

REIMAGINING ROSHAN

For a Changing World

ROSHAN 
Packages Limited.

QUARTERLY REPORT

For the period ended March 31, 2021

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COMPANY INFORMATION

Company Name: Roshan Packages Limited

Status: Public Listed Entity

CUIN: 0044226

NTN: 1436951-6

STRN: 03-01-4819-303-73

Board of Directors

Mr. Khalid Eijaz Qureshi

Chairman

Mr. Tayyab Aijaz

Chief Executive Officer

Mr. Saadat Aijaz

Executive Director

Mr. Zaki Aijaz

Non-Executive Director

Mr. Quasim Aijaz

Non-Executive Director

Mr. Muhammad Naveed Tariq

Independent/Non-Executive Director

Mrs. Ayesha Musaddaque Hamid

Independent/Non-Executive Director

Chief Financial Officer (CFO)

Mr. Muhammad Adil

Company Secretary

Miss Rabia Sharif

Tax Consultant

A.F Ferguson & Co

Bankers

Askari Bank Limited

Dubai Islamic Bank Limited

Bank of Punjab

JS Bank Limited

Meezan Bank Limited

Allied Bank Limited

Bankislami Pakistan Limited

HabibMetro Bank

Registered Office

325 G-III MA Johar Town, Lahore

Phone: +92-042-35290734-38

Fax: +92-042-35290731

Factory

Corrugation: 7-KM Sunder Raiwind Road, Opp.

Gate No 1, Sunder Industrial Estate

Flexible: Plot No 141,142 and 142-B Sunder Industrial Estate Lahore.

Shares Registrar

CDC Share Registrar Services Limited

CDC House, 99-B, Block B, S.M.C.H.S.

Main Shahrah-e-Faisal, Karachi – 74400

Statutory Auditor

EY Ford Rhodes, Chartered Accountants

Head of Internal Audit

Miss Faiza Khalid

Legal Advisor

Zahid Irfan

Stock Symbol

RPL

Website

www.roshanpackages.com.pk

Performance at a Glance

NET REVENUE

RS. IN MILLION	March 2020-21	5,225
	March 2019-20	3,942

PBT

RS. IN MILLION	March 2020-21	339
	March 2019-20	146

EBIT

RS. IN MILLION	March 2020-21	422
	March 2019-20	325

EPS

RS.	March 2020-21	1.77
	March 2019-20	1.57

CURRENT RATIO

RATIO	March 2020-21	1.63
	FY 2019-20	1.73

GROSS PROFIT

RS. IN MILLION	March 2020-21	674
	March 2019-20	425

PAT

RS. IN MILLION	March 2020-21	251
	March 2019-20	222

EBITDA

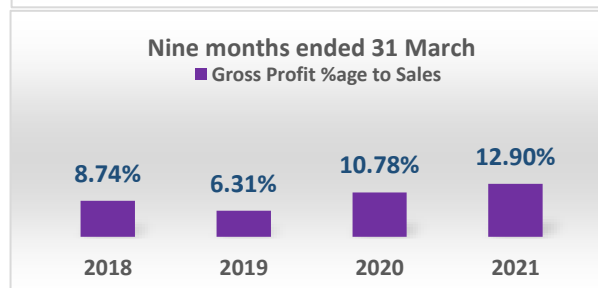
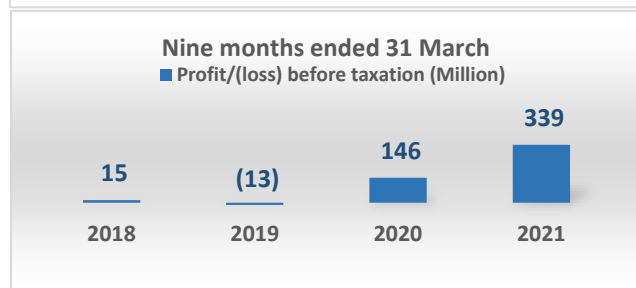
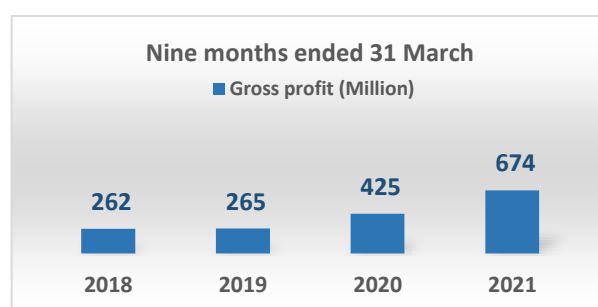
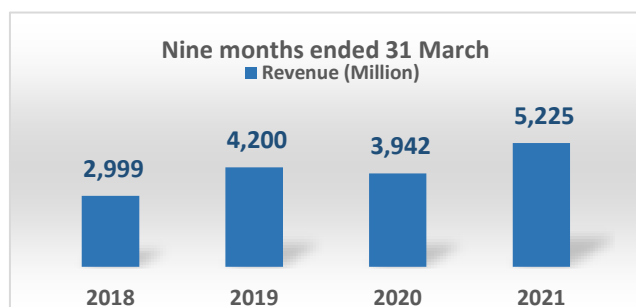
RS. IN MILLION	March 2020-21	540
	March 2019-20	436

TOTAL EQUITY

RS. IN MILLION	March 2020-21	5,971
	June 2020	5,862

QUICK RATIO

RATIO	March 2020-21	1.33
	FY 2019-20	1.42



Directors' Report

Dear Shareholders,

The Directors of the Company are pleased to present the Directors' Report along with the condensed interim Financial Statements of the Company for the nine months period ended on March 31, 2021.

Financial Performance

The financial performance of the Company ("RPL") during the nine months period is contained in the table below:

	Nine months Ended		Quarter Ended	
	31-Mar-2021	31-Mar-2020	31-Mar-2021	31-Mar-2020
	Rupees in Million			
Sales-Net	5,225	3,942	1,784	1,431
Cost of Sales	4,551	3,517	1,538	1,254
Gross Profit	674	425	247	177
Finance Cost	84	179	26	53
Net profit / (loss) before tax	339	146	137	64
Tax (Expense) / Income	(88)	76	(40)	(16)
Net profit / (loss) after tax	251	222	97	48

During the period under review, the Company earned a profit before tax of Rs. 339 million as compared to a profit before tax of Rs. 146 million in the comparable period last year. This shows an improvement of 132%. The sales revenue rose from 3,942 million to Rs. 5,225 million registering an increase of 32.54% compared to same period last year. This increase is a result of RPL's policy of not compromising on quality and standard of its products. Continuous improvement in technology, production techniques, business processes and customer satisfaction helped RPL to capture additional market share. Business partner's loyalty is the key to success and RPL not only maintained it but also kept it at top priority to increase its market share.

Despite high inflation, the Company has managed to control its costs and increased its profitability whilst improving its products' quality. It increased gross profit margin to 12.90% as compared to 10.78% in the same period last year, an increase of Rs. 249 million in figures. This resulted in 59% increase in gross profit margin. The operating profit of the Company also increased by 73% to Rs. 342 million from Rs. 197 million.

Moreover, financial charges were reduced by Rs. 95 million, due to the decrease in policy rate by the State Bank of Pakistan and efficient fund management by the Company, which had a favourable impact on our bottom line. The Company's energy conservation policies helped to manage and maintain its utility cost. This led to reduce the percentage cost of utilities to revenue as we were able to produce more products at the same cost.

The profit after tax of the Company has increased by Rs. 28 million as compared to same period last year. Deferred tax asset was recognized in comparable period of last year which resulted in net tax income of Rs. 76 million in that period.

Roshan Sun Tao Paper Mills (Pvt.) Limited

Roshan Sun Tao Paper Mills (Private) Limited (RSTPML) was incorporated on 08th January 2016 under the Companies Act 2017 as a private limited company. It is a subsidiary of the Company (the "Subsidiary"). The Subsidiary was incorporated to set up a Corrugated Paper Manufacturing Mill for manufacturing, supplying & dealing in corrugated recycled paper.

RSTPML was a joint venture of Roshan Packages Limited (RPL) with a Chinese company, M/s Shandong Yongtai Paper Mills Limited (SYPML). However, joint venture agreement was terminated by the Company due to contractual breaches committed by the Chinese partner. The Company filed a case before the Civil Court for specific performance of termination clause of joint venture agreement.

SYPML had filed a winding up petition before the Lahore High Court for winding up of the Company, which was dismissed on 05 October, 2020. Subsequently, SYPML and its Directors offered settlement by selling their entire stake of 40% in the RSTPML. In view of prolonged litigation, the Board has accepted the offer of settlement with SYPML and its directors. Pursuant to the settlement, a sum of PKR 81,675,825 will be paid to SYPML and its directors as full and final settlement including the amount of loan payable to SYPML.

RPL currently holds 60% shares of RSTPML. After approval of shareholders in EOGM due to be held on May 06, 2021 and execution of definitive settlement agreement with SYPML and its directors, RSTPML will become 100% owned subsidiary of RPL. The case filed by RPL in the Civil Court will be withdrawn pursuant to the settlement.

The management of RPL is fully committed to the project of RSTPML and strongly believes that the paper mill project on completion will bring significant benefits to the company and its shareholders. The management is resolutely working on the execution of the project and right now is in process of finalization of civil contractors and negotiation with financial institutions for financial closure and import of machinery.

Future Outlook:

The global economy is emerging from one of its deepest recessions and started to demonstrate slow

recovery. Unlike some countries, Pakistan has shown great resilience and was fortunate enough to elude severe effects of the pandemic but we are now in the midst of a third wave.

As described in previous reports, RPL's team dealt with the first and second wave of pandemic successfully by going above and beyond in ensuring an uninterrupted supply chain for our valuable customers. As a company, RPL has learnt many lessons of adaptability and innovation which it will continue to employ going forward. RPL successfully adopted the "new normal" with an emphasis on the safety and well-being of all stakeholders. The Company has demonstrated its ability to avail emerging opportunities and execute appropriate strategies. Moreover, the Company is well-poised to keep building long term business propositions and increasing stakeholders' value, which is evident from quarter wise results and improvements.

Pakistan's economy started CY21 with a positive outlook reflected by decent growth prospects and improved business sentiments. The state bank of Pakistan and Moody's have reported an expected growth of 1.5-2.5%. Given the improving economic condition, stability on interest rates and range bound currency fluctuations, we are hopeful that the Company will secure upcoming opportunities available in the market and improve profit margins in the coming period.

Acknowledgment:

The Board is thankful to all of its stakeholders for their invaluable continued support to the Company. The Board would also like to acknowledge the dedication, diligence and hard work of the Company's employees during an unprecedented time.


Chief Executive
Chairman

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹران 31 مارچ 2021ء کو ختم ہونے والی نو ماہی کی مدت کے لیے اپنی رپورٹ مع کنڈینسڈ عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی کارکردگی

کمپنی (روشن پیکجز لمیٹڈ) کی نو ماہیمختتمہ 31 مارچ 2021ء کی مدت کے دوران مالیاتی کارکردگی کو ذیل میں دیا گیا ہے:

نوماہی		سہ ماہی		
31 مارچ 2021	31 مارچ 2020	31 مارچ 2020	31 مارچ 2020	
روپے ملین میں				
5,225	3,942	1,784	1,431	مصنوعات کی کل فروخت
4,551	3,517	1,538	1,254	مصنوعات کی کل لاگت
674	425	247	177	مجموعی منافع
84	179	26	53	فنانس کی لاگت
339	146	137	64	منافع قبل از ٹیکس
(88)	76	(40)	(16)	ٹیکس (خرچ)/آمدنی
251	222	97	48	منافع بعد از ٹیکس

زیر جائزہ مدت کے دوران آپ کی کمپنی نے قبل از ٹیکس 339 ملین روپے کا منافع کمایا۔ جو کہ پچھلے سال اسی مدت کے دوران قبل از ٹیکس 146 ملین روپے تھا۔ یہ 132 فیصد بہتری کو ظاہر کرتا ہے۔ مصنوعات کی فروخت سے حاصل ہونے والی آمدن پچھلے سال اسی مدت کے دوران 3,924 ملین روپے تھی جو کہ اس برس 5,225 ملین روپے ہوئی جو پچھلے سال اسی مدت کے مقابلے میں 32.54 فیصد زیادہ ہے۔ یہ اضافہ کمپنی کی اپنی مصنوعات کے معیار پر سمجھوتہ نہ کرنے کی پالیسی کا نتیجہ ہے۔ ٹیکنالوجی، پیداواری تکنیک، کاروباری عمل اور کسٹمرز کے اطمینان میں مسلسل بہتری نے کمپنی کو مارکیٹ میں اپنا حصہ بڑھانے میں مدد کی۔ بزنس پارٹنر کے ساتھ تعلقات کامیابی کی کلید ہے اور کمپنی نے نہ صرف اسے برقرار رکھا بلکہ اپنے مارکیٹ شیئر کو بڑھانے کے لیے اسے اولین ترجیح بھی دی۔

افراط زر کی بلند شرح کے باوجود کمپنی نے اپنی لاگت کو کم اور منافع کو بہتر بنانے کے ساتھ ساتھ اپنی مصنوعات کے معیار کو بھی بلند کیا۔ جس کی وجہ سے مجموعی منافع 12.90 فیصد رہا جو پچھلے سال اسی مدت کے دوران 10.78 فیصد تھا۔ جو کہ 249 ملین روپے کا اضافہ ہے۔ نتیجتاً مجموعی منافع میں 59 فیصد اضافہ ریکارڈ کیا گیا۔ کمپنی کے آپریٹنگ منافع میں بھی 73 فیصد اضافہ ہوا جو 197 ملین روپے سے بڑھ کر 342 ملین روپے ہو گیا۔

مزید برآں، اسٹیٹ بینک آف پاکستان کی شرح سود میں کمی اور کمپنی کے دستیاب فنڈز کے عمدہ نظم و نسق کی وجہ سے فنانس کی لاگت میں 95 ملین روپے کمی ہوئی جس کا کمپنی کی مجموعی کارکردگی پر بہتر اثر پڑا۔ کمپنی کی توانائی بچانے کی پالیسی پر عمل درآمد کی وجہ سے ایندھن اور توانائی کی لاگت میں اضافہ نہیں ہوا جس کی وجہ سے کم لاگت پر زیادہ مصنوعات بنانا ممکن ہوا۔

کمپنی کے بعد از ٹیکس منافع میں پچھلے سال اسی مدت کے مقابلے میں 28 ملین روپے کا اضافہ ہوا۔ پچھلے سال کے زیر جائزہ مدت میں ڈیفرڈ ٹیکس اثاثہ کی ریکارڈنگ کی وجہ سے بعد از ٹیکس منافع میں 76 ملین روپے کا اضافہ ہوا۔

روشن سن تاؤ پیپر ملز (پرائیویٹ) لمیٹڈ

روشن سن تاؤ پیپر ملز (پرائیویٹ) لمیٹڈ کو 8 جنوری 2016ء کو کمپنیز ایکٹ 2017ء کے تحت نجی کمپنی کی حیثیت سے شامل کیا گیا تھا۔ یہ ایک ذیلی کمپنی ہے جسے کمپنی کو کورورگیٹڈ پیپر مہیا کرنے کے لیے لگایا گیا۔ یہ ذیلی کمپنی ری سائیکل پیپر کی تیاری اور فراہمی کرے گی۔

روشن سن تاؤ پیپر ملز (پرائیویٹ) لمیٹڈ میسرز شیڈنگ یونگ ٹائی پیپر ملز لمیٹڈ کے ساتھ روشن پیکجز لمیٹڈ کا مشترکہ منصوبہ تھا۔ تاہم ، مشترکہ منصوبے کا معاہدہ روشن پیکجز لمیٹڈ نے چینی شراکت دار کی خلاف ورزی کی وجہ سے ختم کر دیا اور کمپنی نے دعویٰ برائے تکمیل مختص عدالت دیوانی لاہور میں دائر کیا۔

میسرز شیڈنگ یونگ ٹائی پیپر ملز لمیٹڈ نے روشن سن تاؤ پیپر ملز (پرائیویٹ) لمیٹڈ کے اختتام کے لیے لاہور ہائیکورٹ ، لاہور کے سامنے درخواست دائر کی ۔ معزز لاہور ہائیکورٹ لاہور نے اختتام کی درخواست کو 5 اکتوبر 2020 کو خارج کر دیا

اس کے بعد میسرز شیڈنگ یونگ ٹائی پیپر ملز لمیٹڈ اور اس کے ڈائریکٹرز نے روشن سن تاؤ پیپر ملز (پرائیویٹ) لمیٹڈ میں اپنا 40 فیصد حصص فروخت کرنے کی پیشکش کی ہے طویل قانونی چارہ جوئی کے پیش نظر، بورڈ نے شیڈنگ یونگ ٹائی پیپر ملز لمیٹڈ اور اس کے ڈائریکٹرز کے ساتھ تصفیہ کی پیشکش قبول کر لی ہے۔ تصفیہ کے نتیجہ میں 81,675,825 روپے کی رقم شیڈنگ یونگ ٹائی پیپر ملز لمیٹڈ اور اس کے ڈائریکٹرز کو قابل ادائیگی قرض کی رقم سمیت مکمل اور آخری تصفیہ کے طور پر ادا کی جائے گی۔

روشن پیکجز لمیٹڈ کے پاس اس وقت روشن سن تاؤ پیپر ملز (پرائیویٹ) لمیٹڈ کے 60 فیصد حصص ہیں۔ 6 مئی 2021 کو ہونے والی EOGM

میں منظوری اور شیڈنگ یونگ ٹائی پیپر ملز لمیٹڈ اور اس کے ڈائریکٹرز کے ساتھ طے شدہ معاہدے پر عمل درآمد کے بعد روشن سن تاؤ پیپر ملز (پرائیویٹ) لمیٹڈ روشن پیکجز لمیٹڈ کا 100 فیصد ملکیت کا ماتحت ادارہ بن جائے گا۔ عدالت میں روشن پیکجز لمیٹڈ کی طرف سے دائر کیا جانے والا دعویٰ برائے تکمیل مختص چینی کمپنی کے ساتھ تصفیہ کے بعد واپس لیا جائے گا۔

روشن پیکجز لمیٹڈ کی انتظامیہ ماتحت ادارہ کے منصوبے کے لئے پوری طرح پر عزم ہے اور پختہ یقین رکھتی ہے کہ پیپر ملز پروجیکٹ مکمل ہونے پر کمپنی اور اس کے حصص یافتگان کو اہم فوائد حاصل ہوں گے۔ انتظامیہ اس منصوبے پر عملدرآمد کے لئے مستعدی سے کام کر رہی ہے

مستقبل کے امکانات

عالمی معیشت ایک بدترین کساد بازاری سے ابھر رہی ہے اور اس کی بحالی شروع ہو گئی ہے۔ دیگر ممالک کے برعکس اس صورت حال میں پاکستان نے بہتر کارکردگی کا مظاہرہ کیا ہے اور خوش قسمتی سے اس وبا کے شدید اثرات کو کافی حد تک کم کرنے میں کامیابی حاصل کی ہے لیکن ہم اب تیسری لہر کے درمیان میں ہیں۔

جیسا کہ سابقہ رپورٹس میں بیان کیا گیا ہے، روشن پیکجز لمیٹڈ کی ٹیم نے اپنے قیمتی صارفین کے لیے بلا تعطل فراہمی کے سلسلے کو یقینی بنانے میں اور اس سے آگے بڑھ کر وبائی بیماری کی پہلی اور دوسری لہر کے ساتھ کامیابی سے نمٹا۔

ایک کمپنی کی حیثیت سے، روشن پیکجز لمیٹڈ نے موافقت اور جدت طرازی کے بہت سے سبق سیکھے ہیں اور اسے آگے بڑھاتی رہے گی۔ روشن پیکجز لمیٹڈ نے تمام اسٹیک ہولڈرز کی حفاظت اور فلاح و بہبود پر زور دیتے ہوئے کامیابی کے ساتھ ”نئی حکمت عملی“ کو اپنایا۔ کمپنی نے ابھرتے ہوئے مواقع سے فائدہ اٹھانے اور مناسب حکمت عملی پر عمل کرنے کی اپنی صلاحیت کا مظاہرہ کیا ہے۔ مزید یہ کہ کمپنی طویل مدتی کاروباری تجاویز اور اسٹیک ہولڈرز کی قدر میناضافہ کرنے کے لیے تیار ہے، جو کہ سہ ماہی نتائج اور بہتری سے ظاہر ہے۔

پاکستان نے بہتر معاشی نمو اور کاروباری رجحانات کے ساتھ 2021ء کے سال کا آغاز کیا ہے۔ اسٹاک بینک آف پاکستان اور ”موڈیز“

نے متوقع شرح نمو 1.5 فیصد سے 2.5 فیصد تک رہنے کی اُمید ظاہر کی ہے۔ معاشی حالت میں بہتری ، شرح سود میں استحکام اور روپے کی قدر میں محدود اتار چڑھاؤ کے پیش نظر ، ہمیں امید ہے کہ کمپنی دستیاب مواقع سے بھرپور فائدہ اٹھائے گی اور اپنی بنیادی قابلیت پر توجہ مرکوز کر کے آئندہ سہ ماہی میں منافع کی شرح کو بہتر بنائے گی۔

روشن پیکجز لمیٹڈ نے اپنے اسٹیک ہولڈرز کی فلاح و بہبود کو مدنظر رکھتے ہوئے کامیابی کے ساتھ ”نئی حکمت عملی“ کو اپنایا ہے۔ کمپنی نے ابھرتے ہوئے مواقع سے فائدہ اٹھایا اور مناسب حکمت عملی پر عمل کر کے اپنی بہتر صلاحیت کا مظاہرہ کیا ہے۔ مزید یہ کہ کمپنی طویل مدتی کاروباری تجاویز کی تیاری اور اسٹیک ہولڈرز کی قدر میں اضافہ کرنے کے لیے تیار ہے۔ اس کے لیے ، روشن پیکجز لمیٹڈ کے اصول و ضوابط اور بنیادی اقدار ایک مستحکم بنیاد فراہم کرتے رہیں گے۔

اظہار تشکر

بورڈ اپنے تمام اسٹیک ہولڈرز کا کمپنی کو ان کی معاونت کے لئے شکریہ ادا کرتا ہے۔ بورڈ غیر معمولی وقت کے دوران کمپنی کے ملازمین کی لگن اور محنت کا بھی اعتراف کرتا ہے۔

Zamana

چیف ایگزیکٹو آفیسر

چیئرمین

ROSHAN PACKAGES LIMITED
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021**

		Un-audited	Audited
		31 March	30 June
	Note	2021	2020
		Rupees	Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	7	4,485,284,661	4,524,161,130
Right of use assets		40,085,868	51,279,633
Intangible asset		-	362,586
Investment in subsidiary		111,376,130	111,376,130
Long term loan - unsecured	8	456,669,480	168,546,690
Long term deposits		14,902,194	14,902,194
		5,108,318,333	4,870,628,363
Current assets			
Stores, spares and other consumables		184,736,138	171,999,102
Stock-in-trade		751,900,319	708,935,191
Contract assets		72,505,808	80,878,738
Trade debts - unsecured	9	1,475,795,003	1,255,085,411
Current portion of long-term loan	8	-	149,249,281
Short term loan - unsecured	8	-	92,186,870
Advances, deposits, prepayments and other receivables	10	753,089,498	718,642,360
Short term investment		489,593,000	486,017,750
Cash and bank balances	11	357,146,104	328,562,905
		4,084,765,870	3,991,557,608
Total assets		9,193,084,203	8,862,185,971
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
150,000,000 (30 June 2020: 150,000,000)			
ordinary shares of Rs. 10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital	12	1,419,000,000	1,419,000,000
Capital reserves			
Share premium		1,994,789,057	1,994,789,057
Surplus on revaluation of operating fixed assets		1,758,614,282	1,795,215,742
		3,753,403,339	3,790,004,799
Revenue reserve			
Un-appropriated profit		798,682,488	653,269,980
Total equity		5,971,085,827	5,862,274,779
Non-current liabilities			
Long term finances - secured		25,009,164	87,018,828
Lease liabilities		28,401,814	31,721,605
Deferred taxation		541,179,713	453,622,673
Deferred liabilities		123,171,853	122,088,352
		717,762,544	694,451,458
Current liabilities			
Current portion of long-term liabilities		285,475,199	248,834,807
Short term borrowings - secured		960,975,003	1,048,293,740
Trade and other payables		1,221,710,586	959,971,322
Contract liabilities		18,158,145	15,918,351
Accrued finance cost		15,638,016	31,653,458
Unclaimed dividend		2,278,883	788,056
		2,504,235,832	2,305,459,734
Total liabilities		3,221,998,376	2,999,911,192
Total equity and liabilities		9,193,084,203	8,862,185,971

CONTINGENCIES AND COMMITMENTS

13

The annexed notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive

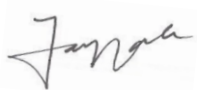
Director
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Chief Financial Officer

ROSHAN PACKAGES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

Note	Nine months period ended		Three months period ended	
	(Un-audited)		(Un-audited)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers	6,055,543,822	4,571,274,528	2,069,646,901	1,653,281,957
Less: Sales tax	(830,418,596)	(628,964,666)	(285,432,904)	(222,151,624)
Net revenue	5,225,125,226	3,942,309,862	1,784,213,997	1,431,130,333
Cost of revenue	(4,550,992,718)	(3,517,324,106)	(1,537,700,812)	(1,253,987,255)
Gross profit	674,132,508	424,985,756	246,513,185	177,143,078
Administrative expenses	(163,953,533)	(94,427,630)	(65,642,553)	(32,514,676)
Selling and distribution expenses	(142,523,623)	(122,684,305)	(46,963,672)	(48,808,507)
Other operating expenses	(26,085,333)	(10,538,903)	(3,948,944)	(4,552,313)
	(332,562,489)	(227,650,838)	(116,555,169)	(85,875,496)
Operating profit	341,570,019	197,334,918	129,958,016	91,267,582
Other income	80,845,594	127,649,466	32,545,960	25,256,614
Finance cost	(83,577,191)	(178,920,306)	(25,916,017)	(52,504,238)
Profit before taxation	338,838,422	146,064,078	136,587,959	64,019,958
Taxation	(88,127,374)	76,178,240	(39,839,125)	(15,655,813)
Profit for the period	250,711,048	222,242,318	96,748,834	48,364,145
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	250,711,048	222,242,318	96,748,834	48,364,145
Earnings per share - Basic and diluted	1.77	1.57	0.68	0.34

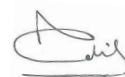
The annexed notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive



Director

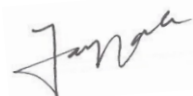


Chief Financial Officer

ROSHAN PACKAGES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

	Issued, subscribed and paid-up share capital	Capital reserves		Revenue reserve	Total
		Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit	
-----Rupees-----					
Balance as on 01 July 2019	1,419,000,000	1,994,789,057	1,843,728,306	356,968,813	5,614,486,176
Total comprehensive income for the period	-	-	-	222,242,318	222,242,318
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(36,242,549)	36,242,549	-
Balance as on 31 March 2020 - (Un-audited)	1,419,000,000	1,994,789,057	1,807,485,757	615,453,680	5,836,728,494
Balance as on 01 July 2020	1,419,000,000	1,994,789,057	1,795,215,742	653,269,980	5,862,274,779
Total comprehensive income for the period	-	-	-	250,711,048	250,711,048
Surplus transferred to un-appropriated profit on account of incremental depreciation charged during the period - net of tax	-	-	(36,601,460)	36,601,460	-
Final cash dividend for the year ended 30 June 2020 (Rs.1 per share)	-	-	-	(141,900,000)	(141,900,000)
Balance as on 31 March 2021 - (Un-audited)	1,419,000,000	1,994,789,057	1,758,614,282	798,682,488	5,971,085,827

The annexed notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive



Director

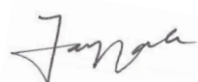


Chief Financial Officer

ROSHAN PACKAGES LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

		Un-audited	
	Note	31 March 2021	31 March 2020
CASH FLOWS FROM OPERATING ACTIVITIES		Rupees	Rupees
Cash generated from operations	19	372,802,887	272,348,723
Finance costs paid		(93,303,241)	(178,667,301)
Taxes adjusted / (paid)		43,725,255	(38,156,450)
Gratuity paid		(13,425,662)	(6,929,908)
Accumulated absences paid		(220,328)	(273,464)
Net increase in long term deposits		-	(2,340,770)
		(63,223,976)	(226,367,893)
Net cash generated from operating activities		309,578,911	45,980,830
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditure incurred on purchase of property, plant and equipment		(65,855,546)	(38,346,929)
Long term loan given		(100,583,935)	(25,422,329)
Proceeds from disposal of operating fixed assets		553,999	-
Proceeds from mark-up on long term loans		107,347,251	-
Profit on bank deposits received		38,879,795	76,438,690
Net cash (used in) / generated from investing activities		(19,658,436)	12,669,432
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from / (repayment) of long-term loans		16,596,929	(250,599,963)
Repayment of supplier's credit		(34,553,671)	(51,208,427)
Dividend paid		(140,409,173)	(12,113)
Repayment of short-term borrowings - net		(56,598,580)	(40,474,792)
Repayment of lease liabilities		(12,077,374)	(11,297,456)
Net cash used in financing activities		(227,041,869)	(353,592,751)
Net increase / (decrease) in cash and cash equivalents		62,878,606	(294,942,489)
Cash and cash equivalents at the beginning of the period		574,201,284	696,748,452
Cash and cash equivalents at the end of the period	18	637,079,890	401,805,963

The annexed notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

ROSHAN PACKAGES LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

1 CORPORATE AND GENERAL INFORMATION

Roshan Packages Limited ("the Company") was incorporated in Pakistan as a private company limited by shares on 13 August 2002 under the Companies Act, 2017. The Company was converted into a public limited company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.

The registered office of the Company is situated at 325 G-III, M.A. Johar Town, Lahore. The corrugation packaging facility is located at 7 km, Sundar Raiwind Road, Lahore and flexible packaging facility is located at Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

These unconsolidated condensed interim financial statements are the separate financial statements of the Company. Condensed interim consolidated financial statements are prepared separately.

2 IMPACT OF COVID-19 ON THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

The World Health Organization declared COVID-19 a global pandemic on 11 March 2020. Accordingly, on 20 March 2020, the Government of Pakistan announced temporary lock down as a measure to reduce the spread of COVID-19. The outbreak of COVID-19 has had a distressing impact on overall demand in the global economy with notable downgrade in growth forecasts.

The Company's management is fully cognizant of the business challenges posed by the COVID-19 outbreak and closely monitoring the possible impacts on the Company's operations and liquidity positions and believes that its current policies for managing credit, liquidity and market risk are adequate in response to current situation.

The management has assessed the impact of the COVID-19 on the unconsolidated condensed interim financial statements and concluded that, as the Company is engaged in the business of packaging material related to food and other essential items, there is no material financial impact of COVID-19 on the carrying amounts of assets, liabilities, income or expenses which required specific disclosures.

3 STATEMENT OF COMPLIANCE

- 3.1** These unconsolidated 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:

i) International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and ii)

Provisions of and directives issued under the Companies Act, 2017 (the Act).

Where provisions of and directives issued under the Act, differ with the requirements of IAS 34, the provisions of and directives issued under the Act, have been followed.

- 3.2** These unconsolidated condensed interim financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019.

4 BASIS OF PREPARATION

- 4.1** These unconsolidated condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual unconsolidated financial statements for the year ended 30 June 2020.
- 4.2** These unconsolidated condensed interim financials statements comprise of condensed interim statement of financial position as at 31 March 2021, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes thereto for the nine months period then ended which has been subjected to a review in accordance with the listing regulation but not audited. These unconsolidated condensed interim financial statements also include condensed interim statement of comprehensive income for the quarter ended 31 March 2021 which has not audited.
- 4.3** The comparative unconsolidated statement of financial position presented in these unconsolidated condensed interim financial statements has been extracted from the audited annual unconsolidated financial statements of the Company for the year ended 30 June 2020, whereas comparative unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity have been extracted from the un-audited unconsolidated condensed interim financial statements for the nine months period ended 31 March 2020.

- 4.4 These unconsolidated condensed interim financial statements have been prepared under the historical cost convention and are presented in Pak Rupee, which is also the functional currency of the Company.
- 4.5 Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 30 June 2020, except for the adoption of new standards effective as of 1 July 2020. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2020, but do not have an impact on the unconsolidated condensed interim financial statements of the Company.

i) Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarified that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial and processes needed to create outputs. These amendments had no impact on the unconsolidated condensed interim financial statements of the Company, but may impact future periods should the Company enter into any business combinations.

ii) Amendments to IFRS 7, IFRS 9 and IAS 39: Interest Rate Benchmark Reform

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments had no impact on the unconsolidated condensed interim financial statements of the Company as it does not have any interest rate hedge relationships.

iii) Amendments to IAS 1 and IAS 8: Definition of Material

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity".

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the unconsolidated condensed interim financial statements of, nor is there expected to be any future impact to the Company.

iv) Conceptual Framework for Financial Reporting issued on 29 March 2018

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these unconsolidated condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unconsolidated condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2020.

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- 8.3** The Company in its Annual General Meeting held on 28 October 2020 through special resolution and in accordance with requirements of Section 199 of the Companies Act 2017, has increased the limit of loan and advances in Subsidiary Company from Rs. 260 million to up to Rs. 500 million to be provided to Subsidiary Company from time to time. Further, an extension in repayment of loan has also been granted, and as per revised terms and conditions, Subsidiary Company would repay the entire principal amount on 30 June 2024 or with one year of the commercial operations of the Subsidiary Company, whichever is later. Resultantly, short term loan granted to Subsidiary Company amounted Rs. 92 million has been classified as non-current.

	Note	(Un-audited) 31 March 2021	(Audited) 30 June 2020
8.4 Movement during the period / year is as follows:		Rupees	Rupees
Opening balance		168,546,690	117,094,385
Loan disbursed during the period / year		100,583,935	30,704,997
Short term loan reclassified from current assets	8.3	92,186,870	-
Mark-up accrued during the period / year		13,489,015	20,747,308
Mark-up received during the period / year		(40,706,518)	-
Mark-up reclassified to other receivables		(5,225,850)	-
Closing balance		328,874,142	168,546,690
9 TRADE DEBTS - UNSECURED			
Trade debts - unsecured		1,737,296,369	1,488,950,316
Less: Allowance for expected credit losses		(261,501,366)	(233,864,905)
		1,475,795,003	1,255,085,411
10 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Advances:			
- To employees - secured		7,782,450	5,213,329
- To suppliers - unsecured		229,684,928	125,667,278
		237,467,378	130,880,607
Balances with statutory authorities:			
- Sales tax receivable - net		83,452,666	119,091,948
- Income tax receivable - net		406,346,428	413,828,022
		489,799,094	532,919,970
Prepayments		7,243,710	10,887,506
Security deposits		2,697,082	6,429,313
Interest receivable - saving accounts		844,313	276,878
Interest receivable - short term investment		7,693,540	5,800,839
Interest receivable - subsidiary		7,344,381	31,447,247
		753,089,498	718,642,360
11 CASH AND BANK BALANCES			
Cash in hand		1,209,745	334,993
Balances with banks:			
Saving accounts	11.1	282,743,724	289,018,160
Current accounts		73,192,635	39,209,752
		355,936,359	328,227,912
		357,146,104	328,562,905

- 11.1** Profit on the balances in saving accounts ranges from 3% to 7% (30 June 2020: 6% to 12.9%) per annum.

	(Un-audited) 31 March 2021	(Audited) 30 June 2020	(Un-audited) 31 March 2021	(Audited) 30 June 2020
12 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL				
	----- No. of shares -----		----- Rupees -----	
Ordinary shares of Rs. 10 each fully paid in cash	57,336,000	57,336,000	573,360,000	573,360,000
Ordinary shares of Rs. 10 each issued as bonus shares	79,461,000	79,461,000	794,610,000	794,610,000
Ordinary shares of Rs. 10 each fully paid for consideration other than cash (Note 12.1)	5,103,000	5,103,000	51,030,000	51,030,000
	141,900,000	141,900,000	1,419,000,000	1,419,000,000

- 12.1 These shares were issued against the fair value of land acquired which measures 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

Deputy Commissioner Inland Revenue ('DCIR') initiated proceedings against the Company under section 214C of the Income Tax Ordinance, 2001 ('the Ordinance') for tax year 2015 and increased the Company's tax chargeable by Rs. 8.7 million on account of fixed assets, trade creditors, Worker's Profit Participation Fund (WPPF) and others etc. through an amended assessment order u/s 122(1)/122(5) of the Ordinance dated 28 June 2018. Aggrieved by the decision of DCIR, the Company filled an appeal before CIR (Appeals), which was decided by the CIR (Appeals) vide order dated November 13, 2020. The CIR (Appeals) through its appellate order decided the matter partly in favour of FBR and party in favour of the Company. The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which has not yet been fixed for hearing. The management based on the advice of its legal counsel, is confident that the matter will be decided in the Company's favour and no financial obligation is expected to accrue. Consequently, no provision has been made in these unconsolidated condensed interim financial statements.

13.2 Commitments in respect of:

- (a) There was no change in the commitments in respect of Letters of credit and contracts for capital expenditure since the date of preceding published annual financial statements.
- (b) Letter of credits and contracts other than for capital expenditure amounting to Rs. 94.04 million (30 June 2020: Rs. 290.99 million).

13.3 Guarantee

There was no change in the guarantees given by banks on behalf of the Company since the date of preceding published annual financial statements.

	Note	Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		Rupees	Rupees	Rupees	Rupees
14 REVENUE FROM CONTRACTS WITH CUSTOMERS	14.1 & 14.2	5,225,125,226	3,942,309,862	1,784,213,997	1,431,130,333

14.1 Disaggregation of revenue from contracts with customers:

Revenue from contracts with customers, disaggregated by major product lines and timing of revenue recognition is listed below:

	Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Rupees	Rupees	Rupees	Rupees
Major product lines:				
- Made-to-order packaging products	4,818,649,969	3,487,606,836	1,661,191,586	1,265,934,691
- Standard packaging products	406,475,257	454,703,026	123,022,411	165,195,642
	5,225,125,226	3,942,309,862	1,784,213,997	1,431,130,333
Timing of revenue recognition:				
- Products transferred over time	4,818,649,969	3,487,606,836	1,661,191,586	1,265,934,691
- Products transferred at a point in time	406,475,257	454,703,026	123,022,411	165,195,642
	5,225,125,226	3,942,309,862	1,784,213,997	1,431,130,333

- 14.2 This includes unbilled revenue amounting to Rs. 72.51 million (31 March 2020: Rs. 92.33 million).

14.3 Performance obligation

The performance obligation in case of sale of standard products is satisfied at a point in time when the goods are delivered to the customer and for made to order products is satisfied over the time. The Company makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 7 to 365 days from delivery.

	Nine months period ended		Three months period ended	
	(Un-audited)		(Un-audited)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Rupees	Rupees	Rupees	Rupees
15 COST OF REVENUE				
Raw materials consumed	3,873,955,445	2,912,310,476	1,311,275,767	1,048,914,084
Salaries, wages and other benefits	209,745,286	166,670,671	72,948,405	57,715,528
Fuel and power	170,911,388	170,625,212	57,921,960	56,358,832
Depreciation of operating fixed assets	106,375,201	100,444,719	36,011,432	34,055,626
Production supplies	89,277,777	67,963,727	31,672,436	21,550,865
Repairs and maintenance	49,481,428	27,460,747	9,964,662	9,021,500
Travelling and conveyance	17,063,777	19,185,482	5,316,257	7,435,489
Packing material consumed	16,722,284	12,681,173	6,138,008	4,510,126
Insurance	5,050,177	3,949,834	1,655,430	(393,334)
Vehicle running expenses	3,452,922	3,035,738	1,346,327	1,547,475
Carriage inward expenses	2,448,528	2,295,919	879,800	994,891
Depreciation of right of use asset	1,385,409	1,933,313	426,670	713,992
Communication expenses	1,079,966	745,682	294,194	317,180
Rent	820,477	997,833	171,800	376,814
Printing and stationery	784,678	462,542	392,363	162,025
Others	8,457,716	12,809,045	2,982,373	2,961,543
Cost of goods manufactured	4,557,012,459	3,503,572,113	1,539,397,884	1,246,242,636
Opening stock of finished goods	11,727,881	16,264,405	16,050,550	10,257,031
Closing stock of finished goods	(17,747,622)	(2,512,412)	(17,747,622)	(2,512,412)
	(6,019,741)	13,751,993	(1,697,072)	7,744,619
	4,550,992,718	3,517,324,106	1,537,700,812	1,253,987,255
16 TAXATION				
Current tax	641,152	37,047,857	-	12,695,694
Deferred tax expense / (income)	87,486,222	(113,226,097)	39,839,125	2,960,119
	88,127,374	(76,178,240)	39,839,125	15,655,813

17 EARNINGS PER SHARE - BASIC AND DILUTED

Basic and diluted earnings per share are same because the Company has not issued any convertible bonds, convertible preference shares, options, warrants or employee share options. Thus, earnings per share of the Company are as follows:

		Nine months period ended		Three months period ended	
		(Un-audited)		(Un-audited)	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Profit attributable to owners of the Company	Rupees	250,711,048	222,242,318	96,748,834	48,364,145
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000
Basic earnings per share	Rupees	1.77	1.57	0.68	0.34
18 CASH AND CASH EQUIVALENTS					
Short term investment				489,593,000	500,000,000
Cash and bank balances				357,146,104	229,581,336
Running finance				(209,659,214)	(327,775,373)
				637,079,890	401,805,963

		(Un-audited)	
		31 March 2021	31 March 2020
		Rupees	Rupees
19 CASH GENERATED FROM / (USED IN) OPERATIONS			
Profit before taxation		338,838,422	146,064,078
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of operating fixed assets		109,498,865	111,214,731
Finance costs		83,577,191	178,920,306
Provision for Worker's Profit Participation Fund		18,803,844	7,959,955
Provision for gratuity		13,565,007	13,564,995
Depreciation of right of use assets		8,559,977	-
Provision for Worker's Welfare Fund		7,205,553	2,578,948
Interest income on loans		(29,347,089)	(41,942,450)
Grant income		(1,921,575)	-
Profit on bank deposits		(41,339,931)	(82,674,033)
Amortization of intangible assets		362,586	1,063,272
Allowance for expected credit losses		27,636,461	-
Loss on disposal of operating fixed asset		75,936	-
Exchange gain unrealized		(6,730,340)	(1,917,406)
Provision for accumulating compensated absences		2,179,881	2,179,874
Cashflow before working capital changes		530,964,788	337,012,270
Effect on cash flow due to working capital changes:			
Decrease / (increase) in current assets:			
Stores and spare parts		(12,737,036)	(4,363,807)
Stock-in-trade		(42,965,128)	95,170,818
Trade debts		(248,346,053)	(53,077,536)
Contract assets		8,372,930	(43,729,479)
Advances, deposits, prepayments and other receivables		(99,210,744)	40,201,444
		(394,886,031)	34,201,440
Increase / (decrease) in current liabilities:			
Contract liabilities		2,239,794	8,031,300
Trade and other payables		234,484,336	(106,896,287)
		236,724,130	(98,864,987)
Net working capital changes		(158,161,901)	(64,663,547)
		372,802,887	272,348,723
20 TRANSACTIONS WITH RELATED PARTIES			

The related parties include the subsidiary company, associated undertaking, key management personnel and their associates. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these unconsolidated condensed interim financial statements are as follows:

		Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
Name of related party and relationship	Nature of transaction	31 March 2021	31 March 2020	31 March 2021	31 March 2020
		Rupees	Rupees	Rupees	Rupees
Roshan Sun Tao Paper Mills (Private) Limited – Subsidiary	Mark-up - long term loan	13,489,015	16,230,442	5,225,850	6,742,797
	Mark-up - short term loan	7,001,732	12,924,599	2,118,530	5,834,660
Roshan Enterprises - Common directorship	Sales	11,175,149	12,417,350	5,992,608	9,373,137
	Mark-up	8,856,342	12,787,409	3,204,844	4,684,938
Director and Chief Executive	Salary and other benefits	25,119,696	22,815,000	8,373,232	7,605,000

21 FINANCIAL RISK MANAGEMENT

21.1 Financial Risk Factors

The Company finances its operations through equity and borrowings with a view to maximize the return to the stakeholders. The Company is exposed to market risk, credit risk and liquidity risk. The Company's principal financial liabilities comprise trade and other payables, short term borrowings and long-term borrowings. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as long-term loan to subsidiary and associated undertaking, prepayments, deposits and other receivables, trade debts, profit accrued and cash and bank balances, which are directly related to operations.

The Board of Directors has the overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to react to changes in market conditions and the Company's activities.

There is no change in the Company's objectives, policies, procedures for measuring and managing the above risks including capital management risk, since the preceding financial year ended 30 June 2020.

21.2 Fair value of financial and non-financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The company have measured its financial instruments at amortized cost and there is no significant change in the status of measurement set out in note 47 to the Company's unconsolidated financial statements for the year ended 30 June 2020.

22 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved and authorized for issue on April 27, 2021 by the Board of Directors of the Company.

23 GENERAL

23.1 Corresponding figures have been re-classified and re-arranged, wherever necessary, for the purpose of comparison and better presentation as per applicable financial reporting framework however, no significant rearrangements / re-classification have been made other than those disclosed in these unconsolidated condensed interim financial statements.

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



Chief Executive



Director



Chief Financial Officer

Directors' Report

Dear Shareholders,

The Directors of the Group are pleased to present the Directors' Report along with the condensed interim Financial Statements of the Group for the nine months period ended on March 31, 2021.

Financial Performance

The financial performance of the Group during the nine months period is contained in the table below:

	Nine months Ended		Quarter Ended	
	31-Mar-2021	31-Mar-2020	31-Mar-2021	31-Mar-2020
	Rupees in Million			
Sales-Net	5,225	3,942	1,784	1,431
Cost of Sales	4,551	3,517	1,538	1,254
Gross Profit	674	425	247	177
Finance Cost	84	179	26	53
Net profit / (loss) before tax	308	116	126	51
Tax (Expense) / Income	(88)	76	(40)	(16)
Net profit / (loss) after tax	220	192	86	36

During the period under review, the Group earned a profit before tax of Rs. 308 million as compared to a profit before tax of Rs. 116 million in the comparable period last year. This shows an improvement of 165%. The sales revenue rose from 3,942 million to Rs. 5,225 million registering an increase of 32.54% compared to same period last year. This increase is a result of the Group's policy of not compromising on quality and standard of its products. Continuous improvement in technology, production techniques, business processes and customer satisfaction helped the Group to capture additional market share. Business partner's loyalty is the key to success and the Group not only maintained it but also kept it at top priority to increase its market share.

Despite high inflation, the Group has managed to control its costs and increased its profitability whilst improving its products' quality. It increased gross profit margin to 12.90% as compared to 10.78% in the same period last year, an increase of Rs. 249 million in figures. This resulted in 59% increase in gross profit margin. The operating profit of the Group also increased by 67% to Rs. 332 million from Rs. 199 million.

Moreover, financial charges were reduced by Rs. 95 million, due to the decrease in policy rate by the State Bank of Pakistan and efficient fund management by the Group, which had a favourable impact on our bottom line. The Group's energy conservation policies helped to manage and maintain its utility cost. This led to reduce the percentage cost of utilities to revenue as we were able to produce more products at the same cost.

The profit after tax of the Group has increased by Rs. 28 million as compared to same period last year. Deferred tax asset was recognized in comparable period of last year which resulted in net tax income of Rs. 76 million in that period.

Roshan Sun Tao Paper Mills (Pvt.) Limited

Roshan Sun Tao Paper Mills (Private) Limited (RSTPML) was incorporated on 08th January 2016 under the Companies Act 2017 as a private limited company. It is a subsidiary of the Company (the “Subsidiary”). The Subsidiary was incorporated to set up a Corrugated Paper Manufacturing Mill for manufacturing, supplying & dealing in corrugated recycled paper.

RSTPML was a joint venture of Roshan Packages Limited (RPL) with a Chinese company, M/s Shandong Yongtai Paper Mills Limited (SYPML). However, joint venture agreement was terminated by the Company due to contractual breaches committed by the Chinese partner. The Company filed a case before the Civil Court for specific performance of termination clause of joint venture agreement.

SYPML had filed a winding up petition before the Lahore High Court for winding up of the Company, which was dismissed on 05 October, 2020. Subsequently, SYPML and its Directors offered settlement by selling their entire stake of 40% in the RSTPML. In view of prolonged litigation, the Board has accepted the offer of settlement with SYPML and its directors. Pursuant to the settlement, a sum of PKR 81,675,825 will be paid to SYPML and its directors as full and final settlement including the amount of loan payable to SYPML.

RPL currently holds 60% shares of RSTPML. After approval of shareholders in EOGM due to be held on May 06, 2021 and execution of definitive settlement agreement with SYPML and its directors, RSTPML will become 100% owned subsidiary of RPL. The case filed by RPL in the Civil Court will be withdrawn pursuant to the settlement.

The management of RPL is fully committed to the project of RSTPML and strongly believes that the paper mill project on completion will bring significant benefits to the Group and its shareholders. The management is resolutely working on the execution of the project and right now is in process of finalization of civil contractors and negotiation with financial institutions for financial closure and import of machinery.

Future Outlook:

The global economy is emerging from one of its deepest recessions and started to demonstrate slow recovery. Unlike some countries, Pakistan has shown great resilience and was fortunate enough to elude severe effects of the pandemic but we are now in the midst of a third wave.

As described in previous reports, the Group’s team dealt with the first and second wave of pandemic successfully by going above and beyond in ensuring an uninterrupted supply chain for our valuable customers. The Group, has learnt many lessons of adaptability and innovation which it will continue to employ going forward. The Group has successfully adopted the “new normal” with an emphasis on the safety and well-being of all stakeholders. The Group has demonstrated its ability to avail emerging opportunities and execute appropriate strategies. Moreover, the Group is well-poised to keep building long term business propositions and increasing stakeholders’ value, which is evident from quarter wise results and improvements.

Pakistan’s economy started CY21 with a positive outlook reflected by decent growth prospects and improved business sentiments. The state bank of Pakistan and Moody’s have reported an expected growth of 1.5-2.5%. Given the improving economic condition, stability on interest rates and range bound currency fluctuations, we are hopeful that the Group will secure upcoming opportunities available in the market and improve profit margins in the coming period.

Acknowledgment:

The Board is thankful to all of its stakeholders for their invaluable continued support to the Group. The Board would also like to acknowledge the dedication, diligence and hard work of the Group's employees during an unprecedented time.

ROSHAN PACKAGES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

		Un-audited	Audited
		31 March	30 June
	Note	2021	2020
		Rupees	Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	7	4,987,932,817	5,014,071,127
Right of use assets		40,085,868	51,279,633
Intangible asset		-	362,586
Long term loan - unsecured	8	127,795,338	-
Long term deposits		14,902,194	14,902,194
		5,170,716,217	5,080,615,540
Current assets			
Stores, spares and other consumables		184,736,138	171,999,102
Stock-in-trade		751,900,319	708,935,191
Contract assets		72,505,808	80,878,738
Trade debts - unsecured	9	1,475,795,003	1,255,085,411
Current portion of long-term loan	8	-	149,249,281
Advances, deposits, prepayments and other receivables	10	771,644,067	711,378,087
Short term investment		489,593,000	486,017,750
Cash and bank balances	11	357,889,207	328,608,293
		4,104,063,542	3,892,151,853
Total assets		9,274,779,759	8,972,767,393
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
150,000,000 (30 June 2020: 150,000,000)			
ordinary shares of Rs. 10 each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up share capital	12	1,419,000,000	1,419,000,000
Capital reserves			
Share premium		2,031,894,417	2,031,894,417
Surplus on revaluation of operating fixed assets		1,758,614,282	1,795,215,742
		3,790,508,699	3,827,110,159
Revenue reserve			
Un-appropriated profit		734,156,041	607,015,886
Equity attributable to equity holders of the Holding Company		5,943,664,740	5,853,126,045
Non-controlling interest		88,402,879	100,584,447
Total equity		6,032,067,619	5,953,710,492
Non-current liabilities			
Long term finances - secured		25,009,164	87,018,828
Lease liabilities		28,401,814	31,721,605
Deferred taxation		541,179,713	453,622,673
Deferred liabilities		123,171,853	122,088,352
		717,762,544	694,451,458
Current liabilities			
Current portion of long-term liabilities		285,475,199	248,834,807
Short term borrowings - secured		960,975,003	1,048,293,740
Trade and other payables		1,242,424,350	979,117,031
Contract liabilities		18,158,145	15,918,351
Accrued finance cost		15,638,016	31,653,458
Unclaimed dividend		2,278,883	788,056
		2,524,949,596	2,324,605,443
Total liabilities		3,242,712,140	3,019,056,901
Total equity and liabilities		9,274,779,759	8,972,767,393
CONTINGENCIES AND COMMITMENTS	13		

The annexed notes from 1 to 23 form an integral part of these consolidated condensed interim financial statements.


Chief Executive


Director
25


Chief Financial Officer

ROSHAN PACKAGES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

Note	Nine months period ended		Three months period ended	
	(Un-audited)		(Un-audited)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Rupees	Rupees	Rupees	Rupees
Revenue from contracts with customers	6,055,543,822	4,571,274,528	2,069,646,901	1,653,281,957
Less: Sales tax	(830,418,596)	(628,964,666)	(285,432,904)	(222,151,624)
Net revenue	5,225,125,226	3,942,309,862	1,784,213,997	1,431,130,333
Cost of revenue	(4,550,992,718)	(3,517,324,106)	(1,537,700,812)	(1,253,987,255)
Gross profit	674,132,508	424,985,756	246,513,185	177,143,078
Administrative expenses	(173,910,675)	(95,042,665)	(68,965,247)	(32,514,676)
Selling and distribution expenses	(142,523,623)	(122,684,305)	(46,963,672)	(48,808,507)
Other operating expenses	(26,085,333)	(8,621,497)	(3,948,944)	(2,634,907)
	(342,519,631)	(226,348,467)	(119,877,863)	(83,958,090)
Operating profit	331,612,877	198,637,289	126,635,322	93,184,988
Other income	60,354,847	96,577,019	25,201,579	10,761,751
Finance cost	(83,583,223)	(178,920,306)	(25,922,049)	(52,504,238)
Profit before taxation	308,384,501	116,294,002	125,914,852	51,442,501
Taxation	(88,127,374)	76,178,240	(39,839,125)	(15,655,813)
Profit for the period	220,257,127	192,472,242	86,075,727	35,786,688
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	220,257,127	192,472,242	86,075,727	35,786,688
Profit / (loss) attributable to:				
Equity holders of the Holding Company	232,438,695	192,718,256	90,340,273	35,786,688
Non-controlling interest	(12,181,568)	(246,014)	(4,264,546)	-
	220,257,127	192,472,242	86,075,727	35,786,688
Earnings per share - Basic and diluted	1.64	1.36	0.64	0.25

The annexed notes from 1 to 23 form an integral part of these consolidated condensed interim financial statements.


 Chief Executive

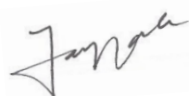

 Director


 Chief Financial Officer

ROSHAN PACKAGES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

Issued, subscribed and paid-up share capital	Capital reserves		Revenue reserve	Total	Non-controlling interest	Total equity
	Share premium	Surplus on revaluation of property, plant and equipment	Unappropriated profit			
-----Rupees-----						
1,419,000,000	1,994,789,057	1,843,728,306	328,339,476	5,585,856,839	167,070,413	5,752,927,252
-	-	-	192,718,256	192,718,256	(246,014)	192,472,242
-	-	(36,242,549)	36,242,549	-	-	-
1,419,000,000	1,994,789,057	1,807,485,757	557,300,281	5,778,575,095	166,824,399	5,945,399,494
1,419,000,000	2,031,894,417	1,795,215,742	607,015,886	5,853,126,045	100,584,447	5,953,710,492
-	-	-	232,438,695	232,438,695	(12,181,568)	220,257,127
-	-	(36,601,460)	36,601,460	-	-	-
-	-	-	(141,900,000)	(141,900,000)	-	(141,900,000)
1,419,000,000	2,031,894,417	1,758,614,282	734,156,041	5,943,664,740	88,402,879	6,032,067,619

The annexed notes from 1 to 23 form an integral part of these consolidated condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

ROSHAN PACKAGES LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

		Un-audited	
	Note	31 March 2021	31 March 2020
CASH FLOWS FROM OPERATING ACTIVITIES		Rupees	Rupees
Cash generated from operations	19	362,646,592	267,640,058
Finance costs paid		(93,309,273)	(178,667,301)
Taxes adjusted / (paid)		43,776,487	(38,148,678)
Gratuity paid		(13,425,662)	(6,929,908)
Accumulated absences paid		(220,328)	(273,464)
Net increase in long term deposits		-	(2,340,770)
		(63,178,776)	(226,360,121)
Net cash generated from operating activities		299,467,816	41,279,937
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditure incurred on purchase of property, plant and equipment		(78,593,705)	(59,068,365)
Proceeds from disposal of operating fixed assets		553,999	-
Proceeds from mark-up on long term loans		30,310,285	-
Profit on bank deposits received		38,879,795	76,438,690
Net cash (used in) / generated from investing activities		(8,849,626)	17,370,325
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from / (repayment) of long-term loans		16,596,929	(250,599,963)
Repayment of supplier's credit		(34,553,671)	(51,208,427)
Dividend paid		(140,409,173)	(12,113)
Repayment of short-term borrowings - net		(56,598,580)	(40,474,792)
Repayment of lease liabilities		(12,077,374)	(11,297,456)
Net cash used in financing activities		(227,041,869)	(353,592,751)
Net increase / (decrease) in cash and cash equivalents		63,576,321	(294,942,489)
Cash and cash equivalents at the beginning of the period		574,246,672	696,793,840
Cash and cash equivalents at the end of the period	18	637,822,993	401,851,351

The annexed notes from 1 to 23 form an integral part of these consolidated condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

ROSHAN PACKAGES LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021

1 THE GROUP AND ITS OPERATIONS

1.1 Corporate and general information

The Group comprises of Roshan Packages Limited ("the Holding Company") and Roshan Sun Tao Paper Mills (Private) Limited ("the Subsidiary"), together "the Group".

Holding Company

Roshan Packages Limited ("the Holding Company") was incorporated in Pakistan as a private company limited by shares on 13 August 2002 under the Companies Act, 2017. The Company was converted into a public limited company on 23 September 2016 and got listed on Pakistan Stock Exchange Limited on 28 February 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.

Subsidiary Company

Roshan Sun Tao Paper Mills (Private) Limited ("the Subsidiary Company") was incorporated in Pakistan as a private company limited by shares on 08 January 2016 under the Companies Act, 2017, and is a joint venture with Shandong Yongtai Paper Mill Company Limited, China. The principal activity of the Subsidiary Company will be manufacturing, supplying and dealing in corrugated papers. The Holding Company holds 60% of voting securities in the Subsidiary Company. The country of incorporation is also its principal place of business and Subsidiary's financial year end is 30 June. As of the reporting date, the Subsidiary Company is in its set up phase and has not yet commenced its commercial operations.

1.2 The geographical locations and addresses of the Group's business units, including production facilities are as under:

Holding Company

- Head office and registered office: 325 G-III, M.A. Johar Town, Lahore.
- Marketing office: 104, Parsa Tower, PECHS Block-6, Shahra-e-Faisal, Karachi.
- Corrugation packaging plant: 7 km, Sundar Raiwind Road, Lahore.
- Flexible packaging plant: Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

Subsidiary Company

- Head office and registered office: 325-G-III, Johar Town, Lahore, Punjab.
- The land purchased for setting up the manufacturing facility is situated at M-2 Lahore-Islamabad motorway, district Sheikhpura near village Mandiala and Qaimpur, adjacent to Quaid-e-Azam Industrial Apparel Park.

2 IMPACT OF COVID-19 ON THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

The World Health Organization declared COVID-19 a global pandemic on 11 March 2020. Accordingly, on 20 March 2020, the Government of Pakistan announced temporary lock down as a measure to reduce the spread of COVID-19. The outbreak of COVID-19 has had a distressing impact on overall demand in the global economy with notable downgrade in growth forecasts.

The Group's management is fully cognizant of the business challenges posed by the COVID-19 outbreak and closely monitoring the possible impacts on the Group's operations and liquidity positions and believes that its current policies for managing credit, liquidity and market risk are adequate in response to current situation.

The management has assessed the impact of the COVID-19 on the consolidated condensed interim financial statements and concluded that, as the Group is engaged in the business of packaging material related to food and other essential items, there is no material financial impact of COVID-19 on the carrying amounts of assets, liabilities, income or expenses which required specific disclosures.

3 STATEMENT OF COMPLIANCE

3.1 These consolidated 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:

- i) International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and ii)

Provisions of and directives issued under the Companies Act, 2017 (the Act).

Where provisions of and directives issued under the Act, differ with the requirements of IAS 34, the provisions of and directives issued under the Act, have been followed.

3.2 These consolidated condensed interim financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations 2019.

4 BASIS OF PREPARATION

4.1 These consolidated condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual consolidated financial statements for the year ended 30 June 2020.

4.2 These consolidated condensed interim financials statements comprise of condensed interim statement of financial position as at 31 March 2021, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes thereto for the nine months period then ended which has been subjected to a review in accordance with the listing regulation but not audited. These consolidated condensed interim financial statements also include condensed interim statement of comprehensive income for the quarter ended 31 March 2021 which has not audited.

4.3 The comparative consolidated statement of financial position presented in these consolidated condensed interim financial statements has been extracted from the audited annual consolidated financial statements of the Group for the year ended 30 June 2020, whereas comparative consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity have been extracted from the un-audited consolidated condensed interim financial statements for the nine months period ended 31 March 2020.

4.4 These consolidated condensed interim financial statements have been prepared under the historical cost convention and are presented in Pak Rupee, which is also the functional currency of the Group.

4.5 Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and taxation are estimated based on management judgment and prevailing laws; these are subject to final adjustments in the annual audited financial statements.

5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the consolidated condensed interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 June 2020, except for the adoption of new standards effective as of 1 July 2020. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2020, but do not have an impact on the consolidated condensed interim financial statements of the Group.

i) **Amendments to IFRS 3: Definition of a Business**

The amendment to IFRS 3 clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. Furthermore, it clarified that a business can exist without including all of the inputs and processes needed to create outputs. These amendments had no impact on the financial and processes needed to create outputs. These amendments had no impact on the consolidated condensed interim financial statements of the Group, but may impact future periods should the Group enter into any business combinations.

ii) **Amendments to IFRS 7, IFRS 9 and IAS 39: Interest Rate Benchmark Reform**

The amendments to IFRS 9 and IAS 39 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainties about the timing and or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments had no impact on the consolidated condensed interim financial statements of the Group as it does not have any interest rate hedge relationships.

iii) **Amendments to IAS 1 and IAS 8: Definition of Material**

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity".

The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated condensed interim financial statements of, nor is there expected to be any future impact to the Group.

iv) **Conceptual Framework for Financial Reporting issued on 29 March 2018**

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The revised Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these consolidated condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2020.

	Note	(Un-audited) 31 March 2021 Rupees	(Audited) 30 June 2020 Rupees
7 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - owned	7.1	4,391,031,626	4,426,415,803
Capital work-in-progress	7.2	596,901,191	587,655,324
		4,987,932,817	5,014,071,127
7.1 Operating fixed assets - owned			
Balance at the beginning of the period / year- net book value		4,426,415,803	4,545,885,536
Additions during the period / year - cost	7.1.1	69,347,838	49,253,856
Transfer from right of use asset - net book value		5,396,785	3,826,347
		4,501,160,426	4,598,965,739
Less:			
Disposals during the period / year - net book value		(629,935)	(4,402,945)
Transfer to right of use assets - net book value		-	(27,094,172)
Depreciation during the period / year		(109,498,865)	(141,052,819)
		(110,128,800)	(172,549,936)
Net book value at the end of period / year		4,391,031,626	4,426,415,803
7.1.1 Additions during the period / year - cost			
Freehold land		1,233,200	-
Plant and machinery		50,936,264	39,344,576
Office equipment		14,784,972	3,866,463
Furniture and fixture		1,009,773	1,049,298
Electric installations		742,717	12,500
Buildings on free hold land		640,912	4,981,019
		69,347,838	49,253,856
7.2 Capital work in progress			
Balance at the beginning of the period / year		587,655,324	561,532,349
Additions during the period / year		32,138,332	53,564,488
Transfers during the period / year		(22,892,465)	(27,441,513)
Balance at the end of the period / year		596,901,191	587,655,324
8 LONG TERM LOAN - UNSECURED			
At amortized cost:			
Loan to associated undertaking - Roshan Enterprises	8.1 & 8.2	127,795,338	-
		127,795,338	-
8.1	The Company in its Annual General Meeting held on 28 October 2020 through special resolution and in accordance with requirements of Section 199 of the Companies Act 2017, has grant extension of two years to associated undertaking in repayment of loan and as per revised terms and conditions, Roshan Enterprises would repay the entire principal amount by 28 October 2022.		
8.2 Movement during the period / year is as follows:			
Opening balance		-	132,838,400
Current portion re-classified due to change in loan term	8.1	149,249,281	
Mark-up accrued during the period / year		8,856,342	16,410,881
Mark-up received during the period / year		(30,310,285)	-
		127,795,338	149,249,281
Less: Current portion shown under current assets		-	(149,249,281)
Closing balance		127,795,338	-

9 TRADE DEBTS - UNSECURED

Trade debts - unsecured	1,737,296,369	1,488,950,316
Less: Allowance for expected credit losses	(261,501,366)	(233,864,905)
	1,475,795,003	1,255,085,411

10 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advances:		
- To employees - secured	9,259,769	5,213,329
- To suppliers - unsecured	229,684,928	125,667,278
	238,944,697	130,880,607
Balances with statutory authorities:		
- Sales tax receivable - net	98,328,436	133,753,082
- Income tax receivable - net	415,892,289	423,332,524
	514,220,725	557,085,606
Prepayments	7,243,710	10,904,844
Security deposits	2,697,082	6,429,313
Interest receivable - saving accounts	844,313	276,878
Interest receivable - short term investment	7,693,540	5,800,839
	771,644,067	711,378,087

11 CASH AND BANK BALANCES

Cash in hand		1,209,745	334,993
Balances with banks:			
Saving accounts	11.1	282,743,724	289,018,160
Current accounts		73,935,738	39,255,140
		356,679,462	328,273,300
		357,889,207	328,608,293

11.1 Profit on the balances in saving accounts ranges from 3% to 7% (30 June 2020: 6% to 12.9%) per annum.

	(Un-audited) 31 March 2021	(Audited) 30 June 2020	(Un-audited) 31 March 2021	(Audited) 30 June 2020
12 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL	2021	2020	2021	2020
	----- No. of shares -----		----- Rupees -----	
Ordinary shares of Rs. 10 each fully paid in cash	57,336,000	57,336,000	573,360,000	573,360,000
Ordinary shares of Rs. 10 each issued as bonus shares	79,461,000	79,461,000	794,610,000	794,610,000
Ordinary shares of Rs. 10 each fully paid for consideration other than cash (Note 12.1)	5,103,000	5,103,000	51,030,000	51,030,000
	141,900,000	141,900,000	1,419,000,000	1,419,000,000

12.1 These shares were issued against the fair value of land acquired which measures 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

13 CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

Deputy Commissioner Inland Revenue ('DCIR') initiated proceedings against the Company under section 214C of the Income Tax Ordinance, 2001 ('the Ordinance') for tax year 2015 and increased the Company's tax chargeable by Rs. 8.7 million on account of fixed assets, trade creditors, Worker's Profit Participation Fund (WPPF) and others etc. through an amended assessment order u/s 122(1)/122(5) of the Ordinance dated 28 June 2018. Aggrieved by the decision of DCIR, the Company filled an appeal before CIR (Appeals), which was decided by the CIR (Appeals) vide order dated November 13, 2020. The CIR (Appeals) through its appellate order decided the matter partly in favour of FBR and party in favour of the Company. The Company has filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which has not yet been fixed for hearing. The management based on the advice of its legal counsel, is confident that the matter will be decided in the Company's favour and no financial obligation is expected to accrue. Consequently, no provision has been made in these unconsolidated condensed interim financial statements.

13.2 Commitments in respect of:

- (a) There was no change in the commitments in respect of Letters of credit and contracts for capital expenditure since the date of preceding published annual financial statements.
- (b) Letter of credits and contracts other than for capital expenditure amounting to Rs. 94.04 million (30 June 2020: Rs. 290.99 million).

13.3 Guarantee

There was no change in the guarantees given by banks on behalf of the Group since the date of preceding published annual financial statements.

	Note	Nine months period ended		Three months period ended	
		(Un-audited)		(Un-audited)	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		Rupees	Rupees	Rupees	Rupees
14 REVENUE FROM CONTRACTS WITH CUSTOMERS	14.1 & 14.2	5,225,125,226	3,942,309,862	1,784,213,997	1,431,130,333

14.1 Disaggregation of revenue from contracts with customers:

Revenue from contracts with customers, disaggregated by major product lines and timing of revenue recognition is listed below:

	Nine months period ended		Three months period ended	
	(Un-audited)		(Un-audited)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Rupees	Rupees	Rupees	Rupees
Major product lines:				
- Made-to-order packaging products	4,818,649,969	3,487,606,836	1,661,191,586	1,265,934,691
- Standard packaging products	406,475,257	454,703,026	123,022,411	165,195,642
	5,225,125,226	3,942,309,862	1,784,213,997	1,431,130,333
Timing of revenue recognition:				
- Products transferred over time	4,818,649,969	3,487,606,836	1,661,191,586	1,265,934,691
- Products transferred at a point in time	406,475,257	454,703,026	123,022,411	165,195,642
	5,225,125,226	3,942,309,862	1,784,213,997	1,431,130,333

14.2 This includes unbilled revenue amounting to Rs. 72.51 million (31 March 2020: Rs. 92.33 million).

14.3 Performance obligation

The performance obligation in case of sale of standard products is satisfied at a point in time when the goods are delivered to the customer and for made to order products is satisfied over the time. The Group makes sales against advances as well as on credit terms. In case of credit sales, payment is generally due within 7 to 365 days from delivery.

	Nine months period ended		Three months period ended	
	(Un-audited)		(Un-audited)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Rupees	Rupees	Rupees	Rupees
15 COST OF REVENUE				
Raw materials consumed	3,873,955,445	2,912,310,476	1,311,275,767	1,048,914,084
Salaries, wages and other benefits	209,745,286	166,670,671	72,948,405	57,715,528
Fuel and power	170,911,388	170,625,212	57,921,960	56,358,832
Depreciation of operating fixed assets	106,375,201	100,444,719	36,011,432	34,055,626
Production supplies	89,277,777	67,963,727	31,672,436	21,550,865
Repairs and maintenance	49,481,428	27,460,747	9,964,662	9,021,500
Travelling and conveyance	17,063,777	19,185,482	5,316,257	7,435,489
Packing material consumed	16,722,284	12,681,173	6,138,008	4,510,126
Insurance	5,050,177	3,949,834	1,655,430	(393,334)
Vehicle running expenses	3,452,922	3,035,738	1,346,327	1,547,475
Carriage inward expenses	2,448,528	2,295,919	879,800	994,891
Depreciation of right of use asset	1,385,409	1,933,313	426,670	713,992
Communication expenses	1,079,966	745,682	294,194	317,180
Rent	820,477	997,833	171,800	376,814
Printing and stationery	784,678	462,542	392,363	162,025
Others	8,457,716	12,809,045	2,982,373	2,961,543
Cost of goods manufactured	4,557,012,459	3,503,572,113	1,539,397,884	1,246,242,636
Opening stock of finished goods	11,727,881	16,264,405	16,050,550	10,257,031
Closing stock of finished goods	(17,747,622)	(2,512,412)	(17,747,622)	(2,512,412)
	(6,019,741)	13,751,993	(1,697,072)	7,744,619
	4,550,992,718	3,517,324,106	1,537,700,812	1,253,987,255
16 TAXATION				
Current tax	641,152	37,047,857	-	12,695,694
Deferred tax expense / (income)	87,486,222	(113,226,097)	39,839,125	2,960,119
	88,127,374	(76,178,240)	39,839,125	15,655,813

17 EARNINGS PER SHARE - BASIC AND DILUTED

Basic and diluted earnings per share are same because the Company has not issued any convertible bonds, convertible preference shares, options, warrants or employee share options. Thus, earnings per share of the Company are as follows:

		Nine months period ended		Three months period ended	
		(Un-audited)		(Un-audited)	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Profit attributable to owners of the Company	Rupees	232,438,695	192,718,256	90,340,273	35,786,688
Weighted-average number of ordinary shares	Number	141,900,000	141,900,000	141,900,000	141,900,000
Basic earnings per share	Rupees	1.64	1.36	0.64	0.25

18 CASH AND CASH EQUIVALENTS

	(Un-audited)	
	31 March 2021	31 March 2020
	Rupees	Rupees
Short term investment	489,593,000	500,000,000
Cash and bank balances	357,889,207	229,626,724
Running finance	(209,659,214)	(327,775,373)
	637,822,993	401,851,351

		(Un-audited)	
		31 March 2021	31 March 2020
		Rupees	Rupees
19 CASH GENERATED FROM / (USED IN) OPERATIONS			
Profit before taxation		308,384,501	116,294,002
Adjustments to reconcile profit before tax to net cash flows:			
Depreciation of operating fixed assets		109,498,865	111,214,731
Finance costs		83,583,223	178,920,306
Provision for Worker's Profit Participation Fund		18,803,844	7,959,955
Provision for gratuity		13,565,007	13,564,995
Depreciation of right of use assets		8,559,977	-
Provision for Worker's Welfare Fund		7,205,553	2,578,948
Interest income on loans		(8,856,342)	(12,787,409)
Grant income		(1,921,575)	-
Profit on bank deposits		(41,339,931)	(82,674,033)
Amortization of intangible assets		362,586	1,063,272
Allowance for expected credit losses		27,636,461	-
Loss on disposal of operating fixed asset		75,936	-
Exchange gain unrealized		(6,730,340)	(1,917,406)
Provision for accumulating compensated absences		2,179,881	2,179,874
Cashflow before working capital changes		521,007,646	336,397,235
Effect on cash flow due to working capital changes:			
Decrease / (increase) in current assets:			
Stores and spare parts		(12,737,036)	(4,363,807)
Stock-in-trade		(42,965,128)	95,170,818
Trade debts		(248,346,053)	(53,077,536)
Contract assets		8,372,930	(43,729,479)
Advances, deposits, prepayments and other receivables		(100,670,725)	36,977,465
		(396,346,012)	30,977,461
Increase / (decrease) in current liabilities:			
Contract liabilities		2,239,794	8,031,300
Trade and other payables		235,745,164	(107,765,938)
		237,984,958	(99,734,638)
Net working capital changes		(158,361,054)	(68,757,177)
		362,646,592	267,640,058

20 TRANSACTIONS WITH RELATED PARTIES

The related parties include the associated undertaking, key management personnel and their associates. The Group in the normal course of business carries out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated condensed interim financial statements are as follows:

		Nine months period ended (Un-audited)		Three months period ended (Un-audited)	
Name of related party and relationship	Nature of transaction	31 March 2021	31 March 2020	31 March 2021	31 March 2020
		Rupees	Rupees	Rupees	Rupees
Roshan Enterprises - Common directorship	Sales	11,175,149	12,417,350	5,992,608	9,373,137
	Mark-up	8,856,342	12,787,409	3,204,844	4,684,938
Director and Chief Executive	Salary and other benefits	36,234,696	33,930,000	11,329,698	11,310,000

21 FINANCIAL RISK MANAGEMENT

21.1 Financial Risk Factors

The Group finances its operations through equity and borrowings with a view to maximize the return to the stakeholders. The Group is exposed to market risk, credit risk and liquidity risk. The Group's principal financial liabilities comprise trade and other payables, short term borrowings and long-term borrowings. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as long-term loan to associated undertaking, prepayments, deposits and other receivables, trade debts, profit accrued and cash and bank balances, which are directly related to operations.

The Board of Directors has the overall responsibility for the establishment and oversight of Group's risk management framework. The Board is also responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to react to changes in market conditions and the Group's activities.

There is no change in the Group's objectives, policies, procedures for measuring and managing the above risks including capital management risk, since the preceding financial year ended 30 June 2020.

21.2 Fair value of financial and non-financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group have measured its financial instruments at amortized cost and there is no significant change in the status of measurement set out in note 45 to the Group's consolidated financial statements for the year ended 30 June 2020.

22 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved and authorized for issue on April 27, 2021 by the Board of Directors of the Group.

23 GENERAL

23.1 Corresponding figures have been re-classified and re-arranged, wherever necessary, for the purpose of comparison and better presentation as per applicable financial reporting framework however, no significant rearrangements / re-classification have been made other than those disclosed in these consolidated condensed interim financial statements.

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



Chief Executive

Director

Chief Financial Officer