

**ACCOUNTS FOR  
THE 3RD QUARTER ENDED  
MARCH 31, 2020  
(UNAUDITED)**



*Pak Leather Crafts Limited*



*Pak Leather Crafts Limited*

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## CORPORATE PROFILE

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### BOARD OF DIRECTORS

**Mrs. Rubina Saleem**  
Chairperson  
**Muhammad Saleem Ahmed**  
Director / CEO  
**Dr. Muhammad Shoaib Ahmed**  
Director  
**Nayyer Ahmed**  
Director  
**Azeem Ahmed**  
Director  
**Umer Ahmed**  
Director  
**Ahmed Jalali**  
Director

### AUDIT COMMITTEE

**Dr. Muhammad Shoaib Ahmed**  
Chairman  
**Ahmed Jalali**  
Member  
**Azeem Ahmed**  
Member

### HUMAN RESORCE & REMUNIRATION COMMITTEE

**Umer Ahmed**  
Chairman  
**Nayyer Ahmed**  
Member  
**Azeem Ahmed**  
Member

### CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

**Naseer Ahmed**

### BOOK POST PRINTED MATTER

### BANKERS

Al baraka Bank Pakistan Ltd  
Habib Bank Limited  
Industrial Development Bank Ltd  
NIB Bank Limited  
United Bank Limited  
Habib Metropolitan Bank Ltd  
Soneri Bank Ltd  
Faysal Bank Limited  
Bank Alfalah Ltd  
Bank of Khyber  
Meezan Bank Ltd  
Askari Bank Ltd

### EXTERNAL AUDITORS

RSM Avais Hyder Liaquat Nauman  
Chartered Accountants  
Lahore

### LEGAL ADVISOR

Shakiel Z. Lari Advocate

### REGISTERED OFFICE

Pak Leather Crafts Limited  
Plot 18, Sector 7 - A,  
Korangi Industrial Area,  
Karachi.  
Email: [export1@pakleather.com](mailto:export1@pakleather.com)  
Website: [www.pakleather.com](http://www.pakleather.com),

### SHARE REGISTRAR

M/S. NI Associates (Pvt) Ltd  
53, Kokan Society Alamgir Road,  
Karachi - 74800  
Tel: 021-34937012  
021-34945892

If undelivered please return to:

### PAK LEATHER CRAFTS LIMITED

Plot 18, Sector 7 - A, Korangi Industrial Area,  
Karachi. (Pakistan)

Ph: (92-21) 35064100 - 02, Fax: 35060109

e-mail: [export1@pakleather.com](mailto:export1@pakleather.com) Website: [www.pakleather.com](http://www.pakleather.com)



## Pak Leather Crafts Limited

### DIRECTORS' REVIEW

The directors of your Company are pleased to present their report for the 3rd quarter ended March 31, 2020.

Financial results for the nine months depicting the improvement in Company's operating performance are stated below:

	March 31 2020	March 31 2019
	.....(Rs. In '000').....	
Profit before taxation	8,396	2,158
Taxation	(1,850)	(725)
Profit after tax	6,546	1,433
Accumulated loss B/F	(396,481)	(400,628)
Accumulated loss C/F	(389,935)	(399,195)
Earning per share after tax (Rupees)	1.93	0.42

As evident from above figures, quarter under review was better than same period last year. Total turnover of Rs.181.823 million is composed of export amounting to Rs.161.297 million and local sales/ job work of Rs. 20.526 million comparing to total turnover of Rs.49.380 million during the corresponding period of last year.

Company is not much hopeful to maintain the same tempo in the next quarter in view of COVID-19. This pandemic has affected other companies locally as well as internationally, which in turn has affected the global economies adversely.

On behalf of the Board

**MUHAMMAD SALEEM AHMED**  
Chief Executive Officer

Karachi: May 21, 2020



# Pak Leather Crafts Limited

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

	<u>Unaudited</u> <u>March 31,</u> <u>2020</u>	<u>Audited</u> <u>June 30,</u> <u>2019</u>
.....(Rs. In '000').....		
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	23,374	23,894
Long term deposits	1,410	1,410
	<u>24,784</u>	<u>25,304</u>
<b>CURRENT ASSETS</b>		
Loose tools	308	294
Stock in trade	63,698	47,639
Trade debts	94,147	86,946
Advances and other receivables	6,462	1,645
Tax refunds due from Government	6,551	897
Cash and bank balances	10,204	2,292
	<u>181,370</u>	<u>139,713</u>
	<u>206,154</u>	<u>165,017</u>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Issued, subscribed and paid up capital	34,000	34,000
Loan from Director	60,984	68,204
Accumulated loss	(389,935)	(396,481)
	<u>(294,951)</u>	<u>(294,277)</u>
<b>NON-CURRENT LIABILITIES</b>		
Loang term loans	13,841	12,987
Deferred interest income	3,536	4,390
	<u>17,377</u>	<u>17,377</u>
<b>CURRENT LIABILITIES</b>		
Short term bank borrowings	237,420	237,420
Current portion of long term financing	46,904	46,903
Interest / mark up payable	124,029	124,029
Trade and other payables	73,525	32,685
Provision for taxation - income tax	1,850	880
	<u>483,728</u>	<u>441,917</u>
<b>CONTINGENCIES</b>		
	-	-
	<u>206,154</u>	<u>165,017</u>

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

**MUHAMMAD SALEEM AHMED**  
Chief Executive Officer

**UMER AHMED**  
Director

**NASEER AHMED**  
Chief Financial Officer



## Pak Leather Crafts Limited

### CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ( UNAUDITED ) FOR THE PERIOD ENDED MARCH 31, 2020

Note	For the Nine Months ended		For the Quarter ended	
	March.31 2020	March.31 2019	March.31 2020	March.31 2019
------(Rs. In '000')-----				
Sales	181,823	49,380	75,002	17,378
Cost of sales	156,593	39,666	66,038	14,468
<b>Gross profit</b>	<b>25,230</b>	<b>9,714</b>	<b>8,964</b>	<b>2,910</b>
Other income	1,644	414	814	150
	<b>26,874</b>	<b>10,128</b>	<b>9,778</b>	<b>3,060</b>
Administrative expenses	5,159	5,750	2,267	1,239
Selling and distribution expenses	10,480	1,557	5,137	696
Bank charges and commission	2,839	663	1,160	291
	<b>18,478</b>	<b>7,970</b>	<b>8,564</b>	<b>2,226</b>
<b>Profit for the period before taxation</b>	<b>8,396</b>	<b>2,158</b>	<b>1,214</b>	<b>834</b>
Provision for taxation	1,850	725	735	348
<b>Profit for the period</b>	<b>6,546</b>	<b>1,433</b>	<b>479</b>	<b>486</b>
Earning per share - Basic (Rupees)	1.93	0.42	0.14	0.14

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2020

Note	For the Nine Months ended		For the Quarter ended	
	March.31 2020	March.31 2019	March.31 2020	March.31 2019
------(Rs. In '000')-----				
Profit for the period	6,546	1,433	479	486
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<b>6,546</b>	<b>1,433</b>	<b>479</b>	<b>486</b>

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

MUHAMMAD SALEEM AHMED  
Chief Executive Officer

UMER AHMED  
Director

NASEER AHMED  
Chief Financial Officer



# Pak Leather Crafts Limited

## CONDENSED INTERIM STATEMENT OF CASH FLOW (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2020

	31, Mar. 2020	31, Mar. 2019
	.....(Rs. In '000').....	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	8,396	2,158
<b>Adjustment for non-cash and other items:</b>		
Depreciation	1,411	1,552
Financial charges	2,839	663
	<u>4,250</u>	<u>2,215</u>
	12,646	4,373
<b>Changes in Working Capital</b>		
<b>(Increase)/decrease in current assets</b>		
Loose tools	(14)	(36)
Stock in trade	(16,059)	2,420
Trade debts	(7,201)	(7,027)
Advances and other receivables	(4,817)	126
Tax refunds due from government	(5,654)	373
	<u>(33,745)</u>	<u>(4,144)</u>
<b>Increase/(Decrease) in current liabilities</b>		
Trade and other payables	41,692	2,391
<b>Cash generated from operations</b>	<u>20,593</u>	<u>2,620</u>
Financial charges paid	(2,839)	(663)
Income tax paid	(1,732)	(375)
	<u>(4,571)</u>	<u>(1,038)</u>
<b>Net Cash Flows From Operating Activities</b>	<b>16,022</b>	<b>1,582</b>
<b>Cash flows from investing activities</b>		
Addition in property, plant and equipment	(890)	(2,435)
Disposal proceeds - property, plant and equipment	-	-
<b>Net Cash Used In Investing Activities</b>	<b>(890)</b>	<b>(2,435)</b>
<b>Cash flows from financing activities</b>		
Loan (repaid)/received from directors	(7,220)	1,985
Net cash used in financing activities	(7,220)	1,985
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>7,912</b>	<b>1,132</b>
Cash and cash equivalent at the beginning of the period	2,292	389
Cash and cash equivalent at the end of the period	<u>10,204</u>	<u>1,521</u>

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

**MUHAMMAD SALEEM AHMED**  
Chief Executive Officer

**UMER AHMED**  
Director

**NASEER AHMED**  
Chief Financial Officer



# Pak Leather Crafts Limited

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE PERIOD ENDED MARCH 31, 2020

Particulars	Issued	Accumulated	Total
	subscribed and paid up capital	Loss	
	.....(Rs. In '000').....		
<b>Balance as on July 01, 2018</b>	34,000	(400,628)	(366,628)
Total comprehensive income for the period			
Profit for the period	-	1,433	1,433
Other comprehensive income	-	-	-
	-	1,433	1,433
<b>Balance as on March 31, 2019 (Un-audited)</b>	<b>34,000</b>	<b>(399,195)</b>	<b>(365,195)</b>
<b>Balance as on July 01, 2019</b>	34,000	(396,481)	(362,481)
Total comprehensive income for the period			
Profit for the period	-	6,546	6,546
Other comprehensive income	-	-	-
	-	6,546	6,546
<b>Balance as on March 31, 2020 (Un-audited)</b>	<b>34,000</b>	<b>(389,935)</b>	<b>(355,935)</b>

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

**MUHAMMAD SALEEM AHMED**  
Chief Executive Officer

**UMER AHMED**  
Director

**NASEER AHMED**  
Chief Financial Officer



*Pak Leather Crafts Limited*

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## CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS

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1. Pak Leather Crafts Ltd, is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and quoted on the Pakistan Stock Exchange. The principal activity of the company is Leather tanning, Manufacturing of Leather garments and export of Leather and Leather Garments.
2. These financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Companies Act 2017.
3. The accounting policies adopted for the preparation of these accounts are the same as those applied in preparing the accounts for the preceding period.
4. Figures have been re-arranged and re-classified, wherever necessary, to facilitate comparison.
5. These financial statements were authorized for issue on **May 21, 2020** by the Board of Directors of the Company.

**MUHAMMAD SALEEM AHMED**  
Chief Executive Officer

**UMER AHMED**  
Director

**NASEER AHMED**  
Chief Financial Officer