

**Interim Condensed Financial Statements
For the Half Year ended
December 31, 2022
(UNAUDITED)**



KARAM CERAMICS LIMITED

www.karamceramics.com

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mrs. Suraiya Nasir	Chairperson
Mr. Syed Mazhar Ali Nasir	Chief Executive Officer
Mr. Syed Azhar Ali Nasir	Director Non-Executive Director
Mr. Syed Azfar Ali Nasir	Director Non-Executive Director
Lt. General (Rtd) Tariq Waseem Ghazi	Independent Non-Executive Director
Mr. Alireza M. Alladin	Director Executive Director
Mr. Shuja Ahmed Alvi	Independent Non-Executive Director
Mr. Syed Naqui Raza	Chief Financial Officer
Mr. Manzoor Ali Natha	Company Secretary

AUDIT COMMITTEE

Mr. Azhar Ali Nasir	Chairman
Mr. Alireza M.Alladin	Member
Mr. Shuja Ahmed Alvi	Member

HUMAN RESOURCES & REMUNERATION COMMITTEE

Mr. Syed Azfar Ali Nasir	Chairman
Mr. Alireza M.Alladin	Member
Mr. Shuja Ahmed Alvi	Member

BANKERS

Soneri Bank Limited
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
Habib Metropolitan Bank Limited
Faysal Bank Limited
Allied Bank Limited
Bank Alfalah Limited
Meezan Bank Limited
MCB Islamic Banking
HMB Islamic Banking

AUDITORS / REGISTRAR AND SHARE TRANSFER OFFICE

Crowe Hussain Choudhury & Co
Chartered Accountants
T.H.K. Associates (Private) Limited
Plot No.32-C, Jami Commercial Street2,
D.H.A Phase-VII, Karachi-75500

NATIONAL TAX NUMBER : 0710857-5
SALES TAX REGISTRATION NO : 02-02-6907-001-55

HEAD OFFICE

A-31, Sindhi Muslim Co-operative Housing Society, Karachi - 75400.
(Ph # 021-3455512-13)

FACTORY

295/311, Deh Halkani, Hub Dam Road Karachi

REPORT OF THE DIRECTORS

For The Half Year Ended December 31, 2022

Dear Shareholders

The Directors of your Company present to you the financial results of your Company for the half year ended 31 December 2022.

The financial performance for the half year ended 31 December 2022 is summarized below:

Particulars	December 31, 2022	December 31, 2021
Net Sales	233,625,807	519,930,736
Cost of Sales	(566,652,505)	(488,242,767)
Gross (Loss)/ Profit	(333,026,698)	31,687,969
Net (Loss)/ Profit after taxation	(382,911,902)	4,383,876

Net sales were reported at Rs. 233 million during the six months period under review as against Rs. 519.9 million in the corresponding period of preceding year. Net sale has been decreased by Rs. 286.3 million.

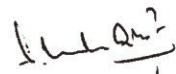
The main reason of decline in sale during the period is that takeover of company is taken place in the month of July 2022 and down trend in the ceramics market and sharp decline in sale demand.

The gross loss for the period was Rs. (333) million against gross profit of Rs. 31.6 million in the corresponding period of the preceding year showing a decrease of Rs. 364.7 million.

The (loss)/ profit before and after taxation during the period under review stood at Rs.(366.5) million and Rs. (382.9) million as against Rs. 5.3 million and Rs.4.3 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



Mazhar Ali Nasir
Chief Executive Officer

Karachi: February 27, 2023

کرم سیراکس لمیٹڈ

31 دسمبر 2022ء کو ختم ہونے والی ششماہی کے لئے ڈائریکٹرز کی رپورٹ

محترم شیئر ہولڈرز،
آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر 2022ء کو ختم ہونے والی ششماہی کے لئے کمپنی کے مالیاتی نتائج پیش کر رہے ہیں۔

مالیاتی کارکردگی کا جائزہ:

31 دسمبر 2022ء کو ختم ہونے والی ششماہی کیلئے کمپنی کی مالی کارکردگی کا جائزہ درج ذیل ہے:

تفصیلات	31 دسمبر 2022ء	31 دسمبر 2021ء
خالص فروخت	233,625,807	519,930,736
فروخت کی لاگت	(566,652,505)	(488,242,767)
مجموعی (خسارہ)/منافع	(333,026,698)	31,687,969
خالص (خسارہ)	(382,911,902)	4,383,876

زیر جائزہ ششماہی کے دوران خالص فروخت مبلغ 233 ملین روپے رہی جو کہ گذشتہ سال کی اسی مدت کے دوران مبلغ 519.9 ملین روپے تھی۔

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

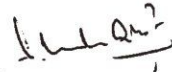
دوران مدت گذشتہ سال کی اسی مدت کے مجموعی منافع مبلغ 31.6 ملین روپے کے مقابلے میں مبلغ (333) ملین روپے کا مجموعی خسارہ ہوا جو کہ جو کہ مبلغ 364.7 ملین روپے کی کمی کو ظاہر کرتا ہے۔

دوران جائزہ مدت قبل از اور بعد از ٹیکس (خسارہ)/منافع مبلغ (366.5) ملین روپے اور مبلغ (382.9) ملین روپے رہا جو کہ گذشتہ سال اسی مدت میں مبلغ 5.3 ملین روپے اور 4.3 ملین روپے بالترتیب تھا۔

اظہار تشکر:

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

بتوسط بورڈ



سید مظفر علی ناصر
چیف ایگزیکٹو آفیسر

مورخہ: 27 فروری 2023ء

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompany condensed interim statement of financial position of Karam Ceramics Limited (the Company) as at December 31, 2022 and the related condensed interim statement of profit or loss condensed interim statement of comprehensive income, condensed interim statement of changes in equality, and condensed interim statement of cash floes and notes to the financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements'). Management is responsible for the preparation and presentation of this interim financial statements-in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with international Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting

Other Matters

The figures of the condensed interims statement of profit or loss and condensed interim statement of comprehensive income, for the six months period December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2022.

The engagement partner on the audit resulting in this independent auditor's report is Imran Shaikh.



Crowe Hussain Chaudhury & Co.
Chartered Accountants

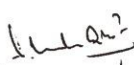
Date: February 27, 2023
Place: Karachi

Condensed Interim Statement of Financial Position

As at December 31, 2022

	Note	(Un-Audited) December 31, 2022 Rupees	(Audited) June 30, 2022 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,011,812,027	1,040,756,705
Right-of-use assets	6	-	871,421
Long term deposits		898,453	898,453
		<u>1,012,710,480</u>	<u>1,042,526,579</u>
Current assets			
Stores and spares		25,726,708	31,141,875
Stock in trade		708,651,071	618,481,474
Trade debts		-	6,559,905
Loans and advances - considered good	7	2,675,625	787,427
Advance tax		8,336,405	16,295,409
Refunds due from the government		74,445,235	45,852,024
Short term deposits, prepayments and other receivables		1,814,713	5,033,711
Short term investment		-	7,000,000
Cash and bank balances	8	3,769,695	4,761,561
		<u>825,419,452</u>	<u>735,913,387</u>
TOTAL ASSETS		<u>1,838,129,932</u>	<u>1,778,439,966</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		145,486,760	145,486,760
Unappropriated profit		(397,481,144)	(26,426,561)
Revaluation surplus on property, plant & equipment		409,664,486	421,521,806
Remeasurement of retirement benefit obligation		2,340,702	2,340,703
Interest free loan from directors	3.1	1,396,595,862	-
		<u>1,556,606,666</u>	<u>542,922,707</u>
LIABILITIES			
Non-current liabilities			
Long Term Financing	9	-	613,952,693
Post employment benefits		22,501,834	90,330,501
Deferred taxation		67,440,070	54,048,315
		<u>89,941,904</u>	<u>758,331,509</u>
Current liabilities			
Trade and other payables		87,236,644	73,086,444
Advance From customers		7,762,799	-
Markup accrued on loans		-	38,001,226
Short term borrowings	10	90,000,000	314,809,771
Current Portion of Long term financing - secured		-	36,981,209
Unclaimed dividend		513,191	513,191
Dividend payable		3,148,405	3,148,405
Current portion of Lease liabilities		-	419,473
Provision for taxation		2,920,323	10,226,030
		<u>191,581,362</u>	<u>477,185,749</u>
Total liabilities		<u>281,523,266</u>	<u>1,235,517,258</u>
Contingencies and Commitments	11		
TOTAL EQUITY AND LIABILITIES		<u>1,838,129,932</u>	<u>1,778,439,966</u>

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


Chief Executive

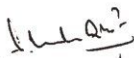

Chief Financial Officer


Director

Condensed Interim Profit And Loss Account
For The Half Year Ended December 31, 2022 - (Unaudited)

	Note	Half year Ended		Quarter Ended	
		December 31	December 31	December 31	December 31
		2022	2021	2022	2021
		Rupees	Rupees	Rupees	Rupees
Revenue	12	233,625,807	519,930,736	171,600,889	251,681,311
Cost of sales		(566,652,505)	(488,242,767)	(408,380,847)	(246,003,115)
Gross profit		(333,026,698)	31,687,969	(236,779,958)	5,678,196
Selling and distribution expenses		9,429,977	4,460,089	5,795,828	2,716,713
Administrative expenses		13,359,308	12,160,859	6,406,611	6,753,739
Other expenses		741,100	-	741,100	-
		(23,530,385)	(16,620,948)	(12,943,539)	(9,470,452)
Operating profit		(356,557,083)	15,067,021	(249,723,497)	(3,792,256)
Other income		2,076,040	31,426,865	463,416	26,725,002
Finance cost	13	(12,118,781)	(41,168,866)	(3,222,979)	(27,810,008)
		(10,042,741)	(9,742,001)	(2,759,563)	(1,085,006)
Profit before taxation		(366,599,824)	5,325,020	(252,483,060)	(4,877,262)
Taxation	14	(16,312,078)	(941,144)	(18,950,542)	(3,454,113)
Profit after taxation		(382,911,902)	4,383,876	(271,433,602)	(8,331,375)
Earnings per share -					
basic and diluted	15	(26.32)	0.30	(18.66)	(0.57)

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


Chief Executive


Chief Financial Officer

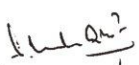

Director

Condensed Interim Statement Of Changes In Equity

For the Half year ended December 31, 2022 - (Un-audited)

	Share Capital	Interest free loan from directors (Note 3.1)	Unapp- ropriated Profit	Surplus on revaluation of property, plant and equipment	Remeasure- ment of retirement benefit obligation	Total
 Rupees					
Balance as at June 30, 2021	145,486,760		145,270,592	501,584,335	8,035,251	800,376,939
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		(26,426,561)	421,521,807	2,340,702	542,922,707
(Loss) after taxation for the period ended Dec 31, 2022	-		(382,911,902)	-	-	(382,911,902)
Loan received from directors		1,396,595,862				1,396,595,862
Other comprehensive income for the period						
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 period - net of deferred tax	-		11,857,320	(11,857,320)	-	-
	-		11,857,320	(11,857,320)	-	-
Balance as at December 31, 2022	145,486,760	1,396,595,862	(397,481,144)	409,664,486	2,340,702	1,556,606,666

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


Chief Executive

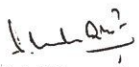

Chief Financial Officer


Director

**Condensed Interim Statement Of
Other Comprehensive Income**
For the Half Year ended December 31, 2022 - (Un-audited)

	Half year Ended		Quarter Ended	
	December 31 2022 Rupees	December 31 2021 Rupees	December 31 2022 Rupees	December 31 2021 Rupees
Profit after taxation	(382,911,902)	4,383,876	(271,433,602)	(8,331,375)
Items not to be reclassified to profit or loss in subsequent period:				
Surplus on revaluation of property, plant equipment	-	-	-	-
Deferred tax on revaluation surplus on property, plant and equipment	-	-	-	-
Total comprehensive income for the period	(382,911,902)	4,383,876	(271,433,602)	(8,331,375)

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


Chief Executive


Chief Financial Officer

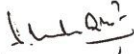

Director




Condensed Interim Statement Of Cash Flow For the Half Year ended December 31, 2022 - (Un-audited)

	Half year ended	
	December 31, 2022 Rupees	December 31, 2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(366,599,824)	5,325,020
Adjustments for non cash charges and other items		
Depreciation	43,710,940	47,882,864
Gain on disposal of property, plant and equipment	(554,841)	(29,701,863)
Amortization of government grant	-	(1,724,615)
Finance cost	12,118,781	41,168,866
	55,274,880	57,625,252
Cash flows from operating activities before working capital changes	(311,324,944)	62,950,272
Effect on cash flow due to working capital changes		
Decrease / (Increase) in stores and spares	5,415,167	(2,998,306)
Increase in stock in trade	(90,169,597)	(42,041,244)
(Increase) / Decrease in trade debts	14,322,704	(28,189,340)
Decrease / (Increase) in loans and advances	(1,888,198)	231,700
Decrease in short term deposits, prepayments and other receivables	3,218,997	(24,639,971)
Receivable against sale of property		(75,500,000)
(Decrease) / Increase in trade and other payables	8,253,526	(21,168,993)
	(60,847,400)	(194,306,154)
Cash flows (used) / generated from operations	(372,172,344)	(131,355,882)
Finance cost paid	(44,713,386)	(28,772,088)
Income tax paid	(7,583,629)	(10,118,753)
Sales tax paid	(22,786,557)	(3,192,332)
Gratuity paid	(67,828,667)	(1,815,968)
	(142,912,239)	(43,899,141)
Net cash flows (used) / generated from operating activities	(515,084,583)	(175,255,023)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(13,900,000)	-
Short Term Investment	7,000,000	-
Proceeds from disposal of property, plant and equipment	560,000	9,500,000
Net cash flows used in investing activities	(6,340,000)	9,500,000
	(6,340,000)	9,500,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	(650,933,902)	157,279,814
Short term borrowings	56,049,658	(27,119,960)
Lease rentals paid	(419,473)	(220,422)
Interest free loan from directors	1,396,595,862	
Dividend paid	-	(1,969,110)
Net cash flows used in financing activities	801,292,145	127,970,322
Net increase in cash and cash equivalents	279,867,562	(37,784,702)
Cash and cash equivalents at the beginning of the period	(276,097,868)	(193,295,985)
Cash and cash equivalents at the end of the period	3,769,694	(231,080,687)

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


Chief Executive


Chief Financial Officer


Director

Selected Notes to the Condensed Interim Financial Information

For the half year ended December 31, 2022 - (Un-audited)

1. THE COMPANY AND ITS OPERATIONS

Karam Ceramics Limited (the Company) was incorporated in Pakistan on April 8, 1979 as a public limited company under the repealed Companies Act, 1913 (now Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange. The registered office of the Company is situated at A-31, Sindhi Muslim Cooperative Housing Society, Karachi, Pakistan and manufacturing facilities of the Company are located at 295/311, Deh Halkani, Hub Dam Road, Manghopir, Karachi. The principal activity of the Company is manufacturing and sale of tiles.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Accounting convention

These condensed interim financial statements have been prepared under the historical cost convention except that inventories are carried at lower of cost or net realisable value, land and buildings at revalued amounts and staff retirement benefits are carried at present value.

These condensed interim financial statements do not include all information and disclosures required in the financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain new and amended standards and interpretations that are mandatory for the Company's accounting period beginning on or after July 01, 2022 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2022.

3.1 Interest free loan from directors

Interest free loan are classified as equity according to TR-32 "Accounting Directors' loan" issued by ICAP on January 25, 2016, Resultantly, the loan to an entity which is agreed to be at the discretion of the entity does not pass the test of liability and is to be recorded as equity face value. This loan is not available for distribution as a dividend.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on the management's experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The significant judgments made by the management in applying the Company's accounting policies and the key resources of estimation and uncertainty were the same as those applied to the annual audited financial statements for the year ended June 30, 2022.

The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2022.

	(Un-audited) December 31, 2022 Rupees	(Audited) June 30, 2022 Rupees
5. PROPERTY, PLANT AND EQUIPMENT		
Opening net book value	1,040,756,705	1,193,605,188
Additions during the period:		
Plant & machinery	-	-
Transfer of lease Asset	871,421	-
Vehicle	13,900,000	-
	14,771,421	-
	1,055,528,126	1,193,605,188
Disposals during the period	(5,159)	(57,082,756)
Depreciation charged during the period	(43,710,940)	(95,765,727)
	(43,716,099)	(152,848,483)
	1,011,812,027	1,040,756,705

	(Un-audited) December 31, 2022 Rupees	(Audited) June 30, 2022 Rupees
6. RIGHT OF USE ASSETS		
Balance at the beginning of the period	871,421	1,089,275
Transferred To Fixed Assets	(871,421)	-
Depreciation expense	-	(217,855)
Balance at the end of the period	-	871,421
Rate of depreciation		20%
7. LOANS AND ADVANCES		
These loans and advances do not carry mark up arrangements.		
8. CASH AND BANK BALANCES		
Cash in hand	527,150	37,768
Cash at banks:		
- Current Accounts	3,229,322	4,711,284
- Deposit Accounts	13,223	12,509
	3,242,545	4,723,793
	3,769,695	4,761,561
9. LONG TERM FINANCING		
Secured		
From banking companies - note	-	36,981,209
Less: Current maturity shown under current liabilities	-	(36,981,209)
	-	-
From directors	-	613,952,693
	-	613,952,693
9.1 Loan from banking companies		
Soneri Bank Limited	-	18,628,561
SBP Refinance Scheme	-	18,352,648
	-	36,981,209

		(Un-audited) December 31, 2022 Rupees	(Audited) June 30, 2022 Rupees
10. SHORT TERM BORROWINGS			
From Associated undertaking		90,000,000	-
From Banks	10.1	-	314,809,771
		<u>90,000,000</u>	<u>314,809,771</u>

10.1 During the period, the Company repaid short term running finance facilities to Soneri Bank Limited and Habib Bank Limited. The rate of mark up on facilities obtained from Soneri Bank Limited was 3 months KIBOR plus 1.50% and 3 months KIBOR plus 2.00%, whereas, rate of markup on facilities obtained from Habib Bank Limited was 3 months KIBOR plus 1.00%. These facilities were secured against plant and machinery, stock-in-trade, trade receivables and personal guarantees given by the Directors of the Company.

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There has been no change in status of contingencies reported in the financial statements for the year ended June 30, 2022.

11.2 Commitments

Commitments under letter of credit for import of raw material as at December 31, 2022 amounted to Rs. 1,265,265 (June 30, 2022: Rs.27,817,125).

	(Un-audited) December 31, 2022 Rupees	(Un-audited) December 31, 2021 Rupees
12. REVENUE		
Gross sales	279,062,552	638,517,571
Less: sales tax	(45,436,745)	(118,586,835)
	<u>233,625,807</u>	<u>519,930,736</u>
13. FINANCE COST		
Mark-up on:		
Short term borrowings	3,752,518	15,060,000
Term Finance	801,538	10,444,426
	4,554,056	25,504,426
Interest on directors loan	-	13,393,070
Lease finance charges	10,132	32,999
Exchange loss	5,406,623	1,386,244
Bank charges	2,147,970	852,127
	<u>12,118,781</u>	<u>41,168,866</u>



	(Un-audited) December 31, 2022 Rupees	(Un-audited) December 31, 2021 Rupees
14. TAXATION		
Current	2,920,323	6,499,134
Deferred	13,391,756	(5,557,991)
	<u>16,312,079</u>	<u>941,143</u>
15. EARNINGS PER SHARE		
(Loss)/ Profit after taxation attributable to ordinary shareholders	<u>(382,911,902)</u>	<u>4,383,876</u>
Weighted average number of shares in issue during the period	<u>14,548,676</u>	<u>14,548,676</u>
(Loss) / Earning per share (Rupees) - Basic and diluted	<u>(26.32)</u>	<u>0.30</u>

16. TRANSACTIONS WITH RELATED PARTIES

Related party	Name	Nature of transaction	Dec-22
Directors (Existing)	Mrs.Suriya Ali Nasir	Loan received	182,122,871
Directors (Existing)	Mr. Mazhar Ali Nasir	Loan received	182,122,871
Directors (Existing)	Mr. Azhar Ali Nasir	Loan received	182,122,871
Directors (Existing)	Mr. Azfar Ali Nasir	Loan received	182,122,871
Directors (Previous)	Mr. Irshad Ali Kassim	Loan received	31,651,685
Directors (Previous)	Mr. Munawar Ali Kassim	Loan received	22,500,000
Directors (Existing)	Mr. Alireza M Alladin	Purchase of Vehicle	5,700,000
Directors (Existing)	Mr. Alireza M Alladin	Remuneration and allowances	1,100,000
Associated Company	Swat Ceramics	Loan received	90,000,000

17. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materiality the scale of its operations or to undertake a transaction on adverse terms.

The estimated fair value of all financial assets and liabilities is considered not significantly different from book values as the items are either short - term in nature or periodically repriced.

International Financial Reporting Standard 13, 'Financial Instruments: Disclosure' requires the company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date (level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- unobservable inputs for the asset or liability (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Currently there are no financial assets or financial liabilities which are measured at their fair value in the statement of financial position.

18. CORRESPONDING FIGURES

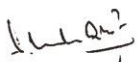
Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison. No significant reclassifications were made during the period..

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 27 February, 2023 by the Board of Directors of the Company.

20. GENERAL

Figures have been rounded off to the nearest rupee.


Chief Executive


Chief Financial Officer


Director

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CERTIFICATE
OF POSTING

BOOK POST

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