



LEINER PAK GELATINE LIMITED

**UN-AUDITED CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2018**



CONTENTS

Company Information.....	2
Directors' Review.....	3
Balance Sheet.....	5
Profit and Loss Account.....	6
Statement of Comprehensive Income.....	7
Cash Flow Statement.....	8
Statement of Changes in Equity.....	9
Notes to the Condensed Interim Financial Information.....	10

COMPANY INFORMATION BOARD OF DIRECTORS

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

AUDIT COMMITTEE

Mian Zia-Ud-Din (Chairman)
Ijaz Ahmed Khwaja (Member)
Ahmed Ali Riaz (Member)

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mian Zia-Ud-Din (Chairman)
Umer Riaz Khwaja (Member)
Khwaja Imtiaz 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, Fax #: 0092-42-35710604

PLANT

19th Kilometer,

Shahrah-e-Pakistan, Kala Shah Kaku,

District Sheikhpura.

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, 2018.

OPERATIONS

During this nine months period company's sales are registered at Rs. 514.543 million as compared to Rs. 486.426 million in last corresponding period. This significant increase in turnover is mainly attributed to some new Sales Contracts of Gelatine. In the period under review, most of the sales are diverted to local customers due to better pricing in local market. However, recent devaluation in Pak Rupee will help to concentrate on Export Market which shall scale up the portion of Export Sales in coming days.

Increase in turnover and operational efficiencies brought the company again in to profits and profit before tax is posted at Rs. 13.345 million.

FUTURE PROSPECTS

Management is confident that increase in competitiveness in Export Market and new Contracts with some potential buyers of Corporate Sector will help in bringing sustainable growth in company's business.

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, 2018

KHWAJA IMTIAZ AHMED
Chief Executive &
Managing Director

ڈائریکٹر زیویو

ڈائریکٹر ان کمپنی کے نو ماہی حسابات جو کہ ۳۱ مارچ ۲۰۱۸ء کو ختم ہوا ہے پیش کرنے پر خوشی محسوس کرتے ہیں۔

کاروباری عمل

اس نو ماہ کے عرصہ کے دوران کمپنی کی فروخت مبلغ ۵۱۳.۵۳۳ ملین روپے رہی جب کہ پچھلے سال اسی دورانیے میں کمپنی کی فروخت مبلغ ۶۰۳۲۶.۲۸۶ ملین روپے رہی۔ فروخت میں اس قابل ذکر اضافے کی بڑی وجہ جیلاٹین کی فروخت کے نئے معاہدے ہیں۔ زیر جائزہ دورانیہ میں زیادہ تر فروخت مقامی مارکیٹ میں بہتر نرخوں کی وجہ سے مقامی گاہکوں کی طرف کر دی گئی تھی۔ تاہم پاکستانی روپے کی قدر میں حالیہ کمی ایکسپورٹ مارکیٹ کی طرف توجہ کرنے میں مددگار ثابت ہوگی اور اس سے آنے والے دنوں میں ایکسپورٹ کی مد میں فروخت کا حصہ بڑھے گا۔

فروخت کے بڑھنے اور آپریشنل استعداد کار کی وجہ سے کمپنی منافع میں آگئی ہے۔ اور قبل از ٹیکس منافع مبلغ ۳۴۵.۱۳ ملین روپے رہا۔

مستقبل کے امکانات

انتظامیہ پر امید ہے کہ برآمدی مارکیٹ میں مقابلے کی طاقت کے بڑھنے سے اور کارپوریٹ سیکٹر میں کچھ اچھے خریداروں سے ہونے والے نئے معاہدے کمپنی کے کاروبار میں مستحکم بڑھوتری لائیں گے۔

اعتراف

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

منجانب بورڈ

خواجہ انیساز احمد

چیف ایگزیکٹو ایڈ

مینجنگ ڈائریکٹر

لاہور

۳۰ اپریل ۲۰۱۸ء

LEINER PAK GELATINE LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2018

		(Un-audited) March 31, 2018	(Audited) June 30, 2017
	Note	..... Rupees in	thousand.....
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	7	75,000	75,000
Accumulated loss		(1,045)	(3,781)
		<u>73,955</u>	<u>71,219</u>
Surplus on revaluation of property, plant and equipment		278,914	278,914
Non-current liabilities			
Deferred taxation	8	3,839	-
Liabilities against assets subject to finance lease	9	-	504
		<u>3,839</u>	<u>504</u>
Current liabilities			
Trade and other payables		150,107	97,153
Mark-up accrued		2,274	2,603
Short term borrowings	10	236,263	211,129
Current portion of liabilities against assets subject to finance lease	9	596	352
		<u>389,240</u>	<u>311,237</u>
Contingencies and commitments	11	-	-
		<u>745,948</u>	<u>661,874</u>
ASSETS			
Non-current assets			
Property, plant and equipment	12	400,044	401,081
Intangible assets	13	-	-
Long term deposits		254	260
		<u>400,298</u>	<u>401,341</u>
Current assets			
Stores, spare parts and loose tools		14,254	28,730
Stock-in-trade		273,653	179,041
Trade debts		13,506	13,334
Advances		2,482	5,241
Trade deposits and short term prepayments		3,120	1,646
Other receivables		16,512	13,050
Advance income tax-net		19,559	17,601
Cash and bank balances		2,564	1,890
		<u>345,650</u>	<u>260,533</u>
		<u>745,948</u>	<u>661,874</u>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

IBRAR AHMED KHWAJA
Director

MUHAMMAD JAVAID
Chief Financial Officer

KH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: April 30, 2018

LEINER PAK GELATINE LIMITED

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018**

	Nine months period ended		Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Note	....Rupees in thousand....	....Rupees in thousand....	....Rupees in thousand....	....Rupees in thousand....
Sales-net	514,543	486,426	223,107	169,828
Cost of sales	444,837	423,828	193,792	149,370
Gross profit	69,706	62,598	29,315	20,458
Other income	957	552	411	-
	70,663	63,150	29,726	20,458
Distribution cost	4,471	2,811	2,122	1,090
Administrative expenses	41,197	41,313	14,526	12,449
Other operating expenses	2,833	1,584	1,570	191
Finance cost	8,817	8,231	3,211	3,092
Profit before taxation	13,345	9,211	8,297	3,636
Taxation	10,609	4,867	2,791	1,739
Profit after taxation	2,736	4,344	5,506	1,897
Earning per share-basic and diluted (Rupees)	0.36	0.58	0.73	0.25

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

IBRAR AHMED KHWAJA
Director

MUHAMMAD JAVAID
Chief Financial Officer

KH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: April 30, 2018

LEINER PAK GELATINE LIMITED**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

	Nine months period ended		Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Note	....Rupees in thousand....	....Rupees in thousand....	....Rupees in thousand....	....Rupees in thousand....
Profit after taxation	2,736	4,344	5,506	1,897
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	2,736	4,344	5,506	1,897

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

IBRAR AHMED KHWAJA
DirectorMUHAMMAD JAVAID
Chief Financial OfficerKH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: April 30, 2018

LEINER PAK GELATINE LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

	Nine months period ended	Nine months period ended
	March 31, 2018	March 31, 2017
	.....Rupees in thousand.....	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	13,345	9,211
Adjustments for:		
Depreciation	8,724	9,542
Provision for employee retirement benefits	2,011	1,871
Finance cost	8,817	8,231
Gain on disposal of operating fixed asset	(521)	-
Provision for Workers' Profit Participation Fund	789	531
Provision for Workers' Welfare Fund	385	-
	<u>20,205</u>	<u>20,175</u>
Operating profit before changes in working capital	33,550	29,386
Changes in working capital		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	14,476	5,026
Stock-in-trade	(94,612)	(20,527)
Trade debts	(172)	(2,194)
Advances	2,759	(729)
Trade deposits and short-term prepayments	(1,214)	(157)
Other receivables	78	102
Increase / (decrease) in current liabilities		
Trade and other payables	51,909	(32,191)
Cash generated / (used in) from operations	6,774	(21,284)
Finance cost paid	(9,146)	(7,961)
Payments to provident fund	(1,922)	(2,012)
Taxes paid	(8,728)	(9,574)
Sales tax payments	(3,539)	(4,098)
Workers Profit Participation Fund	-	-
Workers' Welfare Fund paid	(218)	-
Net cash used in operating activities	(16,779)	(44,929)
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(7,817)	(1,997)
Decrease/(Increase) in long term deposits	-	(24)
Proceeds from disposal of property, plant and equipment	650	-
Decrease/(Increase) in long term deposits	(254)	-
Net cash used in investing activities	(7,421)	(2,021)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of liabilities against assets subject to finance lease	(260)	(249)
Net increase in short term borrowings	25,134	46,865
Net cash generated from financing activities	24,874	46,616
Net increase in cash and cash equivalents	674	(334)
Cash and cash equivalents at the beginning of the period	1,890	1,175
Cash and cash equivalents at the end of the period	2,564	841

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

IBRAR AHMED KHWAJA
DirectorMUHAMMAD JAVAID
Chief Financial OfficerKH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: April 30, 2018

LEINER PAK GELATINE LIMITED**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018**

	<u>Share capital</u>		
	Issued, subscribed and paid up share capital	Un appropriated profit / accumulated (loss)	Total
.....Rupees in thousand.....			
Balance as at 01 July 2016	75,000	(772)	74,228
Total comprehensive income for the nine months period ended 31 March 2017	-	4,344	4,344
Balance as at 31 March 2017	<u>75,000</u>	<u>3,572</u>	<u>78,572</u>
Balance as at 01 July 2017	75,000	(3,781)	71,219
Total comprehensive income for the nine months period ended 31 March 2018	-	2,736	2,736
Balance as at 31 March 2018	<u>75,000</u>	<u>(1,045)</u>	<u>73,955</u>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

IBRAR AHMED KHWAJA
Director

MUHAMMAD JAVAID
Chief Financial Officer

KH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: April 30, 2018

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018 (UN-AUDITED)

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. The Company is listed on Pakistan Stock Exchange Limited. The Company is engaged in manufacture 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, 2018 the Company has negative cash flows from operating activities, its accumulated loss was Rupees 1.045 million and its current liabilities exceeded its current assets by Rupees 43.590 million. These conditions raise significant doubts on the Company's ability to continue as a going concern as the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

The management of the Company believes that the Company does not have a history of continuous losses and managed to post net profit of Rupees 2.736 million as of March 31, 2018. Keeping in view the following factors, the management foresees that the Company will continue as a going concern.

- There is continued demand of 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 the turnover is expected to increase in future.
- Repayments to banks and financial institutions have been made as per agreed terms and they have renewed the credit facilities for the future period.
- There is continued financial support of the Company's sponsors. The sponsors' of the Company have inducted Rupees 26.818 million interest free loans up to March 31, 2018. 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 like continuous profits before taxation since July 1, 2014 to date. This interim financial information, therefore, 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

This condensed interim financial information of the company for the nine months period ended March 31, 2018 has been prepared in accordance with the requirements of the International Accounting Standard-34 "Interim Financial Reporting" and provisions of the Companies Act, 2017. The condensed interim financial information should be read in conjunction with the financial statements for the year ended June 30, 2017, which have been prepared in accordance with approved accounting standards as applicable in Pakistan.

- 3.2 This condensed interim financial information is un-audited and is being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Limited and section 237 of the Companies Act, 2017.
- 3.3 This condensed interim financial information has been prepared under the historical cost convention except for freehold land at revalued amount. In these financial statements, except for the cash flow statement, all transactions have been accounted for on accrual basis.
- 3.4 Items included in condensed interim financial information are measured using the currency of the primary economic environment in which the Company operates. The condensed interim financial information is presented in Pakistan Rupees, which is the Company's functional and presentation currency.

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018 (UN-AUDITED)

4 Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the annual published financial statements for the year ended 30 June 2017.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Company's operations or did not have any impact on the accounting policies of the Company.

5 Judgments, estimates and assumptions

The preparation of the condensed interim financial information 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 this condensed interim financial information are the same as those applied in preparation of the preceding annual published financial statements of the Company for the year ended 30 June 2017.

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 2017.

7 Share capital

Authorised share capital

10,000,000 (June 30, 2017: 10,000,000) ordinary shares
of Rupees 10 each

(Un-audited)	(Audited)
March 31,	June 30,
2018	2017

..... Rupees in thousand.....

<u>100,000</u>	<u>100,000</u>
----------------	----------------

Issued, subscribed and paid up share capital

7,500,000 (June 30, 2017: 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>

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018 (UN-AUDITED)

	(Un-audited) March 31, 2018	(Audited) June 30, 2017
	..... Rupees in thousand.....	
8 DEFERRED TAXATION		
Deferred tax on temporary differences comprises of:		
Taxable temporary differences		
Accelerated tax depreciation	15,177	15,252
Assets held under finance lease	230	258
	<u>15,407</u>	<u>15,510</u>
Deductible temporary differences		
Unused tax losses	-	2,420
Tax credits	(11,398)	12,857
Liabilities against assets subject to finance lease	(170)	233
	<u>3,839</u>	<u>-</u>
9 Liabilities against assets subject to finance lease		
Present value of minimum lease payments	596	856
Less: Current portion	596	352
	<u>-</u>	<u>504</u>

10 Short term borrowings

From banking companies-secured

Finance against packing credit (FAPC-1)			
Bank Al-Habib Limited	10.1, 10.6	-	21,908
Short term finance (STF)			
Bank Al-Habib Limited	10.1, 10.6	19,117	-
Finance against payables			
Bank Al-Habib Limited	10.2, 10.6	15,000	-
Finance against IBP receivables			
Bank Al-Habib Limited	10.3, 10.6	10,000	-
Running finance			
Bank Al-Habib Limited	10.4, 10.6	132,935	127,201
Summit Bank Limited	10.5, 10.7	32,393	30,726
		<u>209,445</u>	<u>179,835</u>

From related parties-unsecured

Loans from directors	10.10	26,818	31,294
		<u>236,263</u>	<u>211,129</u>

- 10.1** The bank has 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 is to be repaid in 12 months commencing October 2017 in equal monthly instalments to be reckoned from the respective adjustment/roll over period of 180 days of FAPC-1. STF carries mark-up at three months KIBOR plus 1.75% per annum payable quarterly. (June 30, 2017 Rupees: nil).
- 10.2** The short term finance facility having sanctioned limit of Rupees 25 million (June 30, 2017: Rupees nil) 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, 2017: nil) per annum payable quarterly. The principle amount is to be repaid in 60 days through business cash flows. Till the adjustment of FAPC-I this facility is allowed upto Rupees 15 million only. The facility is valid till February 07, 2021.
- 10.3** The IBP receivable finance facility having sanctioned limit of Rupees 25 million (June 30, 2017: Rupees nil) 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, 2017: nil) per annum. The principal amount is to be repaid upon realization of export 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. Till the adjustment of FAPC-I this facility is allowed upto Rupees 10 million only. The facility is valid till February 07, 2021.

LEINER PAK GELATINE LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018 (UN-AUDITED)**

- 10.4** The running finance facility having sanctioned limit of Rupees 85 million (June 30, 2017: Rupees 70 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, 2017: three months KIBOR plus 1.75%) per annum payable quarterly. The sanctioned limit has temporarily been exceeded due to issuance of cheques which were presented after March 31, 2018. The facility is valid till February 07, 2021.
- 10.5** The running finance facility having sanctioned limit of Rupees 30 million (June 30, 2017: Rupees 30 million) has been obtained from Summit Bank Limited for working capital requirements. It carries mark-up at three months KIBOR plus 2.5% (June 30, 2017: three months KIBOR plus 2.5%) per annum payable quarterly. The sanctioned limit has temporarily been exceeded due to issuance of cheques which were presented after March 31, 2018. The facility is valid till September 30, 2018.
- 10.6** The facilities mentioned in 10.1, 10.2, 10.3 and 10.4 are commonly secured against first charge of Rupees 180 million (June 2017: 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, 2017: 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 the Directors amounting to Rupees 155 million each (June 30, 2017: Rupees 155 million). The running finance facility at note 10.4 in addition to securities aforesaid is also secured against pro note amounting to Rs. 144.5 million (June 2017 : Rupees 84 million).
- 10.7** The facility mentioned in 10.5 is commonly secured against ranking charge of Rupees 40 million (June 30, 2017: 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 the Directors.
- 10.8** As at March 31, 2018 the Company has facilities from Bank Al-Habib Limited relating to import letters of credit (sight/usance) amounting to Rupees 5 million (June 30, 2017: Rupees 5 million). Additionally, Company has letter of guarantee facility amounting to Rupees 15 million (June 30, 2017: Rupees 15 million) from Bank Al-Habib Limited.
- 10.9** The net aggregate short term borrowing facilities unavailed at end of March 31, 2018 amount to Rupees Nil (June 30, 2017: Rupees 13.09 million) and for letters of credit and bank guarantees amount to Rupees 8.744 million (June 30, 2017: Rupees 8.744 million).
- 10.10** Loans from Chief Executive and director are re-payable on demand and is non - interest bearing.

11 Contingencies and commitments

There have been no significant changes in contingencies and commitments as disclosed in the notes to the preceding annual published financial statements for the year ended June 30, 2017.

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

	(Un-audited) March 31, 2018	(Audited) June 30, 2017
	..... Rupees in thousand.....	
Not later than one year	<u>2,073</u>	<u>1,864</u>
Later than one year but not later than five years	<u>536</u>	<u>2,143</u>

LEINER PAK GELATINE LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018 (UN-AUDITED)

		(Un-audited) March 31, 2018	(Audited) June 30, 2017
		..... Rupees in	thousand.....
12 Property, plant and equipment			
Operating fixed assets	12.1	393,752	397,060
Capital work in progress	12.3	6,292	4,021
		<u>400,044</u>	<u>401,081</u>
12.1 Opening book value		397,060	407,654
Cost of additions during the period / year	12.2	5,545	2,150
Less:			
Deletion during the period / year (book value)		129	-
Depreciation charged during the period / year		8,724	12,744
		<u>393,752</u>	<u>397,060</u>
12.2 Cost of addition during the period / year			
Plant and machinery		4,530	1,861
Electric installation and equipment		1,015	-
Office equipment		-	153
Vehicles		-	136
		<u>5,545</u>	<u>2,150</u>
12.3 Capital work in progress			
Opening balance		4,021	-
Additions during the period / year		6,219	4,021
		<u>10,240</u>	<u>4,021</u>
Transfer to operating fixed assets		3,948	-
Closing balance		<u>6,292</u>	<u>4,021</u>

13 The intangible asset represents computer software costing Rupees 70,000 which is fully amortized.

14 Taxation

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

15 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, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	....Rupees in thousand...		....Rupees in thousand...	
Profit after taxation	2,736	4,344	5,506	1,897
	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)	<u>0.36</u>	<u>0.58</u>	<u>0.73</u>	<u>0.25</u>

LEINER PAK GELATINE LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018 (UN-AUDITED)****16 Transactions with related parties**

The related parties comprise of recognised provident fund and key management personnel.

Transactions with related parties other than those which have been specifically disclosed in this condensed interim financial information are as follows:

	Nine months period ended		Quarter ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	....Rupees in thousand...		....Rupees in thousand...	
Key management personnel				
Remuneration	2,997	2,808	999	936
Loan from Chief Executive - unsecured:				
Loan received	21,570	1,170	1,500	1,170
Loan repaid	17,570	1,695	7,500	170
Loan from Director - unsecured:				
Loan received	-	525	-	25
Loan repaid	-	25	-	25
Recognised provident fund				
Contribution to provident fund trust	2,011	1,871	691	543

Included in trade and other payables is payable to provident fund as at March 31, 2018 Rupees 671,816 (Un-audited) and as at June 30, 2017 Rupees 582,909 (Audited)

17 Date of authorization for issue

This condensed interim financial information was authorized for issue by the Board of Directors on April 30, 2018.

18 General

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

IBRAR AHMED KHWAJA
Director

MUHAMMAD JAVAID
Chief Financial Officer

KH.IMTIAZ AHMED
Chief Executive
& Managing Director
Lahore: April 30, 2018

=====**This Page Left Blank Intentionally**=====

BOOK POST PRINTED MATTER

	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	ریٹائر
	Passed Away	انتقال کر گئے
	Need Building Name	بلڈنگ کا نام درکار ہے
	Need House / Gali / Plot No.	پلاٹ / گھا / گلی نمبر درکار ہے
	Out of City / Country	شہر / ملک سے باہر ہیں
	Share Refused to Accept	وصول کرنے سے انکار
	Non Service Area	رسائی ممکن نہیں
	Any Other Reason, Please Mention Hereunder:	کوئی اور وجہ چیلکھیں:

If undelivered please return to G/Postmail Box No. 3529, Lahore-54660