

**ACCOUNTS FOR
THE HALF YEAR ENDED
DECEMBER 31, 2024
(UNAUDITED)**



Pak Leather Crafts Limited



Pak Leather Crafts Limited

CORPORATE PROFILE

BOARD OF DIRECTORS

Mrs. Rubina Saleem
Muhammad Saleem Ahmed
Qaiser Jamal
Nayyer Ahmed
Azeem Ahmed
Umer Ahmed
Ahmed Jalali

Chairperson
Director / CEO
Director
Director
Director
Director
Director

AUDIT COMMITTEE

Qaiser Jamal
Nayyer Ahmed
Azeem Ahmed

Chairman
Member
Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Ahmed Jalali
Nayyer Ahmed
Azeem Ahmed

Chairman
Member
Member

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Naseer Ahmed

BANKERS

Albaraka Bank Pakistan Ltd
MCB Ltd
Habib Metropolitan Bank Ltd
Habib Bank Limited
Faysal Bank Limited
Soneri Bank Ltd
Bank Alfalah Ltd
Bank of Khyber
Meezan Bank Ltd
Askari Bank Ltd
Bank AL Habib Ltd

EXTERNAL AUDITORS

RSM Avais Hyder Liaquat Nauman
Chartered Accountants
Lahore

LEGAL ADVISOR

Barrister Imran Ali Mithani

REGISTERED OFFICE

Plot 18, Sector 7 - A
Korangi Industrial Area, Karachi
Website: www.pakleather.com

SHARE REGISTRAR

JWAFFS Registrar Services (Pvt) Ltd
407-408, Al Ameer Centre,
Shahrah-e-Iraq, Karachi.
Tel: 021-35662023-24



Pak Leather Crafts Limited

DIRECTORS' REVIEW

The directors of your Company are pleased to present the condensed interim financial statements of the Company for the six month period ended December 31, 2024 duly reviewed by the auditors of the Company.

Financial Results:

	December 31, 2024	December 31, 2023
 Rupees	
Profit/ (Loss) before taxation	(1,256,318)	6,949,256
Taxation	(1,006,092)	(1,487,397)
Profit/ (loss) after tax	(250,226)	5,461,859
Accumulated loss B/F	(362,376,799)	(370,503,517)
Accumulated loss C/F	(362,627,025)	(365,041,658)
Profit/ (loss) per share after tax (Rupees)	(0.07)	1.61

Company Performance:

During the period ended December 31, 2024 the gross exports of the company reached to Rs. 23.741 million as compared to Rs.10.584 million for the same period last year. This growth was however, mitigated by the decline in the local revenue of leather processing which dropped to Rs. 5.657 million from Rs. 31.173 million for the same period last year. Thus overall net revenue dropped by more than 22% over last year.

During the corresponding period last year your management succeeded to get a waiver of Rs. 13.985 million on account of loan and markup, from Al Baraka Bank Limited. During the period under review, there is no such unusual income to bring out the bottom line from red zone.

Accordingly, period under review ended at after tax loss of Rs.0.250 million comparing with an after tax profit of Rs. 5.461 million for the same period last year.

Comments on Auditor's Review Report:

Auditors in their review report have given emphasis of matters. The attention of the reader is drawn to Note # 1.2 and # 7 to the financial statements where in the management has give its view point on these matters.



Pak Leather Crafts Limited

Future Outlook:

The management is not optimistic in the estimates because of uncertain international geo-political conditions. Ongoing Russia-Ukraine war and divesting aggression by Israel in Gaza strip and other areas of Middle East.

Some strategic plans are however, under consideration of your directors for the revival of the Company.

Acknowledgement:

The management is pleased to put on record its appreciation of cooperation from employees, customers, suppliers and the banks.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Muhammad Saleem Ahmed', is written over a horizontal line.

Muhammad Saleem Ahmed
Chief Executive Officer

Karachi: February 26, 2025


RSM

RSM Awaiz Hyder Liaquat Nauman
Chartered Accountants

Awaiz Chambers, V.C-5
Sikander Malhi Road, Canal Park
Gulberg II, Lahore, Pakistan

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF PAK LEATHER CRAFTS LIMITED
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Pak Leather Crafts Limited (the Company) as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, the condensed interim statement of changes in equity, the condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

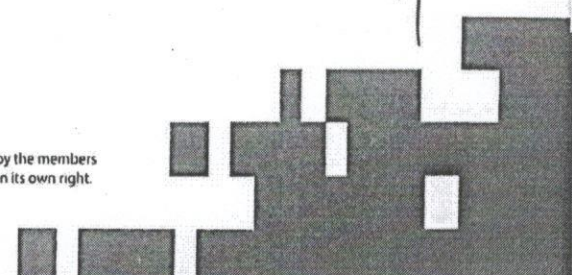
Scope of Review

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 statements 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.

The figures of the condensed interim statement of profit or loss and the condensed interim statement of comprehensive income for the quarters and December 31, 2024 and 2023 have not been reviewed as we are required to review only the cumulative figures for the six month period then end.

**THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING**

RSM Awaiz Hyder Liaquat Nauman is a related entity of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



Conclusion

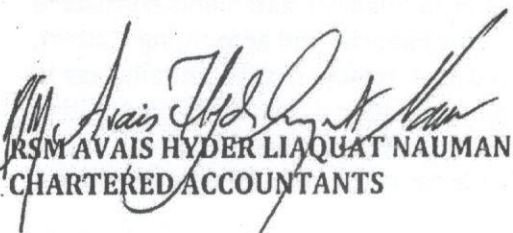
Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matters

Without qualifying our conclusion, we draw attention towards the following matters;

- Note 1.2 to the condensed interim financial statements states that the Company incurred loss of Rs. 0.25 million (2023: profit of Rs. 5.46 million) during the period. As at the reporting date, its equity is negative by Rs. 329.99 million (June 30, 2024: Rs. 328.38 million) and current liabilities exceed its current assets by Rs. 342.51 million (June 30, 2024: Rs. 337.1 million). These events and conditions, along with other matters as set forth in Note 1.2, indicates the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.
- Note 7 to the condensed interim financial statements indicates that no provision is made in respect of any cost of funds since initiation of cases, as the same depends on the ultimate decision by the relevant forums. The quantum of cost of funds cannot be determined at this stage.

The engagement partner on the review resulting in this independent auditor's review report is Syed Ali Adnan Tirmizey.


RSM AVAIS HYDER LIAQUAT NAUMAN
CHARTERED ACCOUNTANTS

Place: Lahore

Date: February 26, 2025

UDIN: RR2024101935ZhtjOfY



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT DECEMBER 31, 2024

	Note	Unaudited Dec. 31, 2024	Audited June 30, 2024
..... Rupees			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	32,483,768	32,692,954
Long term deposits		1,409,612	1,409,612
		<u>33,893,380</u>	<u>34,102,566</u>
CURRENT ASSETS			
Loose tools		476,387	476,387
Stock in trade		39,633,403	44,034,867
Trade debts		6,544,631	13,623,360
Advances and other receivable		2,258,151	3,379,140
Tax refunds due from Government		3,332,365	2,999,720
Cash and bank balances		3,421,074	942,422
		<u>55,666,011</u>	<u>65,455,896</u>
TOTAL ASSETS		<u>89,559,391</u>	<u>99,558,462</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVE			
Authorised share capital			
5,000,000 Ordinary shares of Rs. 10/- each.		<u>50,000,000</u>	<u>50,000,000</u>
Issued, subscribed and paid up capital			
3,400,000 Ordinary shares of Rs. 10/- each fully paid in cash		<u>34,000,000</u>	<u>34,000,000</u>
Accumulated loss		<u>(362,627,025)</u>	<u>(362,376,799)</u>
		<u>(328,627,025)</u>	<u>(328,376,799)</u>
NON-CURRENT LIABILITIES			
Long term loans	5	15,196,939	18,254,742
Deferred interest income		6,179,951	7,122,148
		<u>21,376,890</u>	<u>25,376,890</u>
CURRENT LIABILITIES			
Short term bank borrowings		219,507,337	219,989,717
Current portion of long term financing		54,903,419	54,903,419
Interest / mark up payables		81,965,162	81,965,162
Trade and other payables	6	39,673,673	42,816,612
Provision for taxation - income tax		617,687	2,741,213
Unclaimed dividend		142,248	142,248
		<u>396,809,526</u>	<u>402,558,371</u>
CONTINGENCIES	7	<u>89,559,391</u>	<u>99,558,462</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 PROFIT OR LOSS (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

Note	(Un-audited)			
	Half Year Ended		Quarter Ended	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
	Rupees			
Sales	8 28,958,432	37,185,311	10,347,939	20,197,974
Cost of sales	9 23,462,574	37,021,519	7,111,837	16,844,580
Gross profit	5,495,858	163,792	3,236,102	3,353,394
Waiver of loan and mark up	5.2 -	13,985,813	-	13,985,813
	5,495,858	14,149,605	3,236,102	17,339,207
Administrative expenses	5,567,708	6,378,004	2,869,891	3,272,703
Selling and distribution expenses	766,233	505,223	208,942	50,609
Finance cost	418,235	317,122	91,097	200,394
	6,752,176	7,200,349	3,169,930	3,523,706
(Loss)/Profit for the period before taxation	(1,256,318)	6,949,256	66,172	13,815,501
Provision for taxation	10 (1,006,092)	1,487,397	170,000	1,275,397
(Loss)/Profit for the year	(250,226)	5,461,859	(103,828)	12,540,104
(Loss)/earnings per share - basic and diluted (Rupees per share)	(0.07)	1.61	(0.03)	3.69

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

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Half Year Ended		Quarter Ended	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
	Rupees			
(Loss)/profit for the period	(250,226)	5,461,859	(103,828)	12,540,104
Other comprehensive income	-	-	-	-
Total comprehensive (loss)/ income for the period	(250,226)	5,461,859	(103,828)	12,540,104

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 SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Issued subscribed and paid up capital	Accumulated loss	Total
	Rupees		
Balance as at July 1, 2023 - Audited	34,000,000	(370,503,517)	(336,503,517)
Total comprehensive income for the period			
Profit for the period	-	5,461,859	5,461,859
Other comprehensive income	-	-	-
	-	5,461,859	5,461,859
Balance as at December 31, 2023 - unaudited	34,000,000	(365,041,658)	(331,041,658)
Balance as at July 01, 2024 - Audited	34,000,000	(362,376,799)	(328,376,799)
Total comprehensive income for the period			
Loss for the period	-	(250,226)	(250,226)
Other comprehensive income	-	-	-
	-	(250,226)	(250,226)
Balance as at December 31, 2024 - unaudited	34,000,000	(362,627,025)	(328,627,025)

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 FLOWS (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Note	Un-audited Half Year Ended	
		Dec. 31, 2024	Dec. 31, 2023
	 Rupees	
A) Cash flows from operating activities			
Profit/(loss) for the period before taxation		(1,256,318)	6,949,256
Adjustment of non-cash changes and other items			
Depreciation on property, plant and equipment	4	1,368,646	1,458,265
Waiver of loan liability on settlement		-	(6,750,817)
Waiver of mark up on loan on settlement		-	(7,234,996)
		<u>1,368,646</u>	<u>(12,527,548)</u>
Cash flows before working capital changes		112,328	(5,578,292)
Changes in working capital			
(Increase)/decrease in current assets			
Loose tools		-	(80,000)
Stock in trade		4,401,464	(8,469,320)
Trade debts		7,078,729	8,011,202
Tax refunds due from Government		(84,638)	579,847
Advances and other receivables		1,668,420	(358,488)
(Decrease) in current liabilities			
Trade and other payables		(3,142,939)	(2,343,515)
		<u>9,921,036</u>	<u>(2,660,274)</u>
Cash flow from operations		10,033,364	(8,238,566)
Income tax paid		(1,912,872)	(1,040,057)
Net cash flow from operating activities		<u>8,120,492</u>	<u>(9,278,623)</u>
B) Cash flows from investing activities			
Additions in property, plant and equipment	4	(1,159,460)	(1,304,579)
Net cash flow from investing activities		<u>(1,159,460)</u>	<u>(1,304,579)</u>
C) Cash flows from financing activities			
Decrease in short term borrowings - net		(482,380)	3,685,720
Repayment of long term loans		(4,000,000)	-
Net cash flow from financing activities		<u>(4,482,380)</u>	<u>3,685,720</u>
Net increase/(decrease) in cash and cash equivalents (A+B+C)		2,478,652	(6,897,482)
Cash and cash equivalents at the beginning of the period		942,422	8,650,856
Cash and cash equivalents at the end of the period		<u>3,421,074</u>	<u>1,753,374</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

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Pak Leather Crafts Limited (the Company) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 and is quoted on Pakistan Stock Exchange. The principal activity of the Company is leather tanning and export of leather and leather garments. The registered office and mill of the Company are situated at Plot # 18, Sector 7-A, Korangi Industrial Area, Karachi, in the province of Sindh.

1.2 The Company incurred loss of Rs. 0.25 million (2023: profit of Rs. 5.46 million) during the period. As at the reporting date, its equity is negative by Rs. 328.63 million (June 30, 2024: Rs. 328.38 million) and current liabilities exceed its current assets by Rs. 341.14 million (June 30, 2024: Rs. 337.1 million). The Company is facing operational and financial problems and has been unable to pay off its liabilities on due dates. The bank / financial institutions of the Company have filed suits for recovery of outstanding finances and related mark up along with cost of funds. These factors indicate material uncertainty related to events and conditions which may cast significant doubt about the Company's ability to continue as a going concern and, therefore, the Company may not be able to realize its assets and discharge its liabilities in the normal course of business.

The Company is taking measures to increase its revenue and profitability. The management is negotiating with its bankers / financial institutions for rescheduling / out of court settlements. Last year, out of court settlement was done with Albaraka Bank Ltd which resulted waiver of Rs. 13.99 million. Directors of the Company have injected further funds during the period and have undertaken to continue to support the Company and to inject further funds in the ensuing years, as and when needed. The management believes that its plan will improve the financial position and financial results of the Company and the Company will be able to continue as a going concern.

2 STATEMENT OF COMPLIANCE

2.1 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 applicable in Pakistan for interim financial reporting comprise of:

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

Where the provision of and directives issues under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017.



Pak Leather Crafts Limited

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

2.2 These condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of Companies Act, 2017 and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2024.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 There are certain amendments to standards that became effective during the period and are mandatory for accounting periods of the Company beginning on or after July 01, 2024 but are considered not to be relevant/material to the Company's operations and are, therefore, not disclosed in these condensed interim financial statements.

There are certain new standards, amendments to standards and interpretations that are effective from different future periods but are considered not to be relevant/material to the Company's operations, therefore, not disclosed in these condensed interim financial statements.

3.2 These condensed interim financial statements are presented in Pakistani Rupee which is the Company's functional and presentation currency.

3.3 Significant accounting estimates and Judgements

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During the preparation of these condensed interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the preparation of annual audited financial statements of the Company for the year ended June 30, 2024.

3.4 Financial risk management

Risk management policies and procedures are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2024.



Pak Leather Crafts Limited

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Note	Un-audited Dec 31, 24	Audited Jun 30, 24
4 PROPERTY, PLANT AND EQUIPMENT	 Rupees	
Opening balance		32,692,954	34,183,594
Additions during the period/ year	4.1	1,159,460	1,466,605
Depreciation for the period / year		1,368,646	2,957,245
Closing balance		<u>32,483,768</u>	<u>32,692,954</u>
Half Year ended			
		Dec 31, 2024	Dec 31, 2023
	 Rupees	
4.1 Additions in property, plant and equipment - at cost			
Building on leasehold land		541,660	408,700
Plant and machinery		495,800	895,879
Office equipment		122,000	-
		<u>1,159,460</u>	<u>1,304,579</u>
5 LONG TERM LOANS	 Rupees	
From director's associates		10,254,742	10,875,350
Adjustment for change in incremental borrowing rate		-	(1,972,414)
Interest markup on long term loan		942,197	1,351,806
		<u>11,196,939</u>	<u>10,254,742</u>
From banking companies			
Export refinance - Rescheduled	5.2	12,000,000	16,000,000
Less: current portion		(8,000,000)	(8,000,000)
		<u>4,000,000</u>	<u>8,000,000</u>
		<u>15,196,939</u>	<u>18,254,742</u>
5.1	This is unsecured and interest free. Terms of repayment have not been decided so far. However it is confirmed by the lender that repayment will not be demanded within next 3.5 (June 30, 2024: 4) years. The loan is carried at amortized cost, with estimated repayment term of 5 years at an effective interest rate of 19.22% (June 30, 2024: 19.22%) per annum. The unearned interest income is recorded as deferred interest income.		
5.2	The Company has executed an out of court settlement agreement with a banking Company during the period. As per the terms of the settlement agreement, decreased amount of loan and related mark up is settled at a lump sum amount of Rs. 28 million with waiver of principal and mark up. Down payment of Rs. 8 million has been paid and balance amount is repayable in 10 equal quarterly installments commencing from March 25, 2024 and ending on June 25, 2026.		



Pak Leather Crafts Limited

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

	Note	Un-audited Dec 31, 24	Audited Jun 30, 24
	 Rupees	
6 TRADE AND OTHER PAYABLES			
Creditors		23,846,676	28,889,966
Accrued liabilities	6.1	10,946,230	9,421,828
Advance from customers		3,142,450	3,142,450
Withholding Income tax payable		927,512	551,563
Payable against other expenses		810,805	810,805
		<u>39,673,673</u>	<u>42,816,612</u>

6.1 These include remuneration payable to chief executive officer and directors amounting to Rs. 8.94 million (June 30, 2024: Rs. 6.76 million).

7 CONTINGENCIES

Bankers / financial institutions of the Company have filed suits in banking courts against the Company under the provisions of Financial Institutions (Recovery of Finances) Ordinance, 2001 for recovery of overdue finances along with related mark up and cost of funds which the Company is defending. The amount of overdue loans and related overdue mark up are disclosed in the statement of financial position. The Company has fully provided for mark up till the date of filing of suits by the banks / financial institutions. No provision is made in respect of any cost of funds as the same depends on the ultimate decision by the banking courts. The quantum of cost of funds is not determinable at this stage.

	Note	Un-audited			
		Half Year Ended		Quarter Ended	
		Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
	 Rupees			
8 SALES					
Export - Leather		23,740,939	10,584,315	6,756,538	10,334,845
Local sale - Leather processing		5,657,664	31,173,467	4,324,994	14,437,471
		<u>29,398,603</u>	<u>41,757,782</u>	<u>11,081,532</u>	<u>24,772,316</u>
Less : Sales tax		(853,449)	(4,755,275)	(853,449)	(4,755,275)
Add : Rebate / duty draw back		413,278	182,804	119,856	180,933
		<u>28,958,432</u>	<u>37,185,311</u>	<u>10,347,939</u>	<u>20,197,974</u>



Pak Leather Crafts Limited

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

Note	Un-audited			
	Half Year Ended		Quarter Ended	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
 Rupees			
9 COST OF SALES				
Opening balance - finished goods	27,679,038	37,475,419	27,527,761	38,551,226
Cost of goods manufactured 9.1	22,154,048	34,866,556	5,954,588	13,613,810
	49,833,086	72,341,975	33,482,349	52,165,036
Less: Closing balance - finished goods	(26,370,512)	(35,320,456)	(26,370,512)	(35,320,456)
	<u>23,462,574</u>	<u>37,021,519</u>	<u>7,111,837</u>	<u>16,844,580</u>
9.1 Cost of goods manufactured				
Raw material consumed 9.1.1	10,873,896	3,518,486	1,237,894	1,186,538
Salaries, wages and benefits	5,451,226	14,853,020	2,310,440	4,646,660
Power, fuel and water	3,379,582	10,042,498	1,437,904	4,438,580
Repairs and maintenance	1,119,917	3,250,138	299,876	1,110,195
Carriage and cartage	24,900	279,074	10,100	(16,378)
Depreciation	1,286,527	1,370,770	649,374	695,645
Others	18,000	-	9,000	-
	22,154,048	33,313,986	5,954,588	12,061,240
Work in process:				
Opening balance	-	1,552,570	-	1,552,570
Closing balance	-	-	-	-
	-	1,552,570	-	1,552,570
	<u>22,154,048</u>	<u>34,866,556</u>	<u>5,954,588</u>	<u>13,613,810</u>
9.1.1 Raw material consumed				
Opening balance	16,355,829	9,375,116	14,404,535	22,525,507
Purchase and purchase expenses	7,780,958	15,695,339	96,250	213,000
Available for consumption	24,136,787	25,070,455	14,500,785	22,738,507
Closing balance	(13,262,891)	(21,551,969)	(13,262,891)	(21,551,969)
	<u>10,873,896</u>	<u>3,518,486</u>	<u>1,237,894</u>	<u>1,186,538</u>



Pak Leather Crafts Limited

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

Note	Un-audited			
	Half Year Ended		Quarter Ended	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
 Rupees			
10 PROVISION FOR TAXATION				
Current				
for the year	617,687	1,487,397	170,000	1,275,397
for prior year	(1,623,779)	-	-	-
Deferred	10.1	-	-	-
	<u>(1,006,092)</u>	<u>1,487,397</u>	<u>170,000</u>	<u>1,275,397</u>

10.1 Deferred tax asset works out to Rs. 3.82 million (December 31, 2023: Rs. 1.87 million) which is not recognized in these condensed interim financial statements in view of un-certain future results.

11 TRANSACTIONS WITH RELATED PARTIES

The Company carries out transactions with related parties in the normal course of business. Related parties comprise of directors and key management personnel. Significant related party transactions carried out during the period are as under:

Half Year Ended December 31				
Name	Relationship	Nature of Transaction	2024	2023
..... Rupees				
Mr. Saleem Ahmed	CEO	Loan (paid)/received - net	(31,380)	12,185,000
		Remuneration	1,800,000	1,800,000
Mr. Umer Ahmed	Director	Loan received	345,000	150,000
		Loan repaid	750,000	649,280
		Remuneration	900,000	900,000



Pak Leather Crafts Limited

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2024

12 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue by the Board of Directors of the Company on February 26, 2025.


13 GENERAL

13.1 The provision for taxation made in these condensed interim financial statements is subject to adjustment in annual financial statements.

13.2 The figures have been rounded off to the nearest Rupees unless otherwise stated.


MUHAMMAD SALEEM AHMED
Chief Executive Officer


UMER AHMED
Director


NASEER AHMED
Chief Financial Officer

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