



LEINER PAK GELATINE LIMITED

**UN-AUDITED CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2019.**



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COMPANY INFORMATION BOARD OF DIRECTORS

Mr. Ahmed Ali Riaz	Chairman
Khwaja Imtiaz Ahmed	Chief Executive & Managing Director
Ibrar Ahmed Khwaja	Executive Director
Ijaz Ahmed Khwaja	Non-Executive Director
Ayesha Ahmed	Non-Executive Director
Mian Zia-Ud-Din	Independent Director
Rashid Minhas	Independent Director

AUDIT COMMITTEE

Rashid Minhas (Chairman)
Ijaz Ahmed Khwaja (Member)
Ahmed Ali Riaz (Member)

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Rashid Minhas (Chairman)
Khwaja Imtiaz Ahmed (Member)
Ayesha Ahmed (Member)

COMPANY SECRETARY

Ibrar Ahmed Khwaja

CHIEF FINANCIAL OFFICER

Mr. Muhammad Javaid

AUDITORS

M. Almas & Co.
Chartered Accountants
207-Sadiq Plaza, 2nd Floor, 69-The Mall, Lahore.

LEGAL ADVISOR

Khwaja Muhammad Akram
Advocate
1-Begum Road, Mozang Adda, Lahore.

REGISTRAR

CORPLINK (PVT) LTD.,
Wings Arcade, 1-K Commercial,
Model Town, Lahore.

REGISTERED OFFICE

17-G, Gulberg-2, G/Postmall No. 3529, Lahore-54660
Ph. #: 0092-42-35756953-54.

PLANT

19th Kilometer,
Shahrah-e-Pakistan, Kala Shah Kaku,
District Sheikhupura.
Ph. #: 0092-42-37950018 – 37980179

BANKERS

Bank Al Habib Limited
Summit Bank Limited
United Bank Limited
National Bank of Pakistan
Bank Islami Pakistan Limited
MCB Bank Limited-Islamic Banking
Bank Alfalah Limited-Islamic Banking

DIRECTORS' REVIEW

The Directors are pleased to present the accounts of the company for the nine months period ended March 31, 2019.

OPERATIONS

During this nine months period company's sales are registered at Rs. 531.885 million as compared to Rs. 514.543 million in last corresponding period. During the period under review company is succeeded in reviving its exports which has contributed in achieving better pricing for our product Gelatine. Devaluation in Pak Rupee has triggered the export business throughout the country. On the other hand raw material pricing has also gone up as basic raw material (crushed bone) is being exported to china and other neighboring countries.

During the period under review company has maintained its steady growth and posted profit before tax at Rs. 12.396 million.

FUTURE PROSPECTS

New export contracts will further increase exports sales at favorable pricing and company shall post better financial results.

ACKNOWLEDGMENT

We really acknowledge the efforts of all our employees and friends who are contributing to strengthen the company.

On Behalf of the Board

Lahore.
April 30, 2019

KHWAJA IMTIAZ AHMED
Chief Executive &
Managing Director

ڈائریکٹرز ریویو

ڈائریکٹران کمپنی کے نو ماہی حسابات جو کہ ۳۱ مارچ ۲۰۱۹ء کو ختم ہوا ہے پیش کرنے پر خوشی محسوس کرتے ہیں۔

کاروباری عمل

اس نو ماہ کے عرصہ کے دوران کمپنی کی فروخت مبلغ ۵۳۱.۸۸۵ ملین روپے رہی جبکہ پچھلے سال اسی دورانیے میں کمپنی کی فروخت مبلغ ۵۱۴.۵۴۳ ملین روپے رہی۔ زیر جائزہ دورانیہ میں کمپنی ایکسپورٹ کی احماء میں کامیاب رہی ہے اور اس کی وجہ سے ہماری پراڈکٹ جیلائین کی بہتر قیمت کے حصول میں مدد ملی ہے۔ پاکستانی روپے کی قدر میں کمی سے پورے ملک میں ایکسپورٹ کے کاروبار کی ترویج ہوئی ہے۔ دوسری طرف خام مال کی قیمتیں بھی بڑھ گئی ہیں کیونکہ بنیادی خام مال (کرش بون) چائینہ اور دیگر ہمسایہ ممالک کو ایکسپورٹ ہو رہا ہے۔

زیر جائزہ دورانیہ میں کمپنی نے اپنی مستحکم بڑھوتری کو برقرار رکھا اور قبل از منافع ٹیکس مبلغ ۱۲.۳۹۶ ملین روپے رہا۔

مستقبل کے امکانات

ایکسپورٹ کے نئے معاہدے اچھی قیمت پر ایکسپورٹ کی فروخت مزید بڑھائیں گے اور کمپنی بہتر مالی نتائج پیش کرے گی۔

اعتراف

ہم اپنے تمام ملازمین اور دوستوں کی کاوشوں کا اعتراف کرتے ہیں جو کمپنی کے استحکام کے لیے اپنا کردار ادا کر رہے ہیں۔

منجانب بورڈ

خواجہ امتیاز احمد

چیف ایگزیکٹو آفیسر

مہنگ ڈائریکٹر

لاہور

۱۳۰ اپریل ۲۰۱۹ء

LEINER PAK GELATINE LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2019

		(Un-audited) March 31, 2019	(Audited) June 30, 2018
	Note	.....Rupees in	thousand.....
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	7	75,000	75,000
Revenue Reserve:			
Accumulated loss		(1,782)	(7,737)
Capital Reserve:			
Surplus on revaluation of property, plant and equipment		278,914	278,914
		352,132	346,177
Non-current liabilities			
Liabilities against assets subject to finance lease	8	894	1,043
Current liabilities			
Trade and other payables		219,165	143,023
Unclaimed dividend		771	771
Mark-up accrued		3,686	2,906
Short term borrowings	9	261,840	221,160
Current portion of liabilities against assets subject to finance lease	8	191	689
		485,653	368,549
Contingencies and commitments	10	-	-
		838,679	715,769
ASSETS			
Non-current assets			
Property, plant and equipment	11	427,404	414,175
Intangible assets	12	-	-
Long term deposits		255	255
Deferred taxation		-	-
		427,659	414,430
Current assets			
Stores, spare parts and loose tools		21,742	42,919
Stock-in-trade		307,352	197,264
Trade debts		11,699	14,672
Advances		4,333	1,736
Trade deposits and short term prepayments		6,119	2,182
Other receivables		20,168	19,457
Advance income tax-net		27,718	22,502
Cash and bank balances		11,889	607
		411,020	301,339
		838,679	715,769

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

LAHORE
DATE: April 30, 2019

KH.IMTIAZ AHMED
Chief Executive
& Managing Director

IBRAR AHMED KHWAJA
Director

MUHAMMAD JAVAID
Chief Financial Officer

LEINER PAK GELATINE LIMITED**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)****FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019**

	Nine months period ended		Quarter ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Note	....Rupees in thousand....	....Rupees in thousand....	....Rupees in thousand....	....Rupees in thousand....
Sales-net	531,885	514,543	200,920	223,107
Cost of sales	458,603	444,837	167,221	193,792
Gross profit	73,282	69,706	33,699	29,315
Other (Loss)/Income	(622)	957	(827)	411
	72,660	70,663	32,872	29,726
Distribution cost	2,365	4,471	1,180	2,122
Administrative expenses	42,624	41,197	13,789	14,526
Other operating expenses	745	2,833	633	1,570
Finance cost	14,530	8,817	5,364	3,211
Profit before taxation	12,396	13,345	11,906	8,297
Taxation	6,441	10,609	2,568	2,791
Profit after taxation	5,955	2,736	9,338	5,506
Earning per share-basic and diluted (Rupees)	0.79	0.36	1.25	0.73

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

LAHORE
DATE: April 30, 2019

KH. IMTIAZ AHMED
Chief Executive
& Managing Director

IBRAR AHMED KHWAJA
Director

MUHAMMAD JAVAID
Chief Financial Officer

LEINER PAK GELATINE LIMITED**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)****FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019**

	Nine months period ended		Quarter ended	
	March 31,	March 31,	March 31,	March 31,
	2019	2018	2019	2018
Note	...Rupees in thousand...		...Rupees in thousand...	
Profit after taxation	5,955	2,736	9,338	5,506
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	5,955	2,736	9,338	5,506

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

LAHORE
DATE: April 30, 2019**KH. IMTIAZ AHMED**
Chief Executive
& Managing Director**IBRAR AHMED KHWAJA**
Director**MUHAMMAD JAVAID**
Chief Financial Officer

LEINER PAK GELATINE LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019**

	Share capital	Reserves		Total
		Revenue Reserve	Capital Reserve	
	Issued, subscribed and paid up share capital	Un appropriated profit / accumulated (loss)	Surplus on revaluation of property, plant and equipment	
.....Rupees in thousand.....				
Balance as at 01 July 2017	75,000	(3,781)	278,914	350,133
Total comprehensive income for the nine months period ended March 31,2018	-	2,736	-	2,736
Balance as at March 31, 2018	75,000	(1,045)	278,914	352,869
Balance as at 01 July 2018	75,000	(7,737)	278,914	346,177
Total comprehensive income for the nine months period ended March 31,2019	-	5,955	-	5,955
Balance as at March 31, 2019	75,000	(1,782)	278,914	352,132

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

LAHORE
DATE: April 30, 2019

KH. IMTIAZ AHMED
Chief Executive
& Managing Director

IBRAR AHMED KHWAJA
Director

MUHAMMAD JAVAID
Chief Financial Officer

LEINER PAK GELATINE LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

	Nine months period ended March 31, 2019	Nine months period ended March 31, 2018
	.....Rupees in thousand.....	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	12,396	13,345
Adjustments for:		
Depreciation	9,145	8,724
Provision for employee retirement benefits	2,133	2,011
Finance cost	14,530	8,817
(Gain)/Loss on disposal of operating fixed asset	1,024	(521)
Provision for Workers' Profit Participation Fund	728	789
Provision for Workers' Welfare Fund	-	385
	27,560	20,205
Operating profit before changes in working capital	39,956	33,550
Changes in working capital		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	21,177	14,476
Stock-in-trade	(110,088)	(94,612)
Trade debts	2,973	(172)
Advances	(2,597)	2,759
Trade deposits and short-term prepayments	(3,937)	(1,214)
Other receivables	171	78
Increase / (decrease) in current liabilities		
Trade and other payables	75,445	51,909
Cash (used in) / generated from operations	23,100	6,774
Finance cost paid	(13,750)	(9,146)
Payments to provident fund	(2,164)	(1,922)
Taxes paid	(11,657)	(8,728)
Sales tax refund/payments	(882)	(3,539)
Workers Profit Participation Fund	-	-
Workers' Welfare Fund paid	-	(218)
Net cash used in operating activities	(5,353)	(16,779)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(23,978)	(7,817)
Proceeds from disposal of property, plant and equipment	580	650
Decrease/(Increase) in long term deposits	-	(254)
Net cash used in investing activities	(23,398)	(7,421)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of liabilities against assets subject to finance lease	(647)	(260)
Net increase in short term borrowings	40,680	25,134
Net cash generated from financing activities	40,033	24,874
Net increase in cash and cash equivalents	11,282	674
Cash and cash equivalents at the beginning of the period	607	1,890
Cash and cash equivalents at the end of the period	11,889	2,564

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

LAHORE
DATE: April 30, 2019

KH. IMTIAZ AHMED
Chief Executive
& Managing Director

IBRAR AHMED KHWAJA
Director

MUHAMMAD JAVAID
Chief Financial Officer

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

1 The Company and its operations

Leiner Pak Gelatine Limited ("the Company") was incorporated in Pakistan on 14 February 1983 as a public limited Company. The registered office of the Company is situated at 17-G, Gulberg II, Lahore and manufacturing facility is located at 19 Kilometer, Shahrah-e-Pakistan, Kala Shah Kaku, District Sheikhupura. The Company is listed on the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of gelatine and di-calcium phosphate etc., produced from animal bones.

2 Going concern assumption

During the nine months period ended March 31, 2019 the Company incurred a net profit of Rupees 5.955 million and, as of that date, its accumulated loss was Rupees 1.782 million and its current liabilities exceeded its current assets by Rupees 74.633 million. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

Due to the proposed use of energy conservation measures and future procurement of raw materials direct from the source by avoiding the middle man role, the approved financial projections, therefore, show improvements and profitability. Further, keeping in view the following factors, the management foresees that the Company will continue to be a going concern.

- There is continued demand for the products of the Company. Demand of "Halal" Gelatine exists in foreign and local markets as "Halal" Gelatine is equally consumed in Muslim and non-Muslim countries. After renewal of sales contracts with big customers and devaluation of Pakistan Rupee, the local as well as export sales respectively are expected to increase in future.
- There is continued financial support of the Company's sponsors. The sponsors' of the Company have inducted Rupees 43.858 million (June 30, 2018: Rupees 35.302 million) interest free loans up to March 31, 2019. They are also committed to induct further funds, if the need arises, to address any liquidity issues for smooth operations.

Apart from the aforementioned factors there are also positive indicators as per these condensed interim financial statements as mentioned below:

- a) Increase in production and sales over the last period;
- b) The existence of new sales orders along with advance payments received there against; and
- c) Continuous existence of profits before taxation since July 1, 2014 to date.

These condensed interim financial statements have, therefore, been prepared using going concern basis of accounting and, accordingly, do not include any adjustments relating to realization of its assets and the liquidation of any liabilities that might be necessary should the Company be unable to continue as a going concern.

3 Basis of preparation

3.1 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.

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

- 3.2 The comparative condensed interim statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2018, whereas comparative 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 have been extracted from the condensed interim financial statements for the nine months ended March 31, 2019.
- 3.3 These condensed interim financial statements have been prepared under the historical cost convention except for freehold land at revalued amount. In these financial statements, except for the statement of cash flows, all transactions have been accounted for on accrual basis.
- 3.4 Items included in condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. The condensed interim financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency.

4 Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements are the same as those applied in preparation of the annual published financial statements for the year ended 30 June 2018 except as detailed in note 4.1 below:

- 4.1 Following are certain new standards and amendments to approved accounting standards which are effective during the nine months period ended March 31, 2019.

IFRS 9 - 'Financial Instruments' and IFRS 15 - 'Revenue from Contracts with Customers' are applicable for the accounting periods beginning on or after July 01, 2018.

Based on the recommendation of the Institute of Chartered Accountants of Pakistan (ICAP), the SECP has, vide its notification 229 (I) / 2019 dated February 14, 2019, deferred the applicability of IFRS 9 for reporting period/year ending on or after June 30, 2019. Early adoption of IFRS-9, however, is permitted.

However, the application of above standards do not have any significant impact on the Company's financial reporting and, therefore, have not been presented in these condensed interim financial statements.

- 4.2 Standards and amendments to published approved accounting standards that are not yet effective during the nine months period ended March 31, 2019.

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2019. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

5 Judgments, estimates and assumptions

The preparation of the condensed interim financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Judgments, accounting estimates and assumptions made by the management in the preparation of these condensed interim financial statements are the same as those applied in preparation of the preceding annual published financial statements of the Company for the year ended 30 June 2018.

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

6 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual published financial statements as at and for the year ended 30 June 2018.

	(Un-audited) March 31, 2019	(Audited) June 30, 2018
	..... Rupees in thousand.....	
7 Share capital		
Authorised share capital		
10,000,000 (June 30, 2018: 10,000,000) ordinary shares of Rupees 10 each	<u>100,000</u>	<u>100,000</u>
Issued, subscribed and paid up share capital		
7,500,000 (June 30, 2018: 7,500,000) ordinary shares of Rupees 10 each issued as fully paid in cash	<u>75,000</u>	<u>75,000</u>
	<u>75,000</u>	<u>75,000</u>

- 8 Liabilities against assets subject to finance lease**
Present value of minimum lease payments
Less: Current portion presented under current liabilities

	1,085	1,732
	191	689
	<u>894</u>	<u>1,043</u>

9 Short term borrowings

From banking companies-secured

Short term finance (STF)			
Bank Al-Habib Limited	9.1, 9.6	-	18,054
Short term finance against payables			
Bank Al-Habib Limited	9.2, 9.6	25,000	15,000
Short term finance against IBP receivables			
Bank Al-Habib Limited	9.3, 9.6	25,000	10,000
Running finance			
Bank Al-Habib Limited	9.4, 9.6	137,748	110,586
Summit Bank Limited	9.5, 9.7	30,234	32,218
		<u>217,982</u>	<u>185,858</u>

From related parties-unsecured

Loans from directors/ex-director/share holder	9.10	43,858	35,302
		<u>261,840</u>	<u>221,160</u>

- 9.1** The bank granted a one-off Short Term Finance (STF) facility of Rupees 25 million for the adjustment of outstanding balance of FAPC-1. The said STF has been repaid in equal monthly installments. STF carried mark-up at three months KIBOR plus 1.75% per annum payable quarterly. (June 30, 2018 three months KIBOR plus 1.75% per annum).
- 9.2** The short term finance facility having sanctioned limit of Rupees 25 million (June 30, 2018: Rupees 25 million) has been obtained from Bank Al-Habib Limited for purchase of raw material. It carries mark-up at three months KIBOR plus 1.75% (June 30, 2018: three months KIBOR plus 1.75%) per annum payable quarterly. The principle amount is to be repaid in 60 days through business cash flows. The facility is valid till February 07, 2021 with credit review on annual basis.
- 9.3** The IBP receivable finance facility having sanctioned limit of Rupees 25 million (June 30, 2018: Rupees 25 million) has been obtained from Bank Al-Habib Limited for financing of receivables. It carries mark-up at three months KIBOR plus 1.75% (June 30, 2018: three months KIBOR plus 1.75%) per annum. The principal amount is to be repaid upon realization of sales proceeds as per tenure of respective bill but not later than 60 days from draw down date or on demand while mark-up is to be serviced upon adjustment of each loan or at the end of each calendar quarter whichever is earlier. The facility is valid till February 07, 2021 with credit review on annual basis.

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

- 9.4 The running finance facility having sanctioned limit of Rupees 85 million (June 30, 2018: Rupees 85 million) has been obtained from Bank Al-Habib Limited for working capital requirements. It carries mark-up at three months KIBOR plus 1.75% (June 30, 2018: three months KIBOR plus 1.75%) per annum payable quarterly. The sanctioned limit has temporarily been exceeded due to issuance of cheques which will be presented after March 31, 2019. The facility is valid till February 07, 2021 with credit review on annual basis.
- 9.5 The running finance facility having sanctioned limit of Rupees 30 million (June 30, 2018: Rupees 30 million) has been obtained from Summit Bank Limited for working capital requirements. It carries mark-up at three months KIBOR plus 5% (June 30, 2018: three months KIBOR plus 2.50%) per annum payable quarterly. The sanctioned limit has temporarily been exceeded due to issuance of cheques which will be presented after March 31, 2019.
- 9.6 The facilities mentioned in 9.1, 9.2, 9.3 and 9.4 are commonly secured against first charge of Rupees 180 million (June 2018: Rupees 180 million) over current assets of the Company registered with SECP. Equitable mortgage supported by first charge on fixed assets of Rupees 174 million (June 30, 2018: Rupees 174 million) comprising land, building, plant and machinery situated at 19 KM G.T. Road Kala Shah Kaku. Lien over export documents under letter of credit and contract, shipping documents, accepted drafts, counter guarantee of the Company and personal guarantees of three Directors amounting to Rupees 155 million each (June 30, 2018: Rupees 155 million). The running finance facility at note 9.4 in addition to securities as aforesaid is also secured against pro note amounting to Rs. 144.5 million (June 2018 : Rupees 144.5 million).
- 9.7 The facility mentioned in 9.5 is commonly secured against ranking charge of Rupees 40 million (June 30, 2018: Rupees 40 million) over all present & future current assets of the Company with 25% margin, duly insured, with Summit Bank Limited and registered with SECP. Pari passu charge on fixed assets, comprising land, building, plant and machinery situated at 19 KM G.T. Road Kala Shah Kaku. Personal guarantees of three Directors along with Personal Net Worth Statement (PNWS).
- 9.8 As at March 31, 2019 the Company has facilities from Bank Al-Habib Limited relating to import letters of credit (sight/usance) amounting to Rupees 5 million (June 30, 2018: Rupees 5 million). Additionally, Company has letter of guarantee facility amounting to Rupees 15 million (June 30, 2018: Rupees 15 million) from Bank Al-Habib Limited.
- 9.9 The net aggregate short term borrowing facilities unavailed at end of March 31, 2019 amount to Rupees nil (June 30, 2018: Rupees 6.94 million) and for letters of credit and bank guarantees amount to Rupees 8.744 million (June 30, 2018: Rupees 8.744 million).
- 9.10 Loans from Chief Executive and ex-director / shareholder (close family member of Chief Executive) are for working capital requirements and are re-payable on demand and non-interest bearing.

10 Contingencies and commitments

There have been no significant changes in contingencies as disclosed in the notes to the preceding annual published financial statements for the year ended June 30, 2018 except for the following:

Guarantee issued by the insurance Company on behalf of the Company in the normal course of business amounting to Rupees 36.250 million.

The operating lease arrangement in respect of registered office has been as follows:

	March 31, 2019	June 30, 2018
	..... Rupees in thousand.....	
Not later than one year	536	2,143
Later than one year but not later than five years	-	-

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

		March 31, 2019	June 30, 2018
		..... Rupees in thousand.....	
11 Property, plant and equipment			
Operating fixed assets	11.1	393,750	404,129
Capital work in progress	11.4	33,654	10,046
		<u>427,404</u>	<u>414,175</u>
11.1 Opening book value		404,129	397,060
Cost of additions during the period / year	11.2	370	19,356
Less:			
Deletion during the period / year (book value)	11.3	1,604	129
Depreciation charged during the period / year		<u>9,145</u>	<u>12,158</u>
		<u>393,750</u>	<u>404,129</u>
11.2 Cost of addition during the period / year			
Plant and machinery		-	17,262
Electric installation and equipment		168	785
Vehicles		-	1,309
Office equipment		202	-
		<u>370</u>	<u>19,356</u>
11.3 Deletion during the period / year			
Cost		2,460	790
Depreciation		856	661
		<u>1,604</u>	<u>129</u>
11.4 Capital work in progress			
Opening balance		10,046	4,021
Additions during the period / year		23,608	21,092
		<u>33,654</u>	<u>25,113</u>
Transfer to operating fixed assets		-	15,067
Closing balance		<u>33,654</u>	<u>10,046</u>

12 The intangible assets represents computer software costing Rupees 70,000 which is fully amortized.

13 Taxation

The provision for current taxation has been made on minimum tax under Section 113 and Section 154 of Income Tax Ordinance, 2001.

14 Earning per share-basic and diluted

There is no dilutive effect on basic earnings per share of the Company which is based on :

	Nine months period ended		Quarter ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	....Rupees in thousand...		....Rupees in thousand...	
Profit after taxation	5,955	2,736	9,338	5,506
	in thousand	in thousand	in thousand	in thousand
Weighted average number of ordinary shares	7,500	7,500	7,500	7,500
Earning per share-basic and diluted (Rupees)	0.79	0.36	1.25	0.73

LEINER PAK GELATINE LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019**

15 Transactions with related parties

Related parties include associated Company, directors, the other key management personnnel and close family members of directors and other key management personnel. Detail of transctions with related parties with whom the Company had entered into transactions or have arrangements / aggrements in place are as follows:

	Nine months period ended		Quarter ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	....Rupees in thousand...		....Rupees in thousand...	
Key management personnel				
Remuneration	2,997	2,997	999	999
Loan from Chief Executive - unsecured:				
Loan received	10,400	21,570	1,600	1,500
Loan repaid	1,844	17,570	1,675	7,500
Loan from ex-director - unsecured:				
Loan received	225	-	-	-
Loan repaid	225	-	-	-
Recognised provident fund				
Contribution to provident fund trust	2,133	2,011	706	691

Included in trade and other payables is payable to provident fund as at March 31,2019 Rupees 673,437 (Un-audited) and as at June 30, 2018 Rupees 703,668 (Audited).

16 Date of authorization for issue

These condensed interim financial statements were authorized for issue by the Board of Directors on April 30, 2019.

17 General

Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

LAHORE
DATE:April 30,2019

KH.IMTIAZ AHMED
Chief Executive
& Managing Director

IBRAR AHMED KHWAJA
Director

MUHAMMAD JAVAID
Chief Financial Officer

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Reason for Return Mail	ڈاک کی واپسی کی وجہ
Shareholder Shifted	منتقل ہو گئے
No Such Consignee	اس نام سے کوئی نہیں
House / Office Closed	گھر / دفتر بند ہے
Incomplete Address	پتہ نامکمل ہے
Retired	ریٹائرڈ
Passed Away	انتقال کر گئے
Need Building Name	بلڈنگ کا نام درکار ہے
Need House / Gali / Plot No.	پلاٹ / گھر / گلی نمبر درکار ہے
Out of City / Country	شہر / ملک سے باہر ہیں
Share Refused to Accept	وصول کرنے سے انکار
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Any Other Reason, Please Mention Hereunder:	کوئی اور وجہ چیلکھیں:

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