

**ACCOUNTS FOR
THE 3RD QUARTER ENDED
MARCH 31, 2021
(UNAUDITED)**



Pak Leather Crafts Limited



Pak Leather Crafts Limited

CORPORATE PROFILE

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 & REMUNERATION 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
MCB Limited
Habib Metropolitan Bank Ltd
Soneri Bank Ltd
Faysal Bank Limited
Bank Alfalah Ltd
Bank of Khyber
Meezan Bank Ltd
BankIslami Pakistan Ltd
Askari Bank Ltd

EXTERNAL AUDITORS

RSM Avais Hyder Liaquat Nauman
Chartered Accountants
Lahore

LEGAL ADVISOR

Hassan Arif
Advocate, Sindh High Court

REGISTERED OFFICE

Pak Leather Crafts Limited
Plot 18, Sector 7 - A,
Korangi Industrial Area, Karachi.
Email: export1@pakleather.com
Website: www.pakleather.com,

SHARE REGISTRAR

JWAFFS Registrar Services (pvt) Ltd
407-408, Al Ameera Centre,
Shahrah-e-Iraq, Karachi.
Tel: 021- 35662023
021- 35662024

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 Website: 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, 2021.

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

	March 31 2021	March 31 2020
(Rs. In '000').....	
Profit before taxation	19	8,396
Taxation	(775)	(1,850)
(Loss)/Profit after tax	(756)	6,546
Accumulated loss B/F	(347,693)	(396,481)
Accumulated loss C/F	(348,449)	(389,935)
Earning per share after tax (Rupees)	(0.22)	1.93

As evident from above figures, quarter under review was adverse of same period last year. Total turnover of Rs.77.18 million is composed of export amounting to Rs.53.06 million and local sales/ job work of Rs.24.12 million comparing to total turnover of Rs.181.82 million during the corresponding period of last year.

In the wake of the surge in Covid 19 cases, the management does not see much improvement in the following quarter. 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: April 30, 2021



Pak Leather Crafts Limited

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2021

	<u>Unaudited</u> March 31, 2021	<u>Audited</u> June 30, 2020
.....(Rs. In '000').....		
ASSETS		
Non-current assets		
Property, plant and equipment	25,790	23,526
Long term deposits	1,410	1,410
	<u>27,200</u>	<u>24,936</u>
CURRENT ASSETS		
Loose tools	285	308
Stock in trade	69,193	46,323
Trade debts	19,541	23,151
Advances and other receivable	6,285	6,715
Tax refunds due from Government - Sales tax	3,332	8,026
Cash and bank balances	893	5,837
	<u>99,529</u>	<u>90,360</u>
Total Assets	<u>126,729</u>	<u>115,296</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Issued, subscribed and paid up capital	34,000	34,000
Loan from Director	116,644	60,157
Accumulated loss	(348,449)	(347,693)
	<u>(197,805)</u>	<u>(253,536)</u>
NON-CURRENT LIABILITIES		
Long term loan	16,469	14,601
Deferred interest income	908	2,776
	<u>17,377</u>	<u>17,377</u>
CURRENT LIABILITIES		
Short term bank borrowings	112,530	152,530
Current portion of long term finance	46,903	46,903
Interest / mark up payable	89,200	89,200
Trade and other payables	57,749	60,526
Provision for taxation - income tax	775	2,296
	<u>307,157</u>	<u>351,455</u>
CONTINGENCIES	-	-
	<u>126,729</u>	<u>115,296</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 NINE MONTH PERIOD ENDED MARCH 31, 2021

Note	For the Nine Months ended		For the Quarter ended	
	March.31 2021	March.31 2020	March.31 2021	March.31 2020
------(Rs. In '000')-----				
Sales - net	77,185	181,823	28,975	75,002
Cost of sales	70,222	156,593	23,687	66,038
Gross profit	6,963	25,230	5,288	8,964
Other income	7,771	1,644	301	814
	14,734	26,874	5,589	9,778
Administrative expenses	9,070	5,159	2,246	2,267
Selling and distribution expenses	4,276	10,480	890	5,137
Bank charges and commission	1,369	2,839	663	1,160
	14,715	18,478	3,799	8,564
Profit for the period before taxation	19	8,396	1,790	1,214
Provision for taxation	775	1,850	236	735
(Loss)/Profit for the period	(756)	6,546	1,554	479
Earning per share - Basic (Rupees)	(0.22)	1.93	0.46	0.14

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED) FOR THE NINE MONTH PERIOD ENDED MARCH 31, 2021

Note	For the Nine Months ended		For the Quarter ended	
	March.31 2021	March.31 2020	March.31 2021	March.31 2020
------(Rs. In '000')-----				
(Loss)/Profit for the period	(756)	6,546	1,554	479
Other comprehensive income	-	-	-	-
Total comprehensive (Loss)/Profit for the period	(756)	6,546	1,554	479

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 NINE MONTH PERIOD ENDED MARCH 31, 2021

	31, Mar. 2021	31, Mar. 2020
(Rs. In '000').....	
CASH GENERATED FROM OPERATIONS		
Profit for the period before taxation	19	8,396
Adjustment for non-cash items:		
Depreciation	1,407	1,411
Operating cash flows before working capital changes	1,426	9,807
Changes in Working Capital		
(Increase)/decrease in current assets		
Loose tools	23	(14)
Stock in trade	(22,870)	(16,059)
Trade debts	3,610	(7,201)
Advances and other receivables	430	(4,817)
Tax refunds due from government	4,694	(5,654)
Increase/(Decrease) in current liabilities		
Trade and other payables	(2,777)	41,692
	(16,890)	7,947
Cash flow from operations.	(15,464)	17,754
Income tax paid	(2,296)	(1,732)
Net Cash Flows From Operating Activities (A)	(17,760)	16,022
Cash flows from investing activities		
Addition in property, plant and equipment	(3,671)	(890)
Net cash flow from investing activities (B)	(3,671)	(890)
Cash flows from financing activities		
Loan from Directors obtained / (repaid)	56,487	(7,220)
Short term borrowings repaid - net	(40,000)	-
Net cash flow from financing activities (C)	16,487	(7,220)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(4,944)	7,912
Cash and cash equivalent at the beginning of the period	5,837	2,292
Cash and cash equivalent at the end of the period	893	10,204

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 NINE MONTH PERIOD ENDED MARCH 31, 2021

Particulars	Issued	Loan	Accumulated	Total
	subscribed and paid up capital	from Director	Loss	
(Rs. In '000').....			
Balance as at July 01, 2019	34,000	68,204	(396,481)	(294,277)
Total comprehensive income for the period				
Profit for the period	-	-	6,546	6,546
Other comprehensive income	-	-	-	-
	-	-	6,546	6,546
Transaction with owners				
Repayment of loan	-	(7,220)	-	(7,220)
Balance as at March 31, 2020	34,000	60,984	(389,935)	(294,951)
Balance as at June 30, 2020	34,000	60,157	(347,693)	(253,536)
Total comprehensive (loss) for the period (Loss) for the period	-	-	(756)	(756)
Other comprehensive income	-	-	-	-
	-	-	(756)	(756)
Transaction with owners				
Loan obtained from directors	-	56,487	-	56,487
Balance as at March 31, 2021	34,000	116,644	(348,449)	(197,805)

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 NOTES TO THE FINANCIAL STATEMENTS

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 **April 30, 2021** by the Board of Directors of the Company.

MUHAMMAD SALEEM AHMED
Chief Executive Officer

UMER AHMED
Director

NASEER AHMED
Chief Financial Officer