

**ACCOUNTS FOR  
THE 1ST QUARTER ENDED  
SEPTEMBER 30, 2023  
(UNAUDITED)**



*Pak Leather Crafts Limited*



## Pak Leather Crafts Limited

### DIRECTORS' REVIEW

Your directors are pleased to present their report along with the condensed unaudited financial statements for the first quarter ended September 30, 2023.

#### FINANCIAL RESULTS:

	September 30, 2023	September 30, 2022
	.....(Rs. In '000').....	
Profit/(loss) before taxation	(6,866)	(4,555)
Taxation	(212)	(225)
Profit/(loss) after taxation	<u>(7,078)</u>	<u>(4,780)</u>
Accumulated (loss) B/F	(370,504)	(359,297)
Accumulated (loss) C/F	<u>(377,582)</u>	<u>(364,077)</u>
(Loss) per share after tax (Rupees)	(2.08)	(1.41)

Total turnover of Rs.16.987 million is composed of export amounting to Rs.0.251 million and local sales/ job work of Rs.16,736 comparing to total turnover of Rs.22.843 million during the corresponding period last year. The cost of production substantially increased due to the surge in the electricity and gas rates. Due to decline in sales, other fixed cost remained under absorbed and resultantly, the Company ended up with loss of Rs.7,078 million. The loss per share reached to Rs.2.08 comparing with loss per share of Rs.1.41 for the same period last year.

#### FUTURE OUTLOOK:

The management is busy in doing its all-out efforts to increase the volume of sales, both for export and in the local market. However, the management is not optimistic in the estimates because of uncertain international geopolitical conditions. Ongoing Russia-Ukraine war which is further fueled with the invasion of Israel in Gaza strip of Middle East and high rate inflation in the country is main hurdle to think optimistically.

#### ACKNOWLEDGEMENT:

The Board is thankful to all the stakeholders including employees, customers and banks for their efforts, cooperation and trust.

For and on behalf of the Board

**MUHAMMAD SALEEM AHMED**  
Chief Executive

**UMER AHMED**  
Director

Karachi:-October 30, 2023



# Dak Leather Crafts Limited

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED) AS AT SEPTEMBER 30, 2023

	Unaudited Sept. 30, 2023	Audited June 30, 2023
.....(Rs. In '000').....		
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	34,339	34,183
Long term deposits	<u>1,410</u>	<u>1,410</u>
	35,749	35,593
<b>Current assets</b>		
Loose tools	442	362
Stock in trade	62,629	48,403
Trade debts	7,947	10,132
Advances and other receivables	3,004	2,233
Tax refunds due from Government	1,685	1,571
Cash and bank balances	<u>2,509</u>	<u>8,651</u>
	78,216	71,352
<b>TOTAL ASSETS</b>	<u><b>113,965</b></u>	<u><b>106,945</b></u>
<b>CAPITAL AND LIABILITIES</b>		
Share capital and reserves		
Share capital	34,000	34,000
Accumulated loss	<u>(377,582)</u>	<u>(370,504)</u>
	(343,582)	(336,504)
<b>Non-current liabilities</b>		
Long term loans	10,875	10,875
Deferred interest income	<u>6,502</u>	<u>6,502</u>
	17,377	17,377
<b>Current liabilities</b>		
Short term bank borrowings	258,490	247,515
Current portion of long term financing	46,903	46,903
Interest / mark up payable	89,200	89,200
Trade and other payables	45,223	41,272
Provision for taxation - income tax	212	1,040
Unclaimed dividend	<u>142</u>	<u>142</u>
	440,170	426,072
Contingencies	-	-
<b>TOTAL LIABILITIES</b>	<u><b>113,965</b></u>	<u><b>106,945</b></u>

  
Muhammad Saleem Ahmed  
Chief Executive

  
Umer Ahmed  
Director

  
Naseer Ahmed  
Chief Financial Officer



## Pak Leather Crafts Limited

### CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2023

	Quarter ended September 30, 2023	Quarter ended September 30, 2022
	.....(Rs. In '000').....	
Sales	16,987	22,843
Cost of sales	20,176	22,441
Gross profit/(loss)	(3,189)	402
Administrative expenses	3,105	3,065
Selling and distribution expenses	455	1,531
Finance Cost	117	361
	3,677	4,957
<b>(Loss) for the period before taxation</b>	<b>(6,866)</b>	<b>(4,555)</b>
Provision for taxation	212	225
<b>(Loss) for the period</b>	<b>(7,078)</b>	<b>(4,780)</b>
<b>(Loss) per share - Basic and diluted</b>	<b>(2.08)</b>	<b>(1.41)</b>
<b>Statement of Comprehensive Income</b> <b>for the period ended September 30, 2023</b>		
(Loss) for the period	(7,078)	(4,780)
Other comprehensive income	-	-
<b>Total comprehensive (loss)</b> <b>for the period</b>	<b>(7,078)</b>	<b>(4,780)</b>

  
Muhammad Saleem Ahmed  
Chief Executive

  
Umer Ahmed  
Director

  
Naseer Ahmed  
Chief Financial Officer



## Pak Leather Crafts Limited

### CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2023

	Quarter ended September 30, 2023	Quarter ended September 30, 2022
	.....(Rs. In '000').....	
<b>Cash Flow from operating Activities</b>		
(Loss) for the period before taxation	(6,866)	(4,555)
<b>Adjustment for non-cash charges and other items:</b>		
Depreciation	718	712
	<u>718</u>	<u>712</u>
	(6,148)	(3,843)
<b>Changes in working capital (Increase)/decrease in current assets</b>		
Loose tools	(80)	(23)
Stock in trade	(14,226)	(3,562)
Trade debts	2,185	17,245
Advances and other receivables	(771)	226
Tax refunds due from government	(114)	(25)
Increase / (decrease) in current liabilities		
Trade and other payables	3,951	(8,927)
	<u>(9,055)</u>	<u>4,934</u>
Cash generated from operations	(15,203)	1,091
Income tax paid	(1,040)	(392)
Net cash flows from operating activities (a)	(16,243)	699
<b>Cash flow from Investing activities</b>		
Addition in property, plant and equipment	(874)	(378)
Net cash flow from investing activities (b)	(874)	(378)
<b>Cash flows from financing activities</b>		
Loan from director obtained/paid	10,975	(875)
Repayment of short term bank borrowings	-	-
Net cash used in financing activities (c)	10,975	(875)
<b>Net increase/(decrease) in cash and cash equivalents</b> (a+b+c)	(6,142)	(554)
<b>Cash and cash equivalents at the beginning of the period</b>	8,651	2,531
<b>Cash and cash equivalents at the end of the period</b>	<u>2,509</u>	<u>1,977</u>

  
Muhammad Saleem Ahmed  
Chief Executive

  
Umer Ahmed  
Director

  
Naseer Ahmed  
Chief Financial Officer



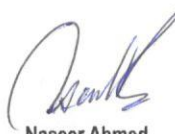
## Pak Leather Crafts Limited

### CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2023

Particulars	Issued subscribed and paid up			
	capital	Loan from Directors	Accumulated (Loss)	Total
	.....(Rs. In '000').....			
Balance as at July 01, 2022	34,000	123,020	(359,297)	(202,277)
Total comprehensive income for the 1st quarter ended September 30, 2022	-	-	(4,780)	(4,780)
Other comprehensive income	-	-	-	-
Transaction with owners loan obtained/paid	-	(875)	-	(875)
<b>Balance as at quarter ended September 30, 2022</b>	<b>34,000</b>	<b>122,145</b>	<b>(364,077)</b>	<b>(207,932)</b>
Balance as at July 01, 2023	34,000	-	(370,504)	(336,504)
Total comprehensive loss for the 1st quarter ended September 30, 2023	-	-	(7,078)	(7,078)
Other comprehensive income	-	-	-	-
Transaction with owners loan obtained/paid	-	10,975	-	10,975
Transferred to short term borrowing	-	(10,975)	-	(10,975)
<b>Balance as at 1st quarter ended September 30, 2023</b>	<b>34,000</b>	<b>-</b>	<b>(377,582)</b>	<b>(343,582)</b>

  
Muhammad Saleem Ahmed  
Chief Executive

  
Umer Ahmed  
Director

  
Naseer Ahmed  
Chief Financial Officer



## *Pak Leather Crafts Limited*

### **NOTES TO THE CONDENSED INTERIM ACCOUNTS**

1. Pak Leather Crafts Ltd, is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and quoted on 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 accounts are un-audited and are being submitted to the shareholders as per the notification No. 2 (52)/SE/2001 dated November 5, 2001, of Securities & Exchange Commission of Pakistan.
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 October 30, 2023 by the Board of Directors of the Company.

**Muhammad Saleem Ahmed**  
Chief Executive Officer

**Umer Ahmed**  
Director

**Naseer Ahmed**  
Chief Financial Officer



## *Pak Leather Crafts Limited*

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### CORPORATE PROFILE

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**CHAIRPERSON**

Mrs. Rubina Saleem

**DIRECTORS**

Muhammad Saleem Ahmed

Qaiser Jamal

Nayyer Ahmed

Azeem Ahmed

Umer Ahmed

Ahmed Jalali

**AUDIT COMMITTEE**

Qaiser Jamal

Nayyer Ahmed

Azeem Ahmed

**HUMAN RESOURCE &****REMUNERATION****COMMITTEE**

Ahmed Jalali

Nayyer Ahmed

Azeem Ahmed

**CHIEF FINANCIAL OFFICER &  
COMPANY SECRETARY**

Naseer Ahmed

**BOOK POST****PRINTED MATTER****BANKERS**

Albaraka Bank Pakistan Ltd

Habib Bank Limited

Industrial Development Bank Ltd

MCB Limited

Faysal Bank Limited

Habib Metropolitan Bank Ltd

Soneri Bank Ltd

Bank Alfalah Ltd

Bank of Khyber

Meezan Bank

Askari Bank Ltd

Bankislami Pakistan Ltd

**EXTERNAL AUDITORS**

RSM Avais Hyder Liaquat Nauman

Chartered Accountants

Lahore

**SHARE REGISTRAR**

JWAFFS Registrar Services (pvt) Ltd

407-408, Al Ameer Centre,

Shahrah-e-Iraq, Karachi.

Tel: 021-35662023-24

**LEGAL ADVISOR**

Hassan Arif

**REGISTERED OFFICE**

Plot 18, Sector 7 - A,

Korangi Industrial Area,

Karachi.

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