



Interim Condensed Financial Statements
For the Half Year ended December 31, 2020
(UNAUDITED)

KARAM CERAMICS LIMITED

www.karamceramics.com



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mrs. Mariam Shaban ali	Chairperson
Mr. Irshad Ali S.Kassim	Vice. Chairman
Mr. Munawar Ali S.Kassim	Chief Executive
Miss. Anushka Kassim	Director
Mr. Shahid Anwar Tata	Independent Non-Executive Director
Mr. Suleman Basaria	Independent Non-Executive Director
Mrs. Roshan Ara Sayani	Independent Non-Executive Director
Mr. Muhammad Shehzad Dhedhi	Chief Financial Officer
Mr. Manzoor Ali Natha	Company Secretary

AUDIT COMMITTEE

Mr. Suleman Basaria	Chairman
Miss. Anushka Kassim	Member
Mrs. Roshan Ara Sayani	Member

HUMAN RESOURCES & REMUNERATION COMMITTEE

Mrs. Roshan Ara Sayani	Chairperson
Mr. Munawar Ali Kassim	Member
Miss. Anushka Kassim	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

AUDITORS / REGISTRAR AND SHARE TRANSFER OFFICE

Crowe Hussain Choudhury & Co
Chartered Accountants
T.H.K. Associates (Private) Limited
1st Floor, 40 C, Block -6 P.E.C.H.S
Karachi-75400

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

REGISTERED OFFICE

Bc-6, Block -5, Scheme-5, Kehkashan, Clifton, Karachi

FACTORY

295/311, Deh Halkani, Hub Dam Road, Karachi

LAHORE

4-L, Gulburg 111 Ferozpur Road Lahore
Tel # (92-42)-35864579

REPORT OF THE DIRECTORS

For The Half Year Ended December 31, 2020

Dear Shareholders,

The Directors of your Company presents to you the financial results of your Company for the half year ended 31 December 2020.

BUSINESS AND PERFORMANCE REVIEW

The financial performance for the half year ended 31 December 2020 is summarized below:

Particulars	December 31, 2020	December 31, 2019
Net Sales	512,522,541	538,443,026
Cost of sales	474,874,762	558,802,725
Gross (Loss)/ Profit	37,647,779	(20,359,699)
Net (Loss)/ Profit after taxation	(10,090,448)	(65,708,780)

Net sales were reported at Rs.512.52 million during the six months period under review as against Rs.538.44 million in the corresponding period of preceding year. decrease in sales is mainly due to the low production during July 2020 and August 2020 because of heavy rains during these months.

The gross profit for the period was Rs. 37.65 million against gross loss of Rs. 20.36 million in the corresponding period of the preceding year showing an increase of Rs. 58 million primarily due to increase in selling of tiles.

The loss before and after taxation during the period under review stood at Rs. 8.35 million and Rs. 10.09 million as against Rs. 66.42 million and Rs. 65.71 million respectively during the corresponding period of preceding year.

FUTURE PROSPECTS


Despite the challenging business environment, your Company has always been able to continue operations while maintaining SOPs for the safety of all the employees. The COVID-19 situation is expected to improve after commencement of vaccination in different countries of the world. However, the threat of the pandemic still remain high. Further, due to the government package on construction industries, there is increased in tiles demands in the market and we are hopeful that this will increase in tiles sales.

ACKNOWLEDGEMENT

On behalf of Board of Directors, I thank our well-wishers, shareholders, customers, dealers, banks & DFIS, suppliers of raw material and plant and machinery, friends and all employees for their cooperation and contribution towards the progress of the company.

On behalf of the Board


Irshad Ali Kassim
Director


Munawar Ali Kassim
Chief Executive

February 27,2021

کرم سیرامکس لمیٹڈ 31 دسمبر 2020ء کو ختم ہونے والی ششماہی کے لئے ڈائریکٹرز کی رپورٹ

محترم شیئر ہولڈرز،
آپ کی کمپنی کے ڈائریکٹرز 31 دسمبر 2020ء کو ختم ہونے والی ششماہی کے لئے کمپنی کے مالیاتی نتائج پیش کر رہے ہیں۔

31 دسمبر 2020ء کو ختم ہونے والی ششماہی کی مالی کارکردگی کا جائزہ درج ذیل ہے:

تفصیلات	31 دسمبر 2020	31 دسمبر 2019
خالص فروخت	512,522,541	538,443,026
فروخت کی لاگت	474,874,762	558,802,725
مجموعی (خسارہ)/ منافع	37,647,779	(20,359,699)
بعد از ٹیکس خالص (خسارہ)/ منافع	(10,090,448)	(65,708,780)

گذشتہ سال کی فروخت مبلغ 538.44 ملین روپے کے مقابلے میں دوران جائزہ ششماہی میں مبلغ 512.52 ملین روپے کی فروخت ہوئی۔ فروخت میں یہ کمی بنیادی طور پر جولائی 2020ء اور اگست 2020ء کے دوران زیادہ برسات کے باعث کم پیداوار کی وجہ سے ہوئی۔

دوران مدت گذشتہ سال کے مجموعی خسارہ مبلغ 20.36 ملین روپے کے مقابلے میں مبلغ 37.65 ملین روپے کا مجموعی منافع حاصل ہوا۔ یہ منافع بنیادی طور پر ٹائلز کی فروخت میں اضافہ کی وجہ سے ہوا۔

دوران جائزہ مدت قبل از ٹیکس اور بعد از ٹیکس مبلغ 8.35 ملین روپے اور مبلغ 10.09 ملین روپے خسارہ ہوا جبکہ گذشتہ سال اسی مدت میں مبلغ 66.42 ملین روپے اور مبلغ 65.71 ملین بالترتیب تھا۔

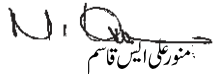
مستقبل کا نظریہ:


کاروباری مشکلات کے باوجود آپ کی کمپنی ہمیشہ اپنے ملازمین کی حفاظت کے لئے ایس او بیز پر عملدرآمد کرتے ہوئے اپنی کاروباری سرگرمیاں جاری رکھنے میں کامیاب رہی ہے۔ توقع کی جاتی ہے کہ عالمی ممالک میں ڈیکسٹینشن کے آغاز کے بعد کورونا وبا کی صورتحال میں بہتری آئے گی۔ تاہم، وبائی امراض کا خطرہ اب بھی برقرار ہے۔ مزید یہ کہ تیسرائی صنعتوں پر حکومتی پابندی کی وجہ سے، مارکیٹ میں ٹائلز کی مانگ میں اضافہ ہوا ہے اور ہمیں امید ہے کہ ٹائلز کی فروخت میں مزید اضافہ ہوگا۔

اظہار نظر:

یورڈ 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 اعتماد کے لئے ان کا شکر یاد کرتا ہوں۔

بتوسط یورڈ


 منور علی ایس قاسم
 چیف ایگزیکٹو


 ارشاد علی قاسم
 ڈائریکٹر

مورخہ 27 فروری 2021ء



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, 2020 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows 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.

We conducted our review in accordance with International Standard on Review Engagements

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 financial position, interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income, for the six months period ended December 31, 2019 have not been reviewed , as we are required to review only the cumulative figures for the six months period ended December 31, 2020

The financial statement of the Company for the year ended June 30, 2020 were audited by another firm of Chartered Accountants, whose report dated October 31 ,2020 expressed an unqualified opinion on such financial statements.

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, 2021
Place : Karachi



Condensed Interim Statement of Financial Position

As at December 31, 2020

		(Un-Audited) December 31, 2020	(Audited) June 30, 2020
	Note	Rupees	Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,023,038,576	1,069,821,000
Right-of use assets		1,225,435	1,361,594
Long term deposits		897,038	897,038
		<u>1,025,161,048</u>	<u>1,072,079,632</u>
Current assets			
Stores and spares		15,637,065	13,231,964
Stock in trade		569,944,200	427,205,721
Trade debts		14,112,567	101,449,135
Loans and advances - considered good	6	1,777,812	640,146
Advance tax		7,310,246	14,968,132
Refunds due from the Government		43,576,702	60,463,197
Short term deposits, Prepayments and other receivables		3,328,756	673,695
Cash and bank balances	7	8,254,781	15,807,906
		<u>663,942,129</u>	<u>634,439,896</u>
		<u>1,689,103,177</u>	<u>1,706,519,528</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
500,000 (June 30, 2020: 500,000) ordinary shares of Rs 1000/-each		500,000,000	500,000,000
Issued subscribe & paid up capital		145,486,760	145,486,760
Unappropriated profit		87,998,997	88,837,903
Revaluation surplus on land & building		336,064,716	345,316,258
		<u>569,550,473</u>	<u>579,640,921</u>
LIABILITIES			
Non-current liabilities			
Long term financing - secured	8	397,528,285	472,788,441
Deferred liabilities	9	198,162,809	201,065,860
		<u>595,691,094</u>	<u>673,854,301</u>
Current liabilities			
Trade and other payables		135,607,499	118,969,312
Markup accrued on loans		30,134,453	34,653,652
Short term borrowings from banks - secured		225,506,583	258,978,407
Long term financing - current portion		118,186,927	21,036,094
Unclaimed Dividend		513,191	513,191
Dividend payable		6,225,120	6,225,120
Provision for taxation		7,687,838	12,648,530
		<u>523,861,611</u>	<u>453,024,306</u>
Contingencies and Commitments			
		<u>1,689,103,177</u>	<u>1,706,519,528</u>
TOTAL EQUITY AND LIABILITIES			

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


Chief Executive


Chief Financial Officer


Director

Condensed Interim Statement Of Profit And Loss For The Half Year Ended December 31, 2020 - (Unaudited)

	Note	Half year Ended		Quarter Ended	
		December 31 2020 Rupees	December 31 2019 Rupees	December 31 2020 Rupees	December 31 2019 Rupees
Revenue	12	512,522,541	538,443,026	311,523,589	314,298,140
Cost of sales		(474,874,762)	(558,802,725)	(277,598,361)	(310,337,866)
Gross profit		37,647,779	(20,359,699)	33,925,228	3,960,274
Selling and distribution expenses		4,524,660	5,716,679	2,146,707	2,727,638
Administrative expenses		11,899,006	13,843,203	4,501,502	6,993,998
Other expenses			101,280		101,280
		(16,423,666)	(19,661,163)	(6,648,209)	(9,822,917)
Operating profit		21,224,113	(40,020,862)	27,277,019	(5,862,643)
Other income		531,360	3,065,417	1,510	(508,329)
Finance Cost	13	(30,108,581)	(29,463,265)	(11,792,492)	(17,996,513)
		(29,577,221)	(26,397,848)	(11,790,982)	(18,504,842)
profit before taxation		(8,353,108)	(66,418,710)	15,486,037	(24,367,485)
Taxation	14	(1,737,340)	709,930	805,294	1,797,785
profit after taxation		(10,090,448)	(65,708,780)	16,291,331	(22,569,700)
Earnings per share -					
Basic and diluted	15	(0.69)	(4.52)	1.12	(7.49)

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


Chief Executive


Chief Financial Officer


Director



Condensed Interim Statement Of Cash Flows For the Half Year ended December 31, 2020 - (Un-audited)

	December 31, 2020 Rupees	December 31, 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(8,353,108)	(66,418,710)
Adjustments for non cash charges and other items		
Depreciation	46,606,944	51,051,594
Provision for gratuity	6,214,158	9,253,551
Gain on disposal of fixed assets	(529,500)	-
Finance cost	30,108,581	29,463,265
Cash flow from operating activities before working capital changes	82,400,183	89,768,410
Effect on cash flow due to working capital changes		
	74,047,074	23,349,700
(Increase) /Decrease in stores and spares	(2,405,101)	5,431,425
(Increase) in stock in trade	(142,738,479)	(72,082,657)
Decrease in trade debts	87,336,568	(40,673,794)
Increase in loans and advances	(1,137,666)	1,532,759
Decrease in short term deposits, prepayments and other receivables	(2,655,061)	4,013,990
(Increase) in refunds due from government - sales tax	16,886,496	(1,391,669)
Increase in dividend payable	-	1,130,493
Increase in trade and other payables	15,376,432	(41,855,680)
Cash flows generated from operations	(29,336,811)	(143,895,133)
Finance cost paid	44,710,263	(120,545,433)
Income tax paid	(28,758,324)	(24,032,771)
sales tax paid	(4,784,458)	(8,876,597)
Gratuity paid	1,055,569	-
Worker's profit participation fund paid	(3,166,711)	(1,847,389)
	-	(2,814,568)
Net cash flows generated from operating activities	(35,653,924)	(37,571,325)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	9,056,339	(158,116,758)
Proceeds from disposal of property, plant and equipment	(57,000)	(26,873,644)
Net cash flows used in investing activities	900,000	-
	843,000	(26,873,644)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	16,240,050	65,241,948
Short term borrowings	49,693,592	138,217,912
Lease rentals paid	(220,690)	(242,507)
Dividend paid	-	(7,274,338)
Net cash flows used in financing activities	65,712,952	195,943,015
Net increase in cash and cash equivalents	75,612,291	10,952,613
Cash and cash equivalents at the beginning of the year	(152,379,719)	5,819,737
Cash and cash equivalents at the end of the year	(76,767,428)	16,772,350

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, 2020 - (Un-audited)

	Half year Ended		Quarter Ended	
	December 31 2020 Rupees	December 31 2019 Rupees	December 31 2020 Rupees	December 31 2019 Rupees
profit after taxation	(10,090,448)	(65,708,780)	16,291,331	(22,569,700)
Total comprehensive income for the year	(10,090,448)	(65,708,780)	16,291,331	(22,569,700)

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, 2020 - (Un-audited)

	Share Capital	Unappropriated Profit	Surplus on revaluation of property, plant and equipment	Total
 Rupees			
Balance as at June 30, 2019	145,486,760	114,182,801	365,875,241	625,544,802
Final dividend for the year	-	(7,274,338)	-	(7,274,338)
Loss after taxation	-	(43,773,704)	-	(43,773,704)
Other comprehensive income for the year				
Remeasurement of retirement benefit obligation	-	7,245,297	-	7,245,297
Deferred tax on retirement benefit obligation	-	(2,101,136)	-	(2,101,136)
	-	5,144,161	-	5,144,161
Transferred from surplus building on revaluation of incremental depreciation for the year - net of deferred tax	-	20,558,983	(20,558,983)	-
	-	20,558,983	(20,558,983)	-
Balance as at June 30, 2020	<u>145,486,760</u>	<u>88,837,903</u>	<u>345,316,258</u>	<u>579,640,921</u>
Profit after taxation for the period	-	(10,090,448)	-	(10,090,448)
Other comprehensive income for the year				
Transferred from surplus on revaluation of property, plant and equipment incremental depreciation for the year - net of deferred tax	-	9,251,542	(9,251,542)	-
	-	9,251,542	(9,251,542)	-
Balance as at December 31, 2020	<u><u>145,486,760</u></u>	<u><u>87,998,997</u></u>	<u><u>336,064,716</u></u>	<u><u>569,550,473</u></u>

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, 2020 - (Un-audited)

1. The Company and its operation

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(PSX). The registered office of the Company is situated at BC-6, Block-5, Kehkashan, Clifton, Karachi, Pakistan and manufacturing facilities of the Company are located at 295/311, Deh Halkani, Hub Dam Road, Manghopir, Karachi. The warehouse of the Company is located at 4-L, Gulberg 111 Ferozpur Road, Lahore. 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, 2020.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 1, 2020 but are considered not to be relevant or will not have any significant effect on the Company's operations and are, therefore, not detailed 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, 2020.



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, 2020.

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, 2020.

	(Un-audited) December 31, 2020	(Audited) June 30, 2020
5. PROPERTY, PLANT AND EQUIPMENT		
Opening net book value	1,069,821,000	1,143,533,466
Additions during the period:		
Plant & machinery	-	26,873,644
Vehicle	57,000	1,309,000
	57,000	28,182,644
	1,069,878,000	1,171,716,110
Disposals during the period	(368,640)	(59,557)
Depreciation charged during the period	(46,470,785)	(101,835,553)
	(46,839,425)	(101,895,110)
	1,023,038,576	1,069,821,000
6. LOANS AND ADVANCES		
These loans and advances do not carry mark up arrangements.		
7. CASH AND BANK BALANCES		
Cash in hand	469,356	253,792
Cash at banks:		
- Current Accounts	6,544,409	14,313,097
- Deposit Accounts	1,241,016	1,241,017
	7,785,425	15,554,114
	8,254,781	15,807,906

	December 31,	June 30,
	2020	2020
	-----Rupees-----	
8. LONG TERM FINANCING		
Secured		
From banking companies	8.1 178,844,327	154,304,277
Lease liabilities	958,526	1,123,529
Deferred income-government grant	2,051,790	2,051,790
From directors	333,860,569	336,344,939
	515,715,212	493,824,535
Less: current maturity shown under current liabilities	(118,186,927)	(21,036,094)
	397,528,285	472,788,441
8.1 Loan from banking companies		
Soneri Bank Limited	114,372,719	128,700,604
JS Bank Limited	21,675,863	21,675,863
Habib Bank Limited	42,795,745	3,927,810
	178,844,327	154,304,277
9. DEFERRED LIABILITIES		
Deferred taxation	9.1 90,066,631	96,017,129
Post employment benefit	108,096,178	105,048,731
	198,162,809	201,065,860

9.1 The Company follows a consistent practice to conduct actuarial valuations annually at the year end. Hence, the impact, if any, relating to measurements of post employment benefit obligations (actuarial gain/losses) on condensed interim financial information is not calculated and accounted for as considered immaterial.

10. SHORT TERM BORROWINGS - FROM BANKS

During the period, the Company utilized short term running finance facilities available from Soneri Bank Limited and Habib Bank Limited. The rate of mark up on facilities obtained from Soneri Bank Limited is 3 months KIBOR plus 1.50% and 3 months KIBOR plus 2.00%, whereas, rate of markup on facilities obtained from Habib Bank Limited is 3 months KIBOR plus 1.00%. These facilities are 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, 2020.

11.2 Commitments

Commitments under letter of credit for import of raw material as at December 31, 2020 amounted to Rs. 42,436,037.



	(Un-audited) December 31, 2020 Rupees	(Un-audited) December 31, 2019 Rupees
12. REVENUE		
Gross sales	624,330,133	641,004,076
Less: sales tax	(111,807,592)	(102,561,050)
	512,522,541	538,443,026
13. FINANCE COST		
Mark-up on:		
Short term borrowings	4,670,206	5,766,255
Term Finance	10,788,991	16,275,213
Interest on directors loan	15,459,197	22,041,468
Interest on workers' profit participation fund	12,962,642	6,435,526
Lease finance charges	55,687	220,632
Exchange loss	769,618	97,896
Bank charges	861,437	667,743
	30,108,581	29,463,265
14. TAXATION		
Current	7,687,838	8,343,305
Prior year	-	(2,808,249)
Deferred	(5,950,498)	(3,048,071)
	1,737,340	2,486,985
15. EARNINGS PER SHARE		
(Loss) /Profit after taxation tributable to ordinary shareholders	(10,090,448)	(65,708,780)
Weighted average number of shares in issue during the year	14,548,676	14,548,676
(Loss) /Earnings per share (Rupees) - Basic and diluted	(0.69)	(4.52)
16. TRANSACTIONS WITH RELATED PARTIES		
Relationship with the Company	Nature of transactions	
Director's spouse	Rent expenses	935,377
Directors	Loan (paid) / received-net	850,344
Directors	Interest on loan	(8,300,000)
Directors	Notional interest on loan	91,231,927
Directors	Remuneration and allowances	7,147,012
Directors' relatives	Dividend paid	3,578,122
	Dividend paid	5,815,630
		2,857,404
		3,900,000
		3,900,000
		-
		3,449,337
		-
		2,511,494

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, 2021 by the Board of Directors of the Company

20. GENERAL

Figures have been rounded off to the nearest rupee.

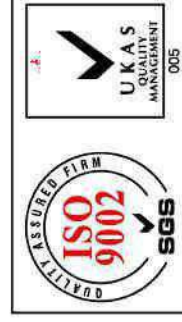

Chief Executive


Chief Financial Officer


Director

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