-	-
Surplus on revaluation of land and building-net of deferred tax	-	-	-	-	-	-
Present value adjustment on interest free loan from directors*	-	-	-	-	-	-
Transferred from surplus on revaluation of property, plant and equipment incremental depreciation for the year - net of deferred tax	-	-	22,015,389	(22,015,389)	-	-
	-	-	22,015,389	(22,015,389)	-	-
<b>Balance as at March 31, 2025</b>	145,486,760	1,568,234,796	(1,334,167,889)	530,358,546	2,340,702	912,252,915

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

**Chief Executive**

**Chief Financial Officer**

**Director**